

TERN

SOFTWARE AND COMPUTER SERVICES

2 April 2024

TERN.L

2.55p

Market Cap: £10.4m

SHARE PRICE (p)



12m high/low

8.5p/1.7p

Source: LSE Data (priced as at prior close)

KEY DATA

Net (debt)/cash	£0.7m (at 30/06/23)
Enterprise value	£9.7m
Index/market	AIM
Next news	Finals, May
Shares in issue (m)	409.7
Chairman	Ian Ritchie
CEO	Albert E Sisto
CFO	Colin Nunn

COMPANY DESCRIPTION

Tern operates a hybrid venture capital model, providing access to disruptive IoT start-ups with proven technology.

www.ternplc.com

TERN IS A RESEARCH CLIENT OF PROGRESSIVE

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Core portfolio thriving

Tern hosted an investor presentation and Q&A session on 26 March. Each of the four presentations from the portfolio companies highlighted increased commercial traction, with configuration work turning to repeat licencing through the SaaS models, a growing high-profile customer base and important strategic partnerships. The presentations reinforced the chairman's statement that Tern has created, and continues to support, a portfolio of businesses where 80% are not just surviving but thriving, compared with the industry venture capital norm of a 40% success rate. Operating costs have been cut by 40% but Tern remains focused on supporting the companies to grow, which ultimately should create significant shareholder value when there is a liquidity event.

- Highlights.** Device Authority and FundamentalVR are syndicated with significant (c.\$10m) growth capital VCs. Talking Medicines is well established in a category of artificial intelligence (AI) that is achieving 50x revenue multiples (as we discuss overleaf). Wyld is well on the way to breakeven in a growing market with an estimated TAM of \$4.3bn. Tern has already achieved an exit with Wyld, following the IPO in 2021, and is set to benefit from the public market valuation as Wyld enters its revenue phase.
- Tern offers UK investors a unique proposition.** As an AIM-listed hybrid VC, Tern provides its shareholders with a diversified way to gain exposure to IoT-related assets. Independent third-party partners have recently been secured, de-risking the business, and we expect the continued annual recurring revenue (ARR) growth to drive additional strategic interest this year as businesses enter the next phase of growth.
- Third-party investments are critical proof-points that Tern's model is delivering.** Tern is positioned at the confluence of IoT, data and thereby AI, where we see multiple opportunities in the existing portfolio. Having strategic partners such as Ten Eleven highlights that Tern's portfolio is attracting 'intelligent growth funding' from partners with substantial experience and reach across the US, complementary to the Tern structure.
- Value creation.** In our view, pressure to realise cash through an exit is unfounded given the timeframe required to deliver maximum value to shareholders by preparing a business for harvest. Tern remains focused on the route of value creation from its hybrid VC model, with management seeking well-timed exits that maximise value 'when the market conditions are right'.

FYE DEC (£M)	2018	2019	2020	2021	2022
Revenue	0.1	0.1	0.2	0.1	0.1
Adj EBITDA	0.0	0.0	0.0	0.0	0.0
Fully Adj PBT	-0.3	-0.8	0.8	4.6	-10.4
Fully Adj EPS (p)	-0.1	-0.3	0.3	1.3	-2.9
Net asset value	16.8	18.9	24.0	32.4	24.9
NAV/share (p)	7.7	7.5	8.3	9.2	6.4
PER (x)	N/A	N/A	9.2x	1.9x	N/A

Source: Company Information and Progressive Equity Research estimates.

This publication should not be seen as an inducement under MiFID II regulations.

Please refer to important disclosures at the end of the document.

A hybrid VC model invested in sectors poised for exponential growth

The Tern model

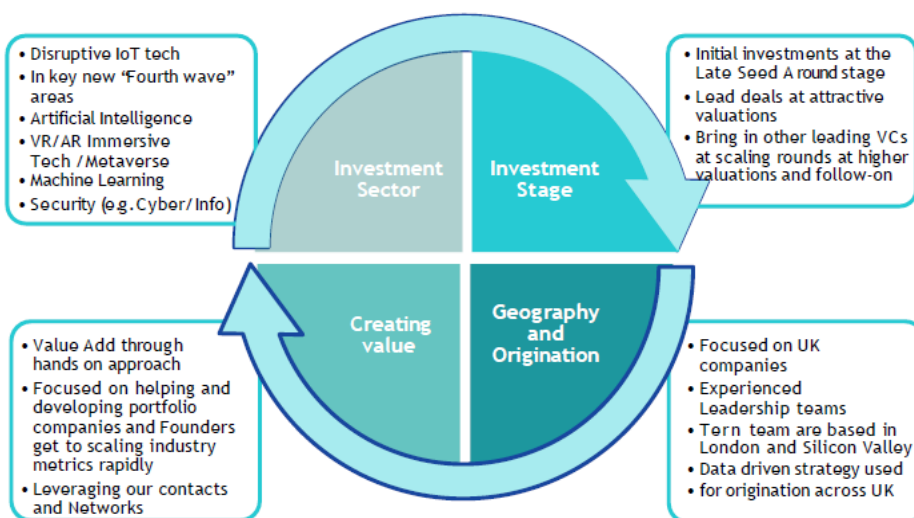
Tern PLC is an AIM-listed provider of venture capital to exciting Internet of Things (IoT) innovators, creating value through a hybrid VC model via access to disruptive start-ups not generally available to AIM investors. This model gives all shareholders the opportunity to act as Limited Partners (LPs), akin to the capital call model in a traditional VC fund.

