

Dropsuite | INVESTOR PRESENTATION

MARKET EYE – TECHOPPS VIRTUAL CONFERENCE
PRESENTER – CHARIF ELANSARI, CEO
15 OCTOBER 2020



DROPSUITE SAFEGUARD 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

Backup Leader

#1 cloud vendor as validated by infoTech

Global Presence

Deployed across 136 countries to over 350k users

Diverse Team

50 staff across four offices globally



MARKET OPPORTUNITY



THE CHALLENGE

90%

of Cybersecurity attacks start with email



30K

Websites are hacked everyday



200K

Privacy breach cases reported in year1 of GDPR



62%

of breaches and data loss occur through human error



THE OPPORTUNITY

US \$17B Global Backup/Recovery and eDiscovery Market by 2020

1 Billion Business Email Users in 2019

84% of companies don't backup their SaaS application data (US)

More than 260M Microsoft O365 Users growing at 20% p.a.

Emerging challenges around GDPR privacy compliance and remote workplace

* General Data Privacy Regulation (GDPR) is a set of strict data privacy rules that went into effect in mid 2018



TAILWINDS PROPELLING GROWTH

Favourable Market and Regulatory Drivers



CYBERSECURITY & DATA LOSS THREATS

91% of sophisticated cyber-attacks start through email 62% of breaches and data loss occur through human error



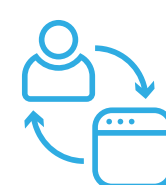
DATA PROTECTION REGULATORY COMPLIANCE

GDPR and multiple regulations in healthcare, financial and other verticals dictate strict data protection and governance



ECONOMICAL PRESSURES

Cloud services disrupting IT providers' margin streams making the focus on recurring revenue services critical to survival



USER EXPERIENCE

Partners demand a seamless user experience throughout the sales and support cycle

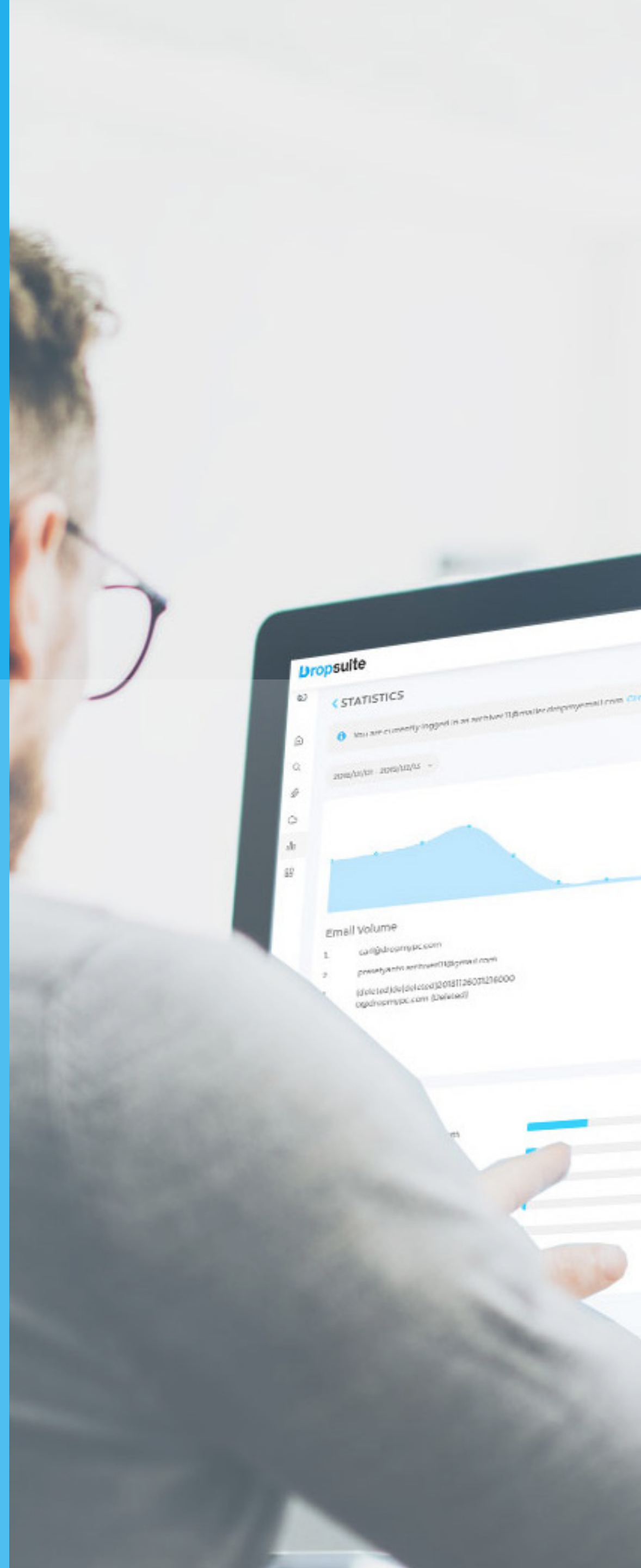


Dropsuite simplifies data protection so businesses can focus on what they do best, by providing industry-leading backup, archiving, compliance, discovery and recovery delivered at scale to power any organization's defence

