



TESSERENT

Launching Tesseract Innovation
division, Tesseract Academy
& Business Update

TESSERENT LIMITED ASX:TNT
Investor Update - April 2021

JULIAN CHALLINGSWORTH
Co-Chief Executive Officer

This presentation has been prepared by Tesserent Limited (the "Company"). It does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. You should not treat the contents of this presentation, or any information provided in connection with it, as financial advice, financial product advice or advice relating to legal, taxation or investment matters. No representation or warranty (whether express or implied) is made by the Company or any of its officers, advisers, agents or employees as to the accuracy, completeness or reasonableness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or provided in connection with it, or any omission from this presentation, nor as to the attainability of any estimates, forecasts or projections set out in this presentation. This presentation is provided expressly on the basis that you will carry out your own independent inquiries into the matters contained in the presentation and make your own independent decisions about the affairs, financial position or prospects of the Company. The Company reserves the right to update, amend or supplement the information at any time in its absolute discretion (without incurring any obligation to do so). Neither the Company, nor its related bodies corporate, officers, their advisers, agents and employees accept any responsibility or Liability to you or to any other person or entity arising out of this presentation including pursuant to the general law (whether for negligence, under statute or otherwise), or under the Australian Securities and Investments Commission Act 2001, Corporations Act 2001, Competition and Consumer Act 2010 or any corresponding provision of any Australian state or territory Legislation (or the Law of any similar Legislation in any other jurisdiction), or similar provision under any applicable law. Any such responsibility or liability is, to the maximum extent permitted by Law, expressly disclaimed and excluded. Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in the Company.

FUTURE MATTERS

This presentation contains reference to certain intentions, expectations, future plans, strategy and prospects of the Company. Those intentions, expectations, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company. No representation or warranty, express or Implied, is made by the Company, or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved. Given the risks and uncertainties may cause the Company's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects. The Company does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended.

US DISCLOSURE

This document does not constitute any part of any offer to sell, or the solicitation of any offer to buy, any securities in the United States or to, or for the account or benefit of any "US person" as defined in Regulation S under the US Securities Act of 1933 ("Securities Act"). The Company's shares have not been, and will not be, registered under the Securities Act or the securities Laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any US person without being so registered or pursuant to an exemption from registration including an exemption for qualified institutional buyers.



Our mission is to be the Sovereign
Cybersecurity Provider of choice for the Protection
of Australia and New Zealand's Digital Assets



Tesseract Innovation and Tesseract Academy

Creating shareholder value through investing in
proprietary IP and cyber education.

CONTINUED EXPANSION THROUGH INNOVATION & EDUCATION

Pleased to announce that we are expanding our business to make strategic investments in proprietary IP-based products and companies, and launching a cyber academy to address the industry skill shortages.



Continue to Build on Cyber 360° Strategy



**The #1 ASX-listed
Cybersecurity Provider.**

Tesseract's existing cybersecurity consulting, product & services businesses.

Strategic Growth from NEW Innovation & Education Divisions



Tesseract's innovation division focusing on developing and investing in new cyber technologies that will enable high growth potential cyber IP businesses to leverage our strong customer base, deep skill sets, geographic coverage and funding ability.



Tesseract's educational services and training division for Staff and Customers, designed to tackle the industry wide problem of talent shortage to improve the cyber ecosystem and develop talent for both TNT and our customers.



DELIVERING FUTURE EXPANSION THROUGH INNOVATION & EDUCATION



Tesserent's innovation division is focusing on developing and investing in new cyber technologies, cyber products, and innovative companies that are developing leading technology platforms and tools that will enable Tesserent to deliver our mission to be the Sovereign Cybersecurity Provider of choice for the Protection of Australia and New Zealand's Digital Assets.

