Virtual Analyst and Investor Day
August 26th, 2020
Safe Harbor Statement

**Safe Harbor Statement.** This presentation contains forward-looking statements including, without limitation, statements about the Company’s plans, strategies and prospects including capital structure and go to market strategies; the Company’s future operating results and financial position; the Company’s market growth; and the Company’s objectives for future operations. These statements may include words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “could,” “would,” “project,” “plan,” “potentially,” “preliminary,” “likely,” and similar expressions and are intended to identify forward-looking statements. These forward-looking statements are based on information available to the Company as of the date of this presentation and are based on management’s current views and assumptions. These forward-looking statements are conditioned upon and also involve a number of known and unknown risks, uncertainties, and other factors that could cause actual results, performance or events to differ materially from those anticipated by these forward-looking statements. Such risks, uncertainties and other factors may be beyond the Company’s control and may pose a risk to the Company’s operating and financial condition. Such risks and uncertainties may include, but are not limited to changes in market demands and the effects of the competitive markets in which we compete; changes in technology; market acceptance of new products; the Company’s ability to implement its strategies and plans; the Company’s ability to successfully qualify and sell its products and services in increasing volumes on a cost-effective basis; the Company’s ability to generate sufficient cash flows from operations to meet its liquidity requirements; the continued impact of the COVID-19 pandemic on the Company’s business and the evolving legal, regulatory, and administrative climate in the international markets where the Company operates.

Information concerning risks, uncertainties and other factors that could cause results to differ materially from the expectations described in this presentation is contained in the “Risk Factors” sections in the Company’s Annual Report on Form 10-K and the Quarterly Report on Form 10-Q, filed with the U.S. Securities and Exchange Commission (“SEC”) on June 24, 2020 and August 5, 2020 respectively, both of which are incorporated into this document by reference, and other documents filed with or furnished to the SEC. These forward-looking statements should not be relied upon as representing the Company’s views as of any subsequent date and the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date they were made.

**Use of Non-GAAP Financial Information.** In this presentation the Company will be discussing non-GAAP measures of adjusted operating expenses, adjusted EBITDA and adjusted EPS which are adjusted from results based on GAAP. These non-GAAP financial measures are provided to enhance the user’s overall understanding of the Company’s current financial performance and the Company’s prospects for the future and are not comprehensive of the Company’s financial results. Such measures should not be viewed as a substitute for the Company’s financial statements prepared in accordance with GAAP. You can find a reconciliation of these metrics to the reported GAAP results in the reconciliation tables provided in the appendices to this presentation. A reconciliation of non-GAAP measures to corresponding GAAP measures on a forward-looking basis is not available due to high variability and low visibility with respect to the charges which are excluded from these non-GAAP measures.
Agenda and Speakers

VISION AND STRATEGY
- Jamie Lerner
  President and CEO
- Ed Fiore
  General Manager, Primary Storage
- Bruno Hald
  General Manager, Secondary Storage

PRODUCTS AND SOLUTIONS
- Fred Moore
  President, Horison Information Strategies

INDUSTRY PERSPECTIVE
- Elizabeth King
  Chief Revenue Officer

GO-TO-MARKET
- Mike Dodson
  Chief Financial Officer

FINANCIAL MODEL

Program expected to last 2 hours, with time for interactive Q&A at the end.
About Quantum (NASDAQ: QMCO)

40
Years as a trusted custodian of digital data

20
Years managing video and unstructured file data

30,000
Active support contracts around the world

44+
Exabytes of data preserved

The biggest blockbusters are created…

Breakthroughs are discovered…

Machine learning algorithms are developed…

Critical Infrastructure is protected…

Our planet is studied…

Nations are secured…

The biggest cloud archives are built…

The world’s most recognized brands are built…

Exploration and adventure happens…

…ON QUANTUM
By 2025 80% of Data is Unstructured; Video and Digital Images

Source: IDC DataspHERE reports
The Video and Unstructured Data Revolution

EXPONENTIALLY BIGGER

50x
larger than average database

30%
annual growth

Billions
of files

LIVES EVERYWHERE

MUST BE KEPT INDEFINITELY

CONTAINS IMMENSE VALUE
The Lifecycle of Video and Unstructured Data

1. CAPTURE
   - Editors
   - Analysts
   - Data Scientists
   - Doctors
   - Researchers

2. ANALYZE / MODIFY
   - Production Process

3. ARCHIVE
   - Forever Archive

---

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Leader in Video and Unstructured Data Solutions