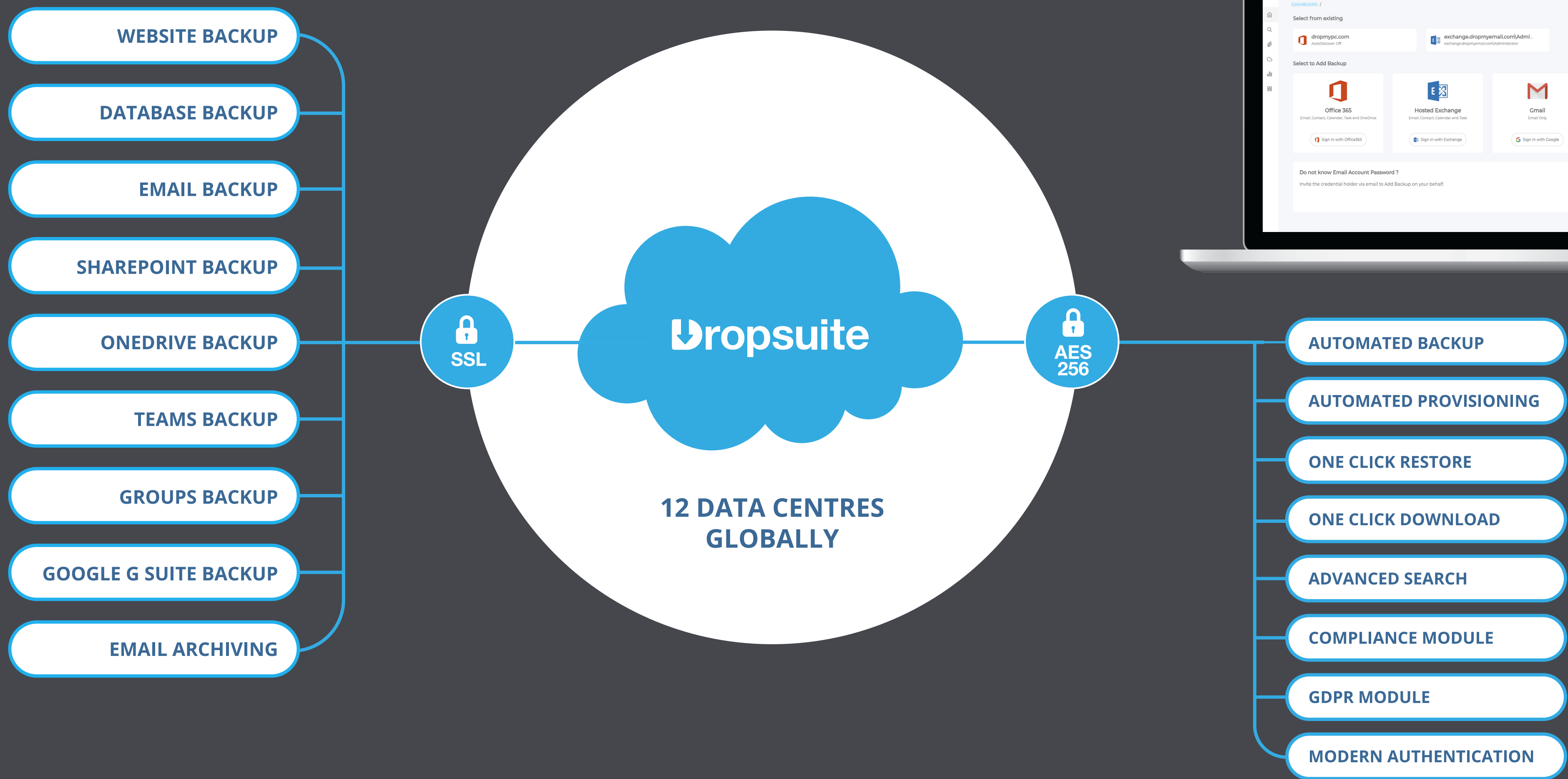


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OUR PRODUCTS

