



thedocyard

ASX:TDY

**LockBox
Technologies
Acquisition**

July 2020

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1

**thedocyard:
Cloud-based deal
technology**

Overview

thedocyard Limited (ASX:TDY) is a **Software as a Service (SaaS)** business built specifically for **managing the entire lifecycle** of any corporate or commercial transactions

HISTORY

Started in October 2014 as a young start-up, the company listed on the ASX in February 2020 after completing a successful Initial Public Offering (IPO).

BUSINESS

thedocyard is a developer and provider of cloud based software that is designed to allow all aspects of legal and financial transactions to be undertaken on the one central platform.

COMPETITIVE POSITION

thedocyard has a strong competitive position as we offer a complete transaction wide solution to manage and compete a deal, all within a secure encrypted cloud environment.

TARGET MARKET

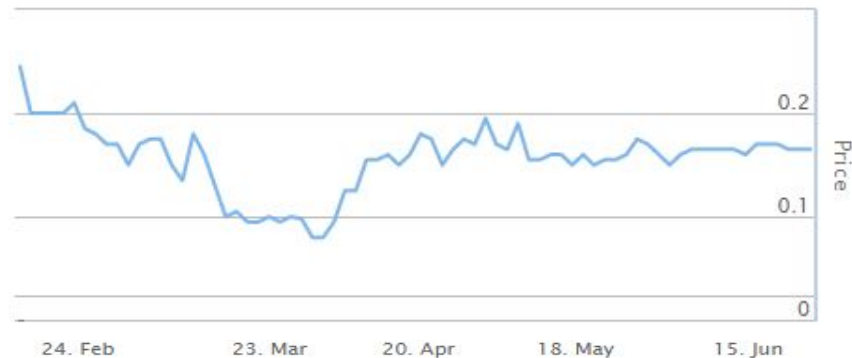
Geographically, thedocyard is predominantly sold in the Australian market and is now growing in the New Zealand, UK and Singapore Market. The other Asian and North American deal markets will follow those. In terms of market verticals, thedocyard operates in the legal and financial services sectors primarily, but is vertical agnostic with respect to targeting corporates who transact deals.

Corporate Summary

Market Capitalisation and Enterprise Value

Ordinary shares on issue	m	132.74
Share price (3/7/20)	A\$/share	0.17
Market capitalisation	A\$m	\$22.6m
Cash ¹ (as at 31/3/20)	A\$m	3.5
Enterprise Value	A\$m	\$19.1m

Share Price (A\$)



Source:

1. ASX as at 28/04/2020, Company Announcements.



Stuart Clout.

Founder & CEO

Committed to delivering complete, end-to-end corporate/commercial transaction technology.

- Former Partner, Colin Biggers & Paisley, Corporate & Commercial.
- Former Head of Commercial and Technology Contracts, Tesco, including corporate outsourcing.
- Former Solicitor, UK Government, including outsourcing.
- Experienced in-house counsel for Fortune 100 business

Qualifications

Bachelor of Law & Bachelor of History,
University of Newcastle

thedocyard's Clients



2

Strategy Implementation: LockBox Technologies Acquisition

Target overview

Post transaction, thedocyard will **enhance its standing as a global provider of technology business management software solutions** that encapsulates information governance and management.

1

thedocyard proposes to **acquire 100%** of LockBox Technologies Pty Ltd

2

LockBox is an Australian technology company that has created **two complementary products**:

- **LockBox Storage** – a B2B secure document storage and sharing solution customers can integrate into their digital offerings
- **Athena Board** – a direct to customer secure document creation and consumption solution for boards

Target overview (continued)

3

The acquisition provides an entry for thedocyard into the enterprise file sync and sharing (EFSS) market, through the Lockbox Storage product, that has been valued at **USD 10.9 Billion in 2018** and is projected to reach **USD 35.58 Billion by 2023**, growing at a **CAGR of 26.7% from 2019 to 2023**¹

4

The acquisition provides an entry for thedocyard into the board portal management software (BPMS) market, through the Athena Board product, that has been valued at **USD 2.48 billion in 2018** and is projected to reach **USD 10.48 billion by 2026**, growing at a **CAGR of 20.2% from 2019 to 2026**²

Source:

1. Markets and Markets - Enterprise File Synchronisation and Sharing (EFSS) Market
2. Verified Market Research - Global Board Portal Market - July 2019

Transaction Terms

TRANSACTION TERMS

thedocyard Limited (TDY) agree to acquire 100% of the fully diluted ordinary share capital in LockBox Technologies Pty Ltd.

VALUATION

TDY has valued the target at a price of \$2,000,000.

CONSIDERATION

TDY will issue the sellers with \$2,000,000 worth of new fully paid ordinary shares and 15,000,000 options with the quantity of shares and exercise price of the options based on the 10-day VWAP as at the date of execution of the sale and purchase agreement.

