

**Drop**suite | INVESTOR PRESENTATION

Q3 2020 OPERATIONS UPDATE  
PRESENTER – CHARIF ELANSARI, CEO  
22 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 370k users

## Diverse Team

50 staff across four offices globally





# 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)

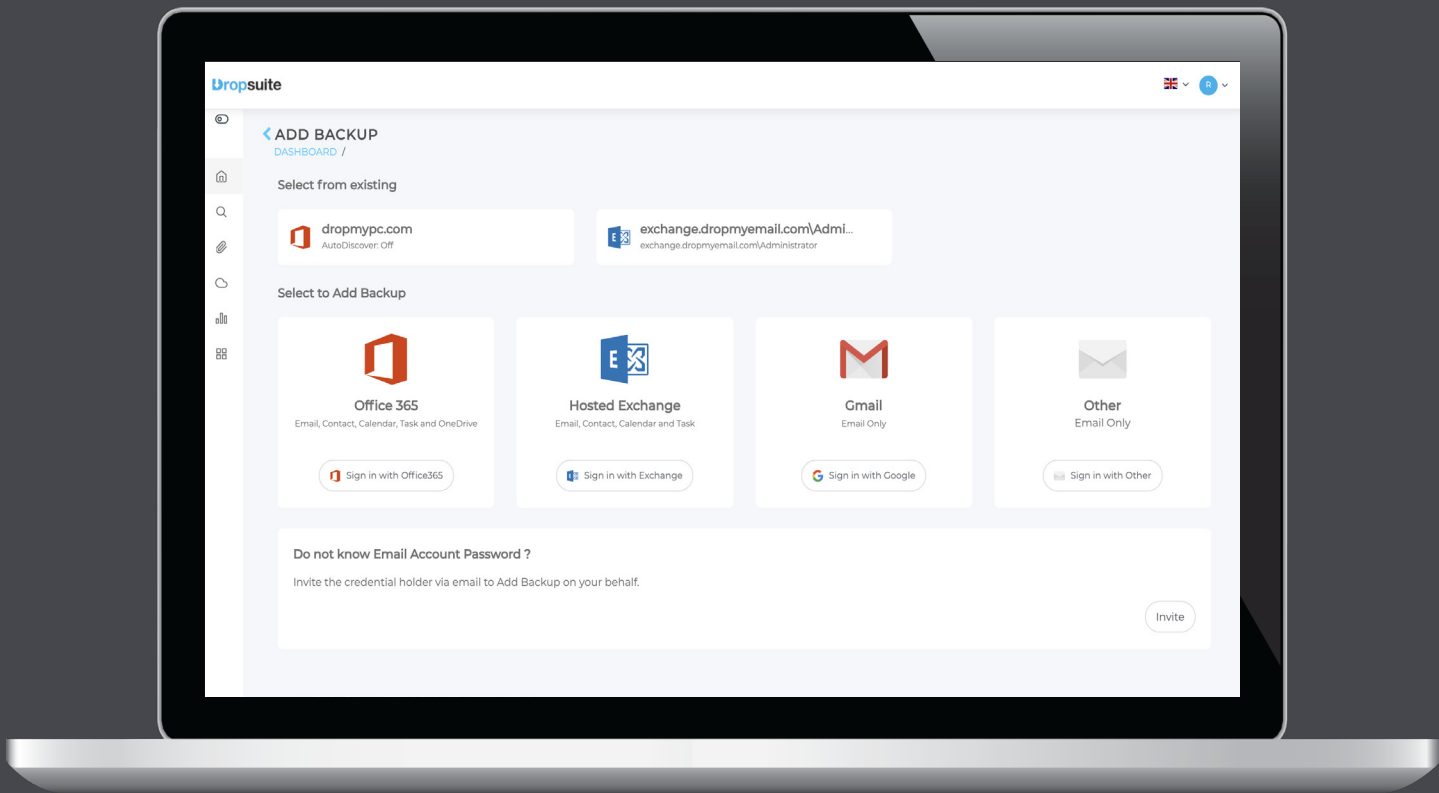
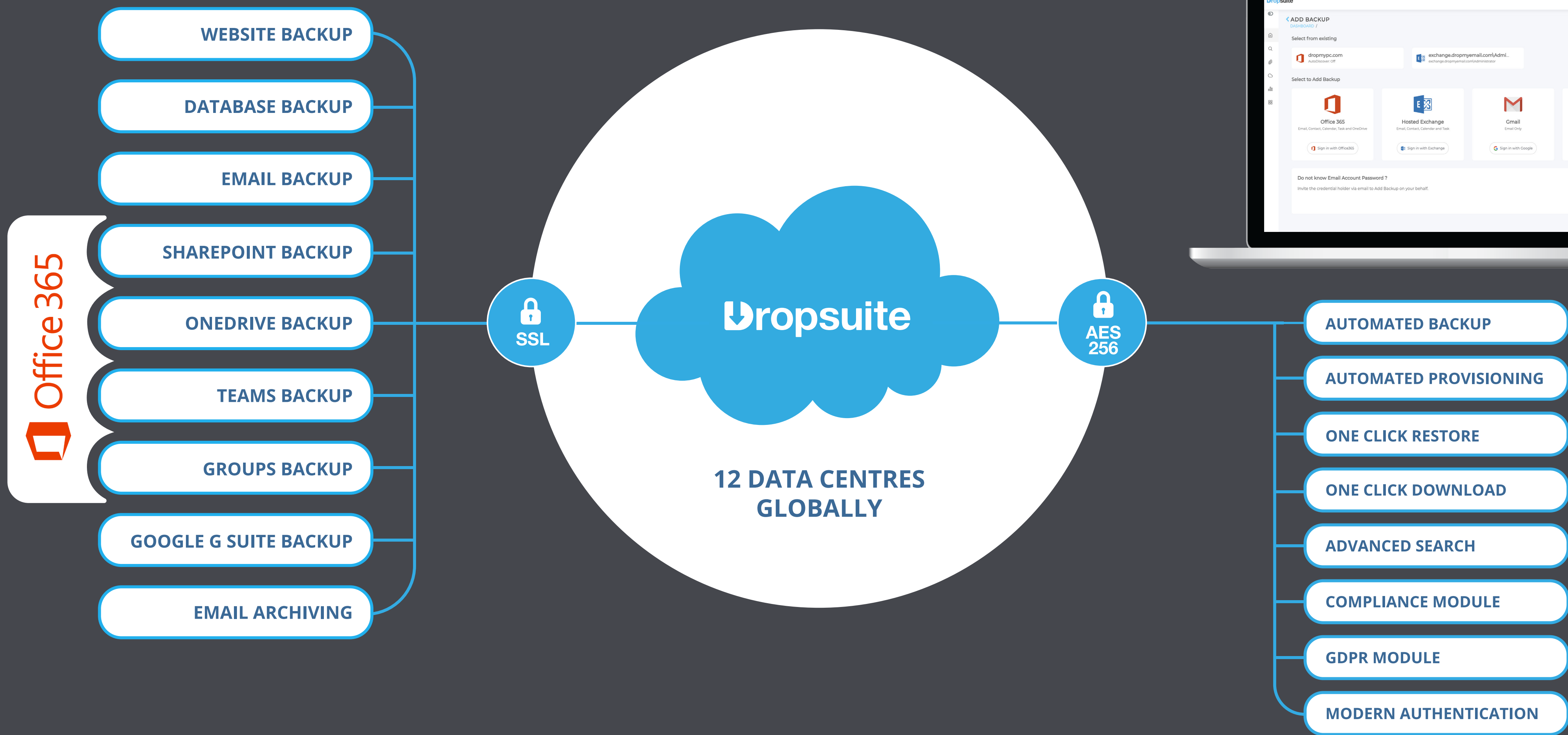
More than 260M Microsoft O365 Users growing at 20% p.a.