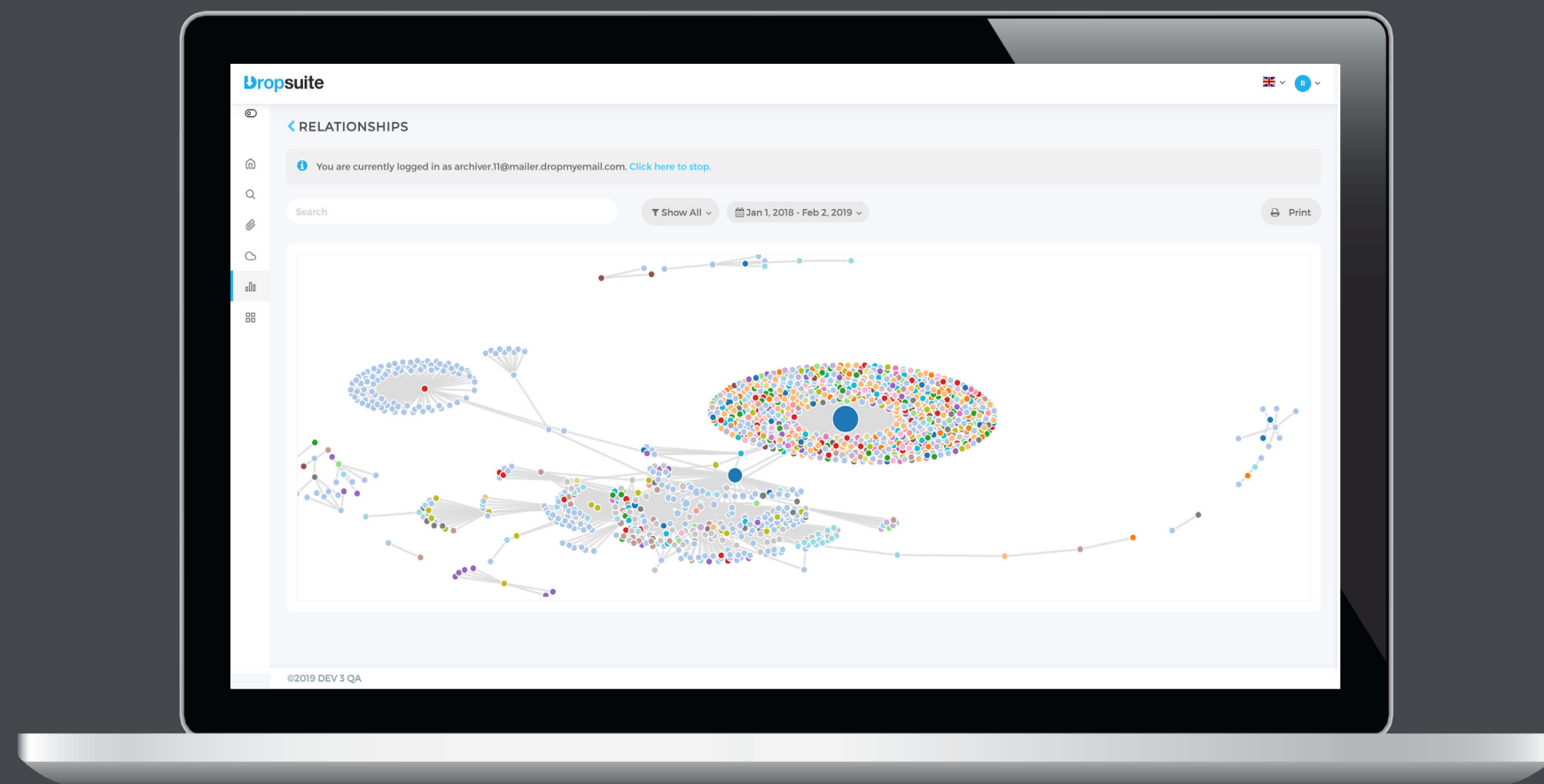
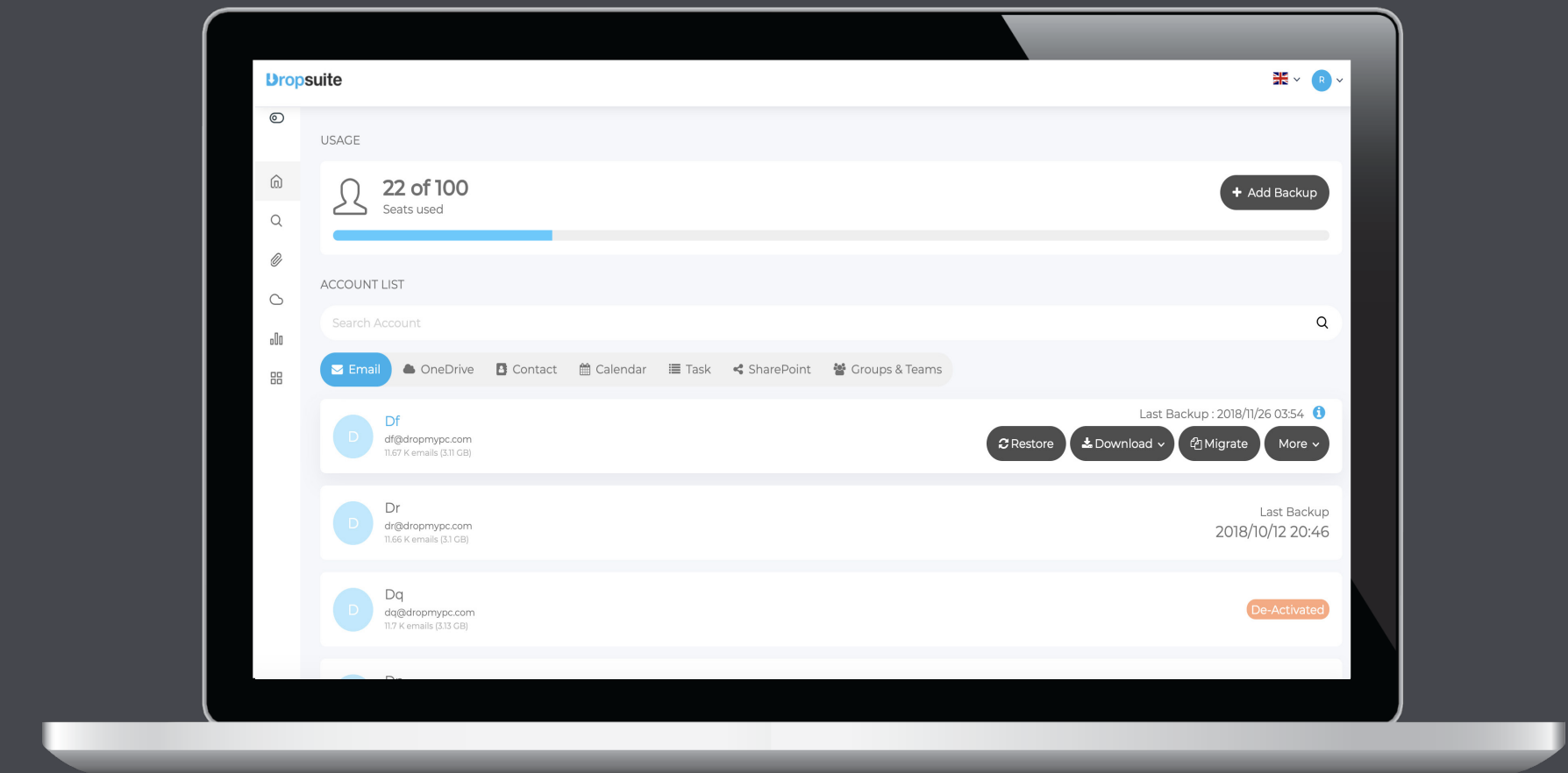