SHAREHOLDER APPROVAL

Please refer to the ASX announcement made by TDY on the date of this presentation for details of material conditions to be satisfied in connection with the proposed grant of options to the sellers (including shareholder approvals required and timetable for them)

Transaction Rationale

EXPANDING TECHNOLOGY STACK

Acquiring a world class team and technologies faster and at a lower cost than they can be built

MARKET SCALABILITY

Improve the target company's performance by accelerating market access for lockBox technologies

NEW REVENUE & TARGET ADDRESSABLE MARKET

Acquiring an existing customer base, new revenue and entry into EFSS and BPMS markets

NEW VALUE PROPOSITION

Combined stack providing business technology solutions to extend capabilities covering information governance and management to existing and new clients

PRODUCT SYNERGIES & CROSS SELL OPPORTUNITIES

Ability to leverage the current relationships of both thedocyard and LockBox clients to cross sell the two platforms

3

Overview: LockBox Technologies

Overview of LockBox Technologies

LockBox Technologies at its core is a **secure, end-to-end encrypted file transfer and storage technology**, built upon proven cloud services and employing a sophisticated, patent pending security solution

Lockbox Technologies has delivered two complementary products: Athena Board and LockBox Storage

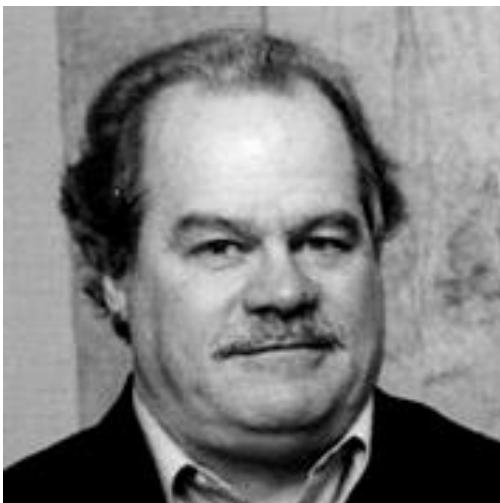


Each product offering compliment each other

- Athena Board validates the security model of LockBox and provides a reference platform for LockBox customers
- As a product, Athena Board has a faster commercialisation and delivery path providing a shorter pathway to a break-even point
- LockBox Storage, by its nature as a white-label platform, will have a longer sales cycle
- Athena Board customers will be a valuable sales channel for LockBox Storage

Steven Engel

The Acquisition adds Steven Engel, the founder of LockBox Technologies, with **world-class experience in R&D, marketing and secure document management** to thedocyard's existing core team.



Steven Engel.

Founder & CTO

- Founder of LockBox Technologies
- Developed internal security applications for Westpac
- Successfully helped grow and divest Microplex (ISP) to Optus
- 5 years in marketing and R&D for Apple
- Extremely passionate about online document security

LockBox Platform

LockBox is a secure, end-to-end cloud-based security platform, **built upon proven services** and employing a **sophisticated security model**. Its aim is to deliver outstanding customer experiences at the **intersection of end-to-end encryption services and cloud file transfer services**.



It is a **scalable platform**, upon which applications can be built. Applications built using Lockbox APIs inherit its **strong security and user-centric focus**



Fully encrypted to prevent anyone from accessing the content without the user's express permission, and **focused on sharing**



It is one of the **most secure** (zero-knowledge), **low cost** and more **user-friendly** solutions available



There is **opportunity for white labelling** of the Platform and **development of other vertical apps** (e.g. M&A data room, Strata Manager, Insolvency)

Athena Board

Athena board is an SaaS online board meeting portal that is **designed to provide boards and leadership teams, corporate secretaries and administrators advanced tools** for easy meeting scheduling, secure document distribution and powerful meeting management capabilities



All-digital meeting process

- Easy-to-use meeting solution covering entire process from scheduling to digital signing.



Digital Resolutions

- Increase productivity by signing meeting memos electronically - easily and securely.



Meeting materials always with you

- Works on iPad/iPhone, macOS and Windows 10 devices with touch optimised user interface.



Collaborate securely

- Share the meeting agenda, materials securely and download for personal comments and annotations.

Demand Accelerating for Board Portals

Drivers



Tightening corporate governance regulations



Increasing pressure on companies to protect data



Rising insurance costs and director liability



Greater focus on board governance/transparency

Demand



Several boards are using email and file sharing apps



Several boards are using personal emails for board matters



Market for board portals are estimated to grow at a CAGR of 20.2% from 2019 to 2026¹



Prevalent and increasing requirement to improve security practises for confidential business-related documents¹



Global market USD \$2.48 billion in 2018 and is projected to reach USD \$10.48 billion by 2026¹

Source:

1. Verified Market Research - Global Board Portal Market - July 2019

Clients using Athena Board



Note:

1. White-label commercial arrangement with Boardroom

Impact on equity interest

Impact of the acquisition on the equity interest of thedocyard Limited

Current shares on issue ¹	132,742,005
Shares to be issued to Lockbox Vendors ²	11,968,165
Total shares on Issue	144,710,170
New shares issued for acquisition (%)	Approx. 9.02%
New market capitalisation (@ \$0.17 per share)³	\$24,600,388

Notes:

1. Excludes 1.2 million performance shares on issue
2. VWAP as of 30/06/2020: 16.711c
3. Closing share price at 3/07/2020: 17.0c

Pro-forma Consolidated Profit & Loss

	thedocyard Actual (31 Dec 19)	LockBox Pro Forma (30 Jun 20)	Combined Position
Revenue	\$388,690	\$186,833	\$575,523
Expenses	-\$1,291,048	-\$1,049,512	-\$2,340,560
EBITDA	-\$902,358	-\$862,679	-\$1,765,037
Depreciation & Interest	-\$29,694	-	-\$29,694
Net loss before tax	-\$932,052	-\$862,679	-\$1,794,731

Notes:

1. The data forms a consolidated picture and draws no forecasts.
2. thedocyard results represent the period from 1/07/2019 to 31/12/2019 which have been reviewed by thedocyard auditors.
3. Lockbox results represent the pro forma management accounts for the 10 months ended 30/06/2020 which have been derived on a pro rata basis. These have not been reviewed or audited.

Pro-forma Consolidated Balance Sheet

	thedocyard Actual (31 Dec 19)	thedocyard IPO Impact (14 Feb 20)	LockBox Pro Forma (30 Jun 20)	Combined Position
Current Assets	\$747,852	\$4,456,850	\$189,557	\$5,394,259
Non Current Assets	\$28,545	-	-	\$28,545
Total Assets	\$776,397	\$4,456,850	\$189,557	\$5,422,804
Current Liabilities	-\$939,310	\$407,083	-\$189,556	-\$721,783
Non Current Liabilities	-	-	-	-
Total Liabilities	-\$939,310	\$407,083	-\$189,556	-\$721,783
Net Assets	-\$162,913	\$4,863,933	\$1	\$4,701,021

Notes:

1. The data forms a consolidated picture and draws no forecasts.
2. thedocyard results represent the period from 1/07/2019 to 31/12/2019 which have been reviewed by thedocyard auditors.
3. The balance sheet is not a valuation of the entity post Transaction. The information included is an estimate only and has not been subject to detailed review or analysis of accounting treatments by thedocyard's auditors.
4. Lockbox results represent the pro forma management accounts for the 10 months ended 30/06/2020 which have been derived on a pro rata basis. These have not been reviewed or audited.

Combine Corporate Milestones

CORPORATE

- Complete acquisition and integration of LockBox by August 2020
- Capture immediate revenue from the Information Governance Space
- Go-to-Market strategy for global markets beyond Australia to be locked in by August 2020

CAPABILITY

- **Enhance leadership team**
 - Appoint Steven Engel as the Head of Engineering for Board and Storage Solution directly reporting to the Stuart Clout, CEO of thedocyard
- **Enhance engineering team and operations**
 - Key staff from lockBox technologies to be transferred across to the engineering team, customer success and support that can compliment both service streams













EXECUTION OF GROWTH

- **Immediate access to customers** that are looking for alternative 'Board Portal' and 'Storage solution' within thedocyard portfolio
- **Extend thedocyard lead generation marketing and sales team** from thedocyard to achieve customer acquisition virtually for 'Board Portal' and 'Storage solution'
- Activate 'Board Portal' solution selling through **Microsoft 'Co-sell Ready'** Partnership¹, which enables us to pursue commercial opportunities with Microsoft's Customers

Source:

1. ASX as at 28/04/2020, Company Announcements.

Combined Platform

	Enterprise File Sync & Sharing	Virtual Data Room	Deal Management	Corporate Governance
 	●	●	●	●
   	●			
  		●	●	
  	●			●

Note:

- The information included above in the table has not been subject to detailed review or analysis and should not be used to draw conclusions

4

Summary: Investment Highlights



Investment Highlights

1

Vertical Integration allowing thedocyard to emerge as a global provider of technology business management software solutions provider that encapsulates information governance and management

2

Aiming to secure additional revenue into FY21 and FY22 from sales of 'Athena Board' and 'LockBox Storage' across Australia, New Zealand, UK and Singapore Markets

3

The acquisition provides an opportunity for both platforms to leverage off and cross sell between the existing client bases globally

Investment Highlights (continued)

4

thedocyard gives itself the opportunity to capture value from the enterprise file sync and sharing (EFSS) market that is forecasted to grow at a CAGR of 26.7% between 2019 and 2023¹

5

thedocyard is able to capture value from a sustainable and rising board portal management software market that is forecasted to grow at a CAGR of 20.2% between 2019 and 2026²

Source:

1. Markets and Markets - Enterprise File Synchronisation and Sharing (EFSS) Market
2. Verified Market Research - Global Board Portal Market - July 2019

Key Contacts



Stuart Clout

Chief Executive Officer
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Neale Java

Chief Financial Officer &
Chief Operating Officer
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Dylan Curtis

Associate Director
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A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are arranged in a circular pattern, creating a sense of height and architectural grandeur. The sky is a clear, bright blue. A white rectangular box is overlaid on the right side of the image, containing text.

Presentation End:
Approved by Board
for Market Release