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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").

13 February 2026

Tern Plc

("Tern" or the "Company")

Open Offer at 0.40p per Open Offer Share to raise up to £384,408

Tern Plc (AIM:TERN), the company focused on value creation from Internet of Things ("IoT") technology businesses, announces an Open Offer to raise up to £384,408 (before expenses) through the issue of up to 96,101,957 Open Offer Shares at an Issue Price of 0.40p per Open Offer Share.

Under the Open Offer, all Qualifying Shareholders are entitled to subscribe for Open Offer Shares at the Issue Price on the basis of:

1 Open Offer Share for every 7 Ordinary Shares held on the Record Date.

The Issue Price of 0.40p per Open Offer Share represents a discount of 20 per cent. to the closing middle market price of 0.50p for each Ordinary Share on 12 February 2026 (the latest practicable date prior to this announcement).

The Open Offer is only conditional upon the admission of the Open Offer Shares to trading on AIM. It is expected that Admission will become effective and dealings in the Open Offer Shares will commence on 4 March 2026. The Open Offer is not underwritten.

The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission. The Open Offer Shares will be issued pursuant to the authority granted to the directors at the Annual General Meeting of the Company held on 30 June 2025.

The Open Offer is open for acceptance from now until 2 March 2026. Details of the Open Offer will be set out in a Circular to be sent to shareholders later today. The Circular sets out the reasons for and further details of the Open Offer, including its terms and conditions and risk factors.

Extracts from the Circular, including the Open Offer's Expected Timetable of principal events, are set out below in Appendix 1.

The above summary should be read in conjunction with the full text of this announcement and the Circular. Unless defined otherwise, capitalised terms used throughout this announcement shall have the meanings given to such terms in the Definitions section below. References to paragraphs below refer to the relevant paragraphs of the Circular and references to 'this Document' refer to the Circular. References to numbered 'Parts' below refer to the relevant parts of the Circular.

Your attention is drawn to the risk factors set out in Part II of the Circular. Details of the action to be taken if you wish to subscribe for Open Offer Shares are provided in Part III of the Circular.

The Circular will be posted to shareholders today and a copy of the Circular will be shortly available on the Company's website: <https://www.templc.com/investors>

Enquiries:

Tern Plc

via IFC Advisory

Jane McCracken (Interim Non-executive Chair)

Allenby Capital Limited

Tel: 0203 328 5656

(Nominated Adviser and Broker)

Alex Brearley / Ashur Joseph (Corporate Finance)

Kellv Gardiner (Sales and Corporate Broking)

IFC Advisory
(Financial PR and IR)
Tim Metcalfe
Graham Herring
Florence Staton

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Open Offer - Expected Timetable of principal events

Record Date for the Open Offer	6:00 p.m. on 12 February 2026
Announcement of the Open Offer	7:00 a.m. on 13 February 2026
Existing Ordinary Shares marked "ex" by the London Stock Exchange	13 February 2026
Posting of Circular and Application Form	13 February 2026
Posting of Notice of the Open Offer in the London Gazette	16 February 2026
Basic and Excess Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	16 February 2026
Recommended latest time for requesting withdrawal of Basic Entitlements and Excess Entitlements from CREST	4:30 p.m. on 24 February 2026
Latest time for depositing Basic Entitlements and/or Excess Entitlements into CREST	3:00 p.m. 25 February 2026
Latest time and date for splitting of Application Forms (to satisfy <i>bona fide</i> market claims only)	3:00 p.m. on 26 February 2026
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	11:00 a.m. on 2 March 2026
Expected date of announcement of results of the Open Offer	3 March 2026
Expected date for Admission and commencement of dealings of the Open Offer Shares	8:00 a.m. on 4 March 2026
Expected date for the Open Offer Shares to be credited to CREST stock accounts	4 March 2026
Latest date for dispatch of definitive share certificates for Open Offer Shares	18 March 2026

Notes:

- (i) References to times in this Document are to London time (unless otherwise stated).
- (ii) If any of the above times or dates should change, the revised times and/or dates will be notified by an announcement to an RIS.

