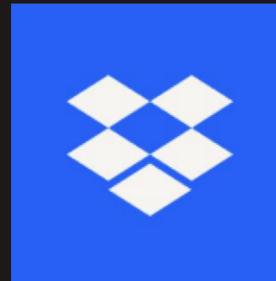


Third Quarter 2023 Financial Results



Dropbox

November 2023

Safe Harbor Statement

This presentation contains forward-looking statements. These statements may relate to, but are not limited to, plans for growth, technological capabilities and new features and products and the long-term financial targets of Dropbox, Inc. (“Dropbox,” “we,” “us,” or similar terms), as well as assumptions relating to the foregoing. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “could,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “intend,” “potential,” “would,” “continue,” “ongoing” or the negative of these terms or other comparable terminology. You should not put undue reliance on any forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all.

Forward-looking statements are based on information available at the time those statements are made or management’s good-faith beliefs and assumptions as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in, or suggested by, the forward-looking statements. In light of these risks and uncertainties, the events and circumstances contemplated by the forward-looking statements made in this presentation may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements. These risks and uncertainties are described in greater detail under the heading “Risk Factors” in our quarterly report on Form 10-Q for the fiscal quarter ended June 30, 2023 that we filed with the Securities and Exchange Commission (the “SEC”) on August 4, 2023, and include, but are not limited to, the impact to our financial results, business operations, the business of our customers, suppliers, partners and the economy as a result of general macro economic, political and market uncertainty, as well as the potential for a more permanent global shift to remote work; our ability to retain and upgrade paying users, and increase our recurring revenue; our ability to attract new users or convert registered users to paying users; our future financial performance, including trends in revenue, costs of revenue, gross profit or gross margin, operating expenses, paying users, and free cash flow, including, in all respects, with respect to any future targets described herein; our ability to achieve and maintain profitability; our liability for any unauthorized access to our data or our users’ content, including through privacy and data security breaches, significant disruption of service on our platform or loss of content, particularly from any potential disruptions in the supply chain for hardware necessary to offer our services; any decline in demand for our platform or for content collaboration solutions in general; changes in the interoperability of our platform across devices, operating systems, and third-party applications that we do not control; competition in our markets; our ability to respond to rapid technological changes, extend our platform, develop new features or products, or gain market acceptance for such new features or products, our ability to manage our growth or plan for future growth; our acquisition of other businesses and the potential of such acquisitions to require significant management attention, disrupt our business, or dilute stockholder value; our ability to attract and retain key personnel and highly qualified personnel; our capital allocation plans with respect to our stock repurchase program and other investments; and the dual class structure of our common stock and its effect of concentrating voting control with certain stockholders who held our capital stock prior to the completion of our initial public offering. These factors could cause actual results, performance or achievement to differ materially and adversely from those anticipated or implied in the forward-looking statements. Additional information will be available in other future reports that we may file with the SEC from time to time, which could cause actual results to vary from expectations. Except as required by law, Dropbox does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

In addition to financial information presented in accordance with U.S. generally accepted accounting principles (“GAAP”), this presentation includes certain non-GAAP financial measures, including non-GAAP gross margin, non-GAAP operating income, non-GAAP operating expenses (including research and development, sales and marketing and general and administrative), non-GAAP operating margin and free cash flow. These non-GAAP measures are presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. These non-GAAP measures have limitations as analytical tools, and they should not be considered in isolation or as a substitute for analysis of other GAAP financial measures. The non-GAAP measures Dropbox uses may differ from the non-GAAP measures used by other companies.

This presentation also contains statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information may be based on many assumptions and limitations, and you are cautioned not to give undue weight to such information. We have not independently verified the accuracy or completeness of the data contained in the industry publications and other publicly available information. Dropbox does not undertake to update such data after the date of this presentation.