THE PRODUCT SUITE



CONTINUOUS PRODUCT INNOVATION

- #1 email backup by Info-tech, a software research firm
- More than 150 product upgrades and enhancements in 2020
- Google Suite backup v2 launched in June 2020



- Increased functionality and optionality for larger clients
- Further security enhancements and certification
- Deeper integration and capabilities for IT reseller partners



THE DROPSUITE ADVANTAGE



EXCEPTIONAL USER EXPERIENCE

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



SEAMLESS PARTNER INTEGRATION

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



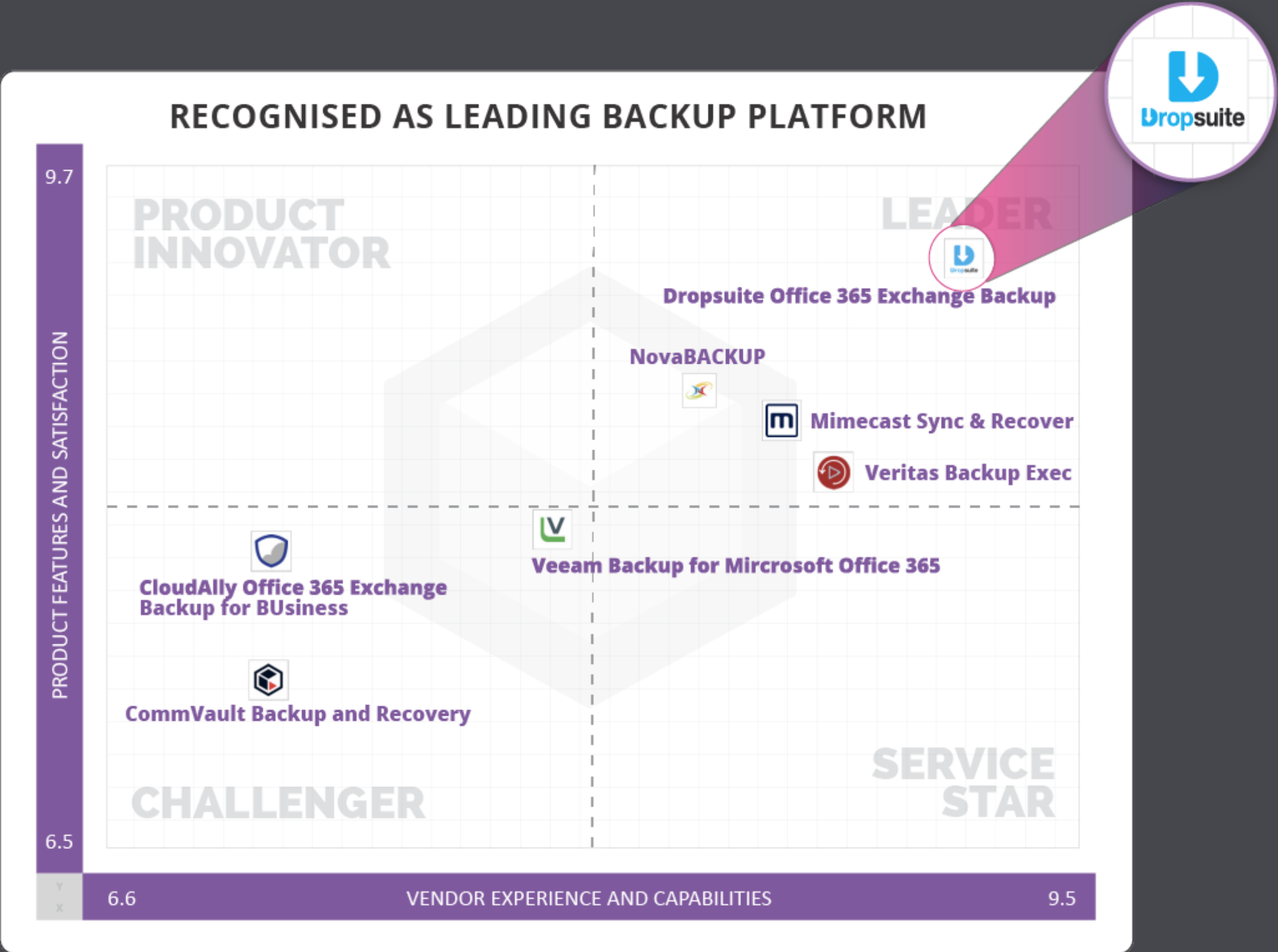
CUTTING-EDGE CLOUD PLATFORM

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

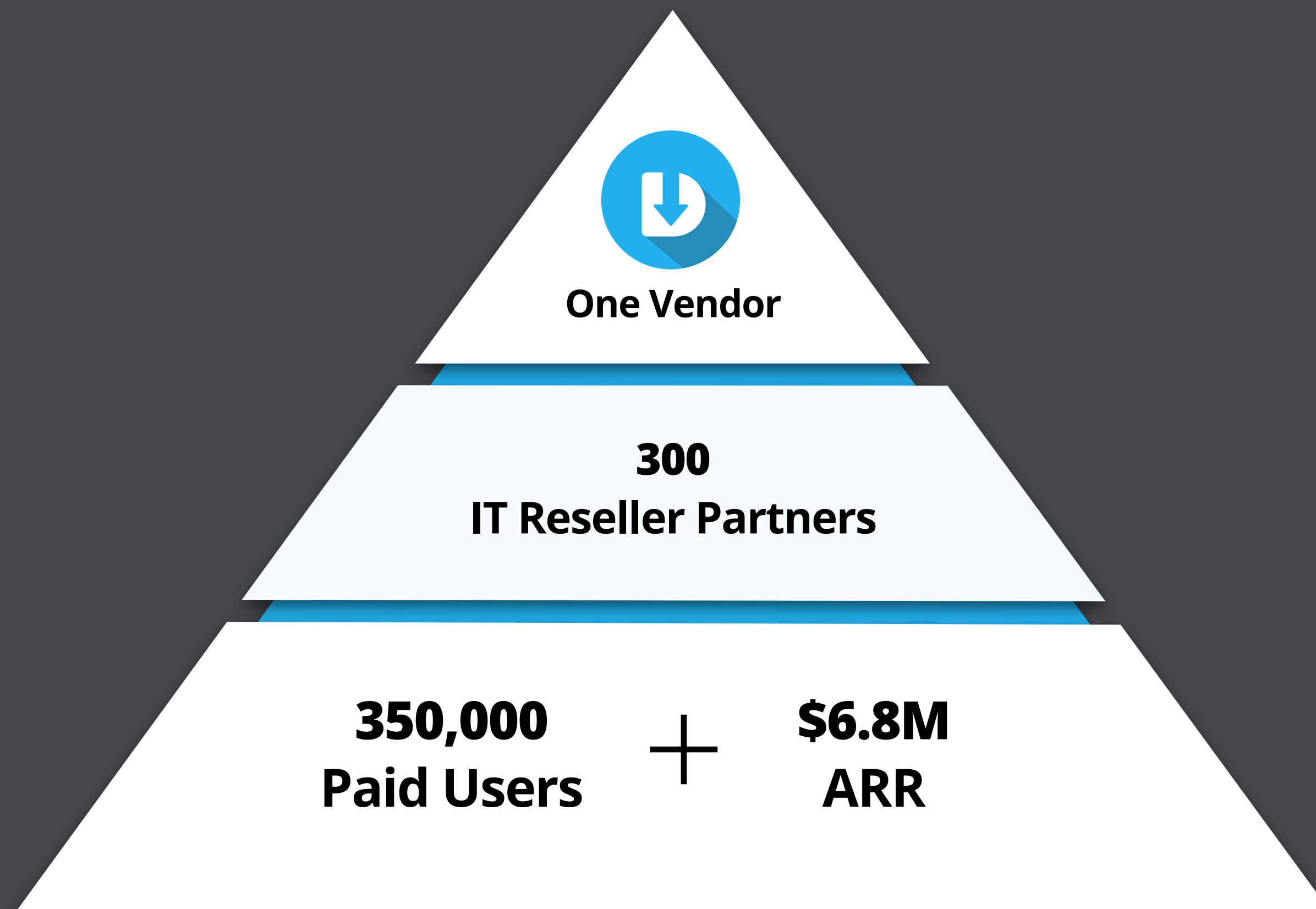


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OUR BUSINESS MODEL



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



FOCUSED ON CHANNEL AND ECOSYSTEM PARTNERS





GROWTH THROUGH GLOBAL RESELLER PARTNERSHIPS


Global footprint with ~ 300 IT Reseller Partners. Massive headroom for growth from existing partners