Open Offer statistics

Issue Price	0.40 pence
Number of Existing Ordinary Shares in issue as at the date of this Document	672,713,705
Basis of the Open Offer	1 Open Offer Share for every 7 Existing Ordinary Shares held
Maximum number of Open Offer Shares to be issued pursuant to the Open Offer	96,101,957
Enlarged Share Capital immediately upon Admission of the Open Offer Shares*	768,815,662
Percentage of the Enlarged Share Capital represented by the Open Offer Shares*	12.50 per cent.
The gross proceeds from the Open Offer (approximately)*	£384,408
ISIN for Existing Ordinary Shares	GB00BFPMV798
ISIN for Basic Entitlements	GB00BSTS1V86

Notes:

* assumes full take up of the 96,101,957 Open Offer Shares

Please refer to Appendix 1 below for further information

Appendix 1

The following is an extract from the letter from the Chair set out in the Circular, substantially in the same form.

1. Introduction

The Company is proposing to raise up to approximately £384,408 pursuant to the Open Offer. The Open Offer is being made on a pre-emptive basis, allowing all Qualifying Shareholders the opportunity to participate by subscribing for Open Offer Shares at the Issue Price of 0.40 pence per Ordinary Share, *pro rata* to their holdings of Existing Ordinary Shares. The Open Offer is not underwritten.

The purpose of this Document is to set out the background to, and reasons for, the Open Offer and to provide Qualifying Shareholders with details of its terms and conditions.

2. Background to and reasons for the Open Offer

The focus of the Board and Tern's executive management remains on realisations and specifically seeking to maximise the value that can be realised from Tern's portfolio companies and investments through successful exits from its investments at the appropriate time, ultimately seeking strong returns for Shareholders.

The Board believes that while the global macroeconomic backdrop continues to be challenging for early-stage technology businesses, the Company's current direct portfolio companies, Device Authority Limited ("**Device Authority**"), FVRS Limited and Talking Medicines Limited, continue to make progress and the Board believes they are approaching the stage where it would be appropriate for Tern to exit the investments in due course. However, the potential shorter-term exit opportunities that have been presented to Tern have been limited and, if and when available, the Directors believe these are not likely to be in the best interests of Shareholders, being likely to be at a significant discount to the current carrying value of the relevant holding and the Directors' current expectations of the longer-term value of the holding.

Against this background, the Company has sought the views of Shareholders, including through the appointment of Robert (Rob) Stevens as an adviser to the Company on Shareholder relations, which has provided valuable insight and input regarding Shareholders' views on the Company's strategy.

It is clear to the Board that the view of a substantial amount of Shareholders is that Tern's corporate costs must be minimised in order to allow the largest possible proportion of the Company's limited capital resources to be deployed to seek to maximise the value achievable from Tern's direct portfolio companies. Therefore, to further reduce the Company's operational costs as far as practical, in Q4 2025 additional material cost reductions were implemented, together with seeking to align incentives with Shareholders. As announced on 9 October 2025, these included:

- **Fixed remuneration reduction: A 50% reduction** in the salaries for the two Directors and executive managers (from 1 November 2025), which is expected to save c.£153,000 on an annualised basis.
- **Performance-aligned remuneration policy:** The Board has adopted a remuneration policy whereby 12.5% of the net proceeds of any exit of the Company's investments will be allocated to the executive team and Board, being those directly responsible for the Company's capital allocation, strategy, and execution.
- **Shareholder distribution commitment:** The Board has committed that shareholders will receive a distribution or capital return of at least 50% of the net proceeds received by the Company from the exit of any individual investment over £1 million (subject to the Company having sufficient distributable reserves and no legal or regulatory impediment to undertaking such an action).

