

TERN PLC

SOFTWARE AND COMPUTER SERVICES

11 February 2022

TERN.L

11.3p

Market Cap: £39.6m

SHARE PRICE (p)



12m high/low 30.3p/7.7p

Source: LSE Data (priced as at prior close)

KEY DATA

Net (Debt)/Cash	£0.4m (at 30/06/21)
Enterprise value	£39.2m
Index/market	AIM
Next news	Full Year, March '22
Shares in Issue (m)	351.6
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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Positive portfolio update

Tern has announced an update on its portfolio. The update follows recent successful fundraises that are already starting to bear fruit in terms of growing monthly recurring revenues, a key metric used in exit valuations. This should in turn maximise shareholder value, with Tern constantly evaluating the appropriate time to divest investees rather than focusing on a set timeframe. In late 2021, Tern introduced an important strategic investor, Venafi, to Device Authority and undertook a value-enhancing funding round for Konektio (previously InVMA) at a 44% uplift, followed in February 2022 by a further funding round for Talking Medicines at a 62% uplift. Tern's investment in Wyld Networks has more than doubled since Wyld's IPO in July 2021, providing access to capital and an exit strategy over time. Today's announcement highlights further significant progress across the portfolio and new contract wins. We look forward to further positive announcements in due course.

- **Device Authority** has continued its positive business momentum, growing its indirect channel and adding distribution deals. It remains focused on growing its monthly recurring revenues through its subscription base and its modularised licence platform, KeyScaler®. In January 2022 it entered into a partnership with Trusted Objects, a leading player in cybersecurity technologies to integrate with KeyScaler®.
- **FundamentalVR** points to good ongoing win rates, including: a £0.6m contract in the interventional medicine area; a £1m contract in the Robotics Assisted Surgical Systems sector; and a £0.3m contract from a new client to create a virtual education facility. Some 60% of revenues in recent months have been from new customers, with 40% being repeat.
- **Wyld Networks** has continued to perform strongly and is reaping the benefits of its own IPO on the NASDAQ First North Growth Market in July 2021. The business is seeing ongoing purchase orders and further commercial traction, including entering into a connectivity partnership with Eutelsat Communications, Senet Inc and TrakAssure.
- **Konektio (formerly trading as InVMA)** points to the arrival of Dr Ron Black, former CEO of Imagination Technologies, as its new Non-Executive Chairman. It is seeing strong sales growth for the core AssetMinder® software platform, used in industrial and other settings.
- **Talking Medicines**, the newest member of the portfolio, is focusing on expanding the subscription base for PatientMetRx®, including in the US via its recently established office in New Jersey.

INVESTEE COMPANIES



FUNDAMENTALVR

Wyld Networks

KONEKTIO



Source: Company Information

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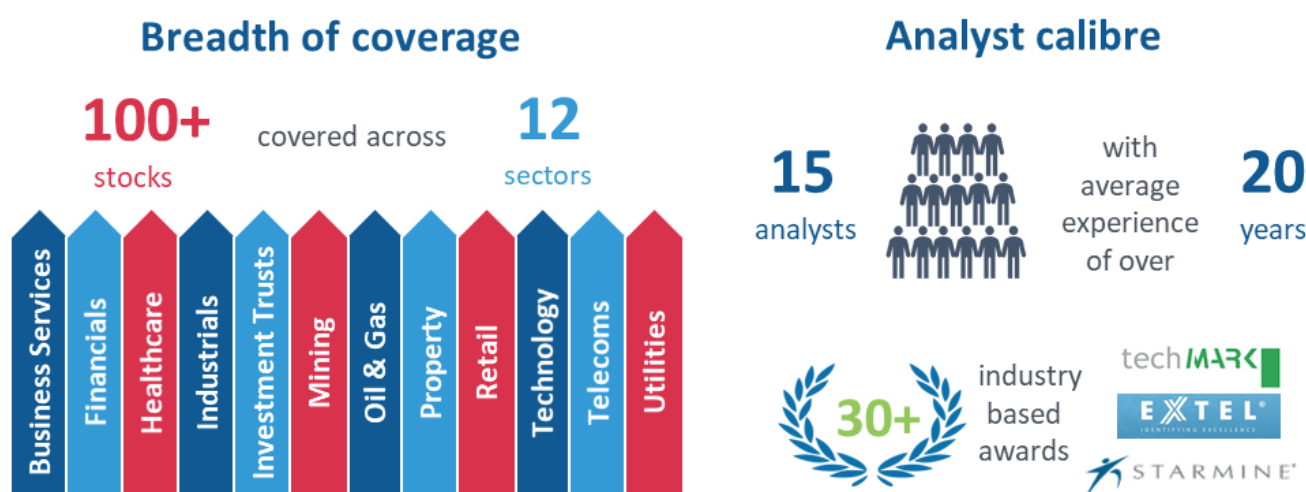
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