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# Increased opportunities in a post COVID environment

Final results for the year ended  
30 June 2021



# Agenda

✓ FY21 Highlights

✓ Company Overview

✓ Growth Drivers

✓ Financial Review

✓ Market Updates:

 Enterprise

 Mobile

 ITAD

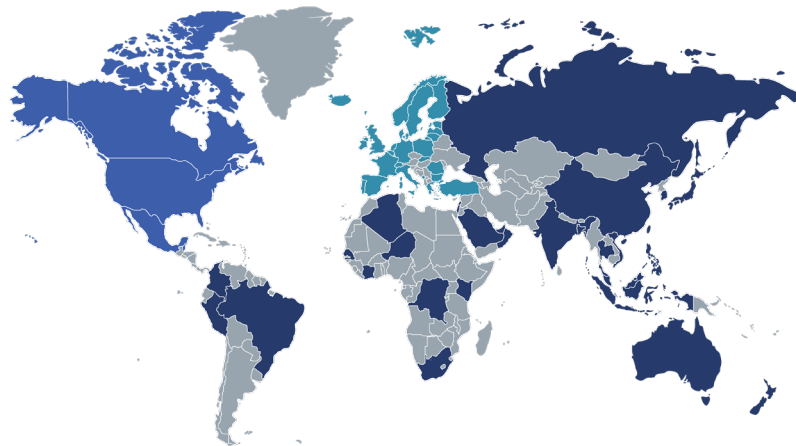
✓ Summary and Outlook



## FY21 Highlights

- ✓ Adjusted Operating Profit grew by **33%** to **£5.3m** (FY20: £4.0m)
  - ✓ **Growth** in all 3 trading geographies and all 3 markets
  - ✓ Revenue grew by **9%** to **£36.5m** (FY20: £33.4m)/19% H2 FY21
  - ✓ Adjusted EBITDA grew by **26%** to **£10.2m** (FY20: £8.1m)
  - ✓ Net cash on 30 June 2021 of **£10.1m** (30/6/20: £6.7m)
- ### Key Partnerships announced or expanded
- ✓ Fully integrated with ServiceNow
  - ✓ ISV Accelerate status obtained with AWS
  - ✓ New partnerships with Infosys, Lenovo and a global technology company

# Company Overview



✓ FY21 revenue generated in over **70** countries

## NORTH AMERICA

Canada  
Mexico  
United States

## EUROPE

Austria  
Belgium  
Croatia  
Cyprus  
Czech Republic  
Denmark  
Estonia  
Finland  
France  
Germany  
Greece  
Hungary  
Iceland  
Ireland  
Italy  
Latvia  
Liechtenstein  
Lithuania  
Luxembourg  
Monaco  
Montenegro  
Netherlands  
Norway  
Poland  
Romania  
Serbia

Slovakia  
Slovenia  
Spain  
Sweden  
Switzerland  
Turkey  
United Kingdom

## ASIA AND REST OF THE WORLD

Australia  
Bangladesh  
Botswana  
Brazil  
Brunei  
China  
Colombia  
DR Congo  
Ghana  
Guadeloupe  
Hong Kong  
India  
Indonesia

Israel  
Ivory Coast  
Japan  
Kenya  
Kuwait  
Malaysia  
Mauritius  
Morocco  
New Zealand  
Oman  
Philippines  
Qatar

Russian Federation  
Saudi Arabia  
Senegal  
Singapore  
South Africa  
South Korea  
Taiwan  
Thailand  
Tunisia  
United Arab Emirates  
Vietnam

- ✓ **13+** security approvals
- ✓ Over **2000** customers
- ✓ **25+** erasure standards
- ✓ **38** patents granted or filed
- ✓ **54.5m** devices erased in FY21

**MSCI**  
ESG RATINGS



# Markets we operate in:



## Enterprise

- ✓ Customers are typically very large organisations with IT teams managing IT assets in-house
- ✓ Revenue increasingly being driven through channel partnerships
- ✓ Erasure solutions can be applied to all data storage assets
- ✓ Limited competition
- ✓ Revenue model typically SaaS