Recent Partner Wins

- 

One of Australia's largest IT distributors
- 

Leading IT distributor in the Nordic region
- 

UK's leading % Public Sector IT Solution and Service Provider
- 

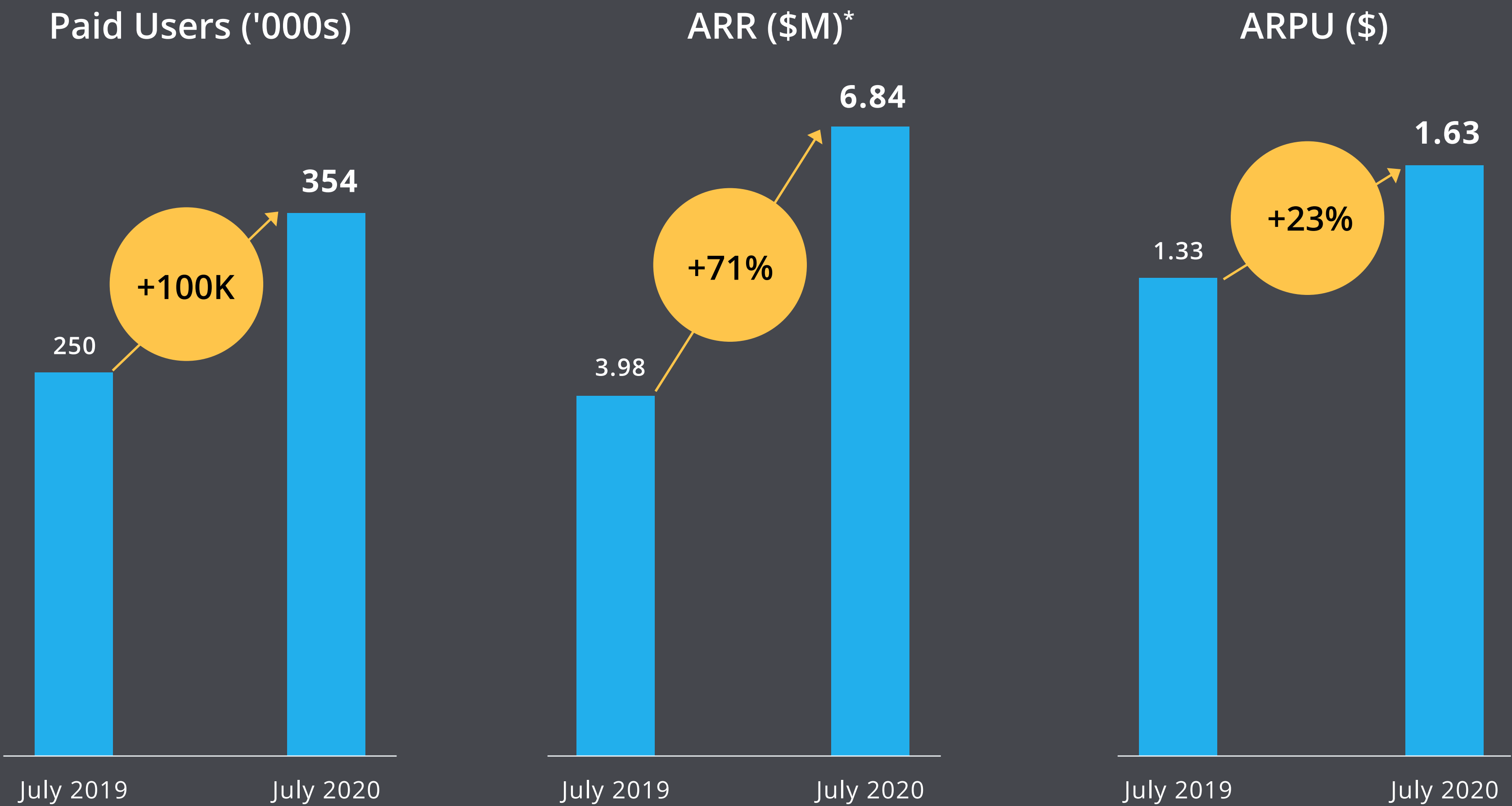
One of the fastest growing managed service providers in Canada



KEY METRICS



KEY METRICS



- Low Cash Burn
- Low Churn Rate
- Growing Topline metrics
- Healthy Gross Margin

* Constant Currency



OUTLOOK



Strong ARR and user growth trajectory driven by our existing partner ecosystem and a strong sales pipeline



