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# Scheme Booklet registered with ASIC

**2 April 2025:** Dropsuite Limited (ASX:DSE) (**"Dropsuite"** or the **"Company"**) is pleased to provide the following update in relation to the proposed acquisition of all of the issued shares in Dropsuite by NinjaOne Australia Pty Ltd (**"NinjaOne"**) by way of a scheme of arrangement (**"Scheme"**).

**Scheme Booklet**

Further to Dropsuite's announcement earlier today, Dropsuite confirms that the Scheme Booklet has today been registered with the Australian Securities and Investment Commission (**"ASIC"**).

A copy of the Scheme Booklet, which includes the Independent Expert's Report, Notice of Scheme Meeting and sample proxy form, is attached to this announcement.

The Scheme Booklet provides Dropsuite shareholders with important information about the Scheme. Dropsuite shareholders should carefully read the Scheme Booklet in its entirety before making any decision in relation to the Scheme.

The Scheme Booklet (including the Independent Expert's Report and Notice of Scheme Meeting) will be dispatched to Dropsuite shareholders on or before 7 April 2025.

Dropsuite shareholders who have previously nominated an electronic address for receiving communications from Dropsuite or who have elected to receive communications from Dropsuite electronically will receive an email to their nominated email address that will contain a link to the Scheme Booklet for viewing and download and a link to submit a proxy form online (being the link below). All other Dropsuite shareholders will receive a physical copy of the Scheme Booklet and a personalised proxy form via post to their registered mailing address. All Dropsuite shareholders can also submit a proxy form online at: https://investor.automic.com.au/#/loginsah.

**Independent Expert's Report**

The Scheme Booklet contains a copy of the Independent Expert's Report, prepared by BDO Corporate Finance Australia Pty Ltd (**"Independent Expert"**). The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Dropsuite shareholders, in the absence of a superior proposal. The Independent Expert has assessed the value of a Dropsuite Share on a controlling interest basis to be in the range of $3.92 to $5.88. The Scheme Consideration of $5.90 cash per Dropsuite share is above this range.

The Independent Expert's conclusions should be read in context with the full Independent Expert's Report and the Scheme Booklet.

**Dropsuite Directors' recommendation**

The Dropsuite Directors unanimously recommend that Dropsuite shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite shareholders. Subject to those same

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qualifications, each Dropsuite Director intends to vote all Dropsuite shares held or controlled by them in favour of the Scheme.

When considering the recommendation of the Dropsuite Directors, Dropsuite shareholders should have regard to the interests of the Dropsuite directors, which are set out in the Letter from the Chairman and sections 9.1 and 9.3 of the Scheme Booklet.

**Details of Scheme Meeting**

The Scheme Meeting, at which Dropsuite shareholders will consider and vote on the proposed Scheme, will be held at **11.00am (Melbourne time) on Friday, 9 May 2025** at Level 42, 101 Collins Street, Melbourne Victoria 3000 Australia and virtually via an online platform, which can be accessed at https://us02web.zoom.us/webinar/register/WN_qLiiL0DqTMWajVYBpmMCCQ.

All Dropsuite shareholders are encouraged to vote by either attending and voting at the Scheme Meeting (in person or online) or by appointing a proxy, attorney or, if you are a body corporate, a duly appointed body corporate representative to attend the Scheme Meeting (in person or online) and vote on your behalf.

Proxy forms (including proxy forms lodged online) must be lodged **by 11.00am (Melbourne time) on Wednesday, 7 May 2025**.

Dropsuite Shareholders who would like to ask questions at the Scheme Meeting are encouraged to do so in writing before the Scheme Meeting by emailing their questions via the Dropsuite Share Registry's online investor portal (which can be accessed at https://investor.automic.com.au/#/loginsah) or to meetings@automicgroup.com.au at least five business days before the Scheme Meeting (with the subject line "Scheme Meeting Question").

Further information in relation to the Scheme Meeting, including how to participate and vote, is provided in the Notice of Scheme Meeting, which is attached to the Scheme Booklet forming part of this announcement.

**Shareholder Information Line**

Dropsuite shareholders can obtain further information in relation to the Scheme or the Scheme Meeting by contacting the Dropsuite Shareholder Information Line on 1300 816 156 (within Australia) or +61 2 8072 1416 (outside Australia), between 8.30am and 7.00pm (Melbourne time), Monday to Friday (excluding national public holidays in Australia).

If you are in any doubt as to what you should do, please consult your legal, financial, tax or other professional adviser without delay.

This announcement was approved by the Dropsuite Board of Directors.

**About Dropsuite**

Dropsuite is a cloud software platform enabling businesses to easily backup, recover and protect their important business information. Dropsuite's commitment to advanced, secure and scalable cloud technologies keeps us in the forefront of the industry and makes us the choice of leading IT Service Providers globally. For more information please visit: www.dropsuite.com

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# Scheme Booklet

For a scheme of arrangement between Dropsuite Limited ACN 008 021 118 and its shareholders in relation to the proposed acquisition by NinjaOne Australia Pty Ltd ACN 655 215 366 (**NinjaOne Australia**), a wholly owned subsidiary of NinjaOne, LLC (**NinjaOne**).

# VOTE IN FAVOUR

Your Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders.

The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Dropsuite Shareholders, in the absence of a superior proposal.

**This is an important document and requires your immediate attention.**

**You should read it entirely before deciding whether or not to vote in favour of the Scheme.**

**If you are in any doubt about how to deal with this document, you should contact your broker or financial, taxation, legal or other professional adviser immediately.**

**This Scheme Booklet has been provided to you because you are shown in the Dropsuite Share Register as holding Dropsuite Shares. If you have recently sold all of your Dropsuite Shares, please disregard this Scheme Booklet.**

FINANCIAL ADVISER

Canaccord Genuity

LEGAL ADVISER

HERBERT SMITH FREEHILLS

# Important notices

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**General**

This Scheme Booklet is important and requires your immediate attention. You should read this Scheme Booklet in full before making any decision as to how to vote at the Scheme Meeting.

**Nature of this Scheme Booklet**

This Scheme Booklet includes the explanatory statement for the Scheme required by subsection 412(1) of the Corporations Act.

**No offer**

This Scheme Booklet does not constitute or contain an offer to Dropsuite Shareholders, or a solicitation of an offer from Dropsuite Shareholders, in any jurisdiction. This Scheme Booklet is not a disclosure document required by Chapter 6D of the Corporations Act.

**ASIC and ASX**

A copy of this Scheme Booklet has been registered by ASIC for the purposes of subsection 412(6) of the Corporations Act. ASIC has been given the opportunity to comment on this Scheme Booklet in accordance with subsection 411(2) of the Corporations Act. Neither ASIC, nor any of its officers, takes any responsibility for the contents of this Scheme Booklet.

ASIC has been requested to provide a statement, in accordance with paragraph 411(17)(b) of the Corporations Act, that it has no objection to the Scheme. If ASIC provides that statement, it will be produced to the Court at the Second Court Hearing.

A copy of this Scheme Booklet has been provided to the ASX. Neither the ASX, nor any of its officers, takes any responsibility for the contents of this Scheme Booklet.

**Defined terms**

Capitalised terms used in this Scheme Booklet are defined in section 10, which also sets out rules of interpretation which apply to this Scheme Booklet. Some of the documents reproduced in the annexures to this Scheme Booklet have their own defined terms, which may be different to those set out in section 10.

**Important notice associated with Court order under subsection 411(1) of the Corporations Act**

The fact that, under subsection 411(1) of the Corporations Act, the Court has ordered that a meeting be convened and has directed that a copy of this explanatory statement accompany the Notice of Scheme Meeting does not mean that the Court:

- has formed any view as to the merits of the proposed Scheme or as to how Dropsuite Shareholders should vote (on this matter Dropsuite Shareholders must reach their own conclusion); or
- has prepared, or is responsible for the content of, the explanatory statement.

**Notice of Scheme Meeting**

The Notice of Scheme Meeting is set out in Annexure 4.

**Notice of Second Court Hearing**

At the Second Court Hearing, the Court will consider whether to approve the Scheme following the vote at the Scheme Meeting. Any Dropsuite Shareholder may appear at the Second Court Hearing, currently expected to be held at 10.15am (Melbourne time) on Wednesday, 14 May 2025 at Owen Dixon Commonwealth Law Courts Building, 305 William Street, Melbourne Victoria 3000. Any Dropsuite Shareholder who wishes to oppose approval of the Scheme at the Second Court Hearing may do so by filing with the Court and serving on Dropsuite a notice of appearance in the prescribed form together with any affidavit that the Dropsuite Shareholder proposes to rely on.

**No investment advice**

This Scheme Booklet has been prepared without reference to the investment objectives, financial and taxation situation or particular needs of any Dropsuite Shareholder or any other person. The information and recommendations contained in this Scheme Booklet do not constitute, and should not be taken as, financial product advice. The Dropsuite Directors encourage you to seek independent financial and taxation advice before making any investment decision and any decision as to whether or not to vote in favour of the Scheme. This Scheme Booklet should be read in its entirety before making a decision on whether or not to vote in favour of the Scheme. In particular, it is important that you consider the potential risks if the Scheme does not proceed, as set out in section 7, and the views of the Independent Expert set out in the Independent Expert's Report contained in Annexure 1. If you are in doubt as to the course you should follow, you should consult an independent and appropriately licensed and authorised professional adviser immediately.

**Forward looking statements**

Some of the statements appearing in this Scheme Booklet (including in the Independent Expert's Report) may be in the nature of forward looking statements. Forward looking statements or statements of intent in relation to future events in this Scheme Booklet (including in the Independent Expert's Report) should not be taken to be forecasts or predictions that those events will occur. Forward looking statements generally may be identified by the use of forward looking words such as 'believe', 'aim', 'expect', 'anticipate', 'intending', 'foreseeing', 'likely', 'should', 'planned', 'may', 'estimate', 'potential', or other similar words. Similarly, statements that describe the objectives, plans, goals, intentions or expectations of Dropsuite, NinjaOne or NinjaOne Australia are or may be forward looking statements. You should be aware that such statements are only opinions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to Dropsuite, NinjaOne or NinjaOne Australia and/or the industries in which they operate, as well as general economic conditions, prevailing exchange rates and interest rates and conditions in financial markets.

Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and deviations are both normal and to be expected. None of Dropsuite, NinjaOne, NinjaOne Australia, their respective related entities or their respective officers, directors, employees or advisers or any person named in this Scheme Booklet or any person involved in the preparation of this Scheme Booklet makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement. Accordingly, you are cautioned not to place undue reliance on those statements.

Any forward looking statements in this Scheme Booklet reflect views held only at the date of this Scheme Booklet. Subject to any continuing obligations under the Listing Rules or the Corporations Act, Dropsuite, NinjaOne and NinjaOne Australia and their respective related entities, respective officers, directors, employees and advisers, disclaim any obligation or undertaking to distribute after the date of this Scheme Booklet any updates or revisions to any forward looking statements to reflect (a) any change in expectations in relation to such statements; or (b) any change in events, conditions or circumstances on which any such statement is based. All subsequent written statements attributable to Dropsuite, NinjaOne or NinjaOne Australia, their respective related entities, or any person acting on their

respective behalf are qualified by this cautionary statement.

**Responsibility statement**

Dropsuite has prepared, and is responsible for, the Dropsuite Information. Neither NinjaOne, NinjaOne Australia nor any of their respective subsidiaries or their respective directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of such information.

NinjaOne and NinjaOne Australia have prepared, and are responsible for, the NinjaOne Information. Neither Dropsuite nor any of its subsidiaries or their respective directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of the NinjaOne Information.

BDO Corporate Finance Australia has prepared the Independent Expert's Report (as set out in Annexure 1) and takes responsibility for that report. None of Dropsuite, NinjaOne or NinjaOne Australia or any of their respective subsidiaries or their respective directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of the information contained in the Independent Expert's Report, except, in the case of Dropsuite, in relation to the information which it has provided to the Independent Expert.

Alvarez & Marsal Australia has prepared, and is responsible for, the Taxation Information. None of Dropsuite or NinjaOne or any of their respective subsidiaries or their respective directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of the information contained in the Taxation Information, except, in the case of Dropsuite, in relation to the information which it has provided to Alvarez & Marsal Australia in connection with the Taxation Information.

No consenting party has withdrawn their consent to be named before the date of this Scheme Booklet.

**Foreign jurisdictions**

The release, publication or distribution of this Scheme Booklet in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons outside of Australia who come into possession of this Scheme Booklet should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

This Scheme Booklet has been prepared in accordance with the laws of Australia and the information contained in this Scheme Booklet may not be the same as that which would have been disclosed if this Scheme Booklet had been prepared in accordance with the laws and regulations of a jurisdiction outside of Australia.

Dropsuite Shareholders who are nominees, trustees or custodians are encouraged to seek independent advice as to how they should proceed.

**Financial amounts and effects of rounding**

All financial amounts in this Scheme Booklet are expressed in Australian currency unless otherwise stated. A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Scheme Booklet are subject to the effect of rounding. Accordingly, any discrepancies between totals in tables or financial statements, or in calculations, graphs or charts are due to rounding. All financial and operational information set out in this Scheme Booklet is current as at the date of this Scheme Booklet, unless otherwise stated.

**Charts and diagrams**

Any diagrams, charts, graphs or tables appearing in this Scheme Booklet are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, graphs and tables is based on information available as at the Last Practicable Date.

**Timetable and dates**

All times and dates referred to in this Scheme Booklet are times and dates in Melbourne, Australia, unless otherwise indicated. All times and dates relating to the implementation of the Scheme referred to in this Scheme Booklet may change and, among other things, are subject to are subject to FIRB Approval and approval from Dropsuite Shareholders (other than Excluded Shareholders) and the Court together with other customary conditions.

**External websites**

Unless expressly stated otherwise, the content of the websites of Dropsuite and NinjaOne do not form part of this Scheme Booklet and Dropsuite Shareholders should not rely on any such content.

**Privacy**

Dropsuite may collect personal information in the process of implementing the Scheme. The type of information that it may collect about you includes your name, contact details and information on your shareholding in Dropsuite and the names of persons appointed by you to act as a proxy, attorney or corporate representative at the Scheme Meeting as relevant to you. The collection of some of this information is required or authorised by the Corporations Act. The primary purpose of the collection of personal information is to assist Dropsuite to conduct the Scheme Meeting and implement the Scheme. Without this information, Dropsuite may be hindered in its ability to issue this Scheme Booklet and implement the Scheme. Personal information of the type described above may be disclosed to the Dropsuite Share Registry, third party service providers (including print and mail service providers and parties otherwise involved in the conduct of the Scheme Meeting), authorised securities brokers, professional advisers, related bodies corporate of Dropsuite, Government Agencies, and also where disclosure is otherwise required or allowed by law. Dropsuite Shareholders who are individuals and the other individuals in respect of whom personal information is collected as outlined above have certain rights to access the personal information collected in relation to them. If you would like to obtain details of the information about you held by the Dropsuite Share Registry in connection with Dropsuite Shares, please contact the Dropsuite Share Registry. Dropsuite Shareholders who appoint an individual as their proxy, corporate representative or attorney to vote at the Scheme Meeting should ensure that they inform such an individual of the matters outlined above. Further information about how Dropsuite collects, uses and discloses personal information is contained in Dropsuite's Privacy Policy located at dropsuite.com/privacy-policy.

**Date of Scheme Booklet**

This Scheme Booklet is dated 2 April 2025.

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# Letter from the Chairman of the Dropsuite Board

Dear Dropsuite Shareholder,

On behalf of the Dropsuite Board, I am pleased to present you with this Scheme Booklet containing important information in relation to the proposed acquisition of Dropsuite by NinjaOne Australia Pty Ltd (**NinjaOne Australia**), a wholly owned subsidiary of NinjaOne, LLC (**NinjaOne**), by way of a scheme of arrangement under Part 5.1 of the Corporations Act (the **Scheme**).

This Scheme Booklet contains important information about the Scheme, including:

- the reasons why the Dropsuite Directors have unanimously recommended that Dropsuite Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders;
- the Independent Expert's Report, in which the Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Dropsuite Shareholders, in the absence of a superior proposal; and
- how to vote at the Scheme Meeting.

## Details of the Scheme and Scheme Consideration

On 28 January 2025, Dropsuite announced that it had entered into a Scheme Implementation Deed under which NinjaOne Australia agreed to acquire 100% of the issued shares in Dropsuite by way of scheme of arrangement.

If the Scheme is implemented, Dropsuite Shareholders will receive $5.90 cash for each Dropsuite Share held by them on the Scheme Record Date (**Scheme Consideration**).

The Scheme Consideration implies an equity value of approximately $420 million[1] for Dropsuite. The Scheme Consideration represents:

- a 34.1% premium to the closing price of a Dropsuite Share on 24 January 2025 of $4.40;[2]
- a 30.8% premium to the 10-day VWAP of a Dropsuite Share to 28 January 2025 of $4.51;[3]
- a 40.6% premium to the 90-day VWAP of a Dropsuite Share to 28 January 2025 of $4.1961; and
- an implied EV / ARR multiple of 7.8x[4].

## Dropsuite Directors' recommendation and voting intention

The Dropsuite Directors believe that the Scheme Consideration represents fair value for Dropsuite Shareholders and unanimously recommend that you **vote in favour** of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders.[5]

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[1] Assumes 71,127,110 Dropsuite Shares. This includes 70,259,393 Dropsuite Shares on issue as at the Last Practicable Date and assumes the vesting of 867,717 Dropsuite Performance Rights and the issue of the same number of Dropsuite Shares (which Dropsuite Performance Rights are currently scheduled to vest and be converted to Dropsuite Shares prior to the Scheme Record Date). See section 9.2 for further details.

[2] Being the last trading day prior to announcement of the Scheme by Dropsuite to the ASX.

[3] Being the date that the Scheme was announced by Dropsuite to the ASX.

[4] Relative to ARR of approximately $49.8 million for the calendar quarter ended 31 December 2024, as disclosed in Dropsuite's ASX announcement 'Q4 FY24 Quarterly Business Update', released to the ASX on 28 January 2025.

[5] As detailed in section 9.3, the Dropsuite Board has approved payment of a special exertion fee of $35,000 to Charif Elansari in recognition of the significant amount of additional unpaid work he has undertaken in connection with the Scheme.

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Each Dropsuite Director intends to vote, or cause to be voted, all Dropsuite Shares held or controlled by them in favour of the Scheme, subject to these same qualifications, which as at the Last Practicable Date, represented approximately 6.4% of Dropsuite's issued capital.

The interests of the Dropsuite Directors in Dropsuite Shares and Dropsuite Performance Rights, including the interests of Charif Elansari (CEO and Managing Director), are set out in sections 9.1 and 9.3 of this Scheme Booklet.[6] As at the Last Practicable Date, Mr Elansari holds 150,000 Dropsuite Performance Rights, 90,000 of which will be treated in the manner described in section 9.2(b). Dropsuite Shareholders should have regard to these interests when considering how to vote on the Scheme.

### Dropsuite's largest shareholder's voting intention

Dropsuite's largest shareholder, Topline Capital Partners LP, which as at the Last Practicable Date held or controlled approximately 7.3 million Dropsuite Shares and had voting power of 10.5% in Dropsuite[7], has confirmed that it firmly supports Dropsuite being acquired by NinjaOne (through its wholly owned subsidiary, NinjaOne Australia) and intends to vote, or cause to be voted, all Dropsuite Shares held or controlled by it in favour of the Scheme.

### Independent Expert's opinion

The Dropsuite Directors appointed BDO Corporate Finance Australia as the Independent Expert to assess the merits of the Scheme. The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Dropsuite Shareholders, in the absence of a superior proposal. The Independent Expert has assessed the value of a Dropsuite Share on a controlling interest basis to be in the range of $3.92 to $5.88, and the Scheme Consideration of $5.90 cash per Dropsuite Share is above this range.

A copy of the Independent Expert's Report is included in Annexure 1.

### Reasons to vote in favour of the Scheme

The key reasons to vote in favour of the Scheme are set out in section 1.2 of this Scheme Booklet and include the following:

- the Dropsuite Directors have considered the Scheme and unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders;
- the Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Dropsuite Shareholders, in the absence of a superior proposal;
- the Scheme Consideration reflects an attractive premium relative to recent trading prices of Dropsuite Shares;
- the Scheme Consideration is 100% cash and provides Dropsuite Shareholders with certain value and the opportunity to realise their investment in Dropsuite and avoid the ongoing risks and uncertainties of maintaining an investment in Dropsuite;
- since the announcement of the Scheme, no Superior Proposal has emerged and the Dropsuite Board is not aware, as at the date of this Scheme Booklet, of any potential Superior Proposal that is likely to emerge;

[6] As noted in section 9.1(b), as at the Last Practicable Date, Charif Elansari holds 150,000 Dropsuite Performance Rights. Of these 150,000 Dropsuite Performance Rights, 60,000 are expected to vest and convert to Dropsuite Shares on or around 2 April 2025, in accordance with their terms. The remaining 90,000 Dropsuite Performance Rights will be held by Mr Elansari on the Implementation Date and will be treated in the manner described in section 9.2(b).

[7] Shareholding of Topline Capital Partners LP as set out in the Form 604 released to the ASX on 18 March 2025.

- the Dropsuite Share price on the ASX will continue to be subject to market volatility and may fall if the Scheme is not implemented and no Superior Proposal is received; and
- Dropsuite Shareholders will not incur any brokerage charges on the transfer of their Dropsuite Shares to NinjaOne Australia under the Scheme.

### Reasons why you may consider voting against the Scheme

Despite the reasons above and the unanimous recommendation of the Dropsuite Directors, there are also reasons why you may consider voting against the Scheme. These include because you may disagree with the unanimous recommendation of the Dropsuite Directors or the Independent Expert's conclusion in the Independent Expert's Report, you may prefer to participate in the future financial performance of the Dropsuite business, you may believe that it is in your best interests to maintain your current investment and risk profile, you may believe that there is potential for a Superior Proposal to emerge, or the potential tax consequences of transferring your Dropsuite Shares may be unattractive to you.

Please refer to section 1.3 of this Scheme Booklet for further details.

### Risk factors

In considering the Scheme, the Dropsuite Directors considered a number of risk factors which may result in future potential benefits to Dropsuite Shareholders of holding Dropsuite Shares, but which may also adversely affect the future operating and financial performance of Dropsuite and the potential for Dropsuite to make future returns to Dropsuite Shareholders, as well as risks in relation to the Scheme itself. Those risks are set out in section 7 of this Scheme Booklet.

### Update in relation to Takeovers Panel application concerning Dropsuite

As announced to the ASX on 18 March 2025, an application has been made to the Takeovers Panel (**Panel**) by one of Dropsuite's shareholders, Harvest Lane Asset Management Pty Ltd (**Harvest Lane**), in relation to Topline's voting intention statement contained in Dropsuite's ASX announcement released on 28 January 2025 in respect of the Scheme, and Topline's subsequent sale of Dropsuite Shares. On 20 March 2025, the Panel made interim orders to the effect that Topline must not sell any further Dropsuite Shares until further order, the determination of the Panel proceedings or 2 months from the date of the interim orders, whichever is the earliest.

Dropsuite will inform shareholders of any material developments in the Panel proceedings once known by releasing an ASX announcement on Dropsuite's ASX announcements page.

### What should you do?

Implementation of the Scheme remains subject to satisfaction or waiver of customary conditions including FIRB Approval, Dropsuite Shareholder approval at the Scheme Meeting and Court approval, and no Dropsuite Material Adverse Change, Dropsuite Prescribed Occurrence or Dropsuite Regulated Event occurring. Details of the Conditions Precedent are set out in section 4.4 of this Scheme Booklet.

The Scheme can only be implemented if it is approved by Dropsuite Shareholders (other than Excluded Shareholders) at the Scheme Meeting, which is scheduled to be held at 11.00am (Melbourne time) on Friday, 9 May 2025 at Level 42, 101 Collins Street Melbourne, Victoria, 3000 Australia and via an online platform.

Further details regarding the Scheme Meeting are set out in the Notice of Scheme Meeting accompanying this Scheme Booklet (see Annexure 4).

Your vote is important and I encourage you to vote by attending the Scheme Meeting (either in person or online) or, alternatively, by completing the proxy form accompanying this Scheme Booklet or submitting a proxy form online at https://investor.automic.com.au/#/loginsah, or by appointing an attorney or corporate representative (as applicable) to attend and vote at the Scheme Meeting on your behalf.



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**If you wish for the Scheme to proceed, it is important that you vote in favour of the Scheme so that it is approved by Dropsuite Shareholders at the Scheme Meeting.**

## Further information

You should carefully read this Scheme Booklet in its entirety before making any decision in relation to the Scheme. If you are in any doubt as to what you should do, please consult your legal, financial, tax or other professional adviser without delay.

If you have any questions in relation to this Scheme Booklet, please contact the Dropsuite Shareholder Information Line on 1300 816 156 (within Australia) or +61 2 8072 1416 (outside Australia), between 8.30am and 7.00pm (Melbourne time), Monday to Friday (excluding national public holidays in Australia).

On behalf of the Dropsuite Board, I would like to take this opportunity to thank you for your continued support of Dropsuite.

Yours sincerely,



Theo Hnarakis

Non-Executive Chairman

**Dropsuite Limited**

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# Key dates

| Event | Time and date |
|---|---|
| **Date of this Scheme Booklet** | Wednesday, 2 April 2025 |
| **Latest time and date for receipt of proxy forms or powers of attorney by the Dropsuite Share Registry for the Scheme Meeting** | 11.00am on Wednesday, 7 May 2025 |
| **Time and date for determining eligibility to vote at the Scheme Meeting** | 7.00pm on Wednesday, 7 May 2025 |
| **Scheme Meeting** | 11.00am on Friday, 9 May 2025 |
| **If the Scheme is approved at the Scheme Meeting** | |
| **Second Court Hearing**<br>Court hearing to approve the Scheme | 10.15am on Wednesday, 14 May 2025 |
| **Effective Date**<br>Court order lodged with ASIC and announcement to ASX<br>Last day of trading in Dropsuite Shares – Dropsuite Shares will be suspended from trading on ASX from close of trading | Wednesday, 14 May 2025 |
| **Scheme Record Date**<br>For determining entitlements to Scheme Consideration | 7.00pm on Friday, 16 May 2025 |
| **Implementation Date**<br>Payment of Scheme Consideration to Dropsuite Shareholders | Friday, 30 May 2025 |

All times and dates in the above timetable are references to the time and date in Melbourne, Australia and all such times and dates are subject to change. Certain times and dates are conditional on receipt of FIRB Approval, the approval of the Scheme by Dropsuite Shareholders (other than Excluded Shareholders) and by the Court. Any changes will be announced by Dropsuite to the ASX.

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# 1 Key considerations relevant to your vote

This section 1 provides a summary of some of the reasons why the Dropsuite Directors unanimously recommend that Dropsuite Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders. The reasons why Dropsuite Shareholders might vote in favour of the Scheme outlined in section 1.2 should be read in conjunction with section 1.3, which sets out reasons why Dropsuite Shareholders may consider voting against the Scheme.

You should read this Scheme Booklet in full, including the Independent Expert's Report, before deciding how to vote at the Scheme Meeting.

## 1.1 Summary of reasons why you might vote for and against the Scheme

| | **Reasons to vote in favour of the Scheme** |
|---|---|
| ✓ | The Dropsuite Directors unanimously recommend that Dropsuite Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders.[8] |
| ✓ | The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Dropsuite Shareholders, in the absence of a superior proposal. |
| ✓ | The Scheme Consideration represents an attractive premium relative to recent trading prices of Dropsuite Shares. |
| ✓ | The Scheme provides an opportunity to receive certain value for your investment in Dropsuite and avoid the ongoing risks and uncertainties of maintaining an investment in Dropsuite. |
| ✓ | No Superior Proposal has emerged. |
| ✓ | The Dropsuite Share price may fall if the Scheme does not proceed. |
| ✓ | Brokerage charges will not apply to the transfer of your Dropsuite Shares under the Scheme. |

| | **Potential reasons to vote against the Scheme** |
|---|---|
| ✗ | You may disagree with the unanimous recommendation of the Dropsuite Directors or the Independent Expert's conclusion. |
| ✗ | You may prefer to participate in the future financial performance of the Dropsuite business. |
| ✗ | You may believe that it is in your best interests to maintain your current investment and risk profile. |
| ✗ | You may believe that there is potential for a Superior Proposal to emerge. |

[8] As detailed in section 9.3, the Dropsuite Board has approved payment of a special exertion fee of $35,000 to Charif Elansari in recognition of the significant amount of additional unpaid work he has undertaken in connection with the Scheme.

| Potential reasons to vote against the Scheme |
|---|
| ✗ The tax consequences of transferring your Dropsuite Shares pursuant to the Scheme may not be attractive to you. |

## 1.2 Why you should vote in favour of the Scheme

**(a) Dropsuite Directors' recommendation and voting intention**

The Dropsuite Directors unanimously recommend that Dropsuite Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders.[9]

Subject to these same qualifications, each Dropsuite Director intends to vote, or cause to be voted, all Dropsuite Shares held or controlled by them in favour of the Scheme, which as at the Last Practicable Date, represented approximately 6.4% of Dropsuite's issued capital. The interests of the Dropsuite Directors in Dropsuite Shares and Dropsuite Performance Rights are set out in sections 9.1 and 9.3. Dropsuite Shareholders should have regard to these interests when considering how to vote on the Scheme.

**(b) The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Dropsuite Shareholders, in the absence of a superior proposal**

The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Dropsuite Shareholders, in the absence of a superior proposal.

The Independent Expert has assessed the value of a Dropsuite Share on a controlling interest basis to be in the range of $3.92 to $5.88. The Scheme Consideration of $5.90 cash per Dropsuite Share is above this range.

Additional reasons why the Independent Expert reached these conclusions are set out in the Independent Expert's Report, a copy of which is included in Annexure 1. The Dropsuite Directors encourage you to read this report in its entirety.

**(c) The Scheme Consideration represents an attractive premium relative to recent trading prices of Dropsuite Shares**

The Scheme Consideration represents a:

- 34.1% premium to the closing price of Dropsuite Shares on 24 January 2025 of $4.40;[10]
- 30.8% premium to the 10-day VWAP for a Dropsuite Share to 28 January 2025 of $4.51;[11] and
- 40.6% premium to the 90-day VWAP for a Dropsuite Share to 28 January 2025 of $4.1961.

**(d) The Scheme provides an opportunity to receive certain value for your investment in Dropsuite and avoid the ongoing risks and uncertainties of maintaining an investment in Dropsuite**

The Scheme Consideration is 100% cash. This provides certainty of value for Dropsuite Shareholders and the opportunity to realise their investment in Dropsuite.

[9] As detailed in section 9.3, the Dropsuite Board has approved payment of a special exertion fee of $35,000 to Charif Elansari in recognition of the significant amount of additional unpaid work he has undertaken in connection with the Scheme.

[10] Being the last trading day before the Scheme was announced by Dropsuite to the ASX.

[11] Being the date the Scheme was announced by Dropsuite to the ASX.



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If the Scheme does not proceed, the amount which Dropsuite Shareholders will be able to realise in terms of price and future dividends will be uncertain and subject to a number of risks, including those outlined in section 7.

If the Scheme does not proceed (and Dropsuite remains a publicly listed company), there is no assurance that Dropsuite Shareholders will be able to achieve a price for their Dropsuite Shares equivalent to or better than the Scheme Consideration of $5.90 per Dropsuite Share in the future.

While the Dropsuite Board has a positive outlook for Dropsuite and is confident that the business is well positioned to execute on its long-term strategy, the growth opportunities for Dropsuite will take time to achieve and the strategy has risks associated with it, some of which are outside the control of Dropsuite. These risks are set out in section 7.

If the Scheme is implemented, Dropsuite Shareholders will no longer be exposed to these risks and uncertainties.

**(e) No Superior Proposal has emerged**

Since the announcement of the Scheme up until the date of this Scheme Booklet, no Superior Proposal has emerged.

The Dropsuite Board is not aware, as at the date of this Scheme Booklet, of any Superior Proposal that is likely to emerge.

The Scheme Implementation Deed sets out how the Dropsuite Board can respond to a Competing Proposal, which is summarised in section 9.5(f).

**(f) The Dropsuite Share price may fall if the Scheme does not proceed**

Since close of trading on 24 January 2025 (being the last day on which Dropsuite Shares traded before the Scheme was announced) to the Last Practicable Date, the Dropsuite Share price has increased by 30.9%.

The Dropsuite Directors are unable to predict the price at which Dropsuite Shares will trade in the future but consider that, if the Scheme is not implemented and no Superior Proposal is received by the Dropsuite Board, then the Dropsuite Share price may fall.

**(g) Brokerage charges will not apply to the transfer of your Dropsuite Shares**

You will not incur any brokerage charges on the transfer of your Dropsuite Shares to NinjaOne Australia under the Scheme.

It is possible that such brokerage charges (and, potentially GST on those charges) would be incurred if you dispose of your Dropsuite Shares other than under the Scheme.

## 1.3 Why you may consider voting against the Scheme

The Dropsuite Directors unanimously recommend that Dropsuite Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in best interests of Dropsuite Shareholders. However, there may be reasons which lead you to consider voting against the Scheme, including the following.

**(a) You may disagree with the unanimous recommendation of the Dropsuite Directors or the Independent Expert's conclusion**

Despite the unanimous recommendation of the Dropsuite Directors to vote in favour of the Scheme (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders) and the conclusion of the Independent Expert that the Scheme is fair and reasonable and in the best interests of Dropsuite Shareholders, in the absence of a superior proposal, you may believe that the Scheme is not in your best interests.

**(b) You may prefer to participate in the future financial performance of the Dropsuite business**

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If the Scheme is implemented, you will no longer be a Dropsuite Shareholder.

This means that you will not be able to participate in the future performance and operations of Dropsuite or have the potential to share in the value that could be generated by Dropsuite in the future.

However, there is no guarantee as to Dropsuite's future performance, as is the case with all equity investments.

An overview of the Dropsuite business and its historical financial information is set out in section 5.

**(c) You may believe that it is in your best interests to maintain your current investment and risk profile**

You may prefer to keep your Dropsuite Shares to preserve your investment in a listed company with the specific characteristics of Dropsuite.

In particular, you may consider that, despite the risk factors relevant to Dropsuite's potential future operations (including those set out in section 7), Dropsuite may be able to return greater value to Dropsuite Shareholders by remaining a standalone business or by seeking alternative corporate transactions in the future.

You may also consider that it would be difficult to identify or invest in alternative investments that have a similar investment profile to that of Dropsuite or may incur transaction costs in undertaking any new investment.

**(d) You may believe that there is potential for a Superior Proposal to emerge**

You may consider that a Superior Proposal could emerge in the future. However, as the date of this Scheme Booklet, no Superior Proposal has emerged and the Dropsuite Board is not aware of any Superior Proposal that is likely to emerge.

**(e) The tax consequences of transferring your Dropsuite Shares pursuant to the Scheme may not be attractive to you**

The tax consequences of the Scheme will depend on your personal situation. You may consider that the tax consequences of transferring your Dropsuite Shares to NinjaOne Australia pursuant to the Scheme are not attractive to you.

Dropsuite Shareholders should read the Australian tax implications of the Scheme outlined in section 8. However, note that the information in section 8 is general in nature, and Dropsuite Shareholders should consult with their own independent taxation advisers regarding the tax implications of the Scheme.

The Dropsuite Directors believe that the reasons for why you should vote in favour of the Scheme outweigh the reasons for why you may consider voting against the Scheme. However, the Dropsuite Directors believe that Dropsuite Shareholders should take into consideration the above factors when deciding whether or not to vote in favour of the Scheme.

## 1.4 Other relevant factors

**(a) The Scheme may be implemented even if you do not vote, or vote against the Scheme**

Even if you do not vote, or if you vote against the Scheme, the Scheme may still be implemented if it is approved by the Requisite Majorities of Dropsuite Shareholders and by the Court. If the Scheme becomes Effective and is implemented, any Dropsuite Shares held by you on the Scheme Record Date (currently expected to be 7.00pm (Melbourne time) on Friday, 16 May 2025) will be transferred to NinjaOne Australia and you will receive the Scheme Consideration for your Dropsuite Shares, despite not having voted or having voted against the Scheme.

**(b) Unrecoverable costs if the Scheme is not implemented**

If the Scheme is not implemented in circumstances where no Superior Proposal has emerged, Dropsuite will not receive any material value for the costs it has incurred in connection with the Scheme. If the Scheme is not implemented,



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Dropsuite expects to pay approximately $1.3 million (excluding GST) in transaction costs in connection with the Scheme. See section 9.6(c) for further details on fees paid or payable by Dropsuite in connection with the Transaction and the preparation of this Scheme Booklet.

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# 2 Frequently asked questions

This section 2 answers some frequently asked questions relating to the Scheme. It is not intended to address all relevant issues for Dropsuite Shareholders. This section 2 should be read together with all other parts of this Scheme Booklet.

| Question | Answer | More information |
|---|---|---|
| **Overview of the Scheme** | | |
| **Why have I received this Scheme Booklet?** | This Scheme Booklet has been sent to you because you are a Dropsuite Shareholder and you are being asked to vote on the Scheme. This Scheme Booklet is intended to help you to consider and decide on how to vote on the Scheme at the Scheme Meeting. | Section 4 |
| **What is the Scheme?** | The Scheme is a scheme of arrangement between Dropsuite and the Scheme Shareholders which, if implemented, will mean that Dropsuite is acquired by NinjaOne Australia.<br>A "scheme of arrangement" is a statutory procedure in the Corporations Act that is commonly used in transactions in Australia that may result in a change of ownership or control of a company. In addition to requiring Court approval, schemes of arrangement require a shareholder vote in favour of a resolution to implement the scheme of arrangement. The Scheme must be approved by the Requisite Majorities. | Section 4 and Annexure 2 |
| **What is the effect of the Scheme?** | If the Scheme becomes Effective, NinjaOne Australia will acquire all of the Scheme Shares (being all Dropsuite Shares held by the Scheme Shareholders as at the Scheme Record Date). You will receive the Scheme Consideration for each Scheme Share you hold and will cease to be a Dropsuite Shareholder. Dropsuite will be delisted from the ASX and become a wholly owned subsidiary of NinjaOne Australia. | Section 4 and Annexure 2 |
| **Who is NinjaOne?** | NinjaOne is a US Limited Liability Company organised under the laws of Delaware and is the parent entity of the NinjaOne Group. The NinjaOne Group offers an all-in-one, cloud-based automated remote monitoring and management platform to Managed Service Providers (**MSPs**) and IT departments. | Section 6 |
| **Who is NinjaOne Australia?** | NinjaOne Australia is a proprietary company limited by shares incorporated in Queensland, Australia, that is proposing to acquire all of the Dropsuite Shares under the Scheme. It is a wholly owned subsidiary of NinjaOne and provides general sales and technical support in Australia for the NinjaOne Group's software and services. | Section 6 |
| **How is NinjaOne funding the Scheme Consideration?** | The Scheme Consideration will be paid from equity funding and existing cash reserves.<br>See section 6.3 for further details. | Section 6.3 |

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| Question | Answer | More information |
|---|---|---|
| **Do NinjaOne or NinjaOne Australia currently hold any Dropsuite Shares?** | As at the Last Practicable Date, none of NinjaOne, NinjaOne Australia or any of their Associates had any Relevant Interest or voting power in any Dropsuite Shares. | Section 6.6 |
| **Dropsuite Directors' recommendation and NinjaOne's intentions for the Dropsuite business if the Scheme is implemented** | | |
| **What do the Dropsuite Directors recommend?** | The Dropsuite Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders.[12]<br>The reasons for this recommendation and other relevant considerations are set out in section 1.<br>The interests of the Dropsuite Directors in Dropsuite Shares and Dropsuite Performance Rights are set out in sections 9.1 and 9.3. Dropsuite Shareholders should have regard to these interests when considering how to vote on the Scheme. | Letter from the Chairman of the Dropsuite Board and section 1 |
| **How do the Dropsuite Directors intend to vote on the Scheme?** | Each Dropsuite Director intends to vote, or cause to be voted, all Dropsuite Shares held or controlled by them in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders. | Letter from the Chairman of the Dropsuite Board and section 1 |
| **What is the conclusion of the Independent Expert?** | The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Dropsuite Shareholders, in the absence of a superior proposal.<br>The Independent Expert has assessed the value of a Dropsuite Share on a controlling interest basis to be in the range of $3.92 to $5.88. The Scheme Consideration of $5.90 cash per Dropsuite Share is above this range.<br>The reasons why the Independent Expert has formed this conclusion are set out in the Independent Expert's Report.<br>A copy of this report is contained in Annexure 1. The Dropsuite Directors encourage you to read this report in its entirety. | Annexure 1 |
| **What are NinjaOne's and NinjaOne Australia's intentions for Dropsuite if the** | If the Scheme is implemented, it is the current intention of NinjaOne and NinjaOne Australia to continue the current strategic direction of the Dropsuite Group. Further details regarding the intentions of NinjaOne and NinjaOne Australia | Section 6.5 |

[12] As detailed in section 9.3, the Dropsuite Board has approved payment of a special exertion fee of $35,000 to Charif Elansari in recognition of the significant amount of additional unpaid work he has undertaken in connection with the Scheme.

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| Question | Answer | More information |
|---|---|---|
| **Scheme is implemented?** | for Dropsuite if the Scheme is implemented are set out in section 6.5. | |
| **What choices do I have as a Dropsuite Shareholder?** | As a Dropsuite Shareholder, you have the following choices in relation to your Dropsuite Shares:<br>• vote in favour of the Scheme at the Scheme Meeting;<br>• vote against the Scheme at the Scheme Meeting;<br>• sell your Dropsuite Shares on the ASX; or<br>• do nothing.<br>The reasons why you may vote in favour of, or against the Scheme, are set out in section 1. | Section 1 |
| **Overview of the Scheme Consideration** | | |
| **What is the Scheme Consideration?** | If the Scheme is implemented, Scheme Shareholders will receive the Scheme Consideration of $5.90 cash for each Dropsuite Share held by them on the Scheme Record Date. | Section 4.2 |
| **When and how will I receive my Scheme Consideration?** | If the Scheme becomes Effective, Scheme Shareholders will be sent the Scheme Consideration on the Implementation Date (currently expected to be Friday, 30 May 2025).<br>Scheme Shareholders who have validly registered their bank account details with the Dropsuite Share Registry before the Scheme Record Date will have their Scheme Consideration sent directly to their bank account. The Scheme Consideration will be paid in Australian dollars and in the case of international accounts, be converted into the local currency or other elected currency registered with the Dropsuite Share Registry before the Scheme Record Date.<br>Otherwise, Scheme Shareholders (other than Scheme Shareholders with a registered address in New Zealand) will have their Scheme Consideration sent by cheque to their address shown on the Dropsuite Share Register on the Scheme Record Date.<br>Cheques will not be issued to Scheme Shareholders with a registered address in New Zealand, and payments owed to those Shareholders will be withheld until a valid bank account has been provided to the Dropsuite Share Registry.<br>Dropsuite Shareholders (including those with a registered address in New Zealand) should ensure that they update their bank account details on the Dropsuite investor portal before the Scheme Record Date.<br>See section 4.3 of this Scheme Booklet for instructions on how to update your bank account details. | Section 4.3 |
| **Will I have to pay brokerage?** | You will not have to pay brokerage on the transfer of your Dropsuite Shares to NinjaOne Australia under the Scheme. | Section 1.2(g) |

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| Question | Answer | More information |
|---|---|---|
| **What are the taxation implications of the Scheme?** | The taxation implications of the Scheme will depend on your particular circumstances.<br>Section 8 provides a general description of the Australian taxation consequences for Scheme Shareholders.<br>You should seek independent professional taxation advice with respect to your particular circumstances. | Section 8 |
| **Conditions to the Scheme** | | |
| **Are there any conditions to the Scheme?** | Yes. The conditions to the Scheme are summarised in section 4.4 (**Conditions Precedent**). As at the date of this Scheme Booklet, the Dropsuite Directors are not aware of any reason why any Condition Precedent to the Scheme will not be satisfied. | Section 4.4 |
| **What is required for the Scheme to become Effective?** | The Scheme will become Effective if:<br>• the Scheme is approved by the Requisite Majorities of Dropsuite Shareholders at the Scheme Meeting to be held on Friday, 9 May 2025;<br>• the Court approves the Scheme at the Second Court Hearing; and<br>• all of the other Conditions Precedent to the Scheme are satisfied or waived (as applicable). | N/A |
| **When and where will the Scheme Meeting be held?** | The Scheme Meeting will be held at 11.00am (Melbourne time) at Level 42, 101 Collins Street Melbourne, Victoria, 3000 Australia and via an online platform on Friday, 9 May 2025. | Annexure 4 |
| **What will Dropsuite Shareholders be asked to vote on at the Scheme Meeting?** | At the Scheme Meeting, Dropsuite Shareholders (other than Excluded Shareholders) will be asked to vote on whether to approve the Scheme.<br>The business to be considered at the Scheme Meeting is set out in the Notice of Scheme Meeting in Annexure 4. | Annexure 4 |
| **What is the Dropsuite Shareholder approval threshold for the Scheme?** | In order to become Effective, the Scheme must be approved by the Requisite Majorities, being:<br>• unless the Court orders otherwise, a majority in number (more than 50%) of Dropsuite Shareholders (other than Excluded Shareholders) present and voting at the Scheme Meeting (either in person or by proxy, attorney or, in the case of corporate Dropsuite Shareholders, corporate representative); and<br>• at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting by Dropsuite Shareholders (other than Excluded Shareholders) present and voting (either in person or by proxy, attorney or, in the | Section 4.6 |

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| Question | Answer | More information |
|---|---|---|
| | case of corporate Dropsuite Shareholders, corporate representative).<br>Even if the Scheme is approved by the Requisite Majorities at the Scheme Meeting, the Scheme is still subject to the approval of the Court. | |
| **Who is an Excluded Shareholder?** | An Excluded Shareholder is any Dropsuite Shareholder who is a member of the NinjaOne Group or any Dropsuite Shareholder who holds any Dropsuite Shares on behalf of, or for the benefit of, any member of the NinjaOne Group and does not hold Dropsuite Shares on behalf of, or for the benefit of, any other person.<br>Excluded Shareholders are excluded for the purposes of determining whether or not the Scheme is approved by the Requisite Majorities at the Scheme Meeting.<br>As at the Last Practicable Date, there are no Excluded Shareholders, and neither NinjaOne nor NinjaOne Australia expect there to be any Excluded Shareholders on the Scheme Record Date. | N/A |
| **Am I entitled to vote at the Scheme Meeting?** | If you are registered as a Dropsuite Shareholder on the Dropsuite Share Register as at 7.00pm (Melbourne time) on Wednesday, 7 May 2025, you will be entitled to attend and vote at the Scheme Meeting. | Annexure 4 |
| **How can I vote if I can't attend the Scheme Meeting?** | If you would like to vote but cannot attend the Scheme Meeting in person or online via the online platform, you can vote by appointing a proxy (including by lodging your proxy form online at https://investor.automic.com.au/#/loginsah) or attorney to attend and vote on your behalf. You may also vote by corporate representative if you are a corporate Dropsuite Shareholder. | Annexure 4 |
| **When will the results of the Scheme Meeting be known?** | The results of the Scheme Meeting are expected to be available shortly after the conclusion of the Scheme Meeting and will be announced by Dropsuite to the ASX (www.asx.com.au) once available. | N/A |
| **What happens to my Dropsuite Shares if I do not vote, or if I vote against the Scheme, and the Scheme becomes effective and is implemented?** | If you do not vote, or vote against the Scheme, and the Scheme becomes Effective and is implemented, any Scheme Shares held by you on the Scheme Record Date (currently expected to be 7.00pm (Melbourne time) on Friday, 16 May 2025) will be transferred to NinjaOne Australia and you will receive the Scheme Consideration for your Scheme Shares, despite not having voted or having voted against the Scheme. | Section 4.6(a) |

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| Question | Answer | More information |
|---|---|---|
| **What will happen if the Scheme is not implemented?** | If the Scheme is not implemented:<br>• Dropsuite will remain an ASX-listed company and you will remain a Dropsuite Shareholder;<br>• Dropsuite Shareholders will retain their Dropsuite Shares and will not receive the Scheme Consideration;<br>• Dropsuite expects to pay approximately $1.3 million (excluding GST) in transaction costs in connection with the Scheme;<br>• depending on the circumstances, a reimbursement fee of $4,196,499 (excluding GST) may be payable by Dropsuite to NinjaOne (**Reimbursement Fee**) or a reverse reimbursement fee of $4,196,499 (excluding GST) may be payable by NinjaOne to Dropsuite (**Reverse Reimbursement Fee**). However, Dropsuite will not be liable to pay the Reimbursement Fee merely because Dropsuite Shareholders fail to approve the Scheme at the Scheme Meeting; and<br>• the price of Dropsuite Shares on the ASX will continue to be subject to market volatility and may fall in the absence of a Superior Proposal. | Section 4.5 |
| **Other questions** | | |
| **What happens if a Competing Proposal is received by Dropsuite?** | If a Competing Proposal is received, the Dropsuite Directors will carefully consider it to determine whether it is, or could reasonably be expected to become, a Superior Proposal.<br>Dropsuite must notify NinjaOne of that Competing Proposal in accordance with the Scheme Implementation Deed.<br>Dropsuite Shareholders should note that Dropsuite has agreed to certain exclusivity provisions in favour of NinjaOne and NinjaOne Australia under the Scheme Implementation Deed. However, some of these provisions are subject to customary fiduciary exceptions which may permit consideration of a Competing Proposal. | Section 9.5(f) |
| **Can I sell my Dropsuite Shares now?** | You can sell your Dropsuite Shares on market at any time before the close of trading on the ASX on the Effective Date at the then prevailing market price (which may vary from the Scheme Consideration).<br>Dropsuite intends to apply to the ASX for Dropsuite Shares to be suspended from trading on the ASX from close of trading on the Effective Date. You will not be able to sell your Dropsuite Shares on market after this date.<br>If you sell your Dropsuite Shares on market, you may pay brokerage on the sale, you will not receive the Scheme Consideration and there may be different tax consequences compared to those that would arise if you retain those Dropsuite Shares until the Scheme is implemented. | N/A |
| **What if I have further questions** | If you have questions in relation to this Scheme Booklet, please contact the Dropsuite Shareholder Information Line on 1300 816 156 (within Australia) or +61 2 8072 1416 (outside | N/A |

| Question | Answer | More information |
|---|---|---|
| **about the Scheme?** | Australia), between 8.30am and 7.00pm (Melbourne time), Monday to Friday (excluding national public holidays in Australia).<br><br>If you are in doubt about anything in this Scheme Booklet, please consult your legal, financial, tax or other professional adviser. | |

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# 3 What should you do?