Data Management and Orchestration

Search

Gain Insight

Predictive data placement

Storage Software

High speed file and block software

Object software with GEO-spread protection

Storage Hardware

Flash

Disk

Tape

Cloud

Editors

Analysts

Data Scientists

Doctors

Researchers

Quantum Service Delivery Platform

QaaS

Managed Services

Support Services

© 2020 Quantum Corporation
Growth initiatives have counteracted the “golden glide”

Improved margins as customer expression of value

Productivity gains lead to improved earnings
## Driving the Next Phase of Transformation

### Transforming the Business

- Transition to software-defined architectures
- Quantum-as-a-Service and Managed Services
- Automating Service Delivery
- Data Management and Orchestration

### TAM Expansion

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY’20*</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Next gen file services outside of M&amp;E: Healthcare, life sciences, geospatial, government, etc.</td>
<td>$8.7B, 7%1</td>
<td></td>
</tr>
<tr>
<td>Video surveillance market</td>
<td>$38B, 25%2</td>
<td></td>
</tr>
<tr>
<td>Autonomous and other Edge / IoT markets</td>
<td>$27B, 10-15%3</td>
<td></td>
</tr>
<tr>
<td>Lead in large scale “100-year archives”</td>
<td>$2.4B, 13%1</td>
<td></td>
</tr>
</tbody>
</table>

### TAM, CAGR %

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY’20*</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>% recurring revenue</td>
<td>41%</td>
<td>70%</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>43%</td>
<td>60%</td>
</tr>
<tr>
<td>Opex % of Revenue</td>
<td>33%</td>
<td>30%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$45.9M</td>
<td>+3X</td>
</tr>
<tr>
<td>Adjusted EPS</td>
<td>$0.34</td>
<td>+6X</td>
</tr>
</tbody>
</table>

*Year ending March 31st, 2020

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1 IDC WW File and Object Based Forecast, December 2019
2 IHS Markit Surveillance storage forecast
3 Sources: Markets and Markets research
Transforming Our Products and Solutions

Ed Fiore
General Manager, Primary Storage
Primary Storage Portfolio

Quantum StorNext
High-speed file system and data management software

Quantum VS-Series
Broolest physical security server and storage portfolio

Quantum R-Series
Edge Storage Systems

Quantum Distributed Cloud Services
Full suite of services including professional services, managed services, and Quantum-as-a-Service
StorNext Software-Defined Architecture

Legacy Architecture
- Tied to hardware
- No licensing for software

New Architecture
- Software runs on appliance, VM, or cloud
- Subscription licensing
Enabling a Hybrid-Cloud and Multi-Cloud Future

2018: Tier data to the cloud
- Dedicated appliances

Spring 2020: Enable direct access to data stored in cloud
- Appliances, software, VMs, containers

Run software in the cloud
- Cloud as a platform

Data management and orchestration
- Data lives everywhere

43% Margin

60% Margin
The Need to Redefine Storage and Data Management

Unnatural Acts Customers are Performing Today

- Guessing at Capacity and where data lives
- Fearful to delete anything
- Searching for Days
- Data is Siloed / Cloud is the new Silo
- Manually moving data from Tier to Tier
- Pushing active data to non-visible archive tier
The Need to Redefine Storage and Data Management

Unnatural Acts Customers are Performing Today

- Guessing at Capacity and where data lives
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- Pushing active data to non-visible archive tier

What Users are Looking For in the Next Generation

- Zero impact data classification on ingest
- Intelligent Data Archiving and Delete
- Real-Time Search and Analytics
- Seamless Bridging to the Cloud
- Automated data placement based on need of the data
- Multi-Cloud and Tiering within the Cloud
Data Classification and Orchestration

**Real-time Search & Analytics**
Instantly find and retrieve the files you need via Zero-Touch Classification.

**Instant Data Classification**
Automatically classifying data on ingest without client changes and with zero impact to performance.
Transforming Our Products and Solutions
Bruno Hald
General Manager, Secondary Storage
Secondary Storage Portfolio

Quantum ActiveScale
Object Storage Software

Quantum Scalar
Tape Storage Systems

Quantum DXi-Series
Backup Appliances

Quantum Distributed Cloud Services
Full suite of services including professional services, managed services, and Quantum-as-a-Service
Tape Has Emerged as Deep Archive Technology for Public Cloud

- New market for tape emerged: Tape as deep archive technology for public cloud

- 20+ Exabytes deployed
- 3.7 Miles of hardware
- 4 Hyperscalers in trial
- #1 In this market