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01

Business Overview

Dropbox Today

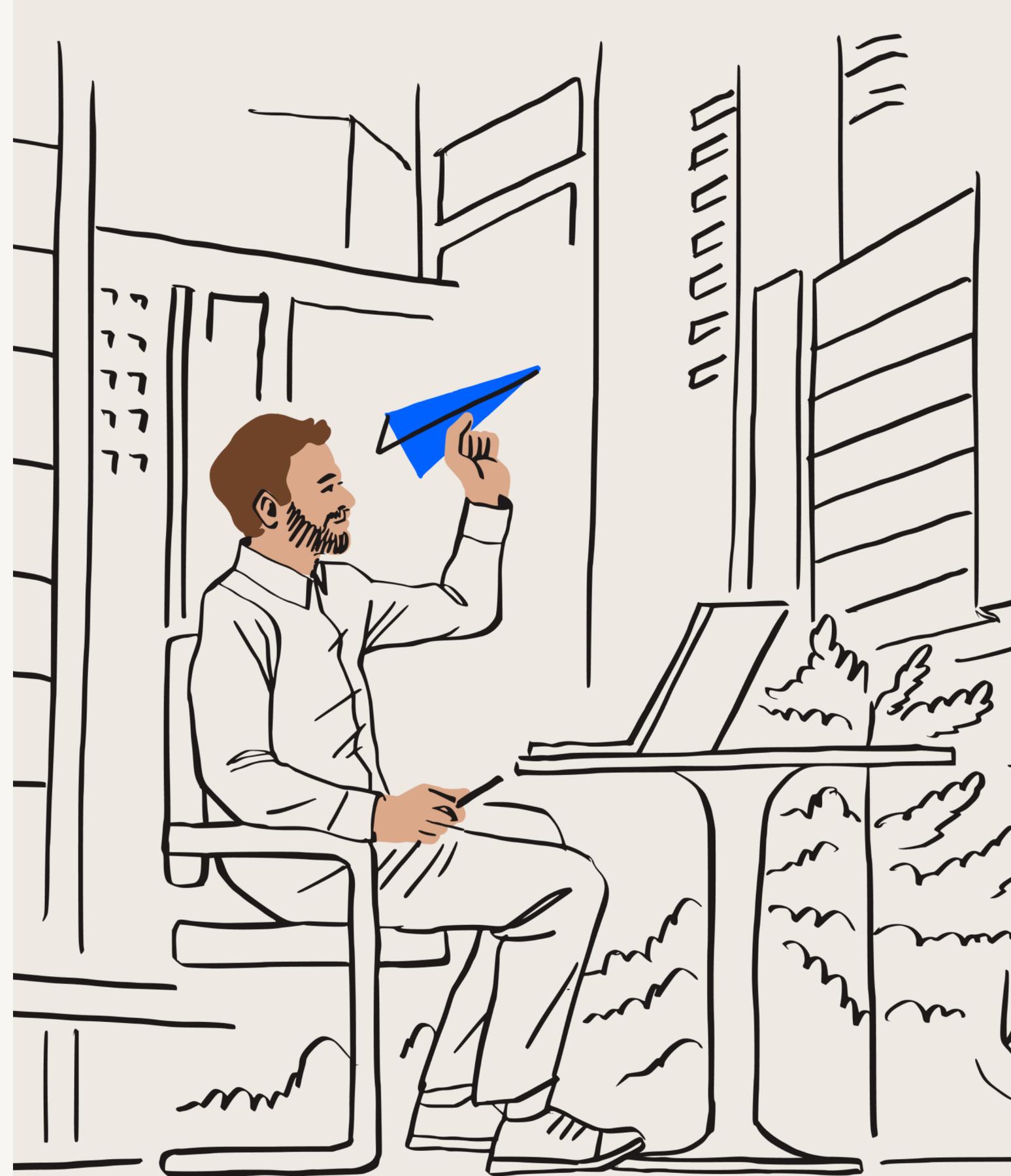
Leader in file sync and share

Smart workspace for digital content collaboration

Addressing individual and team workflows

Leveraging virality and scale in go-to-market

Balanced growth and cash flow generation model



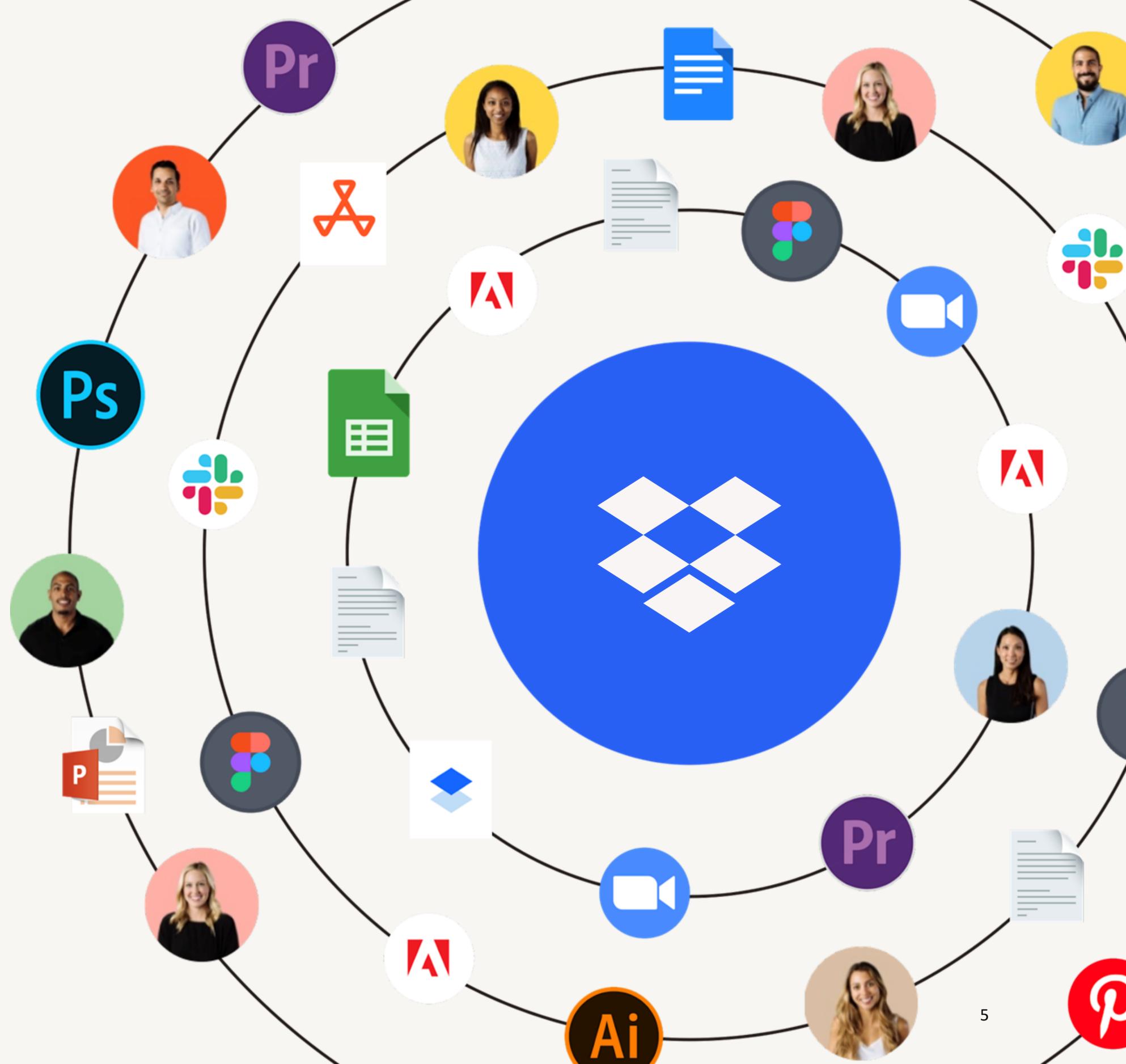
Global Collaboration Platform at Scale

700M+
Registered Users⁽¹⁾

18.17M
Paying Users⁽¹⁾

800B+
Pieces of Content⁽¹⁾

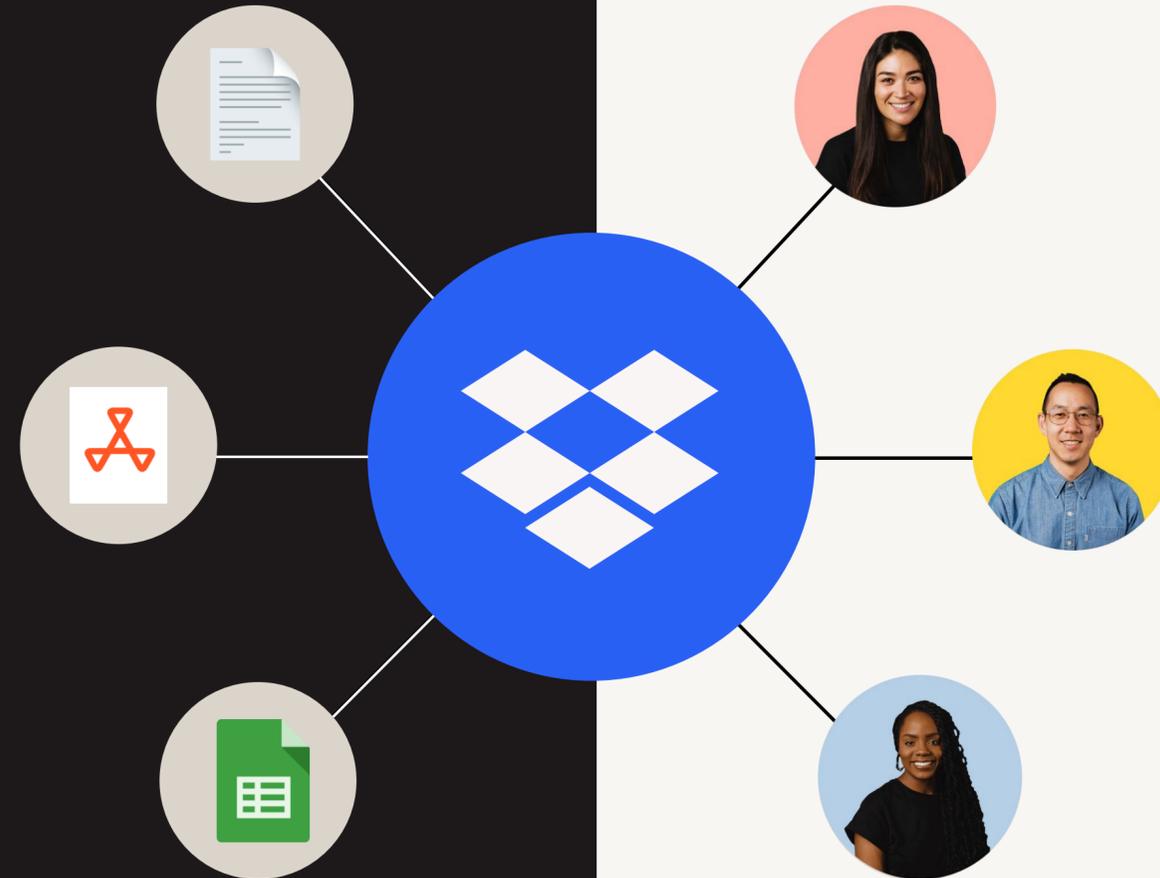
(1) As of 9/30/2023



Dropbox- 2007

Keeping Files in Sync

 Content Backup



Dropbox- 2023

Keeping Teams In Sync

-  Content & User Controls
-  Advanced Sharing Controls & Analytics
-  Collaborative Workflows
-  Professional Delivery
-  Project Management
-  Contract Management
-  Video Editing & Review
-  Cloud & Device Backup
-  Template Libraries
-  AI Universal Search

Product Portfolio



Individuals	Teams	 Dropbox Sign	 Dropbox DocSend	 from Dropbox
Basic	Standard	Dropbox Sign	Personal	Premium Annual
Plus	Advanced	Dropbox Sign API	Standard	Monthly
Family	Enterprise	Dropbox Forms	Advanced	Subscription
Essentials	Business	Dropbox Fax	Enterprise	
	Business Plus			

Reinventing the Software Playbook

Traditional Playbook

Dropbox Playbook

Designed For IT

vs.

Designed For Users

Top-Down Distribution

vs.

Bottom-Up Adoption

Walled Garden

vs.

Open Ecosystem

Rip-And-Replace

vs.

