

DROPSUITE LIMITED | ASX:DSE

Dropsuite | Investor Presentation

Q4 (Dec) 2021 RESULTS UPDATE

January 2022

Dropsuite Safeguards Business Information

We are a global partner-centric company building secure, scalable and highly useable cloud backup technologies for businesses, big and small.



Scalable Revenue

Underpinned by growing SaaS revenue



Email Backup Leader

#1 cloud vendor 2nd year in a row by Info-Tech



Global Presence

Over 500k users across >100 countries



Committed Team

Across Asia Pacific, North America and Europe

Tailwinds Propelling Growth

Industry growing at 24% per year

 Cyber & Ransomware Threats

 Data Privacy Regulation

 Cloud migration

2017

\$6bn

2025



\$22.2bn

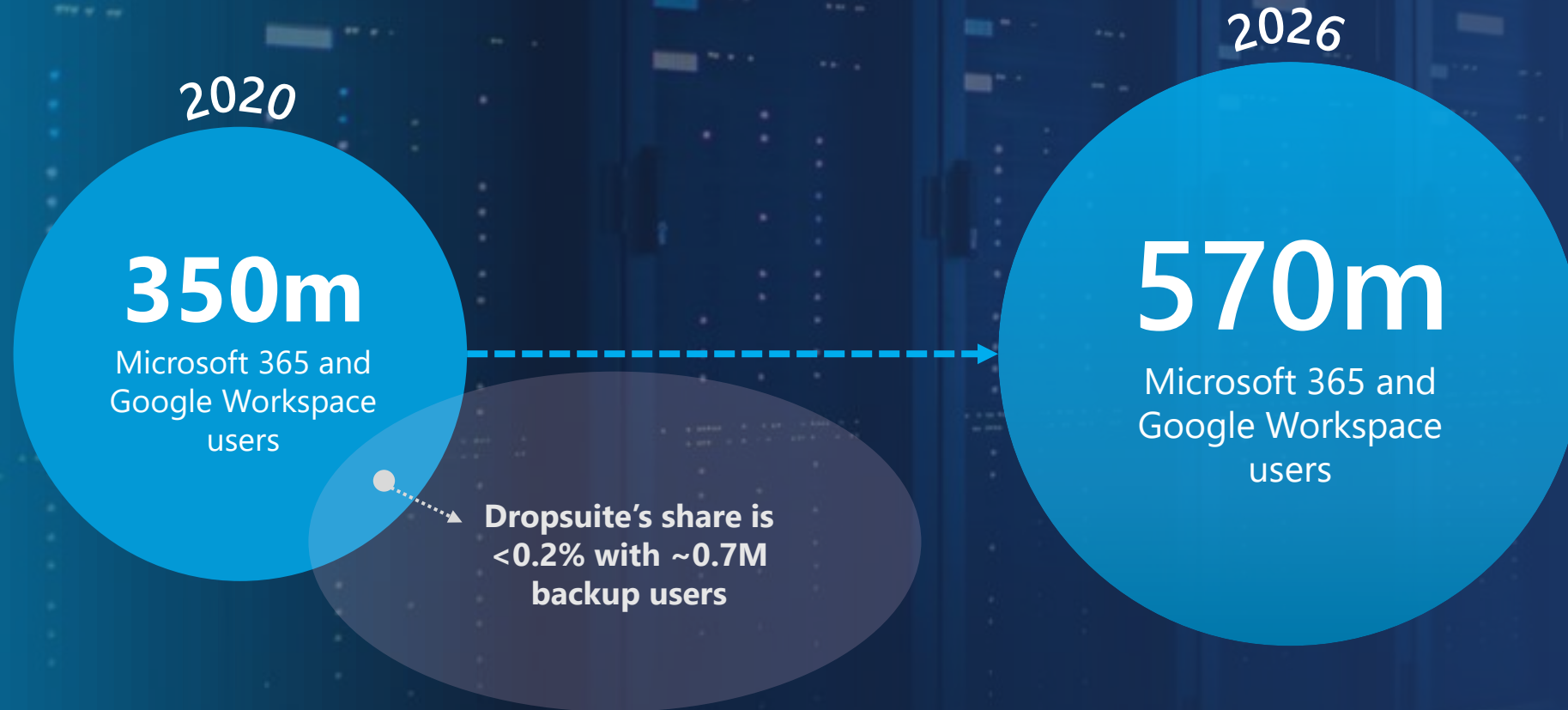
Global Data Backup and Recovery Market growing at 24% (CAGR)