Tern has built a portfolio of IoT businesses where we see multiple opportunities in sectors poised for exponential growth. We continue to look for significant value creation from Tern’s hybrid VC model, with management seeking well-timed exits that maximise value as business are prepared for harvest.

Unlike in the traditional VC model, Tern provides more than just funding; it proactively supports the growth of its portfolio companies, through its continued ‘hands on’ approach to new product strategy and development, which is even more critical as the businesses enter their revenue phases. The presentations from portfolio companies highlighted that organic delivery has been strong, with significant commercial traction and growing recurring revenues, a key metric in establishing value for a trade sale or IPO.

Tern Investment Strategy

Tern Investment Strategy



Source: Company, Progressive Equity Research

New structure in place

Tern recently implemented a new structure for its management and board. The result is an organisation shaped more like a ‘traditional’ asset manager, with an overseeing board of directors (comprising a mixture of non-executive and independent directors) and a management team tasked with the active day-to-day execution of the board’s strategy and supporting the portfolio of existing assets. This support will target additional fundraising rounds, and eventually a full or partial disposal (as has been the case with Wyld Networks). The group has been able to reduce costs by an estimated 40% under the new structure. The new management team structure is focused on delivering ‘material’ value from its current portfolio companies before considering any new investments.

The opportunity around IoT, data and AI

The Tern portfolio has been built up around IoT – generally connected devices or inter-related operations and assets. The four businesses presenting highlighted how they deploy AI, machine learning (ML), augmented reality/virtual reality (AR/VR), natural language processing (NLP), security, and communications products and services.

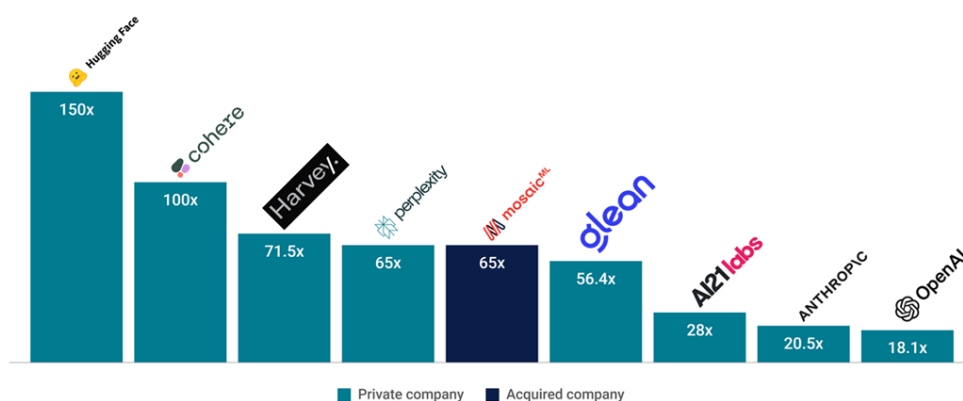
Data will become an even more valuable resource over time, in our view. IoT devices, assets and platforms create, store and analyse data already, and AI will provide an opportunity to achieve more. The most effective AI models are likely to be ‘bespoke’ or ‘curated’ models, trained specifically on relevant, owned and cleansed data. This will reduce errors, ensure the most useful and rapid results, and allow organisations to avoid reliance on the public internet or (worse) competitors.

Over the last few years, Tern has developed some of the most relevant companies in the markets that they are addressing. Tern proactively supports growth via its sector expertise and ability to introduce highly effective marketing, leveraging access to markets, suppliers and potential partners to help increase market share. The presentations showed how each of the businesses has made important technological advancements, recognised by industry pundits and awards, that will solve critical business and social problems. Such product accolades have been pivotal in elevating the awareness of the businesses in the market segments that they target, with each of the companies having footholds in key markets such as the US.

There has been a flood of capital to the generative AI space, and research by CB Insights highlights some generative AI start-ups have been achieving valuations more than 100x their forward-looking revenue, with Generative AI companies averaging around 50x.

Generative AI companies by revenue multiple

Generative AI companies by revenue multiple



Source: CB Insights. Data as of 3/22/2024. Figures represent valuation divided by forward-looking revenue (in the same year where applicable) based on media reports.



Source: CB Insights

Tern remains focused on driving the portfolio companies to the next level, helping them expand and grow from the early seed funding rounds into significant companies in their marketplace.



Device Authority

The KeyScaler platform, focused on automotive, medical and industrial sectors enabling ‘zero trust’ security for the IoT, has been selected by several major enterprises, including a leading automotive business. We see good potential for further vertical integration as it builds on its presence in other areas such as retail/logistics and government/critical infrastructure. We see strong demand driven by the recent White House Executive Order, which defines elements of the Software Bill of Materials (SBOM) to improve security.

