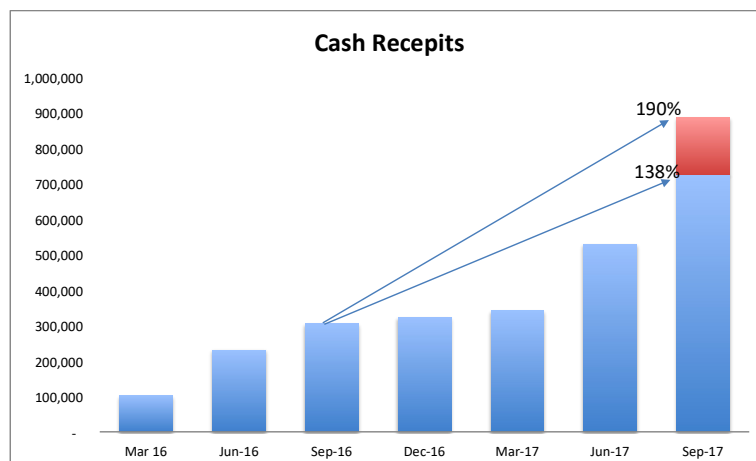


ASX Release  
30 October 2017

## September 2017 Quarterly Performance and Business Update

**Dropsuite Limited (ASX: DSE) (Dropsuite)** is pleased to release its consolidated Quarterly Cash Flow for the quarter ended 30 September 2017. Key highlights for the quarter are as follow:

- Quarterly cash receipts from revenues were \$886,000,
  - This is ahead of expectations by approximately \$160,000, due to some of our customers making payments ahead of their regular payment cycle - this will impact our Q4 receipts number.
  - On a normalized basis the receipts are \$726,000, this is 138% higher vs. the same period last year and 37% higher than last quarter, stemming from revenue and user growth;
- Cumulative cash receipts from revenues in the last 9 months was \$1,757,000
  - 175% growth year-on-year;
- Actual Net Cash Outflows was \$218,000 for the quarter.
- Group cash position at the end of the quarter was \$1,203,000 and ahead of expectations;
- Overall we are generating revenue growth as expected (through greater subscribers and higher Revenue per user) whilst managing costs as per our plan.



### Capital Raise / Business Update

As already advised to the market in early October, Dropsuite has successfully raised \$4,722,431 via a Share Placement to sophisticated and professional investors. The placement was oversubscribed with strong demand from institutional investors. These funds will be used to expand the company's reach, and drive customer growth and accordingly revenue growth, as Dropsuite further invests in its sales, marketing and product development.



As evident on the quarterly cash flow update (Appendix 4C), Dropsuite's continued increase in cash receipts, both Quarter on Quarter and Year on Year, is attributed to strong growth in paid users and revenue, as well as an improvement in cash collections. Dropsuite continues to expand its reseller partner network globally with the notable mention of a new partnership with D&H Distributing, one of North America's leading IT distributors.

For further information please contact:

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#### **About Dropsuite**

Dropsuite is a global cloud software platform enabling SMBs in over 100 countries to easily backup, recover and protect their important business information. Dropsuite's network of preferred reseller partners has a combined customer reach of millions of small and medium-sized businesses worldwide.

Dropsuite partners with some of the biggest global names in the hosting and IT service provider market, including GoDaddy, the world's largest domain name registrar, and Ingram Micro, the world's largest distributor of computer and technology products.

For more information please visit: [www.dropsuite.com](http://www.dropsuite.com)