

TERN PLC

SOFTWARE AND COMPUTER SERVICES

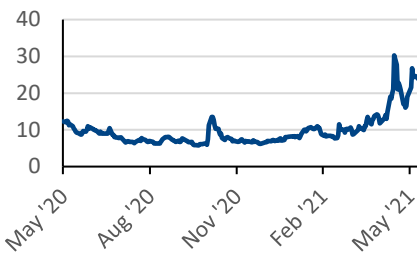
9 June 2021

TERN.L

24p

Market Cap: £79.3m

SHARE PRICE (p)



12m high/low 30.3p/5.8p

Source: LSE Data

KEY DATA

Net (Debt)/Cash	£2.1m (at 31/12/20)
Enterprise value	£77.2m
Index/market	AIM
Next news	Interims, Sept 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

TERN PLC IS A RESEARCH CLIENT OF PROGRESSIVE

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Milestone achievement – £8m investee IPO

Tern has announced the proposed IPO and admission to the NASDAQ First North Growth Market in Stockholm of its portfolio company Wyld Networks (Wyld), with a likely market capitalisation of £8m. The announcement demonstrates the success of the Group's investment strategy, delivering value from the portfolio even with the backdrop of COVID-19. At the current offering price, there is a small uplift to Tern's book valuation of Wyld. The IPO allows Wyld to remain a core part of Tern's portfolio whilst reducing dependence on Tern for future funding. Shareholders of Tern will continue to have exposure to Wyld, as it benefits from improved liquidity, access to finance, increased brand recognition and, geographical reach.

- **Access to new investors** driven by Wyld's CEO Alastair Williamson, having listed his previous company Ranplan Group on NASDAQ First North in 2018. Wyld gathers data from remote locations via satellite or creates localised wireless networks. These are both material growth markets, in which the Swedish market has significant knowledge and expertise. The IPO will provide a public valuation and liquidity for Wyld's shares. In our view, Wyld will also gain access to the established satellite and communications infrastructure in the Nordic region. Tern will maintain its majority shareholding with a c60% stake in the company, reduced from 78.7%, and will benefit from any future share price growth.
- **Removal of dependence on Tern for future funding** The listing will provide Wyld with the ability to raise additional funds for expansion. In connection with the IPO, there is a proposed fundraising of SEK 25 million (approximately £2.1m) with TERN investing approximately £300k; this suggests strong third-party shareholder support for Wyld.
- **There will be an uplift to the book valuation** of Tern's holding in Wyld. Following the IPO, and the additional £0.3m invested, Tern's investment in Wyld will be valued at £4.7m at the current offering price, representing a beneficial uplift on the recent valuation of £4.1m in January 2021.

This IPO forms part of Tern's strong focus on maximising shareholder value and in our view is a positive signal of success. We expect significant developments for Wyld in 2021 as it increases market share in areas such as Latin and North America and grows new product offerings such as its care home solutions. We also look forward to news flow from Tern on the progress of the other portfolio companies during 2021, as it continues to build its position as a leading investment company in the IoT sector.

INVESTEE COMPANIES



FUNDAMENTAL VR



Disclaimers and Disclosures

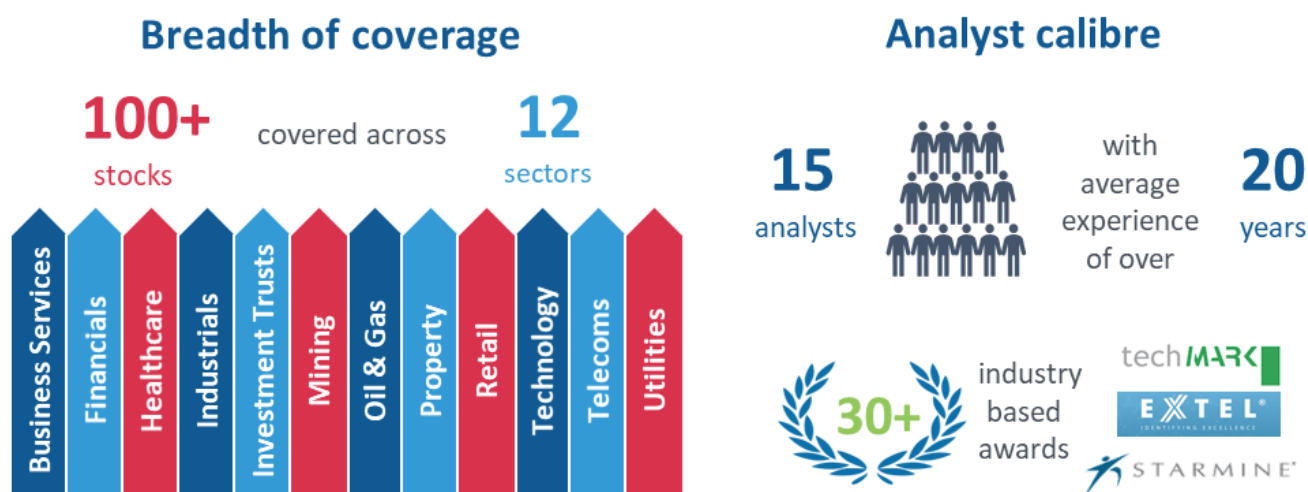
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