

Dropsuite | INVESTOR PRESENTATION

Q3 2020 OPERATIONS UPDATE
PRESENTER – CHARIF ELANSARI, CEO
22 OCTOBER 2020



DROPSUITE SAFEGUARD BUSINESS INFORMATION

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

Scalable Revenue

Underpinned by growing SaaS revenue

Backup Leader

#1 cloud vendor as validated by infoTech

Global Presence

Deployed across 136 countries to over 370k users

Diverse Team

50 staff across four offices globally



THE CHALLENGE

90%

of Cybersecurity attacks start with email



30K

Websites are hacked everyday



200K

Privacy breach cases reported in year1 of GDPR



62%

of breaches and data loss occur through human error



THE OPPORTUNITY

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

1 Billion Business Email Users in 2019

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

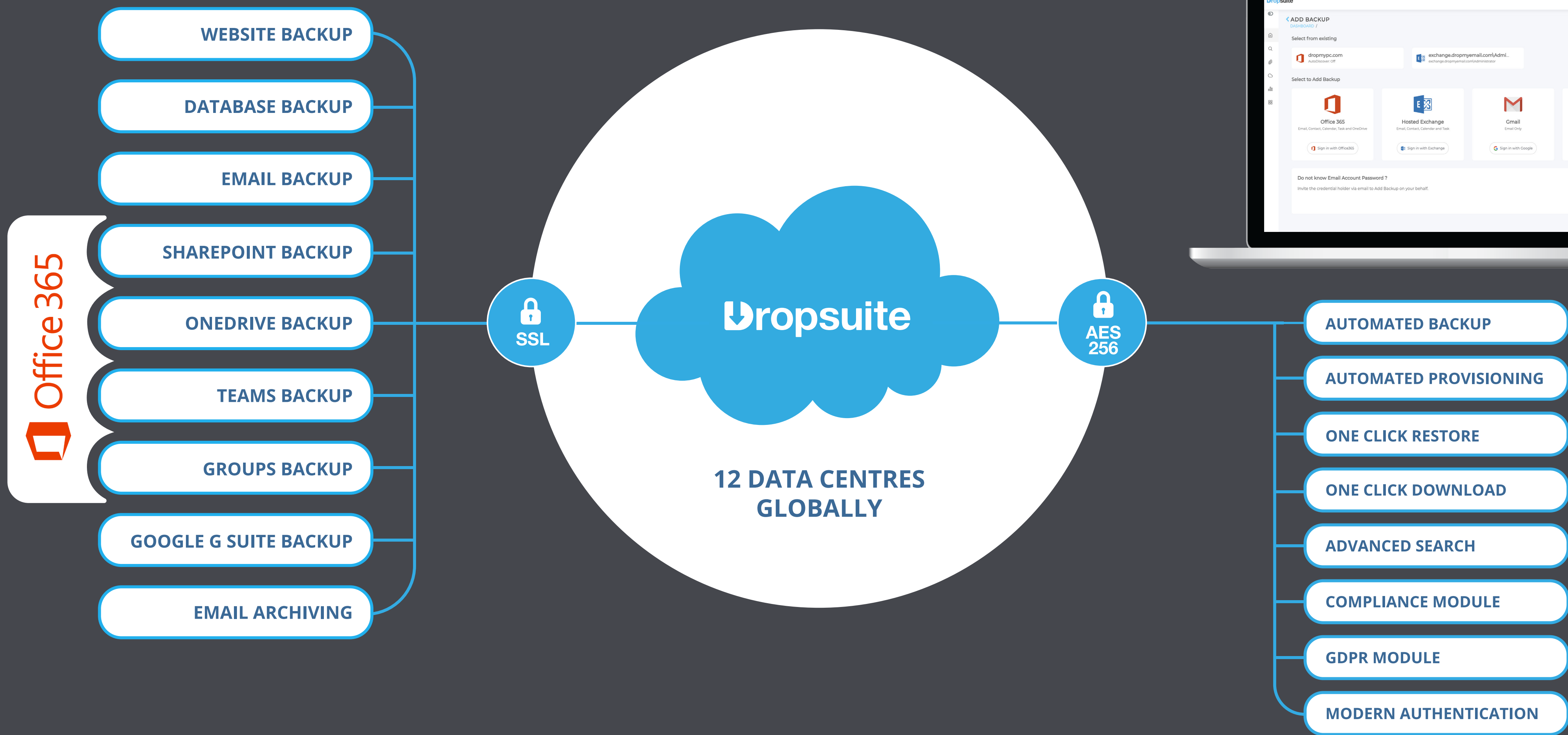
More than 260M Microsoft O365 Users growing at 20% p.a.

