

DATA443 (OTCPK: LDSR) – Letter from the President



May 22, 2018 - Raleigh, NC (OTC Markets Disclosure Service)

Dear Valued Shareholders;

Global privacy awareness increases as major data and privacy breaches occur – placing continued pressure on IT, privacy, compliance, and legal teams to deliver solutions for their respective organizations and customers. As the GDPR takes effect, we expect increased pressure on solution providers to mitigate risk quickly and effectively. Continued knowledge about U.S. and international exposure to data privacy laws in other countries (not just E.U. GDPR-related) will introduce more of the world's largest economies to this new data reality.

Untold billions in fines may be leveled against organizations inside and outside of the E.U.

We believe Data443 is best poised for this new reality with a solution that directly addresses 12 articles of the GDPR - the most in the industry for one product! Our partnerships with leading organizations combine to provide a solution that provides significant, immediate and multi-product replacement options. Our customer pilots usually require at least 2 (sometimes 3-4) competitive products to match the features and functionality provided by our product.

Our most recent report marks the culmination of many significant milestones for the Company. Progress on our overall business plan has been made in all segments and I am pleased with our general progress. Some key highlights from the previous quarter are as follows.

From a general business perspective, we have:

- engaged a PCAOB-certified audit firm to complete our Data443 related audit items
- completed numerous corporate actions
- onboarded Sales, Marketing, Development, Support and general leadership team

From a Marketing and Sales perspective, we:

- received earned media mentions for ClassiDocs and our blockchain technologies
- launched new inbound marketing programs
- had a successful and productive tradeshow at RSA
- completed website, brand messaging and collateral updates

From a Partner and Channel perspective, we:

- completed integrations with major 3rd party cyber security product organizations
- engaged sales and marketing partnerships with key strategic Solutions & Technology partners

from a Product Perspective, we have:

- performed well over 100 customer-specific product demonstrations and briefings
- managed over 20 separate clients to the quotation phase of the purchase cycle
- consistently maintained 10+ concurrent Proofs of Concept

A busy quarter to be sure.

The sales cycle for technology purchases is complex - generally involving a fully deployed solution (Proof of Concept) within the customer environment, using the customer data and related security systems. This takes time and commitment from all parties involved (Customer, Partner, Data443). We work continuously to reduce the efforts and time commitments for Proofs of Concepts and have leveraged our cloud solutions technology partners to increase our throughput, reduce time to implementation and speed software updates.

It takes a team effort – from both the inside and outside of the organization – and I am proud of the whole team’s work ethic, value, and focus on the customer.

In parting I wish to express the appreciation from the whole team for your support as expressed through various means. Our mission is large – and important. Data – your/our/their data – needs to be secured, protected and managed.

Thank you for joining us

Jason Remillard, CEO

About DATA443 Risk Mitigation, Inc.

DATA443 Risk Mitigation, Inc. ([OTCPK: LDSR](https://www.otcmarkets.com/stock/OTCPK:LDSR)) (<https://www.data443.com>) is a technology company that is actively developing and acquiring cyber-security products & service offerings that are central to blockchain, cyber data security, GDPR, compliance, and governance capabilities. The Company develops its own technologies and has an active acquisitions program in place.

Forward-Looking Statements

Except for the historical information contained herein, the matters discussed in this press release are forward-looking statements. Actual results may differ materially from those described in forward-looking statements and are subject to risks and uncertainties. See DATA443 Risk Mitigation, Inc.’s filings with the SEC, which may identify specific factors that may cause actual results or events to differ materially from those described in the forward-looking statements.

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