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



# THE PRODUCT SUITE



# 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.



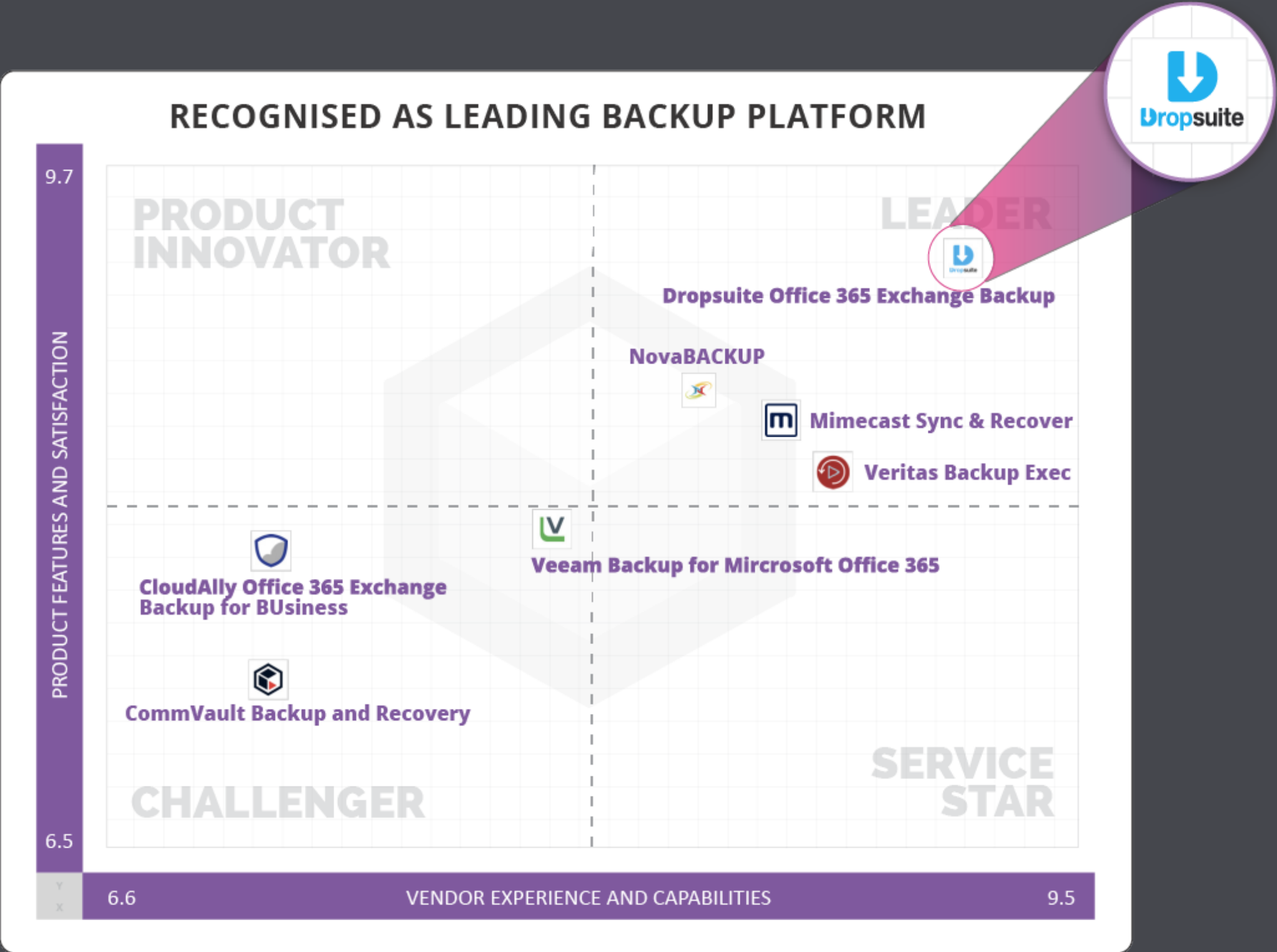
## CUTTING-EDGE CLOUD PLATFORM

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

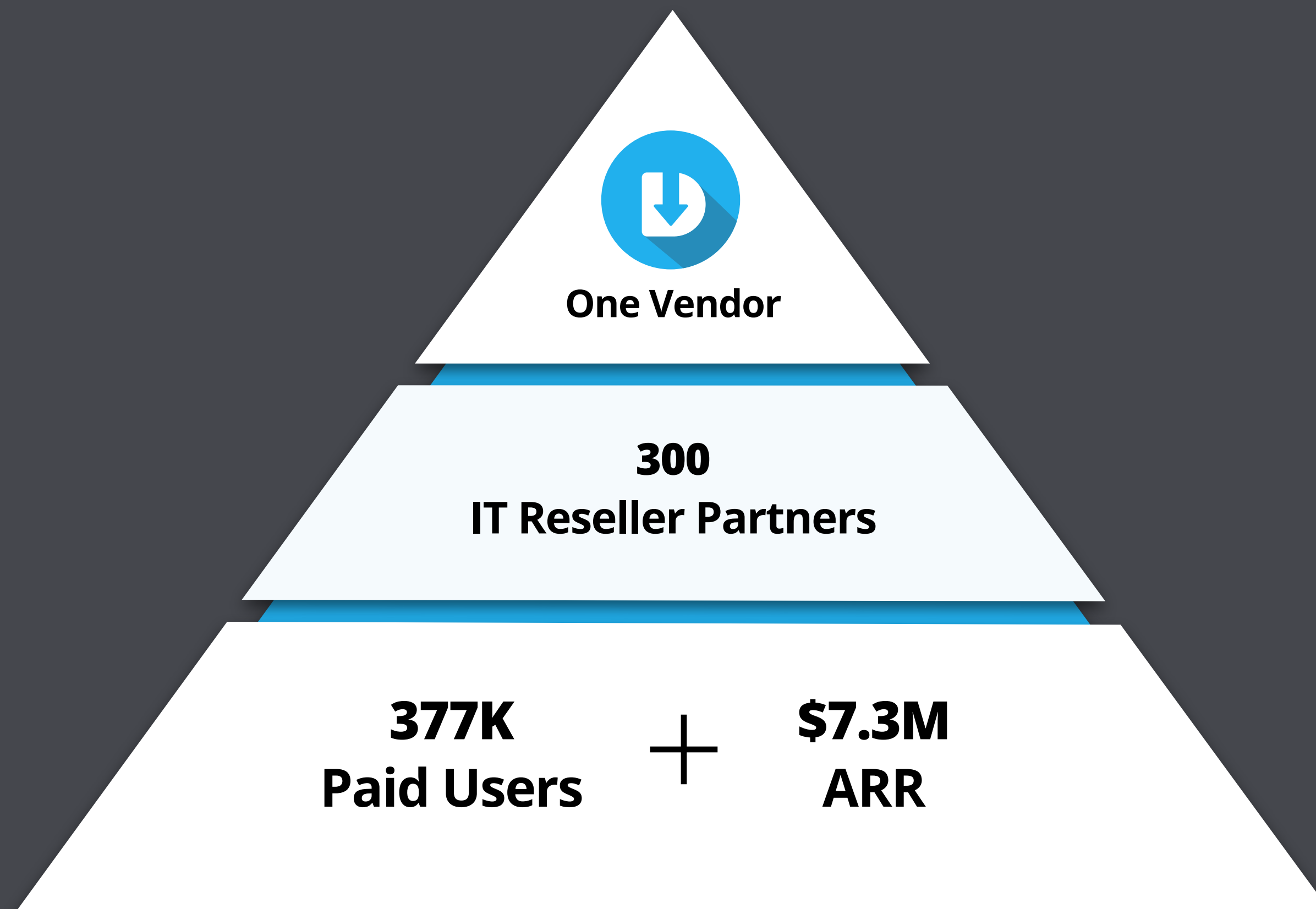


## HIGHLY RESPONSIVE TEAM

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



# 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








# GROWTH THROUGH GLOBAL RESELLER PARTNERSHIPS


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