We are in active discussions with a number of organisations and will continue to look for:

- Great solutions and real IP to secure data, people and company assets;
- Organisations with great teams and aligned values;
- Solutions that are currently revenue generating with the ability to scale globally;
- The opportunity to exclusively distribute into our growing customer base through master distribution rights; and
- Enable the best of the 350 Sovereign cyber security firms to scale their business.



Tesserent's is launching the Academy to address the industry wide shortage for skilled cyber talent.

There are currently 26,500[±] people employed across the Australian Cyber sector today. It is estimated that 7,000[±] new jobs will need to be created by 2024 to support the industry deliver its growth objectives. This only tells part of the growth story as many roles across business and government will need increasing levels of cyber awareness and increased skill levels. To support this, the Tesserent Academy will partner with the Melbourne Business School and the TAFE sector to:

- Develop and deliver programs that are relevant from the "boardroom to basement" ensuring all parts of an organisation have access to leading edge security training;
- Provide opportunities for our team members to improve their skills and certifications to accelerate their career; and
- Enable our customers across industry and government to have access to leading trainers and thought leaders in the industry to improve their own cyber knowledge.





Business Update

Increasing our market share through the successful integration of key acquisitions, accelerating cross-selling and a strong company culture.

TESSERENT AT A GLANCE

Tesserent (ASX:TNT) is the #1 ASX-listed Cybersecurity Provider.

Largest
Provider of
cybersecurity services
in the Canberra/Federal
Government market

1000+
Customers
Government, Critical
Infrastructure, Health and
Energy, and Industry &
Financial Services

290+
Skilled Cyber
Professionals
Across Australia, New
Zealand, South East Asia
and the UK

**Employee
Engagement
Equal**
to some of the most desirable
tech companies in the world
to work for*

Expanded into
**New
Zealand**
Through acquisition and a
joint venture

\$150M
FY21 Rev Run-rate
ambition at 30 June 2021

\$227M
Market Cap
TNT enterprise value as at
8 April 2021

Added to the
**All Tech
Index &
S&P 500**
In Q2 FY21

**Revenue up
650%**
All Market Sectors
experience growth**

\$950k
Annualised ongoing cost
saving through synergies
locked-in

* Benchmarked against 'New Tech 2020' - a group of over 650+ global tech companies who also work with Culture Amp as their survey partner.

** H1 2021 over H1 2020 Business Unit Growth



TESSERENT'S END TO END OFFERING

Providing a one-stop-shop for a full, end-to-end cybersecurity solution.



Cyber Strategy
and Consulting



Security Advisory
(GRC)



Technical Assurance
and Testing



Network and Cloud
Security



Managed Services
and Monitoring



Security Integration
and Development



Digital Forensics and
Incident Response



Cyber Education



DEEPENING FOOTPRINT IN 3 KEY MARKET SEGMENTS

With 1000+ customers, Tesseract is strategically focused on growing its market share in three key verticals.



Government Departments & Agencies

Tesseract works with:

- 47 Federal and State Departments and Agencies
- 25 Local Councils



Critical Infrastructure & Smart Infrastructure/IoT

Tesseract works with:

- 21 of the top Energy Firms in ANZ



Industry & Financial Services

Tesseract works with:

- 8 of the 12 Largest Banks in ANZ
- 16 Top Financial Services firms
- 14 Foreign Banks

Tesseract works with 43 of the S&P/ASX 100





COMPANY-WIDE GROWTH

Increasing our market share through strategic acquisitions, cross-selling and a strong company culture.

CONTINUING EXPONENTIAL GROWTH STORY

Focus on continuing turnover and earnings growth for FY21 and beyond.