Device Authority’s modularised licence platform KSaaS (KeyScaler software as a service) is built on Microsoft’s Azure Cloud and was awarded Rising Azure Technology 2023 Microsoft Partner of the Year. Device Authority has a strong presence in the UK, with a ‘go to market’ in the US and further offices in Bangalore.

Device Authority – Vendor agnostic

Foundational Technology for Zero Trust in IoT - Full Device Identity Lifecycle Management
Any Device, Any CA, Any Cloud Platform

Background	Team	Details	
<p>Device Authority is a UK Limited Company</p> <ul style="list-style-type: none"> Device Authority Inc., acquired April 2016 by London-based Private VC Launched KeyScaler 2018, 11 Patents KSaaS launched October 2022 	<p>30 strong team</p> <p>Locations:</p> <ul style="list-style-type: none"> Reading, UK Boston, US Bangalore, India 	<ul style="list-style-type: none"> Rich Ecosystem of Strategic Partners Recognized by independent analysts as leader in IoT device security and data encryption Proven success with top global companies in Automotive, Medical, & Industrial IoT sectors 	
Investors			

Source: Device Authority, Tern Plc

CEO Darren Antill conducted the company presentation and indicated that Device Authority has experienced material growth in its annual recurring revenues (ARR) from its subscription base and alluded to the tripling the ARR over the next year.

Strong strategic investors

In late December 2023, Device Authority received a US\$7m strategic investment from Ten Eleven, a global leader in cyber security with a strong foothold in automotive and medical devices. The next step to accelerate growth for KeyScaler is to expand the sales footprint, particularly in the US. Having Ten Eleven as a partner marks a significant milestone for Device Authority in this respect, attracting ‘intelligent growth funding’ from a partner with substantial experience and reach across the US, complementary to the Tern structure. Management indicated that, with the recent strategic investments, Device Authority is funded for the immediate future.

Ahead of the competition

Device Authority management also flagged strong evidence that customers that migrated to competitors such as Crypto Organique and KeyFactor have been returning, which we believe is due to KeyScaler being a 'one of a kind' product that manages device lifecycle agnostically.

KeyScaler's value goes beyond simply PKI Certificate Management, with constant innovation resulting in breakthrough capabilities like KeyScaler Edge, KeyScaler AI and Authorization Service Connector (enabling SBOM validation). DDKG (Patented IP) is unique and solves the problem of securing brownfield devices to meet Zero Trust.

Strong customer base

Device Authority has a strong customer base, with industry leaders in Cloud and PKI technologies looking to partner in order to solve Enterprise IoT business problems for their customers (Microsoft, Entrust, CyberArk, PTC).

Device Authority – Strong partnerships



1. **Microsoft** – Mobility and Manufacturing Industry team driving reference architecture for automotive/mobility security with Device Authority, CyberArk, and Argus Security.



CYBERARK

2. **CyberArk** – Finalizing our Secure Asset Transfer integration with the CyberArk PAM/PSM platform; Joint GTM planned, CyberArk will publish a solution brief to customer base; DA speaking on partner panel at CyberArk Impact in May.



ENTRUST

3. **Entrust** – Establishing a 3-pronged integration approach to create the business case for Cosell/ OEM arrangement: 1) PKIaaS with PQ support, 2) CodeSigning as a Service, and 3) Integration with C-level compliance dashboard for IoT visibility.



4. **Argus** – Working on integration to Linux-based automotive devices (e.g. ECU/TCU) for which Argus provides intrusion detection using their cloud VSOC/VSSEM. KeyScaler will secure V2C (vehicle to cloud) communications; introduced to first Argus customer - Idneo.



5. **VIPC** – Year 3 DHS funding imminent for PoC exercise at multiple Govt and Civilian Critical Infrastructure sectors:

- Capital One Arena – FEMA - Commonwealth (Virginia) Data Sharing



6. **PTC** – Continued discussions to expand on FujiFilm joint win. Working with Kepware product team on a GTM for their connected factory customer base.



7. **Venafi** – Customer referral at BRP opening further discussion with field sales team on GTM opportunities and Retail joint Targeted sector

Source: Device Authority, Tern Plc

We see continued positive momentum for Device Authority as it makes rapid progress in growing the revenue base through its modularised licence platform KeyScaler, having launched KSaaS in 2023.

