

# Dropsuite | INVESTOR PRESENTATION

MARKET EYE – TECHOPPS VIRTUAL CONFERENCE

PRESENTER – CHARIF ELANSARI, CEO

15 OCTOBER 2020





# DROPSUITE SAFEGUARD BUSINESS INFORMATION

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

## Scalable Revenue

Underpinned by growing SaaS revenue

## Backup Leader

#1 cloud vendor as validated by infoTech

## Global Presence

Deployed across 136 countries to over 350k users

## Diverse Team

50 staff across four offices globally





# MARKET OPPORTUNITY

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# THE CHALLENGE

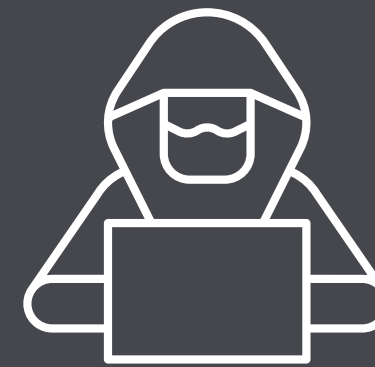
90%

of Cybersecurity attacks start with email



30K

Websites are hacked everyday



200K

Privacy breach cases reported in year1 of GDPR



62%

of breaches and data loss occur through human error



# THE OPPORTUNITY

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

1 Billion Business Email Users in 2019

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

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

Emerging challenges around GDPR privacy compliance and remote workplace

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



# TAILWINDS PROPELLING GROWTH

Favourable Market and Regulatory Drivers



## CYBERSECURITY & DATA LOSS THREATS

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



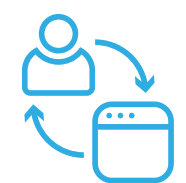
## DATA PROTECTION REGULATORY COMPLIANCE