## Mobile

- ✓ Customers typically companies refurbishing traded mobile phones for resale
- ✓ Revenue driven by direct sales
- ✓ Solution involves both erasure and diagnostics
- ✓ Most competitive market
- ✓ Revenue primarily pay as you go



## ITAD

- ✓ ITAD customers manage the disposal of end of life assets for SME companies
- ✓ Revenue driven by direct sales
- ✓ Blancco own vast majority of data erasure market with ITADs
- ✓ Revenue model is primarily on a volume basis





## Post COVID Growth Drivers

- ❑ Flexible working arrangements will result in increased “hot desking” accelerating the demise of desktop PCs in offices
- ❑ Remote working presents challenges for IT departments managing outside of office firewall, increasing focus on data management
- ❑ Increased demand for remote erasure solutions in use cases such as employee leaving organisation or replacement laptop being issued
- ❑ Pent-up demand from equipment not managed or even powered up over past 18 months to be released as working practices normalise
- ❑ ITAD customers seeing increased activity as they are gradually being granted access to customer premises

## UN Global E-Waste Monitor (July 2020)

- ⚠ A record **53.6 million metric tonnes** of electronic waste was generated worldwide in 2019 according to the UN's Global E- waste Monitor 2020
- ⚠ Toxic substances such as mercury, brominated flame retardants (BFR) or chlorofluorocarbons (CFCs) are found in many types of electronic equipment and **pose severe risk to human health**
- ⚠ E-waste is predicted to reach **74 million metric tonnes** in 2030, double the 2014 figure
- ⚠ In 2019, only **17.4%** of e-waste was officially documented as formally collected and recycled
- ⚠ UN's International Telecommunication Union has set a target to increase e-waste recycling to **30%** by 2023



Sustainability  
Growth  
Drivers

## Blanco's positive impact

- ❑ **54.5m** devices were erased used Blanco software in FY21
- ❑ Potential e-waste saving of **68m kg**
- ❑ Potential carbon saving of **5.6bn kg**
- ❑ Pre Use Carbon Footprint (source: Restart project)
  - ✓ Tablet **81%**
  - ✓ Mobile **79%**
  - ✓ Laptop **77%**
  - ✓ Desktop **53%**

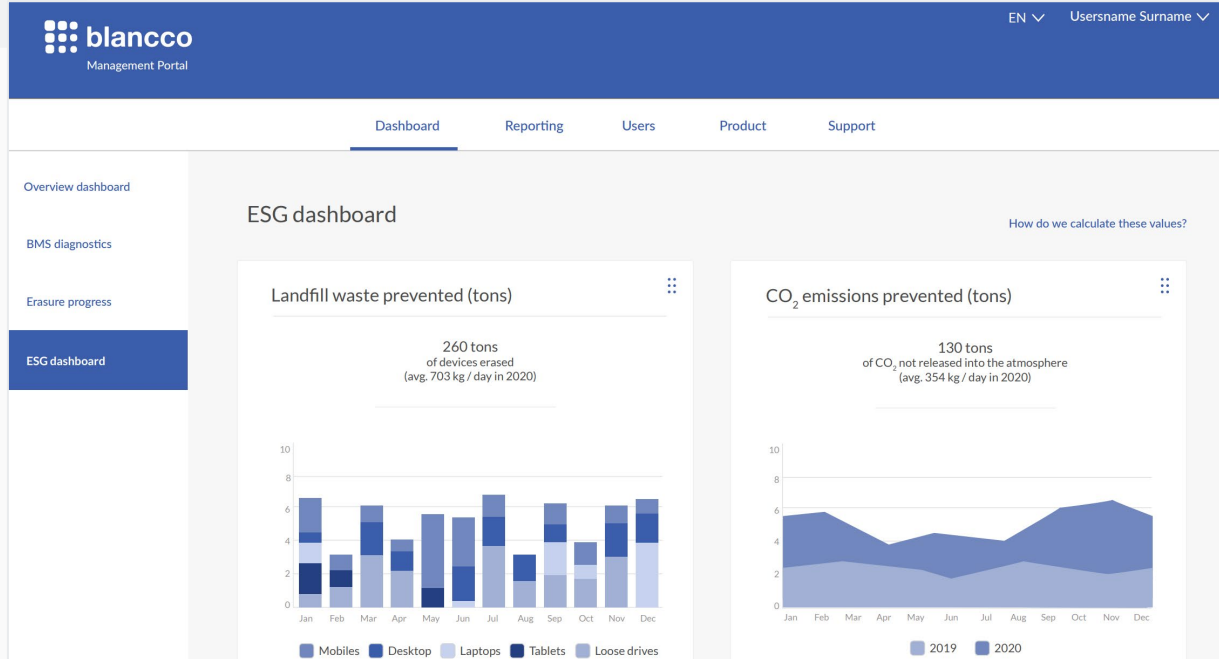
**Example:** One iPhone 12 Pro 512GB has carbon emissions of 110kg over its lifetime. Only 13% of the emissions are from usage. Remaining footprint comes from manufacture, packaging and transportation.