Well-funded and positioned to make improvements in EBITDA and reduce cash burn



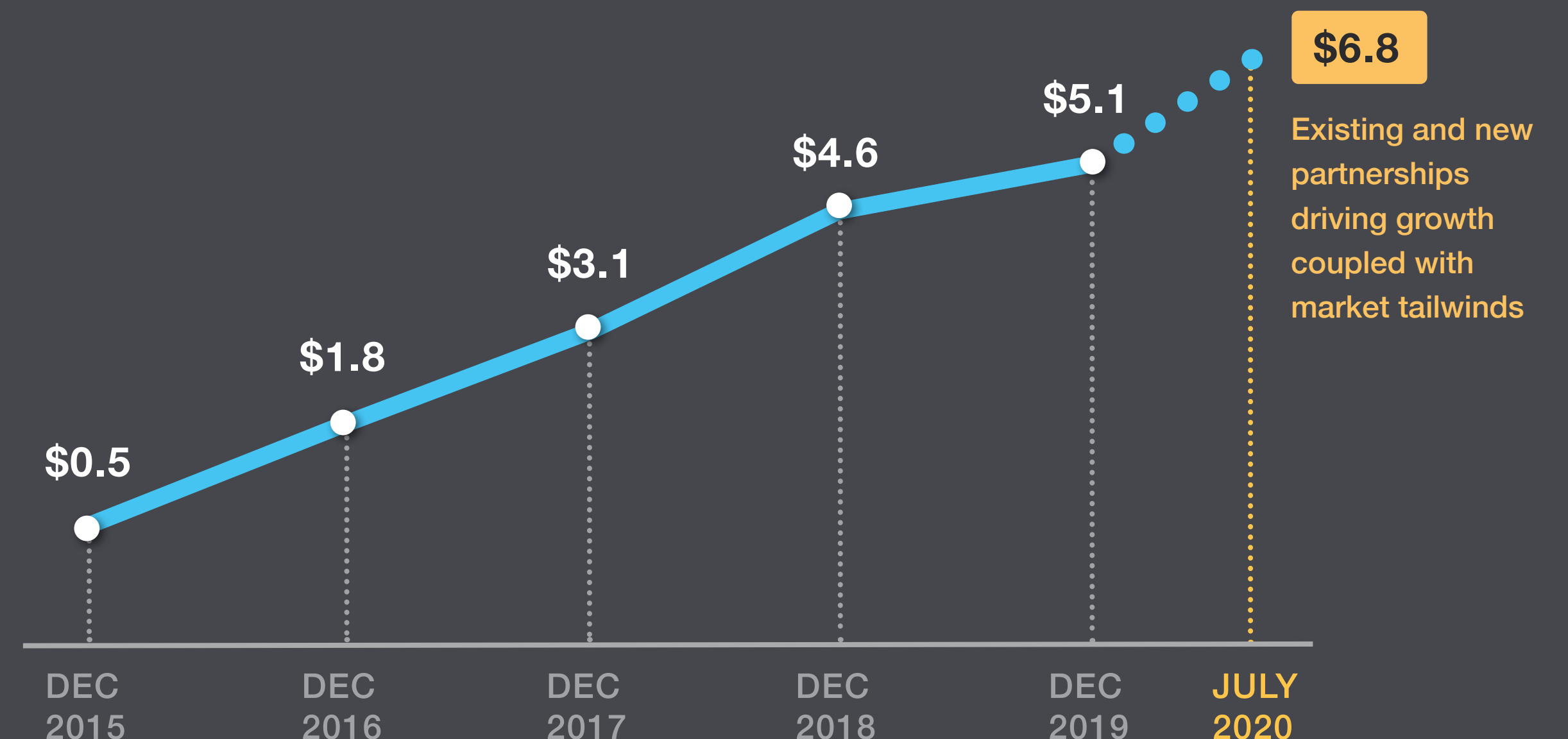
Well Positioned in a structurally growing market (cybersecurity, cloud & regulation)



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

ANNUALISED RECURRING REVENUE (ARR \$M*)

Solid execution and topline growth in the last 5 years



*Constant Currency



APPENDICES



DROPSUITE EMAIL BACKUP ALSO RANKS #1 IN SATISFACTION FOR 21 OF THE 22 PRODUCT FEATURE AND VENDOR CAPABILITY CATEGORIES:

Vendor Capabilities

- #1 Business Value Created
- #1 Ease of Data Integration
- #1 Ease of Implementation
- #1 Product Strategy And Rate Of Improvement
- #1 Vendor Support
- #1 Usability And Intuitiveness
- #1 Breadth Of Features
- #1 Quality Of Features
- #1 Availability And Quality Of Training
- #1 Ease Of IT Administration
- #2 Ease of Customization

Product Features

- #1 Mailbox Backup Restore
- #1 Security
- #1 Granular Restore
- #1 Permissions Awareness
- #1 Support for Backup Types
- #1 Transaction Log Backup Restore
- #1 Backup Archiving
- #1 Full System Backup Restore
- #1 Compliance
- #1 Information Store Backup Restore
- #1 Media Support



FINANCIAL SUMMARY 1H2020

	30 JUNE 2019	30 JUNE 2020	CHANGE
REVENUE	2,346,121	3,245,398	+38%
OPERATING EBITDA	(\$1,079,126)	(\$884,988)	+18%
OPERATING NPAT	(\$1,453,227)	(\$1,277,714)	+12%
OPERATING CASH FLOW	(\$1,277,799)	(\$1,268,909)	0%
CASH	2,197,907	3,021,918	+37%



CASH BURN EXPECTED TO DECLINE THROUGHOUT 2020

- Increase in sales receipts
- Selective investment in OpEx
- Cash Collection Controls

In Q2 2020:

Cash Receipts: Normalised for cash receipts from partners who paid within a day or two after the end of the June quarter were at \$1.6M, an increase of 28% QoQ.

Normalised burn down by 21% QoQ and that is not including one-off payouts for board withheld wages of \$95K.

