

30 November 2017

ASX ANNOUNCEMENT (ASX: TSN)

DECIPHER WORKS BUSINESS UPDATE

HIGHLIGHTS

- **Managed Services business continues significant growth trajectory**
- **\$1.4 million of net new business wins¹**
- **Monthly revenues to increase by 10% per month**

Since the recent Decipher Works (DWX) updates of 11 September and 18 October, DWX is successfully pursuing solid growth in the Cybersecurity Managed Services business. The stream of recurring revenue provides an excellent foundation for the business and its future growth.

Transaction Solution International Ltd (TSN) is pleased to announce that DWX has achieved significant success in building this business. Over the past few months, DWX has successfully secured new business amounting to approximately \$1.4 million over three years, net of contract renewals¹. This significant increase in new business is largely due to DWX actively pursuing higher value business, increasing the scope of services and longer contract terms.

Specifically, DWX's new Managed Services business will provide:

- Uplift in monthly revenue by more than 10%²;
- Stability in revenue over the next 36 months for 18% of DWX's revenue base²; and
- Foundation for future growth due to the significance and duration of the business.

Mr Gary Foster, Chairman of TSN, wishes to congratulate the DWX team for the recent successes in growing the Managed Services business. TSN will continue to grow DWX organically as well as explore other acquisitions to capitalise on the growth potential in cybersecurity.

Mr Jeffrey Lai, CEO of TSN commented that "the new business is an endorsement of the DWX team and their capabilities. The recent wins in the Managed Services business has more important significance, from a growth perspective as they will not only contribute directly to an increase in monthly revenue, but it provides a good revenue base-load for the next 3-5 years, laying the ground work for future growth."

¹ Net new business includes total value of all new engagements, less value of renewal contracts

² Based on Average Monthly Revenue for the last 12 months (excluding Software Sales)

For revenue comparison purposes, the most appropriate baseline is the average monthly revenue for professional services, excluding software sales. Software sales, which accounts for 10% of DWX's FY17 revenue, has been excluded for baseline comparison because software sales are uneven ('lumpy') and have lower margins.

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About TSN

Transaction Solutions International (TSN) is a technology based company focused on the financial services sector. The company has a 100% ownership of Decipher Works (DWX). DWX is a Sydney-based cybersecurity specialist, providing consulting, support and managed services to financial institutions and large corporations. The Company has strong long-term relationships with many of the major banks and institutions in Australia, and is now moving into other market sectors such as Insurance and Financial Services businesses. TSN is actively pursuing growth in the cybersecurity industry.

TSN also holds a 24.89% interest in TSI India, a company having 400 employees, which has created a scalable operation in the field of e-transactions and payments in India. TSI India has over 30 major bank relationships, owns and manages approximately 14,000 ATMs, also offers Bill Payment services to a number of utility companies in India and owns a Managed Services platform.