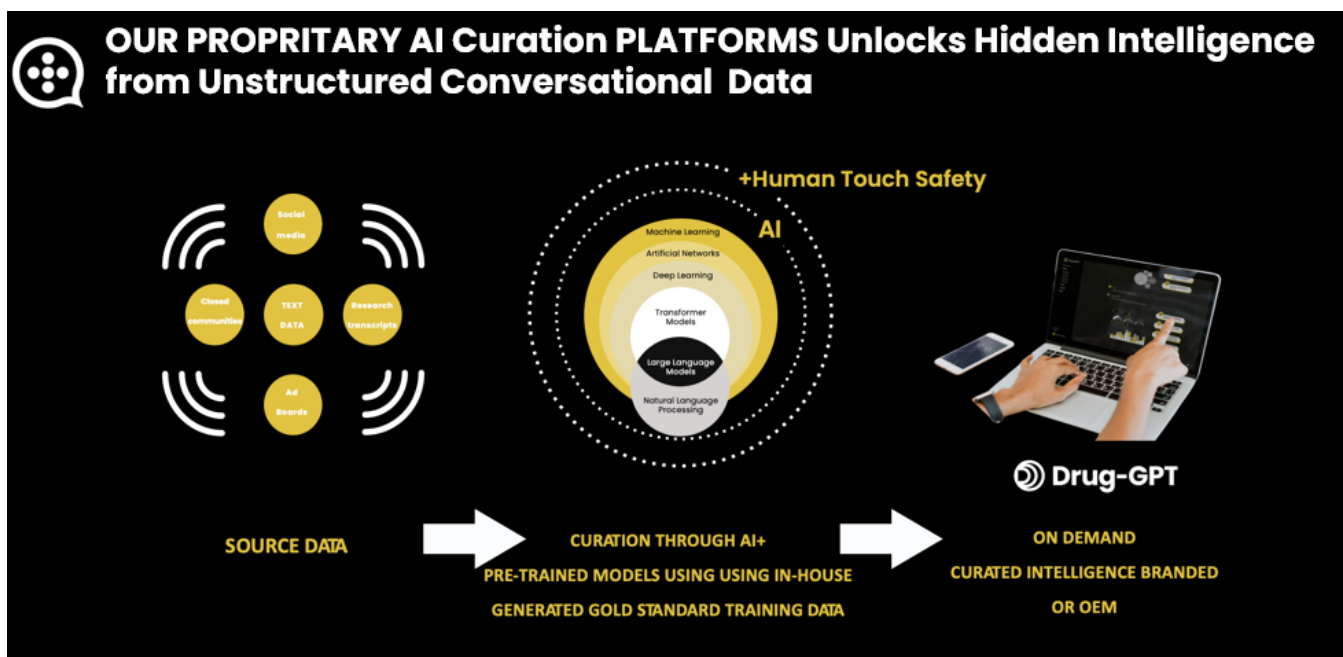
Talking Medicines

Talking Medicines is on a positive trajectory with significant momentum, and we see significant potential in the next phase of growth. Already at the forefront of AI, Talking Medicines is well placed to take advantage of Large Language Models (LLMs) following the media attention given to Open AI’s Chat GPT. This was highlighted with the recent launch of the company’s Drug-GPT, which stands apart as a specialised ‘Curated Large Language Model’.

Established AI player

Talking Medicines’ recent fundraise will provide capital for the next stage of development and continued expansion in the US. Talking Medicines is well established in a category of AI that is achieving 50x revenue multiples on average, as highlighted on page 3 of this note.

Talking Medicines – Drug-GPT



Source: Talking Medicines, Tern Plc

Expanding the subscription base

Talking Medicines is becoming a jewel in the crown in the Tern portfolio, gaining traction by using its curated-AI model to source feedback from patients, healthcare professionals and opinion leaders from conversational data. The subscription base is expanding for its SaaS on-demand product, with its Drug-GPT interface recently launched, a revolutionary ChatGPT counterpart specifically for the drug development industry.

High-profile customer base




In our view, Talking Medicines has evolved quickly to address the marketing-driven reality of US Big Pharma and has built relationships that could become very lucrative in short order. See our note *Talking Medicines...and revenue potential* for more details.

Talking Medicines is accelerating its 'land and expand' strategy, becoming the 'go to' AI partner for healthcare marketing agencies to extract conversational intelligence, leveraging the Drug-GPT interface. There is strong interest from leading healthcare agencies to big pharmaceuticals. Customers secured to date have a combined turnover of \$13bn in what Talking Medicines estimates is a \$30bn Total Addressable Market. We highlight below a real-world example of Drug-GPT being used by a leading provider of a unique physician-first online community (c.\$75m turnover), taken from a recent White Paper.

Talking Medicines – Drug-GPT in action

Bonus Insights: Just Ask Drug-GPT™
Powered by Talking Medicines

To supplement Sermo's Brand Pulse physician insights with a deeper view into physician and patient sentiment, Sermo partnered with [Talking Medicines](#), leveraging their Drug-GPT™ technology, here's what we found out:

<p>Patients</p> <ul style="list-style-type: none"> Semaglutide (Ozempic) is the only brand with higher awareness than the first line standard of care - metformin. Patients are not focused on the cost of the medication. <div style="display: flex; align-items: center;">  <div style="margin-left: 10px;"> <p>63% of patient conversations were positive</p> <p>36% of patient conversations were negative</p> <p>1% of patient conversations were mixed</p> </div> </div> <p><small>SOURCE Reddit (83%), diabetes.co.uk (9%), diabetesdaily.com (8%) Jul 2021-Jun 2023</small></p>	<p>Physicians</p> <ul style="list-style-type: none"> Conversation topics are more focused on coverage issues and weight loss benefits vs type 2 diabetes management However, physicians have a positive perception of these molecules in the treatment of type 2 diabetes <div style="display: flex; align-items: flex-start;"> <div style="margin-right: 10px;">  <p>Tirzepatide (Mounjaro) for the treatment of type 2 diabetes patients who are uncontrolled on oral treatment</p> <p>64% positive 36% negative</p> </div> <div style="margin-right: 10px;">  <p>Semaglutide (Ozempic) for the treatment of type 2 diabetes patients who are uncontrolled on oral treatment</p> <p>69% positive 31% negative</p> </div> </div>
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Source: Talking Medicines and Sermo <https://lp.sermo.com/brand-puls>