Source: IDC for historical data. Forward-looking market estimate is for illustrative purposes only.
Deploying Tape at Hyperscale Today (Gen-1)

Quantum Scalar i6000
34 feet long
190 Petabytes capacity
Highly available
Dual robotics

Standard data center rack size shown for comparison
Winning in Hyperscale Environments is All About TCO

Cost per TB

Floorspace

Power and Cooling

Serviceability and Ease of Use

Cost to Store 1PB Over 3 Years

Sources and assumptions: Includes product price, 3 year support, $1,000 per month hosting fees, and storage admin costs for non-cloud items. For S3 and Glacier, assumes 10% of data accessed each month out of the cloud.
Winning in Hyperscale Environments is All About TCO

- Cost per TB
- Floorspace
- Power and Cooling
- Serviceability and Ease of Use

Quantum Wins on Capacity per Linear Square Foot

- IBM
- Spectra
- Quantum
Winning in Hyperscale Environments is All About TCO

- Cost per TB
- Floorspace
- Power and Cooling
- Serviceability and Ease of Use

70x

Energy savings by using tape vs Disk storage

~Zero CO2

Produced by tape technology (since tape largely inert)

Desire to Run Tape in Ambient Data Centers

10-Year Media Life = Reading Zone

Writing Zone

Winning in Hyperscale Environments is All About TCO

- Cost per TB
- Floorspace
- Power and Cooling
- Serviceability and Ease of Use
Next-Gen Deep Archive Architecture: Quantum Redundant Array of Independent Libraries (“RAIL”)

Object storage software with erasure coding

- Best storage density
- Easiest to deploy
- Modular
- Better availability
- Better performance
The 100 Year Data Lifecycle Challenge

ENTERTAINMENT AND SPORTS

RESEARCH DATA

MRI AND PATIENT RECORDS
On-Premise Archive-as-a-Service

- Entertainment & Sports
- Research Institutions
- Government Agencies
- Telco & Service Providers
- Surveillance Archives

Object Classification and Orchestration

ActiveScale Object Software

Quantum Redundant Array of Independent Libraries ("RAIL")

- Massive Scale
- Store for Decades
- Best durability
- Lowest cost
- Offered as-a-Service
Industry Perspective

Fred Moore
President, Horison Information Strategies
Why Every CIO Will Need a 100 Year Archive in 10 Years

Preparing for the Archive Avalanche

Horison Information Strategies
Fred Moore, President
www.horison.com
Agenda

Why Every CIO Will Need a 100 Year Archive in 10 Years

Key Issues to Address

The Zettabyte Era Creates Unprecedented Storage Demand
Global Datasphere by Data Class and Storage Tier
Why Has Archiving Become So Relevant?
What Applications are Fueling the Archival Avalanche?
Massive Unstructured Data Growth
Accelerating the Shift From Unstructured to Structured Data
The Anatomy of the 100 Year Archive
Hyperscale Data Centers Push Storage Limits
Hyperscale Generates Unprecedented Demand
Key Takeaways For The 100 Year Archive
Q & A
The Zettabyte Era Creates Unprecedented Storage Demand
Global Datasphere Expansion is Never-ending

Annual Size of the Global Datasphere

The Amount of Data Created ≠
Amount of Data Stored

Cagr. ~27%

Transient Data Discarded at end of Session

Persistent Data

ZB = 1x10^{21}

175 ZB

~7.5 ZB Stored

Created ~95%

Global Datasphere by Data Class and Storage Tier

WW Digital Data Stored in 2025 – IDC estimate

By 2025
- 175 ZB Created
- 7.5 ZB Stored
- ~4.5 – 6 ZB Archival Data

Global Datasphere

*Archive is the largest storage class - ~60% of all data*
*Archives growing faster than every other segment*
*The value of archive data remains unknown*
*Data is the new IP and the most valuable assets for modern businesses*

Optimal Data Classification by Class and Tier in 2025

- **Tier 0**: NVM
  - Ultra High-performance – 10% 750 EB
- **Tier 1**: HDD
  - Performance – 10% 750 EB
- **Tier 2**: HDD, Tape
  - Active Archive - 20% 1.5 ZB
- **Tier 3**: Tape
  - Deep Archive, Long-term – 60% 4.5 EB

Primary Technologies by Tier

- **Tier 0**: NVM
- **Tier 1**: HDD
- **Tier 2**: HDD, Tape
- **Tier 3**: Tape

NVM/SSD, HDD, Tape
The Cloud Uses All Tiers

Source: Horison, Inc. The Global Datasphere IDC
Why Has Archiving Become So Relevant?

