

DROPSUITE LIMITED | ASX:DSE

| Investor Presentation

FY 2021 RESULTS UPDATE

February 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 649k users across >100 countries



Committed Team

Across Asia Pacific, North America and Europe

The Product Suite



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

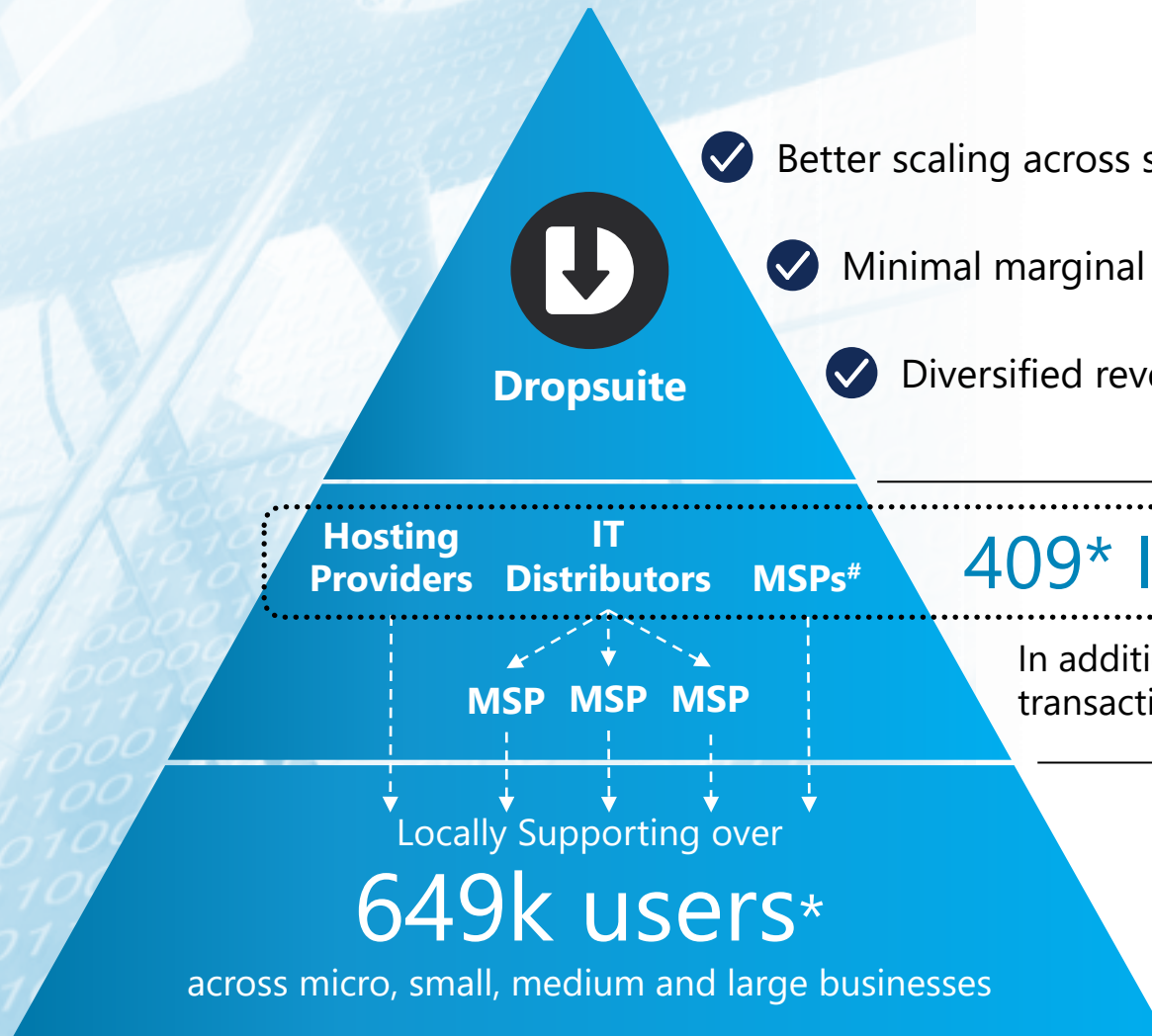
Any Vertical

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

Microsoft O365 Backup Leader

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 search, insights and analytics



