

TESSERENT OPENS NZ MARKET WITH SIGNIFICANT OPPORTUNITY, COMPLETES IQ3 ACQUISITION

- TNT forms joint venture company with Australasia's premier converged security firm
- Tesseract executes planned first stage of New Zealand expansion
- Completes IQ3 Acquisition

Tesseract Limited (ASX:TNT) is pleased to announce the launch of a Joint Venture Company jointly owned (50%/50%) with New Zealand-headquartered security firm, Optic Security Group, as well as the completion of the acquisition of Secure Cloud Services provider, iQ3 (announced 24 September 2020).

First Steps of Planned New Zealand Expansion

Tesseract is pleased to announce the newly incorporated joint venture, **Tesseract Optic Security Pty. Ltd.** with Optic Security, NZ's premier converged security firm.

This joint venture, requiring no initial upfront investment, represents the first step of Tesseract's planned expansion into New Zealand's lucrative cybersecurity market. Optic Security Group has annual turnover in excess of \$100M delivered from 10 locations in NZ and Australia and is focused on the convergence of physical and cybersecurity. Tesseract will provide its Cyber 360 security capabilities to support Optic's customers achieve their converged security outcomes. Conversely, Optic's deep expertise in protecting assets and physical infrastructure will be extended into the Tesseract portfolio of services.

Tesseract's Chairman, Geoff Lord and leading industry figure Francis Galbally will be the founding Directors of the 50/50 joint venture. Mr Galbally is also the Founder and Chairman of security encryption solution provider Senetas (ASX:SEN).

TNT Chairman, Geoff Lord, said: "I very much look forward to working with Francis on a range of exciting opportunities both for Tesseract and Optic. This joint venture paves the way for our initial entry into the New Zealand market, a presence we intend to grow significantly, both organically and via acquisition".

ASX ANNOUNCEMENT

Melbourne – 12 November 2020



Completion of iQ3 Acquisition

Tesseract is also pleased to announce the completion of the acquisition of Secure Cloud Services firm, iQ3. With the addition of iQ3's \$25M turnover run rate and \$3M in earnings recognised from 1 November 2020, the Company now has a gross revenue run rate on an annualised monthly basis of circa **\$100M**. As previously stated, Tesseract has the ambition to grow to in excess of **\$150M** in FY21 through continued organic growth and the completion of planned future acquisitions.

The Company looks forward to keeping the market updated on its future acquisitions, a number of which are at an advanced stage.

ABOUT TESSERENT

Tesseract 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 220 security engineers, Tesseract has the capability to support organisations defend their digital assets against increasing risks and cyber-attacks.

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

Learn more at www.tesseract.com.

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