A photograph of a woman with curly hair and a man with a beard looking at a computer screen, with a blue overlay containing the text 'Sustainability Growth Drivers'.

## Sustainability Growth Drivers



# ESG Customer Dashboard



Dashboard in development to be added to existing management portal

Dashboard will allow companies to track:

- ✓ # devices erased
- ✓ Types of device erased
- ✓ Weight of devices erased
- ✓ CO<sub>2</sub> emissions saved from recycling

Expected to be available in early 2022

## How is Data Privacy supporting our sales?

- ❑ By year-end 2023, **75%** of the world's population will have its personal data covered under modern privacy regulations, up from 25% today.
- ❑ Before year-end 2023, more than **80%** of companies worldwide will be facing at least one privacy-focused data protection regulation.
- ❑ Through 2024, privacy-driven spending on data protection and compliance technology will break through to more than **\$15 billion worldwide**.

A close-up, high-contrast photograph of a wooden gavel, symbolizing law, governance, and regulation.

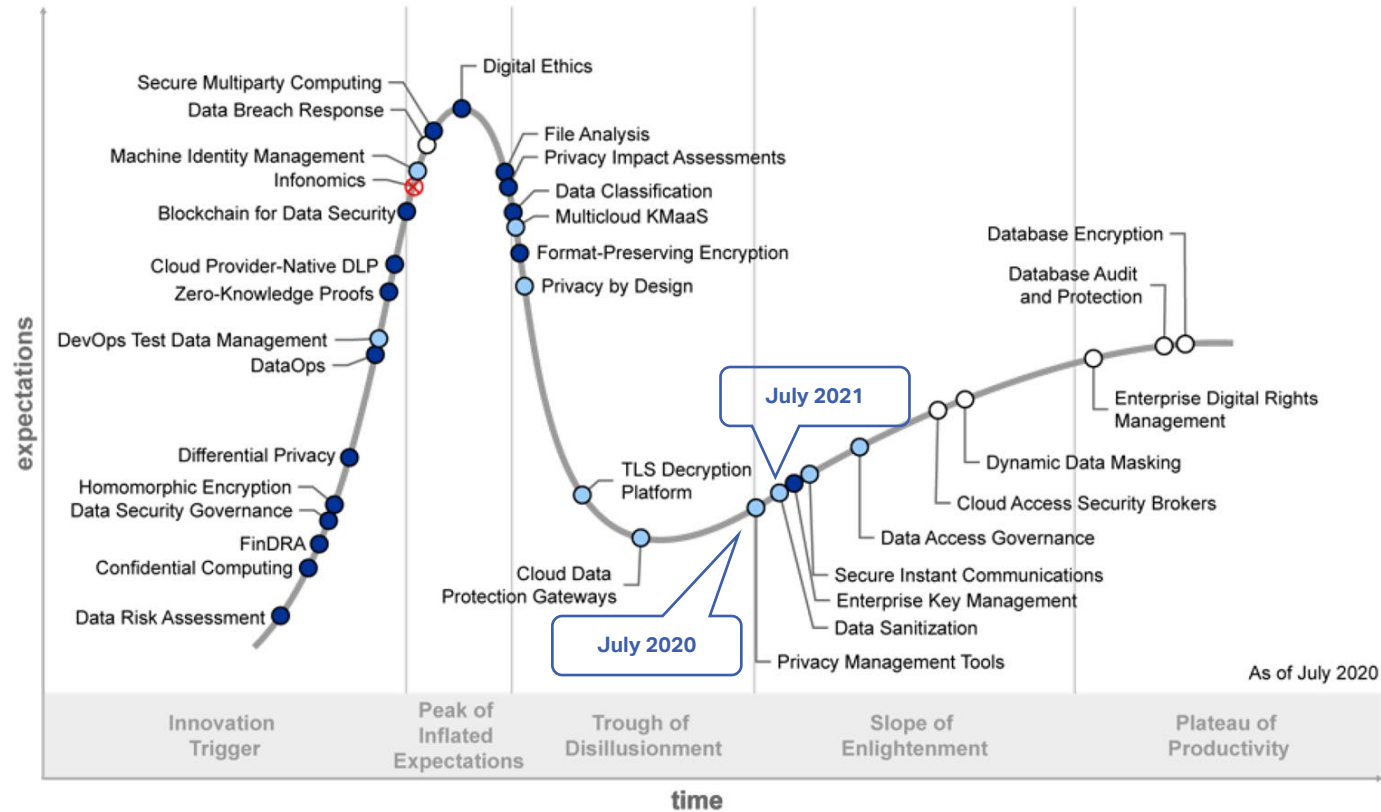
Governance  
Growth  
Drivers