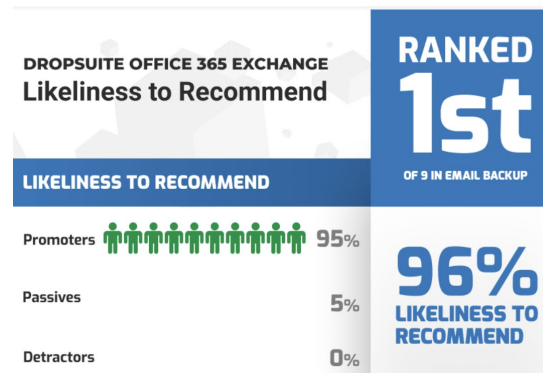
Cutting-edge Cloud Platform

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



Highly Responsive Team

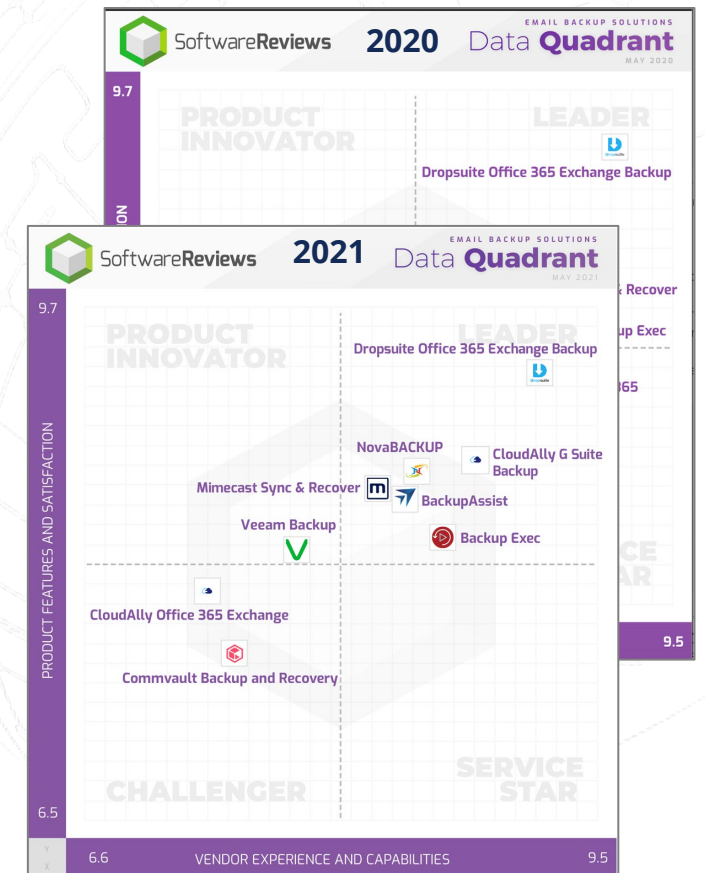
Expert training, marketing and technical support delivered by an agile and passionate team



"It's an easy decision. Low cost of entry, ease of implementation, ease of use by end users."

CUSTOMER QUOTE

#1 For Two Years in a Row



FY21 Results

(Jan-Dec 2021)



FY21 Financial Results Overview

**Annual
Recurring
Revenue¹**

\$11.7m

↑ 66% on PCP

**Gross
Margin %**

64%

↓ -1.5% on PCP

**Annual
Operating
Cashflow**

\$0.26m

↑ \$2.1m on PCP

**Underlying
EBITDA²**

\$0.39m

↑ (\$1.41m) in FY20

**Operating
Expenses
(OpEx)**

\$7.54M

↑ 20% on PCP

**Cash
Position**

\$21.6m

↑ 770% on PCP

1. Annualised Recurring Revenue (ARR) is defined as the value of the contracted monthly recurring revenue multiplied by 12 months
2. Underlying EBITDA excludes Share Based Payments expenses \$0.17m and Due Diligence expenses \$0.22m