The Product Suite



Market Size: Microsoft 365 & Google Workspace

Significant whitespace opportunity and growing



* William Blair Research calculates 300 million Microsoft 365 users in 2020 growing to 500 million in the next few years. Google Workspace users forecast is based on internal estimate

Single Vendor Story Achieved in 2021



Partners' choice for all email and productivity backup requirements across any platform, geography, customer segment or vertical



Any Platform

 Microsoft 365
Google Workspace
& On-Premise & Cloud



Any Geography

Americas
Europe
Asia Pacific



Any Segment

End Clients from
1-1000s of users



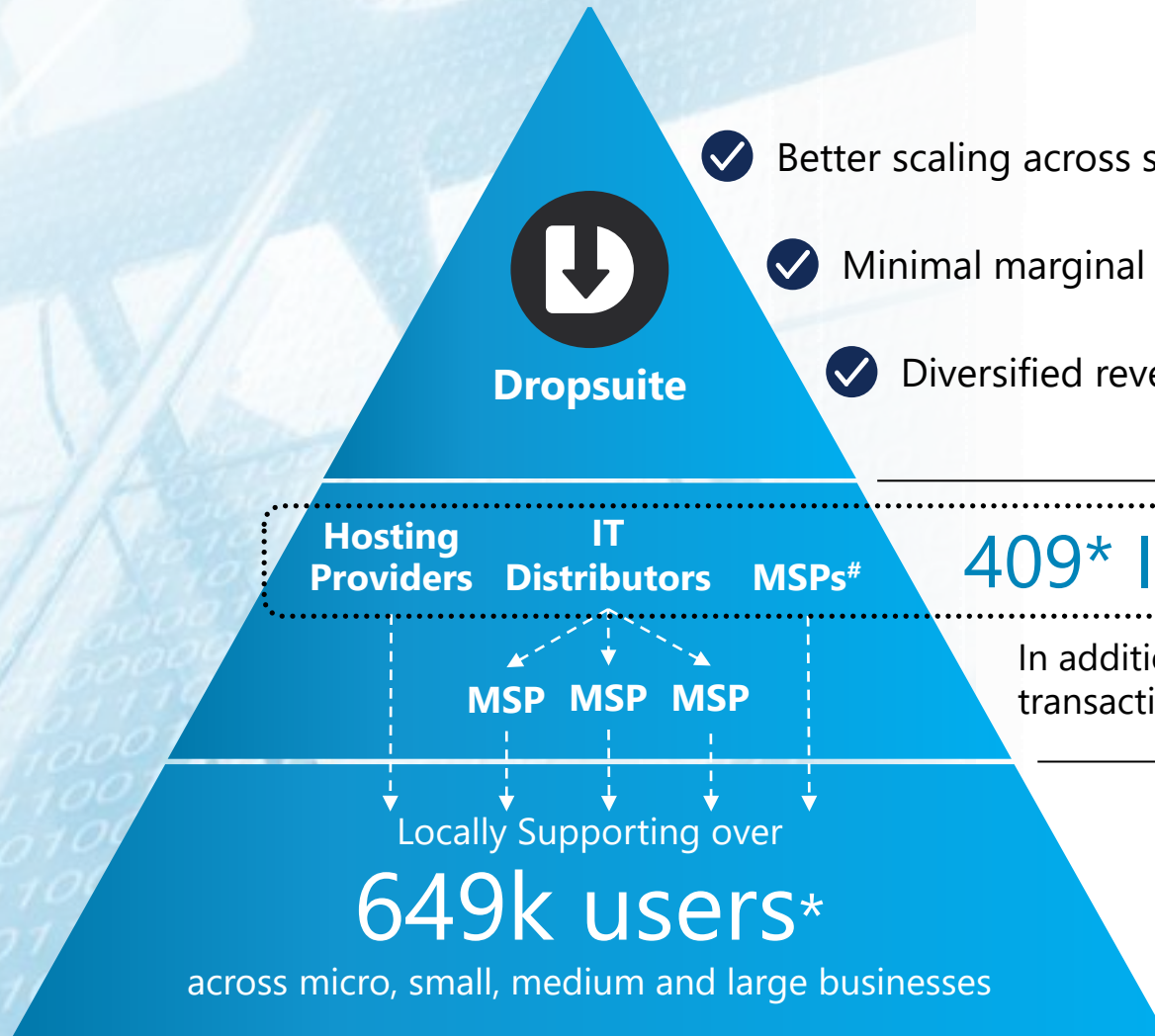
Any Vertical

Including:
Healthcare
Financial
Government



FINRA

Partner-led Business Model



- ✓ Better scaling across sales, support and marketing
- ✓ Minimal marginal cost to serve growing revenue and users
- ✓ Diversified revenue base and fast path to operational leverage

409* IT Reseller Partners Globally

In addition to thousands of Managed Service Providers (MSPs) transacting via IT Distributors

#MSP: Managed Service Provider * As at 31 December 2021

The Dropsuite Advantage



Seamless Partner Integration

Integrates with any partner infrastructure and delivers streamlined provisioning, billing and support



Exceptional User Experience

Simple intuitive interface that is packed with useful and powerful features, including insights and analytics