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



## ECONOMICAL PRESSURES

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



## USER EXPERIENCE

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



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



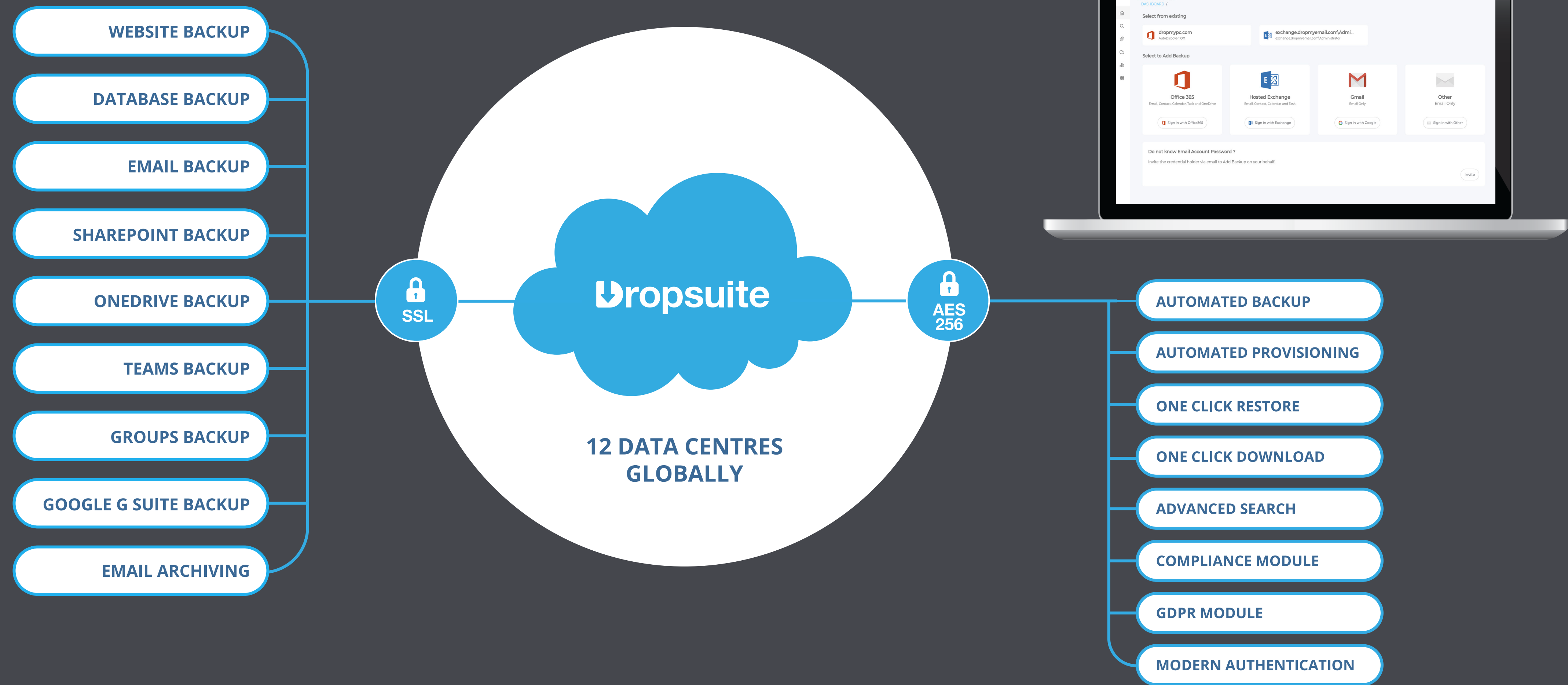
# OUR PRODUCTS

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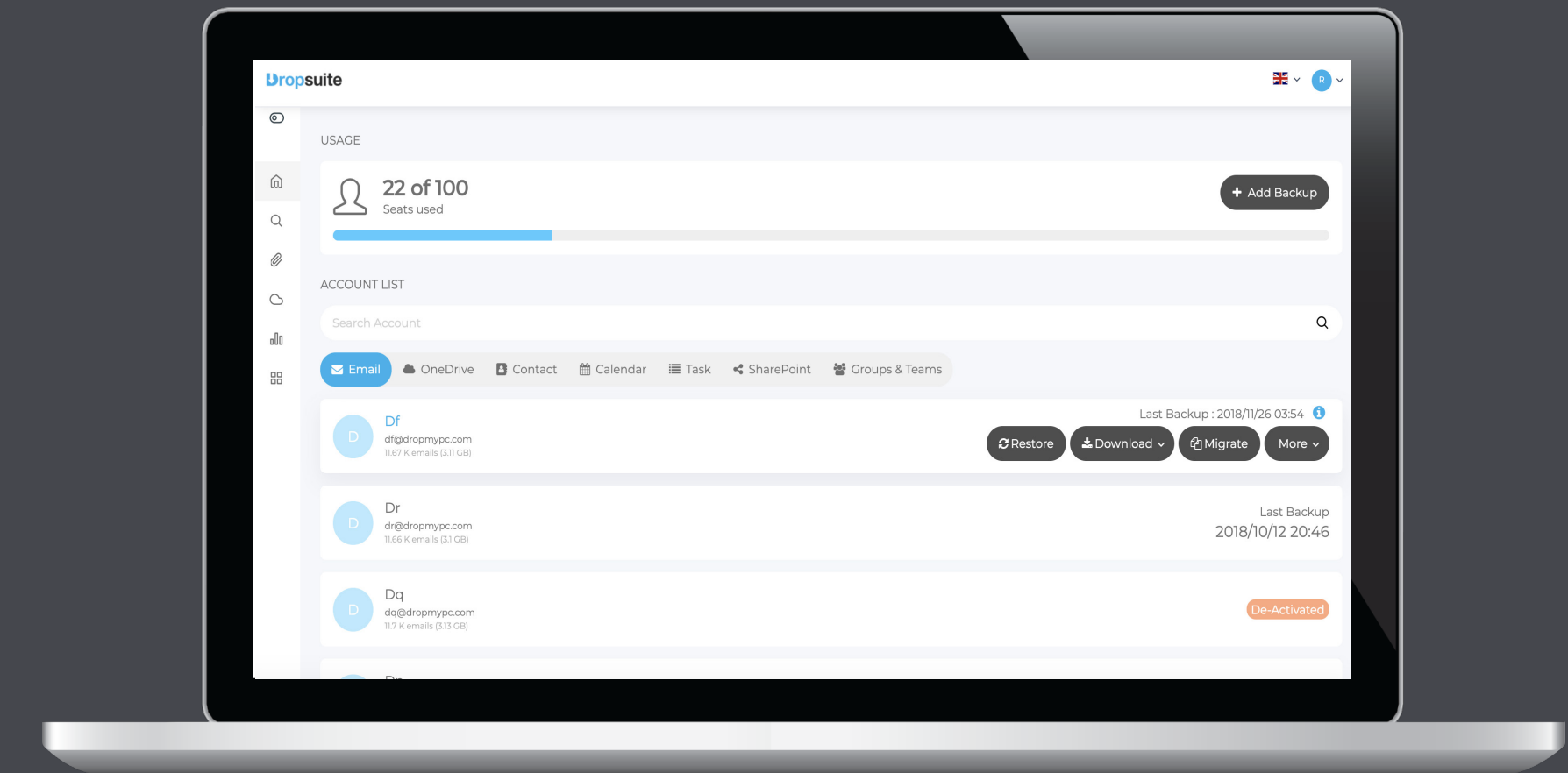


