

TESSERENT CEMENTS MARKET-LEADING POSITION WITH ACQUISITION OF LOOP SECURE

- Acquisition delivering unaudited \$18M revenue and \$2.25M sustainable EBITDA
- Loop Secure's Offensive Security, GRC and Managed Security Services strengthens TNT's Cyber 360 capabilities with significant synergy benefits and cross-sell opportunities
- Acquisition is immediately earnings, cash flow and EPS accretive whilst delivering significant locked-in recurring revenue

Tesserent Limited (ASX:TNT) is pleased to announce the strategic acquisition of Loop Secure with the signing of a Share Purchase Agreement executed between both parties on the 18 August 2021.

Headquartered in Sydney with offices in Melbourne and Brisbane, Loop Secure is a leading Australian cybersecurity firm providing Managed Security Services, GRC and Offensive Security services. The firm operates a Security Operations Centre located in Melbourne, working predominantly with a range of international and domestic enterprises.

Loop Secure's services and solution offering is a strategic addition to strengthen Tesserent's Cyber 360 capabilities, with immediate synergies and opportunities to leverage its corporate relationships and skills within the Group.

Geoff Lord, TNT's Chairman, commented; "The addition of Loop Secure to the TNT group is a welcome one, cementing our position as the leading ASX-listed provider of cybersecurity solutions and services in ANZ and as well as contributing to our annual turnover and adding significant recurring revenue to the Group".

Loop Secure has an excellent operating record, with unaudited FY21 turnover of \$18M, delivering \$2.25M EBITDA. The last 12 months have continued to deliver strong growth with Loop Secure being immediately earnings, cash flow and EPS accretive to the TNT Group.

The consideration for the acquisition of Loop Secure will be a mix of cash and TNT shares, being \$9M in cash, and 15.9M shares at a 14-day VWAP of \$0.28. The cash component is paid \$7M on completion with the balance paid out over 12 months which will be funded from existing cash reserves together with the earlier announced (16 March 2021) Pure Finance facility.

Adam Davenport, Loop Secure Chairman, commented; "After more than 15 years as a leading cybersecurity firm, I am delighted Loop Secure will become part of the Tesserent Group. The transaction provides Loop with immediate access to substantial resources and new opportunities and will allow us to continue our strong growth in the key cybersecurity domains of monitoring, consulting and solutions".

ASX ANNOUNCEMENT

Melbourne – 19 August 2021



The Company looks forward to keeping the market updated on this acquisition in addition to the upcoming FY21 results published at the end of August.

ABOUT TESSERENT

Tesseract provides full service, enterprise-grade cybersecurity 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 cybersecurity threats. With in excess of 350 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 cybersecurity businesses including Pure Security, North Security, Seer Security, Airloom, iQ3 and Lateral Security, making it Australia's largest listed dedicated cybersecurity firm.

Learn more at www.tesseract.com.

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Authorised by the Disclosure Team under Tesseract's Continuous Disclosure policy.