Emerging challenges around GDPR privacy compliance and remote workplace

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



THE PRODUCT SUITE



THE DROPSUITE ADVANTAGE



EXCEPTIONAL USER EXPERIENCE

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



SEAMLESS PARTNER INTEGRATION

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



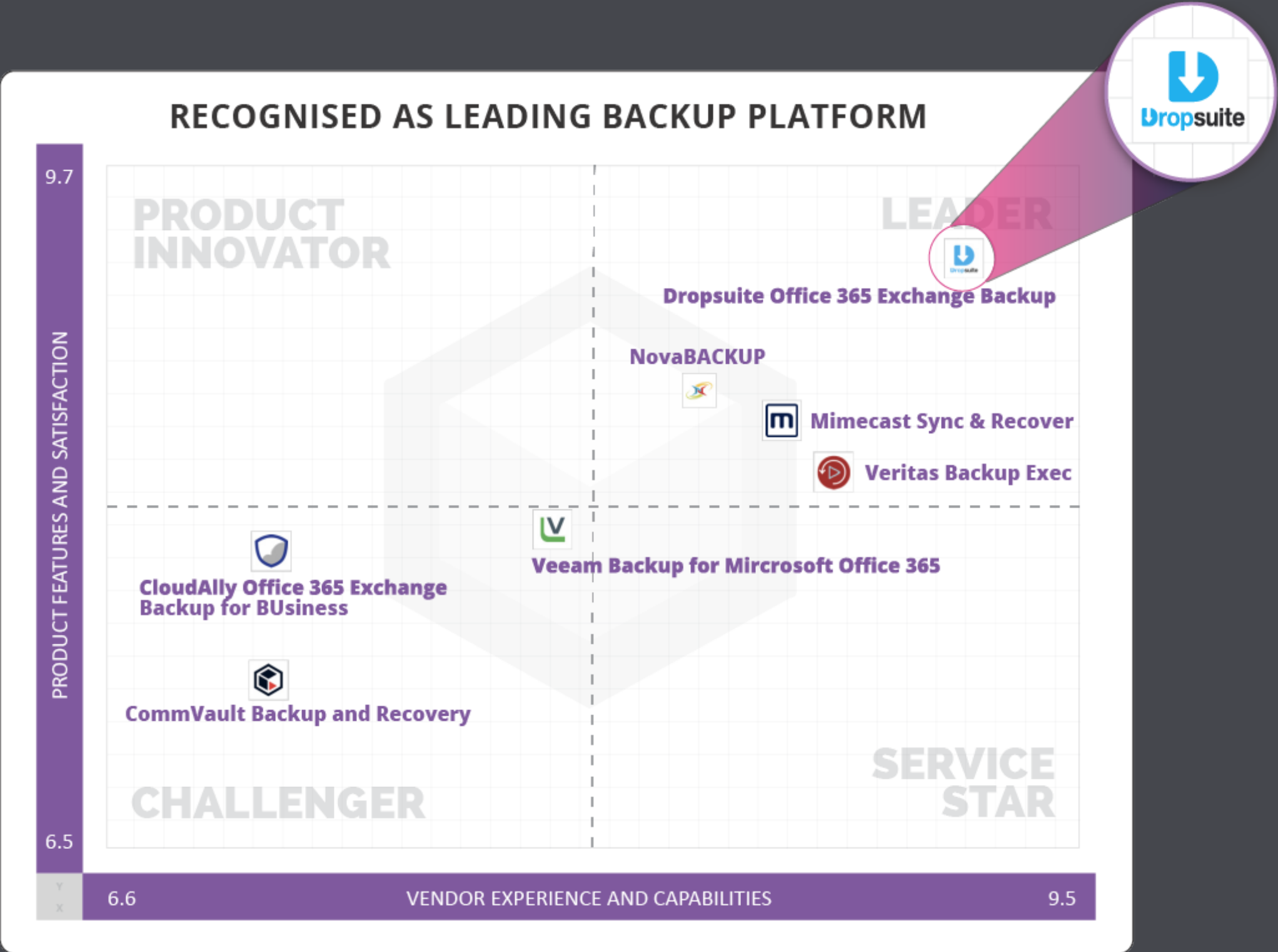
CUTTING-EDGE CLOUD PLATFORM

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

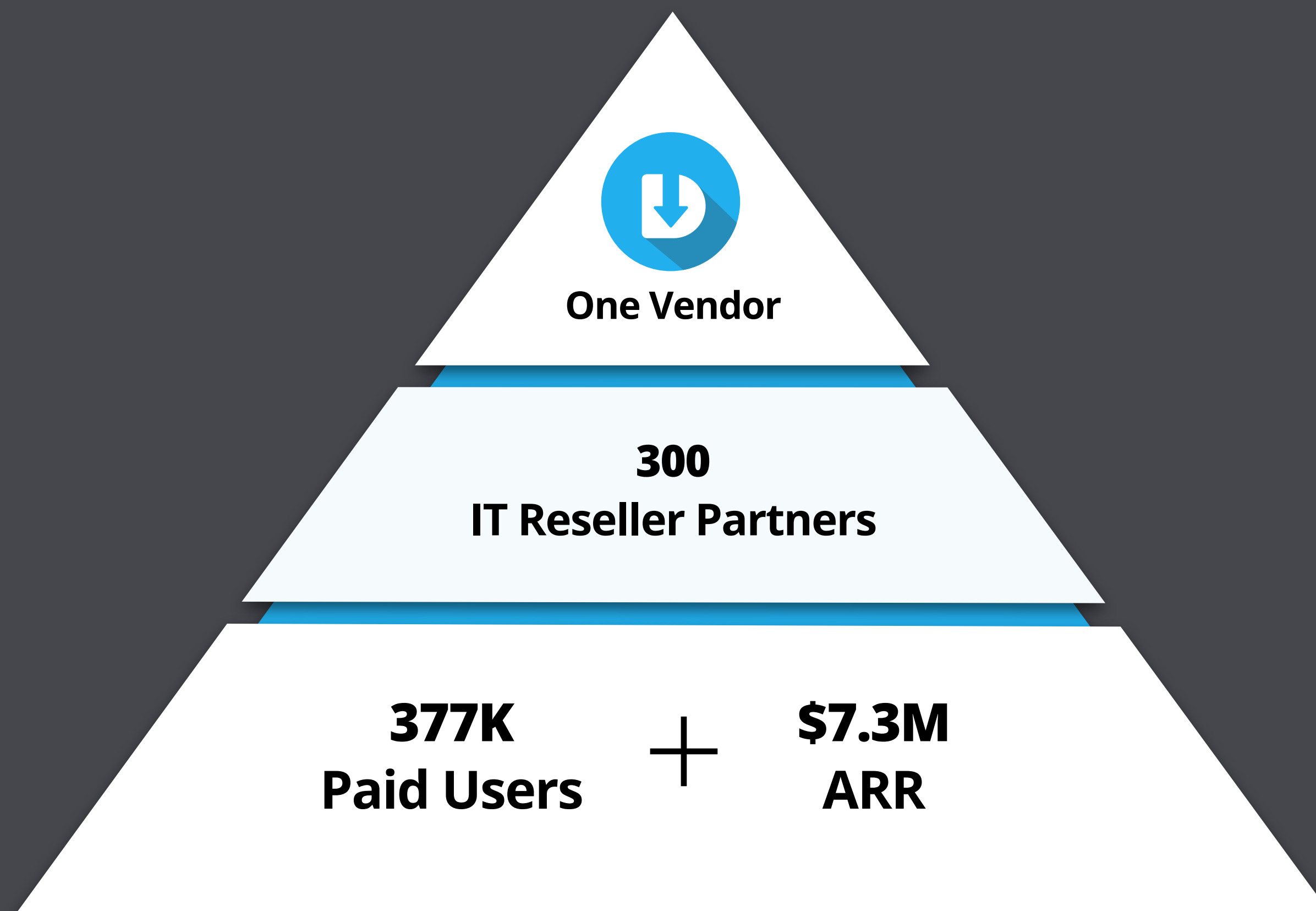


HIGHLY RESPONSIVE TEAM

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



BUSINESS MODEL



Better scaling across sales, support and marketing

Minimal marginal cost to serve growing revenue and users