Solid Operational Metrics Delivered

Annualised Recurring Revenue (ARR)¹

↑ **80% to \$15.2m**

Partner Churn Rate²

Stable at <3%

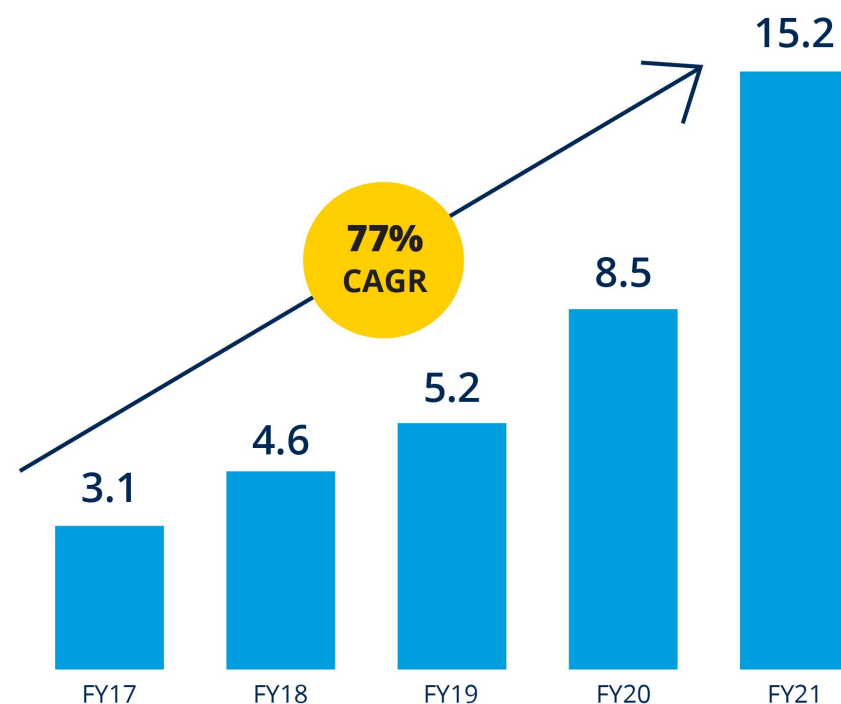
Average Revenue per User (ARPU)³

↑ **19% to \$1.95**

End Users

↑ **51% to 649k**

ANNUAL RECURRING REVENUE (\$M)