## 3.1 Step 1: Read this Scheme Booklet

You should carefully read this Scheme Booklet in its entirety before deciding whether or not to vote in favour of the Scheme.

If you have any questions about this Scheme Booklet, please contact the Dropsuite Shareholder Information Line on 1300 816 156 (within Australia) or +61 2 8072 1416 (outside Australia), between 8.30am and 7.00pm (Melbourne time), Monday to Friday (excluding national public holidays in Australia).

If you are in any doubt as to what you should do, please consult your legal, financial, tax or other professional adviser without delay.

## 3.2 Step 2: Vote on the Scheme

**(a) Your vote is important**

For the Scheme to proceed, it is necessary that the Requisite Majorities of Dropsuite Shareholders vote in favour of the Scheme.

**(b) Who is entitled to vote?**

If you are registered on the Dropsuite Share Register at 7.00pm (Melbourne time) on Wednesday, 7 May 2025, you will be entitled to vote on the Scheme at the Scheme Meeting.

**(c) Details of the Scheme Meeting**

The Scheme Meeting of Dropsuite Shareholders will be held at **11.00am (Melbourne time) on Friday, 9 May 2025** at Level 42, 101 Collins Street Melbourne, Victoria, 3000 Australia and online via the online platform at https://us02web.zoom.us/webinar/register/WN_qLiiL0DqTMWajVYBpmMCCQ.

**(d) How to vote?**

You may vote:

- **in person**, by physically attending the Scheme Meeting at Level 42, 101 Collins Street Melbourne, Victoria, 3000 Australia and voting in person;
- **online**, by participating and voting online at the Scheme Meeting via the online platform at https://us02web.zoom.us/webinar/register/WN_qLiiL0DqTMWajVYBpmMCCQ. To vote online, you will need follow the instructions set out in sections 6.2 and 9.2 of the Notice of Scheme Meeting at Annexure 4;
- **by proxy**, by appointing one or two proxies to attend and vote on your behalf (either in person or online), using the proxy form that accompanies this Scheme Booklet or submitting a proxy form online at https://investor.automic.com.au/#/loginsah. To be valid, your proxy form must be received by the Dropsuite Share Registry by **11.00am (Melbourne time) on Wednesday, 7 May 2025**;
- **by attorney**, by appointing an attorney to attend and vote at the Scheme Meeting on your behalf (either in person or online) and providing a duly executed power of attorney to the Dropsuite Share Registry (see section 9.4 of the Notice of Scheme Meeting at Annexure 4 for further details); or
- **by corporate representative**, in the case of a body corporate which is a Dropsuite Shareholder, by appointing a corporate representative to attend and vote at the Scheme Meeting (either in person or online) on behalf of that Dropsuite Shareholder and providing a duly executed certificate of appointment (in accordance with section 250D of the Corporations Act) to the Dropsuite Share Registry (see section 9.5 of the Notice of Scheme Meeting at Annexure 4 for further details).

Further details on how to participate in the Scheme Meeting and vote on the Scheme are contained in the Notice of Scheme Meeting at Annexure 4.

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# 4 Overview of the Scheme

## 4.1 Background to the Scheme

On 28 January 2025, Dropsuite, NinjaOne and NinjaOne Australia entered into the Scheme Implementation Deed, under which the parties have agreed to implement the Scheme between Dropsuite and Scheme Shareholders. A full copy of the Scheme Implementation Deed was released to ASX on 28 January 2025 and can be obtained from Dropsuite's ASX announcements page at www.asx.com.au.

## 4.2 Overview of the Scheme Consideration

If the Scheme is implemented, Scheme Shareholders will be entitled to receive the Scheme Consideration of $5.90 cash for each Dropsuite Share held by them on the Scheme Record Date. It is important to note that you will only receive the Scheme Consideration if you are a Scheme Shareholder. You will be a Scheme Shareholder if you hold Dropsuite Shares at the Scheme Record Date (currently expected to be 7.00pm (Melbourne time) on Friday, 16 May 2025).

## 4.3 Payment of Scheme Consideration

If the Scheme becomes Effective, the Scheme Consideration will be sent to Scheme Shareholders on the Implementation Date (currently expected to be Friday, 30 May 2025).

Scheme Shareholders who have validly registered their bank account details with the Dropsuite Share Registry before the Scheme Record Date will have their Scheme Consideration sent directly to their bank account. The Scheme Consideration will be paid in Australian dollars and in the case of international accounts, be converted into the local currency or other elected currency registered with the Share Registry before the Scheme Record Date.

Scheme Shareholders who have not validly registered their bank account details with the Dropsuite Share Registry before the Scheme Record Date (other than Scheme Shareholders with a registered address in New Zealand) will have their Scheme Consideration sent by cheque to their registered address shown on the Dropsuite Share Register on the Scheme Record Date.

Cheques will not be issued to Scheme Shareholders with a registered address in New Zealand, and payments owed to those Shareholders will be withheld until a valid bank account has been provided to the Dropsuite Share Registry.

Dropsuite Shareholders (including Dropsuite Shareholders with a registered address in New Zealand) should update their bank account details on the Dropsuite investor portal before the Scheme Record Date.

Please follow the steps below to submit or update your bank account details.

To log into the Automic portal:

1. Go to https://investor.automic.com.au/#/home
2. If you have already registered, enter your username and password and click "log in".
3. If you have not yet registered, click "register" and follow the prompts.

To update your bank account details:

1. Once you have logged in, click "My Portfolio Profile".
2. Select "Payment Instruction" in the "Payment Details" section.
3. Input your payment details (please ensure to enter domestic bank account details in the "Domestic" section and international bank account details in the "International" section).
4. Once you have added your payment details, click "save".

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## 4.4 Conditions to the Scheme

Implementation of the Scheme is subject to the following Conditions Precedent:

(a) **FIRB approval:** before 5.00pm on the Business Day before the Second Court Date, one of the following has occurred:

(1) NinjaOne Australia has received written notice under the Foreign Acquisitions and Takeovers Act 1975 (Cth) (**FATA**), by or on behalf of the Treasurer of the Commonwealth of Australia (**Treasurer**), advising that the Commonwealth Government has no objections to the Transaction either unconditionally or subject to:

(A) 'standard' tax conditions which are in the form, or substantially in a form consistent with the 'standard tax conditions' in the FIRB published guidance on tax conditions from time to time; or

(B) such other conditions acceptable to NinjaOne Australia (acting reasonably);

(2) the Treasurer becomes precluded by the passage of time from making an order or decision under Part 3 of the FATA in relation to the Transaction and the Transaction is not prohibited by section 82 of the FATA; or

(3) where an interim order is made under section 68 of the FATA in respect of the Transaction, the subsequent period for making an order or decision under Part 3 of the FATA elapses without the Treasurer making such an order or decision,

and in the case of paragraph (a)(1) above, the notice of no objection has not been withdrawn, suspended or revoked before 5.00pm on the Business Day before the Second Court Date;

(b) **ASIC and ASX:** ASIC and ASX issue or provide all relief, waivers, confirmations, exemptions, consents or approvals, and do all other acts, necessary, or which Dropsuite and NinjaOne agree are desirable, to implement the Scheme and such relief, waivers, confirmations, exemptions, consents, approvals or other acts (as the case may be) remain in full force and effect in all respects and have not been withdrawn, revoked, suspended, restricted or amended (or become subject to any notice, intimation or indication of intention to do any such thing) before 8.00am on the Second Court Date;

(c) **Shareholder approval:** the Dropsuite Shareholders (other than Excluded Shareholders) approve the Scheme at the Scheme Meeting by the Requisite Majorities (except to the extent the Court orders otherwise) under section 411(4)(a)(ii) of the Corporations Act;

(d) **Court approval:** the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act;

(e) **Independent Expert:** the Independent Expert does not adversely change or adversely qualify its conclusion or withdraw its Independent Expert's Report before 8.00am on the Second Court Date;

(f) **Restraints:** no temporary restraining order, preliminary or permanent injunction, decree, ruling or other order enjoining, restraining or otherwise imposing a legal restraint or prohibition preventing the Scheme, in each case issued by a court of competent jurisdiction or other Government Agency is in effect at 8.00am on the Second Court Date;

(g) **Dropsuite Performance Rights:** Dropsuite has done all things and taken all necessary steps by 8.00am on the Second Court Date to ensure that, before the Scheme Record Date, all Dropsuite Performance Rights are dealt with in the manner contemplated by clause 4.4 of the Scheme Implementation Deed;

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(h) **No Dropsuite Prescribed Occurrence:** no Dropsuite Prescribed Occurrence occurs between (and including) 28 January 2025 and 8.00am on the Second Court Date;

(i) **No Dropsuite Regulated Event:** no Dropsuite Regulated Event occurs between (and including) 28 January 2025 and 8.00am on the Second Court Date; and

(j) **No Dropsuite Material Adverse Change:** no Dropsuite Material Adverse Change occurs or is discovered, announced, disclosed or otherwise becomes known to NinjaOne between (and including) 28 January 2025 and 8.00am on the Second Court Date.

The Scheme will not proceed unless all of the Conditions Precedent to the Scheme are satisfied or waived (as applicable) in accordance with the Scheme Implementation Deed.

As at the date of this Scheme Booklet, none Dropsuite, NinjaOne or NinjaOne Australia are aware of any circumstances which would cause any Condition Precedent not to be satisfied.

## 4.5 Implications if the Scheme is not implemented

If the Scheme is not implemented:

- unless Dropsuite Shareholders choose to sell their Dropsuite Shares (for example, on the ASX), Dropsuite Shareholders will continue to hold Dropsuite Shares and will be exposed to general risks as well as risks specific to Dropsuite, including those set out in section 7;
- Dropsuite Shareholders will not receive the Scheme Consideration;
- Dropsuite expects to pay approximately $1.3 million (excluding GST) in transaction costs in connection with the Scheme;
- one the following fees may be payable:
  - a reimbursement fee of $4,196,499 (excluding GST) (**Reimbursement Fee**) may be payable by Dropsuite to NinjaOne under certain circumstances. Those circumstances do not include where the Dropsuite Shareholders fail to approve the Scheme at the Scheme Meeting. Further information on the Reimbursement Fee is set out in section 9.5(g); or
  - a reverse reimbursement fee of $4,196,499 (excluding GST) (**Reverse Reimbursement Fee**) may be payable by NinjaOne to Dropsuite under certain circumstances. Further information on the Reverse Reimbursement Fee is set out in section 9.5(h);
- Dropsuite will continue as an ASX-listed entity with management continuing to implement the business plan and financial and operating strategies it had in place prior to 28 January 2025, being the date of announcement of the Scheme to the ASX; and
- the Dropsuite Directors are unable to predict the price at which Dropsuite Shares will trade in the future but consider that, if no Superior Proposal is received by the Dropsuite Board, then the price of a Dropsuite Share on the ASX may fall.

## 4.6 Key steps in the Scheme

### (a) Scheme Meeting and Scheme approval requirements

The Court has ordered Dropsuite to convene the Scheme Meeting at which Dropsuite Shareholders (other than Excluded Shareholders) will be asked to approve the Scheme.

The Scheme Resolution to be considered at the Scheme Meeting is contained in the Notice of Scheme Meeting in Annexure 4.

The Scheme will only become Effective and be implemented if:

- it is approved by the Requisite Majorities of Dropsuite Shareholders at the Scheme Meeting;
- it is approved by the Court at the Second Court Hearing; and



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- the other Conditions Precedent to the Scheme as detailed in section 4.4 are satisfied or waived (as applicable).

The Requisite Majorities to approve the Scheme are:

- unless the Court orders otherwise, a majority in number (more than 50%) of Dropsuite Shareholders (other than Excluded Shareholders) present and voting at the Scheme Meeting (either in person or by proxy, attorney or, in the case of corporate Dropsuite Shareholders, corporate representative); and
- at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting by Dropsuite Shareholders (other than Excluded Shareholders) present and voting (either in person or by proxy, attorney or, in the case of corporate Dropsuite Shareholders, corporate representative).

The Court has the power to waive the first requirement.

The entitlement of Dropsuite Shareholders to attend and vote at the Scheme Meeting is set out in the Notice of Scheme Meeting in Annexure 4.

Voting is not compulsory. However, the Dropsuite Directors unanimously recommend that Dropsuite Shareholders vote in favour of the Scheme in the absence of a Superior Proposal, and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders.[13]

You should be aware that even if you do not vote, or vote against the Scheme, the Scheme may still be implemented if it is approved by the Requisite Majorities of Dropsuite Shareholders and the Court. If this occurs, your Dropsuite Shares will be transferred to NinjaOne Australia and you will receive the Scheme Consideration even though you did not vote on, or voted against, the Scheme.

The results of the Scheme Meeting will be available as soon as possible after the conclusion of the Scheme Meeting and will be announced to the ASX (www.asx.com.au) once available.

Please note that the Scheme Meeting may be postponed or adjourned, including if satisfaction of a Condition Precedent (including FIRB Approval) is delayed, pursuant to the terms of the Scheme Implementation Deed. Any such postponement or adjournment will be announced by Dropsuite to the ASX.

**(b) Court approval of the Scheme**

In the event that:

- the Scheme is approved by the Requisite Majorities of Dropsuite Shareholders at the Scheme Meeting; and
- all other Conditions Precedent to the Scheme (except Court approval of the Scheme) have been satisfied or waived (as applicable),

then Dropsuite will apply to the Court for orders approving the Scheme.

Each Dropsuite Shareholder has the right to appear at the Second Court Hearing.

**(c) Effective Date**

If the Court approves the Scheme, the Scheme will become Effective on the Effective Date, being the date an office copy of the Court order from the Second Court Hearing approving the Scheme is lodged with ASIC. Dropsuite will, on the Scheme becoming Effective, give notice of that event to the ASX.

Dropsuite intends to apply to the ASX for Dropsuite Shares to be suspended from trading on the ASX from close of trading on the Effective Date.

**(d) Scheme Record Date and entitlement to Scheme Consideration**

[13] As detailed in section 9.3, the Dropsuite Board has approved payment of a special exertion fee of $35,000 to Charif Elansari in recognition of the significant amount of additional unpaid work he has undertaken in connection with the Scheme.



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Those Dropsuite Shareholders who are recorded on the Dropsuite Share Register on the Scheme Record Date (currently expected to be 7.00pm (Melbourne time) on Friday, 16 May 2025) will be entitled to receive the Scheme Consideration in respect of the Dropsuite Shares they hold at that time.

**(e) Dealings on or prior to the Scheme Record Date**

For the purposes of determining which Dropsuite Shareholders are eligible to participate in the Scheme, dealings in Dropsuite Shares will be recognised only if:

- in the case of dealings of the type to be effected using CHESS, the transferee is registered on the Dropsuite Share Register as the holder of the relevant Dropsuite Shares before the Scheme Record Date (and the transferee remains registered as at the Scheme Record Date); and
- in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received by the Dropsuite Share Registry before the Scheme Record Date (and the transferee remains registered as at the Scheme Record Date).

For the purposes of determining entitlements under the Scheme, Dropsuite will not accept for registration or recognise any transfer or transmission applications in respect of Dropsuite Shares received on or after the Scheme Record Date.

**(f) Dealings after the Scheme Record Date**

For the purpose of determining entitlements to the Scheme Consideration, Dropsuite must maintain the Dropsuite Share Register in its form as at the Scheme Record Date until the Scheme Consideration has been paid to the Scheme Shareholders. The Dropsuite Share Register in this form will solely determine entitlements to the Scheme Consideration.

After the Scheme Record Date:

- all statements of holding for Dropsuite Shares will cease to have effect as documents relating to title in respect of such Dropsuite Shares; and
- each entry on the Dropsuite Share Register will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Dropsuite Shares relating to that entry.

**(g) Implementation Date**

By no later than the Business Day before the Implementation Date (currently expected to be Friday, 30 May) 2025, NinjaOne Australia will deposit (or will procure the deposit of) into a Dropsuite operated Australian dollar denominated trust account with an authorised deposit taking institution in Australia as trustee for the Scheme Shareholders, an amount equal to the aggregate Scheme Consideration payable to Scheme Shareholders (less any Withholding Amount).

Scheme Shareholders will be paid the Scheme Consideration (less any Withholding Amount) on the Implementation Date. Immediately after the Scheme Consideration is paid to Scheme Shareholders, the Scheme Shares will be transferred to NinjaOne Australia.

**(h) End Date**

If the Effective Date for the Scheme has not occurred on or before the End Date, either NinjaOne or Dropsuite may terminate the Scheme Implementation Deed, in which case the Scheme will lapse and implementation of the Scheme will not occur. The End Date is 28 September 2025 or such other date as agreed in writing by Dropsuite, NinjaOne and NinjaOne Australia.

**(i) Deed Poll**

As at the date of this Scheme Booklet, a Deed Poll has been entered into by NinjaOne and NinjaOne Australia in favour of the Scheme Shareholders, under which:

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- NinjaOne Australia has agreed to provide, or procure, the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders under the Scheme, subject to the Scheme becoming Effective;
- NinjaOne has agreed to fulfil NinjaOne Australia's obligation noted above if NinjaOne Australia will not, or does not, fulfil it; and
- NinjaOne and NinjaOne Australia have agreed to undertake all other actions attributed to each of NinjaOne and NinjaOne Australia (as applicable) under the Scheme.

A copy of the Deed Poll is contained in Annexure 3.

## 4.7 Warranties by Scheme Shareholders

Under the terms of the Scheme, each Scheme Shareholder is taken to have warranted to Dropsuite and NinjaOne Australia, and appointed and authorised Dropsuite as its attorney and agent to warrant to NinjaOne Australia, on the Implementation Date, that:

- all their Dropsuite Shares (including any rights and entitlements attaching to those shares) which are transferred under the Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind;
- they have full power and capacity to transfer their Dropsuite Shares to NinjaOne Australia together with any rights attaching to those shares; and
- they have no existing right to be issued any new Dropsuite Shares or Dropsuite Performance Rights or securities or other instruments exercisable, or convertible, into Dropsuite Shares, except under an existing Dropsuite equity incentive plan.

## 4.8 Delisting of Dropsuite

Dropsuite will apply for the termination of the official quotation of Dropsuite Shares on the ASX and for Dropsuite to be removed from the official list of the ASX on a date after the Implementation Date.

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# 5 Information about Dropsuite

## 5.1 Overview of Dropsuite

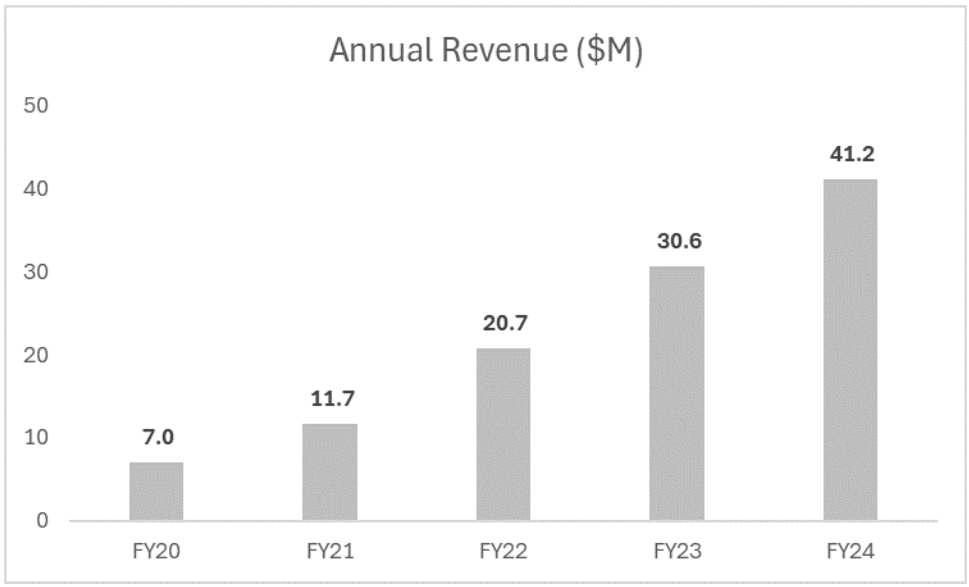
Dropsuite is an Australian company registered in South Australia. It is governed by the Corporations Act and its shares are listed on the ASX (ASX:DSE). Founded in 2012, Dropsuite is headquartered in Melbourne, Australia and has other offices in Singapore and the United States of America.

Dropsuite and its subsidiaries operate a software platform which enables businesses to backup, archive, recover and protect their business information and data. Dropsuite's products offer comprehensive data protection for cloud services such as Microsoft 365, Google Workspace or QuickBooks Online.

Dropsuite is a B2B SaaS business primarily focused on servicing its global reseller partner network, which comprises both directly transacting partners and indirect MSP partners buying Dropsuite software from IT Distributors.

For the calendar quarter ended 31 December 2024, Dropsuite provided solutions to over 780 IT direct reseller partners in addition to thousands of MSPs across over 100 countries globally. Dropsuite also delivered record quarterly paid user additions of approximately 165,000 paid users, exiting the year with total paid users of approximately 1.65 million and record ARR of $49.8 million and audited revenue of $41.2 million.

An overview of Dropsuite's revenue performance over the last five financial years is shown below.




In the financial year ended 31 December 2024, Dropsuite had the following geographical revenue split:

| | 2024 $'000 | 2023 $'000 |
|---|---|---|
| *Geographical regions* | | |
| Australia | 2,142 | 1,007 |
| Singapore | 131 | 135 |
| Europe | 8,082 | 7,468 |
| United States of America | 29,615 | 20,913 |
| Rest of the World | 1,183 | 1,110 |
| | 41,153 | 30,633 |

## 5.2 Dropsuite Board and senior management

### (a) Dropsuite Board

As at the date of this Scheme Booklet, the Dropsuite Board comprises the following directors:

| Name | Position | Profile |
|---|---|---|
| Theo Hnarakis | Non-Executive Chairman | Theo brings a wealth of experience working in the media industry and scaling Australian ASX listed technology businesses. He graduated from the University of South Australia and held senior roles with News Corporation, Boral Group, the PMP Communications group and was the Managing Director and CEO of Melbourne IT until 2013. He has also held director roles with Neulevel a JV with US based listed company, Neustar (resigned 2004), and with Advantate a JV with Fairfax Media (resigned 2011). |
| Charif Elansari | Chief Executive Officer (CEO) & Managing Director | Charif was Dropsuite's first investor before taking over as CEO in October 2013. Prior to Dropsuite, Charif was a founding member of Google Singapore (Asia Pacific HQ), first heading sales and operations then business development for Southeast Asia. In addition to building various regional teams at Google, he negotiated and launched key partnerships with top mobile operators, led the company's first Chrome web browser distribution partnership in Asia, built partnerships and alliances with media companies and led a team to launch the first localized advertising product in Indonesia winning Google Asia Pacific Innovation Award. Prior to Google he worked at Dell in a career that spanned the USA (Dell HQ) as well as China, Korea and Japan. At Dell, Charif took on various leadership roles covering supply chain operations, sales and marketing. |
| Bruce Tonkin | Non-Executive Director | Dr Bruce Tonkin is currently Chief Executive Officer for the .au Domain Administration Limited, where he is responsible for operations of the .au (Australia) top level domain name. Prior to that he has been chief technology officer and chief strategy officer at Melbourne IT, where he was responsible for managing the development of the company's strategic and operating plans, strategic initiatives with major customers and suppliers, and managing evaluation of merger and acquisition opportunities. Bruce had been at Melbourne IT from 1999 until April 2017 and has gained more than 15 years of experience taking cloud based services to global markets across the USA, Europe, and Asia for both SMBs and Enterprises. In that time annual revenue grew from $15m to a peak of $200m with offices in 10 countries, before the sale of its international business. |
| Eric Martorano | Non-Executive Director | Eric is a seasoned and accomplished executive with over 25 years of experience leading global revenue and go-to-market initiatives. Throughout his career, Martorano has consistently demonstrated a commitment to delivering exceptional business experiences by leveraging the strengths of individuals, strategic partnerships, and technology. This dedication has not only driven significant revenue growth but also enhanced financial performances, ultimately increasing shareholder value. Currently serving as the Chief Revenue Officer at Simplilearn, a Blackstone Group Co., Martorano oversees the global commercial business P&L for the world's leading online bootcamp for digital skills training. Prior to this role, he held executive positions at Kinly, Nextiva, Accordo Group, Intermedia, and served as General Manager at Microsoft, where he managed a multi-billion-dollar revenue business. |

The Dropsuite Board unanimously recommend that you **vote in favour** of the Scheme in the absence of a Superior Proposal and subject to the Independent



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Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders.[14]

Each Dropsuite Director intends to vote, or cause to be voted, all Dropsuite Shares held or controlled by them in favour of the Scheme, subject to the same qualifications.

**(b) Dropsuite senior management**

Dropsuite's senior management comprises the following members:

| Name | Position |
|---|---|
| Charif Elansari | Chief Executive Officer & Managing Director |
| Manoj Kalyanaraman | Chief Technology Officer |
| Mark Kirstein | Chief Product Officer |
| Bill Kyriacou | Chief Financial Officer |
| Kobe Lizheng | Company Secretary |
| Eric Roach | SVP, Global Channel Sales and Marketing |
| Deepika G | Global Head of Human Resources |

## 5.3 Historical financial information

**(a) Basis of preparation**

This section 5.3 sets out a summary of historical financial information in relation to Dropsuite for the purpose of this Scheme Booklet. The financial information has been derived from Dropsuite's financial statements for the financial years ended 31 December 2024, 31 December 2023 and 31 December 2022, which were audited by RSM Partners Pty Ltd ACN 640 581 040.

The historical financial information of Dropsuite is presented in an abbreviated form and does not contain all the disclosures, presentation, statements or comparatives that are usually provided in an annual report prepared in accordance with the Corporations Act. Dropsuite considers that for the purposes of this Scheme Booklet the historical financial information presented in an abbreviated form is more meaningful to Dropsuite Shareholders.

Further detail on Dropsuite's financial performance can be found in:

- the financial statements for the year ended 31 December 2024 (included in the Annual Report released to the ASX on 27 February 2025);
- the financial statements for the year ended 31 December 2023 (included in the Annual Report released to the ASX on 28 February 2024); and
- the financial statements for the year ended 31 December 2022 (included in the Annual Report released to the ASX on 28 February 2023),

each of which can be found on Dropsuite's website (dropsuite.com) or the ASX website (www.asx.com.au).

**(b) Historical consolidated income statement**

[14] As detailed in section 9.3, the Dropsuite Board has approved payment of a special exertion fee of $35,000 to Charif Elansari in recognition of the significant amount of additional unpaid work he has undertaken in connection with the Scheme.



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Below is a summary of Dropsuite's consolidated statement of profit or loss and other comprehensive income for the financial years ended 31 December 2024, 31 December 2023 and 31 December 2022.

| | 2024<br>$'000 | 2023<br>$'000 | 2022<br>$'000 |
|---|---|---|---|
| **Revenue** | **41,153** | **30,633** | **20,689** |
| Other income | 14 | 6 | 6 |
| Interest revenue calculated using the effective interest method | 926 | 712 | 259 |
| **Expenses** | | | |
| Hosting fees | (12,816) | (9,712) | (7,085) |
| Marketing and conference expense | (1,732) | (1,415) | (963) |
| Technology expense | (3,613) | (1,442) | (572) |
| Professional fees | (493) | (327) | (284) |
| Employee benefits expense | (18,080) | (13,201) | (8,134) |
| Share-base payment expense | (1,549) | (1,617) | (866) |
| Depreciation expense | (306) | (226) | (60) |
| Other expenses | (2,469) | (1,820) | (1,540) |
| Finance costs | (2) | (7) | - |
| Loss of disposal of assets | (1) | - | - |
| **Profit before income tax expense** | **1,032** | **1,584** | **1,450** |
| Income tax expense | (203) | - | - |
| **Profit after income tax expense** | **829** | **1,584** | **1,450** |

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## (c) Historical consolidated statement of financial position

Below is a summary of Dropsuite's consolidated statement of financial position as at 31 December 2024, 31 December 2023 and 31 December 2022.

| | 2024 $'000 | 2023 $'000 | 2022 $'000 |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 28,566 | 24,289 | 22,336 |
| Trade and other receivables | 6,554 | 5,855 | 4,060 |
| Income tax recoverable | 140 | | |
| Other assets | 1,207 | 650 | 377 |
| Total current assets | 36,467 | 30,794 | 26,773 |
| **Non-current assets** | | | |
| Investments | - | 12 | 9 |
| Property, plan and equipment | 164 | 142 | 69 |
| Right-of-use assets | 665 | 141 | - |
| Other assets | 89 | 68 | 66 |
| Total non-current assets | 918 | 363 | 144 |
| **Total assets** | 37,385 | 31,157 | 26,917 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 5,372 | 3,172 | 2,231 |
| Contract liabilities | 60 | 67 | 149 |
| Lease liabilities | 188 | 130 | - |
| Employee benefits | 423 | 339 | 256 |
| Total current liabilities | 6,043 | 3,708 | 2,636 |
| **Non-current liabilities** | | | |
| Lease liabilities | 368 | 14 | - |
| Other liabilities | 50 | 50 | 50 |
| Total non-current liabilities | 418 | 64 | 50 |
| **Total liabilities** | 6,461 | 3,772 | 2,686 |
| **Net assets** | 30,924 | 27,385 | 24,231 |
| **Equity** | | | |
| Issued capital | 45,230 | 43,416 | 43,416 |
| Reserves | 3,455 | 2,559 | 989 |
| Accumulated losses | (17,761) | (18,590) | (20,174) |
| **Total equity** | 30,924 | 27,385 | 24,231 |

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### (d) Historical consolidated statement of cash flows

Below is a summary of Dropsuite's consolidated statement of cash flow for the financial years ended 31 December 2024, 31 December 2023 and 31 December 2022.

**Historical consolidated statement of cash flows**

| | 2024 $'000 | 2023 $'000 | 2022 $'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers (inclusive of GST) | 41,047 | 28,653 | 18,796 |
| Payments to suppliers and employees (inclusive of GST) | (37,438) | (27,080) | (18,101) |
| | 3,609 | 1,573 | 695 |
| Interest received | 868 | 698 | 233 |
| Interest and other finance costs paid | (2) | - | - |
| Income taxes paid | (315) | - | - |
| Net cash from operating activities | 4,160 | 2,271 | 928 |
| **Cash flows from investing activities** | | | |
| Payments for property, plant and equipment | (201) | (137) | (78) |
| Payments for security deposits | (21) | - | - |
| Proceeds from disposal of investments | 13 | - | - |
| Net cash from investing activities | (209) | (137) | (78) |
| **Cash flows from financing activities** | | | |
| Repayment of lease liabilities | (140) | - | - |
| Net cash used in financing activities | (140) | - | - |
| Net increase in cash and cash equivalents | 3,811 | 2,134 | 850 |
| Cash and cash equivalents at the beginning of the financial year | 24,289 | 22,336 | 21,604 |
| Effects of exchange rate changes on cash and cash equivalents | 466 | (181) | (118) |
| Cash and cash equivalents at the end of the financial year | 28,566 | 24,289 | 22,336 |

## 5.4 Material changes in financial position (since 31 December 2024)

To the knowledge of the Dropsuite Directors, there have been no material changes to the financial position of Dropsuite and the Dropsuite Group since 31 December 2024, being the date of Dropsuite's financial statements for the financial year ended 31 December 2024 (released to ASX in Dropsuite's FY24 Full Year Financial Report on 27 February 2025), other than:

- the accumulation of earnings and the incurring expenses in the ordinary course of trading;
- as disclosed to ASX by Dropsuite; or
- as disclosed in this Scheme Booklet.

## 5.5 Current trading commentary and outlook

In an announcement to the ASX on 27 February 2025, Dropsuite released its end of year financial results for the financial year ended 31 December 2024.

Dropsuite is well positioned to deliver growth driven by its significant existing partner base and a growing pipeline of new partners and new products. Dropsuite remains focused on:

- delivering ARR growth via its existing partner ecosystem, strong sales pipeline and expanded product line;
- incremental investment in Research & Development and Go-To-Market functions in 2025; and

- driving product innovation to maintain its leading position as a data protection vendor of choice.

## 5.6 Capital structure

As at the Last Practicable Date, the capital structure of Dropsuite was as follows:

| Type of security | Number on issue |
|---|---|
| Dropsuite Shares | 70,259,393 |
| Dropsuite Performance Rights | 1,742,967[15] |

Details about Dropsuite's equity incentive plans are set out in section 9.2.

## 5.7 Substantial holders in Dropsuite Shares

As extracted from filings released on the ASX, the following persons were substantial holders of Dropsuite Shares as at the Last Practicable Date:

| Substantial holder | Number of Dropsuite Shares | Voting power in Dropsuite |
|---|---|---|
| Topline Capital Partners LP, as set out in the Form 604 released to the ASX on 18 March 2025 | 7,363,034 | 10.5% |
| The Goldman Sachs Group, Inc and its subsidiaries including its significant subsidiaries listed in Annexure A and Goldman Sachs Holdings ANZ Pty Limited and its subsidiaries, in the Form 604 as released to the ASX on 13 March 2025 | 4,517,912 | 6.4303% |
| Morgan Stanley and its subsidiaries listed in Annexure A of the Form 604 as released to the ASX on 26 March 2025 | 4,570,384 | 6.51% |
| Mitsubishi UFJ Financial Group, Inc, via relevant interest in securities Morgan Stanley Australia Securities (Nominees) Pty Limited has a relevant interest in under section 608(3) of the Corporations Act, as set out in the Form 604 released to the ASX on 26 March 2025 | 4,570,384 | 6.51% |
| UBS Group AG and its related bodies corporate, as set out in the Form 604 released to the ASX on 26 March 2025 | 4,563,675 | 6.50% |
| Raphael Kain, Samson Rock Capital LLP (investment manager), Samson Rock Event Driven Master Fund Limited (master fund), Samson Rock Event Driven Fund Limited (feeder fund), in the Form 603 as released to the ASX on 12 March 2025 | 3,698,698 | 5.26% |

[15] This figure includes 867,717 Dropsuite Performance Rights which are currently scheduled to vest and be converted to Dropsuite Shares prior to the Scheme Record Date.



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Topline Capital Partners LP has confirmed that it firmly supports Dropsuite being acquired by NinjaOne (through its wholly owned subsidiary, NinjaOne Australia) and intends to vote, or cause to be voted, all Dropsuite Shares held or controlled by it in favour of the Scheme.

## 5.8 Dropsuite Board's intentions

This section sets out the intentions of the Dropsuite Board regarding:

- the continuation of the business of Dropsuite;
- major changes, if any, to be made to the business of Dropsuite; and
- any future employment of the present employees of Dropsuite.

If the Scheme is implemented, Dropsuite will become a wholly owned subsidiary of NinjaOne Australia, and NinjaOne Australia is expected to reconstitute the board of directors of Dropsuite and each of its subsidiaries. Accordingly, it is not possible for the current Dropsuite Board to provide a statement of its intentions after the Scheme is implemented regarding the above matters. Refer to section 6.5 for details regarding NinjaOne and NinjaOne Australia's current intentions for the Dropsuite business if the Scheme is implemented.

If the Scheme is not implemented, the Dropsuite Directors intend to continue to operate Dropsuite in the ordinary course of business, including with respect to the matters set out above, and for Dropsuite to remain listed on the ASX.

## 5.9 Publicly available information about Dropsuite

Dropsuite is a listed disclosing entity for the purpose of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a company listed on ASX, Dropsuite is subject to Listing Rules which require (subject to some exceptions) continuous disclosure of any information that Dropsuite has that a reasonable person would expect to have a material effect on the price or value of Dropsuite Shares.

ASX maintains files containing publicly disclosed information about all entities listed on ASX. Information disclosed to ASX by Dropsuite is available on ASX's website at www.asx.com.au.

In addition, Dropsuite is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Dropsuite may be obtained from an ASIC office.

Dropsuite Shareholders may obtain a copy of Dropsuite's FY24 Annual Financial Report from ASX's website (www.asx.com.au) or from Dropsuite's website (www.dropsuite.com/investor-centre). Dropsuite shall also give a copy of the FY24 Annual Financial Report to any Dropsuite Shareholder who requests a copy (before the Scheme is approved at the Second Court Date) by calling the Dropsuite Shareholder Information Line on 1300 816 156 (within Australia) or +61 2 8072 1416 (outside Australia), between 8.30am and 7.00pm (Melbourne time), Monday to Friday (excluding national public holidays in Australia).

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# 6 Information about NinjaOne

This section 6 has been prepared by NinjaOne and NinjaOne Australia. The information concerning NinjaOne and NinjaOne Australia and the intentions, views and opinions contained in this section 6 are the responsibility of NinjaOne and NinjaOne Australia. Neither Dropsuite nor any of its subsidiaries or their respective directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of such information.

## 6.1 Overview of NinjaOne

### (a) Overview and principal activities

NinjaOne and its subsidiaries (the **NinjaOne Group**) offer an all-in-one, cloud-based automated remote monitoring and management platform (the **NinjaOne Platform**) to Managed Service Providers (**MSPs**) and IT departments. The NinjaOne Platform allows customers to remotely monitor, manage, automate, and secure all their endpoints (i.e. devices) across a network, essentially simplifying IT operations by offering features like monitoring, patching, backup, remote access, and automation in a single platform to improve technician efficiency and user satisfaction.

The NinjaOne Group automates the hardest parts of IT, delivering visibility, security, and control over all endpoints for more than 20,000 customers across more than 80 countries.

The NinjaOne Group has more than 1,000 employees with operations and offices in the United States, Europe and Australia.

### (b) Ownership structure

NinjaOne Australia is a proprietary company limited by shares incorporated in Queensland, Australia, that is proposing to acquire all of the Dropsuite Shares under the Scheme. It is a wholly owned subsidiary of NinjaOne and provides general sales and technical support in Australia for the NinjaOne Group's software and services.

NinjaOne is a US Limited Liability Company organised under the laws of Delaware and is the parent entity of the NinjaOne Group.

The major investors in NinjaOne include Sal Sferlazza (CEO and Founder) and Chris Matarese (President, CFO and Founder), Summit Partners and ICONIQ Growth.

Summit Partners is a leading growth-focused alternative investment firm. Summit Partners invests across growth sectors of the economy and, since the firm's founding in 1984, has invested in more than 550 companies in technology, healthcare and other growth industries. These companies have completed more than 175 public equity offerings, and more than 250 have been acquired through strategic mergers and sales. Summit Partners maintains offices in North America and Europe and seeks to invest in category-leading, profitable growth companies worldwide.

The ICONIQ Growth funds are affiliates of ICONIQ Capital Management, LLC, a wealth management business, which was founded in 2011 by partners Divesh Makan, Will Griffith and Michael Anders. In addition to its direct wealth management business, ICONIQ Capital Management, LLC is also affiliated with a collection of private equity funds that certain of its affiliates manage as general partners of such funds.

Details of Sal Sferlazza (CEO and Founder) and Chris Matarese (President, CFO and Founder) are included in section 6.1(c) below.

### (c) Directors

As at the date of this Scheme Booklet, the NinjaOne Australia Board comprises the following Directors:

| Name | Position | Profile |
|---|---|---|
| Sal Sferlazza | Director | Sal Sferlazza is the CEO and Co-Founder of the NinjaOne Group.<br>Sal Sferlazza has created, built, and exited several highly successful businesses, including Realm Interactive, a video gaming company that was acquired by NcSoft in 2004, Lasso Logic, a data-protection |



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| Name | Position | Profile |
|---|---|---|
| | | company that was acquired by SonicWall in 2005, PacketTrap, a network management company that was acquired by Quest Software in 2009, and Anchor, an enterprise file synchronisation and share service that was acquired by eFolder in 2013. Most recently, Sal Sferlazza served as the co-founder of Boostlingo, an interpretation technology company. Sal Sferlazza serves on the Board of Directors at Boostlingo and RallyUp.com, an online fundraising platform.<br><br>Sal Sferlazza holds a bachelor's degree in computer science and finance from the University of Albany, SUNY. |
| Chris Matarese | Director | Chris Matarese is President, CFO, and Co-Founder of the NinjaOne Group.<br><br>Chris Matarese has created, built, and exited several highly successful businesses, including Realm Interactive, a video gaming company that was acquired by NcSoft in 2004, and Anchor, an enterprise file synchronisation and share service that was acquired by eFolder in 2013. Most recently, Chris Matarese served as the co-founder, Director, and CFO of Boostlingo, an interpretation technology company.<br><br>Chris Matarese holds a bachelor's degree in government and economics from Harvard University and a J.D. from Harvard Law School. |
| Melanie Leydin | Director | Melanie Leydin is a qualified Chartered Accountant with over 30 years' experience in the accounting profession and over 20 years as a Company Secretary. She is currently the Executive Vice President of Global Solutions, South East Asia, for Vistra, a leading provider of essential business services to help companies and private capital funds grow across the entire business and investment lifecycle.<br><br>Melanie Leydin holds a Bachelor of Business majoring in Accounting and Corporate Law from Swinburne University of Technology and is a Fellow of the Institute of Chartered Accountants, a Fellow of the Governance Institute of Australia and a Registered Company Auditor. |

As at the date of this Scheme Booklet, the NinjaOne Board is comprised of Sal Sferlazza (CEO and Founder), Chris Matarese (President, CFO and Founder), Gerhard Watzinger (Director), Hila Nira (Director), Roy Luo (Director) and Andrew Collins (Director). More information on the NinjaOne Board and its leadership team is available on its website: https://www.ninjaone.com/leadership/.

## 6.2 Rationale for proposed acquisition of Dropsuite

NinjaOne is pursuing the proposed acquisition of Dropsuite to diversify and broaden its current backup offering by adding Dropsuite's data protection suite to the NinjaOne Platform, thereby offering its existing customers a more diversified product offering while providing the opportunity to access new customers.

The NinjaOne Platform, combined with Dropsuite's data protection suite, is expected to help IT and MSP customers safeguard against the impact of catastrophic events such as ransomware attacks and common day-to-day IT nuisances, such as accidental deletion and data archiving for legal and compliance, through:

- **Extended Data Protection:** securing both SaaS application and physical device data against accidental loss as well as internal and external malicious actors.
- **Automated Setup and Recovery:** delivering business continuity through an easy-to-deploy, fully automated suite that restores files, emails, calendars, and Entra ID with just a few clicks.

- **Native Multitenancy:** extending data protection through an architecture built to natively work as well in complex multi-tenant IT and MSP environments as it does for a single organisation.