Diversified revenue base and fast path to operational leverage





GROWTH THROUGH GLOBAL RESELLER PARTNERSHIPS


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

Recent Partner Wins

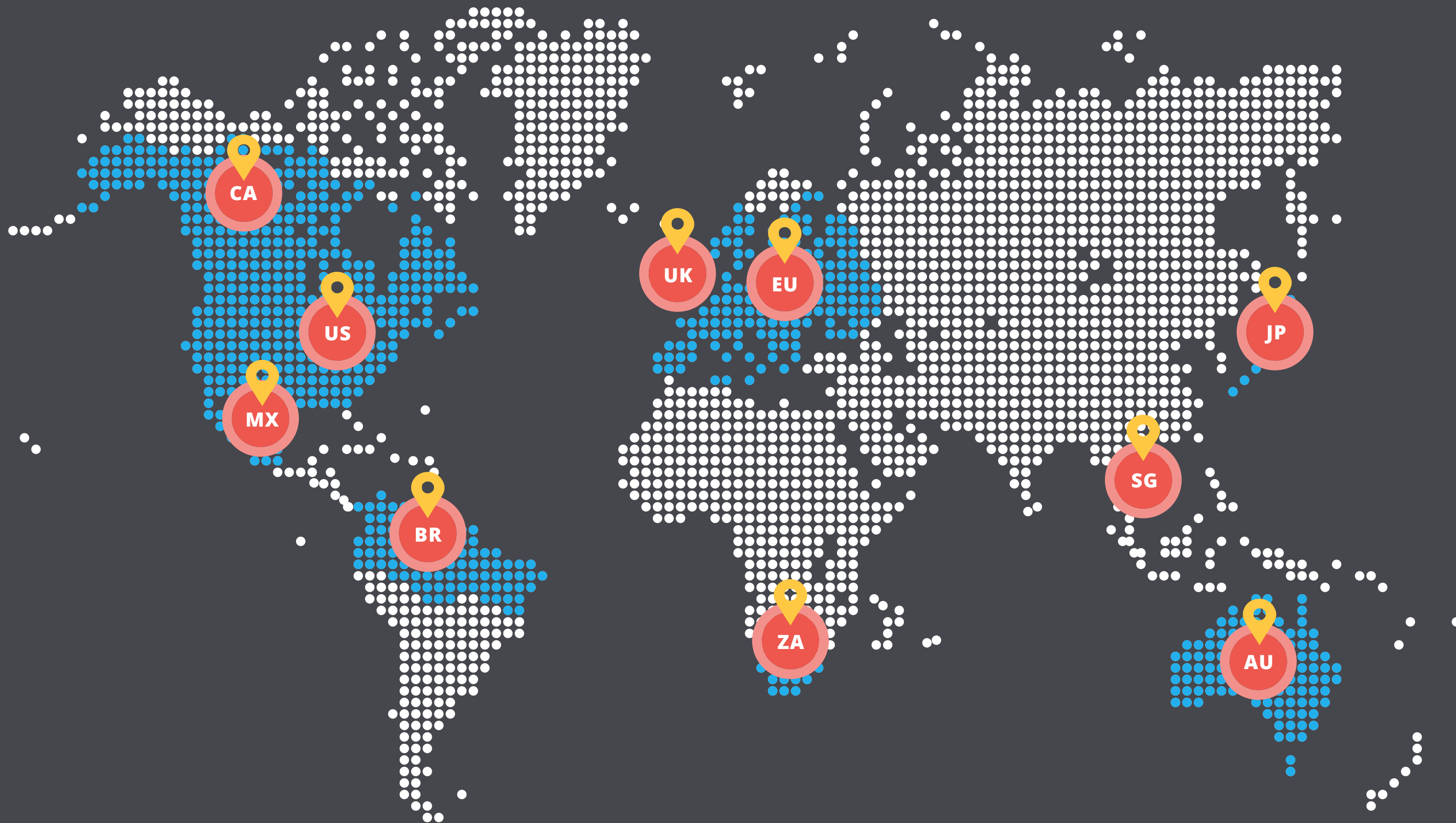
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One of Australia's largest IT distributors
- 