# THE PRODUCT SUITE



# CONTINUOUS PRODUCT INNOVATION

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



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





# THE DROPSUITE ADVANTAGE



## EXCEPTIONAL USER EXPERIENCE

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



## SEAMLESS PARTNER INTEGRATION

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



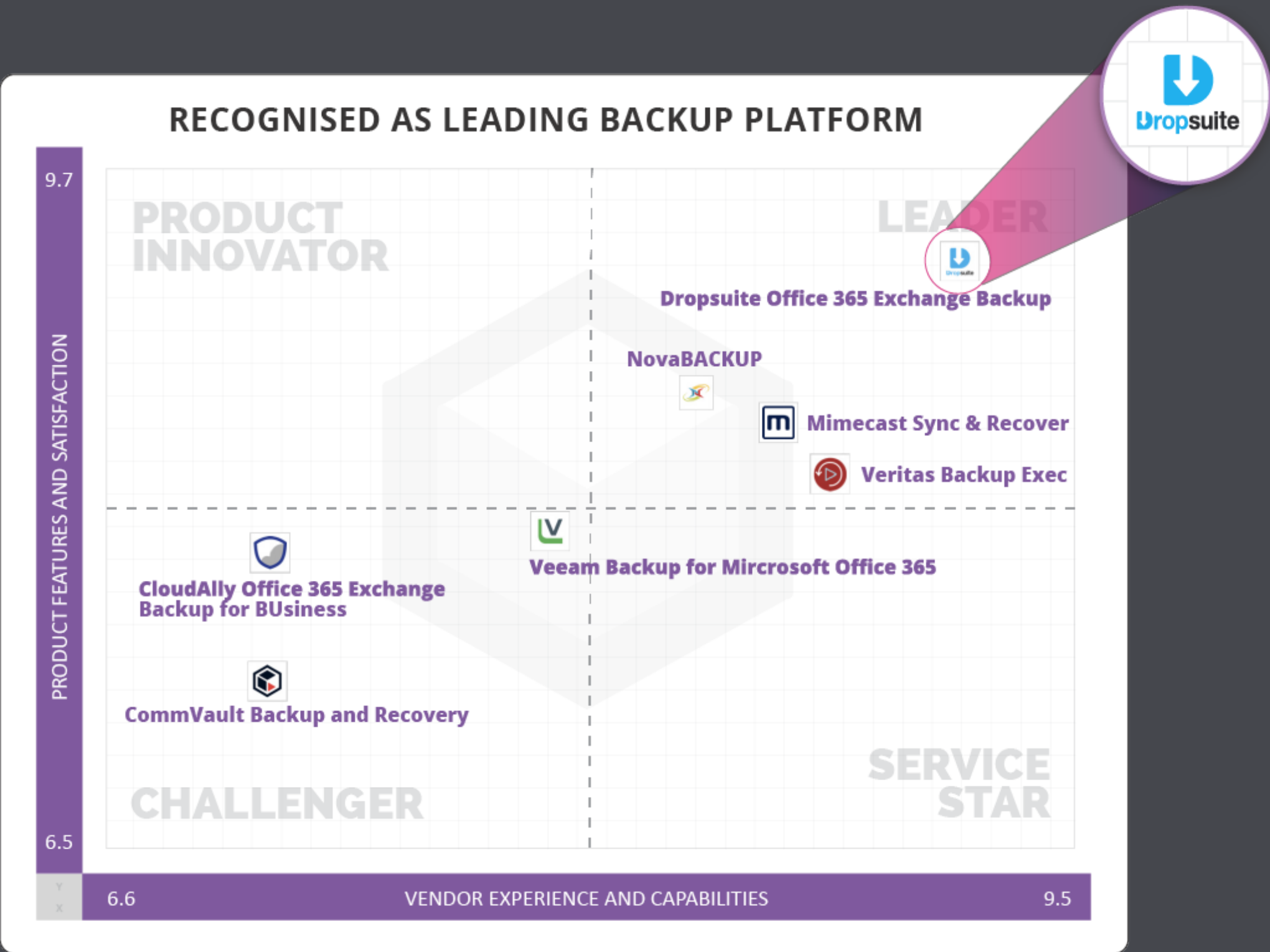
## CUTTING-EDGE CLOUD PLATFORM

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



## HIGHLY RESPONSIVE TEAM

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

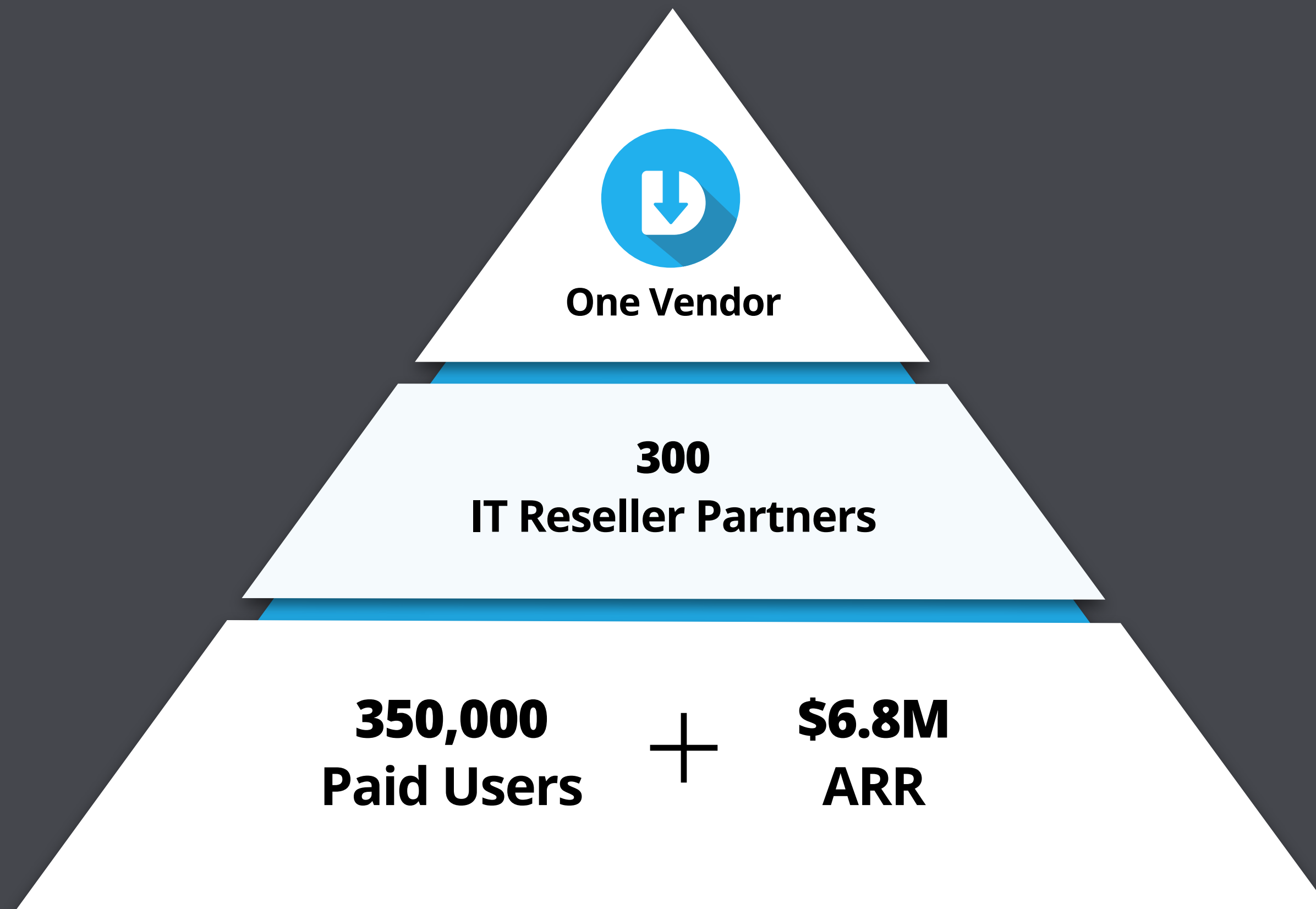