Archive is the Largest Classification of Data

By 2025
Up to 7.5 ZB Will be Stored
60 - 80% Will be Archival
(4.5 – 6 ZB), 25 - 30% cagr.

Archival Data is
Accumulating Faster
Than it is Analyzed

Data Typically Becomes
Archival in 90 - 120 Days

Archival Data is Seldom Deleted

100+ Year Archive
Requirements are Common

Archives Contain Vast Amounts
of Untapped Data With
Unknown Potential Value $$$$^

Making Archives Accessible
Potentially CIO’s Biggest Challenge

Source: Horison Information Strategies
## What Applications are Fueling the Archival Avalanche?

<table>
<thead>
<tr>
<th>Archive Application</th>
<th>Archive Creation Profiles</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial</strong></td>
<td>Online and ATM banking transaction history, IRS records, POS, audit and communication logs.</td>
</tr>
<tr>
<td><strong>Health Care and Life Sciences</strong></td>
<td>Electronic medical records, images (X-Ray, MRI, CT), genome sequences, pharmaceutical research, and telemedicine.</td>
</tr>
<tr>
<td><strong>HPC</strong></td>
<td>Archives feed compute intensive applications for pattern recognition and simulation to predict outcomes. When the study is complete, the data becomes archival again.</td>
</tr>
<tr>
<td><strong>Insurance</strong></td>
<td>Long-term accident records and images, health claims, dispute settlement, payment history.</td>
</tr>
<tr>
<td><strong>Media &amp; Entertainment</strong></td>
<td>The M&amp;E industry relies heavily on digital archives for raw production footage and are often re-purposed to create new revenue streams. Preserving digital content “forever” is a mission critical function for M&amp;E.</td>
</tr>
<tr>
<td><strong>Physical Security and Surveillance</strong></td>
<td>Raw camera footage typically becomes archival after 7 days, surveillance retention periods are quickly increasing.</td>
</tr>
<tr>
<td><strong>Science and Research</strong></td>
<td>Archives provide research input for energy exploration, atmospheric science, predictive weather and climate modelling,</td>
</tr>
<tr>
<td><strong>Sports Archives</strong></td>
<td>The MLB Network archives over 1.2 million hours of content, which is indexed and stored with infinite retention periods.</td>
</tr>
<tr>
<td><strong>Technology</strong></td>
<td>The IoT, mobile apps, autonomous vehicles, video, RADAR, LIDAR and edge sensors generate data much faster than it can be analyzed creating enormous archives for future use cases.</td>
</tr>
</tbody>
</table>

Source: Horison, Inc.
Massive Unstructured Data Growth

Structured ~20% of all Data
- Data bases, data warehouses, ERP
- Metadata key for search results
- Data displayed in rows and columns
- Easy to enter, store, search and analyze
- Less storage requirements

Unstructured ~80% of all Data
- Emails, text files, PDFs
- Books, magazines, and newspapers
- Websites, social media, sports & events
- Media (images, video, audio), mobile data
- Scientific data
- Digital surveillance
- Most archival, compliance and Big Data (IoT)
- More storage requirements
- More complex to manage

Structured and Semi-structured data
Highly organized, semantically tagged, and specifically formatted data easily searchable in relational databases.

Unstructured data (Most Archive Data is Unstructured)
No pre-defined format with random organization making it difficult to locate, process, and analyze.

Accessibility beginning to improve with metadata, catalogs & tags created on ingest for “smart” elastic archival data search.

Object storage is becoming the preferred archive format.

Source: Horison, Inc.
Accelerating the Shift From Unstructured to Structured Data

The Greatest Archival Challenge is Unlocking Unstructured Data

- **Critical** Need to Create Real-time Tags and Metadata at Ingest to Add Structure and Enhance Elastic Searches.
- Overall Capacity for Object Storage (unstructured) Expected to Reach 762 EB in 2022 a CAGR of 43.5%.

