

TERN PLC

SOFTWARE AND COMPUTER SERVICES

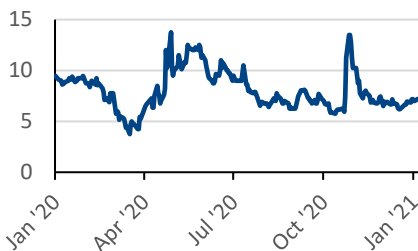
12 January 2021

TERN.L

7.2p

Market Cap: £21.7m

SHARE PRICE (p)



12m high/low

13.8p/3.8p

Source: LSE Data

KEY DATA

Net (Debt)/Cash	£0.8m (at 30/06/20)
Enterprise value	£20.9m
Index/market	AIM
Next news	Finals, May 2021
Shares in Issue (m)	301.0
Chairman	Ian Ritchie
Chief Executive	Albert E Sisto
Finance Director	Sarah Payne

COMPANY DESCRIPTION

Tern predominantly invests in software companies, with proven technology, based in the UK but with global ambition.

www.ternplc.com

TERN PLC IS A RESEARCH CLIENT OF PROGRESSIVE

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Strong business momentum across portfolio

Real progress towards significant value generation

Tern has provided an update on the recent activities of its principal portfolio companies, highlighting an acceleration in business momentum across all companies during the fourth quarter of 2020, which is seen to be continuing into 2021. Tern's board sees portfolio companies demonstrating real progress towards its goal of generating significant value for Tern's shareholders, not just in trading performance but, more importantly, increasing the number of critical proof points of their business concepts. This is particularly important in realising Tern's goal of unlocking value through third-party investment, especially from US venture capital firms.

- **Device Authority** made a strong finish to 2020, closing five key orders in its primary sectors and Q4 2020 represented its strongest ever trading quarter. Three of these orders resulted from the Microsoft and Wipro partner channels, indicating that this strategy is starting to deliver the intended customer outcomes. As a result, Device Authority expects this channel momentum for KeyScaler to continue in 2021.
- **Wyld Networks and Wyld Technologies** are consolidating into a more traditional business structure, which is seeing positive momentum continue with the signing of Alliance Corporation to market Wyld Connect in North America, in addition to Ascom marketing the Wyld portfolio.
- **Fundamental VR** announced three major contract wins with a combined value of £1.7m in Q4 2020 – two significant follow-on orders from existing customers and a 3-year contract with a new medical industry client.
- **InVMA** finished 2020 strongly, achieving significant contract wins with both existing and new customers in the fourth quarter, despite the challenges COVID-19 imposed on the industrial IoT sector.
- **Talking Medicines** has doubled the size of its team through senior tech hires since Terns invested in November 2020 and is focused on the launch of its new SAAS data platform to pharmaceutical companies in Q1 2021.

Tern CEO Al Sisto highlights the increased breadth of Tern's portfolio of IoT-focused businesses, at various stages of maturity, with businesses achieving synergies from being part of the Tern ecosystem. He expects underlying portfolio value to continue to increase significantly in 2021, with this being reflected in syndicated expansion capital funding rounds during the year.

FYE DEC (€M) 2016 2017 2018E 2019E 2020E



FUNDAMENTALVR



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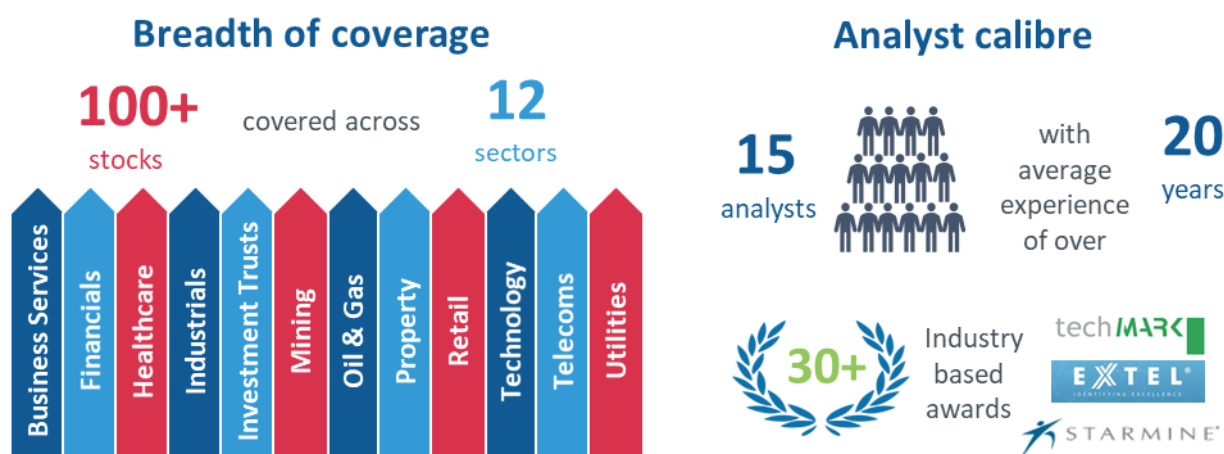
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