## 6.3 Funding arrangements for the Scheme Consideration

### (a) Maximum Scheme Consideration

If the Scheme is implemented, Scheme Shareholders will receive $5.90 cash for each Scheme Share they hold as at the Scheme Record Date.

Based on the number of Scheme Shares expected to be on issue on the Scheme Record Date and acquired on the Implementation Date,[16] the maximum amount of the aggregate Scheme Consideration to be paid to Scheme Shareholders under the Scheme is $419,649,949 (**Maximum Scheme Consideration**).

Under the Scheme Implementation Deed and Deed Poll, NinjaOne Australia is required to deposit, or procure the deposit of, the Maximum Scheme Consideration in cleared funds into a trust account operated by Dropsuite as trustee for the Scheme Shareholders by no later than the Business Day before the Implementation Date. If NinjaOne Australia does not fulfil this obligation, NinjaOne has undertaken to fulfil it in favour of each Scheme Shareholder under the terms of the Scheme Implementation Deed and Deed Poll.

The Maximum Scheme Consideration will be paid from equity funding and existing cash reserves, as outlined below.

### (b) Equity funding

NinjaOne and NinjaOne Australia have received legally binding equity commitment letters dated 27 January 2025 from ICONIQ Growth[17] and CapitalG IV LP (**CapitalG**)[18] (the **Equity Commitment Letters**).

Under the terms of the Equity Commitment Letters, ICONIQ Growth and CapitalG have agreed to provide NinjaOne the following amounts:

(1) ICONIQ Growth in the amount of US$199,999,976.62 (being approximately A$317,999,962.83[19]); and

(2) CapitalG IV LP in the amount of US$50,000,000 (being approximately A$79,500,000[20]).

The total aggregate amount which ICONIQ Growth and CapitalG have agreed to provide under the Equity Commitment Letters is US$249,999,976.62 (A$397,499,962.83[21]). The amounts above must only be used solely for the purpose of funding a portion of the Maximum Scheme Consideration.

The provision of the equity funding under the Equity Commitment Letters is conditional only on all conditions under the Scheme Implementation Deed being satisfied or waived, the Scheme becoming Effective and the Scheme Implementation Deed remaining in full force and effect and not being materially amended or modified.

Under the Equity Commitment Letters, ICONIQ Growth and CapitalG may direct one or more of their affiliates, affiliated investment funds or entities within their investment groups, to contribute all or part of the equity funding amount noted above. However, in such cases, ICONIQ Growth and CapitalG (as applicable) will continue to be responsible to NinjaOne

[16] There is expected to be 71,127,110 Scheme Shares on the Scheme Record Date, comprising 70,259,393 Dropsuite Shares on issue and a further 867,717 Dropsuite Shares on conversion of Dropsuite Performance Rights before that time.

[17] ICONIQ Strategic Partners VII, L.P. and ICONIQ Strategic Partners VII-B, L.P.

[18] CapitalG is Alphabet Inc.'s independent growth fund that invests with a focus in growth-stage companies, leveraging in-house operators and Google advisors to guide entrepreneurs through the shift from start-up to scale.

[19] Based on an exchange rate of US$1:A$1.59.

[20] Based on an exchange rate of US$1:A$1.59.

[21] Based on an exchange rate of US$1:A$1.59.



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and NinjaOne Australia until the full amount of their equity funding amount (as identified above) has been made.

The Equity Commitment Letters are governed by the laws of the State of Delaware and subject to the exclusive jurisdiction of the Court of Chancery of the State of Delaware.

**(c) Funding from existing cash reserves**

NinjaOne and NinjaOne Australia will fund the remaining part of the Maximum Scheme Consideration (being A$22,149,986.17 [22]) from existing cash reserves.

As at 28 February 2025, NinjaOne had available cash reserves and cash equivalents with an aggregate value of approximately US$55.7 million (being approximately A$88.6 million[23]).

**(d) Reasonable basis**

As illustrated above, NinjaOne and NinjaOne Australia's equity financing and existing cash reserves together exceed the Maximum Scheme Consideration.

Accordingly, NinjaOne and NinjaOne Australia have reasonable grounds for holding the view, and do hold the view, that they will be able to satisfy their obligations to provide the Maximum Scheme Consideration when required to do so under the Scheme, the Scheme Implementation Deed and the Deed Poll.

## 6.4 Funding arrangements for the Reverse Reimbursement Fee

Under the Scheme Implementation Deed, NinjaOne must pay a Reverse Reimbursement Fee of $4,196,499 (excluding GST) to Dropsuite if Dropsuite has terminated the Scheme Implementation Deed in certain circumstances (further details regarding the Reverse Reimbursement Fee are included in section 9.5(h).

If payable, NinjaOne would fund the Reverse Reimbursement Fee from its existing cash reserves as outlined in section 6.3(b) above.

It is noted that the Reverse Reimbursement Fee would only be payable under the Scheme Implementation Deed if the Scheme does not complete, so the availability of funds to pay the Maximum Scheme Consideration is not reduced by the amount of the Reverse Reimbursement Fee.

## 6.5 Intentions if the Scheme is implemented

This section 6.5 sets out the current intentions of NinjaOne and NinjaOne Australia in relation to the Dropsuite Group if the Scheme is implemented.

The statements in this section 6.5 regarding NinjaOne's and NinjaOne Australia's intentions are based on information concerning the Dropsuite Group and the general business environment which are known to NinjaOne and NinjaOne Australia at the time of the preparation of this Scheme Booklet.

NinjaOne and NinjaOne Australia do not currently have full knowledge of all material information, facts and circumstances that are necessary to assess all of the operational, regulatory, commercial, taxation and financial implications of its current intentions.

If the Scheme is implemented, NinjaOne and NinjaOne Australia intend to undertake a detailed review of Dropsuite's operations, covering strategic, financial and commercial operating matters. Final decisions about the future operating plan and management of the Dropsuite Group will be made following completion of such review and will be based on all material information, facts and circumstances at the relevant time. Accordingly, it is important to recognise that the statements set out in this section 6.5 are statements of

[22] Calculated as follows: the Maximum Scheme Consideration (being A$419,649,949) minus the amount agreed to be provided under the Equity Commitment Letters expressed in Australian dollars based on an exchange rate of US$1:A$1.59 (being A$397,499,962.83).

[23] Based on an exchange rate of US$1:A$1.59 and rounded to one decimal place.



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current intention only and may change as new information becomes available or circumstances change.

**(a) Business continuity and operations**

If the Scheme is implemented and subject to the findings of the post-acquisition review referred to above, NinjaOne and NinjaOne Australia intend to continue the current strategic direction of the Dropsuite Group, including specifically, to:

(1) keep building market share in the global IT cloud data backup, archiving and recovery market;

(2) continue investing in Dropsuite's proprietary technology; and

(3) drive growth in the United States, Singapore, India, Indonesia, Australia.

**(b) Board of directors**

Pursuant to clause 5.7 of the Scheme Implementation Deed, the boards of Dropsuite and each Dropsuite Group Member will be reconstituted (including by adding NinjaOne nominees) with effect on and from the Implementation Date. The composition of each board is not expected to be finalised until closer to the Implementation Date.

**(c) Management team and employees**

NinjaOne recognises that the Dropsuite Group employees and management team are an integral part, and key to the success, of the business of the Dropsuite Group. There are no current intentions to change how the Dropsuite Group currently operates its business, but this will be assessed after implementation of the Scheme to ensure that Dropsuite has the appropriate mix and level of employees and skills to enhance the business going forward and to enable the business to pursue growth opportunities.

**(d) Delisting**

If the Scheme is implemented, it is intended that the quotation of Dropsuite Shares on the ASX will be terminated and Dropsuite will be removed from the official list of ASX with effect on and from the close of the trading day immediately following the Implementation Date (or as otherwise determined by NinjaOne). It is also intended that Dropsuite will be subsequently converted to a proprietary company limited by shares.

**(e) Constitution**

NinjaOne intends to replace Dropsuite's constitution with a constitution appropriate for a proprietary company limited by shares consistent with the intention expressed in section 6.5(d).

## 6.6 NinjaOne and NinjaOne Australia's interests in Dropsuite Shares

**(a) Interests in Dropsuite Shares**

As at the Last Practicable Date, none of NinjaOne, NinjaOne Australia or any of their Associates had any Relevant Interest or voting power in any Dropsuite Shares.

**(b) No dealings in Dropsuite Shares in previous four months**

None of NinjaOne, NinjaOne Australia or any of their Associates has provided, or agreed to provide, consideration for Dropsuite Shares under any purchase or agreement during the four months before the date of this Scheme Booklet.

**(c) No inducing benefits given during previous four months**

During the period of four months before the date of this Scheme Booklet, none of NinjaOne, NinjaOne Australia or any of their Associates gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an associate of the other person, to:

(1) vote in favour of the Scheme; or

(2) dispose of Dropsuite Shares,

where the benefit was not offered to all Dropsuite Shareholders.

**(d) Termination benefits to current Dropsuite officers**



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None of NinjaOne, NinjaOne Australia or any of its Associates will be making any payment or giving any benefit to any current director, secretary or executive officer of Dropsuite or any of its related bodies corporate as compensation or consideration for, or otherwise in connection with, their resignation from their respective offices if the Scheme is implemented.

## 6.7 No other material information

Other than as disclosed in this section 6, there is no information regarding NinjaOne, NinjaOne Australia or their intentions regarding Dropsuite, that is material to the making of a decision by a Dropsuite Shareholder on whether or not to vote in favour of the Scheme that is within the knowledge of any director of NinjaOne as at the date of this Scheme Booklet that has not been previously disclosed to Dropsuite Shareholders.

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# 7 Risks

## 7.1 Introduction

In considering the Scheme, Dropsuite Shareholders should be aware that there are a number of risk factors, both general and specifically relating to Dropsuite, which may affect the future operating and financial performance of Dropsuite and the price and/or value of Dropsuite Shares.

If the Scheme proceeds, Dropsuite Shareholders:

- who are Scheme Shareholders will receive the Scheme Consideration;
- will cease to hold Dropsuite Shares; and
- will no longer be exposed to the risks set out in this section 7 (and other risks to which Dropsuite may be exposed).

If the Scheme does not proceed, Dropsuite Shareholders will:

- continue to hold Dropsuite Shares; and
- continue to be exposed to risks associated with investment in Dropsuite.

In deciding whether or not to vote in favour of the Scheme, Dropsuite Shareholders should read this Scheme Booklet carefully and consider the following risk factors. These risk factors do not take into account the individual investment objectives, financial situation, position or particular needs of Dropsuite Shareholders. In addition, this section 7 is a summary only and does not purport to list every risk that may be associated with an investment in Dropsuite now or in the future. There also may be additional risks and uncertainties not currently known to Dropsuite which may have a material adverse effect on Dropsuite's operating and financial performance and the value of Dropsuite Shares.

Whilst the Dropsuite Directors unanimously recommend that Dropsuite Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders, Dropsuite Shareholders are encouraged to make their own independent assessment as to whether or not to vote in favour of the Scheme.

## 7.2 General risks

Dropsuite is exposed to a number of general risks that could materially adversely affect its assets and liabilities, financial position, profits, prospects and potential to make distributions to Dropsuite Shareholders, and the price and/or value of Dropsuite Shares. General risks that may impact on Dropsuite or the market for Dropsuite Shares include:

- changes in general business, industry cycles and economic conditions including inflation, interest rates, exchange rates, commodity prices and consumer demand;
- changes to government policy (including fiscal, monetary, taxation, employment and environmental policies), legislation or regulation;
- the nature of competition in markets in which Dropsuite operates;
- inclusion in or removal from major market indices;
- natural disasters or catastrophes and other general operational and business risks;
- acts of war and hostilities (including the Russia and Ukraine conflict and the Israel-Hamas conflict which remain ongoing as at the date of this Scheme Booklet), acts of terrorism, civil disturbance and other force majeure risks;
- recommendations by securities analysts;
- changes in investor sentiment and overall performance of the Australian and international stock markets;
- the operating and trading price performance of other comparable listed entities; and



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- changes to accounting standards and reporting standards.

Some of these factors could affect Dropsuite's Share price regardless of Dropsuite's underlying operating performance.

## 7.3 Risks relating to the business and operations of Dropsuite

- **Capital and liquidity management:** Dropsuite must ensure it has effective capital management to meet the Dropsuite Group's ongoing funding requirements and to withstand market volatility. Risk mitigation strategies include seeking to ensure disciplined allocation of capital by function and engaging in scenario modelling and stress testing of assumptions to inform decisions.
- **Markets and growth risk:** There is a risk of inability to sustain sales momentum through IT service providers ensuing from change in demand from end clients or change in competitive environment due to various forms of consolidation, pricing dynamics or other factors. Risk mitigation strategies include seeking to expand data protection offerings to increase the serviceable addressable market, maintain and improve cost structure of product offerings and ensure adequate customer success resources are deployed to ensure partner/customer retention.
- **Dividends and distributions:** The payment of future dividends (if any) by Dropsuite will be determined by the Dropsuite Board at its discretion and in accordance with the Corporations Act from time to time and will be dependent on factors including profitability, leverage position, the need to fund working capital and other growth projects in line with strategic objectives and the cash flow of Dropsuite at the relevant time.
- **Information security, Technology and Cyber:** Dropsuite faces ever-evolving cyber security threats and must be able to prevent, detect, respond and recovery from these threats by investing in technology, information security and cyber governance, capability and controls. Its ability to prevent critical outages, ensure ongoing available system access and respond to major cybersecurity threats and breaches of its information technology systems is vital to ensure ongoing business continuity and the safety of people and assets. Dropsuite has established certain controls to address these issues, including:
  - proactive mitigation of technology and third-party vulnerabilities through a framework of protect, monitor, detect, respond and recover;
  - CIS v8 (Security Framework) as its cybersecurity baseline providing a prescriptive and actionable set of controls against known threats; and
  - security testing and training completed by specialist external security firms, including penetration testing, phishing exercises and social engineering testing.
- **Data Privacy:** Data privacy concerns centre around the potential for unauthorised access to stored email data, which may lead to breaches, reputational damage and regulatory penalties. Dropsuite must continually work to ensure it remains compliant with evolving data privacy regulations to minimise these risks. Dropsuite has a comprehensive compliance framework that encompasses relevant regulations and industry standards to ensure it complies with legal requirements. Regular audits and assessments are conducted to validate Dropsuite's adherence to the relevant standards and identify areas for improvement.
- **Business interruption:** Dropsuite may experience significant business interruption leading to commercial loss due to a wide range of risk sources including:
  - loss of end user data;
  - system downtime or failure; and
  - natural disasters, such as floods and bushfires.

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Dropsuite manages these risks through various framework and governance structures. It also mitigates certain major risk exposures through its comprehensive insurance program, which provides cover for damage to facilities and associated business interruptions as well as public liability.

- **Competitive landscape and technological changes:** The cloud backup market is continually evolving and the underlying information technology is advancing rapidly. The risk of new entrants or intensifying competition in the email backup and archiving ecosystem will increase product competition for Dropsuite. Dropsuite must anticipate and respond to any developments in the market in order to remain competitive and retain its market position.
- **Customer concentration and distribution network risk:** Dropsuite has partnered with some significant technology distributors and MSPs. If a major partner were to cease its relationship with Dropsuite or develop solutions in-house, this may have a detrimental impact on the financial performance of Dropsuite. For the year ended 31 December 2024, approximately $31.1 million (compared to $21.0 million in 2023) of the Dropsuite Group's external revenue was generated from sales to 10 major customers, the same number as the previous year. However, Dropsuite is continuing to actively work on diversifying its partner and customer base while expanding its product offerings in order to mitigate the potential vulnerability a business faces when a significant portion of its revenue is derived from a limited number of customers.
- **Retaining and attracting users:** The Dropsuite business model depends on the ability to sell the Dropsuite products. Users may terminate their contracts at the end of the contract term. If any existing or new competitor introduces a competing product which is perceived by customers to be superior to the Dropsuite products or Dropsuite introduces a product, or makes changes to its existing products, that are not well received by users, users may seek to terminate their contracts and potential users may opt for a competitors' product, rather than the Dropsuite products. There is also the risk that Dropsuite may fail to maintain current customer service standards or may not develop product offerings that meet its users' future requirements. A failure by Dropsuite to retain and attract users could have an adverse impact on the Dropsuite business, operations and financial performance.
- **Product development, operation, maintenance and support:** The retention and growth by Dropsuite of its user base is dependent on continued product development and innovation, and the level of maintenance and customer support. Dropsuite may need to invest more on these matters than anticipated due to competitor activity, technological advances or regulatory changes. Further, the operating costs of Dropsuite may be greater than currently anticipated. Any increased investment required as a result of increased product development costs, higher than expected operating costs, or increased maintenance and support costs, could lead to reduced return on its products as well as delays in introducing product innovations to the market. This may impact on the Dropsuite brand and its reputation, business and financial performance. In addition, if there is a decline in customer service delivery, this may also adversely impact on the Dropsuite brand and its reputation.
- **Retaining and attracting talent:** Dropsuite's ability to attract, develop and retain motivated and high-performing employees is critical to Dropsuite delivering its strategic objectives and building an inclusive company culture that reflects its values. Dropsuite seeks to actively adopt and promote values that support a healthy and collaborative working environment, undertake performance management processes which set objectives and accountability, and engage in development and succession planning.
- **Environmental and social sustainability:** Dropsuite must continually recognise and address the impact of its business on the environment and society and the impact of the environment on its business. Climate and nature-related risks and potential financial impacts are assessed within Dropsuite's risk management framework.
- **Compliance and regulation:** Dropsuite must ensure compliance with all applicable regulatory requirements through internal policies and frameworks.

These must be regularly updated to reflect legislative and regulatory changes. To manage compliance, Dropsuite also has an internal and external audit program overseen by the Dropsuite Board.

- **Litigation risk:** Dropsuite is subject to the usual business risk that litigation or disputes may arise from time to time in the course of its business activities. There is also increasing risk of litigation surrounding data privacy practices and following data security breaches.

## 7.4 Risks relating to the Scheme

### (a) Risks relating to implementing the Scheme

The Scheme is subject to various Conditions Precedent that must be satisfied or waived (if capable of waiver) in order for the Scheme to be implemented. The Conditions Precedent are outlined in section 4.4 of this Scheme Booklet and are set out in full in clause 3.1 of the Scheme Implementation Deed. The failure of a Condition Precedent to be satisfied or waived may give rise to a right of either Dropsuite or NinjaOne to terminate the Scheme Implementation Deed, meaning the Scheme would not proceed.

As at the date of this Scheme Booklet, none of Dropsuite, NinjaOne or NinjaOne Australia are aware of any circumstances which would cause any Condition Precedent not to be satisfied. However, the Conditions Precedent include matters outside the control of Dropsuite, NinjaOne and NinjaOne Australia, including approval by the Court and by the Requisite Majorities of Dropsuite Shareholders (other than Excluded Shareholders) and FIRB Approval. There is a risk that the Court may not approve the Scheme, or may only be willing to approve the Scheme subject to conditions that Dropsuite and/or NinjaOne (as applicable) are not required to accept under the Scheme Implementation Deed. There is also a risk that some or all of the aspects of the Dropsuite Shareholder and Court approvals required for the Scheme to proceed may be delayed.

### (b) Implications for Dropsuite and Dropsuite Shareholders if Scheme is not implemented

If the Scheme does not become Effective and is not implemented, Dropsuite Shareholders will not receive the Scheme Consideration and Dropsuite will continue, in the absence of a Superior Proposal, to operate as a standalone business and remain listed on the ASX.

Unless Dropsuite Shareholders choose to sell their Dropsuite Shares on the ASX, Dropsuite Shareholders will continue to hold Dropsuite Shares and be exposed to both the risks (including those set out in this section 7 of this Scheme Booklet) and potential future benefits in retaining exposure to Dropsuite's business and assets. The Dropsuite share price will also remain subject to market volatility and may fall in the absence of a Superior Proposal.

### (c) Transaction and other costs

Dropsuite expects to pay approximately $1.3 million (excluding GST) in transaction costs in connection with the Scheme, regardless of whether the Scheme is implemented. See section 9.6(c) for further details on fees paid or payable by Dropsuite in connection with the Transaction and the preparation of this Scheme Booklet.

Depending on the reasons for the Scheme not proceeding, Dropsuite may also be liable to pay to a Reimbursement Fee of $4,196,499 (excluding GST) to NinjaOne. Further information regarding the Reimbursement Fee and the circumstances in which it is payable by Dropsuite is set out in section 9.5(g).

### (d) Tax consequences for Dropsuite Shareholders

If the Scheme is implemented, there will be tax consequences for the Scheme Shareholders which may include tax being payable. For further detail regarding general Australian tax consequences of the Scheme for Dropsuite Shareholders, refer to section 8. The tax consequences may vary depending on the nature and characteristics of Scheme Shareholders and their specific



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circumstances. Accordingly, Dropsuite Shareholders should seek professional tax advice in relation to their particular circumstances.

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# 8 Tax implications

## 8.1 Introduction

The following is a general overview of the Australian income tax, Goods & Services Tax (**GST**) and stamp duty implications for Australian resident Dropsuite Shareholders on implementation of the Scheme.

The Australian tax consequences outlined in this section are relevant to Dropsuite Shareholders who are individuals, companies (other than life insurance companies), trusts and complying superannuation funds that hold their Dropsuite Shares on capital account for Australian income tax purposes. The outline does not address the Australian tax consequences for Dropsuite Shareholders who:

- hold their Dropsuite Shares as a revenue asset (i.e. trading entities or entities who acquired their Dropsuite Shares for the purposes of resale at profit) or as trading stock;
- acquired their Dropsuite Shares pursuant to an employee share scheme;
- are under a legal disability;
- acquired their Dropsuite Shares as a result of a transaction where roll-over relief under the *Income Tax Assessment Act 1997* (Cth) may have applied;
- are 'temporary residents' as that term is defined in section 995-1(1) of the *Income Tax Assessment Act 1997* (Cth);
- are non-residents for Australian income tax purposes and who hold their Dropsuite Shares as an asset of a permanent establishment in Australia;
- are non-residents for Australian income tax purposes who, together with their associates, hold or are entitled to acquire 10% or more of the shares in Dropsuite;
- are entities that may be subject to special rules including Dropsuite Shareholders who have changed their tax residency while holding Dropsuite Shares, financial institutions, insurance companies, partnerships, tax exempt entities, trusts and superannuation funds;
- are subject to the taxation of financial arrangements rules in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in relation to gains and losses on their Dropsuite Shares; or
- are subject to special tax rules, such as insurance companies, partnerships, tax exempt organisations and entities subject to the Investment Manager Regime under Subdivision 842-I of the *Income Tax Assessment Act 1997* (Cth) in respect of their Dropsuite Shares.

Dropsuite Shareholders who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should take into account the tax consequences of the Scheme under the laws of their country of residence, as well as under Australian law.

The information contained in this section is intended as a general guide and is based on the Australian tax laws, regulations and administrative practices in effect at the date of the Scheme Booklet. Dropsuite Shareholders should be aware that any changes (with either prospective or retrospective effect) to the Australian tax laws, regulations or administrative practices may affect the tax consequences outlined in this Scheme Booklet.

The information contained in this section 8 is general in nature and should not be relied upon by Dropsuite Shareholders as tax advice. This section 8 is not intended to be an authoritative or complete statement of the tax law applicable to the specific circumstances of every Dropsuite Shareholder. Dropsuite Shareholders should obtain their own independent professional advice on the tax consequences of disposing of their Dropsuite Shares under the Scheme.

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## 8.2 Taxation consequences of disposal

### (a) Australian resident shareholders

The income tax implications for Australian tax resident shareholders are outlined below.

- **Capital gains tax (CGT) event:** Dropsuite Shareholders will dispose of their Dropsuite Shares to NinjaOne Australia under the Scheme. This disposal should constitute a CGT event A1 for Australian CGT purposes for Dropsuite Shareholders.

  The CGT event should occur on the Implementation Date, being the date on which NinjaOne Australia acquires the Dropsuite Shares under the Scheme.

- **Calculation of capital gain or capital loss:** Dropsuite Shareholders will be required to determine their capital gain or loss in respect to the disposal of their Dropsuite Shares. In this regard, Dropsuite Shareholders should make a capital gain on the disposal of the Dropsuite Shares to the extent that the capital proceeds from the disposal of the Dropsuite Shares exceed the cost base of those Dropsuite Shares. Conversely, Dropsuite Shareholders should make a capital loss to the extent that the capital proceeds are less than the reduced cost base of those Dropsuite Shares.

- **Cost base and reduced cost base:** Dropsuite Shareholders' cost base in their Dropsuite Shares will generally comprise the cost of their Dropsuite Shares and the market value of any property given to acquire their Dropsuite Shares, plus certain incidental costs incurred in relation to the acquisition or disposal of their Dropsuite Shares (provided the costs have not previously been claimed as a tax deduction). Broadly, the reduced cost base in the Dropsuite Shares will exclude any non-deductible ownership costs related to the Dropsuite Shares.

- **Capital proceeds:** Capital proceeds for Dropsuite Shareholders will broadly include the money received and the market value of any other property received. As such, the capital proceeds received in respect of the disposal of each Dropsuite Share should be $5.90 cash consideration per Dropsuite Share, being the amount of the Scheme Consideration.

- **CGT discount:** If a Dropsuite Shareholder is an individual, complying superannuation entity, or trustee and acquired their Dropsuite Shares at least 12 months before the Implementation Date (the date that the relevant CGT event is taken to occur), the amount of the capital gain (after the application of capital losses and carried forward capital losses) is reduced by the relevant CGT discount. If a Dropsuite Shareholder who is an individual or a trustee applies the CGT discount, the capital gain (after the application of capital losses and carried forward capital losses) will be reduced by 50%. If a Dropsuite Shareholder is a complying superannuation fund, the capital gain (after the application of capital losses and carried forward capital losses) will be reduced by 33⅓%.

  There is no CGT discount available for Dropsuite Shareholders that are companies, or Dropsuite Shareholders who have held their shares for less than 12 months.

  In relation to trusts, the rules surrounding capital gains and the CGT discount are complex, but the benefit of the CGT discount may flow through to the relevant beneficiaries, subject to certain requirements being satisfied.

- **Net capital gain:** Capital gains (prior to any CGT discount) and capital losses of a taxpayer in an income year are aggregated to determine whether there is a net capital gain. Any net capital gain is included in assessable income and is subject to income tax. Capital losses may not be deducted against other income for income tax purposes, but may be carried forward to offset against future capital gains (subject to satisfaction of loss recoupment tests for certain taxpayers).

### (b) Non-resident shareholders

A Dropsuite Shareholder who is not a resident of Australia for Australian income tax purposes should be able to disregard any capital gain or capital loss that



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would otherwise arise from the disposal of their Dropsuite Shares unless the Dropsuite Shares constitute "Taxable Australian Property", as defined in the *Income Tax Assessment Act 1997* (Cth), at the Implementation Date.

Specifically, Taxable Australian Property includes interests held in an entity that satisfies both of the following two tests:

(1) the Dropsuite Shareholder together with its associates held 10% or more of the Dropsuite Shares at the time of the disposal or for any continuous 12 month period within two years preceding the disposal; and

(2) the sum of the market values of Dropsuite's assets that are taxable Australian real property exceeds the sum of the market value of its assets that are not taxable Australian real property.

Any non-resident shareholders who own 10% or more of the shares in Dropsuite (together with its associates) should seek independent professional advice in relation to their own particular circumstances, including whether any protection will be available under a relevant double tax treaty.

A non-resident individual Dropsuite Shareholder who has previously been a resident of Australia and chose to disregard a capital gain or loss on ceasing to be a resident should be subject to Australian CGT consequences on disposal of their Dropsuite Shares as set out in section 8.2(a).

Some non-resident Dropsuite Shareholders may hold their Dropsuite Shares on revenue account, as trading stock or be subject to the Taxation of Financial Arrangements regime. These Dropsuite Shareholders should obtain their own independent tax advice in respect of the tax implications of the Scheme.

Foreign resident Dropsuite Shareholders should obtain their own independent tax advice regarding the tax implications of the Scheme in Australia and in their country of residence.

## 8.3 GST

No GST should be payable by Dropsuite Shareholders in relation to the disposal of Dropsuite Shares to NinjaOne Australia under the Scheme.

In the event the Dropsuite Shareholder is an Australian resident and is registered for GST, the disposal of the Dropsuite Shares to NinjaOne Australia should be considered an input taxed financial supply.

Dropsuite Shareholders may incur GST included in costs (such as advisor fees relating to their participation in the Scheme) that relate to the Scheme. Dropsuite Shareholders that are registered for GST may be entitled to input tax credits or reduced input tax credits for such costs, depending on the Dropsuite Shareholder's individual circumstances.

## 8.4 Stamp duty

No stamp duty should be payable by Dropsuite Shareholders in respect of the disposal of their Dropsuite Shares under the Scheme.

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# 9 Additional information

## 9.1 Interests of Dropsuite Directors in Dropsuite Shares and Dropsuite Performance Rights

### (a) Interests in Dropsuite Shares

As at the Last Practicable Date, the Dropsuite Directors have the following Relevant Interests in Dropsuite Shares:

| Dropsuite Director | Number of Dropsuite Shares |
|---|---|
| Theo Hnarakis | 1,175,232 (held indirectly)[24] |
| Charif Elansari | 3,158,544 (held directly)[25] |
| Bruce Tonkin | 151,413 (held directly) |
| Eric Martorano | Nil |

Dropsuite Directors who hold Dropsuite Shares will be entitled to vote at the Scheme Meeting and, if the Scheme is implemented, will receive the Scheme Consideration for their Dropsuite Shares along with the other Scheme Shareholders.

Each Dropsuite Director intends to vote, or cause to be voted, all Dropsuite Shares held or controlled by them in favour of the Scheme at the Scheme Meeting in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders.

No Dropsuite Director acquired or disposed of a Relevant Interest in any Dropsuite Shares during the four months before the date of this Scheme Booklet.

### (b) Interests in Dropsuite Performance Rights

As at the Last Practicable Date, Charif Elansari holds 150,000 Dropsuite Performance Rights which were issued under Dropsuite's 2022 – 2024 Performance Rights Plan. Apart from Mr Elansari, no Dropsuite Director holds or is entitled to be issued Dropsuite Performance Rights under any Dropsuite Performance Rights Plan. Of these 150,000 Dropsuite Performance Rights, 60,000 are expected to vest and convert to Dropsuite Shares on or around 2 April 2025, in accordance with their terms. The remaining 90,000 Dropsuite Performance Rights be held by Mr Elansari on the Implementation Date and will be treated in the manner described in section 9.2(b).

As noted in section 9.2 below, it is proposed that all Dropsuite Performance Rights which have not vested before the Second Court Date will be cash-settled (subject to meeting the existing time based vesting conditions).

[24] Held through Australco Super Investments Pty Ltd as trustee for Hnarakis Family Superannuation Fund.

[25] As noted in section 9.1(b), Mr Elansari currently holds 150,000 Dropsuite Performance Rights and 60,000 Dropsuite Performance Rights are expected to vest and convert to Dropsuite Shares on or around 2 April 2025 (in accordance with their terms), resulting in Mr Elansari holding 3,218,544 Dropsuite Shares.

## 9.2 Dropsuite equity incentive arrangements

### (a) Overview of arrangements

As detailed in Dropsuite's Annual Report for the year ended 31 December 2024, Dropsuite operates short-term incentives (**STI**) program and long-term incentive (**LTI**) plans. The STI program is comprised of cash-based payments which are awarded to certain Dropsuite executives based on specific annual targets and key performance indicators being achieved.

Under Dropsuite's LTI plans, Dropsuite Performance Rights are offered to senior management and other Dropsuite employees. Each Dropsuite Performance Right entitles the holder to receive a Dropsuite Share subject to the satisfaction of certain performance conditions.

As at the Last Practicable Date, Dropsuite had 1,742,967 Performance Rights on issue, as set out in the table below:

| No. | Security Name | Number of Dropsuite Performance Rights | Anticipated date of vesting |
|---|---|---|---|
| 1 | 2022 LTIs – Tranche 3 | 415,467 | 2 April 2025 |
| 2 | 2023 LTIs – Tranche 2 | 313,500 | 2 April 2025 |
| 3 | 2024 LTIs – Tranche 1 | 138,750 | 3 May 2025 |
| 4 | 2023 LTIs – Tranche 3 | 459,000 | 31 March 2026 |
| 5 | 2024 LTIs – Tranche 2 | 166,500 | 1 May 2026 |
| 6 | 2024 LTIs – Tranche 3 | 249,750 | 1 May 2027 |
| Total Performance Rights: | | 1,742,967 | |

### (b) Implications of the Scheme for participants in the incentive arrangements

As contemplated in clause 4.4(a) of the Scheme Implementation Deed, Dropsuite intends to take such action as is necessary to ensure that, prior to the Scheme Record Date, up to 867,717 Dropsuite Performance Rights vest in accordance with their terms and are converted to Dropsuite Shares or lapse (if applicable).

In respect of the balance of the Dropsuite Performance Rights on issue prior to the Second Court Date, the Dropsuite Board intends to amend the Dropsuite Performance Rights Plans prior to 8.00am on the Second Court Date, to the effect that:

- Dropsuite will be permitted to pay holders of those Dropsuite Performance Rights a cash amount of $5.90 (subject to any withholding tax) for each Dropsuite Performance Right, in lieu of the obligation to issue a Dropsuite Share on vesting of such Dropsuite Performance Right (**Cash Contingent Right**);
- a new definition of 'Bad Leaver' will be inserted in the Dropsuite Performance Rights Plans, substantially defined as a person whose



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employment or engagement with Dropsuite is terminated for 'Just Cause', which in turn would be defined broadly to include where that person commits a serious offence, engages in conduct which the Dropsuite Board acting reasonably determines materially harmed the business of Dropsuite, does something which would give rise to an immediate termination under the person's employment or service agreement, or demonstrates repeated material underperformance (as determined by the Dropsuite Board, acting reasonably and in good faith);

- any price-based performance conditions or other performance conditions for vesting of those Dropsuite Performance Rights, other than time-based vesting conditions, will be removed, such that each holder of such Dropsuite Performance Rights (i.e. Contingent Cash Right) will be eligible to receive a cash amount equal to $5.90 (less any withholding tax) in respect of each such Dropsuite Performance Right on the date that they vest, provided such person is not a 'Bad Leaver' on or before that date; and
- Dropsuite will pay holders of Dropsuite Performance Rights, on the date they cease to be an eligible person and provided they are not a 'Bad Leaver', a cash amount equal to $5.90 (less any withholding tax) multiplied by the number of vested (but unpaid) and unvested Dropsuite Performance Rights held by that person.

These amendments to the Dropsuite Performance Rights Plans will be conditional on the Scheme becoming Effective and will take effect immediately following implementation of the Scheme.

In order to make these amendments, Dropsuite has applied for, and obtained, a waiver from ASX of Listing Rules 6.23.3 and 6.23.4 to permit Dropsuite to amend (in accordance with their terms) the terms of the existing Dropsuite Performance Rights.

## 9.3 Payment of special exertion fees in connection with the Scheme

The Dropsuite Board has approved the payment of a special exertion fee of $35,000 to Charif Elansari (CEO and Managing Director).

The Dropsuite Board has also approved the payment of special exertion fees of an additional $87,000 (in aggregate) to certain members of Dropsuite's senior management team.

The Dropsuite Board has approved the payment of these special exertion fees to the persons above in recognition of the significant amount of additional unpaid work that they have undertaken in connection with the Scheme.

Payment of the exertion fee is conditional upon the Scheme being approved by Dropsuite Shareholders at the Scheme Meeting.

## 9.4 Other benefits and agreements

**(a) Interests of Dropsuite Directors in NinjaOne and NinjaOne Australia securities**

No Dropsuite Director has a Relevant Interest in any securities in NinjaOne or NinjaOne Australia.

No Dropsuite Director has acquired or disposed of a Relevant Interest in any securities in NinjaOne or NinjaOne Australia during the four months before the date of this Scheme Booklet.

**(b) Interests of Dropsuite Directors in contracts with NinjaOne**

No Dropsuite Director has any interest in any contract entered into by NinjaOne or any of its related bodies corporate.

**(c) Benefits in connection with retirement from office**



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There is no payment or other benefit that is proposed to be made or given to any director, secretary or executive officer of Dropsuite (or any of its related bodies corporate) as compensation for the loss of, or consideration for or in connection with his or her retirement from, office in Dropsuite (or any of its related bodies corporate) in connection with the Scheme.

**(d) Benefits from NinjaOne**

No Dropsuite Director has agreed to receive, or is entitled to receive, any benefit from NinjaOne, or any of its related bodies corporate, which is conditional on, or is related to, the Scheme.

**(e) Agreements connected with or conditional on the Scheme**

Other than as disclosed in sections 9.1, 9.2 and 9.3 , there are no agreements or arrangements made between any Dropsuite Director and any other person in connection with, or conditional on, the outcome of the Scheme.

**(f) Deeds of indemnity, insurance and access**

The Dropsuite Group Members have entered into deeds of indemnity, insurance and access with its respective directors and various executive officers, on customary terms (**D&O Deeds**). The D&O Deeds include terms that provide for each Dropsuite Group Member to indemnify each of its directors and executive officers against any liability incurred by such persons in their capacity as a director or executive officer of the company to any person other than a Dropsuite Group Member. Dropsuite also pays a premium in respect of a directors' and officers' insurance policy for the benefit of the directors and executive officers of the Dropsuite Group.

Under the Scheme Implementation Deed, prior to the Implementation Date, Dropsuite may enter into an arrangement to secure directors' and officers' run-off insurance in respect of its Dropsuite Directors and officers (and relevant former directors and officers) for up to a 7 year period on terms that are the same or substantially the same as the existing directors' and officers' insurance policy that Dropsuite has in place (**D&O Run-off Policy**).

As at the Last Practicable Date, Dropsuite expects that the premium for entry into the D&O Run-off Policy will be approximately $300,000. The entry into such arrangements by Dropsuite is permitted under the Scheme Implementation Deed subject to a cap agreed between Dropsuite, NinjaOne and NinjaOne Australia.

## 9.5 Scheme Implementation Deed

**(a) Introduction**

On 28 January 2025, Dropsuite, NinjaOne and NinjaOne Australia entered into the Scheme Implementation Deed, which governs the conduct of the Scheme.

A summary of the key terms of the Scheme Implementation Deed is set out below. A full copy of the Scheme Implementation Deed was released to ASX on 28 January 2025 and can be obtained from Dropsuite's ASX announcements page on the ASX website (www.asx.com.au).

**(b) Conditions Precedent (Clause 3.1)**

Implementation of the Scheme is subject to the Conditions Precedent in section 3.1 of the Scheme Implementation Deed, which are outlined in section 4.4.

**(c) Dropsuite Board recommendation (Clause 5.8)**

The Scheme Implementation Deed requires Dropsuite to use its best endeavours to procure that the Dropsuite Board collectively, and each Dropsuite Director individually, does not adversely change, withdraw, adversely modify or adversely qualify its or their recommendation or intention to vote in favour of the Scheme, or make any public statement that is inconsistent with such recommendation or intention to vote in favour of the scheme, unless:

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- the Independent Expert concludes that the Scheme is not in the best interests of Dropsuite Shareholders;
- Dropsuite has received a Superior Proposal; or
- the change, withdrawal, modification or qualification or public statement occurs because of a requirement of a court of competent jurisdiction or Government Agency that one or more of the Dropsuite Directors abstain or withdraw from making a recommendation that Dropsuite Shareholders vote in favour of the Scheme,

and Dropsuite has complied with its obligations under the exclusivity regime in clause 10 of the Scheme Implementation Deed (see section 9.5(f) below).

**(d) Conduct of business (Clause 5.5)**

The Scheme Implementation Deed requires that, subject to certain exceptions, from the date of the Scheme Implementation Deed up to and including the Implementation Date, Dropsuite must conduct its business and operations in the ordinary and usual course generally consistent with the manner in which each such business and operations were conducted in the 12 month period prior to the date of the Scheme Implementation Deed.

In addition, Dropsuite must also:

- not enter into new lines of business or other activities;
- comply in all material respects with all applicable authorisations, laws and regulations (including the Listing Rules);
- comply in all material respects with all 'Material Contracts' (being each customer contract agreed in writing between NinjaOne and Dropsuite);
- make reasonable efforts to preserve and maintain the value of its business and assets and to keep available the services of its directors, officers and employees;
- make reasonable efforts to maintain and preserve its relationships with Government Agencies, customers, suppliers and others having business deadlines with any Dropsuite Group Member (including using all reasonable endeavours to obtain consents from third parties to change of control provisions in contracts or arrangements, as reasonably requested by NinjaOne);
- maintain (and, where necessary, use reasonable efforts to renew) the policies of insurance held by the Dropsuite Group; and
- keep NinjaOne informed of any material developments concerning the conduct of the Dropsuite Group business.

However, Dropsuite will be able to take any actions:

- Fairly Disclosed in the Disclosure Materials as being an action that the Dropsuite Group may carry out between (and including) the date of the Scheme Implementation Deed and the Implementation Date;
- Fairly Disclosed in an announcement made by Dropsuite to ASX, or a publicly available document lodged by Dropsuite with ASIC, in the 3 year period prior to the date of the Scheme Implementation Deed, or which would be disclosed in a publicly available search of ASIC or ASX announcements in relation to a Dropsuite Group Member, in the 3 years prior to the date of the Scheme Implementation Deed;
- agreed to in writing by NinjaOne or required or expressly permitted by the Scheme Implementation Deed or the Scheme;
- to reasonably and prudently respond to an emergency or disaster provided that it has, to the extent reasonably practicable, Dropsuite has consulted in good faith with NinjaOne and considers any reasonable comments or requests of NinjaOne;



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- required or expressly permitted by the Scheme Implementation Deed or the Scheme; and
- required by law, regulation, contract (where Fairly Disclosed in the Disclosure Materials) or by a Government Agency (except where that requirement arises as a result of an action by a Dropsuite Group Member).

**(e) Representations and warranties (Clause 6)**

The Scheme Implementation Deed contains customary representations and warranties given by each of NinjaOne and NinjaOne Australia to Dropsuite, and by Dropsuite to each of NinjaOne and NinjaOne Australia.

These representations and warranties are set out in Schedule 3 (in the case of NinjaOne), Schedule 4 (in the case of NinjaOne Australia) and Schedule 5 (in the case of Dropsuite) of the Scheme Implementation Deed.

**(f) Exclusivity (Clause 10)**

The Scheme Implementation Deed contains the following customary exclusivity provisions.

- **No shop:** During the Exclusivity Period, Dropsuite must not solicit, encourage or initiate any inquiry, expression of interest, offer, proposal, discussion or other communication by any person in relation to, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal.
- **No talk:** During the Exclusivity Period, subject to a fiduciary exception, Dropsuite must not facilitate, participate in or continue any negotiations, discussions or other communications with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal, or negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding an actual, proposed or potential Competing Proposal.

  The fiduciary exception provides that Dropsuite is not prohibited from any action or inaction in relation to an actual, proposed or potential Competing Proposal if the Dropsuite Board determines in good faith that:

  - after consultation with its financial adviser and reputable external Australian legal advisers specialising in the area of corporate law, such actual, proposed or potential Competing Proposal is a Superior Proposal or could reasonably be expected to become a Superior Proposal; and
  - after receiving written legal advice from reputable external Australian legal advisers specialising in the area of corporate law, compliance with that clause would, or would be reasonably likely to, constitute a breach of any of the fiduciary or statutory duties of the Dropsuite Directors,

  provided that the actual, proposed or potential Competing Proposal was not brought about by, or facilitated by, a breach of Dropsuite's 'No shop' obligation.
- **No due diligence:** During the Exclusivity Period, subject to the same fiduciary exception described above, Dropsuite must not make available any material non-public information about the Dropsuite Group to a third party in connection with, with a view to obtaining, or which would reasonably be expected to encourage or lead to the formulation, receipt or announcement of, an actual, proposed or potential Competing Proposal.

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- **Notification:** During the Exclusivity Period, Dropsuite must (within 48 hours) notify NinjaOne if it becomes aware of any written proposal in respect of a Competing Proposal or any material developments in relation to any such Competing Proposal.
- **Cease discussions:** Dropsuite must cease negotiations, discussions or other communications with third parties existing as at the date of the Scheme Implementation Deed and terminate any due diligence access existing as at the date of the Scheme Implementation Deed granted to any third parties for the purposes of such third parties developing a Competing Proposal.
- **Matching right:** During the Exclusivity Period, Dropsuite must not enter into any agreement, arrangement or understanding to undertake or give effect to an actual, proposed or potential Competing Proposal, and must use reasonable endeavours to procure that none of the Dropsuite Directors withdraws, adversely qualifies or adversely changes their recommendation or their intention to vote in favour of the Scheme, unless:
  - the Dropsuite Board determines that the Competing Proposal is, or would be or would be reasonably likely to be, a Superior Proposal;
  - Dropsuite has provided NinjaOne with the material terms and conditions of the Competing Proposal and the identity of the third party making the Competing Proposal;
  - Dropsuite has given NinjaOne at least two Business Days after providing such information to announce or provide a superior proposal to the Competing Proposal; and
  - NinjaOne has not announced or provided to Dropsuite a superior proposal to the Competing Proposal by the expiry of the two Business Day period.

The exclusivity provisions are set out in full in clause 10 of the Scheme Implementation Deed.

**(g) Reimbursement Fee (Clause 11)**

Under the Scheme Implementation Deed, Dropsuite must pay to NinjaOne a Reimbursement Fee of $4,196,499 (excluding GST) (representing 1% of the equity value of Dropsuite implied by the Scheme Consideration[26]) in the following circumstances:

- during the Exclusivity Period, any member of the Dropsuite Board withdraws, adversely changes, adversely modifies or adversely qualifies their support of the Scheme or their recommendation in relation to the Scheme or publicly recommends, supports or endorses a Competing Proposal, unless:
  - the Independent Expert concludes that the Scheme is not in the best interests of Dropsuite Shareholders (except where that conclusion is due wholly or partly to the existence, announcement or publication of a Competing Proposal);
  - a court or Government Agency requires them to abstain or withdraw their recommendation; or
  - Dropsuite is entitled to terminate the Scheme Implementation Deed due to a material unremedied breach of the Scheme Implementation Deed by NinjaOne or NinjaOne Australia, or a

[26] Assumes 71,127,110 Dropsuite Shares. This includes 70,259,393 Dropsuite Shares on issue as at the Last Practicable Date and assumes the vesting of 867,717 Dropsuite Performance Rights by the issue of new Dropsuite Shares (which are currently scheduled to vest prior to the Scheme Record Date). See section 9.2 for further details.