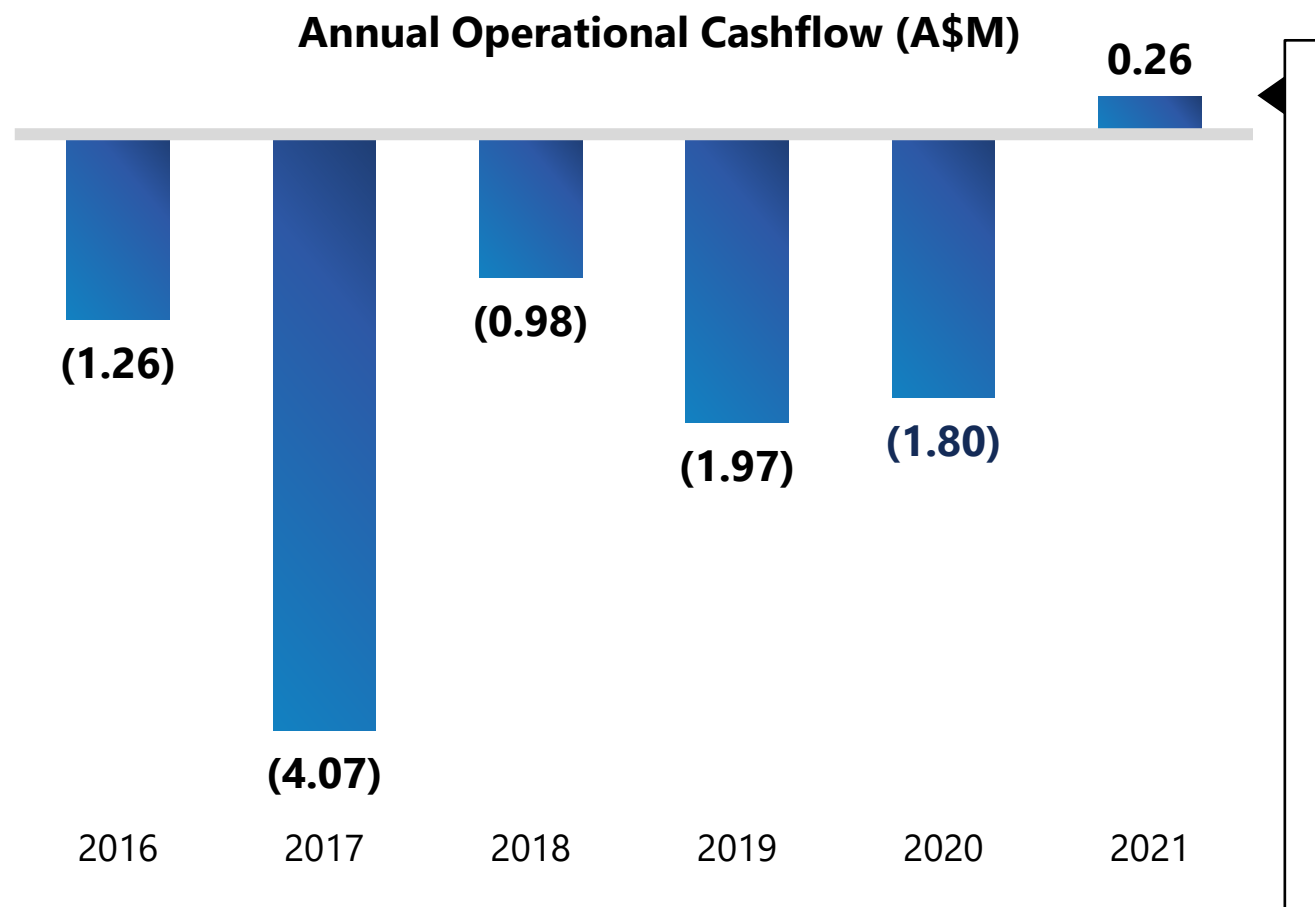


1. Annualised Recurring Revenue (ARR) is defined as the value of the contracted monthly recurring revenue multiplied by 12 months. PCP based on Actual exchange rates. Constant Currency growth is 70%

2. December 2021 Revenue Churn is defined as Lost Revenue in December 2021 divided by December 2020 Revenue

3. Average Revenue per User (ARPU) percentage growth is on previous corresponding period using Actual exchange rates. Constant currency ARPU growth is 13% PCP

