



Investor Presentation Q1 2025 Update

April 2025

ASX:DSE



ersonal use only



We help businesses stay in business

Dropsuite is a partner-centric company building secure, scalable and highly useable cloud backup technologies for businesses, big and small



~1.80M
paid users



>820
direct partners



~\$54M
ARR



>100
countries



170
employees

Key Business Metrics Delivered in Q1 FY25

ARR

\$53.6m



7%* on QoQ
37%* on PCP

Gross Margin

69%



Down 100 basis
points QoQ

Normalised Operating
Cashflow

\$0.35m



8% on QoQ
(11%) on PCP

ARPU

\$2.49



(2%)* on QoQ
(5%)* on PCP

Paid Users

1.79m



9% on QoQ
45% on PCP

Cash Receipts

\$13.0m



18% on QoQ
45% on PCP

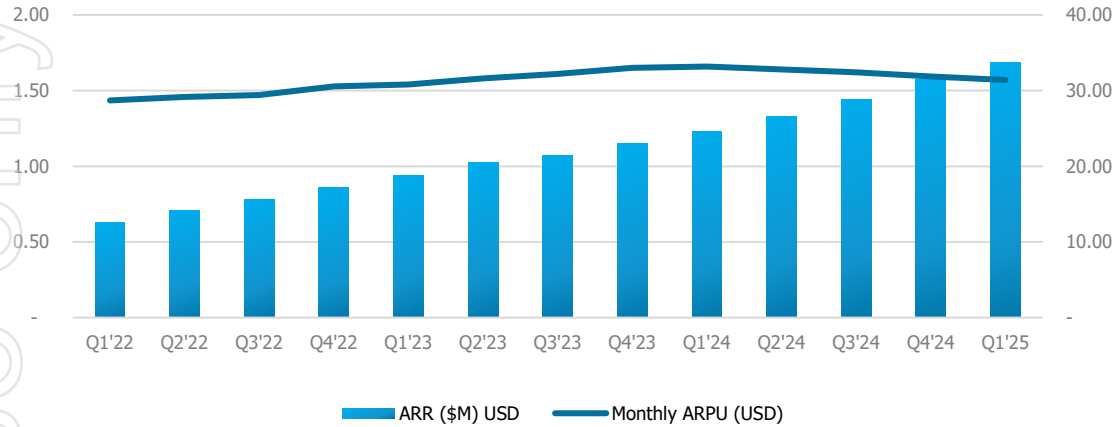
Commentary

- US\$2.2m of incremental ARR added QoQ
- Product mix shift with BYOS growth lowering ARPU, with the lower cost nature of the services ensuring group margins were maintained at historic levels
- Churn stable below 3% level