The Gartner logo, consisting of the word "Gartner" in a bold, dark blue sans-serif font, with a registered trademark symbol (®) to its upper right.

**Gartner®**

# Data Sanitization in Hype Cycles

## Hype Cycle for Privacy 2021



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# FY21 Financial Review

# Income Statement

Years ended 30 June

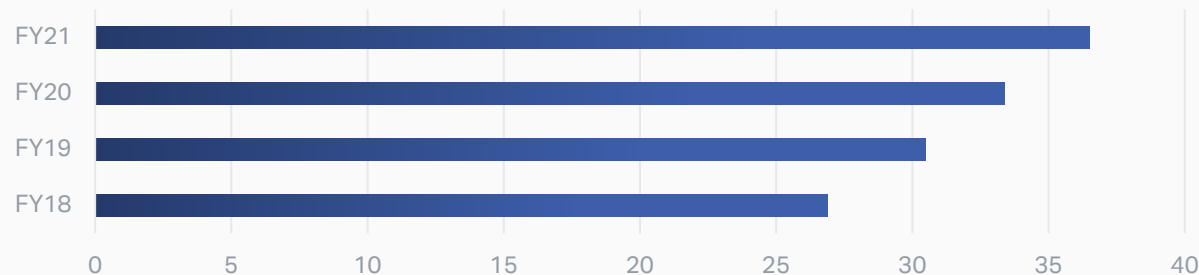
£'m	FY21	FY20	Growth
<b>Revenue</b>	<b>36.5</b>	<b>33.4</b>	<b>9%</b>
Cost of goods sold	(2.8)	(1.8)	
<b>Gross profit</b>	<b>33.7</b>	<b>31.6</b>	<b>7%</b>
Admin Expenses	(31.9)	(31.6)	
<b>Operating Profit</b>	<b>1.8</b>	<b>0.0</b>	
Exceptional income	(0.8)	(0.3)	
Amort. of acquired intangibles	2.9	2.9	
Share based payments	1.5	1.4	
<b>Adjusted Operating Profit</b>	<b>5.3</b>	<b>4.0</b>	<b>42%</b>
Depreciation	1.1	1.1	
Amort of non acquired intangibles	3.8	3.0	
<b>Adjusted EBITDA</b>	<b>10.2</b>	<b>8.1</b>	<b>31%</b>
Adjusted Operating Profit margin	14.5%	12.1%	
Adjusted EBITDA margin	28.0%	24.3%	

- ✓ Revenue growth of **12%** at constant currency
- ✓ Revenue growth of **19%** in second half of the year
- ✓ Much reduced Travel costs bolstered profit margins