Live Side-By-Side

Efficient Go-to-Market

Land

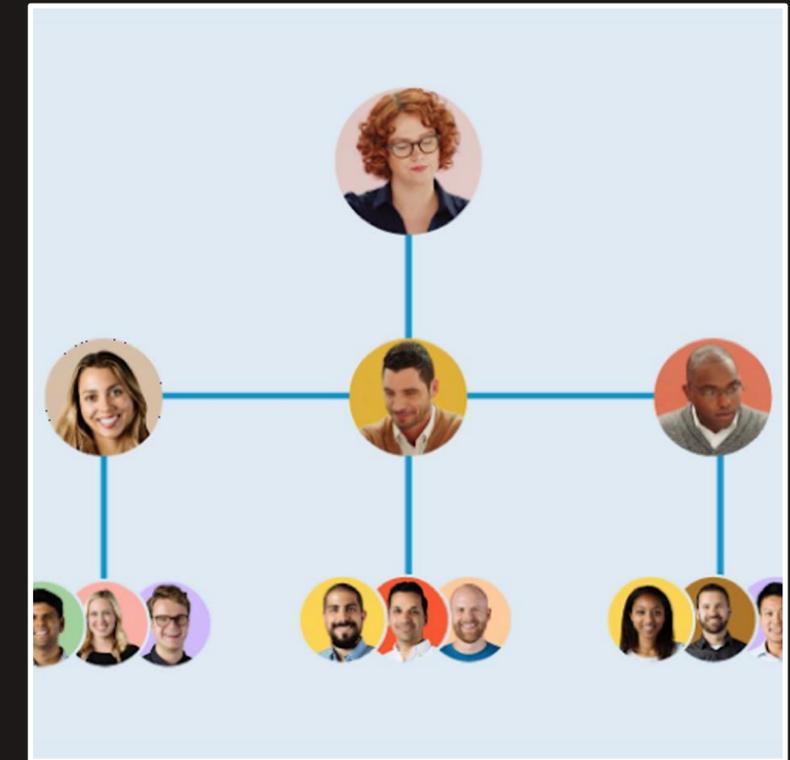
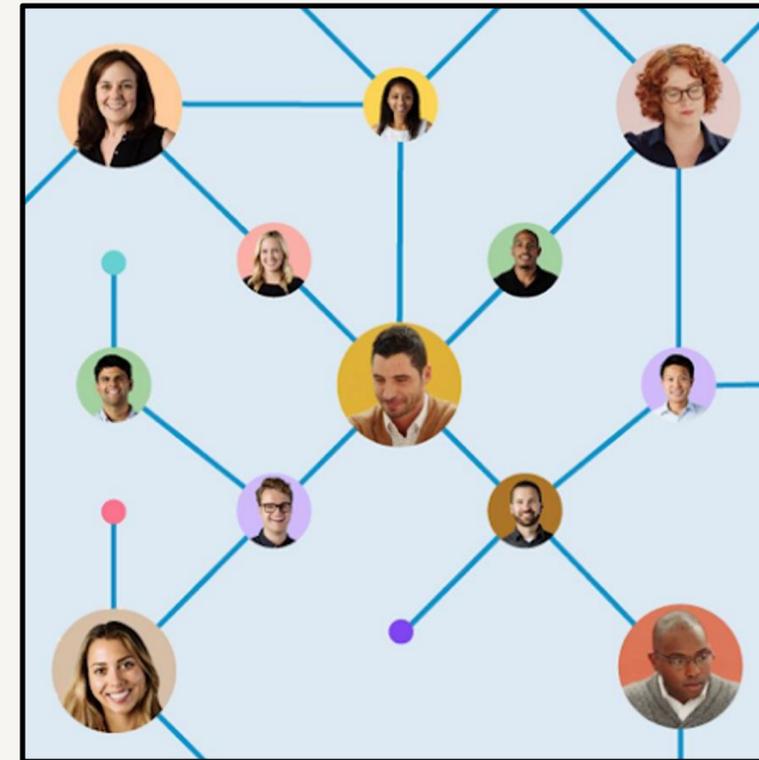
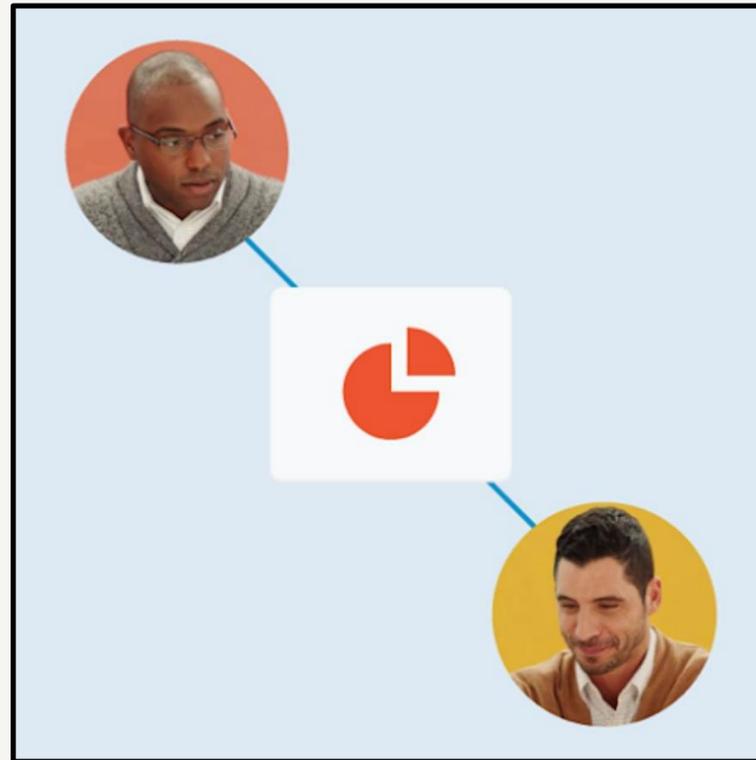
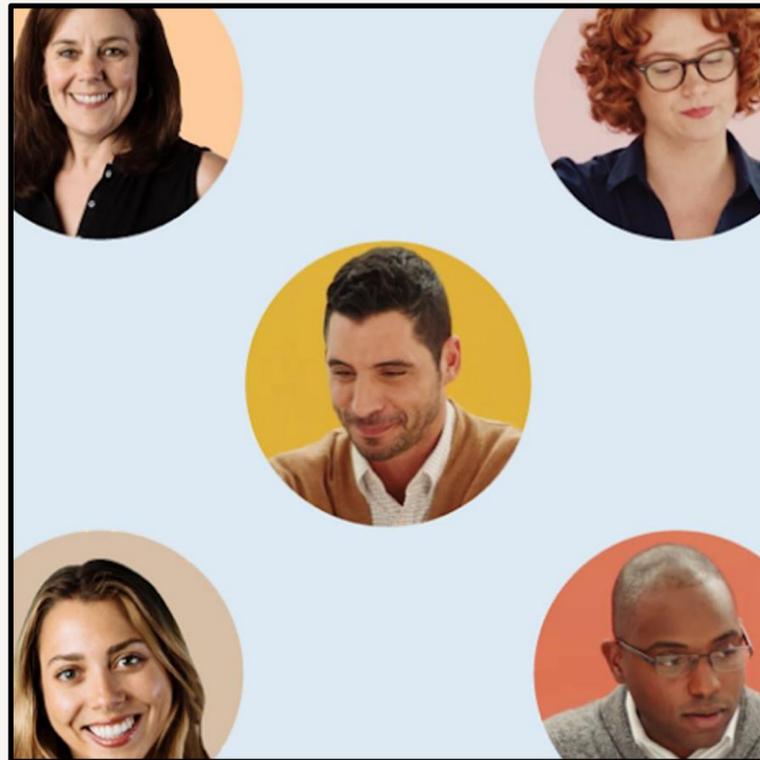
Expand

Adopt Organically

Land Companies

Expand Companies

Wall-to-Wall Deployment



Growth Drivers

Execute

Convert and Retain

Drive registered users to become paying users of Individual and Team plans

Upsell

Prompt existing users to upgrade to premium plans or purchase additional licenses and add-ons

Innovate

New Product Experiences

Leverage scale and user insights to enhance existing products and drive adoption of new ones

Expand into Workflows

Invest in integrations and native capabilities to enable more workflows beyond FSS

New Features Help Organize Digital Content

[Dropbox provides streamlined automation tools for organized file systems](#)

Managing digital content across work and home has grown more complex

Introducing features such as:

- Automated Folders & Dashboards
- Multi-File Organize
- Naming Conventions
- Tagging
- Document Conversion

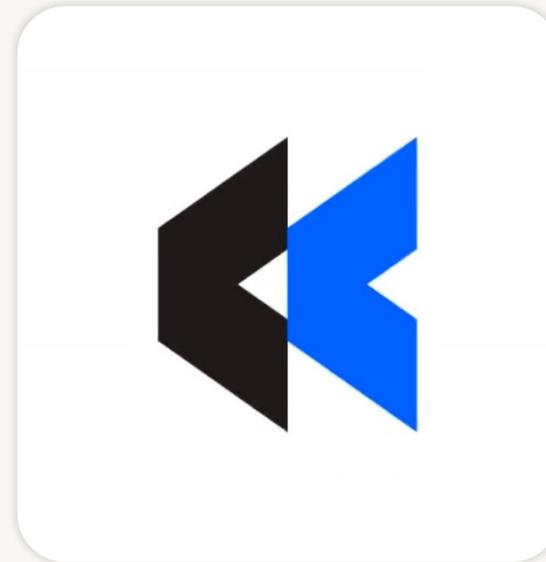
Video Workflow

[Dropbox is developing new product experiences for distributed teams and creatives](#)



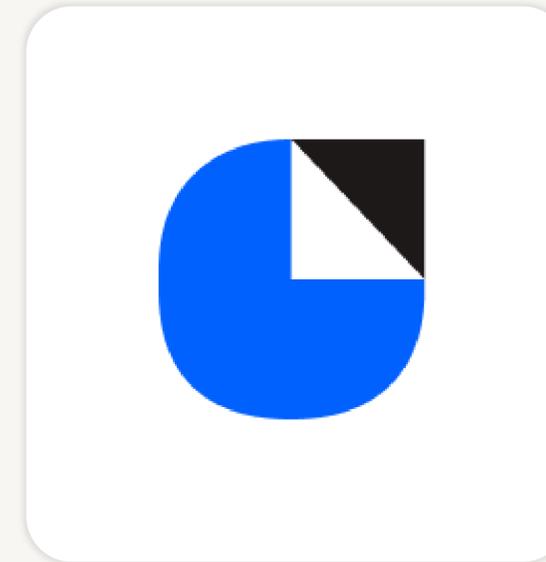
Capture

An all-in-one visual communication tool that helps team members share their work and ideas asynchronously



Replay

A video collaboration tool that makes it easier to collect, manage, and respond to feedback, all in one place

