



## **ASX ANNOUNCEMENT | TESSERENT LIMITED**

MELBOURNE – 28 FEBRUARY 2017

### **2017 HALF YEAR RESULTS**

Managed cyber security specialist Tesserent Limited (ASX: TNT) is pleased to provide its Half Yearly Report for the period ended 31 December 2016.

#### **Half Year 2017 Highlights:**

- Continued trend of positive sales growth. Customer receipts increased by 9.3% for the period compared to the previous six months, rising from \$2,309,186 to \$2,524,343.
- Tesserent is debt free with a cash balance of \$1.91 million as at 31 December 2016.
- \$2.5 million in cash from Sonar/MyNet IP sale due to Tesserent by 31 May 2017.
- New customers including a major global professional services firm signed, validating our approach and technology.
- Successful sale of Sonar/MyNet IP to Family Zone Cyber Security Ltd (ASX: FZO) for \$3.8m in cash and shares.
- Impact of the Blue Reef IP purchase and sale to FZO results in profit of \$1.1million split over FY16 & FY17.
- New and renewed customer contracts with a total contract value (TCV) in excess of \$2.15m.
- US channel partner signed, delivering solid growth and exposure to the sizeable US education market.
- Established platinum partner relationship with global Security Information and Event Management (SIEM) provider AlienVault.
- Identified as an Australian cyber technology leader and invited to attend the Federal Government's Cyber Security Trade Mission to San Francisco.
- Signed strategic funding arrangement with Dell Financial Services.
- On track to receive a Research and Development concession through the ATO of over \$280,000 in April 2017.

#### **Outlook for 2H 2017:**

- Capitalise on market demand generated by new Federal Breach Notification Laws, introduced February 2017.
- Continuing discussions with Tier 1 Carrier and Telecommunications provider for a cyber security offering using Tesserent core technology.
- Forge further relationships in the education sector.
- Continue solid sales growth, including a significant new contract valued at \$600,000 signed in January 2017.
- Pre-sales technical expert and sales team to target internet connectivity customers in conjunction with the Tesserent managed services solution.
- Strategic alignment with our SIEM partner to provide security event services in a market where customers find difficulty securing technical talent.
- Continue to grow through our annuity model whereby contracted future revenue is secured by customer contracts, typically with a tenure of 3 years.



Managing Director Keith Glennan said: “The past six-month period has seen Tesseract move forward in terms of gaining momentum in the US market as well as in Australia, which has resulted in strong growth in our customer receipts - we expect this trend to continue into the second half of 2017.”

“It is also pleasing to see Tesseract continue to secure business from large enterprises and globally renowned organisations. This is testament to our service and technology offering.”

“The completion of our sale of Sonar/MyNet to Family Zone Cyber Security Ltd will allow us to focus further on our core business operations while the opening of our world-class Security Operations Centre in Melbourne earlier this month was also an important achievement and will help us provide the best possible service to our new and existing clients.”

“We expect to see more growth in client numbers and revenue to finish FY2017 in an even stronger position.”

## About Tesseract

Tesseract is a specialist in managed cyber security. Tesseract has built its own platform for the delivery of managed cyber-security, which it deploys for the management of its own customers and also licenses to partners around the world to enable them to deliver effective cyber-security management to their customers.

For more information, please visit the company’s web site at [www.tesseract.com](http://www.tesseract.com).

## About AlienVault

AlienVault has simplified the way organizations detect and respond to today’s ever evolving threat landscape. Our unique and [award-winning](#) approach, trusted by [thousands of customers](#), combines the essential security controls of our all-in-one platform, AlienVault [Unified Security Management](#), with the power of AlienVault’s [Open Threat Exchange](#), the world’s largest crowd-sourced threat intelligence community, making effective and affordable threat detection attainable for resource-constrained IT teams. AlienVault is a privately held company headquartered in Silicon Valley and backed by Trident Capital, Kleiner Perkins Caufield & Byers, Institutional Venture Partners, GGV Capital, Intel Capital, Jackson Square Ventures, Adara Venture Partners, Top Tier Capital and Correlation Ventures.

## Contact

Oliver Carton, Company Secretary  
Phone: +61 (0)3 9880 5559  
E-mail: [investor@tesseract.com](mailto:investor@tesseract.com)

Warrick Lace, Media and Investor Enquiries  
Phone: +61 (0)404 656 408  
E-Mail: [warrick@nwrcommunications.com.au](mailto:warrick@nwrcommunications.com.au)