



ASX ANNOUNCEMENT | TESSERENT LIMITED

MELBOURNE – TUESDAY 11TH JULY 2017

COMPANY UPDATE

STRONG FINISH TO FINANCIAL YEAR AND CASH FLOW POSITIVE

Tesseract is pleased to provide shareholders with an update on key business initiatives following the closure of the 2016/17 financial year. More detailed information will be available in our upcoming releases including the June 2017 Quarterly Cash Flow Report (4C), Preliminary Final Report (4E), and Annual Accounts.

- Tesseract was **cash flow positive** in the June quarter.
- Tesseract secured **\$1.03M total contract value (TCV) in new business** during the June quarter. This revenue will be realised over the next 3 years as services are billed on a monthly basis.
- In March 2017, Tesseract began a restructure of the sales team. This process is still on-going, however changes within the business have already resulted in a **quantifiable positive impact on sales activity and revenue**.
- Tesseract made significant developments within our managed SIEM business, securing **\$530K TCV of new SIEM contracts during the June quarter**. This proven ability to sell Alien Vault services further strengthens our market position and our relationship with Alien Vault.
- Whilst on-boarding several new customers within the June quarter, **Tesseract was particularly delighted to have been selected by the Australian Cyber Security Growth Network (ACSGN) to provide a managed SIEM service**. The ACSGN is a Federal Government initiative to drive growth within the cyber security industry in Australia. Being selected by the ACSGN is testament to our offering and our ability to deliver industry leading services.
- Tesseract continues to grow our product offering, **launching two new proprietary products during the June quarter**:
 - ‘CyberBIZ’ is a comprehensive SMB focused managed service offering.
 - ‘Portal Defence’ is a highly secure interface for web portals, offering multi-factor authentication, protection against brute-force attacks and delivery of web enforcement policy over SSL.



Tesseract CEO, Keith Glennan said:

“We are pleased to have finished the financial year with strong sales results, an expanding set of notable customers, and a continued focus on product development. Tesseract is not only continuing to provide world-class managed services to new and existing customers; we are leading the industry with innovative product development, cleverly defined to meet the emerging needs of the market.”

“We’ve all worked extremely hard to deliver this result during the June quarter, however importantly, we’ve also established a solid pipeline for the quarter ahead. We are focused on building upon this momentum and delivering further growth in the new financial year.”

About Tesseract

Tesseract is a specialist in managed cyber security. Tesseract manages direct end-customers in Australia while also offering a managed security service to wholesale channel partners globally, enabling them to deliver effective cyber-security management to their end-customers.

For more information, please visit the company’s web site at www.tesseract.com.

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