Source: IDC Global Datasphere Report
## The Anatomy of the 100 Year Archive

<table>
<thead>
<tr>
<th>Component</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Active Archive Software</strong> (Key component)</td>
<td>Intelligent, scale out software engine that geo-spreads unstructured and object data to manage mixed workloads.</td>
</tr>
<tr>
<td>System analytics and insights</td>
<td>Proactively monitor and model storage usage trends to effectively manage petascale storage systems.</td>
</tr>
<tr>
<td>Data classification catalogs, tags and metadata creation</td>
<td>Create on ingest a detailed inventory of all data assets to quickly store, retrieve with elastic search, and protect data for advanced analytical or business purposes.</td>
</tr>
<tr>
<td>Optimal archive technology</td>
<td>Modern tape delivers the lowest TCO, exabyte scalability, reliability, media life with minimal re-mastering. RAIL provides additional availability protection for the archives.</td>
</tr>
<tr>
<td>Data protection</td>
<td>Tape is “air-gapped” for cybercrime protection.</td>
</tr>
<tr>
<td>Geo-spreading</td>
<td>GEO-spread erasure coding software spreads erasure codes (shards) across multiple geographically distributed availability zones for the highest site redundancy. No need to backup data.</td>
</tr>
<tr>
<td>Non-disruptive data migration between storage technologies for archive access</td>
<td>Since most archive data must be kept longer than the life of many storage technologies, a 100 year archive must provide capability for data to be migrated to new technologies, without disruption, to enable users to access archival data on premise or in the cloud.</td>
</tr>
</tbody>
</table>

Source: Horison, Inc.
A HSDC is an enormous distributed computing environment.

- Massive infrastructure - over 400,000 ft\(^2\), the largest is > 1.1 million ft\(^2\) (= 18.3 soccer fields).
- Extreme energy consumption and carbon footprint challenges (from servers and HDDs).
- HSDC Cloud Providers - Amazon, Google, IBM and Microsoft collectively control more than half of the WW cloud infrastructure service market.
- Global data centers consumed ~416 terawatts (3%) of the total electricity consumed last year, nearly 40% more than the entire United Kingdom. Each has at least 45 data center locations WW.
- Tape usage increasing and is becoming critical to enable HDSC growth and manage soaring infrastructure costs.
Hyperscale Generates Unprecedented Demand
Energy and Carbon Footprint Issues Loom Big for HSDCs

<table>
<thead>
<tr>
<th>YE 2017</th>
<th>Hyperscale Data Centers Will Have</th>
<th>BY YE 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>386</td>
<td>Total WW HSDCs</td>
<td>~570</td>
</tr>
<tr>
<td>21%</td>
<td>Of all data center servers</td>
<td>47%</td>
</tr>
<tr>
<td>39%</td>
<td>Of all data center processing power</td>
<td>68%</td>
</tr>
<tr>
<td>34%</td>
<td>Of all data center traffic</td>
<td>53%</td>
</tr>
<tr>
<td>49%</td>
<td>Of all data stored in data centers ~4.2 ZB</td>
<td>57%</td>
</tr>
</tbody>
</table>

- Ex: If all HSDC archive data (~4.2 ZB) is stored on HDDs, 281.4 million 15 TB HDD’s and ~1.7 billion watts would be required.
- For 40% of data stored on HDDs, 675.2 million HDD watts (@6watts/drive).
- For 60% archives on tape, ~67.8 million tape watts (1/15th of HDD).
- Total energy savings ~ 945 million watts if tape used for archives.

For HSDCs - physically scaling capacity beyond EB levels will be nearly impossible without geo-spreading and tape.

Energy estimates from Horison, Inc. [www.horison.com](http://www.horison.com)
Data is the most valuable asset and is critical for modern business survival.

By 2025, up to 7.5 ZB will be stored and ~60 - 80% will be archival (4.2 – 6 ZB).

Archive data is the fastest growing storage class.

Archive data preservation requirements regularly exceed 100 years.

Making archives accessible is becoming CIO’s biggest challenge.

Critical need to provide real-time tags and metadata to unstructured data.

Hyperscale pushing and exceeding limits of archive architectures and physical infrastructure.

Advanced software, data classification, GEO spread and erasure coding are key components.

A 100 year archive strategy will quickly become mandatory for most CIO’s.
Go-to-Market

Elizabeth King
Chief Revenue Officer
Why Quantum

Company Vision

Sales Transformation is What I Do

Fantastic Customers & Partners

Customer Driven Culture
Go-to-Market Transformation

- Solutions Based Selling
- Market & Geographical Expansion
- Sales Engine Transformation
Go-to-Market Transformation

Outcome
Focused

Solutions
Based Selling

✓ Strategic, trusted partner
✓ Increased average deal sizes
✓ Expanded footprint
✓ Recurring revenue, services led
✓ Higher gross margins

Broader
Portfolio
Go-To-Market Transformation

Market & Geographical Expansion

Expand Solution Set

- Data management and orchestration
- Storage Software
- Storage Hardware
- M&E
- Americas
- EMEA
- APAC
- Backup
- Government
- Surveillance
- Cloud Providers
- Autonomous / IoT
- Life Sciences
- Research