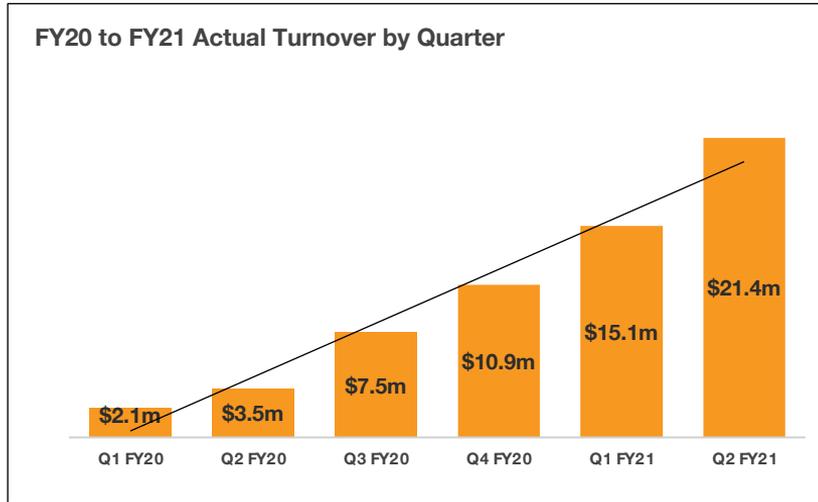


Figure 1: FY20-21 Actual Turnover by Quarter

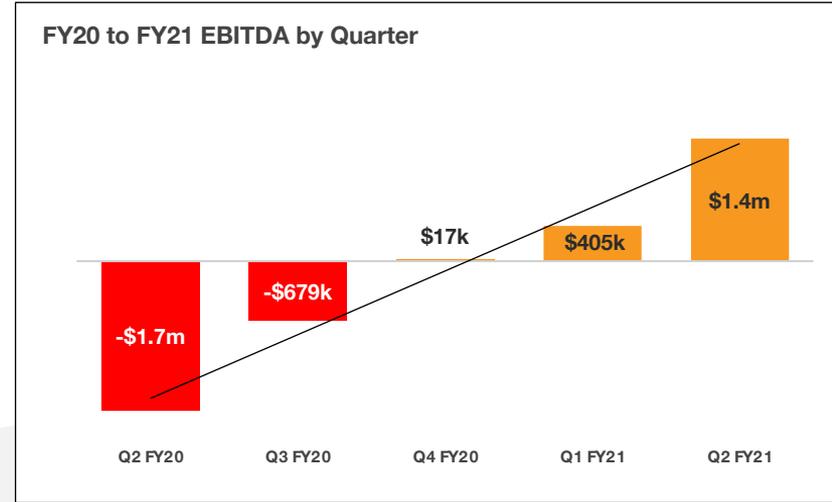


Figure 2: FY20-21 EBITDA by Quarter

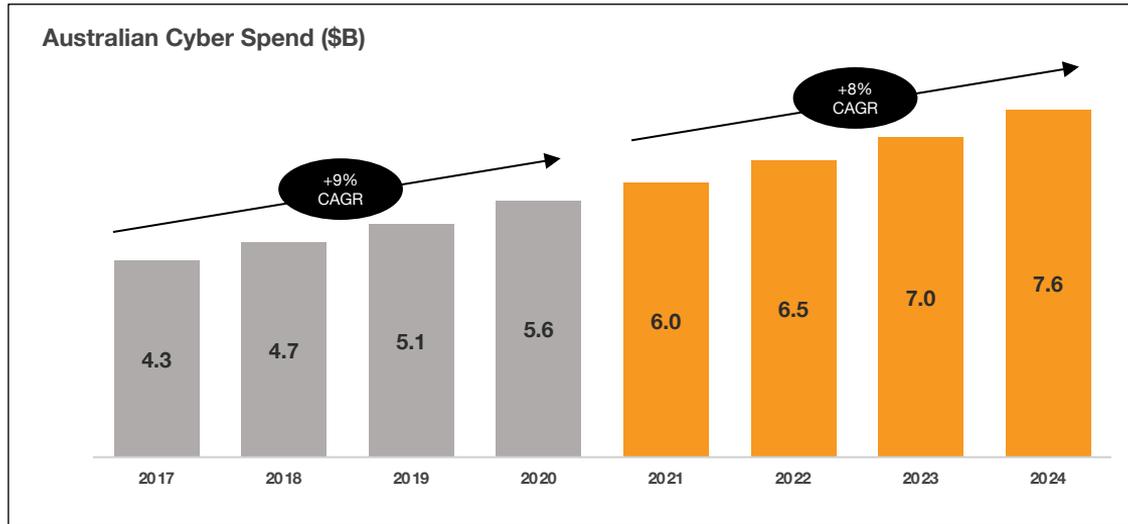
TNT is on track to meet \$150M turnover run-rate ambition**