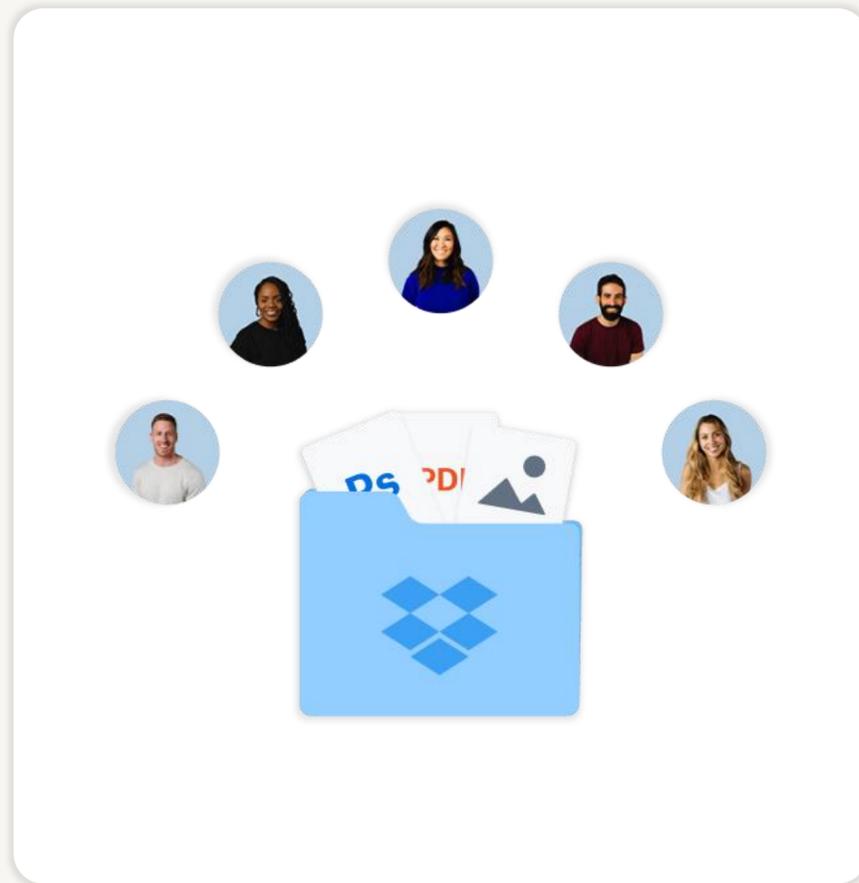


DocSend

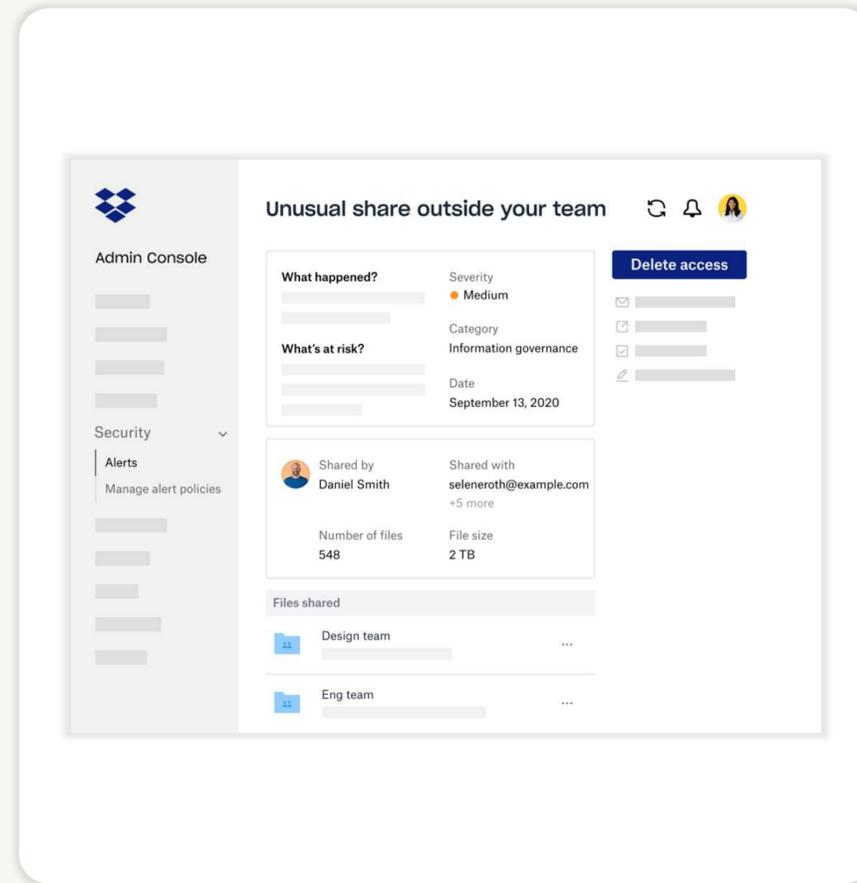
A video and presentation sharing platform with advanced analytics to see what your visitors are really watching

Dropbox Business

Tailor team content, collaborate efficiently, and ensure data security



Shared team workspace



**Data governance
and audit logs**



**Advanced security
alerts & notifications**

Dropbox Business Teams Expansion

Simplified team collaboration invites for shared content



Invite people to your Dropbox team

Invite them to Hanford Inc. Dropbox, so they don't have to ask you each time they need access to files or more storage.

-  Ann Thompson
athompson@hanfordinc.com ✓
 - @hanfordinc.com email match
 - Your team has shared 7 folders with them
 - Your team has worked with them since Aug 3, 2020
-  jay@hanfordinc.com ✓
 - @hanfordinc.com email match
 - Your team has shared 7 folders with them
 - Your team has worked with them since Aug 3, 2020
-  zoe@cobaltcircle.co ✓
 - Your team has shared 7 folders with them
 - Your team has worked with them since Aug 3, 2020

You'll be charged for 1 more person, and your new monthly total is \$150.00. Watch for an email with all the details.

Not now **Invite**



Request an invite for
athompson@hanfordinc.com to join your
Dropbox team

Invite them to Hanford Inc. Dropbox, so they don't have to ask you each time they need access to files or more storage.

 Ann Thompson
athompson@hanfordinc.com

Your requests will be sent to admins for approval.