Expand into Adjacent Markets

Expand Geographically
Go-To-Market Transformation

Sales Engine Transformation

Quantum Sales
- 70% leadership team new to Quantum
- 15% sales personnel also new, will grow
- Enabled, evolved to sell greater value

Channel
- Revamped channel program
- Larger, broader, skilled & enabled partner base

Productivity
- Increased revenue & margin contribution focus
- Per Quantum seller and per channel partner

Automation
- Lower cost per transaction
- New online customer experience
- Shorter sales cycles
Go-to-Market Transformation

Solutions Based Selling

Market & Geographical Expansion

Sales Engine Transformation

Expanded TAM, Increased Margins, Recurring Profitable Revenue
Financial Model

Mike Dodson
Chief Financial Officer
## Financial Progress-to-Date

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY’17</th>
<th>FY’20</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>$493M</td>
<td>$403M</td>
</tr>
<tr>
<td><strong>Revenue Mix</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product Sales</td>
<td>63%</td>
<td>59%</td>
</tr>
<tr>
<td>Recurring Revenue</td>
<td>37%</td>
<td>41%</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>42%</td>
<td>43%</td>
</tr>
<tr>
<td><strong>Total Opex as % of Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and Development</td>
<td>40%</td>
<td>33%</td>
</tr>
<tr>
<td>Sales and Marketing</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>General and Administrative</td>
<td>20%</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>11%</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Adjusted Operating Income</strong></td>
<td>2%</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$21.7M</td>
<td>$45.9M</td>
</tr>
<tr>
<td><strong>Adjusted EPS</strong></td>
<td>($0.01)</td>
<td>$0.34</td>
</tr>
</tbody>
</table>

- Completed favorable refinancing in 2018, recently completed further debt amendments
- More flexible capital structure
- Improved operating costs by $70M
- Resolved SEC matters and related litigation
- Doubled EBITDA despite more than 20% revenue decline
## Capital Structure: Current Financing Arrangements

### Current Financing Arrangements

- **$45M** revolving credit line
- **$195M** Total Term Debt
  - $185M senior secured term loan due December 27, 2023
  - $10 million Paycheck Protection Program ("PPP") Loan
- Term debt excluding PPP loan represents **5.6X** of TTM Adjusted EBITDA of $33 million versus target of 2X to 3X TTM Adjusted EBITDA
- Term debt **12%** Interest rate, **$5.6M** payment per quarter
- Covenant waiver through March 31, 2021
- Defers annualized amortization payments through December 2020.

### Prepayment Terms

**Until June 27, 2021:** Prepayment triggers 7% call premium plus “make whole” interest payments through June 27th, 2021

**Equity Clawback:** Not subject to the “Make Whole Terms” and company can issue shares to payoff up to 50% of outstanding balance with a 5% call premium

**Call Premiums:**
- June 28th, 2021 – December 27th, 2021 = 7%
- December 28th, 2021 – December 27th, 2022 = 4%
- December 28th, 2022 – December 27th, 2023 = no call premium
Capital Structure Strategy

- Apply and expect to qualify for forgiveness of PPP loan.
- Refinance outstanding term debt upon termination of “make whole” provision in effect through June 27, 2021.
- Target debt balance 2X – 3X TTM EBITDA at market interest rates and covenants.
## Three to Five Year Financial Model

<table>
<thead>
<tr>
<th>Metric</th>
<th>Past(^1)</th>
<th>Current(^1)</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue Mix</strong></td>
<td></td>
<td></td>
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<td>63%</td>
<td>59%</td>
<td>30%</td>
</tr>
<tr>
<td>Recurring Revenue</td>
<td>37%</td>
<td>41%</td>
<td>70%</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>42%</td>
<td>43%</td>
<td>60%</td>
</tr>
<tr>
<td><strong>Total Opex as % of Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and Development</td>
<td>40%</td>
<td>33%</td>
<td>30%</td>
</tr>
<tr>
<td>Sales and Marketing</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>General and Administrative</td>
<td>20%</td>
<td>15%</td>
<td>13%</td>
</tr>
<tr>
<td></td>
<td>11%</td>
<td>9%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Adjusted Operating Income</strong></td>
<td>2%</td>
<td>10%</td>
<td>30%</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$21.7M</td>
<td>$45.9M</td>
<td>+3X</td>
</tr>
<tr>
<td><strong>Adjusted EPS</strong></td>
<td>($0.01)</td>
<td>$0.34</td>
<td>+6X</td>
</tr>
</tbody>
</table>