** per annum run-rate at 30 June 2021 being forecast turnover for June 2021 annualised



TESSERENT GROWTH SIGNIFICANTLY OUTSTRIPPING THE MARKET CAGR OF 8%

The Australian cybersecurity market is forecast to grow from \$5.6B in 2020 to \$7.6B in 2024.



- Australian cyber market growing rapidly with many organisations significantly increasing spend
- Increasing market opportunities with SMEs and Government Departments and Agencies
- Customers shifting spend to full-service firms away from niche organisations
- Potential for new legislation to impact director liability for cyber breach

Source: AustCyber - Sector Competitiveness Plan 2020



BUSINESS GROWTH ACCELERATING POST ACQUISITION

Tesseract has acquired strong growth businesses that have accelerated post-acquisition (control period) across both Enterprise and Government customer segments.

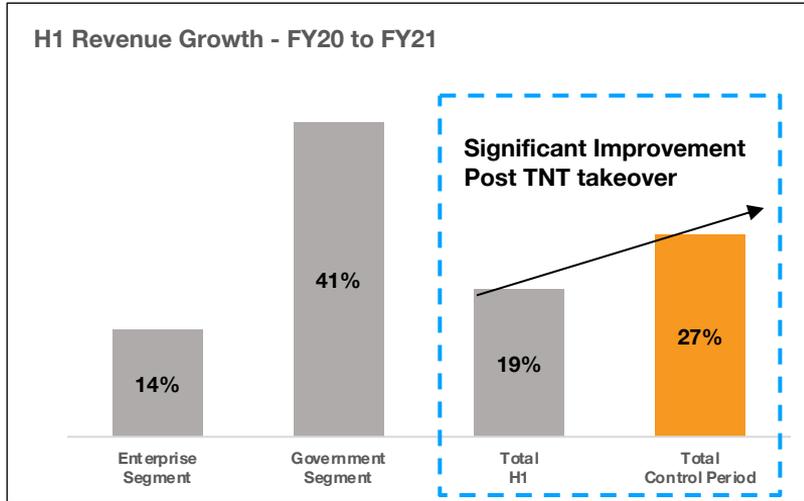


Figure 3: H1 Revenue Growth FY20-21

Note: Lateral Security and Secure Logic figures are not included

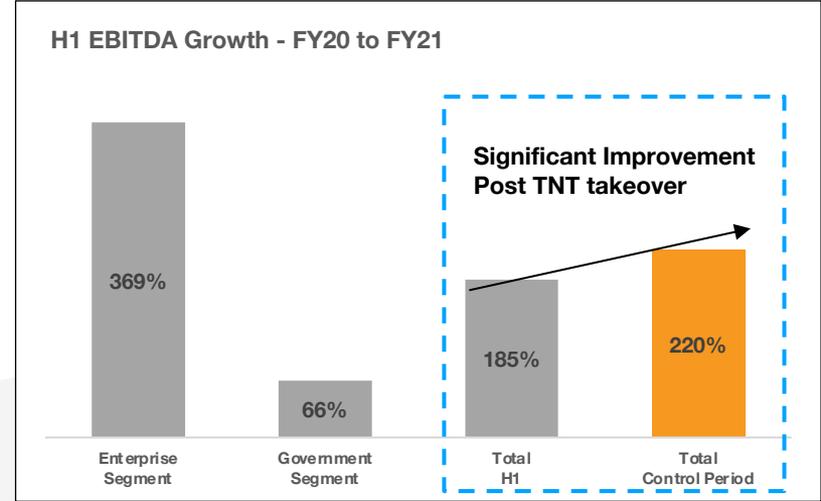


Figure 4: H1 EBITDA Growth FY20-21

Note: Lateral Security and Secure Logic figures are not included

OUR PEOPLE CONTINUE TO DRIVE OUR FUTURE

Tesserent attracts and retains key resources by benchmarking against peers.