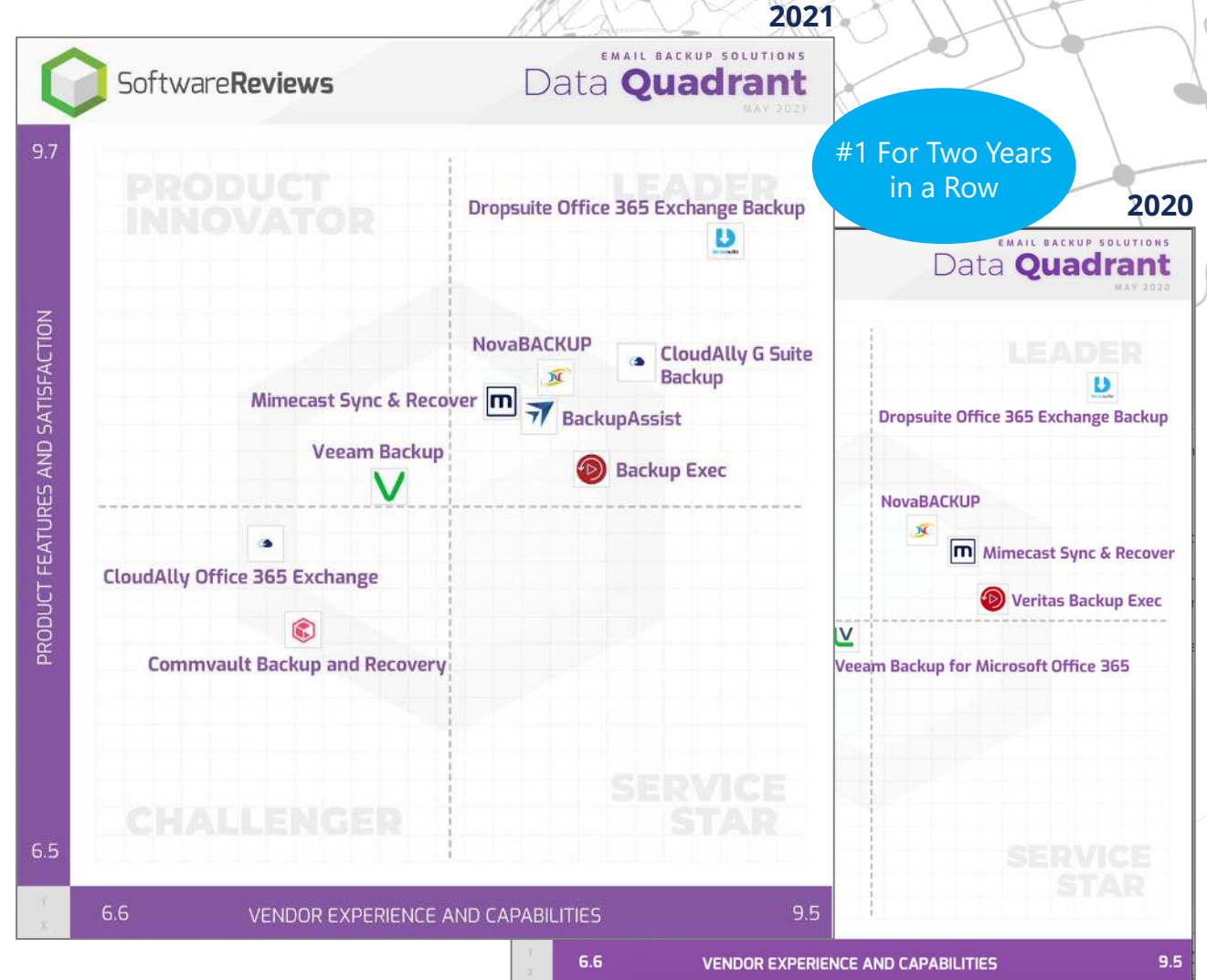
Cutting-edge Cloud Platform

Built for the cloud from day one. Secure public and private cloud platform deployed globally



Highly Responsive Team

Expert training, marketing and technical support delivered by an agile and passionate team



Q4 FY21 Results



Q4 FY21 Results Overview

Solid momentum across the business

Annual
Recurring
Revenue¹

\$15.2m



70% on PCP
13% on Q3

Average
Revenue
Per User³

\$1.95/mo



13% on PCP
~1% on Q3

Normalised
Operating
Cashflow²

\$0.23m



214% on PCP
162% on Q3

Reseller
Partners

409



29% on PCP
4% on Q3

End
Users

649k



51% on PCP
13% on Q3

Cash
Position

\$21.6m



770% on PCP
1% on Q3

1. Annualised Recurring Revenue (ARR) is defined as the value of the contracted monthly recurring revenue multiplied by 12 months
2. Cash receipts are normalised in order to capture delayed or early receipt of material customer payments around each quarter end. Actual (Non-Normalised) Cash Generated From Operations was \$0.23m with Cash at Bank at end of December of \$21.60m
3. QoQ and PCP for all ARR and Average Revenue Per User are all based on constant currency basis.