Commercial model

Within the presentation, Talking Medicines' CEO Jo Halliday outlined the revenue model, with an expected pipeline of \$4m for 2024:

- Subscription model to Drug-GPT interface or White Label OEM interface.
- Target 1: Healthcare marketing agencies – predominantly New York based. Top-100 agencies populated with holding companies and independents. Key buyer persona is chief strategist. Use is for pitches and retained strategic pharma clients.
- Target 2: Healthcare data communities (patients, HCPs) – looking to upsell first-party data to pharma clients and agencies through AI partnership.
- \$10K-20 per month aiming to move customers from first data order to subscription.

Becoming an 'AI partner of choice' supports Talking Medicines' significant revenue target for 2024, in our view.

FundamentalVR

FundamentalVR (FVR) provides a software simulation environment that allows surgeons' accuracy to be measured objectively for the first time. Social distancing and the reduction in elective surgeries as a result of Covid have accelerated the adoption of FVR's solutions.

FVR continued to build ARR during 2023 with its spatial technology/immersive VR providing practice/training for medical procedures, performed by clinicians using realistic simulations to learn and test functionality. The company has a healthy pipeline of customers and new client opportunities looking to deploy Fundamental Surgery, the surgical training platform that utilises its patented HapticVR technology to allow competency at scale, across multiple disciplines while being hardware agnostic.

FVR's CEO, Richard Vincent, shared a slide summarising the business and the high-profile investors already on board, notably EQT Life Sciences, the Mayo Clinic and Sana.

FVR – Summary

Background

Surgical VR innovation focus **since 2015**

Platform deployed to **30+ countries**

Patents:
3 issued
7 pending

Team

130 full-time employees & medical panel

USA
Boston

UK
London

#1 in Medical VR

INNOVATION INDEX

Investors:

Source: FVR, Tern Plc

The acceleration multiplier

FVR – Product in action

Your strategic partner for driving MedTech Commercial Success

The Acceleration Multiplier

for building Competency @ Scale

Source: FVR, Tern Plc

Large blue-chip customer base

Following a video of the product in action, Mr Vincent shared some of the existing customers of FVR, which included some large blue-chip names.

FVR – Business model

Business model



Long term recurring revenue:

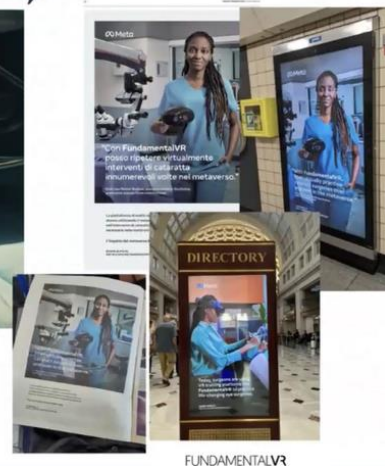
1. Annual license fee for platform access
2. Annual per-seat deployment fee

- Annual Recurring Revenue contract
- Rising ARR per simulation
- Expected avg sales/simulation volume per customer = 5

Source: FVR, Tern Plc

FVR is well established, having been operational for over nine years. It has significant traction and ‘stickiness’ with its clients. Meta is also showcasing FVR and its work with Orbis on eye surgery training.

FVR – Meta/Orbis showcase



Source: FVR, Tern Plc

FVR is the first of Tern’s portfolio companies to achieve a series B funding round, raising £7m in 2022. This was followed by an additional £5m tranche of the Series B in early Q3 22. These third-party investments reflect confidence in the underlying business, which is gaining commercial traction and becoming a technology leader, with configuration work translating into repeat licencing and SaaS models.

Wyld Networks

The Wyld Networks’ presentation by CEO Alistair Williamson reiterated the Wyld model: providing technology solutions that enable affordable connectivity, addressing the lack of mobile network coverage, targeting the 85% of the globe that has no or limited internet connectivity. The overall revenue model is similar to that of a mobile phone operator, selling sensor modules, IOT device terminals, its standalone Wyld Fusion SaaS platform and finally Wyld network data.

Wyld was floated on the NASDAQ First North Growth Market in Stockholm in 2021. The IPO has provided staged access to additional capital and a route to exit to maximise value for Tern shareholders.

Q4 2023 results

Wyld’s success following the commercial launch of its product in December 2022 continues apace. Post the Tern investor presentation, Wyld announced its Q4 results on 27 March, with FY23 revenue building to SEK6.3m. However, the outlook statement notes that customer acquisition is expected to accelerate in 2024, with a ramp-up in revenue following testing and manufacturing of Wyld’s satellite IoT products (which was a big Q4 focus).

