The Manager
Market Announcements Office
Australian Securities Exchange Ltd
Level 4, North Tower, Rialto
525 Collins Street, Melbourne VIC 3000

TESSERENT ACADEMY COMPLETES ACQUISITION OF CYBER SECURITY TRAINING BUSINESS AND SETS STAGE 2 TARGETS

Completion of ALC acquisition

Tesserent Limited (the "**Company**" or "**Tesserent**") (ASX: TNT) is pleased to announce the completion of the previously announced acquisition of the Australian Cybersecurity training business – ALC Group (**ALC**) by Tesserent Academy (previously announced to the market on 30 January 2023).

As noted in the previous announcement, the completion of the acquisition by Tesserent Academy is a key part of the Academy's strategy to:

- build a profitable growth business in the Cybersecurity training space in the Australasian market;

- develop a pipeline of high-quality cybersecurity talent to the Tesserent business and to key clients, by delivering foundation training programmes and advanced training programmes to graduates and lateral members entering the Cyber industry;

- further enhance Tesserent's profile by addressing a talent shortage in the cyber market by providing additional work experience services to bridge the gap between client needs and Cyber talent.

ALC currently provides certified training courses to approximately 3,600 delegates per annum and administers the associated exams across 10 accreditation bodies which will be integrated into and form a core part of Tesserent Academy's offering moving forward.

This month on joining Tesserent, ALC Training was awarded a **significant volume contract with government** to provide a cyber capability uplift. This training will positively impact the current cyber capability and provide in-house and virtual interaction with certification (exam based) training for key staff across various state and local government teams. ALC and Tesserent Academy staff are proud to be able to deliver this to government.

Tesserent longer term objectives – doubling the business through accelerated organic growth, improved functional and scalable capabilities, and cost efficiencies

Within the investor presentation issued to the market on 27 February 2023, Tesserent set out its ambition for FY24 to FY26 on its Turnover Run Rate (Slide 14).

Three years ago, when the Company was reporting Turnover of approximately $20m, the Board set a target for Turnover of $200m by 2023. The business is on track to achieve this level of Turnover by June 2023, and is now setting a Phase 2 ambition to reach an annual Turnover run rate of $500m by the end of FY26. This projected growth is supported by a

recent strategic review the Company has undertaken. These objectives are aspirational and do not represent a formal forecast.

In February 2023, Tesserent undertook a comprehensive strategic review of the business which addressed the Company's current service offering, operational structure, technical and non-technical resources and outlook for the market and the business over FY24-FY26.

The strategic review identified and assessed numerous organic growth initiatives and accelerated growth initiatives that the business is expecting to implement in the short to medium term, including (inter alia):

- Accelerating key software development projects within existing BUs under a Tesserent Innovation focus to develop and commercialise Tesserent's own Intellectual Property

- Refresh the marketing strategy for the business and the Brand to deliver improvements to marketing efficacy

- Growth in Security Operations Centre (SOC) capability and scale

- Improved cross selling processes and capabilities

- Executing to a functional organisation for Sales, Marketing, Capabilities, and realigning Finance and other support functions to improve efficiency.

- Review and benchmark pricing of service offerings to ensure appropriate day rates and margin recovery for technical capability delivered

- Review options for automation in processes and reporting to increase operating efficiency and enhance margins

- Investing in key strategic partnerships to develop new sales channels and market offerings for Tesserent

- Increasing focus on the Defence sector given the increased projected ADF spend on Cyber.

- Expand the Tesserent Academy business, following completion of the acquisition of ALC Training – as both a profit centre in its own right and as a development engine for bringing new Cyber security talent into Tesserent and our Clients.

Tesserent will continue to review potential acquisitions which may present themselves in the market – with an emphasis on ensuring they fit into the overall strategy and value proposition of the Company, before pursuing these and making any commitments.

We look forward to providing further detail on the Strategic Plan for the business later this year.

ENDS

ABOUT TESSERENT

Our mission is to be the sovereign cybersecurity provider of choice for the protection of Australia and New Zealand's digital assets. Tesserent has the capability to support organisations to defend their digital assets against increasing risks and cyber-attacks.

Tesserent has been transformed via the integration of several high-quality cybersecurity businesses making it Australia's largest listed dedicated Cybersecurity firm.

Learn more at www.tesserent.com

CONTACT

Investor Enquiries:

James Jones	Ben Moyes
Group CFO	Investor Relations
+61 (03) 9880 5559	+61 499 118 857
investor@tesserent.com	

Authorised by the Disclosure Team under Tesserent's Continuous Disclosure policy

Tesserent Limited ABN 13 605 672 928
Phone (03) 9880 5555 • Email info@tesserent.com
Level 5, 990 Whitehorse Rd Box Hill VIC 3128 Australia • tesserent.com