

## TESSERENT STRENGTHENS LEADING GOVERNMENT OFFERING WITH ACQUISITION OF SECURE LOGIC'S MANAGED SECURITY SERVICES BUSINESS

- Acquires Secure Logic's Managed Security Services business, delivering an audited \$9M recurring revenue and \$4.2M sustainable EBITDA
- Acquisition will strengthen TNT's leading Government division with significant synergy benefits and cross-sell opportunities
- Acquisition is immediately earnings, cash flow and EPS accretive
- Establishment of exclusive strategic partnership to distribute TrustGrid™ and AttackBound™ products across Australia and New Zealand
- TNT takes next step towards achieving FY21 \$150M turnover run rate ambition.

Tesserent Limited (ASX:TNT) is pleased to announce the strategic acquisition of Secure Logic's Managed Security Services business ("Secure Logic") with the execution of a Share Purchase Agreement.

### **Secure Logic Acquisition**

Secure Logic is a leading Australian Managed Security services firm, headquartered in Sydney. The firm operates a 24-hour x7 day Security Operations Centre located in Sydney, working predominantly with NSW State Government and Federal Government departments and agencies, as well as a range of international and domestic corporate and financial institutions with additional sales offices located in Singapore, Kuala Lumpur and Bangalore.

Secure Logic's services and solution offering is a strategic addition to Tesserent, with immediate opportunities to leverage its State and Federal Government relationships and capabilities within the Group.

Geoff Lord, TNT's Chairman, commented; "I welcome Secure Logic to the TNT group, strengthening our position as the leading provider of Government-focused cybersecurity solutions and services in Australia and New Zealand. In addition, this acquisition contributes to our FY21 \$150M turnover annualised run rate ambition."

Secure Logic's Managed Security Services business has an excellent operating record, with audited FY20 turnover of \$9M, delivering \$4.2M EBITDA and is immediately earnings, cash flow and EPS accretive to the TNT Group. Strong revenue and earnings have continued into FY21, and importantly, the majority of

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Secure Logic's revenue comes from multiple recurring multi-year annuity-based contracts based on proprietary solutions that underpin the company's earnings profile.

The consideration for the acquisition of Secure Logic's Managed Security Services will be a mix of cash and TNT shares, being \$10.75M in cash and 42,145,974 shares. The cash component is funded from existing cash reserves together with the new Pure Finance facility announced earlier today.

### **Synergies, Benefits and Strategic Partnerships**

Secure Logic's Executive Chairman, Santosh Devaraj and Managing Partner, Deepak Singh will head up Secure Logic's integration into Tesserent's Government practice group and ongoing operations. Significant cross-sell opportunities for Secure Logic's Managed Security and Security Operation Centre to existing TNT Group customers and vice versa have already been identified.

Mr. Singh commented; "Providing Tesserent's end-to-end services to our security-focused clients gives us the ability to significantly grow business and provide our clients access to a much broader solutions suite. I'm excited to be leading this natural progression for Secure Logic and very much look forward to working with the Tesserent team."

Julian Challingsworth, TNT's CEO, commented; "The addition of Secure Logic into our Group and Cyber 360 strategy creates substantial further opportunities, particularly in Federal and State Government where Tesserent has already been a strong performer."

Post integration, Mr. Devaraj will turn his focus and efforts to cyber technology product companies TrustGrid™ and AttackBound™. TrustGrid™ is an innovative and patent-protected advance blockchain technology used to provide privacy preserved, secure and private digital trust services. AttackBound™ is an artificial intelligence-based Cyber Threat Intelligence platform that provides organisations (both in the private and public sector) a holistic view of the attack surface from a hacker perspective.

Tesserent has established an exclusive strategic partnership with TrustGrid™ and AttackBound™ to incorporate these solutions into its Cyber 360 offering for Australia and New Zealand customers. Current applications of these solutions include privacy-preserved tracking of vaccinations and health records, allowing people and organisations to reliably present health-based proofs on current identification sources with ultimate confidentiality, such as passports and driver's licenses.

Mr Devaraj commented; "The launch of the TrustGrid™ and AttackBound™ products are being industrialised to SaaS-based technology offerings at a time when citizen privacy across the globe is increasingly paramount. I am excited TrustGrid™ and AttackBound™ will be supported by Tesserent and that the establishment of an exclusive strategic partnership with the Company across Australia and New Zealand will enable the TrustGrid™ and AttackBound™ products to be distributed across its customer base."

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The Company looks forward to keeping the market updated on the progress of this strategic partnership and further acquisitions in future announcements.

### ABOUT TESSERENT

Tesserent provides full service, enterprise-grade Cyber Security and networking solutions targeted at mid-market, enterprise and government customers across Australia. The Company's Cyber 360 strategy delivers integrated solutions covering identification, protection and 24/7 monitoring against Cyber Security threats. With in excess of 250 security engineers, Tesserent has the capability to support organisations defend their digital assets against increasing risks and cyber-attacks.

Tesserent has been transformed via the acquisition of several high-quality Cyber Security businesses including Pure Security, Rivium, North Security, Seer Security, Airloom, Ludus Security, iQ3 and Lateral Security, making it Australia's largest listed dedicated Cyber Security firm.

Learn more at [www.tesserent.com](http://www.tesserent.com).

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