



## **\$2.7 million raised through successful placement to institutional investors; launch of Share Purchase Plan**

- **Successful completion of institutional placement at \$0.045 per share raising approximately \$2.7 million (before costs)**
- **Raise cornerstoned by a US based growth-orientated institutional investor, together with strong support from new and existing domestic investors**
- **Proceeds will be used to drive sales growth in established markets and product development**
- **Share Purchase Plan to raise up to an additional \$0.5 million to be launched for existing eligible shareholders at the same issue price as the Placement**

**10 February 2020: Global cloud backup and archiving software provider Dropsuite Limited (ASX: DSE) ("Dropsuite" or the "Company")** is pleased to advise that it has received firm commitments to raise approximately \$2.7 million (before costs) via a placement ("**Placement**") through the issue of 60,472,080 fully paid ordinary shares ("**Placement Shares**") to eligible institutional investors. The Placement was strongly supported by new and existing institutional investors and was cornerstoned by an existing US based growth-orientated investor.

The issue price of \$0.045 per share represented a:

- 4.3% discount to the last traded price of the Company's shares on 5 February 2020;
- 7.6% discount to the previous 10-day volume weighted average price of the Company's shares traded on the ASX (VWAP) up to and including 5 February 2020; and
- 12.7% discount to the previous 15-day VWAP up to and including 5 February 2020.

The Placement Shares are expected to be allotted and issued on 17 February 2020 and will rank equally with the Company's existing ordinary shares on issue. The Placement Shares will represent approximately 12.2% of the issued capital of the Company before the Placement and will be issued within Dropsuite's existing placement capacity under ASX Listing Rule 7.1.

### **Share Purchase Plan:**

In addition to the Placement, Dropsuite's shareholders will be given the opportunity to subscribe for shares at the same issue price as the Placement of \$0.045 per share under a Share Purchase Plan ("**SPP**"). Under the terms of the SPP, eligible shareholders registered at 7.00pm (Sydney time) on 7 February 2020 will be entitled to subscribe for up to \$30,000 of Dropsuite shares to raise approximately \$0.5 million. The Company's board of directors will be participating up to their maximum allocation.

Further details of the SPP will be provided to shareholders in due course.

### **Use of Proceeds:**

Funds from the Placement and SPP will be utilised for working capital purposes allowing Dropsuite to increase its sales and marketing presence in key markets and to continue enhancing its best-in-class Cloud backup platform.

Dropsuite continues to enjoy an upward trajectory as was reported in the latest Operations Update in January 2020. The company is witnessing continued growth in all top line metrics including, Annualised Recurring Revenue (ARR\*).

Dropsuite's Managing Director Charif Elansari said: *"We are pleased to have received such strong support from new and existing investors and we thank them for their support. The placement and SPP means Dropsuite is very well*

*funded to now aggressively grow ARR which is underpinned by excellent partnerships, market-leading technology and a highly responsive and committed team.*

*“We are continuing to witness growth and diversification across all key metrics and Dropsuite is now well positioned to deliver returns for our shareholders. As always, and irrespective of our stronger balance sheet, tight cost control is an absolute focus. The quarter is progressing well for Dropsuite with ARR continuing to track up and the customer base growing.”*

**Key dates for the Placement and SPP:**

Set out in the Appendix of this Announcement is an indicative timetable for the Placement and SPP.

The Placement has been undertaken by Shaw and Partners as sole lead manager.

The above release was authorised by the Board of Directors.

**For further information, please contact:**

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**About Dropsuite**

Dropsuite is a global cloud software platform enabling organizations 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 businesses worldwide. please visit: [www.dropsuite.com](http://www.dropsuite.com)

\*Annualised Recurring Revenue (ARR) is defined as the value of the contracted recurring revenue multiplied by 12 months.

## APPENDIX

The indicative Placement timetable of key dates is set out below:

Event	Date
Trading Halt lifted and Placement announcement	Monday, 10 February 2020
Settlement (Placement Shares under the Offer)	Friday, 14 February 2020
Allotment and Issue of Placement Shares under the Offer	Monday, 17 February 2020
Normal trading commences (Placement Shares)	Tuesday, 18 February 2020

**Note:** The timetable above is indicative only and subject to change. Dropsuite reserves the right to amend any or all of these events, dates and times, without notice, subject to the Corporations Act 2001 (Cth) (**Corporations Act**), the ASX Listing Rules and other applicable laws.

The indicative SPP timetable of key dates is set out below:

Event	Date
Record date for shareholders to participate in SPP	7.00pm (Sydney time) on Friday, 7 February 2020
Despatch SPP documents to shareholders	Monday, 17 February 2020
SPP offer opens	Monday, 17 February 2020
Closing date for SPP	5.00pm (Sydney time) on Monday, 2 March 2020
Completion of SPP announcement	Thursday, 5 March 2020
Issue and Allotment of Shares under SPP	Monday, 9 March 2020
Expected quotation on the ASX and normal trading of Shares issued under SPP commences	Tuesday, 10 March 2020
Despatch of holding statements for Shares issued under the SPP	Tuesday, 10 March 2020

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