Leading IT distributor in the Nordic region
- 

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

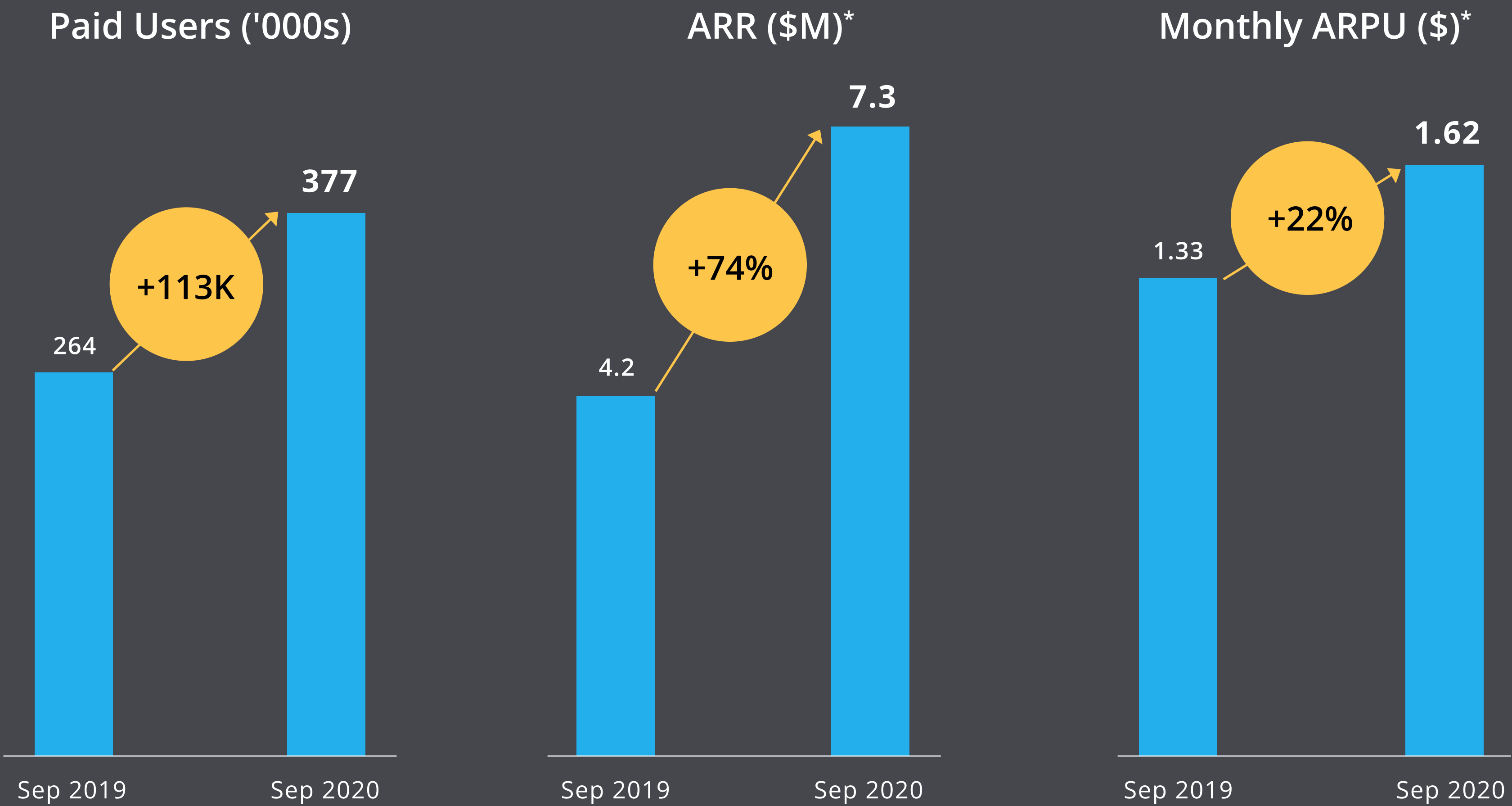
One of the fastest growing managed service providers in Canada