Not now **Request invite**

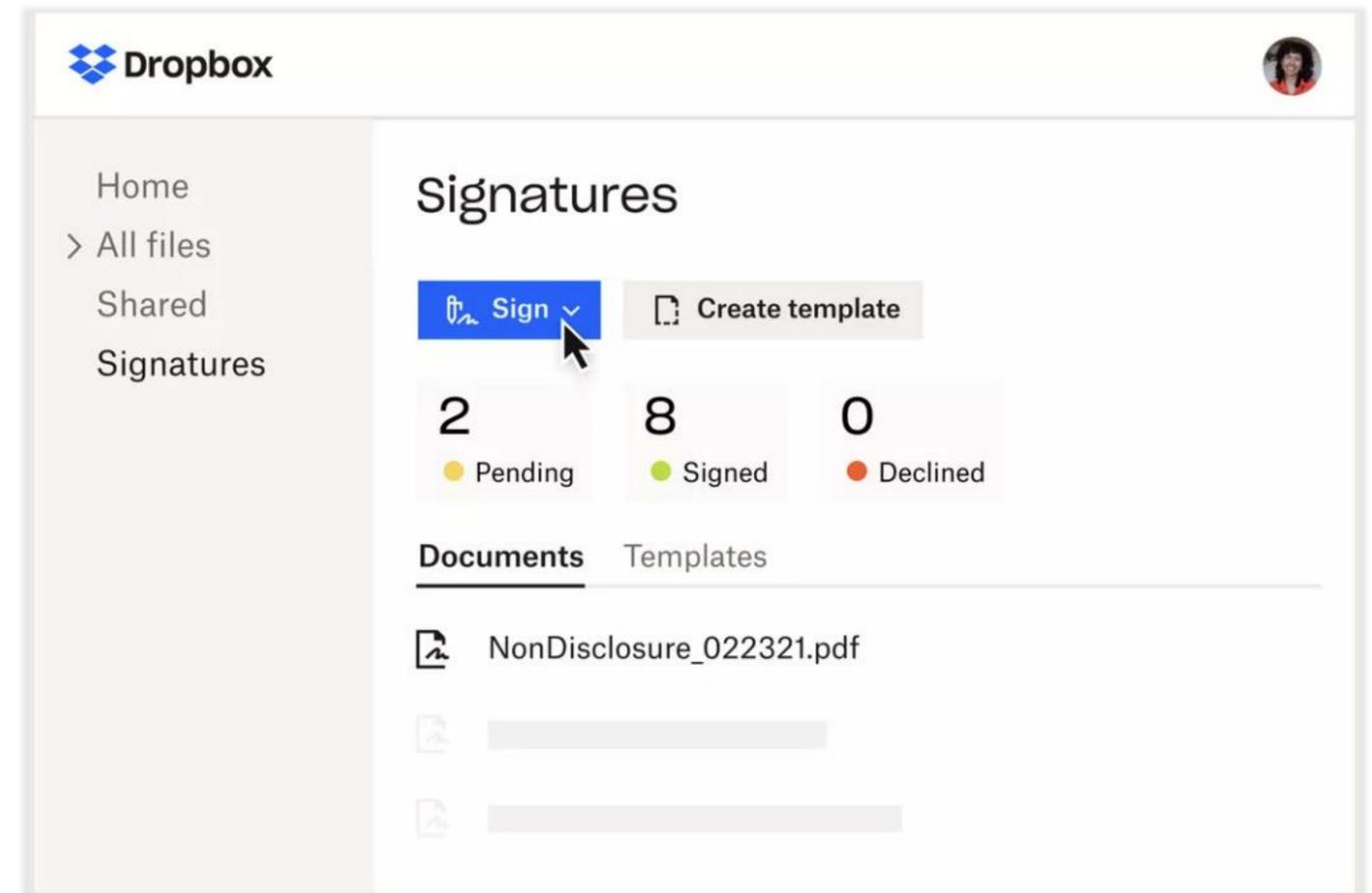
~600K
Business Teams⁽¹⁾

~35%
Of Paying Users are
Business Teams⁽¹⁾

(1) As of 9/30/2023

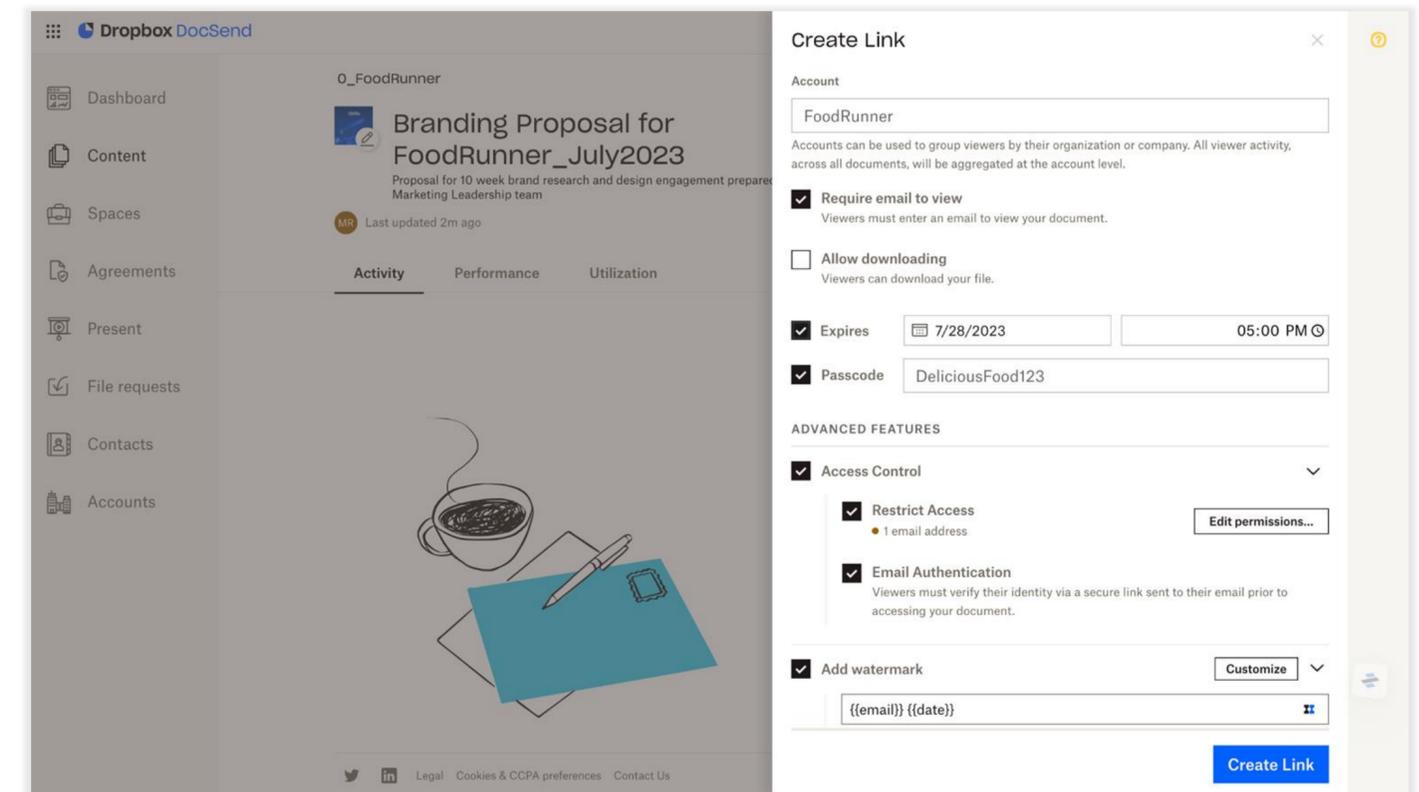
Dropbox Sign Update

- Dropbox Sign is continuing to improve offerings for international customers:
 - Now available in 21 additional languages
 - Expanded SMS tools to more countries
 - Established availability to purchase Sign in local currencies (Canadian Dollars, Euro, GB Pound, Japanese Yen and Australian Dollar)
- Released a new Sign API personalization feature to enable developers to reinforce branding in the audit trail
- Increased discoverability of eSignature functionality within the Dropbox interface



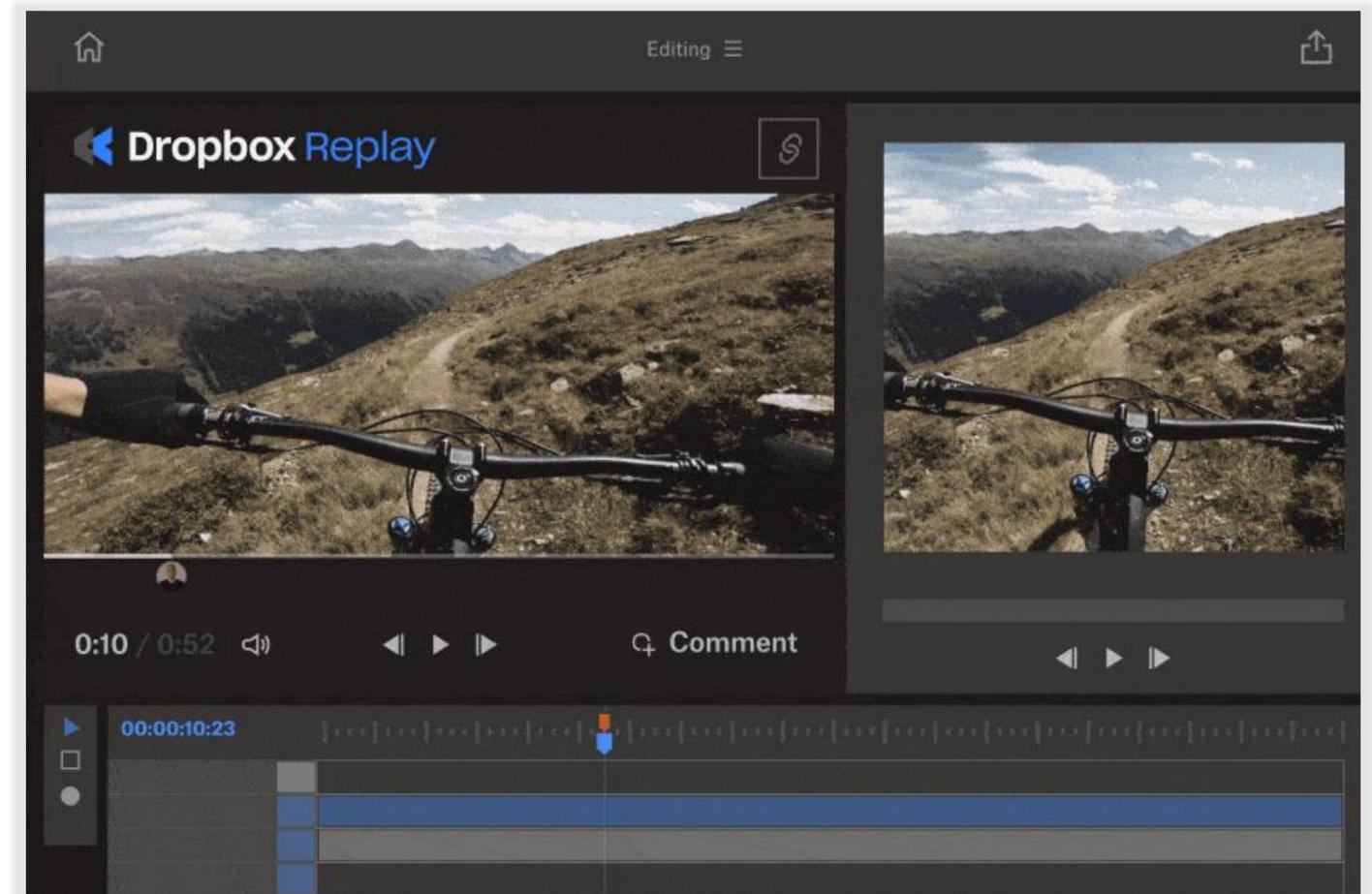
Dropbox DocSend Update

- DocSend empowers professionals with real-time signal on interest in their proposals and deal documents and control of how/if their documents are distributed or downloaded
- DocSend Standalone
 - SKUs: Personal, Standard, Advanced, Enterprise
 - Audiences: Capital Markets, Financial Services, Professional Services
 - Use case: Fundraising, Investor relations, Client portal, Due diligence
- DocSend in Dropbox
 - SKUs: Dropbox Essentials, Business, Business Plus
 - Audience: Self-employed professionals, SMB Sales & Marketing Teams
 - Use case: Proposal management
- Recent launches
 - April 2023: Soft-launched DocSend functionality as “Send and Track” hub in Dropbox Essentials
 - June 2023: DocSend website and standalone SKUs available in 13 new languages
 - Oct 2023: Advanced+ Beta launched to meet the needs of customers looking for advanced security controls for sending high volumes of sensitive documents



Dropbox Replay Update

- In April 2023, Replay became available as a Freemium offering across all Dropbox Plans and includes 4 free files
- It is also available as a paid Add-On for all our paid plans (with the exception of Family plan) with more premium security and collaboration features
- Recent feature launches include:
 - Integration into Adobe After Effects
 - Integration into Apple Final Cut Pro
 - Lossless Audio Playback
 - Side-by-side version comparison