Wyld has also announced the launch of Wyld Fusion, a terrestrial and Satellite IOT platform. This will increase recurring revenue for Wyld Data as IoT managers begin onboarding their sensors and optimise Wyld’s IoT device network across multiple satellite constellations.

Wyld Networks – Focus on Fusion

DEPLOYMENTS :

WYLD FUSION IS AVAILABLE IN THREE DISTINCT PACKAGES:

HOSTED LICENSE

- A hosted license involves Wyld Fusion being provided as a service (SaaS) and hosted on a server or infrastructure managed by Wyld Networks.
- Users access the software remotely over the Internet, and Wyld Networks are responsible for hosting, maintaining, and updating the software.
- This model involves a scalable subscription-based pricing structure where users pay for ongoing access to the hosted software with data fees based on volume.

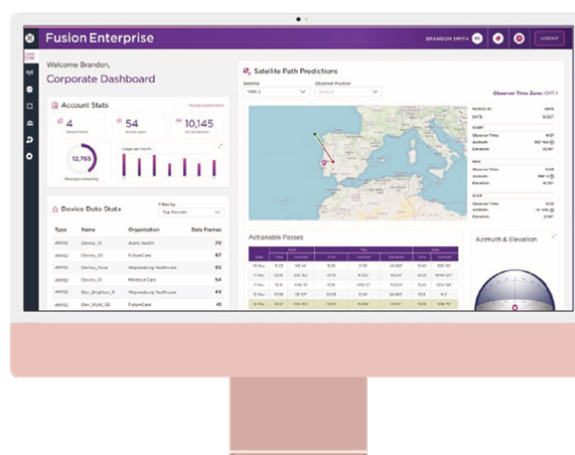
ENTERPRISE LICENSE

- The enterprise license is tailored for larger organizations or enterprises.
- It provides broader usage rights, allowing the organization to use the software across multiple users, departments and locations.
- Enterprise licenses offer additional features, scalability, and support to meet the specific needs of a large organization.

WHITE LABEL LICENSE

- Wyld’s white label license allows a company or individual to rebrand and sell or distribute Wyld Fusion as their own.
- Under Wyld’s white label agreement, the licensee (the entity receiving the license) can apply its branding, logo, and other customizations to the software, making it appear as if they developed or own the product.

Partner with Wyld Networks and unlock the full potential of your IoT data with Wyld Fusion. Contact us today to schedule a demonstration and take your business to new heights of innovation and efficiency.



“Partner with Wyld Networks and unlock the full potential of your IoT data”