# OUR BUSINESS MODEL

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# BUSINESS MODEL



Better scaling across sales, support and marketing

Minimal marginal cost to serve growing revenue and users

Diversified revenue base and fast path to operational leverage






# FOCUSED ON CHANNEL AND ECOSYSTEM PARTNERS





# GROWTH THROUGH GLOBAL RESELLER PARTNERSHIPS


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

## Recent Partner Wins

- 

One of Australia's largest IT distributors
- 

Leading IT distributor in the Nordic region
- 

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

One of the fastest growing managed service providers in Canada



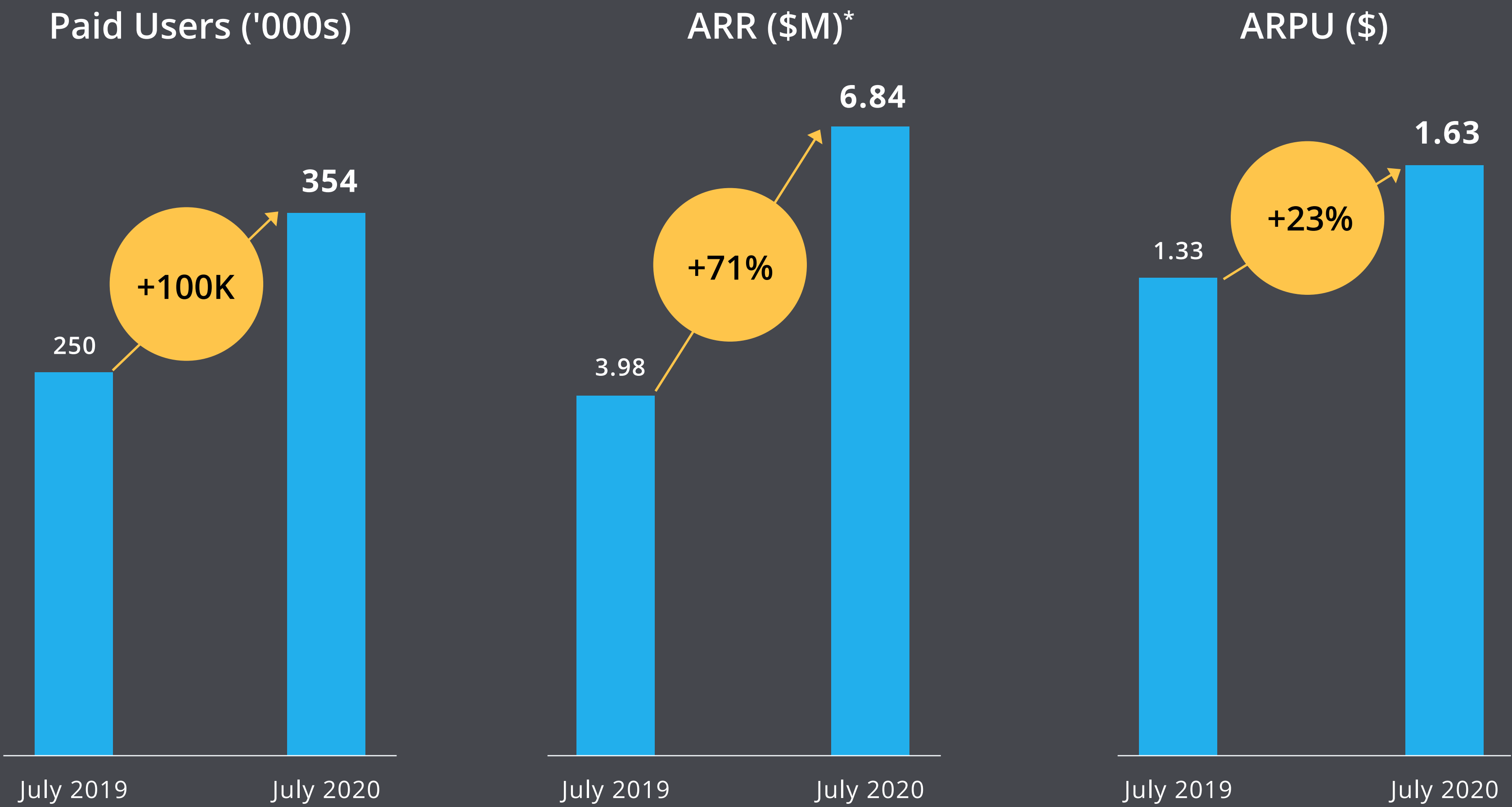
# KEY METRICS

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# KEY METRICS



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

\* Constant Currency



# OUTLOOK



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



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



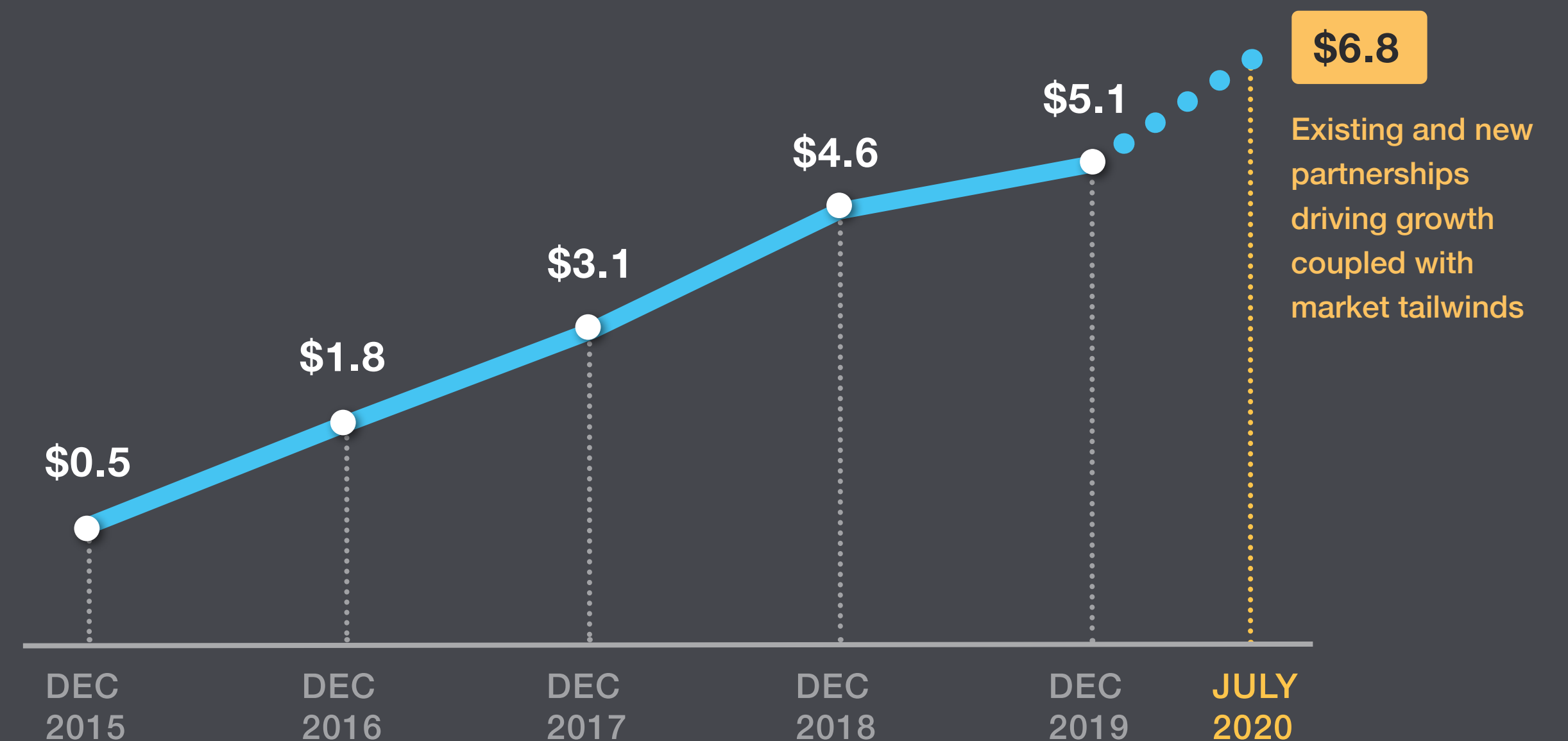
Well Positioned in a structurally growing market (cybersecurity, cloud & regulation)



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

## ANNUALISED RECURRING REVENUE (ARR \$M\*)

Solid execution and topline growth in the last 5 years



\*Constant Currency



# APPENDICES

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

## Vendor Capabilities

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

## Product Features

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



# FINANCIAL SUMMARY 1H2020

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



# CASH BURN EXPECTED TO DECLINE THROUGHOUT 2020

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

In Q2 2020:

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

Normalised burn down by 21% QoQ and that is not including one-off payouts for board withheld wages of \$95K.  
(25% of wages from Jul 2019-Feb 2020)

