



# TESSERENT

## Investor Presentation

**TESSERENT LIMITED ASX:TNT**  
October 2019

**JULIAN CHALLINGSWORTH**  
Chief Executive Officer

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OUR MISSION

To become Australia's number  
one cybersecurity provider

# TESSERENT OVERVIEW

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- Building a full service cybersecurity offering targeted at the mid market



- Delivering on a transformative acquisition strategy – adding PS&C Security & Rivium



- PS&C Security acquisition to make Tesseract Australia's largest listed pure cybersecurity business – more than 90 cybersecurity professionals that have served more than 600 customers in last three years



- Upon completion of PS&C acquisition, Tesseract to deliver annualised revenue of \$30m with underlying profitability & positive cash flow



- Significant organic growth from original Tesseract business being achieved



- Revamped & commercially focused board & management



- Well positioned in multiple geographies to benefit from the rapidly growing cybersecurity market

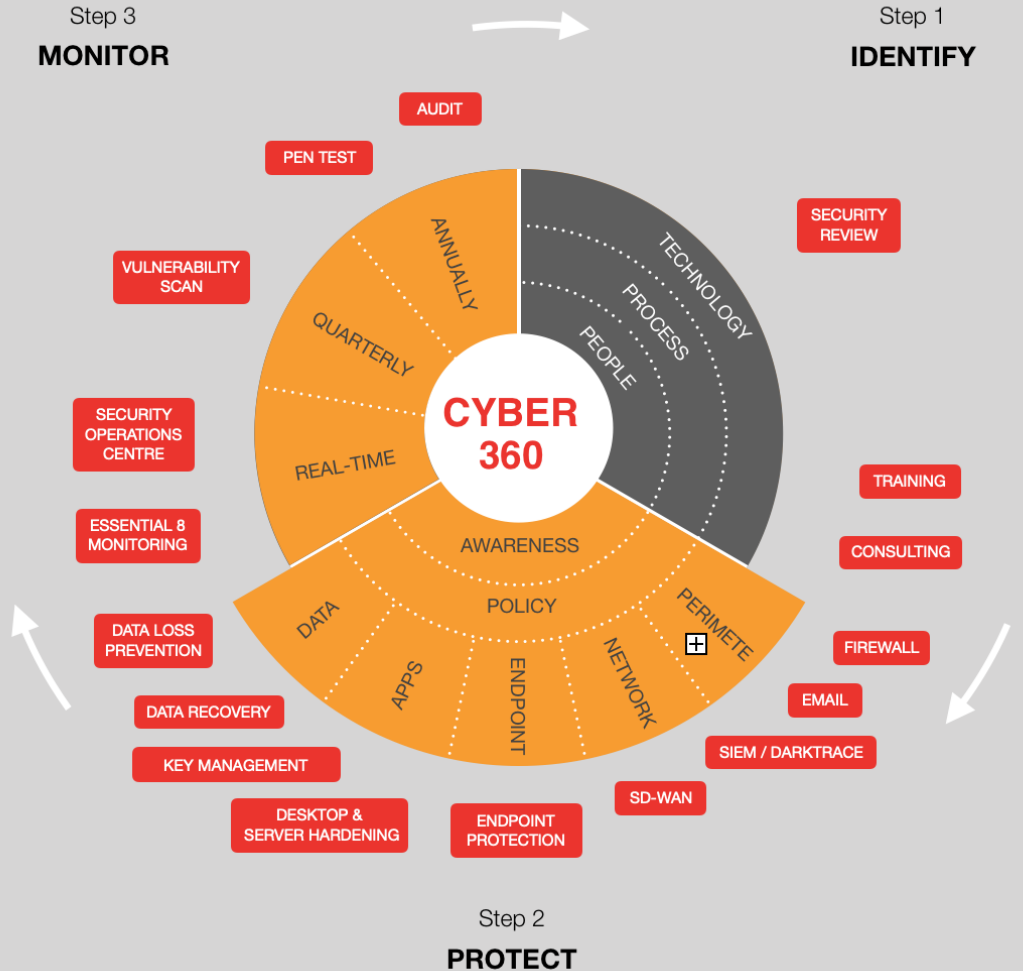


# CYBER 360 PROTECTION 24/7

Our new go-to-market  
approach...

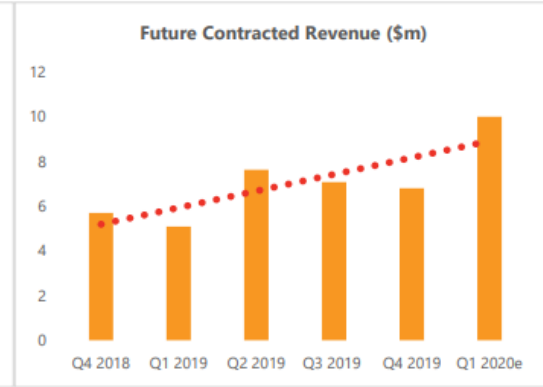
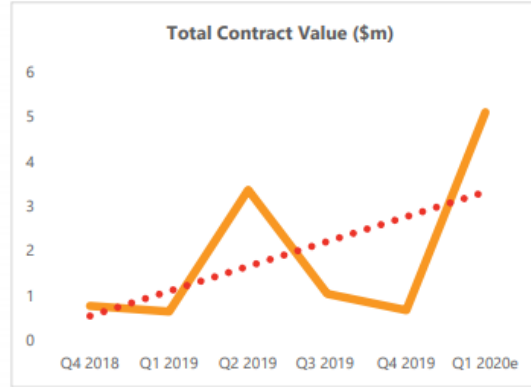
- Full service offer
- 17 integrated security solutions  
for customers
- Targeted at the mid-market