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material breach of their respective representations and warranties, or failure of a Condition Precedent to be satisfied or waived;

- a Competing Proposal is announced during the Exclusivity Period and, within 6 months or such announcement:
  - a Competing Proposal which involves acquiring control of Dropsuite or acquiring or having a right to acquire a legal, beneficial or economic interest in, or control of, all or substantially all of Dropsuite's business or assets or the business or assets of the Dropsuite Group, completes; or
  - a third party acquires a Relevant Interest in more than 50% of Dropsuite Shares under a transaction that is, or has become, wholly unconditional or otherwise acquires control of Dropsuite.
- NinjaOne validly terminates the Scheme Implementation Deed following a material unremedied breach of the Scheme Implementation Deed by Dropsuite, or a material breach of Dropsuite's representations and warranties, and the Transaction does not complete.

**(h) Reverse Reimbursement Fee (Clause 12)**

Under the Scheme Implementation Deed, NinjaOne must pay to Dropsuite a Reverse Reimbursement Fee of $4,196,499 (excluding GST) (representing 1% of the equity value of Dropsuite implied by the Scheme Consideration[27]) if the Scheme Implementation Deed is terminated by Dropsuite following a material unremedied breach by NinjaOne or NinjaOne Australia, or a material breach of their respective representations and warranties, and the Transaction does not complete.

**(i) Termination (Clause 13)**

Each of Dropsuite and NinjaOne may terminate the Scheme Implementation Deed:

- for material unremedied breach of the Scheme Implementation Deed by the other party or a material breach by (in the case of Dropsuite) NinjaOne or NinjaOne Australia's representations and warranties or (in the case of NinjaOne) Dropsuite's representations and warranties;
- for failure of a Condition Precedent to the Scheme (as detailed in section 4.4), subject to certain requirements specified in the Scheme Implementation Deed;
- if a court or another Government Agency has taken action permanently restraining, prohibiting or preventing the Transaction;
- if the Scheme is not Effective by the End Date (being 28 September 2025) or such other date as agreed in writing by Dropsuite, NinjaOne and NinjaOne Australia;
- if Dropsuite Shareholders have not approved the Scheme at the Scheme Meeting by the Requisite Majorities; or
- where agreed between them in writing.

NinjaOne may terminate the Scheme Implementation Deed before 8.00am on the Second Court Date if:

- there is a Dropsuite Material Adverse Change, Dropsuite Prescribed Occurrence or Dropsuite Regulated Event;
- any Dropsuite Director:

[27] Assumes 71,127,110 Dropsuite Shares. This includes 70,259,393 Dropsuite Shares on issue as at the Last Practicable Date and assumes the vesting of 867,717 Dropsuite Performance Rights by the issue of new Dropsuite Shares (which are currently scheduled to vest prior to the Scheme Record Date). See section 9.2 for further details.



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- fails to recommend the Scheme or confirm their intention to vote in favour of the Scheme;
- withdraws, adversely changes, adversely modifies or adversely qualifies their support of the Scheme or recommendation that Dropsuite Shareholders vote in favour of the Scheme; or
- makes a public statement indicating they no longer recommend the Transaction or they recommend, support or endorse another transaction,

other than where required by a court of competent jurisdiction or Government Agency; or

- a Dropsuite Group Member enters into a definitive binding agreement to implement a Competing Proposal.

Dropsuite has a unilateral right to terminate the Scheme Implementation Deed before 8.00am on the Second Court Date if the Dropsuite Board or a majority of the Dropsuite Board has changed, withdrawn, modified or qualified its recommendation or intention to vote in favour of the Scheme, where:

- the Independent Expert has provided a report to Dropsuite concluding that the Scheme is not in the best interests of Dropsuite Shareholders (except where that conclusion is due wholly or partly to the existence, announcement or publication of a Competing Proposal);
- Dropsuite has received a Superior Proposal; or
- the change, withdrawal, modification or qualification was required by a court of competent jurisdiction or Government Agency,

and Dropsuite has complied with its obligations under the exclusivity regime in clause 10 of the Scheme Implementation Deed (see section 9.5(f) above).

## 9.6 Consents, disclosures and fees

### (a) Consents

This Scheme Booklet contains statements made by, or statements said to be based on statements made by:

- NinjaOne and NinjaOne Australia in respect of the NinjaOne Information only;
- Alvarez & Marsal Australia in respect of the Taxation Information; and
- BDO Corporate Finance Australia as the Independent Expert.

Each of those persons named above has consented to the inclusion of each statement it has made in the form and context in which the statements appear and has not withdrawn that consent at the date of this Scheme Booklet.

The following parties have given and have not, before the time of registration of this Scheme Booklet with ASIC, withdrawn their consent to be named in this Scheme Booklet in the form and context in which they are named:

- Canaccord Genuity as financial adviser to Dropsuite;
- Herbert Smith Freehills as legal adviser to Dropsuite; and
- Automic as the Dropsuite Share Registry.

### (b) Disclosures and responsibility

Each person named in section 9.6(a):

- has not authorised or caused the issue of this Scheme Booklet;
- does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based, other than:

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  - NinjaOne and NinjaOne Australia in respect of the NinjaOne Information only;
  - Alvarez & Marsal Australia in respect of the Taxation Information; and
  - BDO Corporate Finance Australia in relation to its Independent Expert's Report; and
- to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Scheme Booklet other than a reference to its name and the statement (if any) included in this Scheme Booklet with the consent of that party as specified in this section 9.6(b).

**(c) Fees**

The fees set out in this section 9.6(c) only relate to fees paid or payable by Dropsuite in connection with the Transaction and the preparation of this Scheme Booklet. As at the Last Practicable Date, such fees include amounts paid or payable to:

- Canaccord Genuity for acting as financial adviser to Dropsuite of up to approximately $4.2 million (excluding GST)[28];
- Herbert Smith Freehills for acting as legal adviser to Dropsuite of approximately $1.0 million (excluding GST);
- Alvarez & Marsal Australia for acting as taxation adviser to Dropsuite of up to approximately $0.03 million (excluding GST);
- BDO Corporate Finance Australia for acting as the Independent Expert of up to approximately $0.1 million (excluding GST);
- Automic in respect of printing and registry services in connection with the Scheme of approximately $0.1 million (excluding GST); and
- PGS Advisers in respect of proxy solicitation adviser fees to Dropsuite of up to approximately $0.05 million (excluding GST).

In aggregate, if the Scheme is implemented, Dropsuite expects to pay approximately $5.5 million (excluding GST) in transaction costs in connection with the Scheme. In aggregate, if the Scheme is not implemented, Dropsuite expects to pay approximately $1.3 million (excluding GST) in transaction costs in connection with the Scheme.

## 9.7 Regulatory relief

**(a) ASX Waiver**

Dropsuite has applied for, and the ASX has granted Dropsuite a waiver of ASX Listing Rules 6.23.3 and 6.23.4 to the extent necessary to permit the treatment of the Dropsuite Performance Rights as set out in section 9.2(b) of this Scheme Booklet and clause 4.4 of the Scheme Implementation Deed.

**(b) ASIC Relief**

**Section 250N of the Corporations Act**

Section 250N of the Corporations Act requires Dropsuite to hold its AGM for the financial year ended 31 December 2024 by no later than 31 May 2025 (being five months after the end of Dropsuite's previous financial year).

[28] This transaction fee is based on the number of Dropsuite Shares on issue at 31 October 2024 and assumes a transaction value of $414,530,419. This fee is calculated using 1% of the assumed transaction value up to a 30% premium above VWAP and 1.5% of the transaction value which is above a 30% premium above VWAP.

Dropsuite has applied to ASIC under section 250P of the Corporations Act to extend the period within which it would otherwise be required to hold its AGM for the financial year ended 31 December 2024 by three months.

Dropsuite will announce to the ASX whether ASIC has granted the extension requested as soon as the decision is available. If the Scheme is delayed or not implemented, the timing of the Dropsuite AGM will be communicated to Dropsuite Shareholders by way of an ASX announcement.

**Paragraph 8302(h) of Part 3 of Schedule 8 of the Corporations Regulations**

Paragraph 8302(h) of Part 3 of Schedule 8 of the Corporations Regulations requires this Scheme Booklet to set out whether, within the knowledge of the Dropsuite Directors, the financial position of Dropsuite has materially changed since the date of the last balance sheet laid before Dropsuite Shareholders in accordance with sections 314 or 317 of the Corporations Act, being 31 December 2023 (which was considered at Dropsuite's AGM held on 21 May 2024).

ASIC has granted Dropsuite relief from this requirement so that this Scheme Booklet only needs to set out whether, within the knowledge of the Dropsuite Directors, the financial position of Dropsuite has materially changed since 31 December 2024, and if so, full particulars of the change, and on the basis that Dropsuite discloses in announcements to the market operated by ASX any material changes to its financial position that occur after the date of lodgement of this Scheme Booklet for registration with ASIC but prior to the Scheme being approved by the Court. Dropsuite will ensure that a copy of its financial report for the financial year ended 31 December 2024 is made available, free of charge, to any Dropsuite Shareholder who requests a copy before the Scheme is approved by the order of the Court. Dropsuite Shareholders can also access a copy of Dropsuite's financial report for the financial year ended 31 December 2024 from Dropsuite's ASX announcements page on the ASX website (www.asx.com.au) and on the Dropsuite website (www.dropsuite.com).

## 9.8 No unacceptable circumstances

The Dropsuite Directors believe that the Scheme does not involve any circumstances in relation to the affairs of Dropsuite that could reasonably be characterised as constituting 'unacceptable circumstances' for the purposes of section 657A of the Corporations Act.

## 9.9 No other material information

Except as disclosed elsewhere in this Scheme Booklet or the Independent Expert's Report, so far as the Dropsuite Directors are aware, there is no other information that is:

- material to the making of a decision by a Dropsuite Shareholder whether or not to vote in favour of the Scheme; and
- known to any Dropsuite Director at the date of lodging this Scheme Booklet with ASIC for registration,

which has not previously been disclosed to Dropsuite Shareholders.

## 9.10 Supplementary disclosure

Dropsuite will issue a supplementary document to this Scheme Booklet if it becomes aware of any of the following between the date of this Scheme Booklet and the Second Court Date:

- a material statement in this Scheme Booklet is false or misleading in a material respect;
- a material omission from this Scheme Booklet;
- a significant change affecting a matter included in this Scheme Booklet; or
- a significant new matter has arisen and it would have been required to be included in this Scheme Booklet if it had arisen before the date of this Scheme Booklet.

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Depending on the nature and timing of the changed circumstances, and subject to obtaining any relevant approvals, Dropsuite may circulate and publish any supplementary document by:

- making an announcement to the ASX;
- placing an advertisement in a prominently published newspaper which is circulated generally throughout Australia;
- posting the supplementary document to Dropsuite Shareholders at their address shown on the Dropsuite Share Register; and/or
- publishing a statement on Dropsuite's website at www.dropsuite.com,

as Dropsuite, in its absolute discretion, considers appropriate.

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# 10 Glossary

## 10.1 Definitions

In this Scheme Booklet, unless the context otherwise appears, the following terms have the meanings shown below:

| Term | Meaning |
|---|---|
| **Alvarez & Marsal Australia** | Alvarez & Marsal Australia ABN 69 435 570 534. |
| **ARR** | annual recurring revenue. |
| **ASIC** | the Australian Securities and Investments Commission. |
| **Associates** | has the meaning set out in section 12 of the Corporations Act. |
| **ASX** | ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates. |
| **ATO** | the Australian Taxation Office. |
| **Automic** | Automic Pty Ltd ACN 152 260 814. |
| **BDO Corporate Finance Australia** | BDO Corporate Finance Australia Pty Ltd ACN 050 038 170. |
| **Business Day** | a business day as defined in the Listing Rules |
| **B2B SaaS** | business-to-business Software as a Service. |
| **Canaccord Genuity** | Canaccord Genuity (Australia) Limited ABN 19 075 071 466. |
| **CGT** | capital gains tax. |
| **Competing Proposal** | any proposal, offer, agreement, arrangement or transaction (or expression of interest therefore), which, if entered into or completed, would result in a Third Party (either alone or together with any Associate):<br>1 directly or indirectly acquiring a Relevant Interest in, or have a right to acquire, a legal, beneficial or economic interest (including by way of an equity swap, contract for difference or similar transaction, arrangement or derivative) in, or control of, 20% or more of the Dropsuite Shares; |

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| Term | Meaning |
|---|---|
| | 2 acquiring Control of Dropsuite;<br>3 directly or indirectly acquiring or becoming the holder of, or otherwise acquiring or having a right to acquire, a legal, beneficial or economic interest in, or control of, all or substantially all of Dropsuite's business or assets or the business or assets of the Dropsuite Group;<br>4 otherwise directly or indirectly acquiring or merging, or being involved in an amalgamation or reconstruction (as those terms are used in s413(1) of the Corporations Act), with Dropsuite; or<br>5 requiring Dropsuite to abandon, or otherwise fail to proceed with, the Transaction,<br>whether by way of takeover bid, members' or creditors' scheme of arrangement, reverse takeover, shareholder approved acquisition, capital reduction, buy back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement, recapitalisation, refinancing or other transaction or arrangement. |
| **Condition Precedent** | each of the conditions set out in clause 3.1 of the Scheme Implementation Deed, as detailed in section 4.4. |
| **Control** | has the meaning given in section 50AA of the Corporations Act. |
| **Corporations Act** | the *Corporations Act 2001* (Cth), as modified or varied by ASIC. |
| **Court** | the Federal Court of Australia (sitting in Melbourne) or such other court of competent jurisdiction under the Corporations Act agreed to in writing by NinjaOne Australia and Dropsuite. |
| **Data Room** | has the meaning given in the Scheme Implementation Deed. |
| **Deed Poll** | the deed poll in the form of Annexure 3 under which NinjaOne and NinjaOne Australia covenant in favour of the Scheme Shareholders to perform the obligations attributed to NinjaOne and NinjaOne Australia under the Scheme. |
| **Disclosure Letter** | a letter identified as such provided by Dropsuite to NinjaOne and NinjaOne Australia and countersigned by NinjaOne and NinjaOne Australia prior to entry into the Scheme Implementation Deed. |
| **Disclosure Materials** | 1 the documents and information contained in the Data Room made available by Dropsuite to NinjaOne and its Related Persons, the index of which has been agreed in writing by the parties (or their respective legal counsel) before the date of the Scheme Implementation Deed;<br>2 written responses from Dropsuite and its Related Persons to requests for further information made by NinjaOne and its |

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| Term | Meaning |
|---|---|
| | Related Persons contained in the Data Room made available by Dropsuite to NinjaOne and its Related Persons; and<br>3 the Disclosure Letter. |
| **Dropsuite** | Dropsuite Limited ACN 008 021 118. |
| **Dropsuite Board** | the board of directors of Dropsuite. |
| **Dropsuite Director** | a member of the Dropsuite Board. |
| **Dropsuite Group** | Dropsuite and each of its subsidiaries, and a reference to a **Dropsuite Group Member** or a **member of the Dropsuite Group** is to Dropsuite or any of its subsidiaries. |
| **Dropsuite Information** | the information contained in this Scheme Booklet, other than:<br>1 the NinjaOne Information;<br>2 the Independent Expert's Report; and<br>3 the Taxation Information. |
| **Dropsuite Material Adverse Change** | an event, change, condition, matter, circumstance or thing occurring after the date of the Scheme Implementation Deed which, whether individually or when aggregated with all such events, changes, conditions, matters, circumstances or things of a like kind that have occurred or are reasonably likely to occur, has had or would be considered reasonably likely to have:<br>1 a material adverse effect on the business, assets, liabilities, financial or trading position, profitability or prospects of the Dropsuite Group taken as a whole; or<br>2 without limiting the generality of paragraph 1 above, the effect of a diminution in the value of the consolidated net assets of the Dropsuite Group, taken as a whole, by an amount equivalent to at least 15% of the Dropsuite Group's consolidated net assets as at 30 November 2024; or<br>3 without limiting the generality of paragraph 1 above, the effect of a diminution in the value of the consolidated gross revenue of the Dropsuite Group, taken as a whole, by an amount equivalent to at least 15% of the Dropsuite Group's consolidated gross revenue for the last twelve months to 30 November 2024,<br>other than those events, changes, conditions, matters, circumstances or things:<br>4 required or permitted by the Scheme Implementation Deed, the Scheme or the transactions contemplated by either;<br>5 that were Fairly Disclosed in the Disclosure Materials;<br>6 that were actually known to NinjaOne prior to the date of the Scheme Implementation Deed (which does not include knowledge of the generic risk of the relevant event, change, condition, matter, circumstance or thing occurring, but does |

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| Term | Meaning |
|---|---|
| | include knowledge of a specific risk of the relevant event, change, condition, matter, circumstance or thing occurring);<br>7 agreed to in writing or requested by NinjaOne or caused or contributed to by NinjaOne or any of its related bodies corporate;<br>8 arising as a result of any generally applicable change in law (including subordinate legislation), regulation, directions, orders, accounting standards or principles or governmental policy, or the interpretation of any of them;<br>9 arising from changes in economic or business conditions that impact on Dropsuite and its competitors in a similar manner (including interest rates, general economic, political or business conditions, including material adverse changes or major disruptions to, or fluctuations in, domestic or international financial markets);<br>10 arising from any act of terrorism, outbreak or escalation of war (whether or not declared), major hostilities, civil unrest or outbreak or escalation of any disease epidemic or pandemic;<br>11 arising from any act of God, natural disaster, lightning, storm, flood, bushfire, earthquake, explosion, cyclone, tidal wave, landslide, on or after the date of the Scheme Implementation Deed; or<br>12 that was Fairly Disclosed in an announcement made by Dropsuite to ASX, or a publicly available document lodged by it with ASIC, in the 3 year period prior to the date of the Scheme Implementation Deed, or which would be disclosed in a publicly available search of ASIC records or ASX announcements in relation to a Dropsuite Group Member, in the 3 year period prior to the date of the Scheme Implementation Deed. |
| **Dropsuite Performance Right** | a performance right issued under a Dropsuite equity incentive plan in place as at the date of the Scheme Implementation Deed. |
| **Dropsuite Performance Rights Plans** | the long-term incentives plans in effect as at the date of the Scheme Implementation Deed under which Dropsuite Performance Rights are offered to senior management and other Dropsuite employees. |
| **Dropsuite Prescribed Occurrence** | other than as:<br>1 required or permitted by the Scheme Implementation Deed, the Scheme or the transactions contemplated by either;<br>2 Fairly Disclosed in the Disclosure Materials;<br>3 agreed to in writing by NinjaOne; or<br>4 Fairly Disclosed in an announcement made by Dropsuite to ASX, or a publicly available document lodged by it with ASIC, in the 3 year period prior to the date of the Scheme Implementation Deed, or which would be disclosed in a publicly available search of ASIC records or ASX announcements in relation to a Dropsuite Group Member, in the 3 year period prior to the date of the Scheme Implementation Deed,<br>the occurrence of any of the following:<br>5 Dropsuite converting all or any of its shares into a larger or smaller number of shares; |

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| Term | Meaning |
|---|---|
| | 6 a member of the Dropsuite Group resolving to reduce its share capital in any way;<br>7 a member of the Dropsuite Group:<br>– entering into a buy-back agreement; or<br>– resolving to approve the terms of a buy-back agreement under the Corporations Act;<br>8 a member of the Dropsuite Group issuing shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, other than:<br>– to a directly or indirectly wholly-owned subsidiary of Dropsuite;<br>– the issue of Dropsuite Shares upon the vesting or exercise of Dropsuite Performance Rights in accordance with their terms or as permitted or required by the Scheme Implementation Deed; or<br>– the reallocation or transfer of Dropsuite Performance Rights existing as at the date of the Scheme Implementation Deed;<br>9 a member of the Dropsuite Group issuing or agreeing to issue securities convertible into shares;<br>10 a Dropsuite Group Member reclassifying, redeeming or repurchasing directly or indirectly any of its shares;<br>11 a member of the Dropsuite Group disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;<br>12 a member of the Dropsuite Group granting an encumbrance, or agreeing to grant an encumbrance, in respect of the whole, or a substantial part, of its business or property other than a lien which arises by operation of law or legislation securing an obligation that is not yet due; or<br>13 an Insolvency Event occurs in relation to a member of the Dropsuite Group. |
| **Dropsuite Regulated Event** | other than as:<br>1 required or permitted by the Scheme Implementation Deed, the Scheme or the transactions contemplated by either;<br>2 Fairly Disclosed in the Disclosure Materials;<br>3 agreed to in writing by NinjaOne; or<br>4 Fairly Disclosed in an announcement made by Dropsuite to ASX, or a publicly available document lodged by it with ASIC, in the 3 year period prior to the date of the Scheme Implementation Deed or which would be disclosed in a publicly available search of ASIC records or ASX announcements in relation to a Dropsuite Group Member, in the 3 year period prior to the date of the Scheme Implementation Deed,<br>the occurrence of any of the following:<br>1 a Dropsuite Group Member acquiring or disposing of, or entering into or announcing any agreement for the acquisition or disposal of, any asset or business, or entering into any corporate transaction for the acquisition or disposal of, any asset or business, in each case which would or would reasonably be likely to exceed $500,000 (in aggregate) or otherwise involve a material change in: |

| Term | Meaning |
|---|---|
| | • the manner in which the Dropsuite Group conducts its business;<br>• the nature (including balance sheet classification), extent or value of the assets of the Dropsuite Group; or<br>• the nature (including balance sheet classification), extent or value of the liabilities of the Dropsuite Group;<br>2 a Dropsuite Group Member entering into any joint venture, partnership or unincorporated association;<br>3 Dropsuite announcing, making, declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its members (whether in cash or in specie);<br>4 a member of the Dropsuite Group making any change to its constitution or articles of association;<br>5 a member of the Dropsuite Group providing financial accommodation other than to members of the Dropsuite Group (irrespective of what form of 'Financial Indebtedness' (as that terms is defined in the Scheme Implementation Deed) that accommodation takes) in excess of $250,000 (individually or in aggregate);<br>6 a member of the Dropsuite Group incurring capital expenditure in excess of US$300,000 (individually or in aggregate);<br>7 a member of the Dropsuite Group entering into any agreement, arrangement or transaction with respect to derivative instruments (including, but not limited to, swaps, futures contracts, forward commitments, commodity derivatives or options) or similar instruments (other than in respect of any Dropsuite Performance Rights granted prior to the date of the Scheme Implementation Deed);<br>8 a member of the Dropsuite Group entering into, or resolving to enter into, a material transaction with any related party of Dropsuite (other than a related party which is a member of the Dropsuite Group), as defined in section 228 of the Corporations Act;<br>9 a member of the Dropsuite Group (i) entering into a new employment, consulting, severance or similar agreement or arrangement; or (ii) materially altering, varying or amending any employment, consulting, severance or similar agreement or arrangement with one or more of its officers, directors, other executives or employees, or accelerating or otherwise materially increasing compensation or benefits for any of the above, in each case other than pursuant to:<br>• contractual arrangements in effect on the date of the Scheme Implementation Deed and which are contained in the Disclosure Materials; or<br>• Dropsuite Group's policies and guidelines in effect on the date of the Scheme Implementation Deed and which are contained in the Disclosure Materials,<br>provided that the total compensation and benefits offered to a person under a new agreement or arrangement under (i) is no greater than US$300,000 per annum, and that the aggregate of all increases in compensation or benefits to a person under (ii) is no greater than US$50,000 per person;<br>10 a Dropsuite Group member terminating (other than for cause) any director, executive or employee with a base salary of $200,000 or higher; |



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| Term | Meaning |
|---|---|
| | 11 a Dropsuite Group member amending in any material respect any arrangement with its advisers in respect of the transactions contemplated by the Scheme Implementation Deed;<br>12 a member of the Dropsuite Group paying any of its officers, directors, other executives or employees a termination or retention payment, other than in accordance with contractual arrangements in effect on the date of the Scheme Implementation Deed and which are contained in the Disclosure Materials;<br>13 a member of the Dropsuite Group entering into any enterprise bargaining agreement other than in the ordinary course of business or pursuant to contractual arrangements in effect on the date of the Scheme Implementation Deed and which are contained in the Disclosure Materials;<br>14 notice of any material investigation, prosecution, arbitration, litigation or dispute threatened against a member of the Dropsuite Group which could reasonably be expected to give rise to a liability for the Dropsuite Group in excess of $2,000,000 (**Material Proceedings**) and for the avoidance of doubt which is not frivolous or vexatious, or circumstances arising which could reasonably be expected to give rise to any Material Proceedings. For the avoidance of doubt, Material Proceedings do not include any liability relating to an investigation, prosecution, arbitration, litigation or dispute to the extent that an insurer has agreed to cover the liability under an insurance policy maintained by a member of the Dropsuite Group;<br>15 any Dropsuite Group Member settling or compromising or making any concessions in relation to any audit, dispute or inquiry in relation to Tax or Duty or making any material election in relation to Tax or Duty, which is outside the ordinary course of business as it was conducted prior to the date of the Scheme Implementation Deed;<br>16 any Dropsuite Group Member agreeing to amend or terminating a 'Material Contract' (being each customer contract agreed in writing between NinjaOne and Dropsuite as set out in the Disclosure Letter);<br>17 any Dropsuite Group Member entering into any contract or commitment to enter into any contract or commitment (or series of related contracts or commitments) that contains a non-compete, restraint of trade, exclusivity provision or similar provision that limits any Dropsuite Group Member's ability to compete with a third party;<br>18 a member of the Dropsuite Group changing any material accounting policy applied by them to report their financial position other than any change in policy required by a change in accounting standards or making any material tax or duty elections;<br>19 a member of the Dropsuite Group doing anything that would result in a change in the Dropsuite consolidated tax group;<br>20 a member of the Dropsuite Group selling, licensing, transferring, assigning, abandoning, dedicating to the public, permitting to lapse or otherwise disposing of any intellectual property assets that are material to the business of any member of the Dropsuite Group, except for non-exclusive licenses of the Dropsuite Group's commercial software offerings to customers in the ordinary course of business, or otherwise in the ordinary course of business; |

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| Term | Meaning |
|---|---|
| | 21 a member of the Dropsuite Group disclosing any trade secrets or industrial secret rights, inventions (whether or not patentable), know-how, ideas, methods, techniques, specifications, designs, algorithms, source code, data, confidential or proprietary business or technical information, including any of the foregoing that derives independent economic value from not being known to other persons, that are material to the business of the Dropsuite Group, taken as a whole, that the Dropsuite Group reasonably wishes to preserve, except in the ordinary course of business or are disclosed pursuant to confidentiality obligations, where the disclosure would have a material adverse effect on the business of the Dropsuite Group; or<br>22 authorises, agrees, commits or resolves to do any of the matters set out above, whether conditionally or otherwise. |
| **Dropsuite Share** | a fully paid ordinary share in the capital of Dropsuite. |
| **Dropsuite Share Register** | the register of members of Dropsuite maintained in accordance with the Corporations Act. |
| **Dropsuite Share Registry** | Automic Pty Ltd ACN 152 260 814. |
| **Dropsuite Shareholder** | each person who is registered as the holder of a Dropsuite Share in the Dropsuite Share Register. |
| **Effective** | when used in relation to the Scheme, the coming into effect, under subsection 411(10) of the Corporations Act, of the order of the Court made under paragraph 411(4)(b) of the Corporations Act in relation to the Scheme. |
| **Effective Date** | the date on which the Scheme becomes Effective, currently expected to be Wednesday, 14 May 2025. |
| **End Date** | the date that is eight months after the date of the Scheme Implementation Deed (being 28 September 2025) or such other date as agreed in writing by Dropsuite, NinjaOne and NinjaOne Australia. |
| **Excluded Shareholder** | any Dropsuite Shareholder who is a member of the NinjaOne Group or any Dropsuite Shareholder who holds any Dropsuite Shares on behalf of, or for the benefit of, any member of the NinjaOne Group and does not hold Dropsuite Shares on behalf of, or for the benefit of, any other person. |
| **Exclusivity Period** | the period from and including the date of the Scheme Implementation Deed to the earlier of:<br>1 the date of termination of the Scheme Implementation Deed; |

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| Term | Meaning |
|---|---|
| | 2 the End Date; and<br>3 the Implementation Date. |
| **Fairly Disclosed** | a reference to 'Fairly Disclosed' means disclosed to NinjaOne or any of its Related Persons, to a sufficient extent, and in sufficient detail, so as to enable a reasonable bidder (or one of its Related Persons) experienced in transactions similar to the Transaction and experienced in a business similar to any business conducted by the Dropsuite Group, to identify the nature and scope of the relevant matter, event or circumstance (including, in each case, that the potential financial effect of the relevant matter, event or circumstance was reasonably ascertainable from the information disclosed). |
| **FATA** | the *Foreign Acquisitions and Takeovers Act 1975* (Cth). |
| **FIRB** | the Foreign Investment Review Board. |
| **FIRB Approval** | means the Condition Precedent detailed in section 4.4(a). |
| **First Court Date** | the first day on which an application made to the Court for an order under subsection 411(1) of the Corporations Act convening the Scheme Meeting is heard, or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard. |
| **Government Agency** | any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities exchange), or any minister of the Crown in right of the Commonwealth of Australia or any State, and any other federal, state, provincial, or local government, whether foreign or Australian and including ASIC and the Takeovers Panel. |
| **GST** | goods and services tax or similar value added tax levied or imposed in Australia under the GST Law or otherwise on a supply. |
| **GST Act** | the *A New Tax System (Goods and Services Tax) Act 1999* (Cth). |
| **GST Law** | has the same meaning as in the GST Act. |
| **Implementation Date** | the fifth Business Day after the Scheme Record Date, or such other date after the Scheme Record Date as Dropsuite, NinjaOne and NinjaOne Australia agree in writing. The Implementation Date is currently expected to be Friday, 30 May 2025. |

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| Term | Meaning |
|---|---|
| **Independent Expert** | BDO Corporate Finance Australia, being the independent expert in respect of the Scheme appointed by Dropsuite. |
| **Independent Expert's Report** | the report issued by the Independent Expert in connection with the Scheme, as set out in Annexure 1. |
| **Insolvency Event** | in relation to an entity:<br>1 the entity resolving that it be wound up or a court making an order for the winding up or dissolution of the entity (other than where the order is set aside within 14 days);<br>2 a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other insolvency official being appointed to the entity or in relation to the whole, or a substantial part, of its assets;<br>3 the entity executing a deed of company arrangement;<br>4 the entity ceases, or threatens to cease to, carry on substantially all the business conducted by it as at the date of the Scheme Implementation Deed;<br>5 the entity is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act (or, if appropriate, legislation of its place of incorporation); or<br>6 the entity being deregistered as a company or otherwise dissolved. |
| **Last Practicable Date** | 27 March 2025. |
| **Listing Rules** | the official listing rules of the ASX. |
| **MSP** | Managed Service Provider. |
| **NinjaOne** | NinjaOne, LLC (company number 6821849) of 3687 Tampa Road, #200 Oldsmar, Florida, 34677, United States of America. |
| **NinjaOne Australia** | NinjaOne Australia Pty Ltd ACN 655 215 366. |
| **NinjaOne Australia Board** | the board of directors of NinjaOne Australia. |
| **NinjaOne Australia Director** | a member of the NinjaOne Australia Board. |
| **NinjaOne Board** | the board of directors of NinjaOne. |
| **NinjaOne Director** | a member of the NinjaOne Board. |

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| Term | Meaning |
|---|---|
| **NinjaOne Information** | information regarding the NinjaOne Group provided by NinjaOne or NinjaOne Australia to Dropsuite in writing for inclusion in this Scheme Booklet including:<br>1 the answer to the frequently asked questions '*Who is NinjaOne?*', '*Who is NinjaOne Australia?*', '*Do NinjaOne or NinjaOne Australia currently hold any Dropsuite Shares*?', '*What are NinjaOne's and NinjaOne Australia's intentions for Dropsuite if the Scheme is implemented?*', the last paragraph of '*Who is an Excluded Shareholder*' and '*How is NinjaOne funding the Scheme Consideration?*' in section 2;<br>2 the entire contents of section 6; and<br>3 statements attributable to the knowledge of the NinjaOne Directors or NinjaOne Australia Directors in sections 4.4 and 7.4(a).<br>For the avoidance of doubt, the NinjaOne Information excludes the Dropsuite Information and the Independent Expert's Report. |
| **NinjaOne Group** | NinjaOne and each of its subsidiaries (including, for the avoidance of doubt, NinjaOne Australia), and a reference to a **NinjaOne Group Member** or a **member of the NinjaOne Group** is to NinjaOne or any of its subsidiaries. |
| **NinjaOne Platform** | the cloud-based automated remote monitoring and management platform operated by the NinjaOne Group. |
| **Notice of Scheme Meeting** | the notice of meeting set out in Annexure 4 of this Scheme Booklet. |
| **Related Person** | has the meaning given in the Scheme Implementation Deed. |
| **Relevant Interest** | has the meaning given in sections 608 and 609 of the Corporations Act. |
| **Requisite Majorities** | in relation to the Scheme Resolution, a resolution passed by:<br>1 unless the Court orders otherwise, a majority in number (more than 50%) of Dropsuite Shareholders (other than Excluded Shareholders) present and voting at the Scheme Meeting (either in person or by proxy, attorney or, in the case of corporate Dropsuite Shareholders, corporate representative); and<br>2 at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting by Dropsuite Shareholders (other than Excluded Shareholders) present and voting (either in person or by proxy, attorney or, in the case of corporate Dropsuite Shareholders, corporate representative). |
| **SaaS** | software as a service. |

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| Term | Meaning |
|---|---|
| **Scheme** | the scheme of arrangement under Part 5.1 of the Corporations Act between Dropsuite and the Scheme Shareholders, the form of which is attached as Annexure 2, subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by NinjaOne and Dropsuite. |
| **Scheme Booklet** | this document being the explanatory statement in respect of the Scheme, which has been prepared by Dropsuite in accordance with section 412 of the Corporations Act. |
| **Scheme Consideration** | the consideration to be provided or procured to be provided by NinjaOne Australia to each Scheme Shareholder for the transfer to NinjaOne Australia of each Scheme Share, being for each Dropsuite Share held by a Scheme Shareholder as at the Scheme Record Date, an amount of $5.90. |
| **Scheme Implementation Deed** | the scheme implementation deed dated 28 January 2025 between Dropsuite, NinjaOne and NinjaOne Australia, a copy of which was released by Dropsuite to the ASX on 28 January 2025. |
| **Scheme Meeting** | the meeting of Dropsuite Shareholders ordered by the Court to be convened under subsection 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of that meeting. |
| **Scheme Record Date** | 7.00pm (Melbourne time) on the second Business Day after the Effective Date, currently expected to be Friday, 16 May 2025, or such date as Dropsuite, NinjaOne and NinjaOne Australia agree in writing. |
| **Scheme Resolution** | the resolution to approve the Scheme, as set out in the Notice of Scheme Meeting in Annexure 4. |
| **Scheme Shareholder** | a holder of Dropsuite Shares recorded in the Dropsuite Share Register as at the Scheme Record Date. |
| **Scheme Shares** | all Dropsuite Shares held by the Scheme Shareholders as at the Scheme Record Date. |
| **Second Court Date** | the first day on which an application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving the Scheme is heard, currently expected to be 10.15am (Melbourne time) on Wednesday, 14 May 2025, or if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard. |

| Term | Meaning |
|---|---|
| **Second Court Hearing** | the hearing of the application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme. |
| **Superior Proposal** | a bona fide Competing Proposal:<br>1 of the kind referred to in any of paragraphs 2, 3 or 4 of the definition of Competing Proposal; and<br>2 not resulting from a breach by Dropsuite of any of its obligations under clause 10 of the Scheme Implementation Deed (it being understood that any actions by the Related Persons of Dropsuite not permitted by clause 10 will be deemed to be a breach by Dropsuite for the purposes hereof),<br>that the Dropsuite Board, acting in good faith and after receiving written legal advice from its external reputable legal advisers specialising in the area of corporate law and written financial advice from its external financial advisers, determines:<br>3 is reasonably capable of being valued and completed in a reasonable timeframe; and<br>4 would, if completed substantially in accordance with its terms, be reasonably likely to be more favourable to Dropsuite Shareholders (as a whole) than the Transaction (and, if applicable, than the Transaction as amended or varied following application of the matching right set out in clause 10.4 of the Scheme Implementation Deed),<br>in each case taking into account all terms and conditions and other aspects of the Competing Proposal and of the Transaction. |
| **Taxable Australian Property** | has the same definition as given in the *Income Tax Assessment Act 1997* (Cth). |
| **Taxation Information** | the description of the taxation effect of the Transaction on Scheme Shareholders contained in this Scheme Booklet, including section 8 of this Scheme Booklet (which information has been prepared by Alvarez & Marsal Australia). |
| **Transaction** | the acquisition of the Scheme Shares by NinjaOne Australia through implementation of the Scheme in accordance with the terms of the Scheme Implementation Deed. |
| **Treasurer** | the Treasurer of the Commonwealth of Australia. |
| **VWAP** | volume weighted average price. |
| **Withholding Amount** | has the meaning given in clause 5.1(c) of the Scheme. |

## 10.2 Interpretation

In this Scheme Booklet, unless expressly stated or the context otherwise appears:



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(a) words and phrases have the same meaning (if any) given to them in the Corporations Act;

(b) words importing a gender include any gender;

(c) words importing the singular include the plural and vice versa;

(d) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;

(e) a reference to a section or annexure is a reference to a section of and an annexure to this Scheme Booklet as relevant;

(f) a reference to any statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances, or by laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;

(g) headings and bold type are for convenience only and do not affect the interpretation of this Scheme Booklet;

(h) a reference to time is a reference to time in Melbourne, Australia;

(i) a reference to writing includes facsimile transmissions;

(j) a reference to dollars, $, AUD, A$, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia; and

(k) a reference to US$ or USD is a reference to the lawful currency of the United States of America.

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# Annexure 1

## Independent Expert's Report

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# Dropsuite Limited

## Independent Expert's Report

28 March 2025

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# FINANCIAL SERVICES GUIDE

Dated: 28 March 2025

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This Financial Services Guide (**FSG**) helps you decide whether to use any of the financial services offered by BDO Corporate Finance Australia Pty Ltd (**BDO Corporate Finance, we, us, our**).

The FSG includes information about:

- Who we are and how we can be contacted
- The services we are authorised to provide under our Australian Financial Services Licence, Licence No: 247420
- Remuneration that we and/or our staff and any associates receive in connection with the financial services
- Any relevant associations or relationships we have
- Our complaints handling procedures and how you may access them.

## FINANCIAL SERVICES WE ARE LICENSED TO PROVIDE

We hold an Australian Financial Services Licence which authorises us to provide financial product advice to retail and wholesale clients about securities and certain derivatives (limited to old law securities, options contracts, and warrants). We can also arrange for customers to deal in securities, in some circumstances. Whilst we are authorised to provide personal and general advice to retail and wholesale clients, we only provide *general* advice to retail clients.

Any general advice we provide is provided on our own behalf, as a financial services licensee.

## GENERAL FINANCIAL PRODUCT ADVICE

Our general advice is typically included in written reports. In those reports, we provide general financial product advice that is prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of the general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

## FEES, COMMISSIONS AND OTHER BENEFITS THAT WE MAY RECEIVE

We charge fees for providing reports. These fees are negotiated and agreed to with the person who engages us to provide the report. Fees will be agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. In this instance, the Company has agreed to pay us $95,000 for preparing the Report.

Except for the fees referred to above, neither BDO Corporate Finance, nor any of its directors, employees, or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of general advice.

All our employees receive a salary. Our employees are eligible for bonuses based on overall company performance but not directly in connection with any engagement for the provision of a report.

## REFERRALS

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

## ASSOCIATIONS AND RELATIONSHIPS

BDO Corporate Finance is a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The general financial product advice in our report is provided by BDO Corporate Finance and not by BDO or its related entities. BDO and its related entities provide services primarily in the areas of audit, tax, consulting, and financial advisory services.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business.

## COMPLAINTS RESOLUTION

We are committed to meeting your needs and maintaining a high level of client satisfaction. If you are unsatisfied with a service we have provided you, we have avenues available to you for the investigation and resolution of any complaint you may have.

To make a formal complaint, please use the Complaints Form. For more on this, including the Complaints Form and contact details, see the **BDO Complaints Policy** available on our website.

BDO Corporate Finance is a member of AFCA (Member Number 11843). Where you are unsatisfied with the resolution reached through our Internal Dispute Resolution process, you may escalate this complaint to the Australian Financial Complaints Authority (**AFCA**) using the below contact details:

Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001
Email: info@afca.org.au
Phone: 1800 931 678
Fax: (03) 9613 6399
Interpreter service: 131 450
Website: http://www.afca.org.au

## COMPENSATION ARRANGEMENTS

BDO Corporate Finance and its related entities hold Professional Indemnity insurance for the purpose of compensating retail clients for loss or damage suffered because of breaches of relevant obligations by BDO Corporate Finance or its representatives under Chapter 7 of the Corporations Act 2001. These arrangements and the level of cover held by BDO Corporate Finance satisfy the requirements of section 912B of the Corporations Act 2001.

## CONTACT DETAILS

You may provide us with instructions using the details set out at the top of this FSG or by emailing - cf.ecp@bdo.com.au

BDO Corporate Finance Australia Pty Ltd ABN 70 050 038 170 AFS Licence No. 247420 is a member of a national association of independent entities which are all members of A.C.N. 050 110 275 Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Corporate Finance Australia Pty Ltd and A.C.N. 050 110 275 Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

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Appendix 1 – Glossary and copyright notice

Appendix 2 – Valuation methodologies

Appendix 3 – Comparable companies


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28 March 2025

The Directors
Dropsuite Limited
Level 30, Collins Place
35 Collins Street
Melbourne VIC 3000

Dear Directors

# INDEPENDENT EXPERT'S REPORT

## 1. Introduction

On 28 January 2025, Dropsuite Limited (**'Dropsuite'** or **'the Company'**) announced that it had entered into a scheme implementation deed (**'SID'**) with NinjaOne Australia Pty Ltd, a wholly owned subsidiary of NinjaOne, LLC (collectively, **'NinjaOne'**), under which NinjaOne will acquire all of the ordinary shares in Dropsuite, by way of a scheme of arrangement under the *Corporations Act 2001* (Cth) (**'Corporations Act'**) (**'the Scheme'**).

Under the terms of the SID, each Dropsuite shareholder will receive $5.90 in cash for each Dropsuite share held on the Scheme record date (**'Scheme Consideration'**).

The Scheme is subject to the following customary conditions:

- The independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Dropsuite shareholders (**'Shareholders'**).
- Australian Foreign Investment Review Board (**'FIRB'**) approval and receipt of relief or waivers from the Australian Securities and Investments Commission (**'ASIC'**) and the Australian Securities Exchange (**'ASX'**) that may be required to implement the Scheme.
- Shareholder approval at the Scheme meeting by the requisite majorities (at least 75% of all votes cast by Shareholders and more than 50% of the number of Shareholders who vote at the Scheme meeting).
- Court approval.
- Certain other customary conditions, as detailed in the SID.

All figures in our Report are quoted in Australian dollars (**'AUD'** or **'$'**) unless otherwise stated.

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# 2. Summary and opinion

## 2.1 Requirement for the report

The directors of Dropsuite have requested that BDO Corporate Finance Australia Pty Ltd ('**BDO**') prepare an independent expert's report ('**our Report**') to express an opinion as to whether the Scheme is fair and reasonable and in the best interests of Shareholders.

Our Report is prepared pursuant to section 411 of the Corporations Act and is to be included in the scheme booklet for Dropsuite to assist Shareholders in their decision whether to approve the Scheme ('**Scheme Booklet**').

## 2.2 Approach

Our Report has been prepared having regard to ASIC Regulatory Guide 60 'Schemes of arrangements' ('**RG 60**'), Regulatory Guide 111 'Content of expert reports' ('**RG 111**'), Regulatory Guide 112 'Independence of experts' ('**RG 112**'), and Regulatory Guide 170 'Prospective financial information' ('**RG 170**').

In arriving at our opinion, we have assessed the terms of the Scheme as outlined in the body of this Report. We have considered the following:

- How the value of a Dropsuite share prior to the Scheme (on a controlling interest basis), compares to the value of the Scheme Consideration.
- The likelihood of an alternative offer being made to Dropsuite.
- Other factors which we consider to be relevant to the Shareholders in their assessment of the Scheme.
- The position of Shareholders should the Scheme not proceed.

## 2.3 Opinion

We have considered the terms of the Scheme as outlined in the body of this Report and have concluded that, in the absence of a superior proposal, the Scheme is fair and reasonable to Shareholders.

Therefore, in the absence of a superior proposal, we consider the Scheme to be in the best interests of Shareholders.

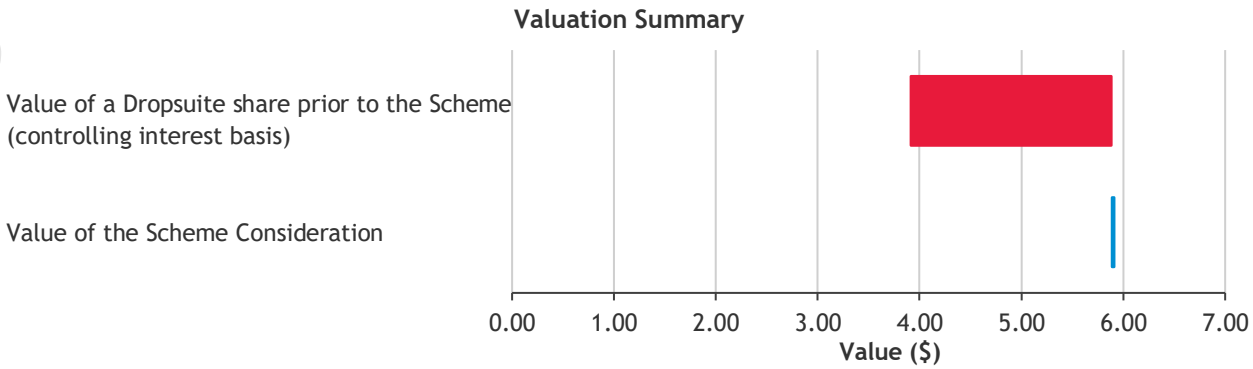
## 2.4 Fairness

In Section 12, we compared the value of a Dropsuite share prior to the Scheme (on a controlling interest basis), to the value of the Scheme Consideration, as detailed below.

| | Ref. | Low<br>$ | High<br>$ |
|---|---|---|---|
| Value of a Dropsuite share prior to the Scheme (controlling interest basis) | 10.1 | 3.92 | 5.88 |
| Value of the Scheme Consideration | 10.2 | 5.90 | 5.90 |

**Source:** BDO analysis

The above valuation ranges are graphically presented below:




**Source:** BDO analysis

The above pricing indicates that, in the absence of a superior offer, the Scheme is fair for Shareholders. We consider the Scheme to be fair for Shareholders because the value of the Scheme Consideration is above our value range of a Dropsuite share prior to the Scheme (on a controlling interest basis).