In parallel with cost cutting measures, as announced on 28 November 2025, the Company exited its funding obligation to Sure Valley Ventures Enterprise Capital Fund LP ("**SVV2**"), having sought relief from future capital calls. Under the terms of the SVV2 Limited Partnership Agreement ("**LPA**"), Tern has been classified as a 'defaulting investor'. Tern announced on 15 January 2026 that it been notified by the General Partner of SVV2 (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 was also 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 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 also stated to Tern 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 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 continues to consider that it has had insufficient data to come to its own determination regarding the General Partner's view regarding this deemed amount. Tern continues to take legal advice in relation to its position regarding SVV2. This step to not invest further in SVV2 was taken to protect Tern's balance

sheet and focus capital on its direct portfolio where the Directors believe Tern has the most influence and potential for value creation.

However, despite the cost reduction measures undertaken, as an AIM-quoted company, the Company still incurs material professional fees and costs, both associated with maintaining its status as a publicly traded company and with maintaining its portfolio, many of which are largely fixed.

Subject to audit, during the year ended 31 December 2025, approximately £1.0 million was used in the Company's operations and approximately £0.5 million was deployed within its existing portfolio, through equity and loan investments.

Venture financing has tightened, and syndicates now routinely link continuing investor participation to anti dilution or reset terms that can be punitive for non participants. Against this background, Tern's venture capital partners are increasingly seeking to use 'pay-to-play' structures which mean that if Tern cannot participate to the best extent that Tern's overall funding position will permit and on the required timeline, the Company's positions risk being severely diluted or possibly even eliminated, which would materially reduce the value previously built and any future exit proceeds available for distribution to shareholders.

The Board considers that a salient historic example of how quickly portfolio value can be impaired when capital is not available promptly was the Company's investment in InVMA Limited. In November 2023 the Company's non participation in a follow on funding round led to a transfer of 75% of Tern's holding into a valueless deferred share class, followed by InVMA Limited ultimately entering administration, resulting in the Company's holding being valued at zero thereafter.

In the absence of suitable exit opportunities, the Company therefore requires additional funding to: (i) maintain the Company's admission to AIM; (ii) potentially participate in future fundraisings that are likely to be conducted by Tern's direct portfolio companies; and (iii) seek to prevent or limit the consequent potentially significant reduction in the net asset value of the Company from Tern not participating in future fundraisings by Tern's direct portfolio companies.

The Company is therefore proposing the Open Offer, which if fully subscribed would utilise substantially all of the Director's current authority to allot Ordinary Shares without disapplying pre-emption rights, as an appropriate funding mechanism to provide a contribution to such funding needs and gives all Qualifying Shareholders the opportunity to back Tern on the same terms, pre emptively, and to subscribe for Excess Shares if available.

Depending on the overall level of uptake in the Open Offer, the proceeds of the Open Offer are intended to be used, in priority order, to:

1. Participate in an expected short-term convertible loan note fundraise by Device Authority Limited, where the Board believes such participation is crucial to seeking to preserve the value of Tern's holding in Device Authority, especially upon a future exit of this investment;
2. Maintain the costs of Company's admission to AIM and cover its corporate overheads; and
3. Participate, to the best extent that Tern's overall funding position will permit, in other 'pay-to-play' / follow on rounds that the Company's direct portfolio companies may perform in the future, to seek to defend and, where attractive and if possible, potentially enhance ownership and exit optionality in certain of these companies.

In order to meet all of Tern's stated funding objectives described above and ongoing working capital needs, in the absence of a material exit of a portfolio company holding or a material asset sale, it is anticipated that the Company will be required to raise further funds in addition to the net proceeds of the Open Offer within the next 12 months.

The Board unanimously believes the Open Offer is in the best interests of Shareholders. Your participation should make a contribution to helping protect existing value, preserving exit potential, and supporting Tern's direct portfolio companies, especially Device Authority, through capital intensive, pay-to-play phases, that could otherwise significantly impact the Company's equity positions and future returns for Shareholders, especially upon future exits. The Directors strongly encourage all Qualifying Shareholders to participate in the Open Offer.