FINANCIAL UPDATE



KEY METRICS



Annual Churn

3%

Gross Margin

66%

Cash Burn

-\$0.13M

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



CASH UPDATE – Q3 2020

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

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



OUTLOOK



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



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



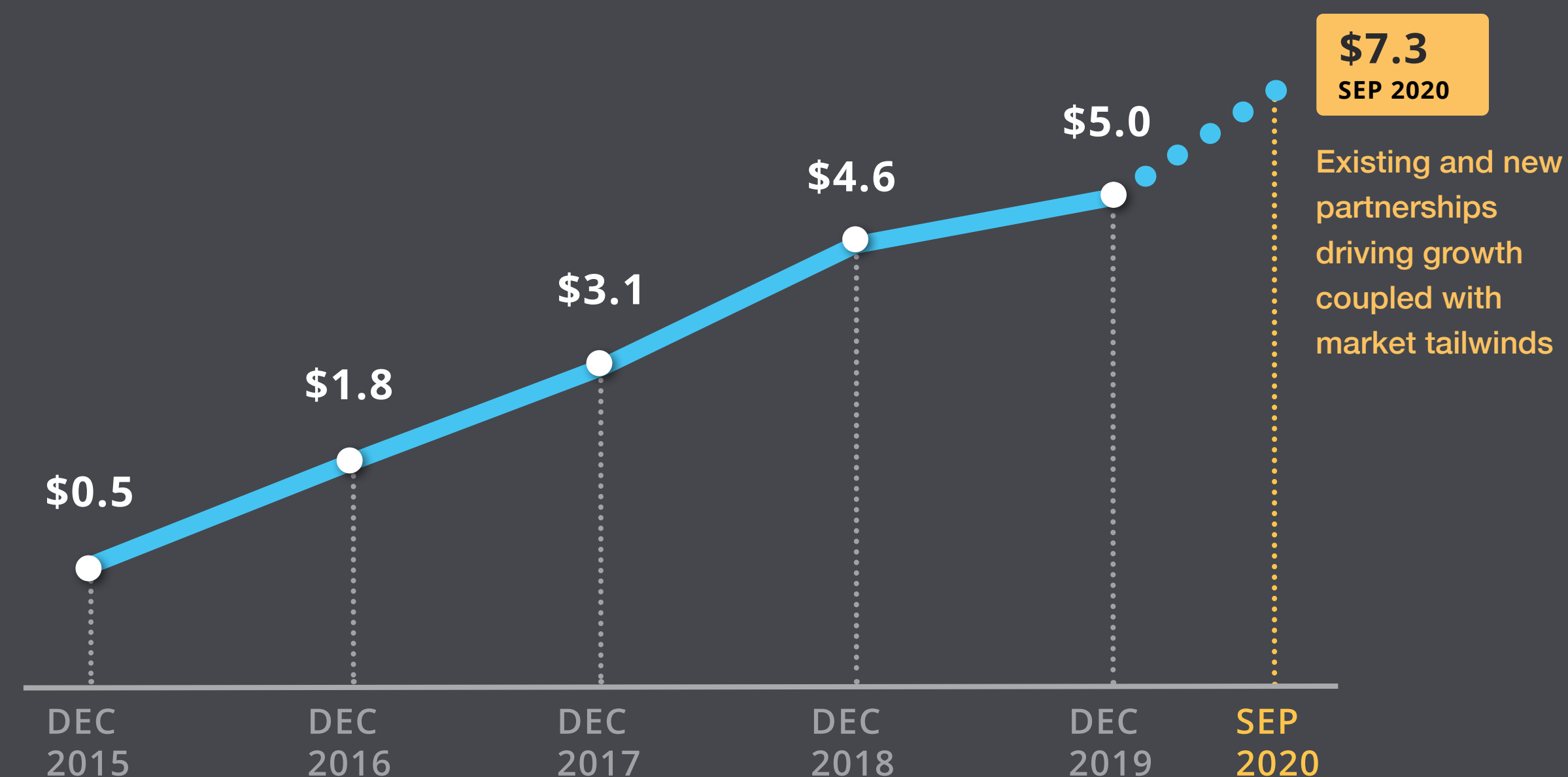
Well Positioned in a structurally growing market (cybersecurity, cloud & regulation)



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

ANNUALISED RECURRING REVENUE (ARR \$M*)