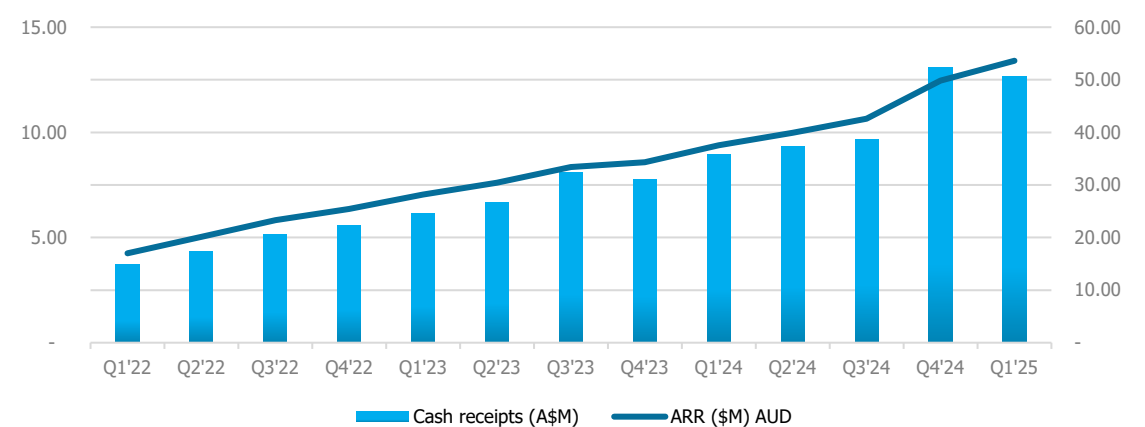
* On a constant currency basis

Growth Across Key Metrics

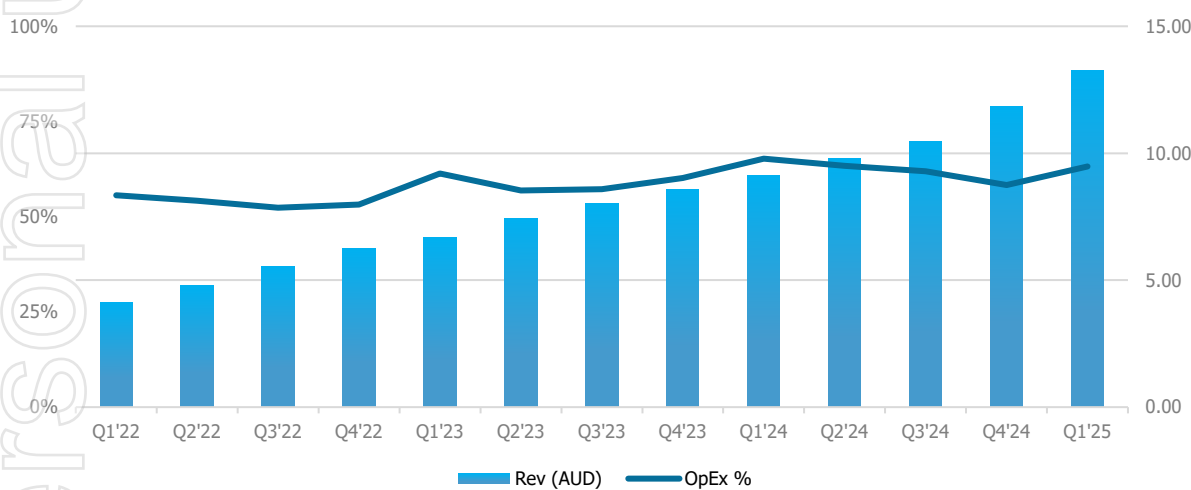
ARR and Monthly ARPU - USD (\$M)



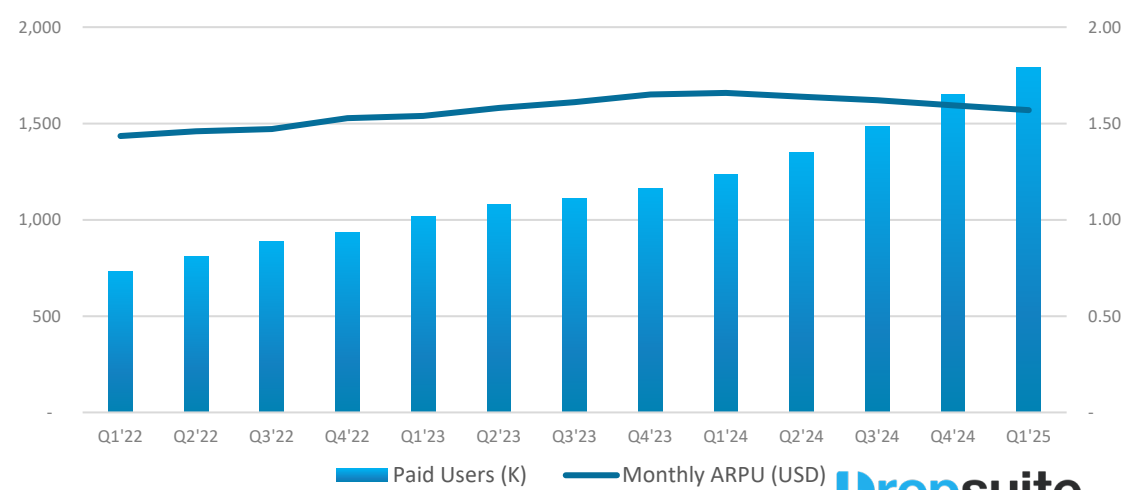
Cash Receipts and ARR growth - AUD (\$M)



Operating Expense to Revenue Ratio - AUD (\$M)