Delivered slated cashflow positive quarter

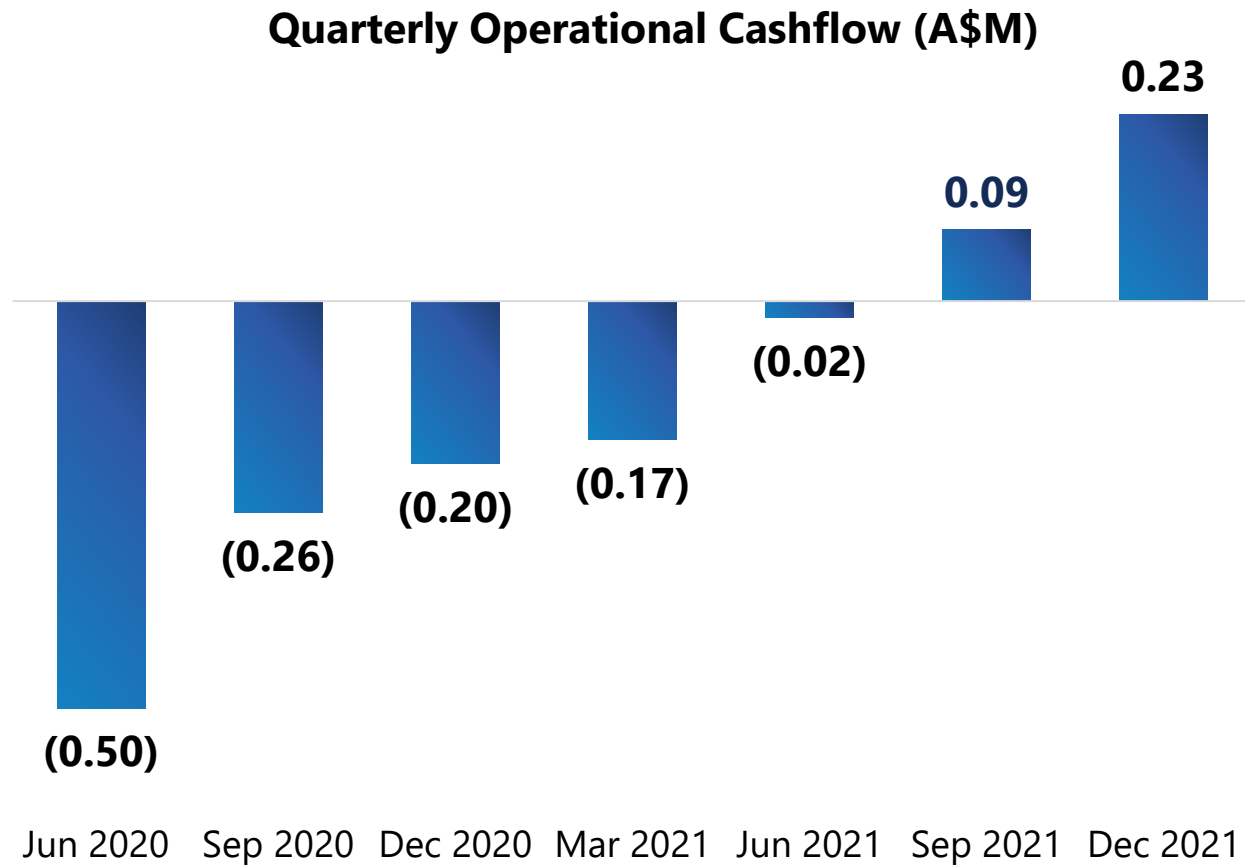
(\$Million) per quarter	Dec 21	Sep 21	Dec 20	QonQ	PCP
Cash Receipts	3.42	2.84	1.70	20%	102%
<i>Normalised Cash Receipts¹</i>	3.42	2.84	1.89	20%	81%
Net Cash Generated from Operations	0.23	0.09	(0.41)	162%	157%
<i>Normalised Net Cash from Operations</i>	0.23	0.09	(0.20)	162%	214%
Cash at hand	21.60	21.40	2.48	1%	770%

Cash Receipts : Normalised cash receipts for the quarter were \$3.42m, an increase of 20% QoQ and 102% on PCP

Normalised Cash Generated from Operations: Continued growth in cash generation from prior quarter to \$0.23m with increases in revenue and continued cost control measures exceeding expectations. The upcoming quarter is expected to be a higher payments quarter, as per historical trends, given one-off payments related to subscriptions and potential staff bonuses.

1. Cash receipts are normalised in order to capture delayed or early receipt of material customer payments around each quarter end. Actual (Non-Normalised) Cash Generated From Operations was \$0.23m with Cash at Bank at end of December of \$21.60m

Reinvesting for future growth while maintaining profitability



Reinvesting for future growth

-  Product Development
-  Sales and Marketing
-  New product integrations
-  Distribution channels