## Cash Metrics for Calendar Q2 2020

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





# LEADERSHIP TEAM



**CHARIF ELANSARI**  
**Managing Director**

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



**THEO HNARAKIS**  
**Non-Executive Chairman**

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



**DR. BRUCE TONKIN**  
**Non-Executive Director**

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



**RIDLEY RUTH**  
**Chief Operating Officer**

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



**RON HART**  
**Chief Technology Officer**

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



**BILL KYRIACOU**  
**Head of Finance**

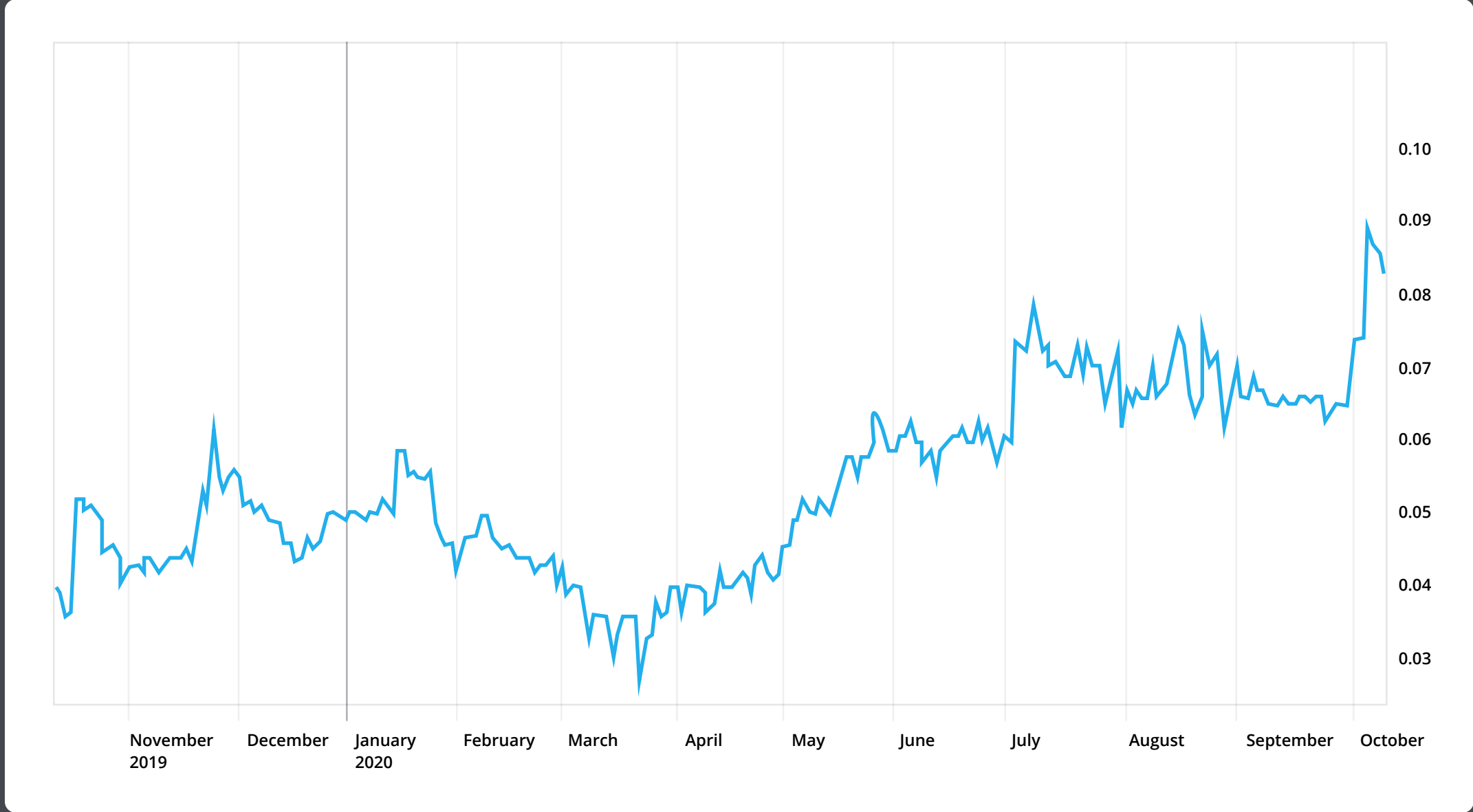
- 15 years of finance experience in listed technology and media companies
- Previously Computershare and Crowd Mobile Limited.



# CORPORATE OVERVIEW

DSE has a strong balance sheet and zero debt

## Share price performance (last 12 months)



## Board of Directors

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

## Substantial Shareholders

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

## Financial Information

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



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**Charif Elansari**

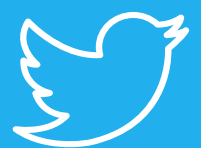
Managing Director, Dropsuite  
[charif@dropsuite.com](mailto:charif@dropsuite.com)



Investor Relations

**Stephanie Ottens**

Market Eye  
[stephanie.ottens@marketeye.com.au](mailto:stephanie.ottens@marketeye.com.au)  
+61 434 405 400



**dropsuiteIR**



**Dropsuite Limited**

14 Emerald Terrace  
West Perth WA 6005, Australia

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