## 2.5 Reasonableness

We have considered the analysis in Section 13 of this Report, in terms of the following:

- Advantages and disadvantages of the Scheme.
- Other considerations, including the position of Shareholders if the Scheme does not proceed and the consequences of not approving the Scheme.

In our opinion, the position of Shareholders if the Scheme is approved is more advantageous than the position if the Scheme is not approved. Accordingly, in the absence of any other relevant information and/or an alternate proposal we consider that the Scheme is reasonable for Shareholders.

The respective advantages and disadvantages considered are summarised below:

| ADVANTAGES AND DISADVANTAGES | | | |
|---|---|---|---|
| Section | Advantages | Section | Disadvantages |
| 13.1.1 | The Scheme is fair | 13.2.1 | Shareholders will forego the opportunity to participate in any potential upside in the value of the Company |
| 13.1.2 | The Scheme Consideration provides certainty of value to Shareholders | 13.2.2 | Shareholders will lose exposure to the cloud-based data backup industry |

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Other key matters we have considered include:

| Section | Description |
|---|---|
| 13.3 | Alternative proposal |
| 13.4 | Consequences of not approving the Scheme |
| 13.5 | Other considerations |

# 3. Scope of the Report

## 3.1 Purpose of the Report

The Scheme is to be implemented pursuant to section 411 of the Corporations Act. Part 3 of Schedule 8 to the *Corporations Regulations 2001* (‘**Regulations**’) prescribes the information to be sent to shareholders in relation to schemes of arrangement pursuant to section 411 of the Corporations Act (‘**Section 411**’).

An independent expert’s report must be obtained by a scheme company if:

- There is one or more common directors; or
- The other party to the scheme holds 30% or more of the voting shares in the scheme company.

The expert must be independent and must state whether or not, in his or her opinion, the proposed scheme is in the best interest of the members of the company the subject of the scheme and set out the reasons for that opinion.

Accordingly, an independent expert’s report is not required under the Corporations Regulations.

Notwithstanding the fact that there is no requirement to engage an independent expert to report on the Scheme, pursuant to the SID, the Scheme is subject to an independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Shareholders.

Accordingly, the directors of Dropsuite have requested that BDO prepare this independent expert’s report to provide an opinion as to whether the Scheme is fair and reasonable and in the best interests of Shareholders.

## 3.2 Regulatory guidance

Neither the Corporations Act nor the Regulations defines the term ‘in the best interests of’. In determining whether the Scheme is in the best interests of Shareholders, we have had regard to the views expressed by ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider to assist security holders to make informed decisions about transactions.

A key matter under RG 111 that an expert needs to consider when determining the appropriate form of analysis is whether or not the effect of the transaction is comparable to a takeover bid and is therefore representative of a change of ‘control’ transaction.

In the circumstance of a scheme that achieves the same outcome as a takeover bid, RG 111 suggests that the form of the analysis undertaken by the independent expert should be substantially the same as for a takeover. Independent expert reports required under the Act in the circumstance of a takeover are required to provide an opinion as to whether or not the takeover bid is ‘fair and reasonable’. While there

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is no definition of 'fair and reasonable', RG 111 provides some guidance as to how the terms should be interpreted in a range of circumstances.

RG 111 suggests that an opinion as to whether transactions are fair and reasonable should focus on the purpose and outcome of the transaction, that is, the substance of the transaction rather than the legal mechanism to effect the transaction.

Schemes of arrangement pursuant to Section 411 can encompass a wide range of transactions. Accordingly, 'in the best interests' must be capable of a broad interpretation to meet the particular circumstances of each transaction. This involves a judgment on the part of the expert as to the overall commercial effect of the transaction, the circumstances that have led to the transaction and the alternatives available. The expert must weigh up the advantages and disadvantages of the proposed transaction and form an overall view as to whether shareholders are likely to be better off if the proposed transaction is implemented than if it is not. This assessment is the same as that required for a 'fair and reasonable' assessment in the case of a takeover. If the expert would conclude that a proposal was 'fair and reasonable' if it was in the form of a takeover bid, the expert will also be able to conclude that the scheme is in the best interests of shareholders. An opinion of 'in the best interests' does not imply the best possible outcome for shareholders.

## 3.3 Adopted basis of evaluation

RG 111 states that a transaction is fair if the value of the offer price or consideration is equal to or greater than the value of the securities subject of the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid.

Having regard to the above, BDO has completed this comparison in three parts:

- A comparison between the value of a Dropsuite share prior to the Scheme (on a controlling interest basis) and the value of the Scheme Consideration (fairness – see Section 12 'Is the Scheme fair?').
- An investigation into other significant factors to which Shareholders might give consideration, prior to approving the Scheme, after reference to the value derived above (reasonableness – see Section 13 'Is the Scheme reasonable?').
- A consideration of whether the Scheme is in the best interests of Shareholders.

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' ('**APES 225**').

A Valuation Engagement is defined by APES 225 as follows:

*'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Member is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Member at that time.'*

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

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# 4. Outline of the Scheme

On 28 January 2025, Dropsuite announced that it had entered into a SID with NinjaOne, under which NinjaOne will acquire all of the ordinary shares in Dropsuite, by way of a scheme of arrangement under the Corporations Act.

Under the terms of the SID, each Dropsuite shareholder will receive $5.90 in cash for each Dropsuite share held on the Scheme record date.

The Scheme is subject to the following customary conditions:

- The independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Shareholders.
- FIRB approval.
- Receipt of relief or waivers from ASIC and ASX that may be required to implement the Scheme.
- Shareholder approval at the Scheme meeting by the requisite majorities (at least 75% of all votes cast by Shareholders and more than 50% of the number of Shareholders who vote at the Scheme meeting).
- Court approval.
- Certain other customary conditions, as detailed in the SID.

Dropsuite's largest shareholder, Topline Capital Management, LLC, which holds a relevant interest in approximately 10.5% of the Company's issued capital, has confirmed that it intends to vote in favour of the Scheme in the absence of a superior proposal and subject to the independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Shareholders.

As detailed in Section 5.6, Dropsuite currently has 1,742,967 performance rights on issue. Pursuant to the SID, subject to the Scheme becoming effective and prior to the Scheme record date, Dropsuite must ensure that up to 867,717 performance rights on issue vest in accordance with their terms and convert into Dropsuite shares. In respect of the balance of the 875,250 Dropsuite performance rights on issue, these rights are amended (in accordance with their terms) to permit Dropsuite to provide a contingent cash right to receive $5.90 per existing performance right, in lieu of receiving a Dropsuite share on vesting.

Pursuant to the SID, Dropsuite is required to pay a reimbursement fee of $4.2 million to NinjaOne under certain customary circumstances. In addition, NinjaOne is required to pay a reverse reimbursement fee of $4.2 million under the same certain circumstances. The complete set of circumstances under which the reimbursement fees are payable are detailed in Section 9 of the Scheme Booklet.

Further information on the Scheme is contained in the Scheme Booklet.

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# 5. Profile of Dropsuite

## 5.1 Overview

Dropsuite is an ASX-listed software-as-a-service (**'SaaS'**) company based in Melbourne, Australia, specialising in cloud-based data backup and archiving solutions for businesses worldwide. The Company was incorporated in 2012 as Dropmysite Pte Ltd, and subsequently changed its name to Dropsuite in 2016, before listing on the ASX by way of a reverse takeover through Excalibur Mining Corporation in December 2016.

The current directors of Dropsuite are:

- Charif El Ansari – Managing Director
- Theo Hnarakis – Non-Executive Chairman
- Bruce Tonkin – Non-Executive Director
- Eric Martorano – Non-Executive Director.

Dropsuite operates a 'partner-led' business model, whereby it establishes partnerships with direct reseller partners, comprising hosting providers, information technology ('**IT**') distributors and managed service providers ('**MSPs**'), which offer various IT solutions to their clients, mainly being small and medium-sized enterprises ('**SMEs**'). The Company uses Amazon Web Services Inc.'s ('**AWS**') cloud infrastructure to store client data and deliver its backup and archiving solutions, incurring AWS hosting fees. Dropsuite currently partners with approximately 780 direct reseller partners, and thousands of indirect MSPs, to support approximately 1.65 million users across micro, small, medium and large businesses, referred to as **'Seats'**.

The Company operates globally, providing its services to customers in the United States of America ('**USA**' or '**US**'), Europe, Australia, Singapore and other parts of the world, with the large majority of its revenue generated from the USA.

## 5.2 Products and Services

Dropsuite has developed a suite of SaaS offerings centred around secure cloud-based backup and archiving solutions for enterprise software such as Microsoft 365 and Google Workspace. The Company is currently focused on three products which are detailed below, with majority of revenue generated from Microsoft 365 products.

### Backup

Dropsuite's backup solution (**'Backup'**) enables users to backup business data safely and securely by automatically storing and securing data in the cloud, and allowing users to restore any file on demand. Backup currently supports Microsoft 365, Google Workspace/G-Suite, and all instances of email.

They key features of Backup include the following:

- Unlimited storage
- Automated and incremental backup
- Granular restoration options
- 256-bit military-grade advanced encryption standard (**'AES'**) at rest and in transit, which means data is protected using highly secure encryption, both when stored and while being transmitted
- Multi-factor authentication

- Role-based access
- Single-panel dashboard user interface which includes admin and user management options and role-based access, supporting single sign-on
- Insights BI, an email analytics toolset which transforms archived email data into business intelligence through the creation of reports, graphs, and charts.

### Archiving

Dropsuite's archiving solution (**'Archiving'**) enables users to store, protect, manage and retrieve data through 'Journaling'. Archiving includes the Backup solution and is built on top of Backup, providing a comprehensive set of business continuity tools.

They key features of Archiving include the following:

- eDiscovery
- Role-based access
- 256-bit military-grade AES at rest and Transport Layer Security 1.2 in transit, which means data is securely encrypted when stored and protected when transmitted
- Retention policies
- Backup cadence
- Legal holds, which aims to maintain data integrity and provides unlimited storage and flexible retention options
- Single-panel dashboard user interface which includes admin and user management options and role-based access including a Data Protection Officer role, and supports single sign-on.

### Entra ID

In early 2024, Dropsuite launched a new backup product targeted at Microsoft's Entra ID (**'Entra ID Backup'**) (formerly Azure Active Directory). Entra ID is Microsoft's cloud-based identity and access management solution providing authentication and authorisation to a wide range of Microsoft products. Entra ID focuses on safeguarding critical identity data, including user profiles, Microsoft 365 groups, roles, and administrative settings.

The key features of Entra ID Backup include the following:

- Automated and incremental backups, which minimises data loss risk and keeps identity risk management up to date.
- Granular restoration options, which allows users to restore specific settings or attributes without performing a full system recovery.
- Snapshot comparison, which allows users to search and compare backup snapshots with live data to ensure the most accurate recovery for configuration.
- Live data preview, which provides real-time data before executing restores.

Entra ID Backup addresses challenges including misconfigurations, user errors, and cybersecurity threats by providing a means for the restoration of identity settings. It also compensates for the lack of native recovery options in Entra ID, which does not include features like a 'recycle bin' for identity configurations.

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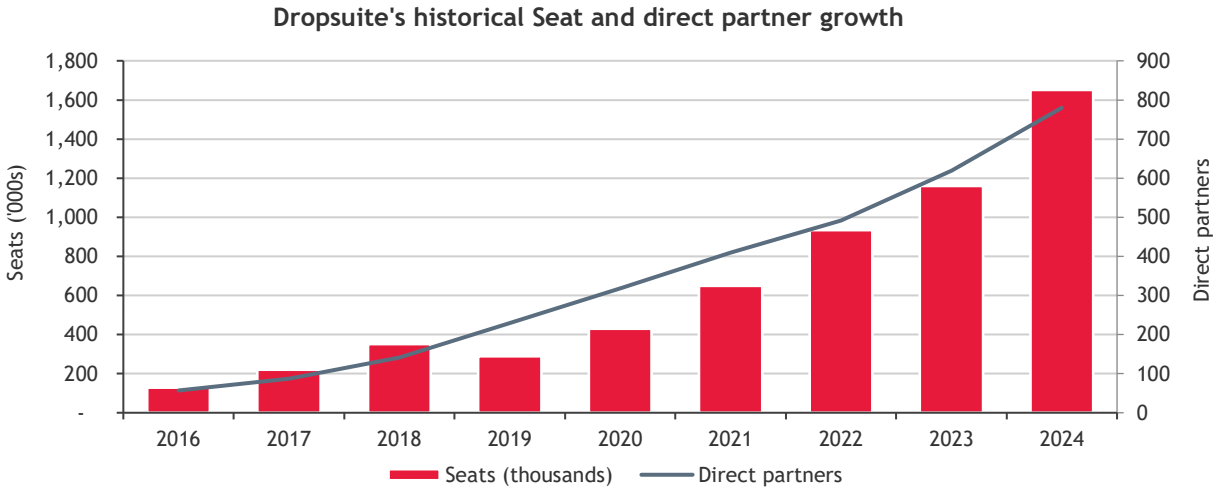
## 5.3 Business Performance

Over the period from the Company's inception in 2016 to 2024, the total number of Seats has increased from approximately 0.13 million to 1.65 million, representing a compound annual growth rate ('**CAGR**') of 38%. Consistent with the growth in Seats, the total number of direct partners has increased from 57 to 780, representing a CAGR of 39%. Direct partners refers to the Company's direct reseller partners, being hosting providers, IT distributors and MSPs (outsourced IT providers), and does not include the thousands of MSP resellers transacting indirectly via the Company's IT distributors.

Based on discussions with management, this growth was driven by a combination of increased cloud migration, stricter data privacy regulations and rising awareness of cyber and ransomware threats. The increase in cyber-attacks and ransomware claims has led SMEs globally to adopt cloud solutions in order to protect their business data. Additionally, stricter regulatory and compliance requirements have elevated backup solutions as a key prerequisite for cyber insurance.

The Company has been able to meet market demand through continuous expansion and enhancement of its backup and archiving solutions, and consistent year-on-year growth in its direct partner network, which has been supported by its scalable partner-led business model, and strong brand and product recognition.

Dropsuite's historical Seats and direct partner growth is shown in the graph below.



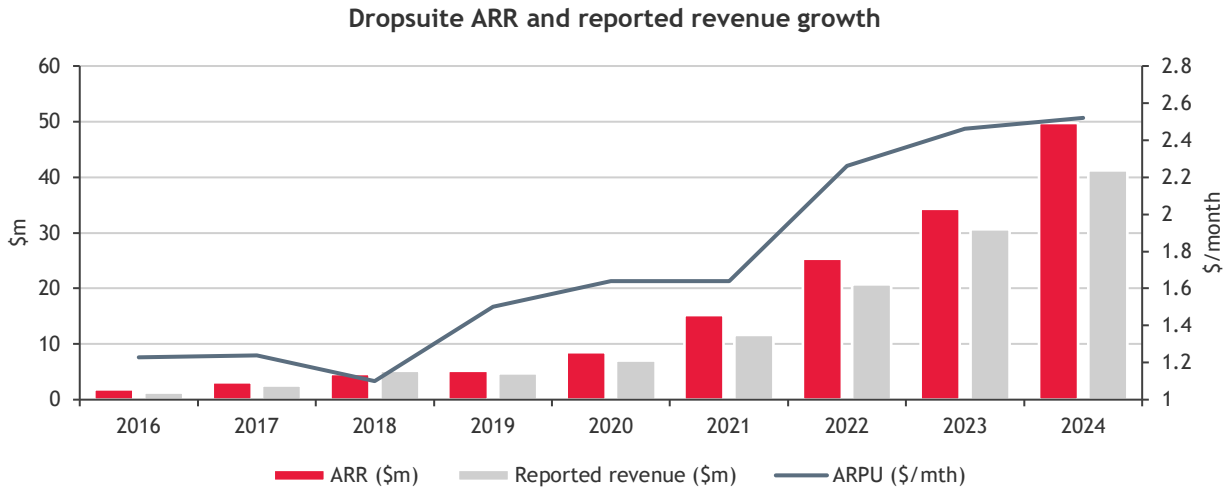

**Source:** Dropsuite's annual reports for the years ended 31 December 2016 through to 31 December 2024

Annual recurring revenue ('**ARR**') and average revenue per user ('**ARPU**') are common metrics of financial performance used by SaaS businesses, and are both reported by Dropsuite. ARR measures the contracted and sustainable revenue a business will generate from subscriptions and is generally viewed as being a more relevant measure of revenue. ARR is calculated as the number of Seats multiplied by the annual subscription price.

ARPU measures the amount of revenue generated on average per customer, on a monthly basis. Based on discussions with management, Dropsuite's ARPU is largely driven by the business' current product mix, with a larger proportion of higher priced products translating into a higher ARPU. Conversely, ARPU can decrease if the product mix is reversed in any given month.

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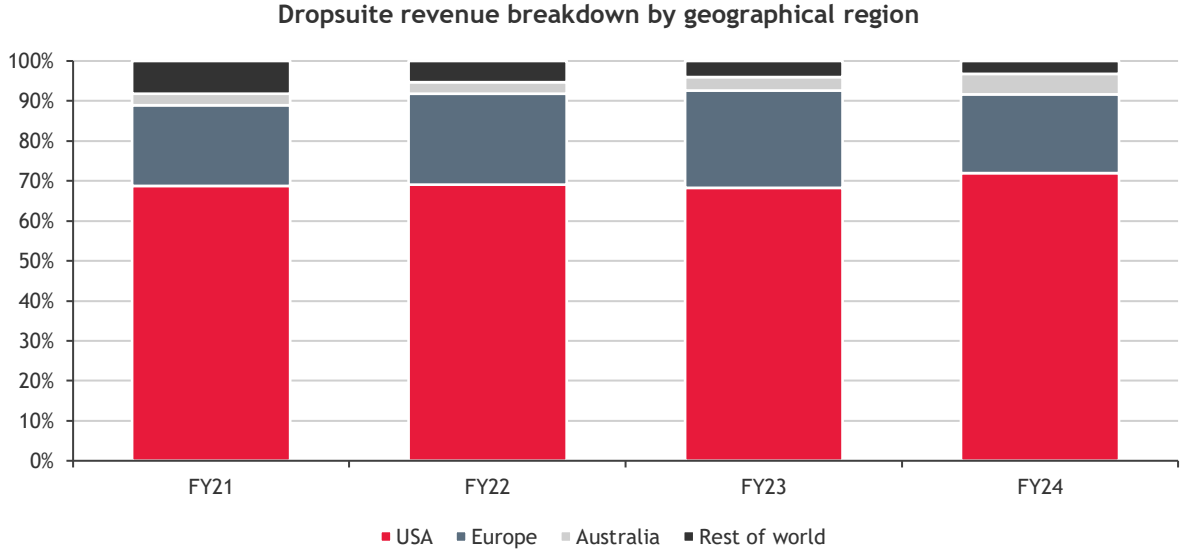
The Company's ARR, reported revenue, and ARPU over the period from 2016 to 2024 is shown in the chart below:




**Source:** Dropsuite's annual reports for the years ended 31 December 2016 through to 31 December 2024

Over the period from the Company's inception in 2016 to 2024, the Company has experienced a 51% CAGR in ARR and a 54% CAGR in reported revenue. Dropsuite's ARR increased from $34.3 million for the year ended 31 December 2023 to $49.8 million for the year ended 31 December 2024, representing a 45% increase. This was largely driven through partner acquisition, with the onboarding of 159 new direct and 954 indirect transacting MSP partners over the year.

A breakdown of the Company's revenue by geographical region over the period from 2021 to 2024, is shown in the chart below.




**Source:** Dropsuite's annual reports for the years ended 31 December 2021 through to 31 December 2024

The above chart shows that the Company generates the majority of its revenue from the USA, with approximately 70% of total revenue generated from the USA over the historical period. The chart also

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shows that the Company's expansion over the historical period has been broadly consistent across all geographical regions and not concentrated in any particular region.

As per the Company's business update for the quarter ended 31 December 2024, Dropsuite continues to invest in internal initiatives such as new product development, increased global sales footprint, and expanded customer service facilities to improve the backup and archive experience for Dropsuite's partners and streamline the support process for end clients.

The Company remains focused on delivering profitable ARR growth, investment in research and development and go-to-market functions, product innovation and pursuing M&A opportunities.

## 5.4 Historical Statements of Financial Position

| Historical Consolidated Statements of Financial Position | Audited as at 31-Dec-24 | Audited as at 31-Dec-23 | Audited as at 31-Dec-22 |
|---|---|---|---|
| | $'000 | $'000 | $'000 |
| **CURRENT ASSETS** | | | |
| Cash and cash equivalents | 28,566 | 24,289 | 22,336 |
| Trade and other receivables | 6,554 | 5,855 | 4,060 |
| Income tax recoverable | 140 | - | - |
| Other current assets | 1,207 | 650 | 377 |
| **TOTAL CURRENT ASSETS** | **36,467** | **30,794** | **26,773** |
| **NON-CURRENT ASSETS** | | | |
| Investments | - | 12 | 9 |
| Property, plant and equipment | 164 | 142 | 69 |
| Right-of-use assets | 665 | 141 | - |
| Other non-current assets | 89 | 68 | 66 |
| **TOTAL NON-CURRENT ASSETS** | **918** | **363** | **144** |
| **TOTAL ASSETS** | **37,385** | **31,157** | **26,917** |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | 5,372 | 3,172 | 2,231 |
| Contract liabilities | 60 | 67 | 149 |
| Lease liabilities | 188 | 130 | - |
| Employee benefits | 423 | 339 | 256 |
| **TOTAL CURRENT LIABILITIES** | **6,043** | **3,708** | **2,636** |
| **NON-CURRENT LIABILITIES** | | | |
| Lease liabilities | 368 | 14 | - |
| Other liabilities | 50 | 50 | 50 |
| **TOTAL NON-CURRENT LIABILITIES** | **418** | **64** | **50** |
| **TOTAL LIABILITIES** | **6,461** | **3,772** | **2,686** |
| **NET ASSETS** | **30,924** | **27,385** | **24,231** |
| **EQUITY** | | | |
| Issued capital | 45,230 | 43,416 | 43,416 |
| Reserves | 3,455 | 2,559 | 989 |
| Accumulated losses | (17,761) | (18,590) | (20,174) |
| **TOTAL EQUITY** | **30,924** | **27,385** | **24,231** |

**Source:** Dropsuite's audited financial statements for the years ended 31 December 2022, 31 December 2023 and 31 December 2024

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## Commentary on Historical Statements of Financial Position

- Cash and cash equivalents increased from $22.34 million as at 31 December 2022 to $24.29 million as at 31 December 2023, which was primarily the result of receipts from customers of $28.65 million, which was partially offset by payments to suppliers and employees of $27.08 million. Subsequently, cash and cash equivalents increased from $24.29 million as at 31 December 2023 to $28.57 million as at 31 December 2024, which was primarily the result of receipts from customers of $41.05 million, which was partially offset by payments to suppliers and employees of $37.44 million. The aforementioned cash flow movements shows that over this period the Company has had a relatively neutral net cash flow from operating activities.
- The increase in issued capital from $43.42 million as at 31 December 2023 to $45.23 million as at 31 December 2024 was the result of the exercise of performance rights.

### 5.5 Historical Statements of Profit or Loss and Other Comprehensive Income

| Consolidated Statements of Profit or Loss and Other Comprehensive Income | Audited for the year ended 31-Dec-24 $'000 | Audited for the year ended 31-Dec-23 $'000 | Audited for the year ended 31-Dec-22 $'000 |
|---|---|---|---|
| Revenue | 41,153 | 30,633 | 20,689 |
| Other income | 14 | 6 | 6 |
| Interest revenue calculated using the effective interest method | 926 | 712 | 259 |
| **Total revenue** | **42,093** | **31,351** | **20,954** |
| **Expenses** | | | |
| Hosting fees | (12,816) | (9,712) | (7,085) |
| Marketing and conference expense | (1,732) | (1,415) | (963) |
| Technology expense | (3,613) | (1,442) | (572) |
| Professional fees | (493) | (327) | (284) |
| Employee benefits expense | (18,080) | (13,201) | (8,134) |
| Share-based payment expense | (1,549) | (1,617) | (866) |
| Depreciation expense | (306) | (226) | (60) |
| Other expenses | (2,469) | (1,820) | (1,540) |
| Finance costs | (2) | (7) | - |
| Loss on disposal of assets | (1) | - | - |
| **Profit before income tax expense** | **1,032** | **1,584** | **1,450** |
| Income tax expense | (203) | - | - |
| **Profit after income tax expense for the year** | **829** | **1,584** | **1,450** |
| **Other comprehensive income** | | | |
| *Items that may be reclassified subsequently to profit or loss:* | | | |
| Foreign currency translation | 1,161 | (47) | 16 |
| **Total comprehensive income for the year** | **1,990** | **1,537** | **1,466** |

**Source:** Dropsuite's audited financial statements for the years ended 31 December 2022, 31 December 2023 and 31 December 2024

## Commentary on Historical Statements of Profit or Loss and Other Comprehensive Income

- Revenue predominantly relates to software sales, being the sale of its Backup, Archive and Entra ID products, which is received on a monthly basis.

A breakdown of revenue by each geographical region for the above periods is illustrated below:

| Geographical region | Audited for the year ended 31-Dec-24 | Audited for the year ended 31-Dec-23 | Audited for the year ended 31-Dec-22 |
|---|---|---|---|
| USA | 29,615 | 20,913 | 14,294 |
| Europe | 8,082 | 7,468 | 4,712 |
| Australia | 2,142 | 1,007 | 595 |
| Rest of world | 1,314 | 1,245 | 1,088 |
| **Total** | **41,153** | **30,633** | **20,689** |

**Source:** Dropsuite's audited financial statements for the years ended 31 December 2022, 31 December 2023 and 31 December 2024

- Hosting fees are Dropsuite's cost of sales and relate to fees paid to AWS for the use of its cloud infrastructure, which the Company uses to host customer data and deliver its Backup and Archiving solutions. Hosting fees as a percentage of revenue has decreased from 34.2% for the year ended 31 December 2022 to 31.1% for the year ended 31 December 2024, as a result of the Company upgrading its service offerings to generate a higher ARPU without increasing hosting fees at the same rate.
- Employee benefits expense increased from $8.13 million for the year ended 31 December 2022 to $13.20 million for the year ended 31 December 2023. The increase was largely the result of an increase in wages and salaries from $7.43 million for the year ended 31 December 2022 to $12.28 million for the year ended 31 December 2023. We note that employee benefits expense and particularly salaries and wages continued to grow for the year ended 31 December 2024. This increase is largely due to the hiring of additional personnel to develop the Entra ID Backup product, combined with inflationary pressures.
- Other expenses predominantly comprise office expenses, travel expenses, corporate advisory expenses, insurance expenses, foreign currency gains/losses, and bank fees.

## 5.6 Capital structure

The share structure of Dropsuite as at 27 March 2025 is outlined below:

| | Number |
|---|---|
| Total ordinary shares on issue | 70,259,393 |
| Top 20 shareholders | 59,241,051 |
| Top 20 shareholders - % of shares on issue | 84.32% |

**Source:** Share registry information of Dropsuite as at 27 March 2025

The ordinary shares held by the most significant shareholder as at 27 March 2025 is detailed below:

| | No. of ordinary shares | Percentage of issued shares (%) |
|---|---|---|
| Topline Capital Partners LP | 7,363,034 | 10.48% |
| Morgan Stanley and Mitsubishi UFJ Financial Group, Inc | 4,570,384 | 6.51% |
| UBS Group AG | 4,563,675 | 6.50% |
| The Goldman Sachs Group Inc and Goldman Sachs Holdings ANZ Pty Ltd | 4,517,912 | 6.43% |
| Raphael Kain and Samson Rock Capital LLP | 3,698,698 | 5.26% |
| **Subtotal** | **24,713,703** | **35.17%** |
| Others | 45,545,690 | 64.83% |
| **Total ordinary shares on issue** | **70,259,393** | **100.00%** |

**Source:** Share registry information of Dropsuite as at 27 March 2025

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The performance rights on issue in Dropsuite as at 27 March 2025 are outlined below:

| Description | No. of rights | Exercise price (A$) | Anticipated vesting date |
|---|---|---|---|
| 2022 LTIs expiring on 31-Mar-25 (Tranche 3)* | 415,467 | Nil | 2-Apr-25 |
| 2023 LTIs expiring on 31-Mar-26 (Tranche 2)* | 313,500 | Nil | 2-Apr-25 |
| 2023 LTIs expiring on 31-Mar-26 (Tranche 3) | 459,000 | Nil | 31-Mar-26 |
| 2024 LTIs expiring on 1-May-27 (Tranche 1)* | 138,750 | Nil | 3-May-25 |
| 2024 LTIs expiring on 1-May-27 (Tranche 2) | 166,500 | Nil | 1-May-26 |
| 2024 LTIs expiring on 1-May-27 (Tranche 3) | 249,750 | Nil | 1-May-27 |
| **Total number of performance rights** | **1,742,967** | **-** | |

**Source:** Share registry information of Dropsuite as at 27 March 2025

*As set out in Section 9.2 of the Scheme Booklet, these (total of 867,717) performance rights are expected to vest prior to the Scheme record date and have therefore been included in our assessed number of shares on issue for our valuation.

# 6. Profile of NinjaOne

NinjaOne is a private company focused on providing cloud-based IT management solutions. The company's automated endpoint management platform aims to increase productivity, reduce security risk, and lower costs for MSPs and IT departments internationally. NinjaOne was founded in 2013 and is headquartered in Texas, with offices in Sydney, Tampa Bay, and Berlin. NinjaOne currently provides its services to over 20,000 MSPs and IT departments.

NinjaOne's major service offerings include endpoint management, remote monitoring and management, patch management, endpoint security, backup, and mobile device management.

As per the Scheme announcement NinjaOne confirmed that it had entered into binding equity commitments for amounts, together with NinjaOne's cash on hand, sufficient to pay the Scheme Consideration. On 24 February 2025, NinjaOne announced US$500 million in funding that would be partly used to fund the acquisition of Dropsuite.

Further details on NinjaOne and the funding of the Scheme Consideration can be found on the company's website (https://www.ninjaone.com) and in Section 6 of the Scheme Booklet.

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# 7. Economic analysis

## 7.1 Australia

Dropsuite is primarily exposed to the risks and opportunities of the Australian market through its operations in Australia and listing on the ASX. As such, we have presented an analysis on the Australian economy to the extent that it relates to considerations for our assessment.

### Overview

At the February 2025 Monetary Policy Decision meeting, the Reserve Bank of Australia ('**RBA**') lowered the cash rate by 25 basis points to 4.10%. This marks the first change to the cash rate since the November 2023 meeting, when the RBA increased the cash rate from 4.10% to 4.35%. The current monetary policy is aimed at sustainably returning inflation to the RBA's target of 2-3% within a reasonable timeframe, noting that indicators such as an unexpected strengthening of the labour market and growing labour and non-labour costs pose upside risks to inflation. The trimmed mean inflation eased to 3.2% over 2024, and as of February 2025 it reduced to an annual 2.7% to sit within the RBA's target band.

The inflation forecast reflects resilient consumer demand, combined with the RBA's assessment that the economy is weaker than previously forecast based on less capacity to meet economic demand. In addition, indicators of household consumption and economic activity appear to be slowing with a gradual rise in the unemployment rate, which was at 4.0% in December 2024, up from the low of 3.5% in late 2022.

Economic recovery appears to be slower than estimated, headlined by disruptions to the economic position of Australia's main trading partners. In China, property woes have led to weaker consumption and commodity prices such as iron ore. Public authorities in China have responded to the weak outlook for economic activity by implementing more expansionary policies, although the impact of these measures remains to be seen. In the USA, economic growth has been robust however there remains uncertainty about the inflation and growth outlook following Donald Trump's recent victory in the USA presidential election and the Trump Administration's recent announcement of tariffs imposed by the USA on other major economies, including China, Canada and Mexico.

Based on the most recent data, household and public consumption led to a strengthening of domestic demand, although the net effect of import growth and softer exports have had a negative effect on gross domestic product ('**GDP**') growth. Over the twelve months to December 2024, GDP growth was 1.1%, slightly higher than the 0.8% for the twelve months to September 2024, which outside of the COVID-19 pandemic, was the slowest pace of growth since the early 1990s.

Since late 2022, equity prices in Australia have continued to increase, following suit from the USA equity market. The rise in equity prices has largely been driven by increased expectations of future earnings growth, most notably in the technology sector, although recently, markets have seen significant pullbacks due to lower-than-expected earnings of some large technology companies and scepticism over the ability to convert investment in artificial intelligence into earnings. More recently, global equities rose despite tariff concerns and geopolitical risks, particularly in the United Kingdom, Europe, and Japan, as currency depreciation boosted local earnings for export-focused companies and multinationals' offshore operations.

### Outlook

While headline inflation has declined in recent years, the RBA still considers underlying inflation, which is more indicative of inflation momentum, to be high despite easing more quickly than expected through the end of 2024. Services price inflation remains high, as observed overseas, but is expected to gradually decline as domestic inflationary pressures moderate and growth in labour and non-labour costs ease.

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The RBA's central projection is for growth in household consumption to increase as income growth rises, following on from the recovery in household spending in late 2024. However, there is a risk that any increase in consumption is slower than expected, resulting in continued subdued output growth and a greater deterioration in the labour market than currently projected.

Considering that economic growth of Australia's trading partners has been slower than expected, domestic growth expectations have been pushed out. However, there remains a high level of uncertainty around the global economic outlook due to new trade policies and international tensions. The announcement of tariffs between the USA and other major economies, including China, Canada and Mexico, poses challenges to the global outlook, although the scale of these impacts remain highly uncertain. China continues to face structural headwinds despite a strengthening in economic activity, which has the potential to lead to an economic slowdown in Australia if current global trade tensions are escalated.

**Source**: www.rba.gov.au Statement by the Reserve Bank Board: Monetary Policy Decision dated 18 February 2025 and prior periods, Statement on Monetary Policy 5 November 2024 and prior periods, Minutes of the Monetary Policy Meeting of the Reserve Bank Board 24 September 2024 and prior periods.

## 7.2 United States of America

Dropsuite is also exposed to the risks and opportunities of the US economy, where it generates the majority of its revenue. Accordingly, we have presented an analysis on the US economy to the extent that it relates to considerations for our assessment.

### Overview

Over its September, November and December 2024 meetings, the Federal Open Market Committee (**'FOMC'**), lowered the interest rate target by a cumulative 100 basis points to 4.25% to 4.50%, a drop from the 5.25% to 5.50% interest rate target held from July 2023 to September 2024. This decision was driven by increased confidence in inflation moving towards the long-term target of 2.0%. At present, the FOMC remains focused on balancing risks and assessing economic data to maximise employment and price stability.

The US economy, in terms of real GDP, increased by 2.5% over 2024, down from the 2.8% growth seen in 2023. Consumer spending growth remained strong, driven by a solid labour market and rising real wages, while business investment saw moderate growth. In the housing market, new home construction was steady, but existing home sales lagged due to high mortgage rates. Meanwhile, manufacturing output showed little change, partly due to weakness in interest-sensitive sectors.

Inflation continued to ease throughout 2024 after having slowed notably in 2023, though it remains slightly above the FOMC's long-term target of 2.0%. The personal consumption expenditures (**'PCE'**) index rose 2.6% across 2024, substantially lower than its 7.2% peak in 2022. Core PCE inflation, which excludes food and energy, increased by 2.8% in 2024, due to persistent inflation in core services. Longer-term inflation expectations remain stable and aligned with the FOMC's 2.0% target.

### Labour

The USA labour market remained solid in 2024, showing signs of stabilisation after a period of easing. The unemployment rate rose in the first half of the year but levelled at 4.1% thereafter, which is low by historical standards. Job vacancies also decreased over the second half of 2024, in line with unemployment levels.

As labour demand cooled, monthly job gains moderated. Labour supply growth slowed over 2024, partly due to reduced immigration in the second half of the year. With demand and supply more balanced, the labour market no longer appears especially tight. Reflecting this shift, nominal wage growth continued to slow, aligning more closely with the pace needed for 2% inflation over the long term.

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## Financial conditions and balance sheet policy

Financial conditions remain restrictive, with short-term yields falling but long-term yields rising in the last quarter of 2024. Equity prices continued to increase, with the S&P 500 index trading around all-time highs as of February 2025. Credit remained tight for small businesses and lower-credit score households but remained available for medium to large sized businesses.

The Federal Reserve has continued reducing its securities holdings in a structured manner. Since June 2024, holdings have decreased by US$297 billion, totalling a US$2 trillion reduction since the process began. To ensure a smooth transition, the FOMC slowed the pace of reduction in mid-2024 and plans to halt it once reserve balances reach a level required for ample reserves.

## Outlook

As of February 2025, the Federal Reserve's monetary policy is focused on maintaining economic stability amid evolving conditions. Despite persistently high inflation, ongoing conflicts in the Middle East and Ukraine, and recent tariffs imposed under the Trump administration, the US financial system has remained resilient.

In conjunction with the December 2024 FOMC meeting, participant's projections of key USA economic indicators through to 2027 were published. Based on this, real GDP is expected to increase by 2.1% in 2025, 2.0% in 2026, and 1.9% in 2027, the unemployment rate is expected to remain at 4.3% in 2025 through to 2027, and the PCE index is expected to be 2.5% in 2025, 2.1% in 2026, and 2.0% in 2027. Further, the consensus view is that the Federal Reserve is expected to maintain the cash rate at its current level until late 2025 or early 2026, at which point a rate cut is anticipated.

With the commencement of President Trump's second term, his administration has introduced policy changes expected to impact climate action, the global economy, and international trade. Notably, the administration has imposed tariffs on the US' three largest trading partners, Canada, Mexico, and China, potentially disrupting global trade and business investment. These measures may contribute to inflationary pressures by increasing the cost of imported goods, which could, in turn, lead to higher interest rates and constrain economic growth. Consequently, the outlook for the USA economy remains highly uncertain.

**Source:** www.federalreserve.gov Monetary Policy Report February 2025, FOMC Meeting Statements January 28-29, World Economic Forum, BDO analysis.

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# 8. Industry analysis

Dropsuite operates in the global SaaS industry, specifically the cloud-based backup industry, with majority of its revenue coming from the USA. As such, we have provided an overview of the USA database, storage and backup software industry (**'the Industry'**) which is largely based on the IBISWorld 'Database, Storage & Backup Software Publishing in the US' industry report dated December 2024.

## Overview and industry performance

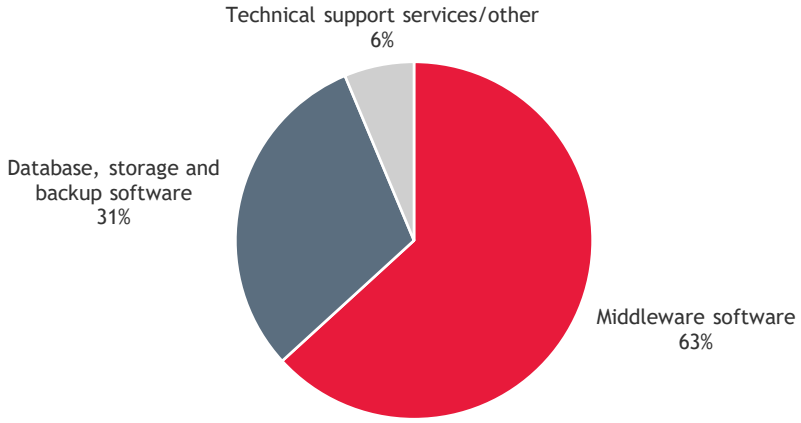
Demand for advanced information storage and analysis has risen as consumers and businesses become increasingly dependent on technology in carrying out their day-to-day tasks. The digital era, propelled by the COVID-19 pandemic, has seen the market respond accordingly, with businesses having to adapt their operations online and adopt remote working practices.

The development of robust database and backup software has significantly advanced enterprise IT management, enabling automated data handling and providing analytics that support strategic decision-making. As a result, the Industry has experienced significant growth, with an annualised 5.9% growth in revenue over the past five years to reach US$87.0 billion in 2024.

The Industry caters to a unique client profile, ranging from small start-ups to multi-national corporations, whilst competing with free alternatives. This environment favours open-source models, driving innovation focused on practical utility rather than premium enhancements. Industry players offer a vast range of services centred around data management and protection, which extend from middleware software which connects operating systems to applications, database, storage and backup software which are increasingly achieved through cloud storage.

A breakdown of 2024 Industry revenue by key product and market segment is shown below.

**Industry revenue for 2024 by key product**

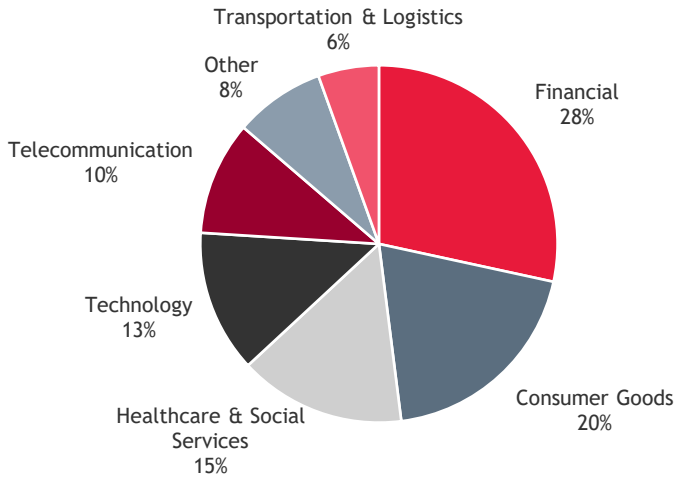



**Source:** IBISWorld 'Database, Storage & Backup Software Publishing in the US' published December 2024

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**Industry revenue for 2024 by key market segment**




**Source:** IBISWorld 'Database, Storage & Backup Software Publishing in the US' published December 2024

## Competition and barriers to entry

The Industry is characterised by strong competitive forces, balancing cost-sensitive clients with enterprise demands. Free database software is attractive to companies with limited cash, placing pressure on paid providers to justify their pricing. In response, these providers continuously introduce new features and integrate enhancements, such as live support, to improve user experience, retain large enterprise clients and prevent subscription cancellations. Additionally, customer loyalty remains high, with clients unlikely to switch to a completely new system, due to the necessity of database operations to revenue flow and the risk of a new provider breaking.

The Industry is dominated by multi-national technology companies that have extensive experience and substantial resources. The top three companies developing database and backup systems in the USA are Microsoft Corporation, International Business Machines Corporation and Oracle Corporation, which represent approximately 60% of the USA market. Their strong reputations present a challenge for smaller providers seeking to acquire new clients and capture market share. New market entrants often focus on differentiation by designing custom software in order to obtain market share.

Furthermore, new market entrants face considerable compliance, start-up and labour costs. Legal expenses may inhibit new entrants as incumbents with robust intellectual property portfolios challenge newcomers, necessitating costly defence strategies. Start-up costs include significant investments in establishing both physical and digital infrastructure, as well as investing in differentiation through continuous research and development. Meanwhile, specialists in database development typically command higher salaries due to their scarce skill set. These financial burdens create barriers to entry that may deter new entrants.

## Outlook

The Industry is forecast to have sustained momentum, driven by a rising integration of data-heavy workflows across diverse industries. SMEs are expected to contribute significantly to this expansion as they continue to seek advanced analytics and database management solutions.

The demand for more complex database and backup software services is set to benefit the Industry, creating opportunities for newer, alternative styles of databases to be developed in order to cater to the modern market. The recent shift towards edge computing, driven by the surge in Internet of Things devices, may also serve as motivation for Industry operators to develop more sophisticated and robust

encryption strategies. However, edge computing may reduce dependency on cloud technologies for data storage.

Further, cybersecurity challenges in the cloud are intensifying as cloud databases and online backups become the norm for data storage and management, resulting in the adoption of 'usage-based pricing' models. As a result, consumers and businesses are being prompted to seek more efficient database and backup solutions. It is anticipated that the demand for resilient digital security countermeasures will rise in response to heightened cybersecurity awareness and adoption.

As the Industry undergoes significant shifts brought on by changing workforce dynamics, cybersecurity concerns, and database innovations, Industry revenue is projected to increase at an annualised 3.4% to US$102.8 billion over the five years through to 2029. Despite the short-term research and development costs associated with industry evolution, businesses such as Dropsuite are well positioned for the long-term in an increasingly digital economy.

**Source:** IBISWorld 'Database, Storage & Backup Software Publishing in the US' published December 2024

# 9. Valuation approach adopted

There are a number of methodologies which can be used to value a business or the shares in a company. The principal methodologies which can be used are as follows:

- Capitalisation of future maintainable earnings ('**FME**')
- Discounted cash flow ('**DCF**')
- Quoted market price basis ('**QMP**')
- Net asset value ('**NAV**')
- Market based assessment.

A summary of each of these methodologies is outlined in Appendix 2 of our Report.

Different methodologies are appropriate in valuing particular companies, based on the individual circumstances of that company and available information.

## 9.1 Valuation of a Dropsuite share prior to the Scheme

In our assessment of the value of a Dropsuite share prior to the Scheme, we have chosen to employ the following methodologies:

- A market-based assessment using revenue multiples as our primary methodology, which estimates the fair market value of a business by applying an appropriate revenue multiple to the business' revenue. Revenue multiples were derived from comparable publicly listed companies (**'Trading Multiples'**) and completed transactions involving the sale of equity of comparable businesses (**'Transaction Multiples'**). Trading Multiples reflect a minority interest value, whereas Transaction Multiples reflect a controlling interest value, as the selected transactions relate to acquisitions of a controlling interest (greater than 20% acquired). Therefore, in deriving the enterprise values for the Trading Multiples, we have applied a premium for control to the market capitalisations of each comparable publicly listed company, in order for the Trading Multiples to be presented on a controlling interest basis.
- The QMP methodology as our secondary methodology, which represents the value that a Shareholder may receive for a Dropsuite share if it were sold on market prior to the announcement of the Scheme. The value derived from this methodology reflects a minority interest value. Given our valuation assessment of Dropsuite prior to the Scheme is on a controlling interest basis, we have applied a premium for control to our QMP value.