## Recent Partner Wins

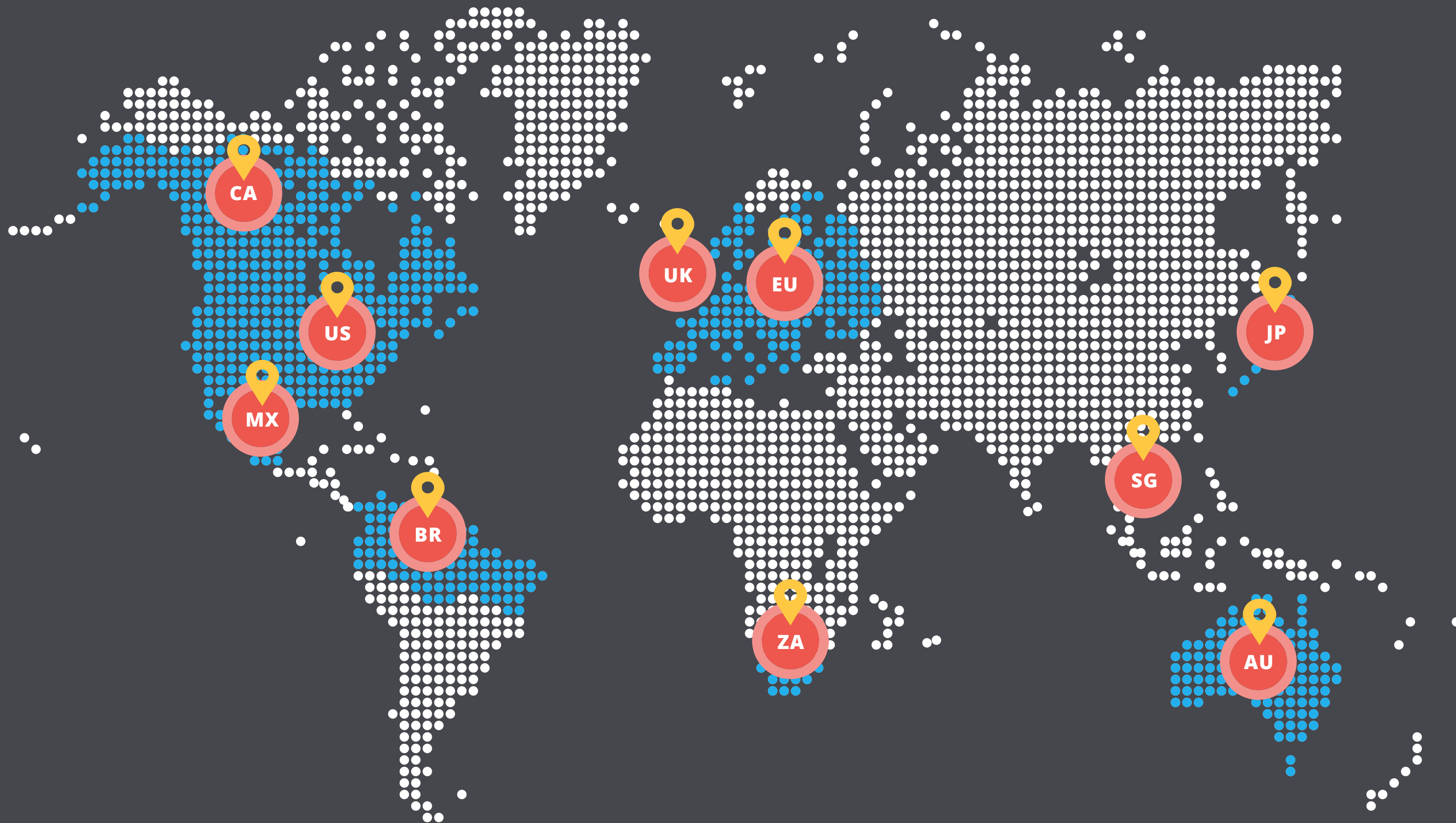
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One of Australia's largest IT distributors
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Leading IT distributor in the Nordic region
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UK's leading % Public Sector IT Solution and Service Provider
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One of the fastest growing managed service providers in Canada