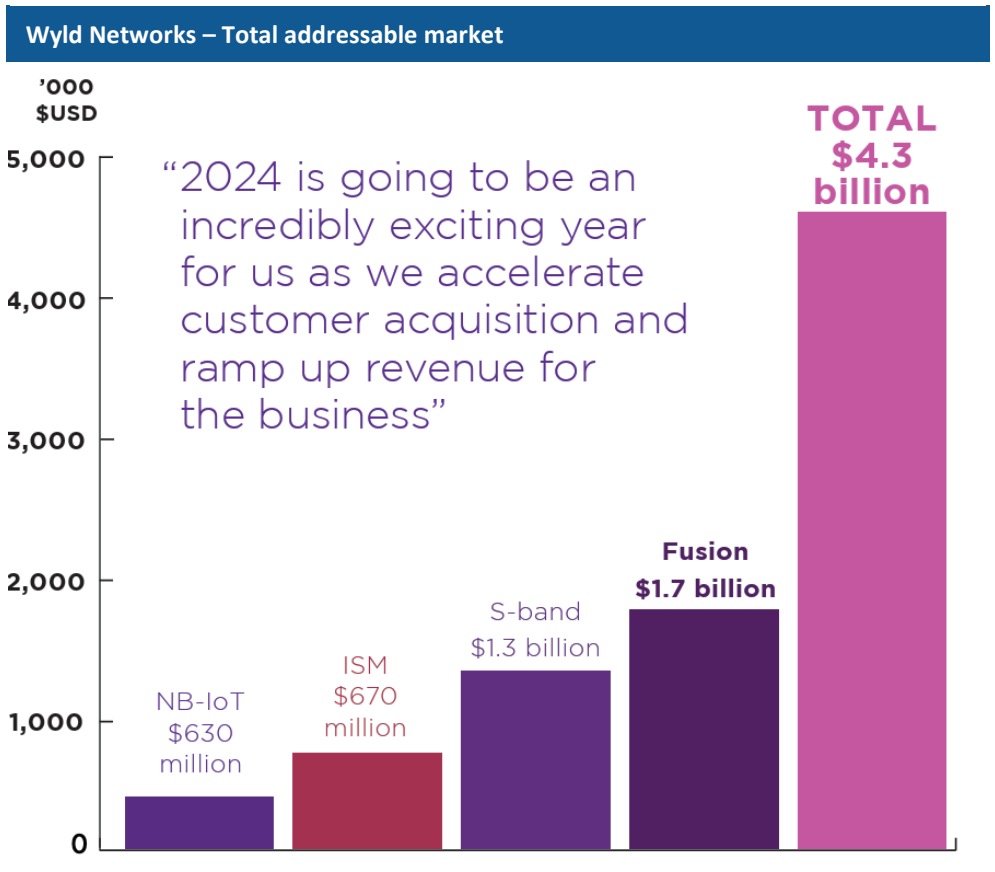
Source: Wyld Networks, Tern Plc

Wyld expands portfolio to include s-band IoT connectivity

On 4 August 2023, Wyld signed a potentially transformational deal with SpaceX to explore areas of collaboration, initially looking at remote connectivity in North, Central and South America. SpaceX offers connectivity for broadband through Starlink (the largest satellite constellation using a low Earth orbit) and for IoT through Swarm. Wyld is already in partnership with Eutelsat Communications, TrakAssure and Senet.

Wyld has expanded its existing product portfolio with a new terminal that supports LoRaWAN in S-band for IoT connectivity via satellite. This solution means that Wyld will be able to address new areas of use within market sectors such as energy and public utility services where customers have demands for increased bandwidth in combination with low power consumption. S-Band adds an estimated additional \$1.3bn to Wyld’s addressable market.

Wyld estimates its total addressable market, which includes ISM band, NB-IoT, S-band and Wyld Fusion, to be \$4.3bn.



Source: Wyld Networks, Tern Plc

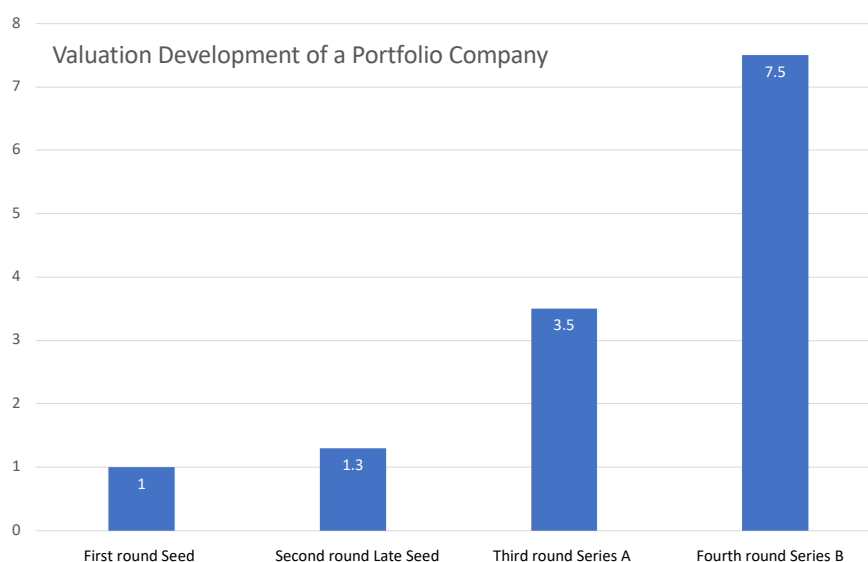
An early-stage investor positioned for larger returns on exit

Tern – timing and anticipation

As the early-stage investor, while not wanting to go beyond Series B, Tern still requires capital for growth. Tern’s seed and late seed, 'A' to 'B' round investment approach positions it well for larger returns on exit or acquisition after growth rounds 'C' and beyond.

Tern has also co-invested with leading private equity and VC investors, providing third-party validation of value and independent financing. A notable recent example is the strategic investment from Ten Eleven in Device Authority, which demonstrates that capital requirements are reducing as the businesses become attractive to third-party investors. And with the IPO of Wyld, Tern has achieved a public market valuation.

Example: equity valuation relative to when first invested



Source: Tern Plc, Progressive Equity Research

Conclusion

We remain optimistic about the outlook for Tern. Efforts to date have propelled the four key portfolio companies to become technology leaders, albeit with relatively limited funding. All four businesses are on a positive trajectory, with significant momentum. We see huge potential in the next phase of growth as portfolio companies work with investment partners to achieve additional recognition and scale.

The strategic importance of expanding sales operations is key to success, especially when competing with companies often backed by significant investment capital. Although Tern will where possible participate in fundraises to avoid dilution, its early entry at seed and seed plus allows it to retain a more substantial share. Tern’s investment proportion has been relatively small in the most recent rounds, demonstrating that the capital requirements are reducing as the businesses become attractive to third-party investors.

We recognise that Tern’s commitment extends beyond financial support as it negotiates the best deals for shareholders during engagements with new investors, with the end goal to facilitate successful exits for all shareholders in a timely and prudent manner.