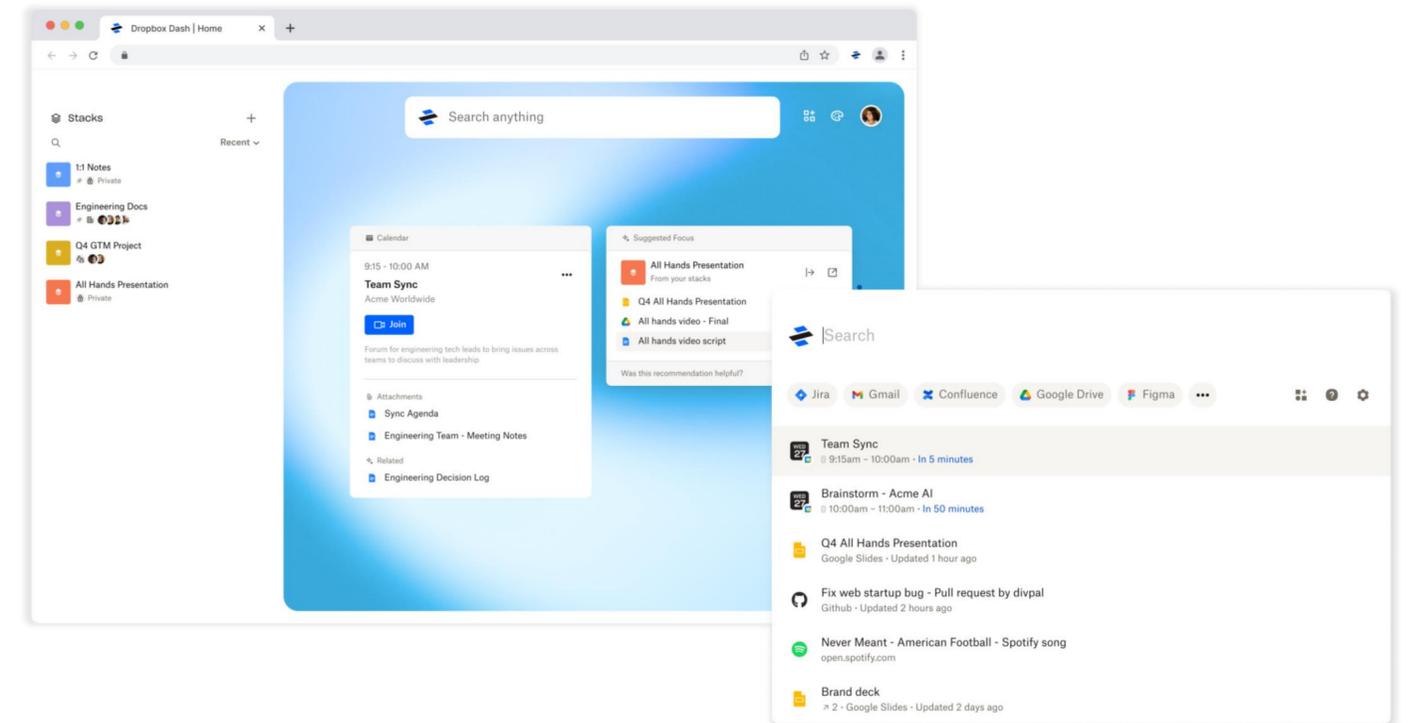
Dropbox AI File Preview

- Dropbox AI for file previews lets users:
- Quickly understand large documents or videos without parsing through the entire file. With the click of a button, users can summarize their content, like contracts and meeting recordings, into a concise explanation
- Get information without the hassle of manually searching through large files. Simply ask a question and get a response within seconds
- Dropbox AI for file previews is available in alpha to Dropbox Pro and Dropbox Teams customers in the U.S



Dropbox Dash Update

- Dropbox Dash - your personal universal search tool that allows you to search all your apps, all your tabs, all in one place
- Access the info you need instantly. Search for content across Google Workspace, Microsoft Outlook, Asana, Notion, Salesforce, and more from a single centralized place
- Save time and frustration. Find out what meetings to attend, what files you'll need, and which projects to prioritize from one tab
- Get smart, AI-enhanced organization. Collect and organize all your links in one place
- Dropbox Dash is now in open Beta



Integrations

Partner integrations with vendor-neutral software capabilities



Environmental, Social, and Governance

Enhancing value through corporate responsibility

Environmental

Dropbox is committed to fighting climate change and reducing our carbon footprint. We're always looking at ways we can make a difference in our day-to-day business practices and have set meaningful sustainability goals that we plan to accomplish by 2030. As of Dec 2021, we've sourced 100% renewable electricity for our operations, including our data centers

Social

Our DEI initiatives, workforce development programs, and ethical business practices all play a role in driving Social Responsibility at Dropbox. In addition, we also empower our employees to give back by providing paid volunteer time off, matching donations, and making product donations to nonprofits, through our Dropbox for Good program.

Governance

We're committed to maintaining an independent and diverse board of directors. Since 2019, we've added directors who are women or members of underrepresented communities to our board.

Additional content related to the Dropbox ESG program can be [here](#)

02

Financial Highlights

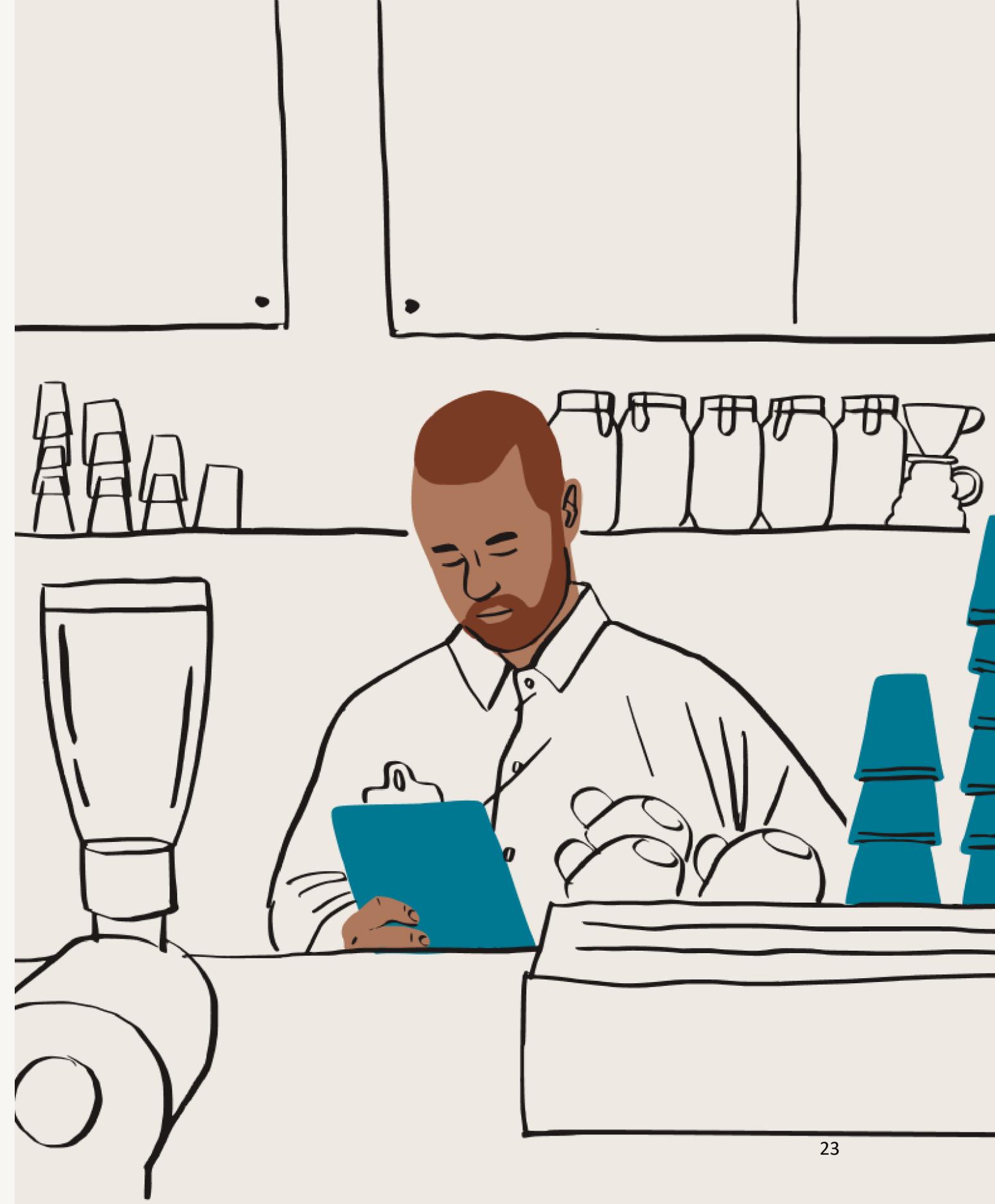
Financial Highlights

Predictable and balanced financial model

Investing for continued revenue growth

Driving strong operating leverage

Significant share repurchases



Financial Strategy

Long-term targets

80%-82%

Non-GAAP
Gross Margin⁽¹⁾

30%-32%

Non-GAAP
Operating Margin⁽¹⁾⁽²⁾

~\$964 M

Free Cash Flow by
2024⁽¹⁾⁽³⁾⁽⁴⁾

(1) All descriptions of any future targets in these materials, including, without limitation, on this slide, are described as of August 3, 2023.