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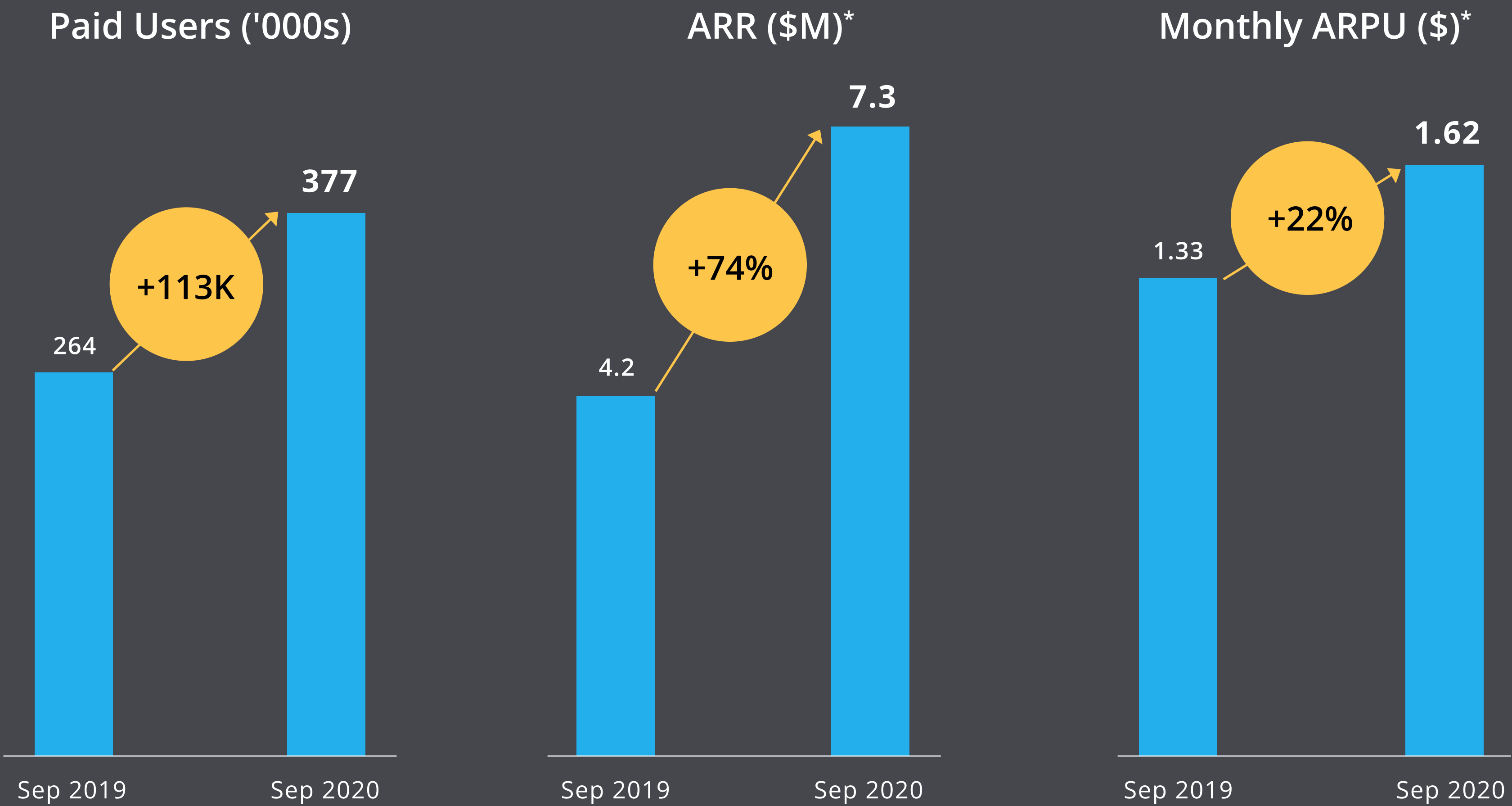
# FINANCIAL UPDATE