Solid results over the past 12 months

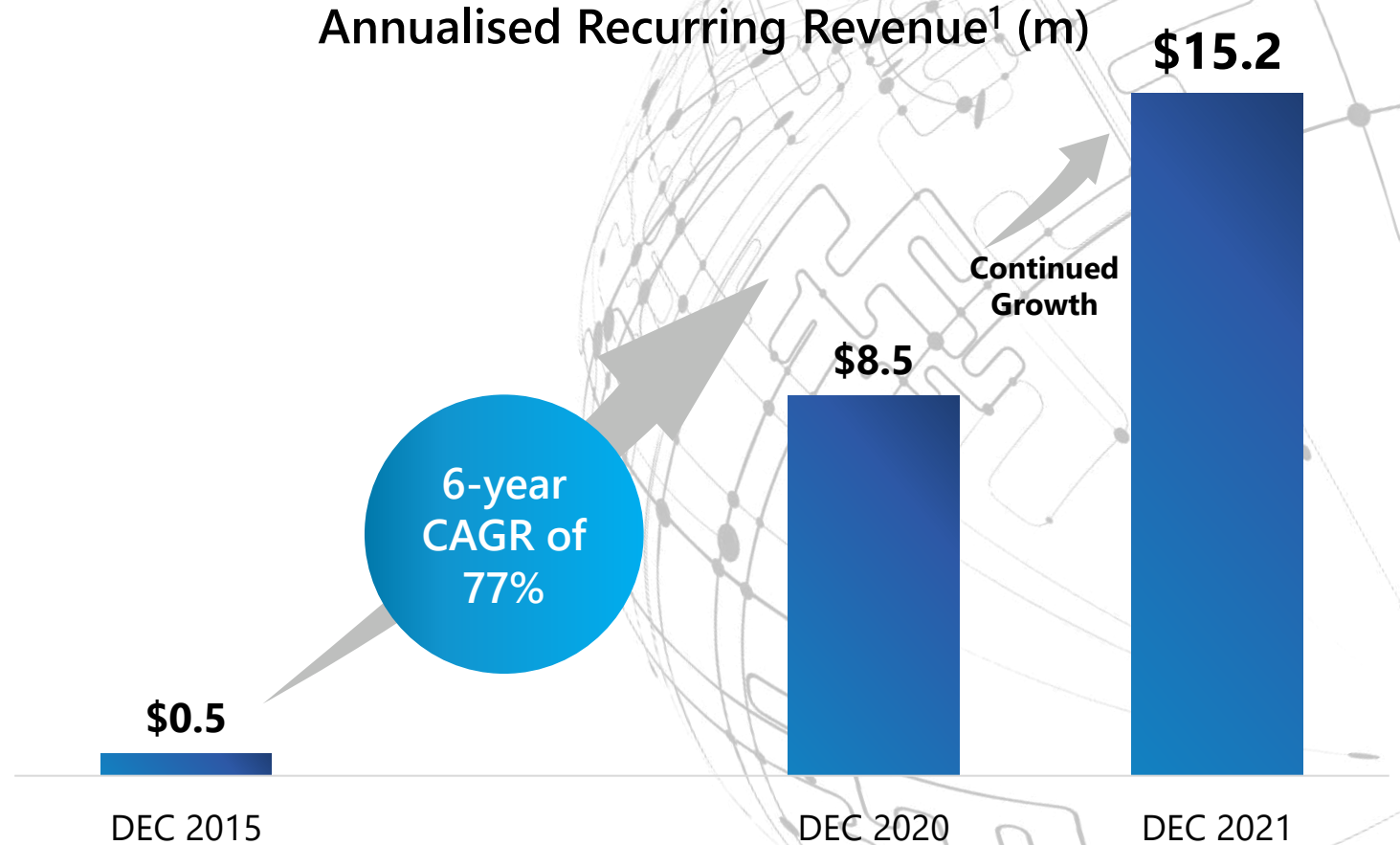
Top 10 Partner Revenue Contribution
Stable at 66%

Partner Churn Rate²
Stable at <3%

Monthly Revenue per User³
↑ 13% to \$1.95

End Users
↑ 51% to 649k

Annualised Recurring Revenue¹ (m) **\$15.2**



1. Annualised Recurring Revenue (ARR) is defined as the value of the contracted monthly recurring revenue multiplied by 12 months
2. December 2021 Revenue Churn is defined as Lost Revenue in December 2021 divided by December 2020 Revenue
3. Percentage growth is on previous corresponding period and constant currency