Solid execution and topline growth in the last 5 years



*Constant Currency



APPENDICES



MAJORITY OF DSE'S REVENUE IS IN USD

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



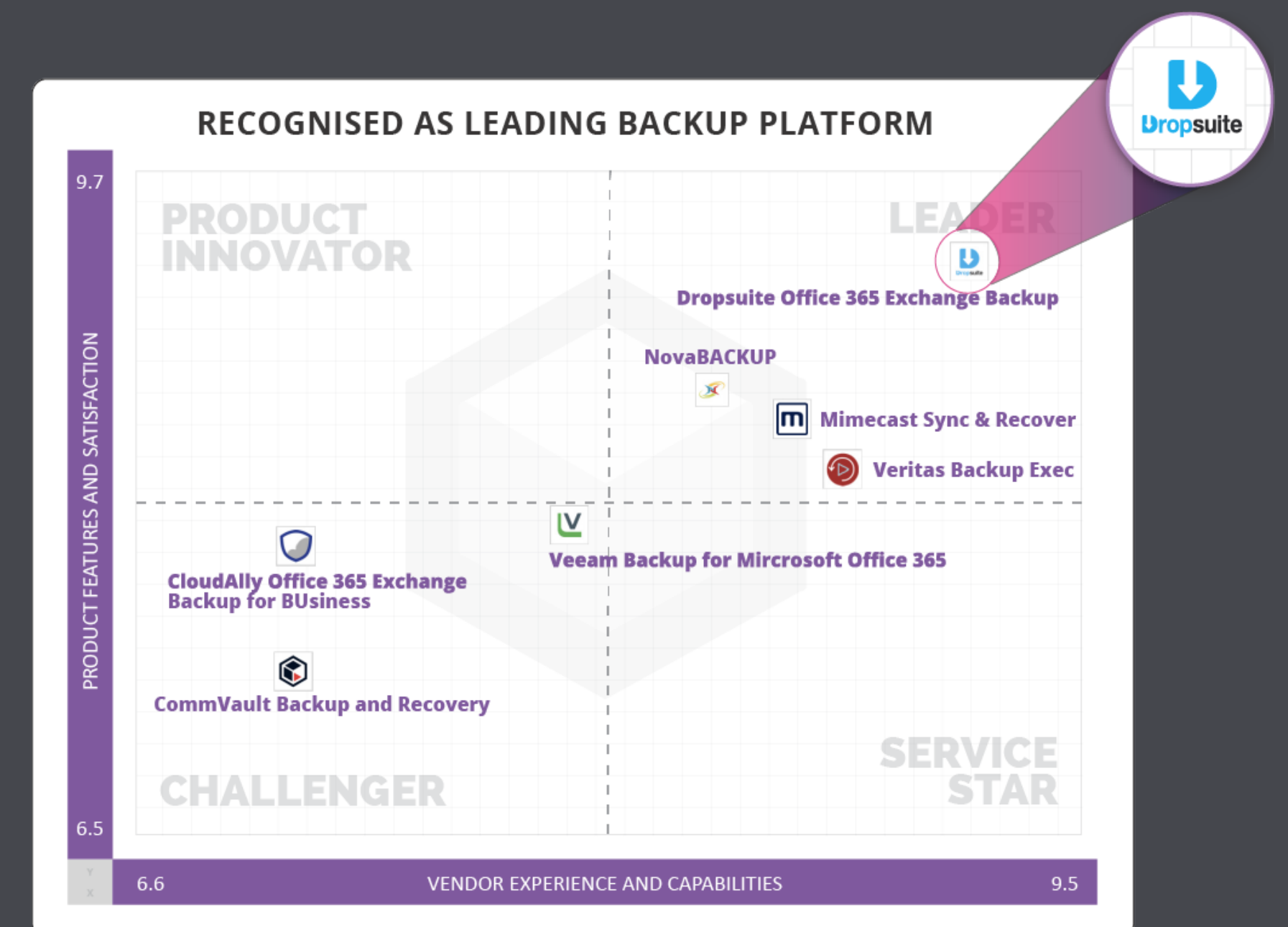
DROPSUITE EMAIL BACKUP ALSO RANKS #1 IN SATISFACTION FOR 21 OF THE 22 PRODUCT FEATURE AND VENDOR CAPABILITY CATEGORIES:

Vendor Capabilities

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

Product Features

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



LEADERSHIP TEAM



CHARIF ELANSARI
Managing Director

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



THEO HNARAKIS
Non-Executive Chairman

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



DR. BRUCE TONKIN
Non-Executive Director

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



RIDLEY RUTH
Chief Operating Officer

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



RON HART
Chief Technology Officer

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



BILL KYRIACOU
Head of Finance

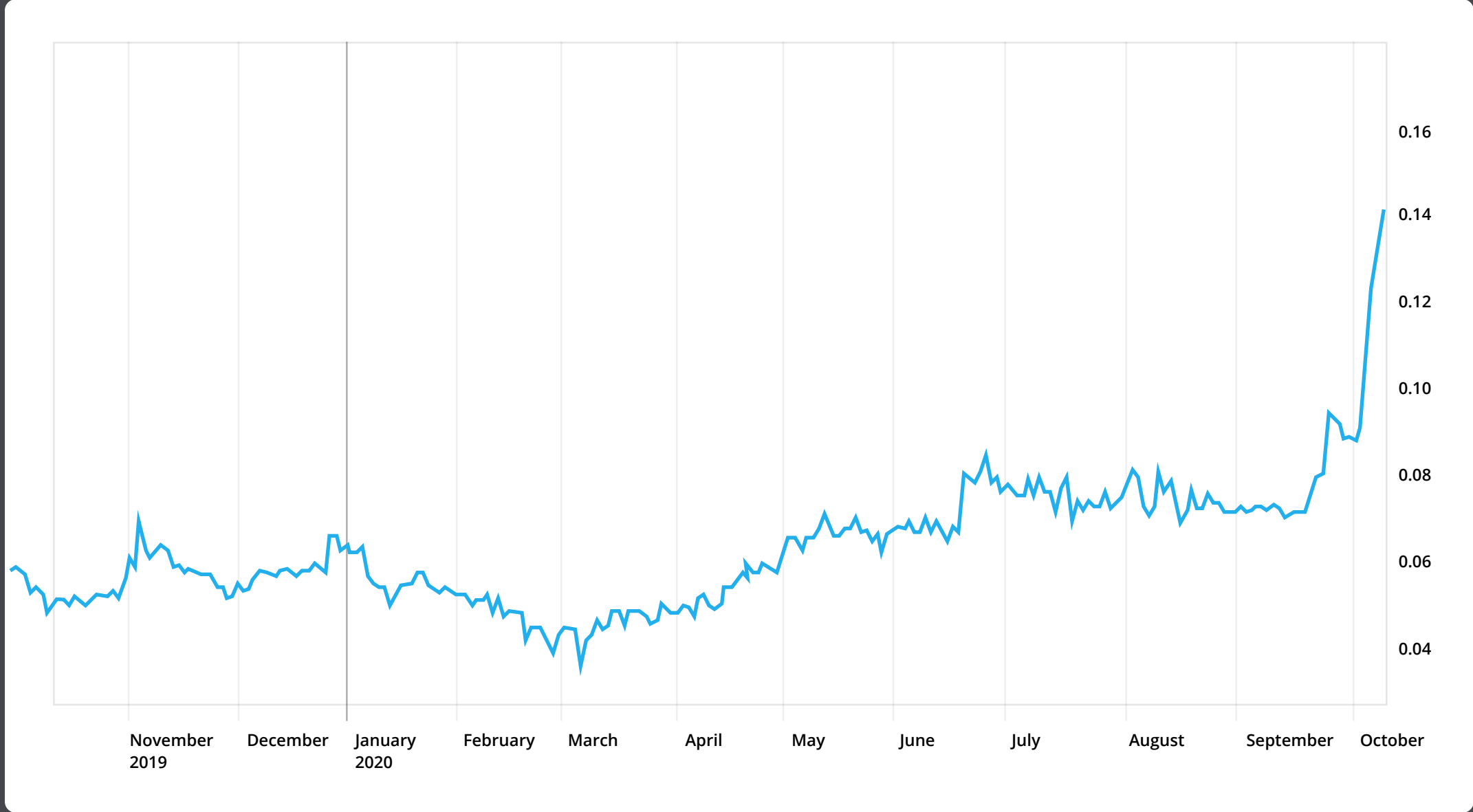
- 15 years of finance experience in listed technology and media companies
- Previously Computershare and Crowd Mobile Limited.



CORPORATE OVERVIEW

DSE has a strong balance sheet and zero debt

Share price performance (last 12 months)



Board of Directors

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

Substantial Shareholders

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

Financial Information

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



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