

# TERN PLC

## SOFTWARE AND COMPUTER SERVICES

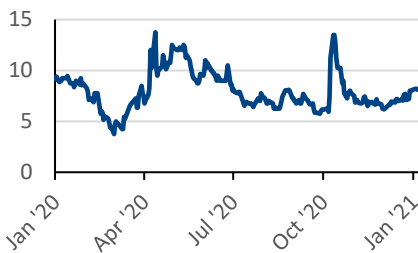
28 January 2021

### TERN.L

8.1p

Market Cap: £26.8m

#### 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	£26m
Index/market	AIM
Next news	Finals, May 2021
Shares in Issue (m)	330.3
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](http://www.ternplc.com)

TERN PLC IS A RESEARCH CLIENT OF PROGRESSIVE

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## Wyld Networks completes £750k fundraise

### 2.7x uplift in the value of Tern's investment to £4.1m

Tern's portfolio company Wyld Networks has completed a £750k fundraise, primarily from a third-party institutional investor, at a significant valuation uplift from the previous book value of Tern's holding. At the same time, Wyld Networks' capital structure has been simplified, with all outstanding convertible loan notes held by Tern and the third-party investor converted into Wyld Networks equity. As a result, Tern's holding in Wyld Networks equity has decreased from 96.7% to 78.7%, while the book value of its holding has increased to £4.1m at the fund raise valuation, representing a 2.7x uplift to the c £1.5m that Tern has invested in Wyld Networks to date.

- **£750k fundraise at substantial valuation uplift** – £600k was raised from the same third-party institutional investor that subscribed for £400k of Wyld Networks convertible loan notes in May 2020, while £150k was invested by Tern. The fundraise price values Wyld Networks at £5.2m, delivering a 2.7x uplift on Tern's investment to date, which clearly reflects the significant recent progress made by Wyld Networks.
- **Wyld Networks opportunity** – Wyld Networks provides secure, intelligent and scalable mobile mesh networks and Low Power Wide Area Network (LPWAN) software and modules connecting both smartphones and IoT devices together without the need for WiFi or cellular networks. Its involvement in this 'communication at distance' market has been a major focus recently as a number of relevant industries mature.
- **Continuing positive momentum** – Wyld Networks has recently signed a contract with Wezen Group in Latin America as a partner for its Wyld Connect Satellite IoT solution. This follows a contract with Alliance Corporation to market Wyld Connect in North America, while Ascom plans to launch Wyld Mesh and Wyld Connect into the enterprise market, following the recent launch of its healthcare solution for care homes.

In our view, this fundraising with a third-party investor investing new capital at a substantial valuation uplift serves as a clear validation of Tern's business model, as well as the success of its investment in Wyld Networks. It also provides further evidence of the maturing and growing diversification of Tern's portfolio, following the addition of Talking Medicines in November 2020. Given the timing of this announcement, we expect that the valuation uplift will be reflected in Tern's 2020 accounts, due for release in May 2021.

#### INVESTEE COMPANIES



FUNDAMENTALVR



## Disclaimers and Disclosures

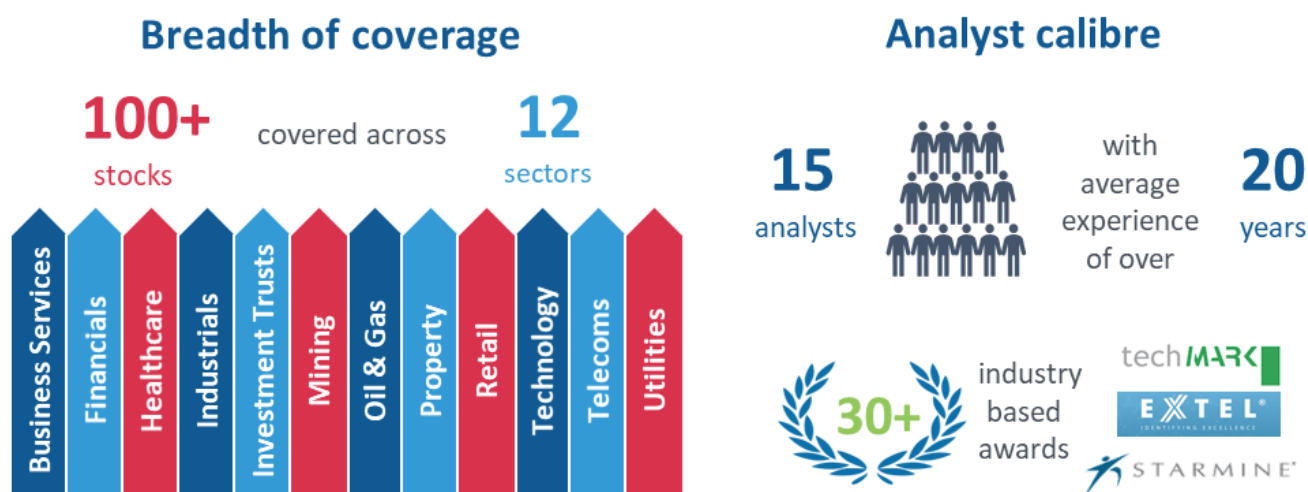
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