Outlook



Growth Pillars



Growth Through Partnerships

Increase global footprint by onboarding new partners and expand current partnerships

Expand Integration options for new and existing partners

01



Continuous Product Innovation

Focus on continued product differentiation and new product introduction

Uphold product leadership as #1 email backup

02



Diversify Revenue and Boost ARPU

Shift mix to higher featured and higher priced SKUs

Reduce top 10 Revenue contribution while maintaining low churn

03

Outlook



Strong market tailwinds from data security and regulation are expected to stay for the foreseeable future



Set to deliver ARR growth via partner ecosystem and strong sales pipeline



Driving product innovation to maintain our leading position as a backup vendor of choice

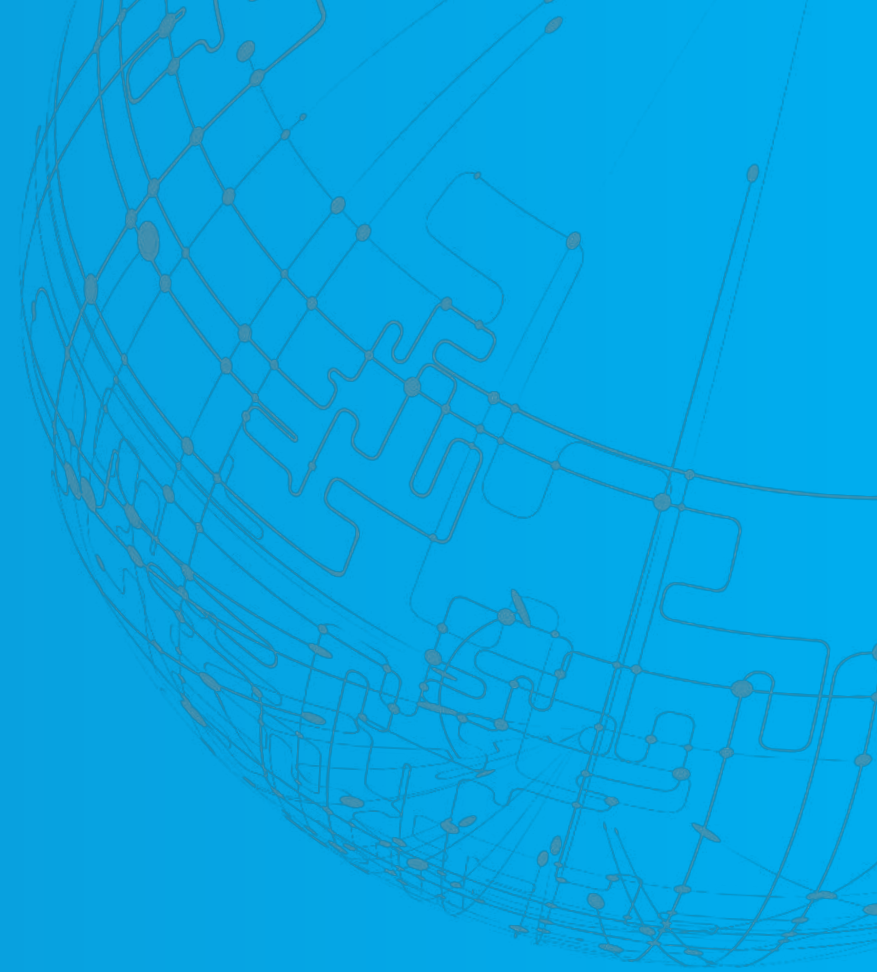


Positioned to achieve operating EBITDA profitability for fiscal year 2021 with further investment in talent bench-strength as well as sales and marketing expansion



Advancing accretive M&A opportunities to leverage existing internal growth and take advantage of strong market tailwinds around data protection