Our goal is to provide a  
“Security as a Service”  
offer



# ORGANIC GROWTH AFTER KEY CONTRACT WINS

	July 2019	September 2019
Total contract value forecast to close	\$2.7m	<b>\$5.1m</b>
Future contracted revenue	\$8.4m	<b>\$10.0m</b>



**With a new range of products & services in the original Tesseract business, the company is capturing more of the spend businesses make in cybersecurity**





## ACQUISITION GROWTH

A fragmented market has provided Tesseract with growth opportunities

TESSERENT STRUCTURE – bringing together Australia's leading cybersecurity firms

Tesseract Limited (ASX:TNT)





# ACQUISITION OF PS&C SECURITY (pending)

Provides Tesseract with full cybersecurity capabilities including security advisory, penetration testing, **deployment and management of security infrastructure and secure application development.**

Acquisition to make Tesseract **Australia's largest listed dedicated cybersecurity firm**

**\$30m group Annualised revenue** forecast in FY2020

PS&C Security growing strongly  
– Audited **FY19 revenue of \$16.4m** & normalised **EBITDA of \$3.1m**

Acquisition is a natural fit **within Tesseract's Cyber 360 strategy**



# PS&C TRANSACTION DETAILS

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The acquisition consideration of \$16m is fully funded from:

- \$9m cash
- \$5m Tesseract equity (at \$0.05 per ordinary share) and;
- \$2m cash or equity at Tesseract's option, deferred for 6 months

## Funding:

- \$7m converting note from new and existing shareholders and;
- \$3m acquisition facility from PURE Asset Management

## Converting Note Terms:

- Conversion during year one to 140,000,000 ordinary Tesseract shares at \$0.05 per share
- Conversion during year two to 93,333,333 ordinary Tesseract shares at \$0.075 per share
- Automatic conversion at the end of year to 70,000,000 ordinary Tesseract shares at \$0.10 per share
- 1 option to be issued for every 3.33 shares subscribed for (exercisable at \$0.10)
- Interest rate of 8% (cash) or 10% if paid in shares (at the Company's discretion)
- Aiming to obtain shareholder approval for securities to be issued on same date as AGM



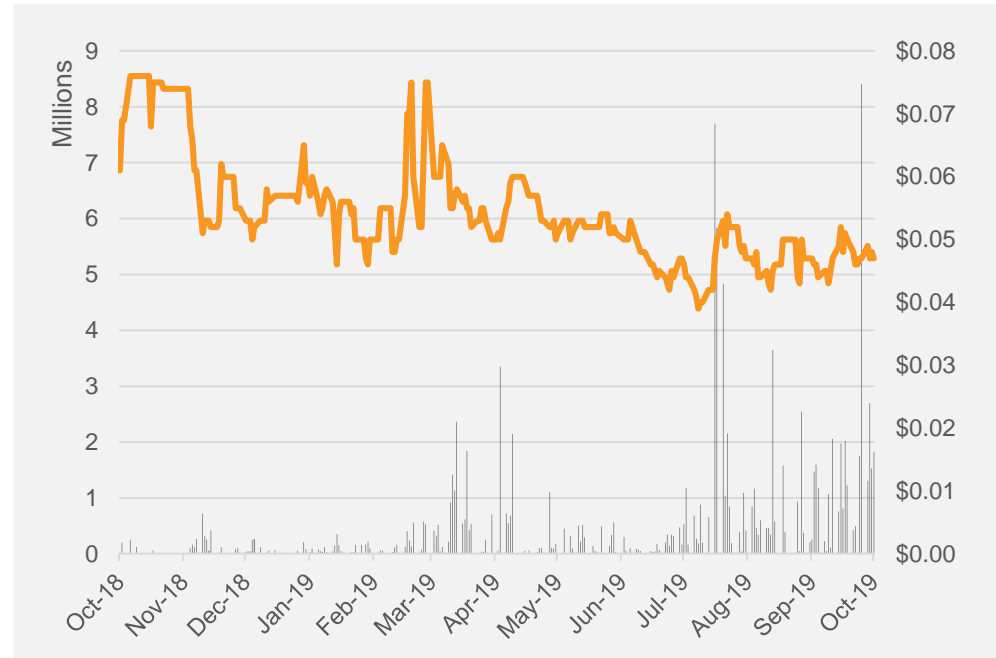
# ACQUISITION ROADMAP

POTENTIAL ACQUISITIONS	SECURITY ADVISORY	SECURITY TRAINING	APPLICATION SECURITY	ASSURANCE SERVICES	SPECIALIST SERVICES	ENTERPRISE SERVICES
TNT		✓			✓	✓✓✓
Rivium	✓	✓		✓	✓	✓✓
PS&C Security	✓	✓✓	✓	✓✓	✓	✓✓
C	✓					✓✓
D	✓	✓✓		✓✓		✓✓
E	✓✓			✓✓	✓✓	
...			✓✓		✓	✓✓
TNT Combined	✓✓✓	✓✓✓	✓✓✓	✓✓✓	✓✓✓	✓✓✓



# CORPORATE STRUCTURE

<b>ASX TICKER</b>	TNT
<b>MARKET CAPITALISATION (UNDILUTED)</b>	\$13.8m*
<b>FY19 Consolidated Revenue (TNT / PSC Security / Rivium)</b>	<b>\$26.3m</b>
<b>SHARE PRICE</b>	\$0.052*
<b>SHARES ON ISSUE</b>	251.3m*
<b>CASH (Sept 2019)</b>	\$2.99m



\*Monday 21 October 2019





# TESSERENT

## CONTACT

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