

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATIONS (EU) NO. 596/2014 WHICH FORMS PART OF DOMESTIC UK LAW PURSUANT TO THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("UK MAR").

15 January 2026

Tern Plc

("Tern" or the "Company")

Update regarding SVV2

Further to its announcement of 28 November 2025, Tern Plc, the AIM quoted investment company, provides the following update regarding the position with its capital commitment to Sure Valley Ventures Enterprise Capital Fund LP ("SVV2").

On 28 November 2025, Tern announced that, among other things, Tern had requested relief from its funding obligations to SVV2 and that the General Partner of SVV2 (the "General Partner") had confirmed that, under the terms of the SVV2 Limited Partnership Agreement ("LPA"), Tern would be classified as a 'defaulting investor'.

Tern has now been notified by the General Partner that Tern has ceased to be a limited partner in the SVV2 partnership and that the entire of Tern's interest in SVV2 has been transferred to other investors in SVV2 or otherwise forfeited. Tern has been informed that it is to receive substantially nil consideration, either now or at the end of the life of SVV2, in relation to this.

The General Partner has also stated that it considers Tern to owe default interest and costs, and additional legal costs amounting to a total of approximately £40,000. The General Partner has also stated that the LPA requires a defaulting investor to indemnify the partnership and the General Partner for losses arising as a consequence of a default, and has quantified its view on the aggregate amount in this respect in relation to the period between 28 November 2025 and 24 February 2032 as approximately £184,000, although at this stage Tern does not consider that it has had sufficient data to come to its own determination regarding the General Partner's view regarding this deemed amount.

Tern is in the process of taking legal advice in relation to all the above matters and will make further announcements as appropriate.

Enquiries

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