QUESTIONS





dropsuite.com



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This presentation is authorised by the Board of Directors

Board and Management

CHARIF ELANSARI

Managing Director



- Founding member of Google Asia Pacific
- Previously held senior positions at Google and Dell in Asia Pacific and North America

THEO HNARAKIS

Non-Executive Chairman



- Previously, MD of ASX 300 Melbourne IT, News Corporation & PMP Communications Group
- Director at Farmgate MSU (Provenir)

DR. BRUCE TONKIN

Non-Executive Director



- Chief Operating Officer at .au Domain Administration Limited
- Previously, CTO and CSO of Melbourne IT (ASX 300)

RIDLEY RUTH

Chief Operating Officer



- 20 years experience in selling security software to service providers
- Previously VP of Sales at CloudFlare

RON HART

Chief Technology Officer



- Early pioneer of cloud-based platforms
- Lead technology developer at US- based myTriggers.com and inContact (NASDAQ: SAAS)

BILL KYRIACOU

Head of Finance

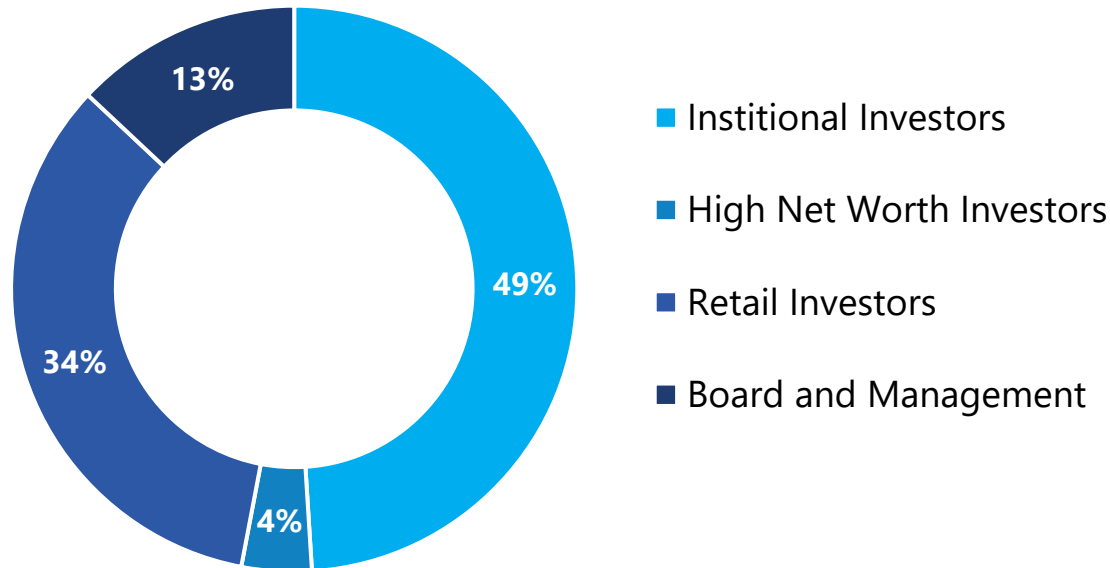


- 21 years of finance experience in listed technology and media companies
- Previously Computershare and Crowd Mobile Limited.

Corporate Overview

DSE has a strong balance sheet and zero debt

Top 50 share registry breakdown



Board of Directors

Theo Hnarakis
Charif Elansari
Bruce Tonkin

Non-Executive Chairman
Managing Director
Non-Executive Director

Substantial Shareholders

Topline Capital Partners (USA)	19.8%
Tracy Anne Fearon	6.4%
HSBC Custody Nominees (AU)	5.0%
BNP Paribas Nominees Pty Ltd (AU)	5.1%
Total	42.3%

Financial Information

Share price as of January 17, 2022	22.5 cents
Ord Share on Issue (M)	682
52-week trading (low/high)	0.150/0.285
Market Cap (\$)	\$150.1M
Cash (31 December 2021)	\$21.6M
Debt (31 December 2021)	nil

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