# Growth Trends

## Blancco Group Revenue FY18 - FY21 £million



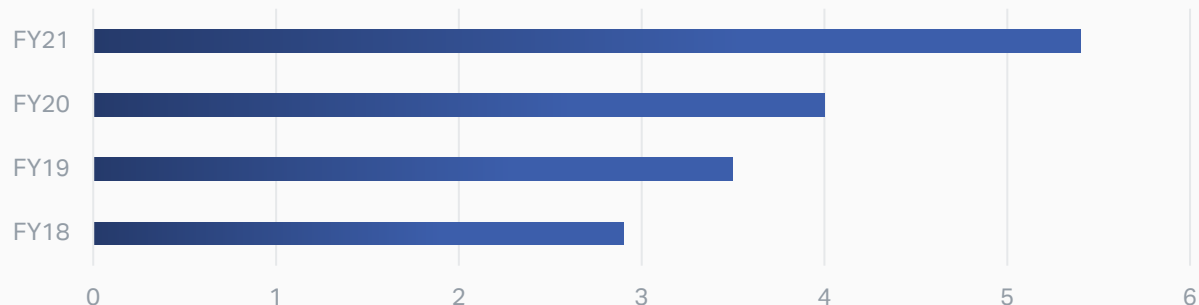
✓ Revenue has increased from £26.9m in FY18 to **£36.5m** in FY21

✓ CAGR of **11%**

✓ Adjusted Operating Profit has increased from £2.9m in FY18 to **£5.3m** in FY21

✓ CAGR of **22%**

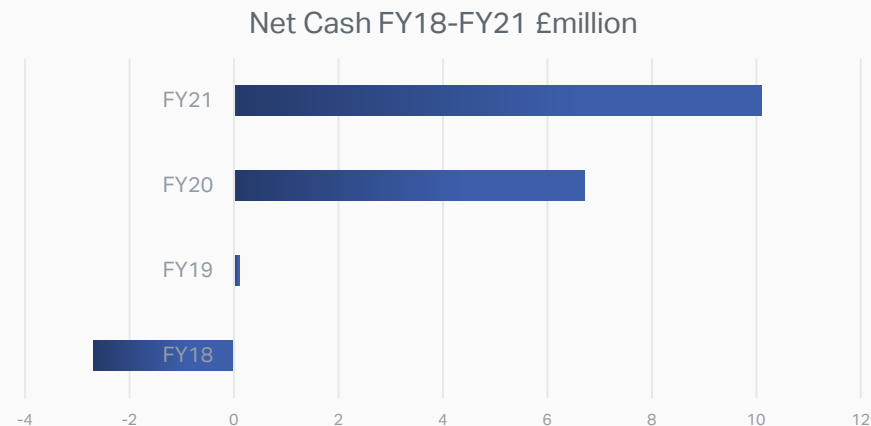
## Adj Operating Profit FY18-FY21 £million



# Balance Sheet

As at 30 June

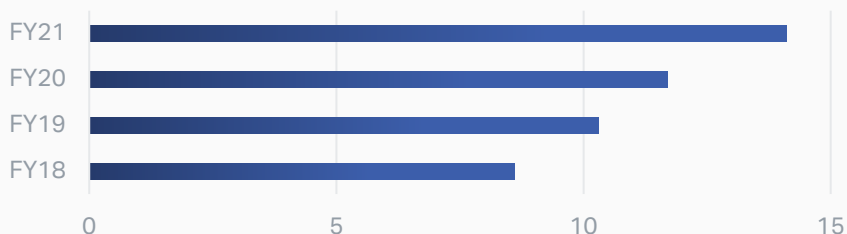
£m	FY21	FY20
<b>Non current assets</b>		
	<b>69.9</b>	<b>76.9</b>
<b>Current assets / (liabilities)</b>		
Inventory	0.1	0.1
Debtors	6.2	7.3
Trade & other payables	(7.8)	(9.0)
Contingent consideration	-	(0.3)
Tax asset	0.1	0.3
	<b>(1.4)</b>	<b>(1.6)</b>
<b>Net cash</b>		
	<b>10.1</b>	<b>6.7</b>
<b>Non current liabilities</b>		
Provisions	-	(0.1)
Deferred tax	(2.7)	(3.5)
Other non-current liabilities	(1.1)	(1.0)
	<b>(3.8)</b>	<b>(4.6)</b>
<b>Net assets</b>	<b>74.9</b>	<b>77.4</b>