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# KEY METRICS



Annual Churn

3%

Gross Margin

66%

Cash Burn

-\$0.13M

\*Constant Currency  
\*\*September 2020 Revenue Churn is defined as Lost Revenue in September 2020 divided by October 2019 Revenue



# CASH UPDATE – Q3 2020

(\$) Millions	Jun 2020	Sep 2020	QoQ
Cash Receipts	1.46	1.69	16%
Normalised Cash Receipts	1.59	1.59	0%
Net Cash used in Operations	(0.64)	(0.13)	-80%
Normalised Net Cash used in Operations	(0.50)	(0.26)	-48%
Cash at hand	3.02	2.89	-4%

- Material reduction in cash used in operations ("cash burn")
- Further reduction in "cash burn" expected in Q4 2020
- Selective investment in OpEx
- Cash collection Controls



# 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



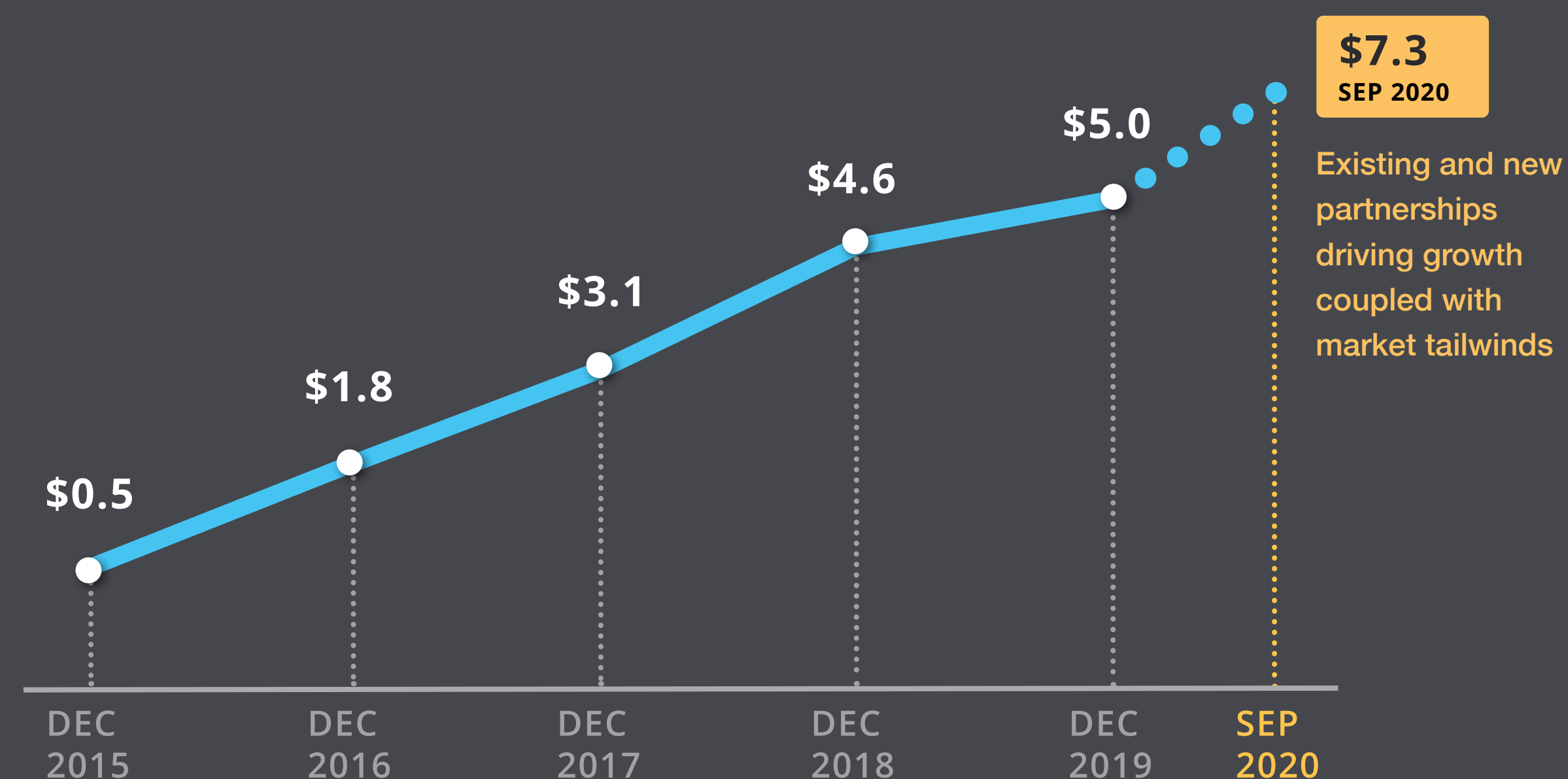
Well Positioned in a structurally growing market (cybersecurity, cloud & regulation)