Achieved Positive Operational Cash Flow



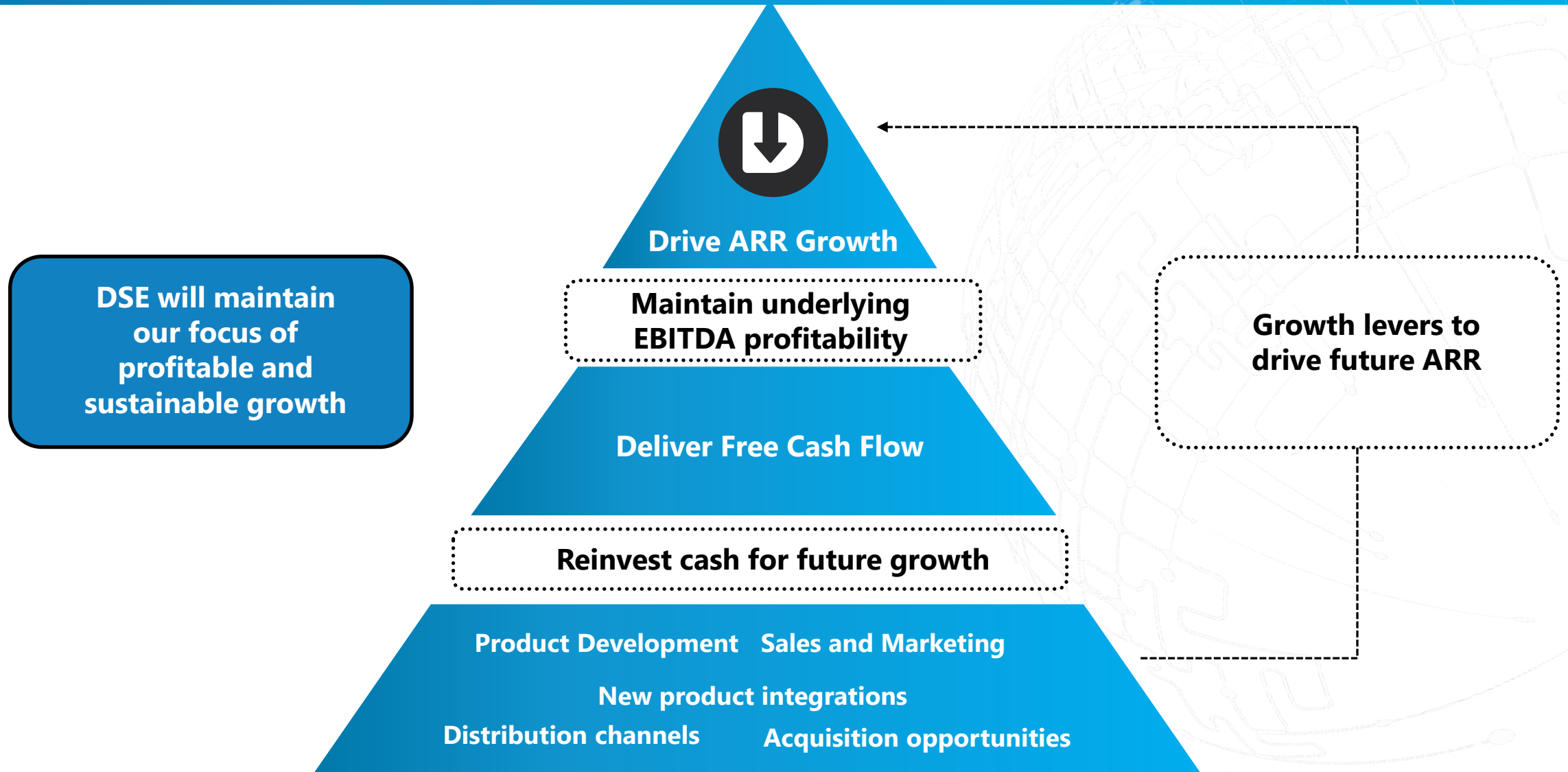
Cash Receipts : Receipts increased 80% on prior year, inline with overall revenue increase across the year.

First year of positive cashflow generation:
Positive cash in FY21 delivered by increases in revenue and continued cost control measures throughout the year.

Outlook



Reinvesting for Future Growth While Maintaining Profitability



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



Maintaining underlying EBITDA profitability and positive operating cash flow with continuous reinvestment in future growth



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



dropsuite.com



Charif Elansari

Managing Director, Dropsuite
charif@dropsuite.com



Investor Relations

Craig Sainsbury

Market Eye
craig.sainsbury@marketeye.com.au
+61 428 550 499



dropsuite



Dropsuite Limited

14 Emerald Terrace
West Perth WA 6005, Australia

This presentation is authorised by the Board of Directors

Appendix



Financial Summary for FY2021 (Jan-Dec 2021)

A\$ million	2021	2020	Change (%)
Revenue from operating activities	11.69	7.03	66%
Other income	0.14	0.78	(82%)
Gross margin %	64%	65%	(1%)
Operating expenses	(7.54)	(6.30)	(20%)
Net (loss) from ordinary activities	(0.03)	(2.14)	99%
EBITDA	0.003	(1.66)	100%
Underlying EBITDA ¹	0.39	(1.41)	127%
Net Cash Generated/(Used) from Operations	0.26	(1.79)	114%

1. Underlying EBITDA excludes Share Based Payments expense (0.17m) and Due Diligence expenses (0.22m)

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

MANOJ KALYANARAMAN



Chief Technology Officer

- Product and Engineering leader with experience in global engineering delivery
- Previously Tech leader at Intuit (NASDAQ: INTU) and BitTitan, a pioneer in Cloud migration