Since the end of 2025, Tern has:

- i) received an unsecured loan of US 42,000 from a vehicle controlled by Al Sisto, the non-board CEO of Tern, which does not have a fixed repayment date and does not bear interest other than the *de minimus* repayment of costs, to provide the Company with flexibility in relation to its short-term capital needs; and
- ii) realised gross cash proceeds of approximately £20,000 from the sale of a minority part of its holding in Sure Ventures plc ("**Sure Ventures**") which is listed on the Specialist Fund Segment of the London Stock Exchange, following which Tern currently retains a holding of 177,050 shares in Sure Ventures.

Notwithstanding the above actions, the Company's working capital has become highly constrained and as at 6 February 2026 the Company's unaudited cash balance was approximately £24,000.

The Open Offer is not being underwritten. In order to cover the Company's short-term funding and working capital adequacy requirements, including the costs of maintaining the Company's Admission to AIM, the Company will likely be required to progress alternative funding solutions if it cannot manage its creditors over the short-term. This course of action will also be especially likely if the Open Offer is poorly subscribed.

The Company's current portfolio of investments had an unaudited value of approximately £9.8 million as at 30 June 2025, the substantial majority of which is invested in private companies, although the Company's holding in Sure Ventures, which is listed on the Specialist Fund Segment of the London Stock Exchange, had an unaudited value of approximately £115,000 at the closing bid price of the Sure Ventures shares on 12 February 2026, the last practical date prior to the publication of this Document.

Should funding be required on an urgent basis and in the absence of other funding options, as an investing company, the Board is confident that the Company would have several options within the portfolio to be able to conduct short-term asset disposals in order to provide capital to cover the Company's working capital needs for the coming months from the date of this Document. However, the Directors believe that if this had to be performed on an urgent basis, then it could only be achieved at a very substantial discount to the current carrying value of the relevant holdings and the Directors' current expectations of the longer-term value of these holdings. Therefore, the Directors believe such short-term asset disposals would not be in the best interests of Shareholders.

Other alternatives to meet the Company's short-term working capital and funding needs may include structures that utilise the Director's authority to allot Ordinary Shares that may remain if the Open Offer is not fully subscribed, or debt arrangements, which the Company has utilised from time to time historically. These alternatives may be more costly, more dilutive to Shareholders, or less certain in outcome. Shareholders are therefore strongly encouraged to consider the strategic importance of the Open Offer in supporting the costs of the Company's continuing Admission to AIM, financial health, asset value and medium to long-term portfolio prospects.

3. The Open Offer

The Company is proposing to raise up to approximately £384,408 pursuant to the Open Offer. The Issue Price of 0.40 pence per Open Offer Share represents a discount of 20 per cent. to the closing mid-price of 0.50 pence per Ordinary Share on 12 February 2026, the latest practicable date prior to announcing the Open Offer. The Open Offer is being made on a pre-emptive basis, allowing all Qualifying Shareholders the opportunity to participate.

The Open Offer provides Qualifying Shareholders with the opportunity to apply to acquire Open Offer Shares at the Issue Price *pro rata* to their holdings of Existing Ordinary Shares as at the Record Date on the following basis:

1 Open Offer Share for every 7 Existing Ordinary Shares held

Entitlements to apply to acquire Open Offer Shares will be rounded down to the nearest whole number and any fractional entitlement to Open Offer Shares will be aggregated under the Excess Application Facility.

Valid applications by Qualifying Shareholders will be satisfied in full up to their Basic Entitlements as shown on the Application Form. Applicants can apply for less or more than their entitlements under the Open Offer but the Company cannot guarantee that any application for Excess Shares under the Excess Application Facility will be satisfied as this will depend in part on the extent to which other Qualifying Shareholders apply for less than or more than their own Basic Entitlements. The Company may satisfy valid applications for Excess Shares of applicants in whole or in part but reserves the right not to satisfy any excess above any Basic Entitlement. Applications made under the Excess Application Facility will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility if applications are received from Qualifying Shareholders for more than the available number of Excess Shares.

Qualifying Shareholders who do not take up their Basic Entitlements in full will experience a dilution to their interests of approximately 12.50 per cent. following Admission (assuming full subscription under the Open Offer).

