



DROPSUITE'S PAID USERS EXCEED 400,000

- Paid users up 33% or 100,000 in 3 weeks
- This is primarily driven by a recently launched partnership

SINGAPORE and MELBOURNE, 5 JULY 2018: Leading cloud data backup platform for small and medium businesses (SMBs), Dropsuite Limited (ASX: DSE) ("Dropsuite" or "the Company"), reports that paid users now exceeds 400,000, up 33% from the 300,000 of paid users reported on 14 June 2018.

The high growth in new paid users is primarily coming from Dropsuite's recently re-launched email backup product from a partnership secured in April with a large IT Service Provider. The rapid increase in paid users over this short period is driven by an extensive marketing campaign to the partner's existing customers. While the campaign has generated a large increase in paid users and thus revenue, churn maybe higher due to more flexible 'opt-out' terms, and revenue per user will be lower due to special volume pricing for that provider. That said, we are very pleased with the scale of revenue growth with healthy gross margins.

Dropsuite's Managing Director Charif Elansari said: "Our product and geographical expansion has been a major success and this is reflected in the 33% increase in paid users in such a short period.

"We continue to work on new partnerships to diversify our partnership base which further de-risks revenue streams. We are most encouraged by the strong global demand for our software and we expect this to continue."

The Company will also host an investor teleconference with Managing Director Charif Elansari to provide further overview of the Company's recent growth in paid users.

Conference call details:

Date: Monday, 9 July 2018

Time: 2.30 pm AEST

Presenting: Managing Director Charif Elansari

Please register for the call ahead of commencement at:

<https://services.choruscall.com.au/diamondpass/dropsuite-272176-invite.html>

Investors are encouraged to send questions regarding the above to secretary@dropsuite.com ahead of the teleconference.

A brief Q&A will follow the presentation, in which a selection of fund managers, stockbrokers and high net worth investors have been invited to participate.

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