(25% of wages from Jul 2019-Feb 2020)

Cash Metrics for Calendar Q2 2020

(\$Million)	Mar-20	Jun-20	QoQ
Cash Receipts	1.24	1.46	17%
Normalised Cash Receipts	1.24	1.59	28%
Net Cash from Operations	-0.63	-0.64	-1%
Normalised Net Cash from Operations	-0.63	-0.50	-21%
Cash at hand	3.68	3.02	-18%



LEADERSHIP TEAM



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

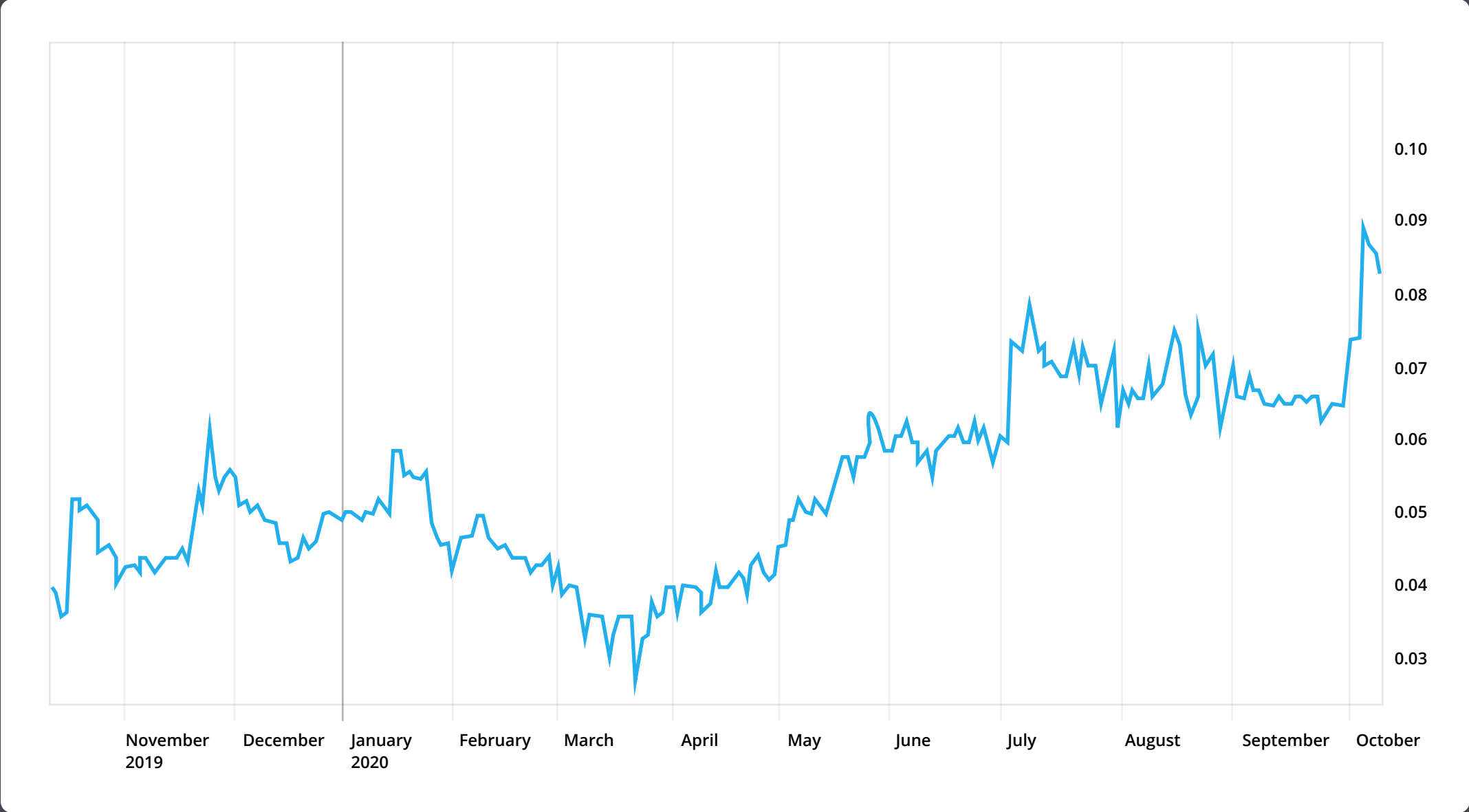
- 15 years of finance experience in listed technology and media companies
- Previously Computershare and Crowd Mobile Limited.



CORPORATE OVERVIEW

DSE has a strong balance sheet and zero debt

Share price performance (last 12 months)



Board of Directors

Theo Hnarakis	Non-Executive Chairman
Charif Elansari	Managing Director
Bruce Tonkin	Non-Executive Director

Substantial Shareholders

TOPLINE CAPITAL PARTNERS (USA)	14.42%
TRACY ANNE FEARON	6.66%
CHARIF ELANSARI	5.25%
HSBC CUSTODY NOMINEES (AU)	4.99%
BNP PARIBAS NOMINEES PTY LTD (AU)	5.14%
TOTAL	36.46%

Financial Information

Share price as of Oct 12, 2020	0.083
Ord Share on Issue (M)	562
52-week trading (low/high)	0.027/0.09
Market Cap (\$M)	\$46.65
Cash (30 June 2020)	\$3.02M
Debt (30 June 2020)	\$0



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