Qualifying Shareholders with fewer than 7 Existing Ordinary Shares will not be able to apply for Open Offer Shares.

The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

Conditions

The Open Offer is conditional, *inter alia*, upon the Admission of the Open Offer Shares becoming effective by not later than 8:00 a.m. on 4 March 2026 (or such later time and/or date as the Company may determine, being not later than the Long Stop Date).

If conditions are not satisfied and Admission does not occur by 8:00 a.m. on 4 March 2026 (or by 8:00 a.m. on the Long Stop Date), the Open Offer will not proceed and any applications made by Qualifying Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without payment of interest, as soon as practicable thereafter. Revocation of applications for Open Offer Shares cannot occur after dealings have begun.

Excess applications

The Open Offer is structured to allow Qualifying Shareholders to subscribe for Open Offer Shares at the Issue Price *pro rata* to their existing holdings of Ordinary Shares on the Record Date.

Qualifying Shareholders may also make applications in excess of their Basic Entitlements. To the extent that Basic Entitlements are not subscribed by Qualifying Shareholders, such Open Offer Shares will be available to satisfy such excess applications, subject always to a maximum of 96,101,957 Open Offer Shares in aggregate and provided that no Qualifying Shareholder shall be entitled to subscribe for Open Offer Shares if it would bring their aggregate interest in the share capital of the Company to more than the Aggregate Limit. To the extent that applications are received in respect of an aggregate of more than 96,101,957 Open Offer Shares and/or would result in a Qualifying Shareholder having an aggregate interest in the share capital of the Company which would exceed the Aggregate Limit, excess applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility.

The Open Offer will be made to Shareholders outside of the United Kingdom and EEA by means of a notice in the London Gazette, details of which are provided in paragraph 7 of Part III of this Document.

Qualifying Shareholders should note that the Open Offer is not a rights issue.

Qualifying non-CREST Shareholders should be aware that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should also be aware that, in the Open Offer, unlike in a rights issue, any entitlements to Open Offer Shares not applied for or not taken up will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer.

Settlement and dealings

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Open Offer Shares will commence at 8:00 a.m. on 4 March 2026. Further information in respect of settlement and dealings in the Open Offer Shares is set out in paragraph 9 of Part III of this Document.

Overseas Shareholders

Certain Overseas Shareholders may not be permitted to subscribe for Open Offer Shares pursuant to the Open Offer and should refer to paragraphs 6 and 7 of Part III of this Document. Persons who have a registered address in or who are located and/or resident in or are citizens of, in each case, a country other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to acquire or subscribe for any Open Offer Shares. The notice in the London Gazette referred to in paragraph 7 of Part III of this Document will state where an Application Form may be inspected or obtained. Any person with a registered address in or who are located in and/or resident in or are citizens of, in each case, a Restricted Jurisdiction who obtains a copy of this Document or an Application Form is required to disregard them, except with the consent of the Company.

CREST instructions

Application has been made for the Basic Entitlements and the Excess Entitlements for Qualifying CREST Shareholders to be admitted to CREST. It is expected that the Basic Entitlements and the Excess Entitlements will be enabled for settlement through the CREST system as soon as practicable on 16 February 2026. Applications through the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Qualifying non-CREST Shareholders will receive a personalised Application Form which gives details of their Basic Entitlement under the Open Offer (as shown by the number of the Open Offer Shares allocated to them) with this Document. If they wish to apply for Open Offer Shares under the Open Offer, they should complete the accompanying Application Form in accordance with the procedure for application set out in the Circular and on the Application Form itself. The completed Application Form, accompanied by full payment, should be returned by post or by hand (during normal business hours only) to Share Registrars Limited so as to arrive as soon as possible and in any event no later than 11:00 a.m. on 2 March 2026.

Qualifying CREST Shareholders, will receive no Application Form with the Circular but will receive a credit to their appropriate stock account in CREST in respect of their Basic Entitlement and if appropriate their Excess Entitlement. They should refer to the procedure for application set out in Part III of this Document. The relevant CREST instruction must have settled by no later than 11:00 a.m. on 2 March 2026.