# Revenue by Segment

Revenue	FY21 £'m	FY20 £'m	Growth %	CC Growth %
Enterprise	14.1	11.7	21%	24%
ITAD	11.5	10.9	6%	7%
Mobile	10.9	10.8	1%	4%
<b>Group total</b>	<b>36.5</b>	<b>33.4</b>	<b>9%</b>	<b>12%</b>

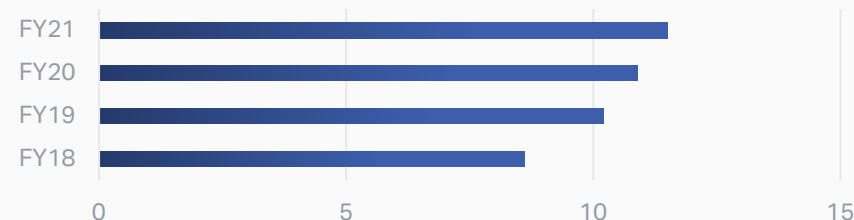
## Enterprise Revenue FY18-FY21 £million



① Enterprise revenues grown from £8.6m in FY18 to £14.1m in FY21 - CAGR of 18%

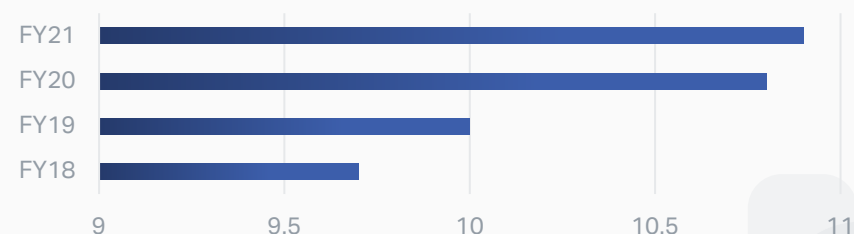
① Channel revenue grew 27% to £6.5m (FY20: £5.1m). 46% of total (FY20: 43%).

## ITAD Revenue FY18-FY21 £million



① ITAD revenues grown from £8.6m in FY18 to £11.5m in FY21 - CAGR of 10%

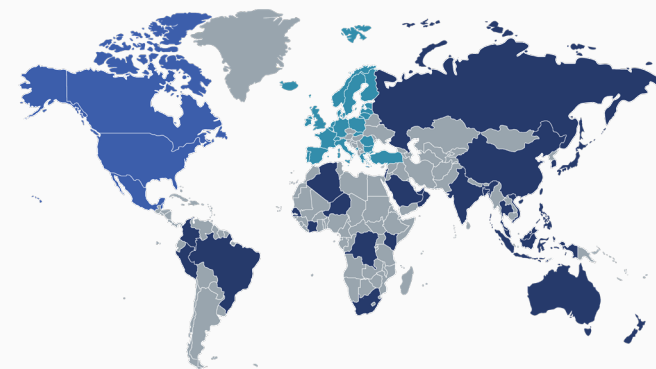
## Mobile Revenue FY18-FY21 £million



① Mobile revenues grown from £9.7m in FY18 to £10.9m in FY21 - CAGR of 4% (14% ex AT&T)

# Revenue by Geography

Revenue	FY21 £'m	FY20 £'m	Growth %	CC Growth %
Americas	11.2	10.1	11%	18%
Europe	13.4	12.5	7%	6%
Asia and ROW	11.9	10.8	10%	14%
<b>Group total</b>	<b>36.5</b>	<b>33.4</b>	<b>9%</b>	<b>12%</b>



# Customer Satisfaction

## Large customer retention rates

Large customers		
Total	PY accounts	124
	Retained	122
Retention %		98.4%

- ✓ Based on accounts in prior year that were expected to renew or place further orders in FY21
- ✓ 81% of FY21 revenue came from pre FY21 customer base (FY20: 78%)
- ✓ Volume based clients may well have purchased sufficient licenses that didn't need topping up in FY21

## Customer Net Promoter Score (NPS)

Trending YOY		Full Year Results
FY20	Score	48
	Respondents	85
FY21	Score	57.5
	Respondents	283

$$\text{NPS} = ((\text{Promoters} - \text{Detractors}) / \text{Respondents}) \times 100$$