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

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# MAJORITY OF DSE'S REVENUE IS IN USD

Actual F/X	Sep 2019	Jun 2020	Sep 2020	QoQ	PCP
ARR (\$M) - AUD	4.46	6.72	7.32	9%	64%
ARR (\$M) - USD	3.04	4.63	5.29	14%	74%
Monthly ARPU (AUD)	1.41	1.63	1.62	-1%	15%
Monthly ARPU (USD)	0.96	1.13	1.17	4%	22%
F/X AUD:USD	0.68	0.69	0.72	5%	6%



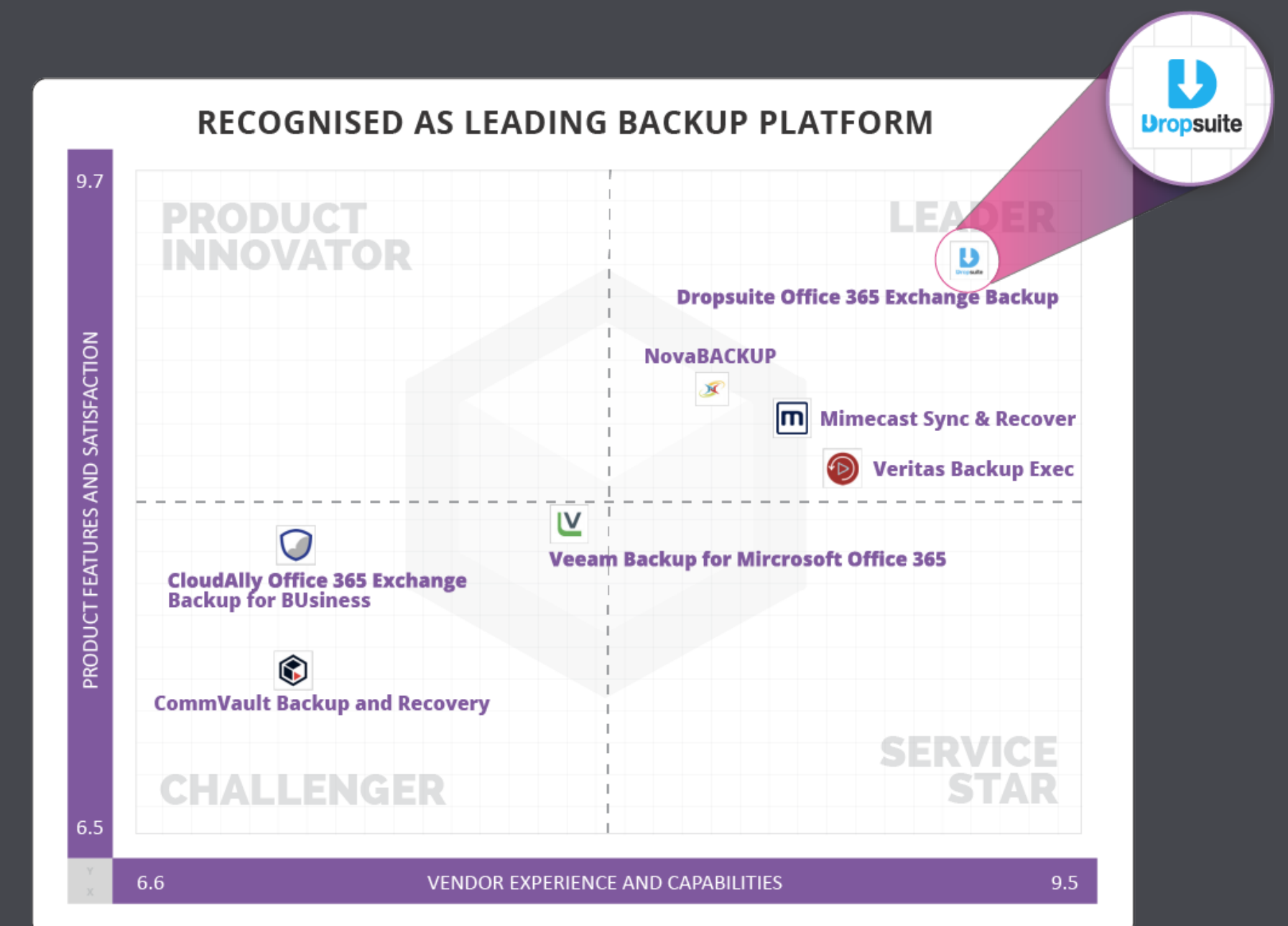
# DROPSUITE EMAIL BACKUP ALSO RANKS #1 IN SATISFACTION FOR 21 OF THE 22 PRODUCT FEATURE AND VENDOR CAPABILITY CATEGORIES:

## 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





# 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**

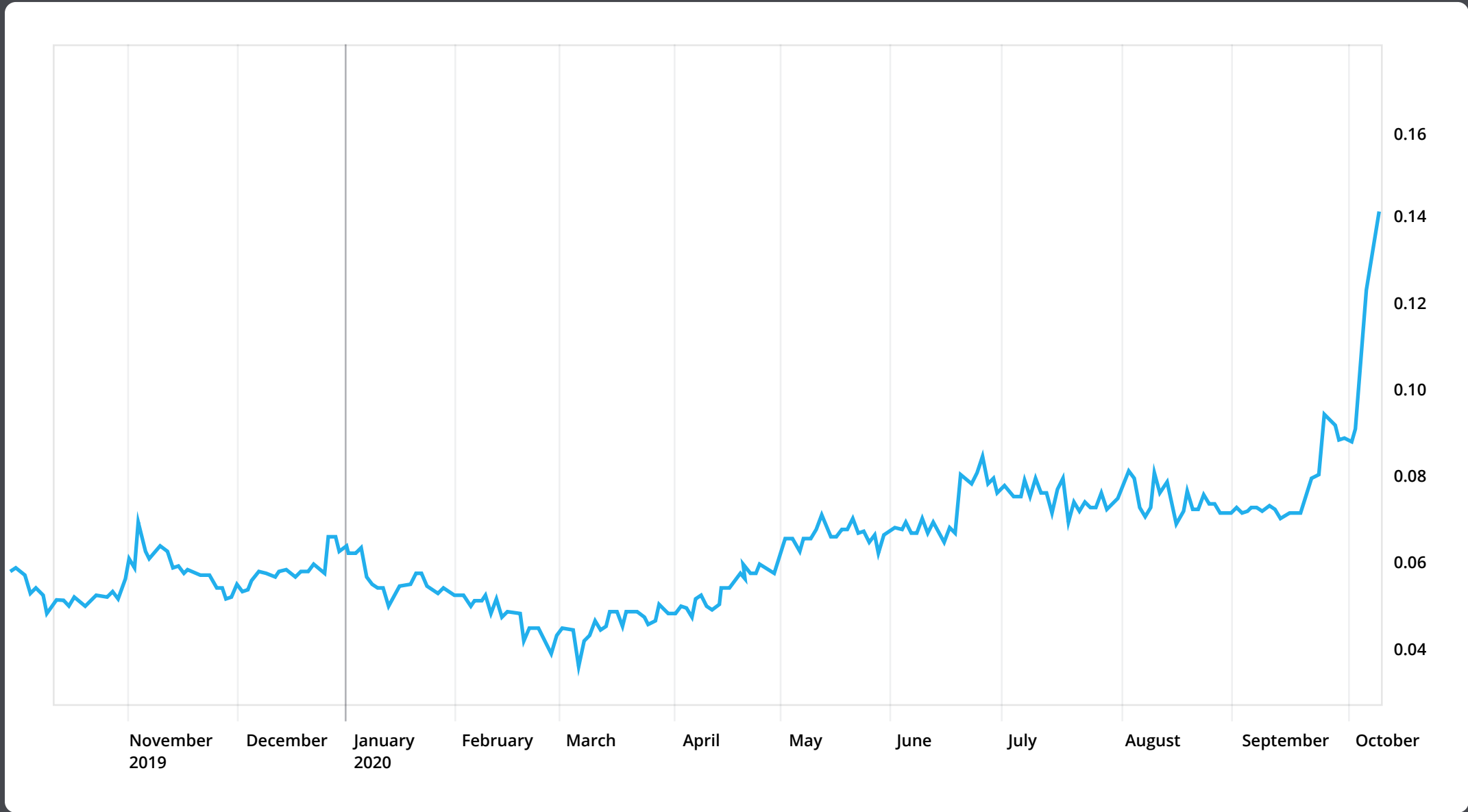
- 15 years of finance experience in listed technology and media companies
- Previously Computershare and Crowd Mobile Limited.



# 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%
BNP PARIBAS NOMINEES PTY LTD (AU)	5.14%
HSBC CUSTODY NOMINEES (AU)	4.99%
<b>TOTAL</b>	<b>36.46%</b>

## Financial Information

Share price as of Oct 20, 2020	0.14
Ord Share on Issue (M)	562
52-week trading (low/high)	0.027/0.145
<b>Market Cap (\$M)</b>	<b>\$78.68</b>
Cash (30 Sep 2020)	\$2.89M
Debt (30 Sep 2020)	\$0



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