### Business Model Transformation
- Software defined, subscription models
- Quantum-as-a-Service
- Automating service delivery
- Data management and orchestration

### TAM Expansion
- Next-gen file services outside of M&E
- Expand into adjacent video and Edge / IoT markets: Surveillance, autonomous, life sciences, government, and more
- Lead in large scale ‘100-year’ archives

\(^1\) Past and Current reflect FY’17 actuals and FY’20 actuals
Closing Remarks

Jamie Lerner
President and CEO
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## GAAP to Non-GAAP Reconciliations

($ in thousands, except per share amounts)

### GAAP to Non-GAAP Reconciliation

<table>
<thead>
<tr>
<th>Item</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net loss</td>
<td>$(5,210)</td>
<td>$(42,797)</td>
<td>$(43,346)</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>25,350</td>
<td>21,095</td>
<td>11,670</td>
</tr>
<tr>
<td>Provision (benefit) for income taxes</td>
<td>803</td>
<td>2,376</td>
<td>(3,113)</td>
</tr>
<tr>
<td>Depreciation and amortization expense</td>
<td>4,287</td>
<td>4,266</td>
<td>4,970</td>
</tr>
<tr>
<td>Stock-based compensation expense</td>
<td>6,748</td>
<td>3,409</td>
<td>5,594</td>
</tr>
<tr>
<td>Restructuring charges</td>
<td>1,022</td>
<td>5,570</td>
<td>8,474</td>
</tr>
<tr>
<td>Loss on debt extinguishment</td>
<td>—</td>
<td>17,458</td>
<td>6,934</td>
</tr>
<tr>
<td>Cost related to financial restatement and related activities</td>
<td>12,968</td>
<td>19,664</td>
<td>1,709</td>
</tr>
<tr>
<td>Other non-recurring (income) expense, net</td>
<td>—</td>
<td>1,500</td>
<td>2,848</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$45,066</td>
<td>$32,541</td>
<td>$(4,460)</td>
</tr>
</tbody>
</table>

The following is a reconciliation of Adjusted Net Income (Loss) to the most comparable U.S. GAAP financial measure, Net Income (Loss) (in thousands, except per share amounts):

<table>
<thead>
<tr>
<th>Item</th>
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<td>—</td>
<td>1,500</td>
<td>2,848</td>
</tr>
<tr>
<td>Adjusted net income (loss)</td>
<td>$15,428</td>
<td>$4,804</td>
<td>$(17,987)</td>
</tr>
<tr>
<td>Adjusted net income (loss) per share:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>$0.41</td>
<td>$0.14</td>
<td>$(0.52)</td>
</tr>
<tr>
<td>Diluted</td>
<td>$0.34</td>
<td>$0.12</td>
<td>$(0.52)</td>
</tr>
<tr>
<td>Weighted average shares outstanding:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>37,590</td>
<td>35,551</td>
<td>34,687</td>
</tr>
<tr>
<td>Diluted</td>
<td>45,059</td>
<td>40,515</td>
<td>34,687</td>
</tr>
</tbody>
</table>

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Jamie Lerner joined Quantum in July 2018 as Chief Executive Officer and President. Jamie is responsible for overseeing the day-to-day operations of the business while leading Quantum’s multi-pronged transformation initiatives to drive profitability, growth and innovation. Jamie is a seasoned executive, with more than 25 years of experience developing innovative technology portfolios and leading large, high-performing organizations.

Prior to Quantum, he served as the Chief Operating Officer of Pivot3 a leader in hyper converged infrastructure. At Pivot3, Lerner was responsible for field sales, technical support, professional services, supply chain and operations. Before joining Pivot3, Lerner held the position of President, Cloud Systems and Solutions, at Seagate Technology, where he was responsible for Seagate’s growth initiatives in cloud computing. Prior to Seagate, he served as Senior Vice President and General Manager of the Cloud and Systems Management Technology Group at Cisco. He also was Founder, President, and CEO of CITTIO Inc., an enterprise system monitoring software company; Senior Software Architect and Product Manager at Platinum Technology (acquired by CA); and, a Senior Consultant at Andersen Consulting.

Jamie holds a bachelor's degree in quantitative economics and decision sciences from the University of California, San Diego.
Ed has been in leadership positions in storage and storage networking for over 25 years and has always had a strong focus on solving real-world customer problems. Starting in design and architecture, and moving into management, he has maintained his technical roots.

