

Thales closes deal on Tesseract, strengthening its global cybersecurity business



Thales has today finalised the acquisition of Tesseract, one of Australia and New Zealand's largest cybersecurity companies, following Tesseract shareholders' approval of the implementation of the binding Scheme and other required regulatory approvals. In a significant win for Australia's sovereign cyber capability, this acquisition also reflects Thales's tremendous growth in its international cyber footprint, one of its most dynamic areas of development.

Thales announced its proposed acquisition of Tesseract in June this year. With a 2022 turnover of A\$185 million (circa €110 million) and ~500 employees across 9 offices, Tesseract is a leading player in cybersecurity in Australia, providing a full suite of cybersecurity solutions and services to medium and enterprise-level organisations.

The combination of Thales and Tesseract in Australia and New Zealand will significantly strengthen the critical sovereign cyber capabilities for some of Australia and New Zealand's most sensitive defence programs and critical infrastructure operators, whilst also contributing to the global strengthening of Thales in the cybersecurity sector.

Jeff Connolly, CEO Thales Australia and New Zealand said, *"We've seen the significant pipeline of cyber-security work coming in Australia, and it makes sense as a provider of sovereign solutions to scale up in cyber security."*

Mr. Connolly added, *"The marriage of Thales and Tesseract creates a sovereign cyber security provider like no other because it links Thales as a trusted partner with Government with Tesseract's outstanding capability in cyber, especially in the defence, security and critical infrastructure sectors. We will be very well positioned to help Government achieve its ambition of Australia being one of the most cyber-secure countries by 2030"*.

Pierre-Yves Jolivet, Vice-President, Cyber Defense Solutions, Thales said, *"As part of Thales' development strategy on one of its core businesses – cybersecurity- the Group is further anchoring its managed services expertise locally through the acquisition of Tesseract, while promoting the sharing of know-how and common solutions that will benefit all Thales cyber teams worldwide. We are proud that Thales cyber solutions, guided by the sovereign interest of States, are helping build a more resilient world."*

With the closing of the Tesserent acquisition and Thales's agreement to acquire Imperva, a leading US-based data and application cybersecurity company announced in July 2023, Thales is taking its cybersecurity business to the next level, with more than € 2.4 billion revenues¹ from cybersecurity expected in 2024.

Thales' offer is focused on **three families of cybersecurity products and services**:

- **Global security products** around the broader cloud protection & licensing offerings and the following products' areas:
 - **Identity**
 - **Data security**
 - **Application security**
- **Sovereign protection products** including encryptors and sensors to protect governmental, and institutional critical information systems.
- **A complete suite of cybersecurity services** around Cybels solutions portfolio, including threat and risk evaluation, training and simulation, detection and response, and integration projects. **Tesserent is part of this business.**

About Thales

Thales (Euronext Paris: HO) is a global leader in advanced technologies within three domains: Defense & Security, Aeronautics & Space, and Digital Identity & Security. It develops products and solutions that help make the world safer, greener and more inclusive.

The Group invests close to €4 billion a year in Research & Development, particularly in key areas such as quantum technologies, Edge computing, 6G and cybersecurity.

Thales has 77,000² employees in 68 countries. In 2022, the Group generated sales of €17.6 billion.

Thales in Cybersecurity

With more than €1.5bn in sales generated in 2022 through an extensive cyber portfolio, Thales employs over 4,000 cybersecurity experts in over 20 countries, including 9 Security Operation Centers globally. It serves cybersecurity customers in more than 50 countries.

Thales in Australia

Thales has a long-standing corporate presence in Australia with 3,800 employees working across 35 sites for a range of government departments and corporate clients.

Thales Australia has a history of patient investment to build advanced in-country capability across manufacturing, critical systems and services. Close collaborative relationships with local customers, Australian SME suppliers and research institutions combined with technology transfer from our global business enables Thales to tailor high quality solutions for Australian and export markets, generating revenue of \$1.6 billion in exports over the past 10 years.

¹ In 2024, *pro forma* of the proposed acquisitions of Imperva

² Excluding Transport business, which is being divested

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