# Enterprise

## Landscape

- ✓ Previously using shredding
- ✓ \$20m AUD IT assets destroyed pa
- ✓ Obsolete software in use
- ✓ No solution for SSD
- ✓ Blancco obtained Common Criteria accreditation in June 2020
- ✓ Risk of losing assets during transportation

## Solution

- ✓ Confidently repurpose, reuse or redeploy drives and IT assets
- ✓ Greater security measures with onsite erasure and a tamper proof erasure report
- ✓ Cost saving and environmental responsibility
- ✓ Ease of integration into existing processes



**Australian Government**

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**Department of Defence**

## Current Internal Environment

- ✓ Estimated # of Seats U.S. (Desktop/Laptop) under management: 16,000
- ✓ Laptops primarily with transition of Desktops to Virtual Desktop
- ✓ Assets deployed across 26 countries
- ✓ Engaged with SIMMS for disposition (utilises Blanco) | Reports reside at SIMMS
- ✓ MSFT SCCM | Transitioning to ServiceNow

## Key Objectives

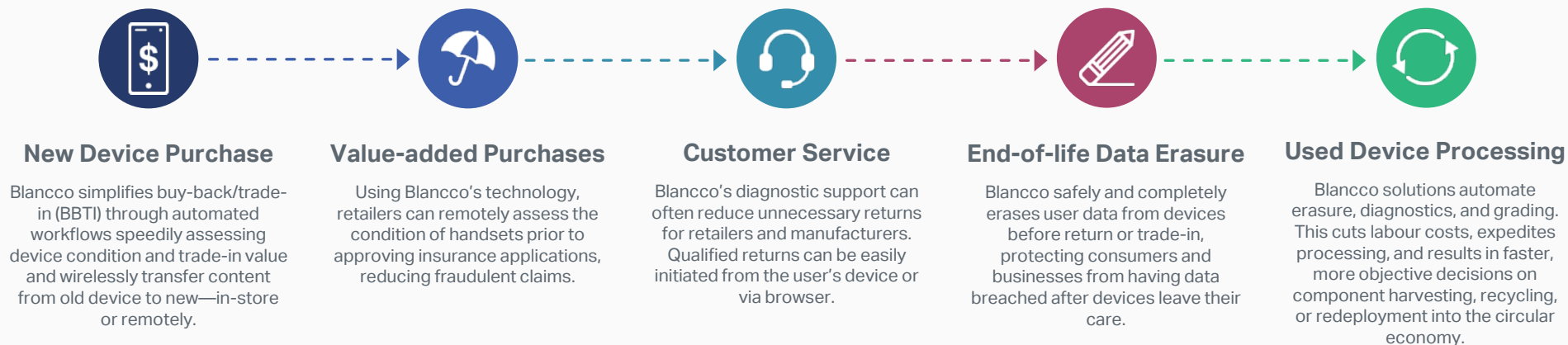
- ✓ Move from a manual to a more efficient, automated method of data erasure administration
- ✓ Ability to sanitize SSD's.
- ✓ Flexible deployment options to support data erasure (i.e, Remote Erasure)
- ✓ Adherence to global data security policies where operate.
- ✓ Improved and centralised reporting to provide verification (proof) of data sanitisation (audit trail)
- ✓ Ease of implementation and administration

Customer is an American global information technology company based in Pennsylvania, that provides IT services, software, and technology.



# Mobile

# Mobile Device Journey





# Commitment to 50% Speed Improvement

## ZroBlack

### Benchmarking started for Direct Device Communication

#### Consultation Agreement

Comparing processing speeds for any aspect of the product

Speed improvements began with 4.0 release to finalization of Direct Device Communication in 4.7







## Organisations face...

High labor costs due to many manual processes that need to take place for erasure, diagnostics and grading

Inconsistent processes resulting in inconsistent results

High levels of human error in processing

Inefficient processes which do not cover all steps needed in a flow



## Blanco provides...

Automated workflows which virtually eliminate the manual labor required for asset sorting, along with ad hoc decision making—speeding time to market

Standardised processes can be easily shared globally to help standardize operations among distributed offices

Automation with little to no interaction with the operator increasing accuracy

Quickly and comprehensively process assets according to all business rules that you set

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# Summary

A woman with dark hair, wearing a red top, is smiling and looking down. She is positioned on the left side of the slide, with a bookshelf visible in the background.