Before joining Quantum, Ed was the CEO of Atavium, shipping the first storage platform that classified data on ingest delivering real-time search & analytics, combined with a data orchestration engine that enabled customers to fully automate their workloads.

Previous roles include VP of Development for Dell Storage, where he was responsible for strategic directions and product delivery for the Compellent, EqualLogic, and FluidFS product lines. Prior to the Dell acquisition of Compellent, Ed had dual roles in engineering and product direction. Ed was part of the Isilon management team and built the Isilon platform team from the ground up in Minnesota. He was a member of the founding engineering team at NuSpeed that was acquired by Cisco Systems, and his past includes positions as Architect/Sr. Advisory Engineer for StorageTek/Network Systems and several technical leadership positions.
Bruno Hald has been with Quantum for over 25 years. He leads the engineering teams for tape automation, DXi and platform development.

Bruno is a seasoned engineering leader, with more than 25 years of experience in the data storage industry. He has been part of three different storage companies that have gone through a series of acquisitions to finally in 2006 integrate into Quantum. He has helped develop and launch many successful storage platforms throughout his career that generated significant revenues for the companies he worked for.

Bruno holds a bachelor’s degree in Computer Engineering and a master’s degree in Business Administration.
Fred Moore began a 21-year career with StorageTek as the first systems engineer and concluded as corporate vice president of Strategic Planning and Marketing. In 1998, Fred founded Horison Information Strategies in Boulder, Colorado, a data storage industry analyst and consulting firm that specializes in keynote speaking, executive briefings, marketing strategy, and business development for end-users and storage hardware and software suppliers. Fred served as Editor of Storage for Computer Technology Review magazine and has written numerous books, articles, research reports and webcasts for the storage industry.

He is a 1989 recipient of the Distinguished Alumnus Award and a 2004 recipient of the Arts and Science Scholar-In-Residence Award at the University of Missouri, Columbia where he received a bachelor’s degree in mathematics and a master’s degree in computer applications in physical geography.

A sought-after motivator and keynote speaker at IT events worldwide, Fred completed the Berkeley Executive Program in 1997. He currently serves on a few select boards in the storage networking industry.
Elizabeth King, Chief Revenue Officer

Elizabeth “Liz” King joined Quantum in March 2019 as Chief Revenue Officer. Liz has more than 25 years of experience in global sales and leadership spanning enterprise, public sector and telecom industries in over 30 countries. She is a veteran in the information technology market and has held key executive leadership roles in sales, general management, services, product management, marketing, alliances, supply chain and operations. Her expertise includes datacenter infrastructure & software, systems integration services, high performance computing (HPC), artificial intelligence (AI), data analytics, and complex public sector projects, all on a broad, international scale.

Prior to Quantum, Liz was Vice President, Go-to-Market & Enablement, HPC & AI at Hewlett Packard Enterprise (HPE). Liz joined HPE as part of HPE’s acquisition of Silicon Graphics International (SGI), where she led worldwide sales and continued that role through the full integration of the company into HPE. Prior to SGI, she was vice president of strategic alliances for IBM and global systems integrators at Juniper Networks. Prior to Juniper, she was vice president & general manager of the Hitachi Server Group of Hitachi Data Systems where she was responsible for sales, marketing, operations and customer delivery of Hitachi servers and converged solutions. Liz also held key senior sales, business development and operations roles at Nokia (formerly Alcatel-Lucent), Oracle (formerly Sun Microsystems), Raytheon, and Texas Instruments.

Liz has a MBA with honors from the University of Dallas and a Bachelor’s of Science in mechanical engineering from Lehigh University.
Mike Dodson was named Chief Financial Officer in May 2018.

Prior to Quantum, he served as CFO of Greenwave Systems, a global software and managed services company for Internet of Things (IoT) solutions. Before joining Greenwave, Dodson was Chief Operating Officer and Chief Financial Officer at Mattson Technology, Inc., an international semiconductor process equipment manufacturer, from 2012 – 2017. Prior to his tenure at Mattson, Dodson served as Senior Vice President and Chief Financial Officer at DDi Corp., a provider of printed circuit board engineering and manufacturing services. Before joining DDi, Dodson served as the CFO for three global public technology companies and Chief Accounting Officer for an S&P 500 company.

Dodson started his career with Ernst & Young in San Jose, California.

Dodson holds a B.B.A. degree with dual majors in Accounting and Information Systems Analysis and Design from the University of Wisconsin-Madison.