Financial Summary: Tern

Year end: December (£m unless shown)

	2018	2019	2020	2021	2022
PROFIT & LOSS					
Revenue	0.1	0.1	0.2	0.1	0.1
Adj EBITDA	0.0	0.0	0.0	0.0	0.0
Adj EBIT	0.0	0.0	0.6	4.4	(10.5)
Reported PBT	(0.3)	(0.8)	0.8	4.6	(10.4)
Fully Adj PBT	(0.3)	(0.8)	0.8	4.6	(10.4)
NOPAT	(0.3)	(0.8)	0.8	4.6	(10.4)
Reported EPS (p)	(0.1)	(0.3)	0.3	1.3	(2.9)
Fully Adj EPS (p)	(0.1)	(0.3)	0.3	1.3	(2.9)
Dividend per share (p)	0.0	0.0	0.0	0.0	0.0
CASH FLOW & BALANCE SHEET					
Operating cash flow	(0.8)	(1.3)	(1.2)	(1.5)	(2.1)
Free Cash flow	(4.3)	(3.8)	(3.1)	(4.0)	(3.8)
FCF per share (p)	(2.0)	(1.5)	(1.0)	(1.2)	(1.1)
Acquisitions	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	0.0	0.0	0.0
Shares issued	5.9	2.9	4.2	3.8	2.8
Net cash flow	1.6	(0.9)	1.1	(0.2)	(1.0)
Overdrafts / borrowings	0.0	0.0	0.0	0.0	0.0
Cash & equivalents	1.9	1.0	2.1	2.0	0.9
Net (Debt)/Cash	1.9	1.0	2.1	2.0	0.9
NAV AND RETURNS					
Net asset value	16.8	18.9	24.0	32.4	24.9
NAV/share (p)	7.7	7.5	8.3	9.2	6.4
Net Tangible Asset Value	0.0	0.0	0.0	0.0	0.0
NTAV/share (p)	0.0	0.0	0.0	0.0	0.0
Average equity	13.7	17.8	21.5	28.2	28.6
Post-tax ROE (%)	(2.3%)	(4.4%)	3.7%	16.2%	(36.5%)
METRICS					
Revenue growth	N/A	17.6%	21.5%	(57.9%)	3.5%
Adj EBITDA growth		N/A	N/A	N/A	N/A
Adj EBIT growth		N/A	N/A	638.0%	(338.9%)
Adj PBT growth		149.8%	(203.0%)	469.5%	(328.2%)
Adj EPS growth		119.2%	(189.2%)	382.8%	(319.0%)
Net asset value growth	N/A	12.9%	26.9%	35.1%	(23.3%)
NAV/share growth	N/A	(2.7%)	10.0%	11.6%	(30.6%)
VALUATION					
EV/Sales (x)	91.8	78.1	64.3	152.8	147.6
EV/EBITDA (x)	N/A	N/A	N/A	N/A	N/A
EV/NOPAT (x)	N/A	N/A	12.1	2.1	N/A
PER (x)	N/A	N/A	9.2	1.9	N/A
Dividend yield	N/A	N/A	N/A	N/A	N/A
FCF yield	(77.8%)	(59.6%)	(41.2%)	(46.0%)	(41.4%)

Source: Company information and Progressive Equity Research estimates

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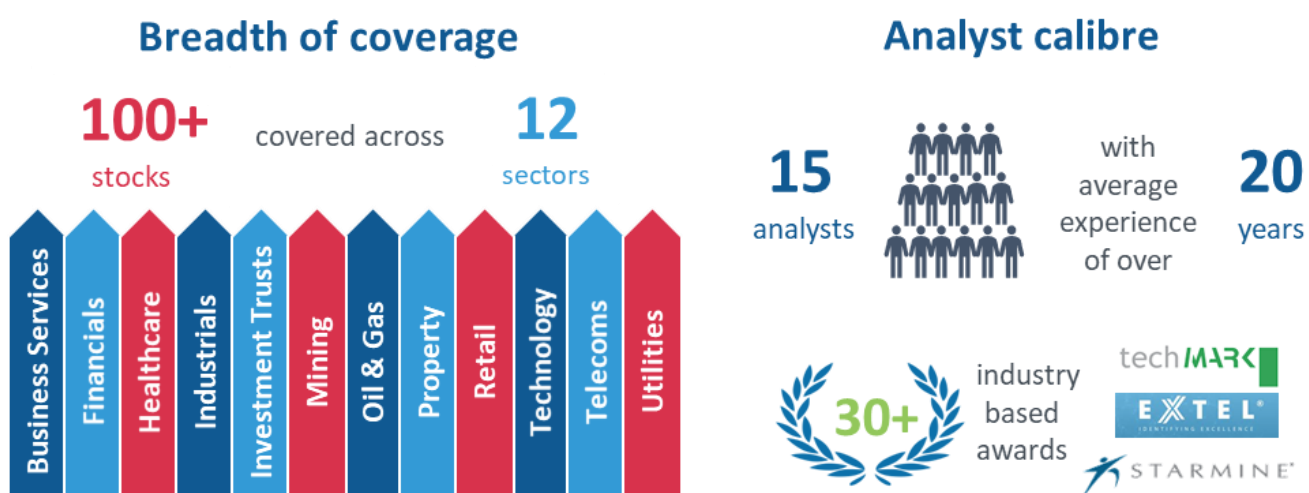
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