## Summary And Outlook

- ✓ Strong revenue, profit and cash growth over three year period
- ✓ Continued focus on developing channel partner network
- ✓ Travel costs to gradually return through FY22
- ✓ Confidence that governance and sustainability drivers will support sustained medium term growth
- ✓ Release of pent up demand expected as economies reopen
- ✓ Enterprise expected to continue to be strongest growth market



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# Appendices

The leading software company that securely and sustainably erases data from a wide array of IT assets.

## Blanco Drive Eraser

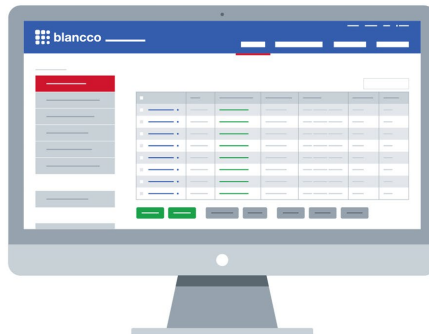
High speed, efficient erasure of complex SSD and NVMe drives, including self-encrypting drives in both clients and servers and storage.

## Blanco Mobile Solutions

Diagnose smartphones and tablets within mobile processing facilities, retail stores, or at-home via an app; workflows available for every step of the mobile lifecycle

## Blanco Removable Media Eraser

Erasure of removable flash media devices stored within smartphones, tablets, network routers and cameras



## Blanco Virtual Machine Eraser

Erasure of files and folders on active PCs, laptops and servers

## Blanco File Eraser

Erase complicated server and storage environments

## Blanco LUN Eraser

Secure erasure of LUNs in an active storage environment, connected to both physical and virtual machines

## Blanco Management Console

Centralized data erasure reporting across your entire IT asset portfolio – managed on-premise or in the cloud

# The most certified data erasure solutions in the world

## We go above and beyond to achieve compliance

We meet the highest standards for secure data erasure in accordance with privacy and security regulations across the globe. Blanco Data Eraser solutions support 25+ erasure standards, including:

- |   |  |
|---|--|
| ✓ Air Force System Security Instruction 5020                | ✓ HMG Infosec Standard 5, Higher Standard          |
| ✓ Aperiodic Random Overwrite                                | ✓ HMG Infosec Standard 5, Lower Standard           |
| ✓ Australian Government Information Security Manual (AGISM) | ✓ National Computer Security Center (NCSCTG-025)   |
| ✓ Blancco SSD Erasure                                       | ✓ Navy Staff Office Publications (NAVSO P-5239-26) |
| ✓ Bruce Schneier's Algorithm                                | ✓ NSA 130-1  |
| ✓ BSI-GS  | ✓ OPNAVINST 5239.1A                                |
| ✓ BSI-GSE   | ✓ Peter Gutmann's Algorithm                        |
| ✓ CESS CPA – Higher Level                                   | ✓ U.S. Army AR380-19                               |
| ✓ DoD 5220.22 M   | ✓ Royal Canadian Mounted Police RCMP TSSIT OPS-II  |
| ✓ DoD 5220.22 M ECE   | ✓ BSI-2011-VS                                      |
| ✓ NIST 800-88 Clear   | ✓ Cryptographic Erasure                            |
| ✓ NIST 800-88 Purge   | ✓ TCG Cryptographic Erasure                        |
| ✓ Firmware Based Erasure                                    | ✓ Random Byte Overwrite (3x)                       |
| ✓ Extended Firmware Based Erasure                           |  |



## Benefits as discussed with account manager

- ✓ AWS Partner Network consists of ~8,000 ISV's – Access to accelerate program for ~200 ISV's
- ✓ Quota # for AWS sellers
- ✓ Receive support with AWS account manager intros for defined target customer list
- ✓ Round table discussions / demo product to ISV account manager team
- ✓ Opportunity to speak with segment leads – sustainability a key theme for Re-Invent
- ✓ Participation in focused ISV events
- ✓ 100% reduction against Enterprise Discount Program (versus 50% currently) for Blanco customers