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We considered employing the DCF methodology to value the business of Dropsuite based on the forecast cash flow model provided to us by the Company (**'Model'**). The Model was prepared based on the forecast financial information of the business as determined by management, and covered the two-year period from the beginning of FY25 to the end of FY26.

The main assumptions underpinning the forecast financial information include seat numbers, seat number growth, cost of sales and operating costs, with financial performance ultimately being driven by seat number growth.

Management's seat number growth assumptions were based on historical seat number growth, as well as management's expectations of the business' future performance. We note that we have not obtained sufficient supporting information which would enable us to establish sufficient reasonable grounds for us to rely on the long term assumptions required for a DCF valuation. Dropsuite is currently in a growth phase therefore to use a DCF valuation approach would require a long term forecast rather than the application of a terminal value to the current or short term forecast cash flows.

In the context of an IER, the expert must have reasonable grounds in accordance with RG 170 for the assumptions underpinning a DCF valuation. Therefore, based on our analysis and in accordance with RG 170, we do not consider there to be sufficient reasonable grounds to estimate the future cash flows of the business of Dropsuite beyond a short term forecast period. Further, we have used our professional judgement in not applying a terminal value calculation to a short term forecast as we do not consider it appropriate to use a terminal value calculation on a business that has not reached a steady state revenue and earnings profile.

We also note that a market-based approach using revenue multiples is typically used to value companies in the growth phase and those operating in emerging industries, such as the cloud-based SaaS industry, as well as companies that do not have a history of stable earnings. Therefore, whilst we have considered the DCF approach, we have not relied on it to inform our view of the value of Dropsuite. We consider a market-based approach using ARR multiples to be a more robust methodology in the context of our valuation of Dropsuite.

We have chosen these methodologies for the following reasons:

- We have adopted a market-based approach using ARR multiples as our primary approach. The market-based approach using revenue multiples is typically used to value companies in the growth phase and those operating in emerging industries, such as the cloud-based SaaS industry. Due to many of these companies being loss-making or not having a history of stable earnings, an earnings multiples analysis would exclude comparable companies and not be reflective of market value. Therefore, given Dropsuite is in the growth phase, does not have a history of stable earnings, and is operating in the emerging cloud-based SaaS industry, we consider revenue to be the most appropriate measure in deriving a multiple for our market-based approach. Specifically, we have elected to use ARR as the measure for revenue. ARR is a key metric of financial performance used by SaaS businesses similar to Dropsuite, and measures the contracted annual revenue a business will generate from subscriptions. ARR is generally viewed as being a more relevant measure of revenue, as it considers revenue consistency, customer retention, and scalability.
- We have considered the QMP methodology as our secondary approach. The QMP basis is a relevant methodology to consider because the shares of Dropsuite are listed on the ASX, therefore reflecting the value that a Shareholder will receive for a share sold on the market. Accordingly, there is a regulated and observable market where the shares of Dropsuite can be traded. However, in order for the QMP methodology to be considered appropriate, the listed shares should be liquid, and the market should be fully informed of the Company's activities. Therefore, we have analysed the

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liquidity of Dropsuite shares in Section 10.2 in order to determine whether the application of the QMP methodology is appropriate.

- The FME methodology is most commonly applicable to profitable businesses with steady growth histories and forecasts. Due to the Company currently being in the growth phase, the Company does not have the requisite history of stable earnings on which to derive a level of future maintainable earnings. Therefore, we do not consider the application of the FME approach to be appropriate.
- The NAV methodology is most commonly applicable to asset-intensive businesses where value is primarily generated from tangible assets rather than future earnings potential. Given the nature of Dropsuite's operations, the business' value is primarily generated by its cloud platform and network of reseller partners, rather than its tangible assets. Therefore, we do not consider the application of the NAV approach to be appropriate.

### 9.2 Valuation of the Scheme Consideration

Under the terms of the SID, each Shareholder will receive $5.90 in cash for each Dropsuite share held on the Scheme record date. Given the Scheme Consideration is in the form of cash, no valuation methodology is required.

## 10. Valuation of a Dropsuite share prior to the Scheme

### 10.1 Market-based valuation

We have elected to use a market-based approach using ARR multiples as our primary methodology, which estimates the value of a business by applying an appropriate multiple to the business' ARR.

As detailed in Section 9.1, ARR multiples are typically used to value companies in the growth phase and those operating in emerging industries, such as the cloud-based SaaS industry. Due to many of these companies being loss-making or not having a history of stable earnings, an earnings multiples analysis would exclude comparable companies and not be reflective of market value. Therefore, given Dropsuite is in the growth phase, does not have a history of stable earnings, and is operating in the emerging cloud-based SaaS industry, we consider ARR to be the most appropriate measure in deriving a multiple for our market-based approach.

We have elected to use ARR as our preferred measure for revenue. As described in Section 5.3, ARR is a standard metric of financial performance used by SaaS businesses similar to Dropsuite. ARR measures the contracted annual revenue a business will generate from subscriptions and is generally viewed as being a more relevant measure of revenue, as it considers revenue consistency, customer retention, and scalability.

The selection of an appropriate multiple requires judgement and consideration of both qualitative and quantitative factors.

A market-based valuation of Dropsuite using revenue multiple requires the determination of the following:

- The ARR of Dropsuite
- An appropriate multiple to apply to the ARR of Dropsuite, derived from comparable publicly listed companies and comparable transactions involving the sale of equity of similar businesses.

These two components are discussed in the sections below.

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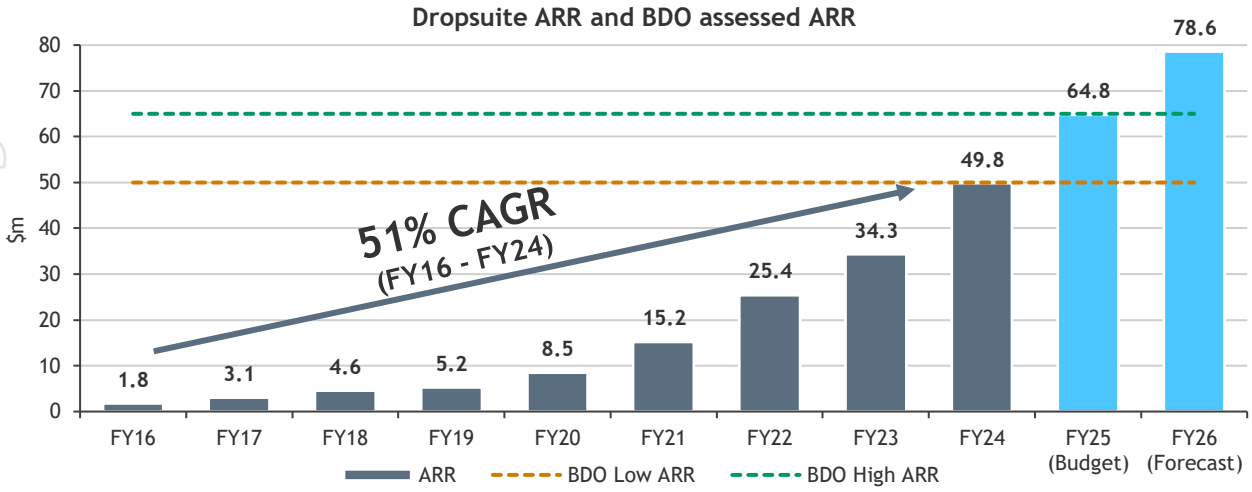
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### Assessment of the ARR of Dropsuite

In our assessment of the ARR of Dropsuite, we have considered the following:

- We have used Dropsuite's ARR as at 31 December 2024, being $50 million, to underpin the low end of our assessed ARR range, which assumes there is no growth in Seat numbers. We consider this to be a conservative ARR level and therefore, an appropriate level to adopt as the low end of our assessed ARR range.
- We note that our assessed ARR multiple range was based on the historical ARR of the comparable companies. However, given Dropsuite is currently in the growth phase and has historically demonstrated consistent ARR growth, we consider it appropriate to adopt an ARR range which incorporates a level of expected short term ARR growth. In assessing a level of expected ARR growth, we have considered the Company's ARR growth rates over the two-year period from FY23 to FY24, being 35% and 45%, respectively. We consider these periods to be the most reflective of Dropsuite's ARR short term growth trajectory going forward. We do not consider the earlier periods to be reflective of future performance due to the Company being in the early expansion phase over these periods. Based on discussions with management, we consider the FY23 and FY24 ARR growth rates to be reflective of Dropsuite's ARR growth trajectory in the short to medium term.
- We have used management's budgeted ARR as at 31 December 2025 to underpin the high end of our assessed ARR range. Management have budgeted ARR as at 31 December 2025 to be US$41.5 million, which we have translated from USD to AUD at an exchange rate of AUD/USD = 0.64, to derive a budgeted ARR of $64.8 million. The exchange rate adopted was based on analyst estimates of forecast AUD/USD exchange rates over 2025 as sourced from Bloomberg. The budgeted FY25 ARR of $64.8 million represents a growth rate of 30% from the Company's FY24 ARR of $49.8 million, and is driven by a budgeted 34% increase in Seat numbers. We note that the budgeted FY25 ARR and Seat number growth rates of 30% and 34%, respectively, are lower than the FY24 ARR and Seat number growth rates, being 45% and 41%, respectively.
- We have reviewed the build-up of the budget and compared the components of the budget with the respective historical growth rates. This analysis included a comparison of historical customer growth and churn rates against those assumptions included in the FY25 budget. We have also considered historical performance against budget to provide us with support around management's ability to forecast Seat number growth rates and whether management are generally conservative (or aggressive) in setting the budgets. We were also provided with the profit and loss statement for the month of January 2025 which demonstrated that the Company achieved its budget, as well as the revenue report for January 2025 and February 2025 which showed that actual ARR was in line with budget over these two months.
- Given the Company is currently in the growth phase and has historically demonstrated consistent ARR growth, we consider this to be an appropriate ARR level to adopt as the high end of our assessed ARR range. For the purposes of our assessment, we have adopted a rounded figure of $65.0 million as the high end of our assessed ARR range.

The following graph shows the Company's ARR over the period from FY16 to FY24, management's budget and forecast ARR from FY25 to FY26, and our assessed ARR range.




**Source:** Dropsuite's audited annual reports for the years ended 31 December 2016 to 31 December 2024 and management's FY25/FY26 budget and forecast

Based on the above analysis and our professional judgement, we consider an ARR range of $50.0 million to $65.0 million to be a reasonable estimate of Dropsuite's ARR.

### Trading Multiples

As detailed above, we have selected the EV/ARR multiple as the relevant market-based multiple in assessing the value of Dropsuite, where:

- EV was derived from the comparable company's market capitalisation, adjusting for net debt (excluding lease liabilities). Market capitalisation was calculated using the QMP of the company's shares, which is reflective of a minority interest in the company. Given that our valuation of a Dropsuite share prior to the Scheme is assessed on a controlling interest basis in accordance with RG 111, we have applied a premium for control to the market capitalisations of each comparable company to derive an enterprise value for each comparable company on a controlling interest basis. As detailed in Section 10.2, we consider an appropriate control premium for the Company to be in the range of 25% to 35%. Therefore, we have applied a preferred control premium of 30%, being the midpoint of our assessed range, to the market capitalisations of the comparable companies in deriving their enterprise values.
- ARR was derived from the comparable companies' most recently released financial report prior to 24 February 2025.

We identified a total of seven comparable publicly listed companies based on the following search criteria:

- Similar business model, product offerings, and end user market to Dropsuite.
- Similar size to Dropsuite, in terms of market capitalisation and ARR.
- Companies in the growth phase of the business life cycle.
- Companies operating across various locations.

The table below sets out the Trading Multiples of Dropsuite and the comparable listed companies. The Trading Multiples for the comparable companies have been assessed as at 24 February 2025, using ARR for the latest available year, whilst the Trading Multiple for Dropsuite was assessed as at 24 January 2025,

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being the last trading day prior to the announcement of the Scheme, which has been included for illustrative purposes.

| Company name | Market cap. ($m) | Market cap. incl. control prem. ($m) | Enterprise value ($m) | ARR ($m) | Historical ARR multiple (EV/ARR) |
|---|---|---|---|---|---|
| ***Dropsuite Ltd*** | ***309.1*** | ***401.9*** | ***376.6*** | ***50.0*** | ***7.5*** |
| archTIS Ltd | 23.5 | 30.6 | 28.6 | 4.1 | 7.0 |
| AvePoint, Inc.* | 5,027.4 | 6,535.6 | 6,147.3 | 493.9 | 12.4 |
| Backblaze, Inc. | 563.9 | 733.1 | 703.0 | 208.6 | 3.4 |
| Felix Group Holdings Ltd | 38.9 | 50.5 | 48.1 | 7.7 | 6.3 |
| N-able, Inc. | 2,994.0 | 3,892.2 | 4,144.7 | 719.4 | 5.8 |
| Quantum Corporation* | 120.6 | 156.8 | 340.3 | 34.1 | 10.0 |
| Synchronoss Technologies, Inc. | 155.4 | 202.0 | 470.3 | 247.2 | 1.9 |
| | | | | **Mean** | **6.7** |
| | | | | **Median** | **6.3** |
| | | | | **Mean (excl. outliers)** | **4.9** |
| | | | | **Median (excl. outliers)** | **5.8** |

*We consider AvePoint, Inc. and Quantum Corporation to be outliers and therefore have excluded from our analysis

**Source:** S&P Capital IQ and BDO analysis

Descriptions and comparability matrix of the identified comparable companies are contained in Appendix 3 of our Report.

As set out in the table above, the observed EV/ARR multiples (excluding outliers) range from a low of 1.9 times to a high of 7.0 times, with a mean and median of 4.9 times and 5.8 times, respectively.

We consider Backblaze, Inc. (**'Backblaze'**) and N-able, Inc. (**'N-able'**) to be the most comparable to Dropsuite due to the following reasons:

- Backblaze specialises in cloud-based data storage and backup solutions whilst N-able focuses on its data management, security and protection software platform, similar to Dropsuite's software offerings.
- Backblaze and N-able are both in a similar stage of the business cycle to Dropsuite, having experienced similar revenue growth to Dropsuite from FY21 to FY24. A summary of Dropsuite, Backblaze, and N-able's historical revenue growth over this period is shown below. We have also presented Backblaze and N-able's FY25 and FY26 forecast revenue based on consensus estimates as sourced from S&P Capital IQ.

| Company | FY21A | FY22A | FY23A | FY24A | FY25F | FY26F |
|---|---|---|---|---|---|---|
| **Dropsuite Ltd** | | | | | | |
| Revenue (A$m) | 11.7 | 20.7 | 30.6 | 41.2 | 54.2 | 67.9 |
| YoY growth (%) | n/a | 76.83% | 48.05% | 34.45% | 31.62% | 25.27% |
| **Backblaze, Inc.** | | | | | | |
| Revenue (US$m) | 67.5 | 85.16 | 102.02 | 127.63 | 146.06 | 165.93 |
| YoY growth (%) | n/a | 26.19% | 19.80% | 25.10% | 14.44% | 13.60% |
| **N-able, Inc.** | | | | | | |
| Revenue (US$m) | 346.5 | 371.77 | 421.88 | 463.40* | 512.16 | 571.81 |
| YoY growth (%) | n/a | 7.31% | 13.48% | 9.84% | 10.52% | 11.65% |

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*N-able's FY24 financial statements were not available as at the date of our Report, therefore we have adopted an estimate of its FY24 revenue sourced from S&P Capital IQ

**Source:** S&P Capital IQ, company annual reports, and BDO analysis

Based on the table above, we note that these historical and projected growth rates are broadly in line with Dropsuite's recent historical and budgeted ARR growth.

- Backblaze and N-able generate the majority of their revenue from customers located in the USA whilst maintaining a globally diversified revenue base, which is similar to Dropsuite's geographical presence as detailed in Section 5.3.
- Backblaze and N-able both operate a subscription-based model to generate revenue, similar to Dropsuite.

Therefore, we have weighted our EV/ARR multiple range towards the historical EV/ARR multiples of Backblaze and N-able. However, we note that N-able is significantly larger than Dropsuite in terms of market capitalisation and revenue.

In selecting an appropriate range of EV/ARR multiples, we have considered the following similarities and differences of Dropsuite and how it compares to the set of identified comparable companies:

- All comparable companies operate in the cloud-based SaaS industry, with data management related product offerings.
- All comparable companies except for Synchronoss Technologies, Inc have experienced a revenue CAGR of above 10% between FY22 and FY24, demonstrating that majority of the comparable companies are also in the growth phase, similar to Dropsuite.
- The comparable companies have varying size and scale profiles, with market capitalisations ranging from $23.5 million to $3.0 billion (excluding outliers). Specifically, N-able has a market capitalisation of $3.0 billion and ARR of $719 million, which reflects that N-able is significantly larger and more diversified than Dropsuite. However as discussed above, we consider N-able to be one of the most comparable companies to Dropsuite in terms of product offerings, growth stage and geographical diversification. In contrast, archTIS Limited (**'archTIS'**) and Felix Group Holdings Limited (**'Felix Group'**) have market capitalisations of less than $40 million, and ARR of less than $50 million, which reflects that these companies are smaller than Dropsuite.
- Backblaze, N-able, and Synchronoss all operate globally, with customers predominantly located in the USA, which is consistent with Dropsuite's geographical profile. In contrast, archTIS and Felix Group have limited geographical diversification, with customers predominantly located across Australia and Asia.
- Although not all comparable companies have similar metrics across each of the assessed factors, we still consider them to be comparable as they have sufficient similarities on an overall basis.
- We consider AvePoint Inc. (**'AvePoint'**) and Quantum Corporation (**'Quantum'**) to be outliers due to the following reasons:
    - We consider AvePoint to be significantly larger and more diversified than Dropsuite, with AvePoint's market capitalisation of $5.0 billion being approximately 16 times that of Dropsuite's pre-Scheme market capitalisation. In addition, AvePoint generates significantly more revenue than Dropsuite, with ARR of $494 million as at 31 September 2024. We also note that AvePoint generates revenue through additional other channels including maintenance and term license support, with SaaS channels generating approximately $331 million of total ARR of $494 million. Therefore, the market would be

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attributing value for the other revenue sources and as such we do not consider AvePoint's Trading Multiple to be particularly relevant for our assessment. For these reasons, we have excluded AvePoint from our analysis.

- Quantum is in the mature stage of the business life cycle and has recently experienced declining revenue and generated a net loss of $125 million over the last twelve months prior to our Trading Multiples analysis. In contrast, Dropsuite is in the growth phase of the business life cycle, and has recently experienced consistent revenue growth and is profit-making. In addition, Quantum also sells data storage hardware, whereas Dropsuite is solely focused on software. Therefore, we do not consider Quantum's Trading Multiple to be particularly relevant for our assessment and therefore we have not included Quantum in our analysis.

### Transaction Multiples

We have also considered Transaction Multiples in our assessment of an appropriate range of EV/ARR multiples to apply to the ARR of Dropsuite.

We identified a total of four comparable transactions, based on the following search criteria:

- Recent arm's length transactions (completed from 2021 onwards). We only considered transactions back to 2021 because the data storage and archiving industry is a growth industry that is evolving. Therefore, we do not consider transactions prior to 2021 to be relevant to our analysis.
- Targets with a similar business model, product offerings, and end user market to Dropsuite.
- Targets which were in the growth phase of the business life cycle at the time of the transaction.
- Targets which operated in various geographical locations.

We note that for comparable transactions where an acquirer obtained control (20% and above) of the target, the implied EV/ARR multiple reflects a valuation on a controlling interest basis, and therefore no further control premium adjustment is necessary. Given all the Transaction Multiples represent multiples paid to obtain a controlling interest in the target, we consider the Transaction Multiples to be presented on a like-for-like basis to the Trading Multiples, which include a premium for control.

ARR was derived from publicly available information as at the announcement date of each respective transaction.

Descriptions and comparability matrix of the target companies are contained in Appendix 3 of our Report.

The identified comparable transactions and implied Transaction Multiple for each transaction are set out in the table below:

| Transaction close date | Target | Acquirer | % acquired | Implied EV ($m) | ARR ($m) | Implied ARR multiple (EV/ARR) |
|---|---|---|---|---|---|---|
| 2-May-24 | MediaValet Inc. | Symphony Technology Group, LLC | 100% | 89.7 | 20.1 | 4.5 |
| 18-Oct-22 | Ping Identity Holding Corp. | Thoma Bravo, L.P.; Thoma Bravo Fund XV, L.P. | 100% | 4,040.9 | 485.8 | 8.3 |
| 23-Jun-22 | Datto Holding Corp. | Kaseya Inc. | 100% | 8,120.9 | 933.9 | 8.7 |
| 9-Aug-21 | Talend S.A. | Thoma Bravo, L.P. | 100% | 3,156.1 | 378.5 | 8.3 |

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| Transaction close date | Target | Acquirer | % acquired | Implied EV ($m) | ARR ($m) | Implied ARR multiple (EV/ARR) |
|---|---|---|---|---|---|---|
| | | | | | **Mean** | **7.5** |
| | | | | | **Median** | **8.3** |

**Source:** S&P Capital IQ, Bloomberg and BDO analysis

We consider Datto Holding Corporation (**'Datto'**) to be the most comparable target company to Dropsuite for the following reasons:

- Datto provides cloud-based enterprise data recovery and protection through the MSP channel to SMEs, similar to Dropsuite's operations.
- Prior to the acquisition, Datto was in a similar stage of the business cycle to Dropsuite, experiencing revenue growth broadly in line with Dropsuite's recent historical ARR growth.
- Datto has a globally diversified revenue base, similar to Dropsuite.

Therefore, we have placed the most weighting on this transaction in our Transaction Multiples analysis.

However, we note that direct comparisons of singular transactions may not be regarded as the most appropriate indicator of value due to the specific circumstances and rationale behind each transaction. In addition, the identified comparable transactions were completed over the period from August 2021 to April 2024. We note that the transaction value for each comparable transaction would have been influenced by the acquirer's outlook of the cloud-based SaaS industry at the time of each respective transaction. Further, it is not uncommon for acquisitions to include some form of strategic or special value to the acquirer. An acquirer would not pay entirely for this value but they are likely to be willing to pay more if there are additional strategic or synergistic benefits that could flow to them following the acquisition. For these reasons, we have not solely relied on any individual transaction, but have used the collective dataset to inform our view on an appropriate EV/ARR multiple.

## Conclusion of the market-based valuation of Dropsuite (on a controlling interest basis)

Based on the Trading Multiples and Transaction Multiples analysis above and our professional judgement, we consider an appropriate EV/ARR multiple to be in the range of 5.0 times to 6.0 times.

Our assessment of the enterprise value of Dropsuite is calculated by applying our assessed EV/ARR multiple range, to our assessed range of Dropsuite's ARR, which is set out in the table below:

| Valuation of Dropsuite | Low $m | High $m |
|---|---|---|
| ARR | 50.0 | 65.0 |
| Assessed EV/ARR multiple | 5.0x | 6.0x |
| **Enterprise value of Dropsuite (control)** | **250.0** | **390.0** |

**Source:** BDO analysis

## Enterprise value to equity adjustments

Our valuation of Dropsuite using the market-based approach has been performed at the enterprise value level. Whereas the purpose of our assessment is to determine the equity value of Dropsuite. Therefore, we have applied the following adjustments to convert the assessed enterprise value into an equity value:

- Added cash and cash equivalents. The cash and cash equivalents was sourced from Dropsuite's audited financial statements for the year ended 31 December 2024.



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- The Company currently has no debt, therefore no adjustment is required for debt.
- We do not consider there to be any material assets or liabilities which are surplus to the operations of the business. Therefore, no adjustment is required for surplus assets or liabilities.

We consider that the value of all other assets and liabilities of Dropsuite are implicitly included in the market-based valuation of Dropsuite. Therefore, we have only adjusted for the items detailed above.

A summary of the adjustments made to convert our assessed enterprise value of Dropsuite into an equity value, is set out below:

| Valuation of a Dropsuite share prior to the Scheme | Low ($m) | High ($m) |
|---|---|---|
| **Enterprise value of Dropsuite (control)** | **250.00** | **390.00** |
| Add: Cash and cash equivalents | 28.57 | 28.57 |
| **Equity value of Dropsuite (control)** | **278.57** | **418.57** |
| Number of shares on issue prior to the Scheme (refer Note a) | 71,127,110 | 71,127,110 |
| **Value per Dropsuite share (control) ($/share)** | **3.92** | **5.88** |

**Source:** BDO analysis

### Note a) Number of shares on issue prior to the Scheme

As set out in Section 9.2 of the Scheme Booklet, the Company has 867,717 performance rights on issue that are anticipated to vest prior to the Scheme record date. Therefore, we have adjusted the number of shares on issue to reflect the vesting of 867,717 performance rights.

We note that the Company has an additional 875,250 performance rights on issue as at the date of our Report, which were to vest subject to the achievement of various share price hurdles and continued employment with the Company. As detailed in Section 9.2 (b) of the Scheme Booklet, the terms of these performance rights will be amended such that any share price or performance conditions other than time based conditions, will be waived and the holders of these performance rights will be entitled to a cash payment of $5.90 per performance right. These amendments are conditional on the Scheme being implemented and as such, we have not included these performance rights in our assessed number of shares on issue.

Based on the above, we have assessed the value of a Dropsuite share prior to the Scheme (on a controlling interest basis) to be in the range of $3.92 and $5.88.

## 10.2 QMP valuation

To provide a comparison to the valuation of Dropsuite in Sections 10.1 and 10.2, we have also assessed the QMP of a Dropsuite share.

The quoted market value of a company's shares is reflective of a minority interest. A minority interest is an interest in a company that is not significant enough for the holder to have an individual influence in the operations and value of that company.

RG 111.43 suggests that when considering the value of a company's shares for the purposes of a control transaction, the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due to the advantages they will receive should they obtain 100% control of another company. These advantages include the following:

- Control over decision making and strategic direction.

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- Access to underlying cash flows.
- Control over dividend policies.
- Access to potential tax losses.

Under the Scheme, NinjaOne seeks to obtain 100% of the shares in Dropsuite and therefore should pay a premium for control.

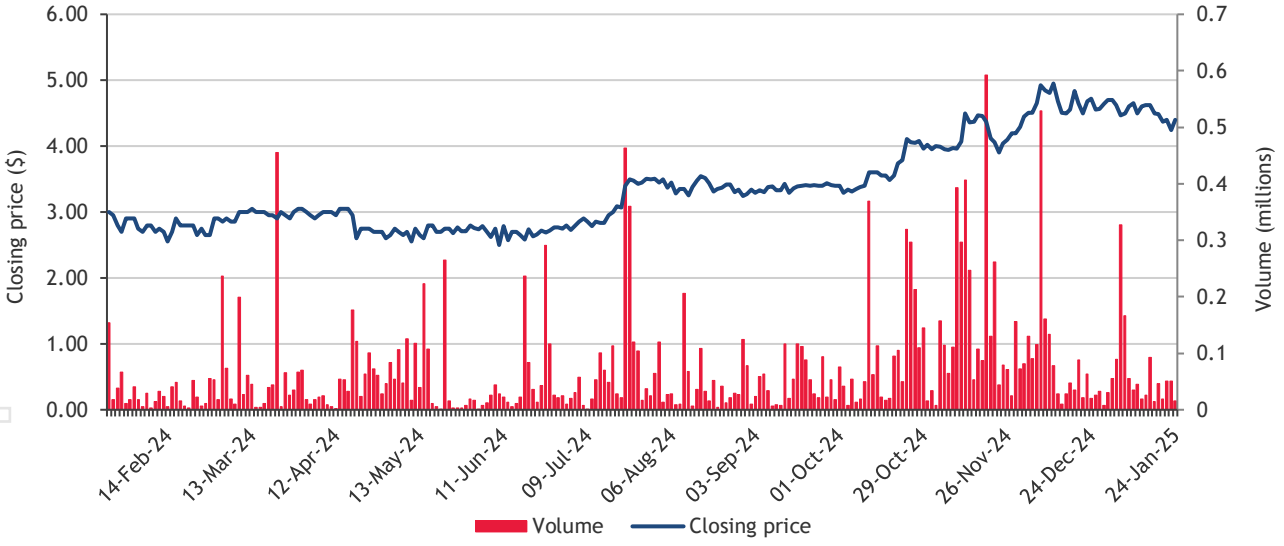
Therefore, our calculation of the QMP of a Dropsuite share including a premium for control has been prepared in two parts. The first part is to calculate the QMP of a Dropsuite share on a minority interest basis. The second part is to add a premium for control to the minority interest value to arrive at a QMP value that includes a premium for control.

## Minority interest value

Our analysis of the QMP of a Dropsuite share is based on the pricing prior to the announcement of the Scheme. This is because the value of a Dropsuite share after the announcement of the Scheme may include the effects of any change in value as a result of the Scheme. However, we have considered the value of a Dropsuite share following the announcement of the Scheme when we have considered reasonableness in Section 13.

Information on the Scheme was announced to the market on 28 January 2025. Therefore, we have assessed the QMP of a Dropsuite share over the period from 24 January 2024 to 24 January 2025, being the last trading day prior to the announcement of the Scheme. The following chart provides a summary of the closing share price movements and trading volume over this period.

**Dropsuite share price and trading volume history**




**Source:** Bloomberg and BDO analysis

The daily price of a Dropsuite share over the period from 24 January 2024 to 24 January 2025 ranged from a low of $2.50 on 7 June 2024 to a high of $4.95 on 11 December 2024. The largest day of single trading over the assessed period was 19 November 2024, when 592,765 shares were traded.

During this period a number of announcements were made to the market. The key announcements are set out below:

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| Date | Announcement | Closing Share Price Following Announcement $ (movement) | | Closing Share Price Three Days After Announcement $ (movement) | |
|---|---|---|---|---|---|
| 22/10/2024 | Quarterly Business Update for Q3 FY24 | 3.790 | 1.3% | 4.050 | 6.9% |
| 28/08/2024 | Half Year Results Announcement | 3.340 | 1.2% | 3.340 | 0.0% |
| 28/08/2024 | Appendix 4D and Half Year Report | 3.340 | 1.2% | 3.340 | 0.0% |
| 22/07/2024 | Quarterly Business Update for Q2 FY24 | 3.400 | 10.7% | 3.430 | 0.9% |
| 23/05/2024 | Share Consolidation and ASX Code | 2.680 | 2.5% | 2.710 | 1.1% |
| 19/04/2024 | Consolidation/Split - DSE | 2.600 | 11.9% | 2.750 | 5.8% |
| 18/04/2024 | Investor Presentation Q1 2024 Update | 2.950 | 3.3% | 2.750 | 6.8% |
| 18/04/2024 | Quarterly Business Update for Q1 FY24 | 2.950 | 3.3% | 2.750 | 6.8% |
| 01/03/2024 | S&P DJI Announces March 2024 Quarterly Rebalance | 2.900 | 0.0% | 2.850 | 1.7% |
| 28/02/2024 | Investor Presentation | 2.650 | 0.0% | 2.850 | 7.5% |
| 28/02/2024 | FY23 Full-Year Results - Market Release | 2.650 | 0.0% | 2.850 | 7.5% |
| 28/02/2024 | Appendix 4E and Annual Report | 2.650 | 0.0% | 2.850 | 7.5% |

**Source:** Bloomberg and BDO analysis

On 28 February 2024, Dropsuite released its annual report for FY23 and an investor presentation, which showed a 48% increase in total revenue and 145% increase in positive net cashflow for the year. On the date of the announcement the share price remained unchanged to close at $2.65, before increasing by 7.5% over the subsequent three-day trading period to close at $2.85.

On 18 April 2024, Dropsuite released its quarterly business update and investor presentation for the quarter ended 31 March 2024, which highlighted a 33% increase in ARR on the previous corresponding period (**'PCP'**), and the onboarding of 40 new direct and 220 indirect partners. On the date of the announcement the share price decreased by 3.3% to close at $2.95, before decreasing by a further 6.8% over the subsequent three-day trading period to close at $2.75.

On 22 July 2024, Dropsuite released its quarterly business update for the quarter ended 30 June 2024, which highlighted a 31% increase in ARR on the PCP and record Seats add. On the date of the announcement the share price increased by 10.7% to close at $3.40, before increasing by a further 0.9% over the subsequent three-day trading period to close at $3.43.

On 22 October 2024, Dropsuite released its quarterly business update and investor presentation for the quarter ended 30 September 2024, which included a 34% increase in both ARR and total Seats. On the date of the announcement the share price increased by 1.30% to close at $3.79, before increasing by a further 6.9% over the subsequent three-day trading period to close at $4.05.

To provide further analysis of the QMP of a Dropsuite share, we have also considered the volume-weighted average price (**'VWAP'**) for 10-, 30-, 60- and 90-day periods to 24 January 2025.

| Share price per unit | 24-Jan-25 | 10 days | 30 days | 60 days | 90 days |
|---|---|---|---|---|---|
| Closing price | $4.400 | | | | |
| Volume weighted average price (VWAP) | | $4.511 | $4.550 | $4.406 | $4.196 |

**Source:** Bloomberg and BDO analysis

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The above VWAPs are prior to the date of the announcement of the Scheme, to avoid the influence of any movements in the price of Dropsuite shares that have occurred since the Scheme was announced.

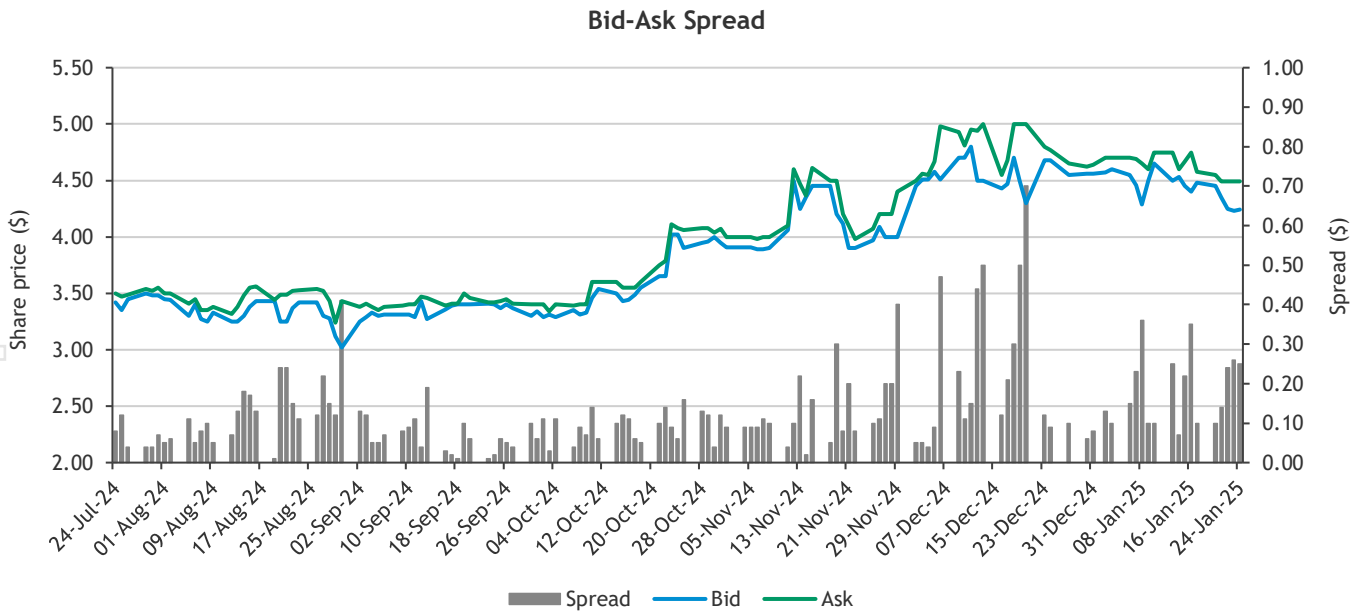
An analysis of the volume of trading in Dropsuite shares for the twelve months to 24 January 2025 is set out below:

| Trading days | Share price low | Share price high | Cumulative volume traded | As a % of issued capital |
|---|---|---|---|---|
| 1 day | $4.290 | $4.400 | 15,134 | 0.02% |
| 10 days | $4.240 | $4.750 | 379,359 | 0.54% |
| 30 days | $4.020 | $4.980 | 1,624,245 | 2.31% |
| 60 days | $3.810 | $5.235 | 6,392,293 | 9.10% |
| 90 days | $3.290 | $5.235 | 9,085,370 | 12.93% |
| 180 days | $2.500 | $5.235 | 14,218,697 | 20.24% |
| 1 year | $2.500 | $5.235 | 17,888,296 | 25.46% |

**Source:** Bloomberg and BDO analysis

This table indicates that Dropsuite's shares display a low to moderate level of liquidity, with 25.46% of the Company's issued capital being traded in a twelve-month period. RG 111.86 states that for the QMP methodology to be an appropriate methodology there needs to be a 'liquid and active' market in the shares and allowing for the fact that the quoted price may not reflect their value should 100% of the securities not be available for sale.

Additionally, we have considered the bid-ask spread of Dropsuite shares for the six month period prior to the announcement of the Scheme, which is outlined in the graph below.




**Source:** Bloomberg and BDO analysis

We calculated the average spread over the period from 24 July 2024 to 24 January 2025 to be $0.133, which equates to approximately 3.4% of the prevailing share price over that period.

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We consider the following characteristics to be representative of a liquid and active market:

- Regular trading in a company's securities.
- Approximately 1% of a company's securities are traded on a weekly basis.
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company.
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'liquid and active', however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant.

In the case of Dropsuite, we consider the shares to display a low to moderate level of liquidity, on the basis that less than 1% of securities have been traded weekly on average. Of the 52 weeks in which our analysis is based on, more than 1% of the Company's securities had been traded in six of those weeks.

Our assessment is that a range of values for a Dropsuite share based on market pricing, after disregarding post-announcement pricing, is between $4.20 and $4.60.

## Control premium

We have reviewed the control premiums on completed transactions, paid by acquirers of ASX-listed software and technology companies and all ASX-listed companies over the period from January 2015 to February 2025. In assessing the appropriate sample of transactions from which to determine an appropriate control premium, we have excluded transactions where an acquirer obtained a controlling interest (20% and above) at a discount (i.e., less than a 0% premium) and at a premium in excess of 100%. We have summarised our findings below:

### ASX-listed software and technology companies

| Year | Number of transactions | Average deal value ($m) | Average control premium (%) |
|---|---|---|---|
| 2025 | - | - | - |
| 2024 | 7 | 1,378.24 | 36.69 |
| 2023 | 5 | 182.31 | 34.42 |
| 2022 | 5 | 156.83 | 27.63 |
| 2021 | 6 | 179.48 | 31.96 |
| 2020 | 2 | 201.42 | 39.20 |
| 2019 | 1 | 105.26 | 3.47 |
| 2018 | 1 | 1,533.55 | 49.83 |
| 2017 | 2 | 101.06 | 41.64 |
| 2016 | 1 | 331.84 | 28.45 |
| 2015 | - | - | - |

**Source:** Bloomberg and BDO analysis

### All ASX-listed companies

| Year | Number of transactions | Average deal value ($m) | Average control premium (%) |
|---|---|---|---|
| 2025 | - | - | - |
| 2024 | 43 | 953 | 28.74 |
| 2023 | 35 | 397 | 27.41 |
| 2022 | 36 | 3,372 | 23.25 |

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| Year | Number of transactions | Average deal value ($m) | Average control premium (%) |
|---|---|---|---|
| 2021 | 28 | 913 | 35.17 |
| 2020 | 16 | 368 | 40.43 |
| 2019 | 28 | 4,313 | 33.82 |
| 2018 | 25 | 1,572 | 31.15 |
| 2017 | 24 | 1,169 | 36.75 |
| 2016 | 28 | 490 | 38.53 |
| 2015 | 28 | 981 | 33.53 |

**Source:** Bloomberg and BDO analysis

The mean and median of the entire data sets comprising control transactions from 2015 onwards for ASX-listed software and technology companies and all ASX-listed companies are set out below:

| Entire Data Set Metrics | ASX-listed software and technology companies | | All ASX-listed companies | |
|---|---|---|---|---|
| | Deal Value ($m) | Control Premium (%) | Deal Value ($m) | Control Premium (%) |
| **Mean** | 499.86 | 33.41 | 1,497.75 | 31.92 |
| **Median** | 132.18 | 30.06 | 142.41 | 27.40 |

**Source:** Bloomberg and BDO analysis

In arriving at an appropriate control premium to apply, we note that observed control premiums can vary due to the following:

- Nature and magnitude of non-operating assets.
- Nature and magnitude of discretionary expenses.
- Perceived quality of existing management.
- Nature and magnitude of business opportunities not currently being exploited.
- Ability to integrate the acquiree into the acquirer's business.
- Level of pre-announcement speculation of the transaction.
- Level of liquidity in the trade of the acquiree's securities.

When performing our control premium analysis, we consider completed transactions where the acquirer held a controlling interest, defined at 20% or above, pre-transaction or proceed to hold a controlling interest post-transaction in the target company.

We have removed transactions for which the announced premium was in excess of 100%. We have removed these transactions because we consider it likely that the acquirer in these transactions would be paying for special value and/or synergies in excess of the standard premium for control. Whereas the purpose of this analysis is to assess the premium that is likely to be paid for control, not specific value to the acquirer.

The table above indicates that the long-term average control premium by acquirers of ASX-listed software and technology companies and all ASX-listed companies is approximately 33.41% and 31.92% respectively. However, in assessing the transactions included in the table above, we noted that control premiums appeared to be positively skewed.

In population where the data is skewed, the median often represents a superior measure of central tendency compared to the mean. We note that the median announced control premium over the assessed period was approximately 30.06% for ASX-listed software and technology companies and 27.40% for all ASX-listed companies.

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The mean and median announced control premiums paid by acquirers of ASX-listed software and technology companies were greater than those of acquirers of all ASX-listed companies. However, we note that only 30 transactions completed over the assessed period.

Based on the above, we consider an appropriate premium for control to be between 25% and 35%.

### QMP including control premium

Applying a control premium to Dropsuite's QMP results in the following QMP value including a premium for control:

| QMP valuation of a Dropsuite share | Low<br>$ | High<br>$ |
|---|---|---|
| QMP | $4.20 | $4.60 |
| Control premium | 25% | 35% |
| **QMP valuation including a premium for control (rounded)** | **$5.25** | **$6.21** |

**Source:** BDO analysis

Therefore, our valuation of a Dropsuite share based on the QMP methodology and including a premium for control is between $5.25 and $6.21.

## 10.3 Assessment of the value of a Dropsuite share prior to the Scheme

The results of the valuations performed are summarised in the table below:

| Valuation of a Dropsuite share prior to the Offer | Ref. | Low<br>$ | High<br>$ |
|---|---|---|---|
| Market-based approach (controlling interest basis) | 10.1 | 3.92 | 5.88 |
| QMP (controlling interest basis) | 10.2 | 5.25 | 6.21 |

**Source:** BDO analysis

We consider the market-based approach using ARR multiples to be the most appropriate methodology to value Dropsuite, given it is typically used to value companies operating in emerging industries, such as the cloud-based SaaS industry, and those without a history of stable earnings. Further, the QMP approach is only appropriate where there is a liquid and active market for the company's shares. Given that our liquidity analysis in Section 10.2 indicates that Dropsuite's shares display a low to moderate level of liquidity, we do not consider it appropriate to consider the QMP of Dropsuite shares in our assessment of the value of a Dropsuite share prior to the Scheme. As a result, our valuation range has been solely informed by the values derived under the market-based approach using ARR multiples. However, we note that the values derived from the QMP approach are broadly consistent with and support our primary approach.

The difference in the valuation results under our two valuation approaches is explained by the following:

- As determined by our liquidity analysis in Section 10.2, Dropsuite's shares display a low to moderate level of liquidity. This is likely attributable to the free float of the Company's shares being at a relatively low level, due to the existence of a substantial shareholder of the Company over the assessed period, being Topline Capital Management, LLC, which held approximately 31% of the Company's issued capital as at the date of our QMP analysis. Therefore, the market price of Dropsuite's shares may not reflect the underlying value of the Company.
- Further, the valuation under the QMP methodology may include an element of blue sky value of Dropsuite's business. We note that it is not uncommon for investors in technology companies to

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price in high future growth expectations due to the potential for scalability and market disruption. In addition, the technology sector often experiences momentum-driven valuations, whereby investors anticipate long-term returns based on innovation rather than the current financial performance of the business. This is evidenced by technology companies often trading at higher multiples than companies in more mature industries. However, we note that our valuation assessment of Dropsuite is bound by the guidance contained in ASIC's Regulatory Guides, specifically RG 170. In particular, we must have sufficient reasonable grounds in order to consider prospective financial information in our valuation assessment. In contrast, brokers and market participants are not constrained by this guidance and therefore may be using more optimistic economic assumptions in their valuations.

Based on the results above, we consider the value of a Dropsuite share prior to the Scheme (on a controlling interest basis) to be between $3.92 and $5.88.

# 11. Valuation of the Scheme Consideration

Under the terms of the SID, each Shareholder will receive $5.90 in cash for each Dropsuite share held on the Scheme record date. Therefore, the value of the Scheme Consideration is $5.90.

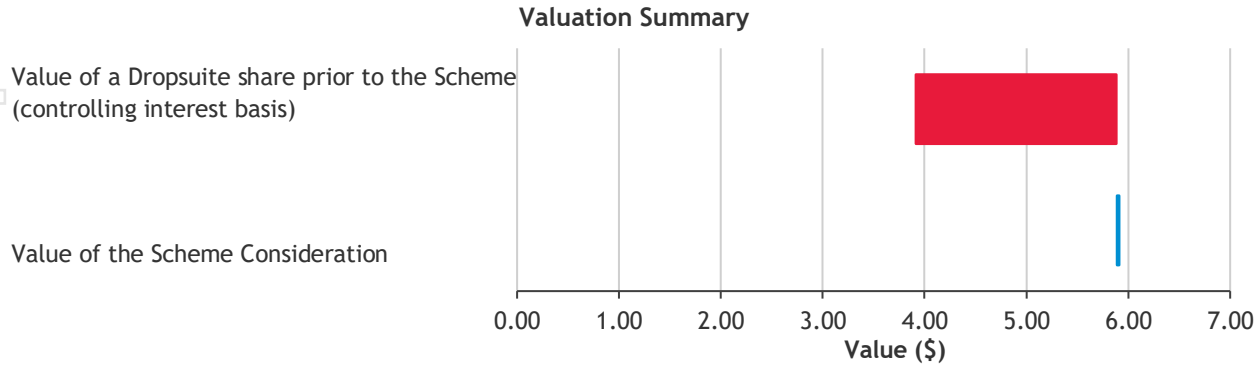
# 12. Is the Scheme fair?