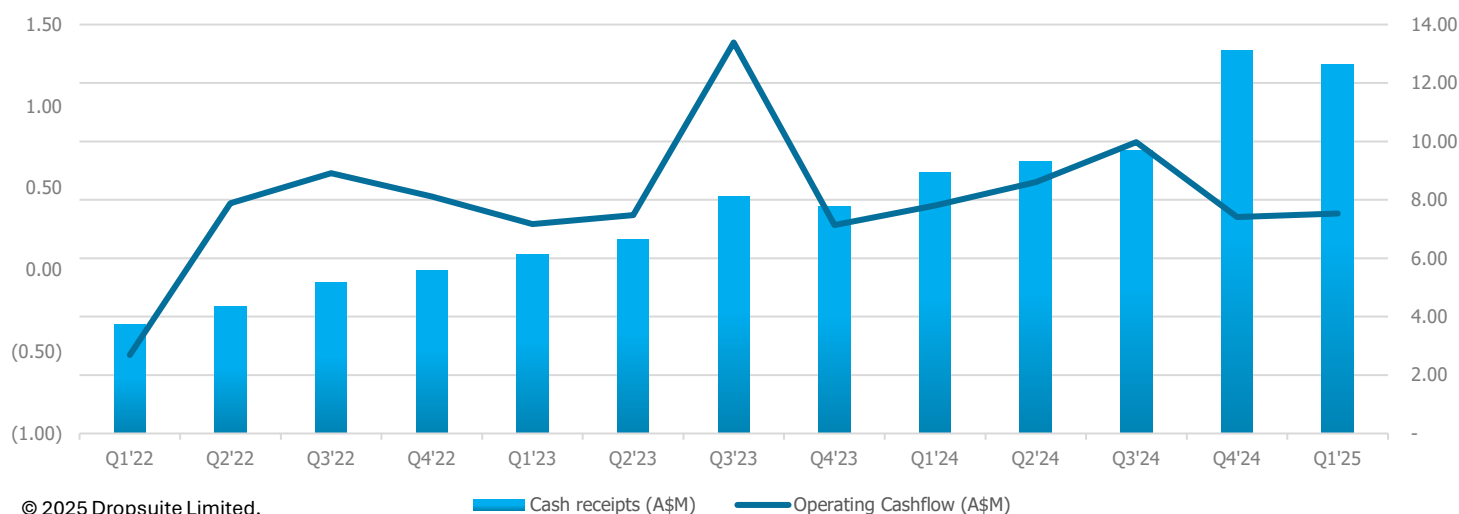
Paid Users and ARPU (USD) growth



Positive (Normalised*) Cashflow Generation

A\$ Million (Normalised)	Mar 25	Dec 24	Mar 24	QoQ (%)	PCP (%)
Receipts from customers	13.00	11.00	8.94	18%	45%
Payments to suppliers	(12.92)	(10.89)	(8.76)	19%	48%
Interest received	0.26	0.22	0.21	22%	28%
Cash generated from operations	0.35	0.32	0.39	8%	(11%)
Transaction costs**	(0.46)	-	-	-	-
Actual Cash on hand	28.02	28.57	24.91	(2%)	12%

Operating Cashflow and Cash Receipts - AUD (\$M)



Cashflow momentum continues

- *Receipts growth aligns with collections focus, normalised for timing of receipts from customers in early April.
- Customary Q1 high cash outflows to suppliers, including annual insurances and tooling as well as annual bonuses
- **Payments of transaction costs associated with the NinjaOne scheme, including legal and advisory fees

Appendix

Consolidated Statement of Cash Flows

A\$ million (Normalised)

	Mar 25	Dec 24	Mar 24	QoQ (%)	PCP (%)
Receipts from customers	13.00	11.00	8.94	18%	45%
Cloud Hosting	(3.91)	(3.50)	(2.81)	12%	39%
Advertising & marketing	(0.22)	(0.44)	(0.13)	(48%)	70%
Staff costs	(6.47)	(4.69)	(4.62)	38%	40%
Administration & corporate costs	(2.32)	(2.39)	(1.19)	2%	94%
Total Payments to Suppliers	(12.92)	(10.89)	(8.76)	19%	48%
Interest received	0.26	0.22	0.21	22%	28%
Net Cash Generated/(Used) from Operations	0.35	0.32	0.39	8%	(11%)
Cash flow from investing activities (PPE)	(0.31)	(0.06)	(0.04)	>100%	>100%
Cashflow from financing activities (all)	-	-	-	-	-
Effect of movement in exchange rates on cash held	(0.12)	0.85	0.27	(>100%)	(>100%)
Net increase/(decrease) in cash for the period	(0.54)	3.09	0.62	(>100%)	(>100%)
Cash on hand	28.02	28.57	24.91	(2%)	12%
Transaction Payments associated with NinjaOne offer*	(0.46)	-	-	-	-

*Payment of transaction costs associated with the NinjaOne scheme, including legal and advisory fees

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Exceptional User Experience

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



*Entra ID - new backup product targeted at Microsoft Entra ID (formerly Azure Active Directory), which is Microsoft's cloud-based identity and access management solution providing authentication and authorization to a wide range of Microsoft products.

Glossary

ARR: Annualised Recurring Revenue - is defined as the value of the contracted monthly recurring revenue multiplied by 12 months

ARPU: Average Revenue Per User

CAGR: Compound Annual Growth Rate

Churn: Partner Revenue Churn is defined as Lost Revenue in current period divided by previous period Revenue

MSP: Managed Service Provider is defined as an outsourced IT provider ensuring business availability and security for mostly small and medium businesses

NRR: Net Revenue Retention is defined as percentage of revenue retained from existing partners over a 12 month period

PCP: Prior Corresponding Period

QBO: QuickBooks Online

QoQ: Prior Quarter Comparative Period

SAM: Serviceable Addressable Market

SME: Small to Medium enterprise

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