The latest time for applications under the Open Offer to be received is 11:00 a.m. on 2 March 2026. The procedure for application and payment depends on whether, at the time at which application and payment is made, a Qualifying Shareholder has an Application Form in respect of their Basic Entitlement or have their Basic Entitlement credited to their stock account in CREST.

If you are in any doubt as to what action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

4. Directors' interests

The Directors intend to take their full entitlement under the Open Offer¹. The interests of the Directors in the Ordinary Shares (i) as at the date of this Document and (ii) immediately following the issue of the Open Offer Shares, are as shown below.

Directors	No. of Ordinary Shares currently held	% of Existing Ordinary Shares	No. of Ordinary Shares held on Admission¹	% of the Enlarged Share Capital
Jane McCracken	-	-	-	-
Iain Ross	1,613,332	0.24	1,843,808	0.24

Notes:

- 1 Assuming that the Directors take their full entitlement in the Open Offer, but do not receive any Excess Entitlement, and subject to the Directors not having any restrictions on taking up entitlements under the Open Offer under the Market Abuse Regulation or the AIM Rules.

5. DDMP and other participation in the Open Offer

5. **PDMR and other participation in the Open Offer**

Albert Sisto, the non-board CEO of Tern, a person discharging managerial responsibilities ("PDMR") intends to subscribe for Open Offer Shares in excess of his qualifying Basic Entitlement, taking into account Mr Sisto has a primary residency and tax status in the United States of America and as such only a proportion of his holding of Existing Ordinary Shares qualify for the purposes of the Open Offer. In addition, a vehicle controlled by Mr Sisto recently provided a non-interest bearing loan (other than the *de minimus* repayment of costs) which does not have a fixed repayment date to the Company of US 42,000 to provide the Company with additional flexibility in relation to its short-term capital needs and the Board has agreed that he may use the value of the loan as a contribution towards his subscription for Excess Entitlements, should they be available, rather than require it to be repaid.

Robert (Rob) Stevens, an adviser to the Company on shareholder relations, has indicated to the Directors that he will subscribe for at least his Basic Entitlement under the Open Offer.

6. **Additional information**

Your attention is drawn to the risk factors set out in Part II of this Document. Shareholders are advised to read the whole of this Document and not rely solely on the summary information presented in this letter.

Details of the action to be taken if you wish to subscribe for Open Offer Shares are provided in Part III of this Document.

Definitions

"Admission"	admission of the Open Offer Shares to trading on AIM becoming effective in accordance with the AIM Rules
"Affiliates"	any person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified
"Aggregate Limit"	a restriction on any Shareholder acquiring any Open Offer Shares which would, when aggregate with any interest in the Existing Ordinary Shares held by such Shareholder, result in such Shareholder holding an interest in the Ordinary Shares which (when taken together with Ordinary Shares in which persons acting in concert with him are interested) carry 30.0 per cent. or more of the voting rights of the Company
"AIM"	the market of that name operated by the London Stock Exchange
"AIM Application"	the application to the London Stock Exchange for Admission as required by Rule 29 of the AIM Rules
"AIM Rules"	the AIM Rules for Companies as published by the London Stock Exchange from time to time
"Allenby Capital"	Allenby Capital Limited, nominated adviser and broker to Tern
"Application Form"	the application form accompanying this Document to be used by Qualifying Non-CREST Shareholders in connection with the Open Offer
"Basic Entitlement(s)"	the number of Open Offer Shares which Qualifying Shareholders are entitled to subscribe for at the Issue Price <i>pro rata</i> to their holding of Existing Ordinary Shares held at the Record Date pursuant to the Open Offer as described in Part III of the Circular
"Business Day"	a day (excluding Saturdays and Sundays, or public holidays in England and Wales) on which banks generally are open for business in London for the transaction of normal business
"Circular" or "Document"	this circular issued by the Company on 13 February 2026
"Companies Act"	Companies Act 2006
"Company" or "Tern"	Tern plc
"CREST"	the relevant system (as defined in the Uncertificated Securities Regulations 2001) for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear
"Directors" or "Board"	the directors of the Company
"EEA"	the European Economic Area
"Enlarged Share Capital"	the issued ordinary share capital of the Company following the issue of the Open Offer Shares
"Euroclear"	Euroclear UK & International Limited, the operator of CREST
"Excess Application Facility"	the arrangement provided to Qualifying Shareholders to apply for