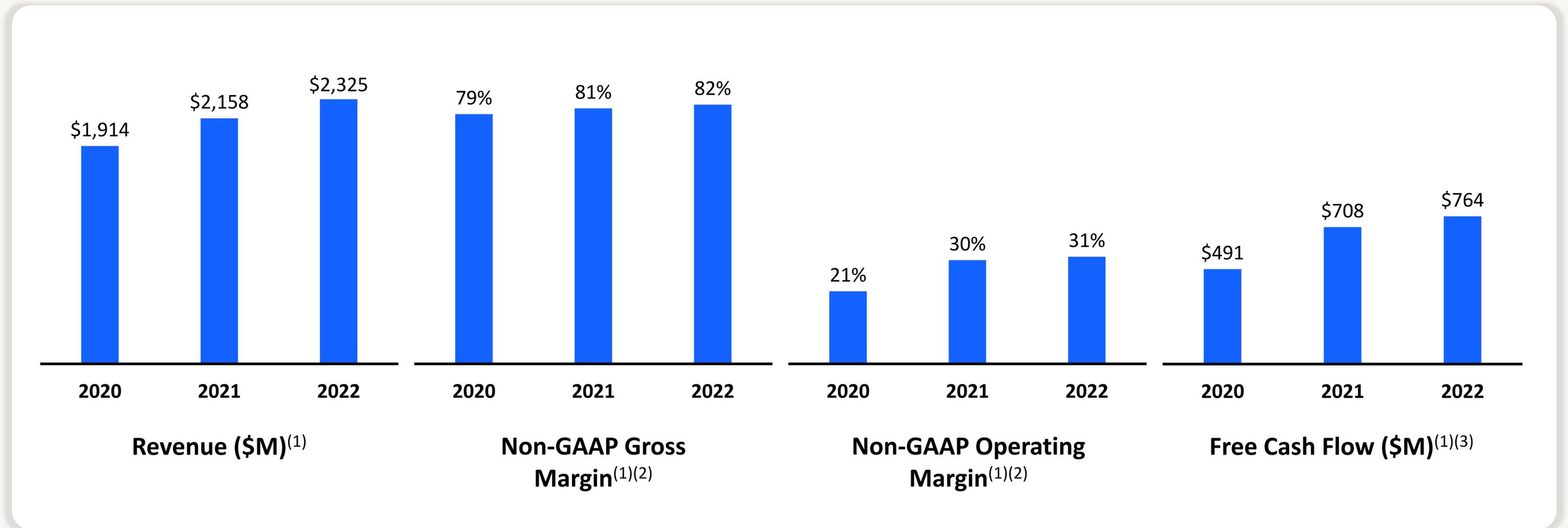
(2) Operating margin is non-GAAP and excludes stock-based compensation expense and certain non-recurring adjustments. See appendix for non-GAAP reconciliation.

(3) Free cash flow is GAAP net cash provided by operating activities less capital expenditures. See appendix for non-GAAP reconciliation.

(4) Inclusive of ~\$36M in impact we presently expect from R&D tax legislation

Performance

Strong performance at scale

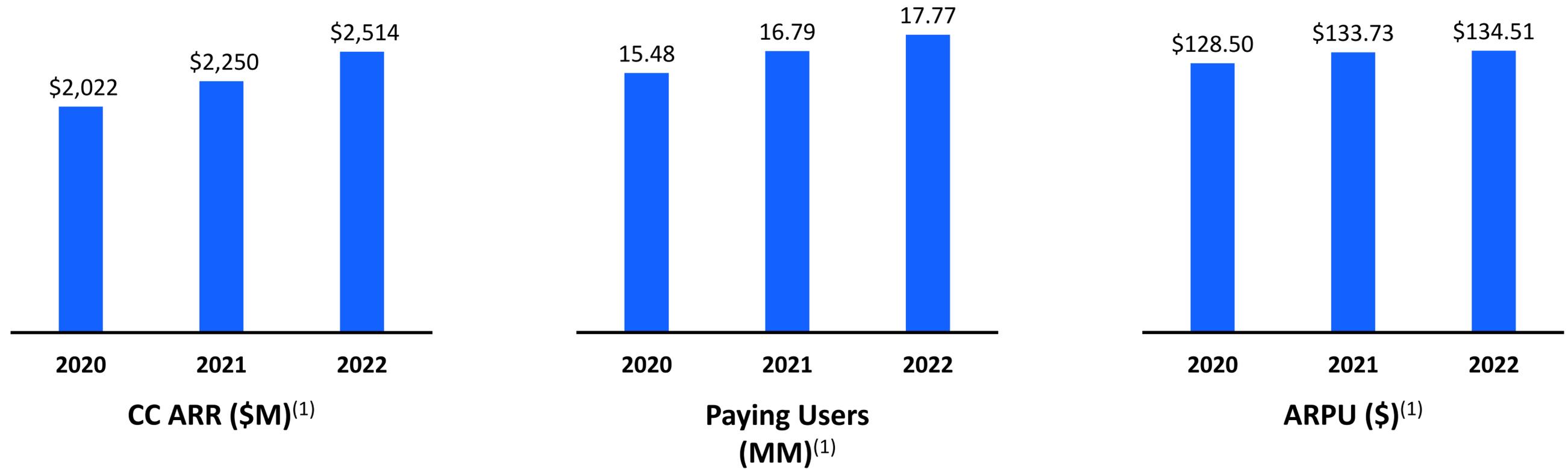


(1) Graphs presented in this illustration are not drawn to precise scale relative to each other.

(2) Non-GAAP gross margin and non-GAAP operating margin exclude stock-based compensation expense and certain non-recurring adjustments. See appendix for non-GAAP reconciliation.

(3) Free cash flow is GAAP net cash provided by operating activities less capital expenditures. See appendix for non-GAAP reconciliation.

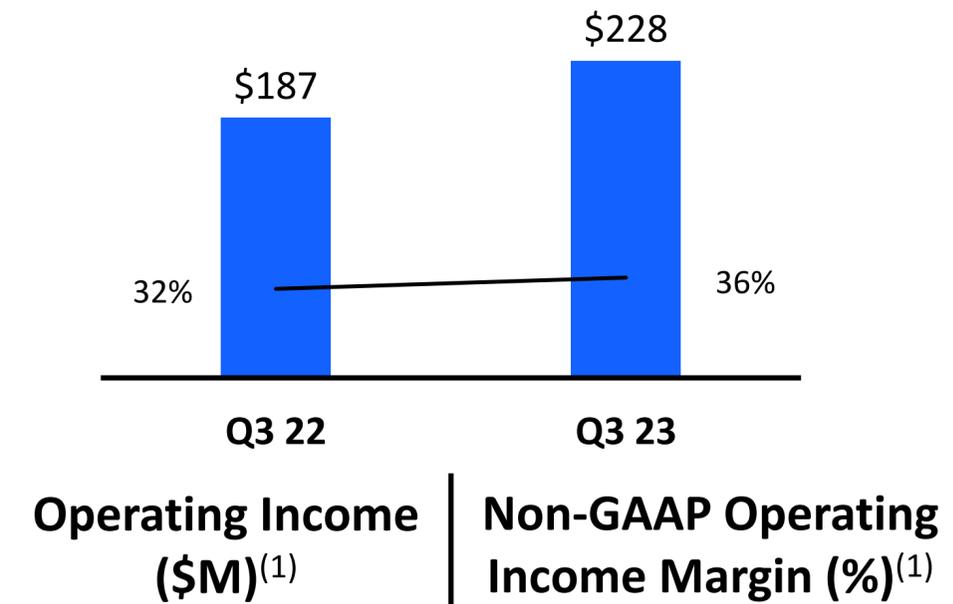
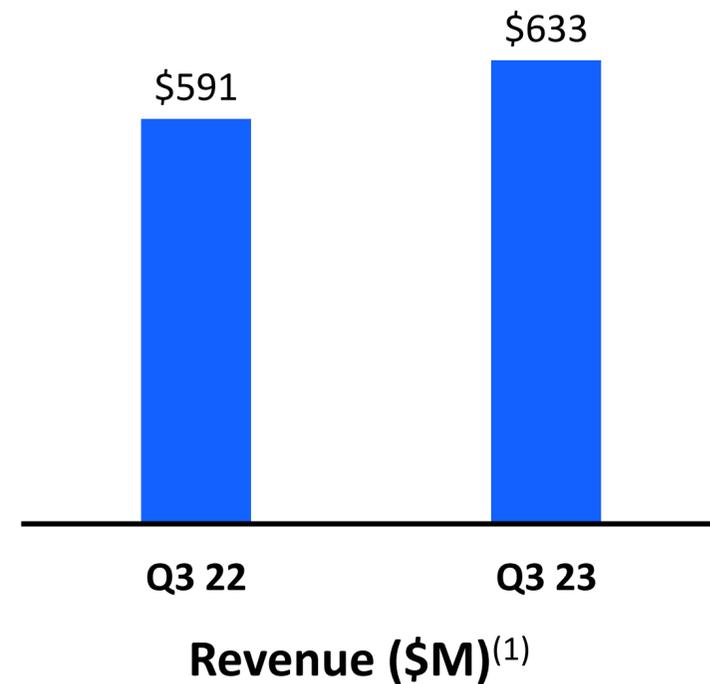
Key Metrics



(1) Graphs presented in this illustration are not drawn to precise scale relative to each other.

Q3'23 Financial Highlights

Executing against growth and profitability in economic uncertainty



(1) Graphs presented in this illustration are not drawn to precise scale relative to each other.

Operating Leverage

Structural competitive advantage, scalability, and increased profitability



Proprietary Infrastructure



Virtual First



Workforce Optimization

Long-Term Target Model

Non-GAAP	2020	2021	2022	Long-Term Target
Gross Margin ⁽¹⁾	79%	81%	82%	80 – 82%
R&D expenses as % of revenue ⁽¹⁾	28%	25%	28%	23 – 25%
S&M expenses as % of revenue ⁽¹⁾	20%	18%	16%	18 – 20%
G&A expenses as % of revenue ⁽¹⁾	10%	8%	7%	8 – 10%
Operating Margin ⁽¹⁾	21%	30%	31%	30 – 32%
Annual Free Cash Flow ⁽²⁾	\$491M	\$708M	\$764M	~\$964M+ ⁽³⁾

(1) Margins and expenses exclude stock-based compensation expense and certain non-recurring adjustments. See appendix for non-GAAP reconciliation.