HIGH Employee Net Promoter Score (NPS)

and 81% of employees
recommend it as a great
place to work*

People Experience Strengths

1. **Work & Life Blend:** Take time out, work flexibly & manager care for wellbeing
2. **Enablement and Alignment & Involvement:** Know what to do to be successful & have autonomy
3. **Collaboration & Communication:** People make good effort to consult others
4. **Change – Company Confidence & Support:** Position to succeed & strong support for being part of the Tesserent Group

Engagement **EQUAL** to our global New Tech peers



Areas Sustaining Engagement

1. **Leadership:** Communicating a vision that motivates
2. **Innovation:** Acting on promising new or innovative ideas
3. **Service & Quality Focus:** Effectively directing resources (funding, people and effort) towards company goals

* Benchmarked against 'New Tech 2020' - a group of over 650+ global tech companies who also work with Culture Amp as their survey partner.



TESSERENT FUTURE FOCUS DELIVERS THE MISSION

Building on Tesseract's position as Australia's #1 ASX-listed Cybersecurity provider by continuing to focus on the following goals for the remainder of FY21.

- Continue to drive the Company's acquisition strategy to **expand on Cyber 360 capabilities and market share, increasing shareholder value** through incremental EPS growth
- **Foster innovation** and expand **proprietary intellectual property to drive high-margin** product and service offerings
- Help drive an industry wide **capability uplift and reduce the skill shortage gap** through the **Tesseract Academy**
- Focus on **capturing further market share in three key markets**: Government (including Defence), Critical Infrastructure and Industry and Financial Services
- Drive growth through deeper customer engagements and **increasing our average services per customer**
- Integrate acquisitions to **maximise synergy efficiencies and drive organic revenue growth** through cross-selling
- Build out **high-value recurring annuity revenue** streams
- Explore **International expansion opportunities** with a focus on Australia's key Five Eyes allies, which consists of the USA, UK, NZ and Canada
- Build **leadership position** in the Converged Security market and Cyber Education





CORPORATE

Leadership and corporate highlights.

LEADERSHIP

Experienced and industry-relevant Board of Directors.



GEOFF LORD
Non-Executive Chairman



MEGAN HAAS
Non-Executive Director



GREGORY BAXTER
Non-Executive Director



JULIAN CHALLINGSWORTH
Executive Director and
Co-CEO Corporate



KURT HANSEN
Executive Director and
Co-CEO Operations



CORPORATE HIGHLIGHTS

Strong base for a re-rate.

ASX TICKER

TNT

SHARES ON ISSUE

1,010M

MARKET CAPITALISATION (UNDILUTED)

\$227M

TOP 20 SHAREHOLDERS

35%

SHARE PRICE (8 April 2021)

\$0.24

CASH (31 March 2021)

\$7.6M

OPTIONS & CONVERTING NOTES

118.5M

OPTION CONVERSION AVERAGE PRICE

16c



TESSERENT AT THE CORE OF AUSTRALIA'S CYBER SECTOR



 **TESSERENT**
innovation

 **TESSERENT**
cyber

 **TESSERENT**
academy





TESSERENT

CONTACT

INVESTOR ENQUIRIES

Julian Challingsworth
Co-Chief Executive Officer
Phone: +61 3 9880 5555
Email: investor@tesseract.com

tesseract.com/investor-center
linkedin.com/company/tesseract
[@tesseract](https://twitter.com/tesseract)