The value of a Dropsuite share prior to the Scheme (on a controlling interest basis) and the value of the Scheme Consideration, are compared below.

| | Ref. | Low<br>$ | High<br>$ |
|---|---|---|---|
| Value of a Dropsuite share prior to the Scheme (controlling interest basis) | 10.1 | 3.92 | 5.88 |
| Value of the Scheme Consideration | 10.2 | 5.90 | 5.90 |

**Source:** BDO analysis

The above valuation ranges are graphically presented below:




**Source:** BDO analysis

The above pricing indicates that, in the absence of a superior offer, the Scheme is fair for Shareholders. We consider the Scheme to be fair for Shareholders because the value of the Scheme Consideration is above our value range of a Dropsuite share prior to the Scheme (on a controlling interest basis).

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# 13. Is the Scheme reasonable?

We have considered the analysis below, in terms of the following:

- Advantages and disadvantages of the Scheme.
- Other considerations, including the position of Shareholders if the Scheme does not proceed and the consequences of not approving the Scheme.

In our opinion, the position of Shareholders if the Scheme is approved is more advantageous than the position if the Scheme is not approved. Accordingly, in the absence of any other relevant information and/or a superior proposal we consider that the Scheme is reasonable for Shareholders.

## 13.1 Advantages of approving the Scheme

We have considered the following advantages in our assessment of whether the Scheme is reasonable.

### 13.1.1. The Scheme is fair

As set out in Section 12, the Scheme is fair. RG 111.12 states that an offer is reasonable if it is fair.

### 13.1.2. The Scheme Consideration provides certainty of value to Shareholders

The Scheme Consideration is in the form of cash. Therefore, Shareholders will receive cash for exiting their investment in Dropsuite, offering certainty in their returns and providing the opportunity to utilise the cash received for other purposes, such as alternative investments.

## 13.2 Disadvantages of approving the Scheme

We have considered the following disadvantages in our assessment of whether the Scheme is reasonable.

### 13.2.1. Shareholders will forego the opportunity to participate in any potential upside in the value of the Company

If Shareholders approve the Scheme, they will exit their investment in Dropsuite. As a result, Shareholders will forego the opportunity to participate in any potential upside in the value of Dropsuite, or access any future returns generated from Dropsuite's business operations.

### 13.2.2. Shareholders will lose exposure to the cloud-based data backup industry

Shareholders may be holding their shares in Dropsuite to maintain exposure to the cloud-based data backup industry. If Shareholders approve the Scheme, Shareholders will exit their investment in Dropsuite and lose exposure to this industry.

In addition, there are limited ASX-listed companies comparable to Dropsuite in terms of stage of the business life cycle and product offering. Therefore, Shareholders may not be able to replace this investment with a similar alternative investment that is listed in Australia.

## 13.3 Alternative proposal

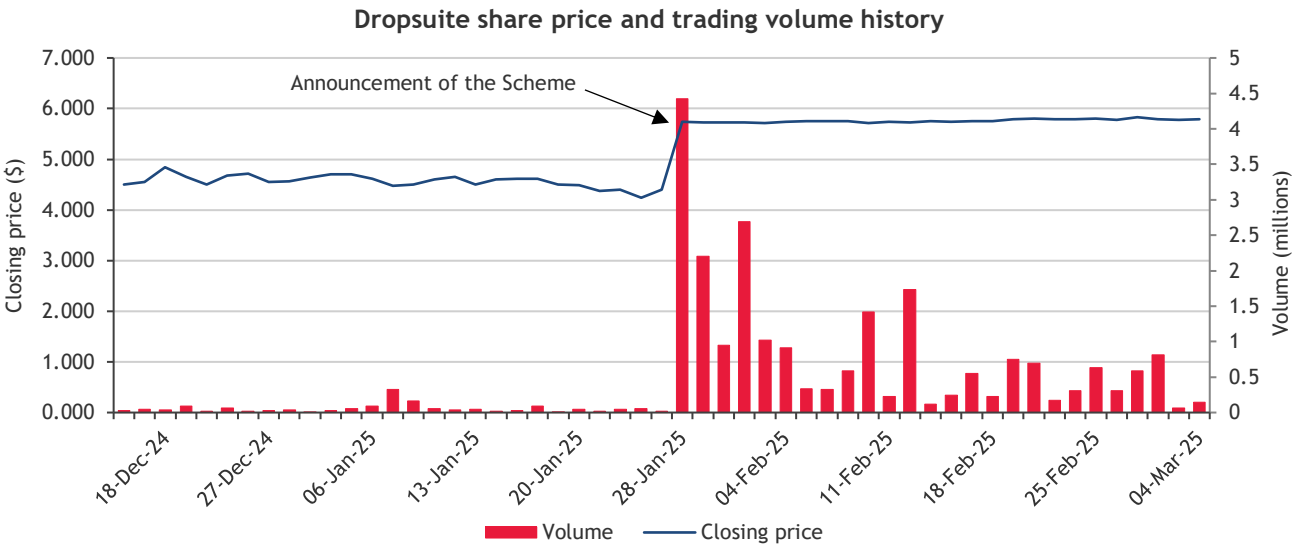
We are unaware of any alternative proposal that might offer Shareholders a premium over the value resulting from the Scheme.

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## 13.4 Consequences of not approving the Scheme

### Potential decline in share price

We have analysed movements in Dropsuite's share price since the Scheme was announced. A graph of Dropsuite's share price and trading volume leading up to, and following the announcement of the Scheme is set out below.




**Source:** Bloomberg

From 16 December 2024 to 4 March 2025, the closing price of Dropsuite's shares ranged from a low of $4.24 on 23 January 2025 to a high of $5.83 on 27 February 2025.

The Scheme was announced on 28 January 2025. On the date of the announcement, Dropsuite's share price closed at $5.74, up from a closing price of $4.40 on the previous trading day. On the date of the announcement, 4,424,812 shares were traded, representing approximately 6.30% of Dropsuite's issued capital. Following the announcement of the Scheme, Dropsuite's closing share price has fluctuated from a low of $5.72 on both 3 February 2025 and 10 February 2025, to a high of $5.83 on 27 February 2025.

Given the above analysis it is possible that if the Scheme is not approved then Dropsuite's share price may decline, reverting to levels observed prior to the announcement of the Scheme.

### Transaction costs will be incurred by Dropsuite and the reimbursement fee may become payable to NinjaOne

If the Scheme is not implemented, Dropsuite will have incurred transaction costs of approximately $1.3 million with no achieved outcome. In addition, Dropsuite may be required to pay the reimbursement fee to NinjaOne depending on the circumstances in which the Scheme does not proceed. The circumstances under which the reimbursement fee is payable is set out in the SID and in Section 9 of the Scheme Booklet.

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### 13.5 Other considerations

Taxation implications

Shareholders are directed to section 8 of the Scheme Booklet for taxation implications of the Scheme for Shareholders. We emphasise that the taxation circumstances of each Shareholder can differ significantly and individual shareholders are advised to obtain their own specific taxation advice.

## 14. Conclusion

We have considered the terms of the Scheme as outlined in the body of this Report and have concluded that, in the absence of a superior proposal, the Scheme is fair and reasonable to Shareholders.

Therefore, in the absence of a superior proposal, we consider the Scheme to be in the best interests of Shareholders.

## 15. Sources of information

This report has been based on the following information:

- Scheme Booklet on or about the date of this Report
- Audited financial statements of Dropsuite for the years ended 31 December 2021 to 31 December 2024
- Management budget for the year ending 31 December 2025 and forecast for the year ending 31 December 2026
- Historical budgets for the years ending 31 December 2022, 31 December 2023 and 31 December 2024 provided by management
- Management accounts for the period from 1 January 2025 to 31 January 2025
- Revenue report for the months of January and February 2025
- Current and historical customer lists and churn data provided by management
- Current and historical reseller data provided by management
- Reserve Bank of Australia
- Federal Reserve
- World Economic Forum
- IBISWorld
- S&P Capital IQ
- Bloomberg
- Share registry information
- Announcements made by Dropsuite available through the ASX
- Discussions with Directors and Management of Dropsuite.

## 16. Independence

BDO Corporate Finance Australia Pty Ltd is entitled to receive a fee of $95,000 (excluding GST and reimbursement of out of pocket expenses). The fee is not contingent on the conclusion, content or future use of this Report. Except for this fee, BDO Corporate Finance Australia Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

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BDO Corporate Finance Australia Pty Ltd has been indemnified by Dropsuite in respect of any claim arising from BDO Corporate Finance Australia Pty Ltd's reliance on information provided by Dropsuite, including the non-provision of material information, in relation to the preparation of this report.

Prior to accepting this engagement BDO Corporate Finance Australia Pty Ltd has considered its independence with respect to Dropsuite, NinjaOne and any of their respective associates with reference to ASIC Regulatory Guide 112 'Independence of Experts'. In BDO Corporate Finance Australia Pty Ltd's opinion it is independent of Dropsuite, NinjaOne, and their respective associates.

Neither the two signatories to this report nor BDO Corporate Finance Australia Pty Ltd, have had within the past two years any professional relationship with Dropsuite, or their associates, other than in connection with the preparation of this report.

A draft of this report was provided to Dropsuite and its advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this report as a result of this review.

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# 17. Qualifications

BDO Corporate Finance Australia Pty Ltd has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO Corporate Finance Australia Pty Ltd holds an Australian Financial Services Licence issued by the Australian Securities and Investments Commission for giving expert reports pursuant to the Listing rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Ashton Lombardo and Sherif Andrawes of BDO Corporate Finance Australia Pty Ltd. They have significant experience in the preparation of independent expert reports, valuations and mergers and acquisitions advice across a wide range of industries in Australia and were supported by other BDO staff.

Ashton Lombardo is a member of the Australian Institute of Chartered Accountants, is a CA BV Specialist and is member of the committee established to develop and maintain the VALMIN Code. Ashton has over thirteen years of experience in Corporate Finance and has facilitated the preparation of numerous independent expert's reports and valuations. Ashton has a Bachelor of Economics and a Bachelor of Commerce from the University of Western Australia and has completed a Graduate Diploma of Applied Corporate Governance with the Governance Institute of Australia.

Sherif Andrawes is a Fellow of the Institute of Chartered Accountants in England & Wales and a Fellow of Chartered Accountants Australia & New Zealand. He has over 35 years' experience working in the audit and corporate finance fields with BDO and its predecessor firms in London and Perth. He has been responsible for over 750 public company independent expert's reports under the Corporations Act or ASX Listing Rules and is a CA BV Specialist. Sherif Andrawes is the Corporate Finance Practice Group Leader of BDO in Western Australia, the Global Head of Natural Resources for BDO and a former Chairman of BDO in Western Australia.

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# 18. Disclaimers and consents

This report has been prepared at the request of Dropsuite for inclusion in the Scheme Booklet which will be sent to all Dropsuite shareholders. Dropsuite engaged BDO Corporate Finance Australia Pty Ltd to prepare an independent expert's report to consider whether the proposed scheme of arrangement with NinjaOne is fair and reasonable and in the best interests of Shareholders.

BDO Corporate Finance Australia Pty Ltd hereby consents to this report accompanying the above Scheme Booklet. Apart from such use, neither the whole nor any part of this report, nor any reference thereto may be included in or with, or attached to any document, circular resolution, statement, or letter without the prior written consent of BDO Corporate Finance Australia Pty Ltd.

BDO Corporate Finance Australia Pty Ltd takes no responsibility for the contents of the Scheme Booklet other than this report.

We have no reason to believe that any of the information or explanations supplied to us are false or that material information has been withheld. It is not the role of BDO Corporate Finance Australia Pty Ltd acting as an independent expert to perform any due diligence procedures on behalf of the Company. The Directors of the Company are responsible for conducting appropriate due diligence in relation to NinjaOne. BDO Corporate Finance Australia Pty Ltd provides no warranty as to the adequacy, effectiveness, or completeness of the due diligence process.

The opinion of BDO Corporate Finance Australia Pty Ltd is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time.

The forecasts provided to BDO Corporate Finance Australia Pty Ltd by NinjaOne and its advisers are based upon assumptions about events and circumstances that have not yet occurred. Accordingly, BDO Corporate Finance Australia Pty Ltd cannot provide any assurance that the forecasts will be representative of results that will actually be achieved.

With respect to taxation implications it is recommended that individual Shareholders obtain their own taxation advice, in respect of the Scheme, tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the shareholders of Dropsuite, or any other party.

The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO Corporate Finance Australia Pty Ltd is required to provide a supplementary report if we become aware of a significant change affecting the information in this report arising between the date of this report and the date of the Scheme meeting.

Yours faithfully

**BDO CORPORATE FINANCE AUSTRALIA PTY LTD**





**Ashton Lombardo**
Director

**Sherif Andrawes**
Director

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# Appendix 1 – Glossary of Terms

| Reference | Definition |
|---|---|
| AES | Advanced encryption standard |
| APES 225 | Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' |
| Archiving | Dropsuite's archiving software |
| archTIS | archTIS Limited |
| ARR | Annual recurring revenue |
| ASIC | Australian Securities and Investments Commission |
| ASX | Australian Securities Exchange |
| AUD or $ | Australian dollars |
| AvePoint | AvePoint Inc. |
| AWS | Amazon Web Services, Inc. |
| Backblaze | Backblaze, Inc. |
| Backup | Dropsuite's backup software |
| BDO | BDO Corporate Finance Australia Pty Ltd |
| CAGR | Compound annual growth rate |
| the Company | Dropsuite Limited |
| Corporations Act | *Corporations Act 2001* (Cth) |
| CPI | Consumer Price Index |
| Datto | Datto Holding Corporation |
| DCF | Discounted cash flow |
| Dropsuite | Dropsuite Limited |
| Entra ID Backup | Dropsuite's Entra ID Backup services |

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| Reference | Definition |
|---|---|
| Felix Group | Felix Group Holdings Limited |
| FIRB | Australian Foreign Investment Review Board |
| FME | Future Maintainable Earnings |
| FOMC | Federal Open Market Committee |
| GDP | Gross domestic product |
| the Industry | The database, storage and backup software publishing industry |
| IT | Information technology |
| Model | Forecast cash flow model of Dropsuite provided to us by the Company |
| MSPs | Managed service providers |
| N-able | N-able, Inc. |
| NAV | Net asset value |
| NinjaOne | NinjaOne, LLC and NinjaOne Australia Pty Ltd, collectively |
| our Report | This Independent Expert's Report prepared by BDO |
| PCE | Personal consumption expenditure |
| PCP | Previous corresponding period |
| QMP | Quoted market price |
| Quantum | Quantum Corporation |
| RBA | Reserve Bank of Australia |
| Regulations | Corporations Act Regulations 2001 (Cth) |
| RG 111 | Content of expert reports (March 2011) |
| RG 112 | Independence of experts (March 2011) |
| RG 170 | Prospective financial information (March 2011) |

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| Reference | Definition |
|---|---|
| RG 60 | Schemes of arrangement (September 2011) |
| SaaS | Software-as-a-service |
| Scheme | The scheme of arrangement between Dropsuite and NinjaOne |
| Scheme Booklet | The booklet outlining the details of the Scheme to assist Shareholders in their decision whether to approve the Scheme |
| Scheme Consideration | $5.90 in cash for each Dropsuite share held |
| Seats | Individual users of Dropsuite's products |
| Section 411 | Section 411 of the Corporations Act |
| Shareholders | Shareholders of Dropsuite |
| SID | Scheme Implementation Deed |
| SMEs | Small and medium-sized enterprises |
| Trading Multiples | Revenue multiples derived from comparable publicly listed companies |
| Transaction Multiples | Revenue multiples derived from completed transactions involving the sale of equity of comparable businesses |
| USA or US | United States of America |
| USD or US$ | United States Dollars |
| VWAP | Volume-weighted average price |

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# Appendix 2 – Valuation Methodologies

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Methodologies commonly used for valuing assets and businesses are as follows:

### 1 *Net asset value*

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate. The net assets on a going concern method estimates the market values of the net assets of an entity but does not take into account any realisation costs.

Net assets on a going concern basis are usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall Net assets on a going concern basis. This is particularly so for exploration and mining companies where investments are in finite life producing assets or prospective exploration areas.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when an entity is not making an adequate return on its assets, a significant proportion of the entity's assets are liquid or for asset holding companies.

### 2 *Quoted market price basis*

A valuation approach that can be used in conjunction with (or as a replacement for) other valuation methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX, through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a liquid and active market in that security.

### 3 *Capitalisation of future maintainable earnings*

This method places a value on the business by estimating the likely FME, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax or earnings before interest, tax, depreciation and amortisation. The capitalisation rate or 'earnings multiple' is adjusted to reflect which base is being used for FME.

### 4 *Discounted future cash flows*

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present value at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

Considerable judgement is required to estimate the future cash flows which must be able to be reliably estimated for a sufficiently long period to make this valuation methodology appropriate.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start-up phase, or experience irregular cash flows.

### 5 *Market-based assessment*

The market based approach seeks to arrive at a value for a business by reference to comparable transactions involving the sale of similar businesses and trading multiples for listed comparable companies. This is based on the premise that companies with similar characteristics, such as operating in similar industries, command similar values. In performing this analysis it is important to acknowledge the differences between the comparable companies being analysed and the company that is being valued and then to reflect these differences in the valuation.

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# Appendix 3 – Comparable companies

Business descriptions of the companies we considered in our Trading Multiples analysis are set out below.

| Company | Business description |
|---|---|
| archTIS Limited (ASX:AR9) | archTIS Ltd engages in the design and development of products, solutions, and services for secure information sharing and collaboration in Australia and internationally. Its primary focus is its Kojensi software, which is a secure platform for sharing and collaboration of sensitive and classified information within the defence industry, government, multinational coalitions, and other sectors. The company also offers NC Protect, which provides real time, attribute-based access, shared control, and data-centric security collaboration applications, including Microsoft Office 365, SharePoint Online and on-premises, OneDrive, Teams, Yammer, and Exchange emails, as well as Nutanix Files, Dropbox, and Windows File Shares. archTIS was incorporated in 2006 and is headquartered in Barton, Australia. |
| AvePoint, Inc. (NASDAQ:AVPT) | AvePoint, Inc. provides a cloud-native data management software platform in North America, Europe, Middle East, Africa, and Asia Pacific. It also offers SaaS solutions and productivity applications. The company offers modularity and cloud services architecture to address critical challenges and the management of data to organisations that leverage third-party cloud vendors, including Microsoft, Salesforce, Google, AWS, Box, DropBox, and others. AvePoint, Inc. was incorporated in 2001 and is headquartered in Jersey City, New Jersey. |
| Backblaze, Inc. (NASDAQ:BLZE) | Backblaze, Inc. provides cloud services to businesses and consumers to store, use, and protect data in the USA, Canada, and internationally. It also provides Backblaze B2 Cloud Storage, which enables customers to store data, developers to build applications, and partners to expand their use cases. This service is offered as a consumption-based Infrastructure-as-a-Service (IaaS). In addition, the company offers Backblaze Computer Backup which automatically backs up data from laptops and desktops for businesses and individuals, and provides a subscription-based SaaS and serves use cases, including computer backup, ransomware protection, theft and loss protection, and remote access. It serves the public cloud IaaS storage and Data-Protection-as-a-Service markets. The company was incorporated in 2007 and is headquartered in San Mateo, California. |
| Felix Group Holdings Ltd (ASX:FLX) | Felix Group Holdings Ltd develops and sells cloud-based SaaS solutions for contractors and vendors in Australia and New Zealand. It provides solutions in the areas of vendor management, procurement schedule, sourcing, contract, vendor marketplace, ESG, and integrations and APIs. The company serves construction, mining, government, utility, public infrastructure, and property companies. Felix Group Holdings Ltd was incorporated in 2012 and is headquartered in Teneriffe, Australia. |
| N-able, Inc. (NYSE:NABL) | N-able, Inc. provides cloud-based software solutions for MSPs in the USA, the United Kingdom, and internationally. The company's solutions enable MSPs to support digital transformation and growth within SMEs. It provides a software platform with an enterprise-grade solution that serves as an operating system for its MSP partners and scales as their businesses grow. In addition, the company offers remote monitoring and management solutions providing MSP partners with visibility and insights into the availability and performance of their customers' networks, infrastructure, devices and applications through a centralized dashboard. The company also offers data protection as-a-service solutions, such as backup and disaster recovery for servers, virtual machines, workstations, files, data, and key cloud-based applications, as well as multi-tenant platform and secure remote delivery architecture. Further, it offers security services through patch management, endpoint security, managed detection and response, web protection, e-mail security, and archiving and vulnerability assessment solutions. Additionally, the company engages in professional services automation, automation and scripting management, password management policies and reporting, and analytics. N-able, Inc. was incorporated in 2020 and is headquartered in Burlington, Massachusetts. |

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| Company | Business description |
|---|---|
| Quantum Corporation (NASDAQ:QMCO) | Quantum Corporation provides a range of products for storing and managing digital video and unstructured data in the Americas, Europe, the Middle East, Africa, and the Asia Pacific. The company offers Myriad All-Flash File and Object Storage Software for high performance enterprise unstructured data applications such as AI, machine learning, and data analytics, Unified Surveillance Platform Software, which provides unified compute and storage for video surveillance recording, storage, and analytics, StorNext Hybrid Flash/Disk File Storage Software for video editing, post-production, and streaming applications, as well as digital file archives, and CatDV Asset Management Software for indexing, cataloging, enriching workflow orchestration. It also provides ActiveScale Object Storage Software offering scalable and durable storage, DXi Backup Appliances to build backup appliances for high-speed backup and recovery and multisite data protection, and Scalar Tape Storage offering secure storage for long term data archiving and offline data protection which are used by hyperscalers and enterprises. The company sells its products through a network of distributors, value-added resellers, direct marketing resellers, original equipment manufacturers, and other suppliers, as well as directly to corporate entities and government agencies. Quantum Corporation was founded in 1980 and is headquartered in San Jose, California. |
| Synchronoss Technologies, Inc. (NASDAQ:SNCR) | Synchronoss Technologies, Inc. provides cloud data messaging, digital, and network and management solutions in the Americas, Europe, the Middle East, Africa, and the Asia Pacific through its Synchronoss Personal Cloud platform which allows customers' subscribers to backup and protect, engage with, and manage their personal content. It also provides Synchronoss' Messaging platform comprising advanced messaging platform and email suites, and OnboardX products, including mobile content transfer solution offering wireless transfer of content from one mobile smart device to another in a carrier retail location or at home/work, etc., as well as out of box experience solution, a device setup solution that assists customers in setting up the features of new device, such as Wi-Fi, email, social network accounts and more, among other software offerings. The company markets and sells its services through direct sales and strategic partners. Synchronoss Technologies, Inc. was incorporated in 2000 and is headquartered in Bridgewater, New Jersey. |

**Source:** S&P Capital IQ and BDO analysis

Descriptions of the transactions and the target companies we considered in our Transaction Multiples analysis are set out below.

| Target company | Transaction and target business descriptions |
|---|---|
| Datto Holding Corp. | Kaseya Inc. acquired Datto Holding Corp. from a group of shareholders for US$6 billion on April 11, 2022. The all-cash transaction was funded by an equity consortium led by Insight Partners, with significant investment from TPG Capital and Temasek, and participation from investors including Sixth Street. Upon completion of the transaction, Datto was removed from the New York Stock Exchange.<br>Datto Holding Corp. provides security and cloud-based software and technology solutions for delivery through MSP channels to SMEs in the USA and internationally. Its Unified Continuity products include Business Continuity and Disaster Recovery, which protect servers and workstations and minimises downtime, Cloud Continuity, an image-based continuity solution for laptops and desktops, SaaS Protection +, an automated and secure backup and restoration product, Workplace, a cloud-hosted file sync and share solution that enables end-users to synchronise files across platforms, including mobile devices, and File Protection, an MSP-managed secure and scalable backup product that enables MSPs to protect and recover files and folders on workstations and laptops. Its business management products consist of Autotask Professional Services Automation, an IT business management product, and remote monitoring and management. The company was founded in 2007 and is headquartered in Norwalk, Connecticut. As of June 23, 2022, Datto Holding Corp. operates as a subsidiary of Kaseya Inc. |

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| Target company | Transaction and target business descriptions |
|---|---|
| MediaValet Inc. | STG Partners, LLC acquired MediaValet Inc. from Shen Capital Corp. and other shareholders for CAD 74.4 million on January 23, 2024.<br>MediaValet Inc. develops and delivers enterprise cloud software to manage the digital media assets for companies in various industries. The company offers an Enterprise Digital Asset Management (DAM) platform that helps to create, find, work with, manage, and share digital assets, and modular add-ons, including advanced artificial intelligence, audio/video intelligence engine, active directory single sign-on module, CDN linking, branded portals, Office 365 connector, mobile support, content publishing, and open application programming interface developer tools. It also provides systems for workflow management, content management, customer relationship management, social media management, office productivity, and security. MediaValet Inc. was incorporated in 1993 and is headquartered in Vancouver, Canada. |
| Ping Identity Holding Corp. | Thoma Bravo Fund XV, L.P. acquired Ping Identity Holding Corp. from Vista Equity Partners Management, LLC, Senvest Management, LLC and other shareholders for approximately US$2.7 billion on August 2, 2022.<br>Ping Identity Holding Corp. develops and provides intelligent identity platform solutions for enterprises. Its Ping Intelligent Identity platform provides access to cloud, mobile, SaaS, and on-premises applications with customers, workforce, and partners. The company's platform offers secure single sign-on, multi-factor authentication, access security, directory solutions, dynamic authorization, risk management, identity verification, API intelligence, orchestration, and fraud detection. The company sells its solutions through a direct sales force. It serves healthcare companies, aerospace companies, auto manufacturers, and North American retailers. The company was founded in 2002 and is based in Denver, Colorado. |
| Talend S.A. | Thoma Bravo, LLC acquired Talend S.A. from Praesidium Investment Management Company, LLC, SRS Investment Management, LLC, 40 North Management LLC, Putnam Investments, LLC, Millennium Management LLC and other shareholders for US$2.5 billion on March 10, 2021.<br>Talend S.A. provides data integration and integrity solutions for various industries in the Americas, Europe, the Middle East, Africa, and the Asia Pacific. It designs and develops Talend Data Fabric, a software platform that integrates data and applications in real time across big data and cloud environments, as well as traditional systems, which allows organisations to develop a unified view of their business and customers. The company's Talend Data Fabric platform includes data ingestion, data integration, big data integration, application and cloud integration, data catalogue, and API design and testing, as well as self-service data preparation products; and Stitch Data Loader, a cloud-based data ingestion engine. The company sells its products directly to customers through its sales force, as well as through indirectly channel partners. The company was incorporated in 2005 and is based in Suresnes, France. |

**Source:** S&P Capital IQ and BDO analysis

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A matrix assessing the comparability of the identified comparable companies in our multiples analysis across various criteria is set out below.

## Trading Multiples

| Company name | Head office location | FY24 Revenue (A$m) | Historical revenue CAGR FY22 to FY24 (%) | Forecast revenue CAGR FY24 to FY26 (%) | FY24 net profit/(loss) (A$m) | Subscription model | Additional non-comparable products /services | Geographical diversification of customers |
|---|---|---|---|---|---|---|---|---|
| archTIS Ltd | Australia | 9.8 | 45.35% | N/A | (4.3) | Yes | Yes | Predominantly USA, also Australia, Europe |
| AvePoint, Inc.* | USA | 526.6 | 19.06% | N/A | 53.2 | Yes | No | Predominantly Australia, also USA, Europe |
| Backblaze, Inc. | USA | 204.0 | 22.42% | 14.02% | (77.6) | Yes | No | Predominantly USA, also Europe |
| Felix Group Holdings Ltd | Australia | 6.8 | 32.08% | N/A | (5.1) | Yes | Yes | Predominantly Australia, also Asia Pacific |
| N-able, Inc.* | USA | 615.4 | 11.65% | 11.08% | 136.9 | Yes | No | Predominantly USA, also rest of world |
| Quantum Corporation | USA | 498.2 | (9.85%) | (4.01%) | (66.0) | Yes | Yes | Predominantly USA, also Europe |
| Synchronoss Technologies, Inc. | USA | 276.8 | (0.17%) | 4.58% | 9.6 | Yes | No | Predominantly North America, also Europe, Middle East, Africa and Asia Pacific |

*AvePoint and N-able's FY24 financial statements were not available as at the date of our Report, therefore we have adopted an estimate of its FY24 revenue sourced from S&P Capital IQ

**Source:** S&P Capital IQ, BDO analysis



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## Transaction Multiples

| Company name | Transaction completion date | Head office location | Revenue prior to transaction (A$m) | Revenue CAGR 3 financial years prior to transaction (%) | Net profit/(loss) prior to transaction (A$m) | Subscription model | Additional non-comparable products /services | Geographical diversification of customers |
|---|---|---|---|---|---|---|---|---|
| Datto Holding Corp. | 23-Jun-2022 | USA | 873.2 | 11.46% | 59.7 | Yes | Yes | Predominantly USA, also UK and Europe |
| MediaValet Inc. | 02-Apr-2024 | Canada | 18.2 | 32.49% | (9.3) | Yes | No | Predominantly USA, also Canda, Europe, Middle East and Africa. |
| Ping Identity Holding Corp. | 18-Oct-2022 | USA | 439.2 | 12.50% | (150.4) | Yes | Yes | Predominantly USA, also UK, Canada, Australia, New Zealand, Europe |
| Talend S.A. | 09-Aug-2021 | France | 409.0 | 12.26% | (94.5) | Yes | Yes | Predominantly North America, also Europe, Middle East, Africa, Asia, France |

**Source:** S&P Capital IQ, BDO analysis

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# Annexure 2

## Scheme of arrangement

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# Scheme of Arrangement - Share Scheme

Dropsuite Limited

Scheme Shareholders

ANZ Tower 161 Castlereagh Street Sydney NSW 2000 Australia
GPO Box 4227 Sydney NSW 2001 Australia
**T** +61 2 9225 5000 **F** +61 2 9322 4000
herbertsmithfreehills.com DX 361 Sydney

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# Scheme of arrangement – share scheme

This scheme of arrangement is made under section 411 of the *Corporations Act 2001* (Cth)

Between the parties

Dropsuite Limited (**Dropsuite**) ACN 008 021 118 of Level 30 Collins Place, 35 Collins Street, Melbourne, Victoria, 3000 Australia

The Scheme Shareholders

## 1 Definitions, interpretation and scheme components

### 1.1 Definitions

Schedule 1 contains definitions used in this Scheme.

### 1.2 Interpretation

Schedule 1 contains interpretation rules for this Scheme.

### 1.3 Scheme components

This Scheme includes any schedule to it.

## 2 Preliminary matters

(a) Dropsuite is a public company limited by shares, registered in South Australia, Australia, and has been admitted to the official list of the ASX. Dropsuite Shares are quoted for trading on the ASX.

(b) As at the date of the Implementation Deed, there were the following Dropsuite securities on issue:

(1) 70,259,393 Dropsuite Shares; and

(2) 1,742,967 Dropsuite Performance Rights.

(c) NinjaOne is an unlisted company limited by shares registered in Texas, United States.

(d) NinjaOne Australia, a wholly-owned Subsidiary of NinjaOne, is a company limited by shares registered in Queensland, Australia.

(e) If this Scheme becomes Effective:

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(1) NinjaOne Australia must provide or procure the provision of the Scheme Consideration to the Scheme Shareholders in accordance with the terms of this Scheme and the Deed Poll; and

(2) all the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, must be transferred to NinjaOne Australia and Dropsuite will enter the name of NinjaOne Australia in the Share Register in respect of the Scheme Shares.

(f) Dropsuite, NinjaOne and NinjaOne Australia have agreed, by executing the Implementation Deed, to implement this Scheme.

(g) This Scheme attributes actions to NinjaOne and NinjaOne Australia but does not itself impose an obligation on them to perform those actions. NinjaOne and NinjaOne Australia have agreed, by executing the Deed Poll, to perform the actions attributed to them under this Scheme, including the provision or procuring the provision of the Scheme Consideration to the Scheme Shareholders.

# 3 Conditions

## 3.1 Conditions precedent

This Scheme is conditional on and will have no force or effect until, the satisfaction of each of the following conditions precedent:

(a) all the conditions in clause 3.1 of the Implementation Deed (other than the condition in the Implementation Deed relating to Court approval of this Scheme) having been satisfied or waived in accordance with the terms of the Implementation Deed;

(b) neither the Implementation Deed nor the Deed Poll having been terminated in accordance with their terms;

(c) approval of this Scheme by the Court under paragraph 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under subsection 411(6) of the Corporations Act and agreed to by NinjaOne and Dropsuite;

(d) such other conditions made or required by the Court under subsection 411(6) of the Corporations Act in relation to this Scheme and agreed to by NinjaOne and Dropsuite having been satisfied or waived; and

(e) the orders of the Court made under paragraph 411(4)(b) (and, if applicable, subsection 411(6)) of the Corporations Act approving this Scheme coming into effect, pursuant to subsection 411(10) of the Corporations Act on or before the End Date (or any later date Dropsuite and NinjaOne agree in writing).

## 3.2 Certificate

(a) Dropsuite, NinjaOne and NinjaOne Australia will provide to the Court on the Second Court Date a certificate, or such other evidence as the Court requests, confirming (in respect of matters within their respective knowledge) whether or not all of the conditions precedent in clauses 3.1(a) and 3.1(b) have been satisfied or waived.

(b) The certificate referred to in clause 3.2(a) constitutes conclusive evidence that such conditions precedent were satisfied, waived or taken to be waived.

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### 3.3 End Date

Without limiting any rights under the Implementation Deed, this Scheme will lapse and be of no further force or effect if:

(a) the Effective Date does not occur on or before the End Date; or

(b) the Implementation Deed or the Deed Poll is terminated in accordance with its terms,

unless Dropsuite and NinjaOne otherwise agree in writing.

## 4 Implementation of this Scheme

### 4.1 Lodgement of Court orders with ASIC

Dropsuite must lodge with ASIC, in accordance with subsection 411(10) of the Corporations Act, an office copy of the Court order approving this Scheme as soon as possible after the Court approves this Scheme and in any event by 5.00pm on the first Business Day after the day on which the Court approves this Scheme.

### 4.2 Transfer of Scheme Shares

On the Implementation Date:

(a) subject to the provision of the Scheme Consideration in the manner contemplated by clauses 5.1(a), 5.1(d), 5.1(e) and 5.1(f), the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, must be transferred to NinjaOne Australia, without the need for any further act by any Scheme Shareholder (other than acts performed by Dropsuite as attorney and agent for Scheme Shareholders under clause 8.5), by:

(1) Dropsuite delivering to NinjaOne Australia a duly completed Scheme Transfer, executed on behalf of the Scheme Shareholders by Dropsuite, for registration; and

(2) NinjaOne Australia duly executing the Scheme Transfer, attending to the stamping of the Scheme Transfer (if required) and delivering it to Dropsuite for registration; and

(b) immediately following receipt of the Scheme Transfer in accordance with clause 4.2(a)(2), but subject to the stamping of the Scheme Transfer (if required), Dropsuite must enter, or procure the entry of, the name of NinjaOne Australia in the Share Register in respect of all the Scheme Shares transferred to NinjaOne Australia in accordance with this Scheme.

## 5 Scheme Consideration

### 5.1 Provision of Scheme Consideration

(a) NinjaOne Australia must, and Dropsuite must use its best endeavours to procure that NinjaOne Australia does, by no later than the Business Day before the Implementation Date, deposit, or procure the deposit, in cleared funds an

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amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders (less the Withholding Amount as defined in clause 5.1(c), if any), into an Australian dollar denominated trust account with an ADI operated by Dropsuite as trustee for the Scheme Shareholders, (provided that any interest on the amounts deposited (less bank fees and other charges) will be credited to NinjaOne Australia's account).

(b) In the event that NinjaOne Australia will not or does not fulfil its obligations under clause 5.1(a), NinjaOne must, and Dropsuite must use its best endeavours to procure that NinjaOne does, perform those obligations as if the references to NinjaOne Australia in clause 5.1(a) were references to NinjaOne.

(c) If NinjaOne Australia is required by Subdivision 14-D of Schedule 1 of the *Taxation Administration Act 1953* (Cth) (**Subdivision 14-D**) to pay amounts to the Commissioner of Taxation in respect of the acquisition of Scheme Shares from certain Scheme Shareholders (**Withholding Amount**), subject to clause 14.3 of the Implementation Deed, NinjaOne Australia is permitted to deduct the Withholding Amount from the payment of the Scheme Consideration, and remit such amounts to the Commissioner of Taxation. The aggregate sum payable shall not be increased to reflect the deduction of the Withholding Amount and the net aggregate sum payable to those Scheme Shareholders to whom the Withholding Amount relates shall be taken to be in full and final satisfaction of the amounts owing to those Scheme Shareholders. NinjaOne Australia must pay any Withholding Amount in the time required by law and if requested in writing by the relevant Scheme Shareholder, provide a receipt or other appropriate evidence of such payment (or procure the provision of such receipt or other evidence) to the relevant Scheme Shareholder.

(d) Subject to clause 5.1(f), on the Implementation Date, and subject to funds having been deposited in accordance with clause 5.1(a), Dropsuite must pay or procure the payment of the Scheme Consideration to each Scheme Shareholder from the trust account referred to in clause 5.1(a).

(e) Subject to clause 5.1(f), the obligations of Dropsuite under clause 5.1(d) will be satisfied by Dropsuite (in its absolute discretion, and despite any election referred to in clause 5.1(e)(1) or authority referred to in clause 5.1(e)(2) made or given by the Scheme Shareholder):

(1) if a Scheme Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Dropsuite Registry to receive payments, including dividend payments from Dropsuite by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election;

(2) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the Scheme Shareholder by an appropriate authority from the Scheme Shareholder to Dropsuite; or

(3) dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Shareholder by prepaid post to their Registered Address (as at the Scheme Record Date), such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with the procedures set out in clause 5.2).

(f) The Scheme Consideration payable to each Scheme Shareholder with a Registered Address in New Zealand will be paid to a bank account nominated

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by that Scheme Shareholder in the manner contemplated by clause 5.1(e)(1) or clause 5.1(e)(2) or other appropriate authority provided by the relevant Scheme Shareholder to Dropsuite. If a Scheme Shareholder with a Registered Address in New Zealand has not nominated a bank account for receipt of payments, Dropsuite may hold payment of the Scheme Consideration owed to that Scheme Shareholder until a valid bank account has been nominated by an appropriate authority from the Scheme Shareholder to Dropsuite.

(g) To the extent that, following satisfaction of Dropsuite's obligations under clauses 5.1(d) and 5.1(f), there is a surplus in the amount held by Dropsuite as trustee for the Scheme Shareholders in the trust account referred to in that clause, that surplus may be paid by Dropsuite to NinjaOne Australia.

## 5.2 Joint holders

In the case of Scheme Shares held in joint names:

(a) subject to clause 5.1(e), the Scheme Consideration is payable to the joint holders and any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to either, at the sole discretion of Dropsuite, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders; and

(b) any other document required to be sent under this Scheme, will be forwarded to either, at the sole discretion of Dropsuite, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders.

## 5.3 Fractional entitlements

Where the calculation of the Scheme Consideration to be issued to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded down to the nearest whole cent.

## 5.4 Unclaimed monies

(a) Dropsuite may cancel a cheque issued under this clause 5 if the cheque:

(1) is returned to Dropsuite; or

(2) has not been presented for payment within six months after the date on which the cheque was sent.

(b) During the period of 12 months commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Dropsuite (or the Dropsuite Registry) (which request may not be made until the date which is 20 Business Days after the Implementation Date), Dropsuite must reissue a cheque that was previously cancelled under this clause 5.4.

(c) The *Unclaimed Money Act 2008* (Vic) will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 3 of the *Unclaimed Money Act 2008* (Vic)).

(d) Any interest or other benefit accruing from the unclaimed Scheme Consideration will be to the benefit of NinjaOne.

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### 5.5 Orders of a court or Government Agency

If written notice is given to Dropsuite (or the Dropsuite Registry), NinjaOne or NinjaOne Australia of an order or direction made by a court of competent jurisdiction or by another Government Agency that:

(a) requires consideration to be provided to a third party (either through payment of a sum or the issuance of a security) in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable or required to be issued to that Scheme Shareholder by Dropsuite in accordance with this clause 5, then Dropsuite shall be entitled to procure that provision of that consideration is made in accordance with that order or direction; or

(b) prevents Dropsuite from providing consideration to any particular Scheme Shareholder in accordance with this clause 5, or the payment or issuance of such consideration is otherwise prohibited by applicable law, Dropsuite shall be entitled to retain an amount, in Australian dollars, equal to the number of Scheme Shares held by that Scheme Shareholder multiplied by the Scheme Consideration until such time as provision of the Scheme Consideration in accordance with this clause 5 is permitted by that (or another) order or direction or otherwise by law.

## 6 Dealings in Dropsuite Shares

### 6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Dropsuite Shares or other alterations to the Share Register will only be recognised if:

(a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Share Register as the holder of the relevant Dropsuite Shares before the Scheme Record Date; and

(b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received before the Scheme Record Date at the place where the Share Register is kept,

and Dropsuite must not accept for registration, nor recognise for any purpose (except a transfer to NinjaOne Australia pursuant to this Scheme and any subsequent transfer by NinjaOne Australia or its successors in title), any transfer or transmission application or other request received after such times, or received prior to such times but not in registrable or actionable form, as appropriate.

### 6.2 Register

(a) Dropsuite must register registrable transmission applications or transfers of the Scheme Shares that are received in accordance with clause 6.1(b) before the Scheme Record Date provided that, for the avoidance of doubt, nothing in this clause 6.2(a) requires Dropsuite to register a transfer that would result in a Dropsuite Shareholder holding a parcel of Dropsuite Shares that is less than a 'marketable parcel' (for the purposes of this clause 6.2(a) 'marketable parcel' has the meaning given in the Operating Rules).

(b) If this Scheme becomes Effective, a holder of Scheme Shares (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them on or after the Scheme Record

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Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and Dropsuite shall be entitled to disregard any such disposal or purported disposal.

(c) For the purpose of determining entitlements to the Scheme Consideration, Dropsuite must maintain the Share Register in accordance with the provisions of this clause 6.2 until the Scheme Consideration has been paid to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Scheme Consideration.

(d) All statements of holding for Dropsuite Shares (other than statements of holding in favour of NinjaOne Australia or any Excluded Shareholders) will cease to have effect after the Scheme Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Share Register (other than entries on the Share Register in respect of NinjaOne Australia or any Excluded Shareholder) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Dropsuite Shares relating to that entry.

(e) As soon as possible on or after the Scheme Record Date, and in any event by 5.00pm on the first Business Day after the Scheme Record Date, Dropsuite will ensure that details of the names, Registered Addresses and registered holdings of Dropsuite Shares for each Scheme Shareholder as at the Scheme Record Date as shown in the Share Register are available to NinjaOne.

# 7 Quotation of Dropsuite Shares

(a) Dropsuite must apply to ASX to suspend trading on the ASX in Dropsuite Shares with effect from the close of trading on the Effective Date.

(b) Dropsuite must apply:

(1) for termination of the official quotation of Dropsuite Shares on the ASX; and

(2) to have itself removed from the official list of the ASX,

with effect on a date after the Implementation Date to be determined by NinjaOne.

# 8 General Scheme provisions

## 8.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

(a) Dropsuite may by its counsel consent on behalf of all persons concerned to those alterations or conditions to which NinjaOne has consented; and

(b) each Scheme Shareholder agrees to any such alterations or conditions which Dropsuite has consented to.

## 8.2 Scheme Shareholders' agreements and warranties

(a) Each Scheme Shareholder:

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(1) agrees to the transfer of their Dropsuite Shares together with all rights and entitlements attaching to those Dropsuite Shares in accordance with this Scheme;

(2) agrees to the variation, cancellation or modification of the rights attached to their Dropsuite Shares constituted by or resulting from this Scheme;

(3) agrees to, on the direction of NinjaOne, destroy any holding statements or share certificates relating to their Dropsuite Shares and agrees that after the transfer of their Dropsuite Shares under the Scheme, that their holding statement or share certificate shall not constitute evidence of title to those Dropsuite Shares;

(4) who holds their Dropsuite Shares in a CHESS Holding agrees to the conversion of those Dropsuite Shares to an Issuer Sponsored Holding and irrevocably authorises Dropsuite to do anything necessary or expedient (whether required by the Settlement Rules or otherwise) to effect or facilitate such conversion; and

(5) acknowledges and agrees that this Scheme binds Dropsuite and all Scheme Shareholders (including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting) without the need for any further act by any Scheme Shareholder.

(b) Each Scheme Shareholder is taken to have warranted to Dropsuite and NinjaOne Australia on the Implementation Date, and appointed and authorised Dropsuite as its attorney and agent to warrant to NinjaOne Australia on the Implementation Date, that:

(1) all their Dropsuite Shares (including any rights and entitlements attaching to those shares) which are transferred under this Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind;

(2) they have full power and capacity to transfer their Dropsuite Shares to NinjaOne Australia together with any rights and entitlements attaching to those shares; and

(3) they have no existing right to be issued any new Dropsuite Shares or Dropsuite Performance Rights or securities or other instruments exercisable, or convertible, into Dropsuite Shares, except under an existing Dropsuite equity incentive plan.

(c) Dropsuite undertakes that it will provide such warranty to NinjaOne Australia as agent and attorney of each Scheme Shareholder.

## 8.3 Title to and rights in Scheme Shares

(a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to NinjaOne Australia will, at the time of transfer of them to NinjaOne Australia vest in NinjaOne Australia free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009*

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(Cth)) and interests of third parties of any kind, whether legal or otherwise and free from any restrictions on transfer of any kind.

(b) Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clauses 5.1(a), 5.1(d), and 5.1(e) and 5.1(f), NinjaOne Australia will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Dropsuite of NinjaOne Australia in the Share Register as the holder of the Scheme Shares.

## 8.4 Appointment of sole proxy

Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clauses 5.1(a), 5.1(d), 5.1(e) and 5.1(f), and until Dropsuite registers NinjaOne Australia as the holder of all Scheme Shares in the Share Register, each Scheme Shareholder:

(a) is deemed to have irrevocably appointed NinjaOne Australia as attorney and agent (and directed NinjaOne Australia in each such capacity) to appoint any director, officer, secretary or agent nominated by NinjaOne Australia as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution or document;

(b) must not attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 8.4(a));

(c) must take all other actions in the capacity of a registered holder of Scheme Shares as NinjaOne Australia reasonably directs; and

(d) acknowledges and agrees that in exercising the powers referred to in clause 8.4(a), NinjaOne Australia and any director, officer, secretary or agent nominated by NinjaOne Australia under clause 8.4(a) may act in the best interests of NinjaOne Australia as the intended registered holder of the Scheme Shares.