"Excess Application Facility"	the arrangements provided to qualifying shareholders to apply for Excess Shares in excess of their Basic Entitlements in accordance with the terms and conditions of the Open Offer to be set out in Part III of this Document
"Excess Entitlements"	in respect of each Qualifying Shareholder, the entitlement (in addition to his Basic Entitlement) to apply for Excess Shares pursuant to the Excess Application Facility, which is conditional on him taking up his Basic Entitlements in accordance with the terms and conditions set out in Part III of this Document
"Excess Shares"	Open Offer Shares which are not taken up by Qualifying Shareholders pursuant to their Basic Entitlements and which are offered to Qualifying Shareholders under the Excess Application Facility
"Existing Ordinary Shares"	the 672,713,705 Ordinary Shares in issue as at the date of this Document
"FCA"	the Financial Conduct Authority in its capacity as the competent authority for the purposes of Part VI of FSMA
"FSMA"	the Financial Services and Markets Act of 2000 (as amended)
"HMRC"	HM Revenue & Customs in the UK
"Issue Price"	0.40 pence per Open Offer Share
"IoT"	the Internet of Things
"London Stock Exchange"	London Stock Exchange plc
"Long Stop Date"	27 March 2026
"Market Abuse Regulation"	the Market Abuse Regulation (2014/596/EU) as retained in UK law pursuant, <i>inter alia</i> , to the European Union (Withdrawal) Act 2018 (as amended) and the Market Abuse (Amendment) (EU Exit) Regulations 2019 (as amended)
"Open Offer"	the conditional invitation to be made by the Company to Qualifying Shareholders to subscribe for Open Offer Shares at the Issue Price, in accordance with the terms to be set out in the Circular and in, where relevant, the Application Form
"Open Offer Shares"	the up to 96,101,957 Ordinary Shares to be issued pursuant to the Open Offer
"Ordinary Shares"	the ordinary shares of £0.0002 each in the capital of the Company
POATR	the Public Offers and Admissions to Trading Regulations 2024
PRM	Prospectus Rules: Admission to Trading on a Regulated Market sourcebook made by the FCA
"Overseas Shareholders"	Shareholders who have a registered address in or who are located and/or resident in or are citizens of, in each case, a country other than the United Kingdom
"Qualifying CREST Shareholders"	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company on the Record Date are held in uncertificated form on CREST
"Qualifying Non-CREST Shareholders"	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company on the Record Date are held in certificated form
"Qualifying Shareholders"	Shareholders whose names appear on the register of members of the Company on the Record Date as holders of Existing Ordinary Shares and who are eligible to be offered Open Offer Shares under the Open Offer in accordance with the terms and conditions to be set out in Part III of this Document
"Record Date"	6:00 p.m. on 12 February 2026
"Receiving Agent"	Share Registrars Limited
"Regulatory Information Service"	any of the services set out on the list maintained by the London Stock Exchange as set out in the AIM Rules
"Regulation S"	Regulation S under the Securities Act
"Restricted Jurisdictions"	United States, Canada, Australia, Japan, New Zealand or the Republic of South Africa and any other jurisdiction where the

	republic of South Africa and any other jurisdiction where the extension or the availability of the Open Offer would breach any applicable law
"Securities Act"	the US Securities Act of 1933 (as amended)
"Shareholder(s)"	the shareholders of the Company from time to time and each a "Shareholder"
"Sterling"	British pound sterling, the official currency of the United Kingdom
"Tern Shares"	the Ordinary Shares of the Company
"UK" or "United Kingdom"	United Kingdom of Great Britain and Northern Ireland
"United States" or "US"	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia

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