(2) Free cash flow is GAAP net cash provided by operating activities less capital expenditures. See appendix for non-GAAP reconciliation.

(3) Inclusive of ~\$36M in impact we presently expect from R&D tax legislation

03

Appendix

Non-GAAP Reconciliation

	2020	Twelve Months Ended	
		2021	2022
Income (loss) from operations - GAAP	\$ (277.0)	\$ 274.4	\$ 181.3
Stock-based compensation	261.5	287.1	330.7
Acquisition-related and other expenses	16.9	26.8	18.0
Amortization of acquired intangible assets	9.5	13.1	13.8
Impairment related to real estate assets	398.2	31.3	175.2
Workforce reduction expense	—	14.3	—
Income from operations - Non-GAAP	<u>\$ 409.1</u>	<u>\$ 647.0</u>	<u>\$ 719.0</u>
<i>Non-GAAP operating margin</i>	<i>21.4 %</i>	<i>30.0 %</i>	<i>30.9 %</i>

Non-GAAP Reconciliation

	Three Months Ended	
	<u>September 30, 2022</u>	<u>September 30, 2023</u>
Income from operations - GAAP	\$ 89.3	\$ 130.7
Stock-based compensation	86.1	83.8
Acquisition-related and other expenses	4.1	4.6
Amortization of acquired intangible assets	3.2	7.1
Impairment related to real estate assets	4.0	—
Workforce reduction expense	—	1.4
Income from operations - Non-GAAP	<u>\$ 186.7</u>	<u>\$ 227.6</u>
<i>Non-GAAP operating margin</i>	<i>31.6 %</i>	<i>36.0 %</i>

Non-GAAP Reconciliation

	Twelve Months Ended		
	2020	2021	2022
Net Cash provided by operating activities	\$ 570.8	\$ 729.8	\$ 797.3
Capital expenditures	(80.1)	(22.1)	(33.8)
Free cash flow	\$ 490.7	\$ 707.7	\$ 763.5

Non-GAAP Reconciliation

Three Months Ended September 30, 2023

	GAAP	Stock based compensation	Acquisition-related and other expenses	Amortization of acquired intangible assets	Impairment related to real estate assets	Workforce reduction expense	Non-GAAP
Gross profit	\$ 513.4	\$ 5.8	\$ —	\$ 3.7	\$ —	\$ 0.2	\$ 523.1
<i>Gross margin</i>	81 %	1 %	— %	1 %	— %	— %	83 %
Research and development	216.4	(58.6)	(4.6)	—	—	(0.6)	152.6
<i>Research and development margin</i>	34 %	(9%)	(1%)	— %	— %	—%	24 %
Sales and marketing	106.3	(5.2)	—	(3.4)	—	(0.3)	97.4
<i>Sales and marketing margin</i>	17 %	(1%)	—%	(1%)	— %	—%	15 %
General and administrative	60.0	(14.2)	—	—	—	(0.3)	45.5
<i>General and administrative margin</i>	9 %	(2%)	— %	— %	— %	— %	7 %
Impairment related to real estate assets	—	—	—	—	—	—	—
<i>Impairment related to real estate assets</i>	— %	— %	— %	— %	— %	— %	— %
Income from operations	130.7	83.8	4.6	7.1	—	1.4	227.6
<i>Operating margin</i>	21 %	13 %	1 %	1 %	— %	— %	36 %

Non-GAAP Reconciliation

Three Months Ended September 30, 2023

	GAAP	Stock based compensation	Acquisition-related and other expenses	Amortization of acquired intangible assets	Impairment related to real estate assets	Workforce reduction expense	Non-GAAP
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<i>Research and development margin</i>	34 %	(9%)	(1%)	— %	— %	—%	24 %
Sales and marketing	106.3	(5.2)	—	(3.4)	—	(0.3)	97.4
<i>Sales and marketing margin</i>	17 %	(1%)	—%	(1%)	— %	—%	15 %
General and administrative	60.0	(14.2)	—	—	—	(0.3)	45.5
<i>General and administrative margin</i>	9 %	(2%)	— %	— %	— %	— %	7 %
Impairment related to real estate assets	—	—	—	—	—	—	—
<i>Impairment related to real estate assets</i>	— %	— %	— %	— %	— %	— %	— %
Income from operations	130.7	83.8	4.6	7.1	—	1.4	227.6
<i>Operating margin</i>	21 %	13 %	1 %	1 %	— %	— %	36 %

Non-GAAP Reconciliation

Three Months Ended September 30, 2022

	GAAP	Stock based compensation	Acquisition- related and other expenses	Amortization of acquired intangible assets	Impairment related to real estate assets	Non-GAAP
Gross profit	\$ 481.3	\$ 6.4	\$ —	\$ 2.0	\$ —	\$ 489.7
<i>Gross margin</i>	81 %	1 %	— %	— %	— %	83 %
Research and development	227.6	(60.6)	(1.4)	—	—	165.6
<i>Research and development margin</i>	39%	(10%)	—%	—%	—%	28%
Sales and marketing	103.6	(6.0)	(1.7)	(1.2)	—	94.7
<i>Sales and marketing margin</i>	18%	(1%)	—%	—%	—%	16%
General and administrative	56.8	(13.1)	(1.0)	—	—	42.7
<i>General and administrative margin</i>	10%	(2%)	—%	—%	—%	7%
Impairment related to real estate assets	4.0	—	—	—	(4.0)	—
<i>Impairment related to real estate assets margin</i>	1%	—%	—%	—%	(1%)	—%
Income from operations	89.3	86.1	4.1	3.2	4.0	186.7
<i>Operating margin</i>	15 %	15 %	1 %	1 %	1 %	32 %

Subscription Plans

Personal					Business					
Basic	Plus	Family	Professional	Essentials	Standard	Business	Standard + DocSend	Advanced	Business Plus	Enterprise
Free	\$11.99 / month \$119.88 / year	\$19.99 / month \$203.88 / year	\$19.99 / month \$198.96 / year	\$22.00 / month \$216.00 / year	\$18.00 / user / month \$180.00 / user / year <i>3 users minimum</i>	\$24.00 / user / month \$240.00 / user / year <i>3 users minimum</i>	\$83 / user / month \$600 / user / year <i>3 users minimum</i>	\$30.00 / user / month \$288.00 / user / year <i>3 users minimum</i>	\$32.00 / user / month \$312.00 / user / year <i>3 users minimum</i>	Negotiated pricing
Dropbox Transfer ⁽¹⁾ Dropbox Paper Dropbox Computer Backup File requests 30-day version history 3 Sign eSignatures Dropbox Passwords Dropbox Capture ⁽¹⁾	Everything in Basic Full text search Vault ⁽¹⁾ Offline mobile folders Dropbox Rewind Remote device wipe Smart Sync and Smart Sync Auto-Evict Priority email support	Everything in Plus Up to 6 users Family Room folder	Everything in Plus Auto OCR & Image search Shared link controls Branded sharing Adv. Dropbox Transfer ⁽¹⁾ 180-day version history Premium previews Time-based comments Document watermarking Viewer history Traffic and insights Adv. Dropbox Capture ⁽¹⁾ Live chat support	Everything in Pro Unlimited Sign eSignatures 5 templates for commonly signed documents Tamper-proofing Audit trail that tracks and time-stamps actions Built in data validation Sharing tracking analytics powered by DocSend Transfer size 100GB	Everything in Plus External sharing reporting Auto OCR & Image Search Document Watermarking Shared link controls Branded sharing Adv. Dropbox Capture ⁽¹⁾ 180-day version history Team folders Admin console Granular permissions Enables HIPAA compliance Unlimited API access ⁽²⁾ Priority email + live chat support	Everything in Standard Unlimited Sign eSignatures 15 eSign templates Transfer size 100GB Tamper-proofing Audit trail that tracks and time-stamps actions	Everything in Standard Real-time document analytics Multiple documents with a single link Passcodes and email verification Approved viewer and domain lists Virtual Data Room folders	Everything in Standard Ransomware detection & recovery Adv. Dropbox Transfer ⁽¹⁾ 1-year Extended version history Premium previews Time-based comments Viewer history Single sign-on integration (SSO) Audit logs Device approvals Tiered admin roles Business hours phone support	Everything in Advanced Unlimited Sign eSignatures Unlimited eSign templates Transfer size 250GB Tamper-proofing Audit trail that tracks and time-stamps actions	Everything in Advanced Enterprise mobility management (EMM) Network control Domain insights and account capture 24/7 phone support and advanced training
2GB of storage	2TB storage	2TB storage	3TB storage	3TB storage	5TB storage (pooled)	9TB storage (pooled)	5TB storage (pooled)	5TB storage/user	15TB storage (pooled)	As much storage as needed



(1) Vault is only available in Plus, Family, and Professional. Size of Dropbox Transfer varies based on Dropbox plan: Basic (100MB), Plus, Family, & Standard (2GB), Professional, Advanced, and Enterprise (100GB). Professional, Advanced, and Enterprise plans also receive advanced Transfer functionality. Basic, Plus, and Family only have 2 hours of Capture recording time. Pro, Standard and Advanced have unlimited Capture recording time and editing features.
 (2) Teams have unlimited API access to productivity and security partners but may be subject to a cap on API calls to data transport partners.

Thank You