## 8.5 Authority given to Dropsuite

Each Scheme Shareholder, without the need for any further act:

(a) on the Effective Date, irrevocably appoints Dropsuite and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of enforcing the Deed Poll against NinjaOne and NinjaOne Australia, and Dropsuite undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against NinjaOne and NinjaOne Australia on behalf of and as agent and attorney for each Scheme Shareholder; and

(b) on the Implementation Date, irrevocably appoints Dropsuite and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of executing any document or doing or taking any other act necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including (without limitation) executing the Scheme Transfer,

and Dropsuite accepts each such appointment. Dropsuite as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.5 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).

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### 8.6 Binding effect of Scheme

This Scheme binds Dropsuite and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting to vote on this Scheme, did not vote at the Scheme Meeting, or voted against this Scheme at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Dropsuite.

## 9 General

### 9.1 Stamp duty

NinjaOne Australia (and NinjaOne will procure that NinjaOne Australia) will:

(a) pay all Duty under or in connection with this Scheme and the Deed Poll; and

(b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 9.1(a).

### 9.2 Consent

Each of the Scheme Shareholders consents to Dropsuite doing all things necessary or incidental to, or to give effect to, the implementation of this Scheme, whether on behalf of the Scheme Shareholders, Dropsuite or otherwise.

### 9.3 Notices

(a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Dropsuite, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Dropsuite's registered office or at the office of the Dropsuite Registry.

(b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Dropsuite Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

### 9.4 Governing law

(a) This Scheme is governed by the laws in force in Victoria, Australia.

(b) The parties irrevocably submit to the exclusive jurisdiction of courts exercising jurisdiction in Victoria, Australia and courts of appeal from them in respect of any proceedings arising out of or in connection with this Scheme. The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

### 9.5 Further action

Dropsuite must do all things and execute all documents necessary to give full effect to this Scheme and the transactions contemplated by it.

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## 9.6 No liability when acting in good faith

Each Scheme Shareholder agrees that neither Dropsuite, NinjaOne nor NinjaOne Australia nor any director, officer, secretary or employee of any of those companies shall be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

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# Schedule 1

## Definitions and interpretation

## 1 Definitions

The meanings of the terms used in this Scheme are set out below.

| Term | Meaning |
|---|---|
| **ADI** | authorised deposit-taking institution (as defined in the *Banking Act 1959* (Cth)). |
| **ASIC** | the Australian Securities and Investments Commission. |
| **ASX** | ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates. |
| **Business Day** | business day as defined in the Listing Rules. |
| **CHESS** | the Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited. |
| **CHESS Holding** | has the meaning given in the Settlement Rules. |
| **Corporations Act** | the *Corporations Act 2001* (Cth), as modified or varied by ASIC. |
| **Court** | the Federal Court of Australia (sitting in Melbourne)**,** or such other court of competent jurisdiction under the Corporations Act agreed to in writing by NinjaOne and Dropsuite. |
| **Deed Poll** | the deed poll substantially in the form of Attachment 1 under which NinjaOne and NinjaOne Australia each covenant in favour of the Scheme Shareholders to perform the obligations attributed to NinjaOne and NinjaOne Australia under this Scheme. |
| **Dropsuite** | Dropsuite Limited ACN 008 021 118. |

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| Term | Meaning |
|---|---|
| **Dropsuite Performance Rights** | has the meaning given in the Implementation Deed. |
| **Dropsuite Registry** | Automic Pty Ltd ACN 152 260 814. |
| **Dropsuite Share** | a fully paid ordinary share in the capital of Dropsuite. |
| **Dropsuite Shareholder** | each person who is registered as the holder of a Dropsuite Share in the Share Register. |
| **Duty** | has the meaning given in the Implementation Deed. |
| **Effective** | when used in relation to this Scheme, the coming into effect, under subsection 411(10) of the Corporations Act, of the Court order made under paragraph 411(4)(b) of the Corporations Act in relation to this Scheme. |
| **Effective Date** | the date on which this Scheme becomes Effective. |
| **End Date** | the date that is eight months after the date of the Implementation Deed, or such other date as agreed in writing by the parties. |
| **Excluded Shareholder** | any Dropsuite Shareholder who is a member of the NinjaOne Group or any Dropsuite Shareholder who holds any Dropsuite Shares on behalf of, or for the benefit of, any member of the NinjaOne Group and does not hold Dropsuite Shares on behalf of, or for the benefit of, any other person. |
| **Government Agency** | any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities exchange), or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian. |
| **Implementation Date** | the fifth Business Day after the Scheme Record Date, or such other date after the Scheme Record Date as agreed in writing by Dropsuite, NinjaOne and NinjaOne Australia. |

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| Term | Meaning |
|---|---|
| **Implementation Deed** | the scheme implementation deed dated 28 January 2025 between Dropsuite, NinjaOne and NinjaOne Australia relating to the implementation of this Scheme. |
| **Issuer Sponsored Holding** | has the meaning given in the Settlement Rules. |
| **Listing Rules** | the official listing rules of ASX. |
| **NinjaOne** | NinjaOne, LLC of 3687 Tampa Road, #200 Oldsmar, Florida, 34677, United States of America. |
| **NinjaOne Australia** | NinjaOne Australia Pty Ltd ACN 655 215 366 of c/- Vistra Australia Pty Ltd, Suite 902, Level 9, 146 Arthur Street North Sydney, Australia, being a wholly owned Subsidiary of NinjaOne. |
| **NinjaOne Group** | NinjaOne and each of its Subsidiaries (including, for the avoidance of doubt, NinjaOne Australia) and a reference to a **NinjaOne Group Member** or **a member of the NinjaOne Group** is to NinjaOne or any of its Subsidiaries. |
| **NinjaOne Register** | the register of shareholders maintained by NinjaOne or its agent. |
| **Operating Rules** | the official operating rules of ASX. |
| **Registered Address** | in relation to a Dropsuite Shareholder, the address shown in the Share Register as at the Scheme Record Date. |
| **Scheme** | this scheme of arrangement under Part 5.1 of the Corporations Act between Dropsuite and the Scheme Shareholders subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Dropsuite and NinjaOne. |
| **Scheme Consideration** | the consideration to be provided by NinjaOne Australia to each Scheme Shareholder for the transfer to NinjaOne Australia of each Scheme Share, being for each Dropsuite Share held by a Scheme Shareholder as at the Scheme Record Date, an amount of $5.90, subject to the terms of this Scheme. |

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| Term | Meaning |
|---|---|
| **Scheme Meeting** | the meeting of the Dropsuite Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under subsection 411(1) of the Corporations Act to consider and vote on this Scheme and includes any meeting convened following any adjournment or postponement of that meeting. |
| **Scheme Record Date** | 7.00pm on the second Business Day after the Effective Date or such other date as agreed in writing by Dropsuite and NinjaOne. |
| **Scheme Shares** | all Dropsuite Shares held by the Scheme Shareholders as at the Scheme Record Date. |
| **Scheme Shareholder** | a holder of Dropsuite Shares recorded in the Share Register as at the Scheme Record Date (other than an Excluded Shareholder). |
| **Scheme Transfer** | a duly completed and executed proper instrument of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, in favour of NinjaOne Australia as transferee, which may be a master transfer of all or part of the Scheme Shares. |
| **Second Court Date** | the first day on which an application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving this Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard. |
| **Settlement Rules** | the ASX Settlement Operating Rules, being the official operating rules of the settlement facility provided by ASX Settlement Pty Ltd. |
| **Share Register** | the register of members of Dropsuite maintained by Dropsuite or the Dropsuite Registry in accordance with the Corporations Act. |
| **Subsidiary** | has the meaning given in Division 6 of Part 1.2 of the Corporations Act, provided that an entity will also be taken to be a Subsidiary of another entity if it is controlled by that entity (as 'control' is defined in section 50AA of the Corporations Act) and, without limitation:<br>1 a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; and<br>2 an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation. |
| **Withholding Amount** | has the meaning given in clause 5.1(c). |

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## 2 Interpretation

In this Scheme:

(a) headings and bold type are for convenience only and do not affect the interpretation of this Scheme;

(b) the singular includes the plural and the plural includes the singular;

(c) words of any gender include all genders;

(d) other parts of speech and grammatical forms of a word or phrase defined in this Scheme have a corresponding meaning;

(e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency as well as an individual;

(f) a reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to, this Scheme;

(g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or reenactments of any of them (whether passed by the same or another Government Agency with legal power to do so);

(h) a reference to a document (including this Scheme) includes all amendments or supplements to, or replacements or novations of, that document;

(i) a reference to '$', 'A$' or 'dollar' is to Australian currency;

(j) a reference to any time is, unless otherwise indicated, a reference to that time in Melbourne, Victoria;

(k) a term defined in or for the purposes of the Corporations Act, and which is not defined in clause 1 of this Schedule 1, has the same meaning when used in this Scheme;

(l) a reference to a party to a document includes that party's successors and permitted assignees;

(m) no provision of this Scheme will be construed adversely to a party because that party was responsible for the preparation of this Scheme or that provision;

(n) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;

(o) a reference to a body, other than a party to this Scheme (including an institute, association or authority), whether statutory or not:

(1) which ceases to exist; or

(2) whose powers or functions are transferred to another body,

is a reference to the body which replaces it or which substantially succeeds to its powers or functions;

(p) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;

(q) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;

(r) if an act prescribed under this Scheme to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day; and

(s) a reference to the Listing Rules, Operating Rules or the Settlement Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party.

## 3 Interpretation of inclusive expressions

Specifying anything in this Scheme after the words 'include' or 'for example' or similar expressions does not limit what else is included.

## 4 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

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# Attachment 1

## Deed Poll

# Annexure 3

## Deed Poll

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Deed

# Share Scheme Deed Poll

NinjaOne, LLC

NinjaOne Australia Pty Ltd

ANZ Tower 161 Castlereagh Street Sydney NSW 2000 Australia
GPO Box 4227 Sydney NSW 2001 Australia
**T** +61 2 9225 5000 **F** +61 2 9322 4000
herbertsmithfreehills.com DX 361 Sydney

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# Share Scheme Deed Poll

Date ▸ 28 March 2025

This deed poll is made

By

**NinjaOne, LLC**

of 3687 Tampa Road, #200, Oldsmar, Florida, 34677, United States of America

(**NinjaOne**)

and

**NinjaOne Australia Pty Ltd ACN 655 215 366**

of c/- Vistra Australia Pty Ltd, Suite 902, Level 9, 146 Arthur Street, North Sydney, New South Wales, 2060 Australia

(**NinjaOne Australia**)

in favour of

each person registered as a holder of fully paid ordinary shares in Dropsuite in the Share Register as at the Scheme Record Date (other than the Excluded Shareholders).

Recitals

1 Dropsuite, NinjaOne and NinjaOne Australia entered into the Implementation Deed.

2 In the Implementation Deed, NinjaOne and NinjaOne Australia agreed to make this deed poll.

3 NinjaOne and NinjaOne Australia are making this deed poll for the purpose of covenanting in favour of the Scheme Shareholders to perform their obligations under the Implementation Deed and the Scheme.

This deed poll provides as follows:

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# 1 Definitions and interpretation

## 1.1 Definitions

(a) The meanings of the terms used in this deed poll are set out below.

| Term | Meaning |
|---|---|
| **Dropsuite** | Dropsuite Limited ACN 008 021 118. |
| **Duty** | has the meaning given in the Implementation Deed. |
| **First Court Date** | the first day on which an application made to the Court for an order under subsection 411(1) of the Corporations Act convening the Scheme Meeting is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard. |
| **Implementation Deed** | the scheme implementation deed entered into between Dropsuite, NinjaOne and NinjaOne Australia dated 28 January 2025. |
| **Scheme** | the scheme of arrangement under Part 5.1 of the Corporations Act between Dropsuite and the Scheme Shareholders, substantially in the form set out in Attachment 1, subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by NinjaOne and Dropsuite. |

(b) Unless the context otherwise requires, terms defined in the Scheme have the same meaning when used in this deed poll.

## 1.2 Interpretation

Sections 2, 3 and 4 of Schedule 1 of the Scheme apply to the interpretation of this deed poll, except that references to 'this Scheme' are to be read as references to 'this deed poll'.

## 1.3 Nature of deed poll

NinjaOne and NinjaOne Australia acknowledge that:

(a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it; and

(b) under the Scheme, each Scheme Shareholder irrevocably appoints Dropsuite and each of its directors, officers and secretaries (jointly and each of them severally) as its agent and attorney to enforce this deed poll against NinjaOne and NinjaOne Australia.

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# 2 Conditions to obligations

## 2.1 Conditions

This deed poll and the obligations of NinjaOne and NinjaOne Australia under this deed poll are subject to the Scheme becoming Effective.

## 2.2 Termination

The obligations of NinjaOne and NinjaOne Australia under this deed poll to the Scheme Shareholders will automatically terminate and the terms of this deed poll will be of no force or effect if:

(a) the Implementation Deed is terminated in accordance with its terms; or

(b) the Scheme is not Effective on or before the End Date,

unless NinjaOne, NinjaOne Australia and Dropsuite otherwise agree in writing.

## 2.3 Consequences of termination

If this deed poll terminates under clause 2.2, in addition and without prejudice to any other rights, powers or remedies available to it:

(a) NinjaOne and NinjaOne Australia are released from their obligations to further perform this deed poll except those obligations under clause 7.1; and

(b) each Scheme Shareholder retains the rights they have against NinjaOne and NinjaOne Australia in respect of any breach of this deed poll which occurred before it was terminated.

# 3 Scheme obligations

## 3.1 Undertaking to pay Scheme Consideration

Subject to clause 2:

(a) NinjaOne Australia undertakes in favour of each Scheme Shareholder to deposit, or procure the deposit of, in cleared funds, by no later than the Business Day before the Implementation Date, an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders under the Scheme into an Australian dollar denominated trust account operated by Dropsuite as trustee for the Scheme Shareholders, except that any interest on the amounts deposited (less bank fees and other charges) will be credited to NinjaOne Australia's account;

(b) NinjaOne undertakes in favour of each Scheme Shareholder that, in the event NinjaOne Australia will not or does not fulfil its obligations under clause 3.1(a), NinjaOne will perform those obligations as if references to NinjaOne Australia were references to NinjaOne; and

(c) each of NinjaOne and NinjaOne Australia undertakes in favour of all Scheme Shareholders to undertake all other actions, comply with its obligations and give each acknowledgement, representation and warranty (if any), attributed to it under the Scheme,

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subject to and in accordance with the terms of the Scheme.

# 4 Warranties

Each of NinjaOne and NinjaOne Australia represents and warrants in favour of each Scheme Shareholder, in respect of itself, that:

(a) it is a corporation validly existing under the laws of its place of registration;

(b) it has the corporate power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;

(c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance of this deed poll and to carry out the transactions contemplated by this deed poll;

(d) this deed poll is valid and binding on it and enforceable against it in accordance with its terms; and

(e) this deed poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound.

# 5 Continuing obligations

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

(a) NinjaOne and NinjaOne Australia have fully performed their obligations under this deed poll; or

(b) the earlier termination of this deed poll under clause 2.

# 6 Notices

## 6.1 Form of Notice

A notice or other communication in respect of this deed poll (**Notice**) must be:

(a) in writing and in English and signed by or on behalf of the sending party; and

(b) addressed to NinjaOne and NinjaOne Australia in accordance with the details set out below (or any alternative details nominated by NinjaOne or NinjaOne Australia by Notice).

| Name | Attention | Address | Email |
|---|---|---|---|
| NinjaOne and | Chris Matarese | c/o NinjaOne Australia Pty Ltd | [redacted] |

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| | | | |
|---|---|---|---|
| NinjaOne Australia | | Level 5, 99 Walker Street, North Sydney NSW 2060 Australia | |
| With a copy to: | Peter Cook and Sean Meehan of Gilbert + Tobin | Gilbert + Tobin<br>Level 35, Tower Two, International Towers, Barangaroo NSW 2000 Australia | pcook@gtlaw.com.au<br>smeehan@gtlaw.com.au |
| | David Ajalat, Joshua Zachariah and Jean Lee of Goodwin Procter | Goodwin Procter LLP<br>520 Broadway, Suite 500 Santa Monica, CA 90401 | DAjalat@goodwinlaw.com<br>JZachariah@goodwinlaw.com<br>JeanLee@goodwinlaw.com |

## 6.2 How Notice must be given and when Notice is received

(a) A Notice must be given by one of the methods set out in the table below.

(b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (Melbourne time) on a Business Day (**business hours period**), then the Notice will instead be regarded as given and received at the start of the following business hours period.

| **Method of giving Notice** | **When Notice is regarded as given and received** |
|---|---|
| By hand to the nominated address | When delivered to the nominated address |
| By pre-paid post to the nominated address | At 9.00am (Melbourne time) on the second Business Day after the date of posting |
| By email to the nominated email address | The first to occur of:<br>1 the sender receiving an automated message confirming delivery; or<br>2 two hours after the time that the email was sent (as recorded on the device from which the email was sent) provided that the sender does not, within the |

| Method of giving Notice | When Notice is regarded as given and received |
|---|---|
| | period, receive an automated message that the email has not been delivered. |

### 6.3 Notice must not be given by electronic communication

A Notice must not be given by electronic means of communication (other than email as permitted in clause 6.2).

## 7 General

### 7.1 Stamp duty

NinjaOne Australia (and NinjaOne will procure that NinjaOne Australia):

(a) will pay all Duty under or in connection with the Scheme and this deed poll; and

(b) indemnifies each Scheme Shareholder against any liability arising from failure to comply with clause 7.1(a).

### 7.2 Governing law and jurisdiction

(a) This deed poll is governed by the law in force in Victoria, Australia.

(b) NinjaOne and NinjaOne Australia irrevocably submits to the exclusive jurisdiction of courts exercising jurisdiction in Victoria, Australia and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed poll. NinjaOne and NinjaOne Australia irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

### 7.3 Waiver

(a) NinjaOne and NinjaOne Australia may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver.

(b) No Scheme Shareholder may rely on words or conduct of NinjaOne or NinjaOne Australia as a waiver of any right unless the waiver is in writing and signed by NinjaOne or NinjaOne Australia, as appropriate.

(c) The meanings of the terms used in this clause 7.3 are set out below.

| Term | Meaning |
|---|---|
| **conduct** | includes delay in the exercise of a right. |

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| | |
|---|---|
| **right** | any right arising under or in connection with this deed poll and includes the right to rely on this clause. |
| **waiver** | includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel. |

## 7.4 Variation

A provision of this deed poll may not be varied unless:

(a) if before the First Court Date, the variation is agreed to by Dropsuite; or

(b) if on or after the First Court Date, the variation is agreed to by Dropsuite and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event NinjaOne and NinjaOne Australia will enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.

## 7.5 Cumulative rights

The rights, powers and remedies of NinjaOne, NinjaOne Australia and the Scheme Shareholders under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this deed poll.

## 7.6 Assignment

(a) The rights created by this deed poll are personal to NinjaOne, NinjaOne Australia and each Scheme Shareholder and must not be dealt with at law or in equity without the prior written consent of NinjaOne.

(b) Any purported dealing in contravention of clause 7.6(a) is invalid.

## 7.7 Joint and several obligations

NinjaOne and NinjaOne Australia are jointly and severally liable for each obligation imposed on both of them by the terms of this deed poll.

## 7.8 Further action

NinjaOne and NinjaOne Australia must, at their own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

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HERBERT SMITH FREEHILLS

# Attachment 1

## Scheme

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HERBERT SMITH FREEHILLS

# Signing page

## Executed as a deed poll

Signed sealed and delivered by **NinjaOne, LLC** by its authorised signatory in the presence of

Seal

GIANNA MAY PILATO
Notary Public - California
Los Angeles County
Commission # 2414760
My Comm. Expires Sep 4, 2026

*sign here* ► [redacted]
Authorised signatory

*print name* Christopher Matarese

*sign here* ► [redacted]
Witness

*print name* Gianna Pilato

Signed sealed and delivered by **NinjaOne Australia Pty Ltd** in accordance with section 127 of the Corporations Act 2001 (Cth) by

*sign here* ► [redacted]
Director/Company Secretary

*print name* Christopher Matarese

*sign here* ► [redacted]
Director

*print name* Salvatore Sferlazza

# Annexure 4

## Notice of Scheme Meeting

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# Notice of Scheme Meeting

## Dropsuite Limited ACN 008 021 118 (**Dropsuite**)

Notice is hereby given that, by an order of the Federal Court of Australia (**Court**) made 2 April 2025, pursuant to subsection 411(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), a meeting of Dropsuite Shareholders will be held:

Date: Friday, 9 May 2025

Time: 11.00am (Melbourne time)

Venue: Level 42, 101 Collins Street Melbourne, Victoria, 3000 Australia and online via the online platform at https://us02web.zoom.us/webinar/register/WN_qLiiL0DqTMWajVYBpmMCCQ

Purpose of the meeting: The purpose of the Scheme Meeting is to consider and, if thought fit, to agree to a scheme of arrangement (with or without amendment or any alterations or conditions required by the Court to which Dropsuite and NinjaOne, LLC (**NinjaOne**) agree) proposed to be made between Dropsuite and Dropsuite Shareholders (the **Scheme**).

A copy of the Scheme and a copy of the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are contained in the Scheme Booklet, of which this notice forms part.

## Resolution

The Scheme Meeting will be asked to consider and, if thought fit, pass (with or without amendment) the following resolution (the **Scheme Resolution**):

> 'That, pursuant to and in accordance with the provisions of section 411 of the *Corporations Act 2001* (Cth), the scheme of arrangement proposed between Dropsuite Limited and the holders of its ordinary shares, as contained in and more particularly described in the scheme booklet of which the notice convening this meeting forms part, is agreed to, with or without alterations or conditions as approved by the Federal Court of Australia to which Dropsuite Limited and NinjaOne, LLC agree.'

## Chairman

The Court has directed that Theo Hnarakis is to act as chairman of the Scheme Meeting (and that, if Theo Hnarakis is unable or unwilling to attend, Kobe Lizheng is to act as chairman of the meeting) and has directed the chairman to report the result of the Scheme Resolution to the Court.

Dated 2 April 2025

By order of the Court and the Dropsuite Board

Kobe Li
Company Secretary of Dropsuite Limited

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# Explanatory notes

## 1 General

This notice of meeting (**Notice of Scheme Meeting**) relates to the Scheme and should be read in conjunction with the Scheme Booklet of which this Notice of Scheme Meeting forms part. The Scheme Booklet contains important information to assist you in determining how to vote on the Scheme Resolution.

A copy of the Scheme is set out in Annexure 2 of the Scheme Booklet.

Capitalised terms used but not defined in this Notice of Scheme Meeting have the meanings set out in section 10.1 of the Scheme Booklet unless the context otherwise requires.

## 2 Scheme Meeting format

The Scheme Meeting will be held as a hybrid meeting. This means that Dropsuite Shareholders and their authorised proxies, attorneys and corporate representatives will be able to either attend and participate in the Scheme Meeting in person at Level 42, 101 Collins Street Melbourne, Victoria, 3000 Australia or participate in the Scheme Meeting online via the online platform at https://us02web.zoom.us/webinar/register/WN_qLiiL0DqTMWajVYBpmMCCQ.

Further details on how to participate and vote are set out in this Notice of Scheme Meeting.

## 3 Shareholder approval

For the proposed Scheme to be binding in accordance with section 411 of the Corporations Act, the Scheme Resolution must be agreed to by:

- unless the Court orders otherwise, a majority in number (more than 50%) of Dropsuite Shareholders (other than Excluded Shareholders) present and voting (either in person or by proxy, attorney or, in the case of corporate Dropsuite Shareholders, corporate representative) at the Scheme Meeting; and
- at least 75% of the total number of votes cast on the Scheme Resolution (either in person or by proxy, attorney or, in the case of corporate Dropsuite Shareholders, corporate representative) at the Scheme Meeting by Dropsuite Shareholders (other than Excluded Shareholders).

## 4 Court approval

Under paragraph 411(4)(b) of the Corporations Act, the Scheme (with or without alterations or conditions as approved by the Federal Court of Australia to which Dropsuite and NinjaOne, LLC agree) is subject to the approval of the Court.

If the Scheme Resolution is agreed to by the Requisite Majorities (referred to in section 3 above) and the other Conditions Precedent to the Scheme (other than approval by the Court) are satisfied or waived by the time required under the Scheme, Dropsuite intends to apply to the Court for the necessary orders to give effect to the Scheme.

In order for the Scheme to become Effective, it must be approved by the Court and a sealed office copy of the orders of the Court approving the Scheme must be lodged with ASIC.

# 5 Eligibility to vote

In accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Dropsuite Board has determined that the time for determining eligibility to vote at the Scheme Meeting is **7.00pm (Melbourne time) on Wednesday, 7 May 2025**. Only those Dropsuite Shareholders entered on the Dropsuite Share Register at that time will be entitled to attend and vote at the Scheme Meeting, either in person, by proxy or attorney, or in the case of a corporate Dropsuite Shareholder, by a corporate representative. The remaining comments in these explanatory notes are addressed to Dropsuite Shareholders entitled to attend and vote at the Scheme Meeting.

# 6 Participation in the Scheme Meeting

## 6.1 Participating in person

The Scheme Meeting will be held at Level 42, 101 Collins Street Melbourne, Victoria, 3000 Australia.

All persons planning to attend the Scheme Meeting are asked to arrive at the venue at least 30 minutes before the scheduled time for commencement of the Scheme Meeting, so that your shareholding can be checked against the Dropsuite Share Register, any power of attorney or certificate of appointment of corporate representative verified, and your attendance noted.

## 6.2 Participating via the online platform

Dropsuite Shareholders and their authorised proxies, attorneys or corporate representatives will be able to participate in the Scheme Meeting online at https://us02web.zoom.us/webinar/register/WN_qLiiL0DqTMWajVYBpmMCCQ.

The online platform will allow Dropsuite Shareholders and their authorised proxies, attorneys or corporate representatives to attend the Scheme Meeting online, cast an online vote and ask questions online. Further details on how to vote and submit questions online during the Scheme Meeting are set out in sections 9.2 and 10 below.

The online platform may be accessed via a computer, mobile or tablet device with internet access. If you plan to use the online platform, we recommend you check that the platform is accessible on your chosen device before the commencement of the Scheme Meeting.

To participate and vote online, Dropsuite Shareholders will need to log in to the Automic website at www.investor.automic.com.au/#/home with their username and password. Shareholders who do not have an account with Automic are strongly encouraged to register for an account as soon as possible and well in advance of the Scheme Meeting to avoid any delays in attending the Scheme Meeting.

**(a) How do I create an account with Automic?**

To create an account with Automic, please go to the Automic website at www.investor.automic.com.au/#/home, click on 'Register' and follow the steps provided. Dropsuite Shareholders will require either their Securityholder Reference Number (**SRN**) or Holding Identification Number (**HIN**) to create an account. This can be found on your holding statement or dividend payment advice. Dropsuite Shareholders are encouraged to create an account prior to the start of the Scheme Meeting to ensure there is no delay in attending the virtual meeting.



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**(b) I have an account with Automic, what are the next steps?**

Dropsuite Shareholders who have an existing account with Automic are advised to take the following steps to participate and vote online on the day of the Scheme Meeting:

(1) Log in to the Automic website at www.investor.automic.com.au/#/home using your username and password.

(2) If registration for the Scheme Meeting is open, click on 'Meeting open for registration' and follow the steps provided.

(3) If live voting for the Scheme Meeting is open, click on 'Meeting open for voting' and follow the steps provided.

Participants will be able to log in to the online platform 60 minutes before the start of the Scheme Meeting. It is recommended that participants log on at least 15 minutes before the scheduled start time of the Scheme Meeting.

**(c) How do I ask a question online?**

To ask a question via the online platform, click the 'Q&A' icon and type in the relevant HIN or SRN to verify you are a Dropsuite Shareholder or are asking a question on behalf of a Dropsuite Shareholder. The question may then be typed into the online platform where indicated or, if you wish to ask a verbal question, type 'I want to ask a verbal question', select 'send' and follow the prompts.

Further details on how to participate and vote online are set out in sections 7, 9.2 and 10 below.

# 7 How to vote

In accordance with Dropsuite's constitution, voting will be conducted by poll.

If you are a Dropsuite Shareholder entitled to vote at the Scheme Meeting, you may vote:

- **in person**, by physically attending the Scheme Meeting at Level 42, 101 Collins Street, Melbourne, Victoria, 3000 Australia and voting in person;
- **online**, by participating and voting online at the Scheme Meeting via the online platform at https://us02web.zoom.us/webinar/register/WN_qLiiL0DqTMWajVYBpmMCCQ. To vote online, you will need follow the instructions set out in sections 6.2 above and 9.2 below;
- **by proxy**, by appointing one or two proxies to attend and vote on your behalf (either in person or online), using the proxy form that accompanies this Scheme Booklet or submitting a proxy form online at www.investor.automic.com.au/#/home. To submit a proxy vote online, you will need your Holder Number which is shown at the top of the proxy form that accompanies this Scheme Booklet;
- **by attorney**, by appointing an attorney to attend and vote at the Scheme Meeting on your behalf (either in person or online), using a duly executed power of attorney; or
- **by corporate representative**, in the case of a body corporate, by appointing a corporate representative to attend the Scheme Meeting and vote on your behalf (either in person or online), using a duly executed certificate of appointment of corporate representative.

Every Dropsuite Shareholder present in person or by attorney or by proxy or, in the case of a body corporate, by a corporate representative shall have one vote for each Dropsuite Share held by them, provided that all Dropsuite Shares are fully paid.

# 8 Jointly held securities

If you hold Dropsuite Shares jointly with one or more other persons, only one of you may vote. If more than one of you attempts to vote in person at the meeting, only the vote of the holder whose name appears first on the Dropsuite Share Register will be counted.

See also the comments in section 9.3 below regarding the appointment of a proxy by persons who jointly hold Dropsuite Shares.

# 9 Voting

## 9.1 Voting in person

To vote in person, you must attend the Scheme Meeting, either physically or online.

To vote in person at the Scheme Meeting, you must attend the physical Scheme Meeting at Level 42, 101 Collins Street Melbourne, Victoria, 3000 Australia.

## 9.2 Voting online

To vote online at the Scheme Meeting, you must participate in the Scheme Meeting via the online platform at https://us02web.zoom.us/webinar/register/WN_qLiiL0DqTMWajVYBpmMCCQ.

Online voting will be open during the start of the Scheme Meeting and the closing of voting as announced by the Chair during the Scheme Meeting.

Further details on how to participate and vote online are set out in sections 6.2 and 7 above and section 10 below.

## 9.3 Voting by proxy

If you are a Dropsuite Shareholder entitled to vote at the Scheme Meeting, you may appoint an individual or a body corporate as a proxy to attend the Scheme Meeting in person or online and vote on your behalf.

Please note that:

- a Dropsuite Shareholder entitled to attend and vote at the Scheme Meeting is entitled to appoint no more than two proxies;
- an instrument appointing a proxy must be in the form of the proxy form accompanying this Scheme Booklet;
- where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the Dropsuite Shareholder's voting rights. If a Dropsuite Shareholder appoints two proxies, and the appointment does not specify the proportion of the Dropsuite Shareholder's voting rights, each proxy may exercise one-half of the voting rights with any fraction of votes disregarded; and
- a proxy need not be another Dropsuite Shareholder.

The appointment of a proxy does not preclude you from attending in person or online and voting at the Scheme Meeting. Please note that if you do so, your proxy is not permitted to speak or vote, and must not vote, on the Scheme Resolution.

You should consider how you wish your proxy to vote. That is, whether you want your proxy to vote 'for' or 'against', or abstain from voting on, the Scheme Resolution, or whether to leave the decision to the proxy after considering the matters discussed at the Scheme Meeting.

If you do not direct your proxy how to vote on the Scheme Resolution, the proxy may vote, or abstain from voting, as they choose.



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If you instruct your proxy to abstain from voting on the Scheme Resolution, your proxy is directed not to vote on your behalf, and the Dropsuite Shares the subject of the proxy appointment will not be counted in computing the Requisite Majorities.

If you return your proxy form:

- without identifying a proxy on it, you will be taken to have appointed the Chair of the Scheme Meeting as your proxy to vote on your behalf; or
- with a proxy identified on it but your proxy does not attend the Scheme Meeting, the Chair of the Scheme Meeting will act in place of your nominated proxy and vote in accordance with any directions on your proxy form.

The Chair of the Scheme Meeting intends to vote all available proxies in favour of the Scheme Resolution, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Dropsuite Shareholders.

To appoint a proxy, you should complete and return the proxy form that accompanies this Scheme Booklet in accordance with the instructions on that form. If you appoint two proxies, you should complete two separate proxy forms and clearly indicate on the second proxy form that it is a second proxy and not a revocation of your first proxy. You may obtain an additional proxy form by contacting the Dropsuite Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia), or by copying your first proxy form.

To be valid, you must deliver the signed and completed proxy form(s) to the Dropsuite Share Registry **by 11.00am (Melbourne time) on Wednesday, 7 May 2025** (or, if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting) in any of the following ways:

| | |
|---|---|
| online: | at https://investor.automic.com.au/#/loginsah or by scanning the QR code on the proxy form that accompanies this Scheme Booklet. You will need your Holder Number which is shown at the top of the proxy form that accompanies this Scheme Booklet. |
| by post: | Automic Registry Services<br>GPO Box 5193<br>Sydney NSW 2001 |
| by hand delivery: | Automic Registry Services<br>Level 5, 126 Phillip Street<br>Sydney NSW 2000 |
| by email: | addressed to meetings@automicgroup.com.au |
| by facsimile: | +61 2 8583 3040 |

To be valid, a proxy form must be signed by the relevant Dropsuite Shareholder or their attorney or, if the Dropsuite Shareholder is a corporation, executed in accordance with Dropsuite's constitution and the Corporations Act (and may be signed on behalf of the corporation by its attorney). If a proxy form is completed under power of attorney or other authority, the power of attorney or other authority, or a certified copy of the power of attorney or other authority, must accompany the completed proxy form unless the power of attorney or other authority has previously been provided to the Dropsuite Share Registry.

If you hold Dropsuite Shares jointly with one or more other persons, in order for your proxy appointment to be valid, each of you must sign the proxy form.

## 9.4 Voting by attorney

If you are a Dropsuite Shareholder entitled to vote at the Scheme Meeting, you may appoint an attorney to attend and vote at the Scheme Meeting on your behalf. Your attorney need not be another Dropsuite Shareholder. Each attorney will have the right to vote on the poll and also to speak at the Scheme Meeting.

The power of attorney appointing your attorney to attend and vote at the Scheme Meeting must be duly executed by you and specify your name, the company (that is, Dropsuite), and the attorney, and also specify the meetings at which the appointment may be used. The appointment may be a standing one.

The power of attorney, or a certified copy of the power of attorney, must be received by the Dropsuite Share Registry before the start of the Scheme Meeting. The power of attorney, or a certified copy of the power of attorney, should be lodged at the registration desk on the day of the Scheme Meeting, or with the Dropsuite Share Registry by 11.00am (Melbourne time) on Wednesday, 7 May 2025 (or, if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting) to ensure that it is received by the Dropsuite Share Registry before the start of the Scheme Meeting, in any of the following ways:

| | |
|---|---|
| online: | at https://investor.automic.com.au/#/loginsah or by scanning the QR code on the proxy voting form that accompanies this Scheme Booklet. You will need your Holder Number which is shown at the top of the proxy form that accompanies this Scheme Booklet. |
| by post: | Automic Registry Services<br>GPO Box 5193<br>Sydney NSW 2001 |
| by hand delivery: | Automic Registry Services<br>Level 5, 126 Phillip Street<br>Sydney NSW 2000 |
| by email: | addressed to meetings@automicgroup.com.au |
| by facsimile: | +61 2 8583 3040 |

The appointment of an attorney does not preclude you from attending in person or online and voting at the Scheme Meeting. Please note that if you do so, your attorney is not permitted to speak or vote, and must not vote, on the Scheme Resolution.

## 9.5 Voting by corporate representative

If you are a Dropsuite Shareholder entitled to vote at the Scheme Meeting and you are a body corporate, you may appoint an individual to act as your corporate representative. The appointment must comply with the requirements of section 250D of the Corporations Act, meaning that Dropsuite will require a certificate or letter of appointment of corporate representative to be executed by you in accordance with the Corporations Act.

A form of certificate or letter may be obtained from the Dropsuite Share Registry online at https://automicgroup.com.au or by calling 1300 288 664 (within Australia) or +61 2 9698



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5414 (outside Australia). The certificate of appointment may set out restrictions on the representative's powers.

The certificate must be received by the Dropsuite Share Registry before the start of the Scheme Meeting. It should be lodged at the registration desk on the day of the Scheme Meeting, or with the Dropsuite Share Registry by 11.00am (Melbourne time) on Wednesday, 7 May 2025 (or, if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting) to ensure that it is received by the Dropsuite Share Registry before the start of the Scheme Meeting, in any of the following ways:

| | |
|---|---|
| online: | at https://investor.automic.com.au/#/loginsah or by scanning the QR code on the proxy voting form that accompanies this Scheme Booklet. You will need your Holder Number which is shown at the top of the proxy form that accompanies this Scheme Booklet. |
| by post: | Automic Registry Services<br>GPO Box 5193<br>Sydney NSW 2001 |
| by hand delivery: | Automic Registry Services<br>Level 5, 126 Phillip Street<br>Sydney NSW 2000 |
| by email: | addressed to meetings@automicgroup.com.au |
| by facsimile: | +61 2 8583 3040 |

If a certificate is completed under power of attorney or other authority, the power of attorney or other authority, or a certified copy of the power of attorney or other authority, must accompany the completed certificate unless the power of attorney or other authority has previously been provided to the Dropsuite Share Registry.

## 10 How to ask questions

Dropsuite Shareholders would like to ask questions at the Scheme Meeting are encouraged to do so in writing before the Scheme Meeting by emailing their questions via the Dropsuite Share Registry's online investor portal or to meetings@automicgroup.com.au at least five business days before the Scheme Meeting. Please use the email subject "Scheme Meeting Question." As many of the emailed questions as possible will be addressed during the Scheme Meeting.

Dropsuite Shareholders will also have a reasonable opportunity to ask questions about, or make comments on, the Scheme, during the Scheme Meeting, whether they attend in person or participate via the online platform. To ask a question via the online platform, Dropsuite Shareholders are to follow the instructions in section 6.2 above.

Questions may be moderated to avoid repetition and to make them more concise.

The Chair of the Scheme Meeting will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the Scheme Meeting. However, there may not be sufficient time available at the Scheme Meeting to address all of the questions raised. Individual responses will not be sent to Dropsuite Shareholders.

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## 11 Technical difficulties

Technical difficulties may arise during the Scheme Meeting. The Chair of the Scheme Meeting has discretion as to whether and how the Scheme Meeting should proceed in the event that a technical difficulty arises.

Where the Chair of the Scheme Meeting considers it appropriate, the Chair may continue to hold the Scheme Meeting and transact business, including conducting a poll and voting in accordance with proxy instructions. For this reason, Dropsuite Shareholders are encouraged to lodge a directed proxy by **11.00am (Melbourne time) on Wednesday, 7 May 2025** even if they plan to attend the Scheme Meeting in person or online.

In the event of a technological failure that prevents Dropsuite Shareholders from having reasonable opportunity to participate in the Scheme Meeting, the Chair will have regard to the number of Dropsuite Shareholders impacted and the extent to which participation in the business of the Scheme Meeting is affected. If required, Dropsuite will provide an update on its website and the ASX to communicate details of any postponement or adjournment of the meeting to Dropsuite Shareholders. Dropsuite Shareholders may experience local technical difficulties, such as poor internet connection, and for this reason are encouraged to lodge a directed proxy in advance.

## 12 Advertisement

Where this notice of meeting is advertised unaccompanied by the Scheme Booklet, a copy of the Scheme Booklet can be obtained by anyone entitled to attend the meeting from Dropsuite's website (www.dropsuite.com) or by contacting the Company Secretary of Dropsuite or the Dropsuite Share Registry.

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# Corporate directory

**Dropsuite Limited**
Level 30, Collins Place, 35 Collins Street
Melbourne VIC 3000
Australia

**Financial adviser**
Canaccord Genuity (Australia) Limited
Level 62, 25 Martin Place
Sydney NSW 2000
Australia

**Legal adviser**
Herbert Smith Freehills
Level 33, 161 Castlereagh Street
Sydney NSW 2000
Australia

**Independent Expert**
BDO Corporate Finance Australia Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000
Australia

**Dropsuite Share Registry**
Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000
Australia

**Tax adviser**
Alvarez & Marsal Australia
Level 25, 20 Bond Street
Sydney NSW 2000
Australia

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# Proxy Voting Form

**If you are attending the virtual Scheme Meeting please retain this Proxy Voting Form for online Securityholder registration.**

**Dropsuite Limited | ABN 91 008 021 118**

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[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

**HolderNumber:**
[HolderNumber]

Your Proxy Voting Form must be received by **11.00am Melbourne time on Wednesday, 07 May 2025**, being **not later than 48 hours** before the commencement of the Scheme Meeting. Any Proxy Voting Forms received after that time will not be valid for the scheduled Scheme Meeting.

## SUBMIT YOUR PROXY

**Complete the form overleaf in accordance with the instructions set out below.**

Capitalised terms used but not defined in this Proxy Form have the same meaning as given to them in Dropsuite Limited's (**Dropsuite** or the **Company**) Scheme Booklet (unless the context requires otherwise).

**SCHEME MEETING DETAILS**
The Scheme Meeting will be a hybrid meeting and will be held in person at 11.00am (Melbourne time) on Friday, 9 May 2025 at Level 42, 101 Collins Street Melbourne, Victoria, 3000 Australia and online via the online platform at https://us02web.zoom.us/webinar/register/WN_qLiiL0DqTMWajVYBpmMCCQ.

**YOUR NAME AND ADDRESS**
The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: **https://investor.automic.com.au/#/home** Shareholders sponsored by a broker should advise their broker of any changes.

**STEP 1 – APPOINT A PROXY**
If you wish to appoint someone other than the Chair of the Scheme Meeting as your proxy, please write the name of that individual or body corporate. A proxy need not be a shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Scheme Meeting will be appointed as your proxy by default.

**DEFAULT TO THE CHAIR OF THE SCHEME MEETING**
Any directed proxies that are not voted on a poll at the Scheme Meeting will default to the Chair of the Scheme Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Scheme Meeting will be voted according to the instructions set out in this Proxy Voting Form.

**STEP 2 - VOTES ON SCHEME RESOLUTION**
You may direct your proxy how to vote by marking one of the boxes opposite the Scheme Resolution. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on the Scheme Resolution your vote will be invalid.

**APPOINTMENT OF SECOND PROXY**
You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

**SIGNING INSTRUCTIONS**
**Individual:** Where the holding is in one name, the shareholder must sign.
**Joint holding:** Where the holding is in more than one name, all shareholders must sign.
**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.
**Companies:** To be signed in accordance with the company's constitution and the Corporations Act 2001 (Cth). Please sign in the appropriate box which indicates the office held by you.
**Email Address:** Please provide your email address in the space provided.
**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Scheme Meeting, Proxy Voting Form and Annual Report via email.**

### Lodging your Proxy Voting Form:

**Online**
Use your computer or smartphone to appoint a proxy at https://investor.automic.com.au/#/loginsah or scan the QR code below using your smartphone
**Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.**

**BY MAIL:**
Automic Registry Services
GPO Box 5193
Sydney NSW 2001

**IN PERSON:**
Automic Registry Services
Level 5, 126 Phillip Street
Sydney NSW 2000

**BY EMAIL:**
meetings@automicgroup.com.au

**BY FACSIMILE:**
+61 2 8583 3040

**All enquiries to Automic:**
**WEBSITE:**
https://automicgroup.com.au

**PHONE:**
1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

**CORPORATE REPRESENTATIVES**

If a representative of a corporate shareholder or proxy is to participate in the Scheme Meeting the appropriate 'Appointment of Corporate Representative' will need to be provided before the Scheme Meeting starts. A form may be obtained from the Company's share registry online at https://automicgroup.com.au.

## STEP 1 - How to vote

**APPOINT A PROXY:**

I/We being a shareholder entitled to attend and vote at the Scheme Meeting of Dropsuite Limited, to be held virtually at **11.00am Melbourne time on Friday, 09 May 2025 and physically at the offices of Canaccord Genuity Level 42, 101 Collins Street Melbourne, VIC, 3000 and via virtual conference** hereby:

**Appoint the Chair of the Scheme Meeting (Chair)** OR if you are not appointing the Chair of the Scheme Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

**The Chair intends to vote undirected proxies in favour of the Scheme Resolution in which the Chair is entitled to vote.**

Unless indicated otherwise by ticking the "for", "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

**VIRTUAL PARTICIPATION AT THE MEETING:**

The Company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic, where shareholders will be able to watch, listen, and vote online.

To access the virtual meeting:

1. Open your internet browser and go to **investor.automic.com.au**
2. Login with your username and password or click **"register"** if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting**

Further information on how to do this is set out in the Notice of Meeting. The Explanatory Notes that accompany and form part of the Notice of Meeting describe the various matters to be considered.

## STEP 2 - Your voting direction

| Scheme Resolution | | For | Against | Abstain |
|---|---|---|---|---|
| 1 | That, pursuant to and in accordance with the provisions of section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between Dropsuite Limited and the holders of its ordinary shares, as contained in and more particularly described in the scheme booklet of which the notice convening this meeting forms part, is agreed to, with or without alterations or conditions as approved by the Federal Court of Australia to which Dropsuite and NinjaOne, LLC agree. | ☐ | ☐ | ☐ |

*Please note: If you mark the Abstain box for the Scheme Resolution, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the Requisite Majorities.*

## STEP 3 – Signatures and contact details - this section must be completed

| Individual or Securityholder 1 | Securityholder 2 | Securityholder 3 |
|---|---|---|
| Sole Director and Sole Company Secretary | Director | Director / Company Secretary |

Contact Name:

Email Address:

Contact Daytime Telephone

Date (DD/MM/YY) ☐☐ / ☐☐ / ☐☐

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).**

For personal use only

AUTOMIC

DSE

[HolderNumber]