BILL KYRIACOU

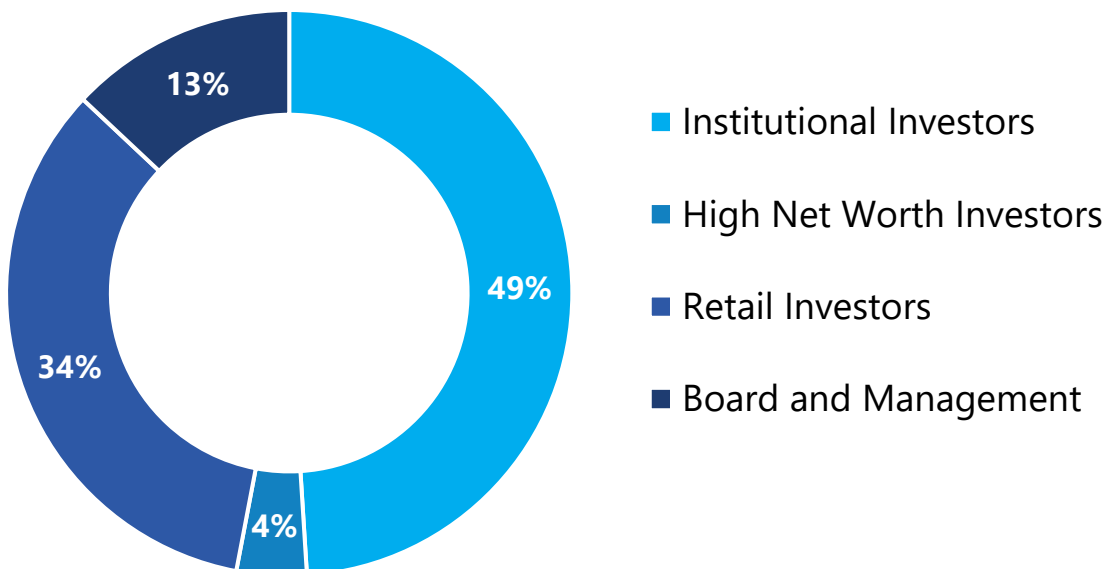


Head of Finance

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

Corporate Overview

Top 50 share registry breakdown



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 February 23, 2022	19 cents
Ord Share on Issue (M)	682
52-week trading (low/high)	0.155/0.285
Market Cap (\$)	\$130.0M
Cash (31 December 2021)	\$21.6M
Debt (31 December 2021)	nil

Disclaimer

This presentation has been produced by Dropsuite limited and may contain forward looking statements that are based on management's current expectations, beliefs and assumptions and are subject to a number of risks and uncertainties. Forward looking statements contained in this presentation are not guarantees of future performance and involve risks and uncertainties that are difficult to predict, and are based upon assumptions as to future events that may not prove accurate. Therefore, the actual outcomes and results may differ from those described. In any forward-looking statement in which Dropsuite limited expresses an expectation or belief such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the statement or expectation or belief will result or be achieved or accomplished. We are not under any duty to update forward-looking statements unless required to by law. This investor presentation is not an offer of securities, and does not form part of any prospectus that has or may be issued. Dropsuite limited and its directors, employees, associates, affiliates and agents, make no: a. Representations or warranties, expressed or implied, in relationship to this presentation or the accuracy, reliability or completeness of any information in it or the performance of Dropsuite Limited; and b. Accept no responsibility for the accuracy or completeness of this presentation. This presentation is intended to provide information only and does not constitute or form an offer of securities or a solicitation or invitation to buy or apply for securities, nor it or any part of it form the basis of, or be relied upon in any connection with any contracts or commitment whatsoever. The information in this presentation does not take into account the objectives, financial situation or particular needs of any person. Nothing in this presentation constitutes investment, legal, tax or other advice. This presentation does not, nor does it purport to, contain all the information prospective investors in Dropsuite limited would desire or require in reaching an investment decision. To the maximum extent permitted by law, Dropsuite Limited, their officers, directors, employees, associates, affiliates or agents, nor any other person accepts any liability for any loss, claim, damages, costs or expenses of any nature (whether foreseeable or not), including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this presentation or its content or otherwise arising in connection with it or any errors or omissions in it. The distribution of this presentation in jurisdictions outside of Australia may be restricted by law. This presentation has not been filed, lodged, registered or approved in any jurisdiction and recipients of this presentation should keep themselves informed of and comply with and observe all applicable legal and regulatory requirements. In Australia, this presentation is made only to sophisticated or professional investors under the corporations act, but will be released on the ASX.