



Q1 FY25 Quarterly Activities Report and Appendix 4C

30 October 2024 | dubber.net



This investor presentation has been approved for release to ASX by the Dubber Board of Directors.





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Key Messages – Q1 FY25



- New CEO appointed and Board undergoing its renewal programme
- All existing Communication Service Provider (CSP) Partners maintained and number has increased to 230+ at 30 September 2024, up from 225+ at 30 June 24
- Fully underwritten capital raise of \$25m announced on 11 October 2025 to strengthen the balance sheet anticipated to give CSPs confidence to increase their sales of Dubber products to end customers in the coming quarters
- Revenue growth momentum following initial slow down in CSP Partner activity following the discovery of the alleged misappropriation of Company funds in February 2024 (the Event) is returning with partner activity increasing - focus now on accelerating the growth
- Early positive results from release of the Trends product driving a deeper relationship with CSPs and is expected to expand addressable market to support long term growth
- Continued progression towards achieving target of operating cash flow monthly run rate breakeven in the final month of FY25¹
 - ✓ Underlying constant currency recurring revenues grew 3% in Q1 FY25 compared to Q4 FY24
 - ✓ Total cash based costs² reduced by 5% in Q1 FY25 vs Q4 FY24 with costs trending down as efficiencies delivered. Total cash based costs run-rate of \$53m (based on annualised Q1 FY25), with further savings expected to be delivered over the next 6 months.



1. Assumes no material changes to trading conditions or strategy. Operating run-rate relates to operating revenues and expenses incurred in respect of the year and excludes one-off costs relating to the investigation, business restructuring, capital raisings, and repayment of any debt like items (including historic tax liabilities).

2. Excludes incurred costs in respect of the Company's investigation into the alleged misuse of funds and capital raising costs, share-based payment expenses, FX gains and losses, impairment in the periods presented. Includes cash payments for finance leases which are presented as depreciation and interest in the income statement.

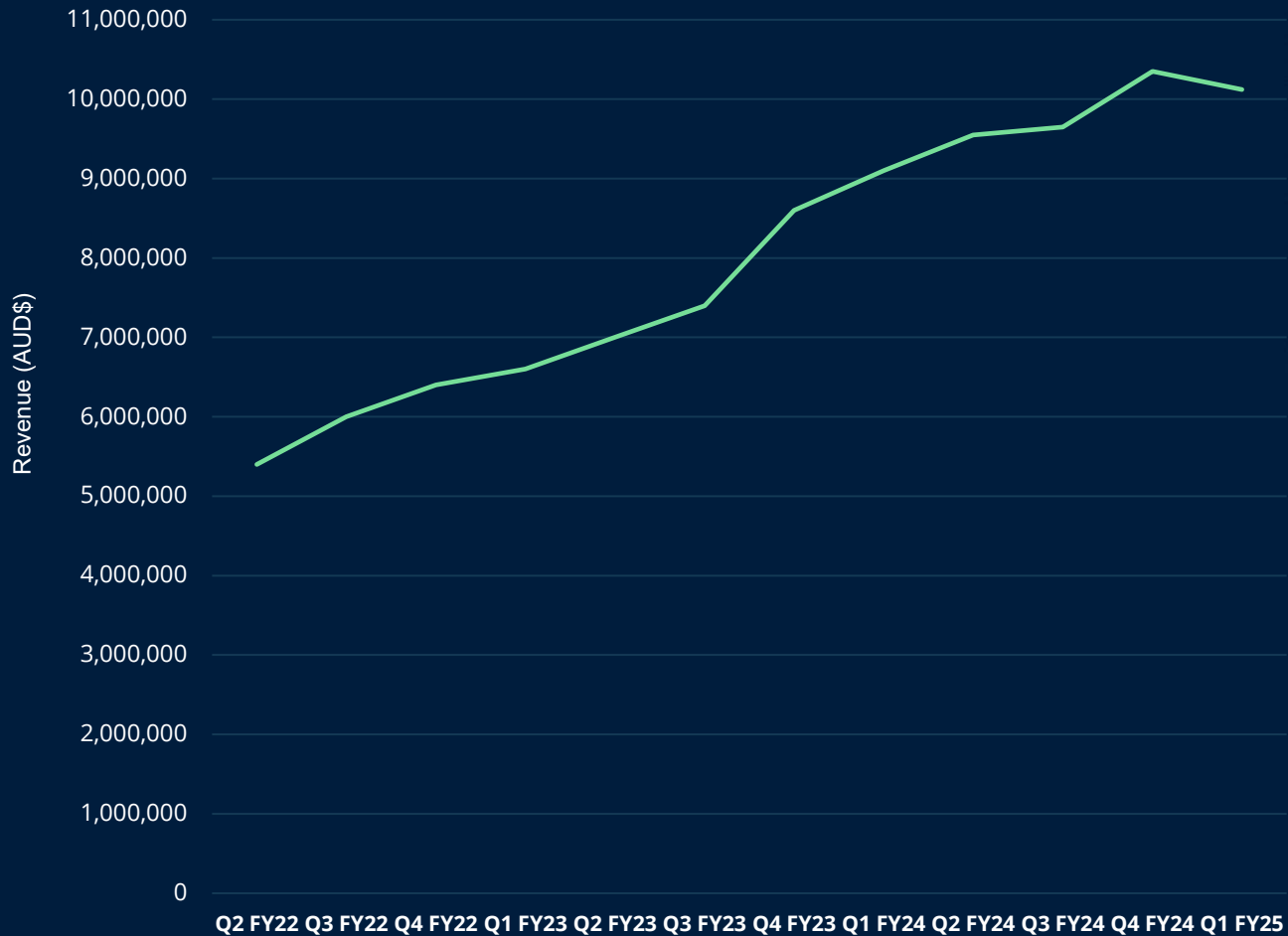


Q1 FY25 Financial Overview

Reported Revenue by quarter



Reported revenue by quarter



- Consistent trend of revenue growth.
- Q1 FY25 reported revenue of \$10.1m up 11% on prior comparative period (pcp, Q1 FY24) but down 2% on prior quarter (Q4 FY24). The QoQ reduction reflects higher one-time revenues (predominantly professional services) recognised in Q4 FY24. Underlying constant currency recurring revenue was up 3% in Q1 FY25 vs Q4 FY24.
- No CSP Partners have been lost as a result of the Event, and most Partners have returned to selling Dubber products.
- CSP partners of 230+ at 30 September 24, up from 225+ at 30 June 24.
- Capital raise launched in October 24 to strengthen balance sheet anticipated to give CSPs confidence to increase their sales of Dubber products to end customers in the coming quarters.

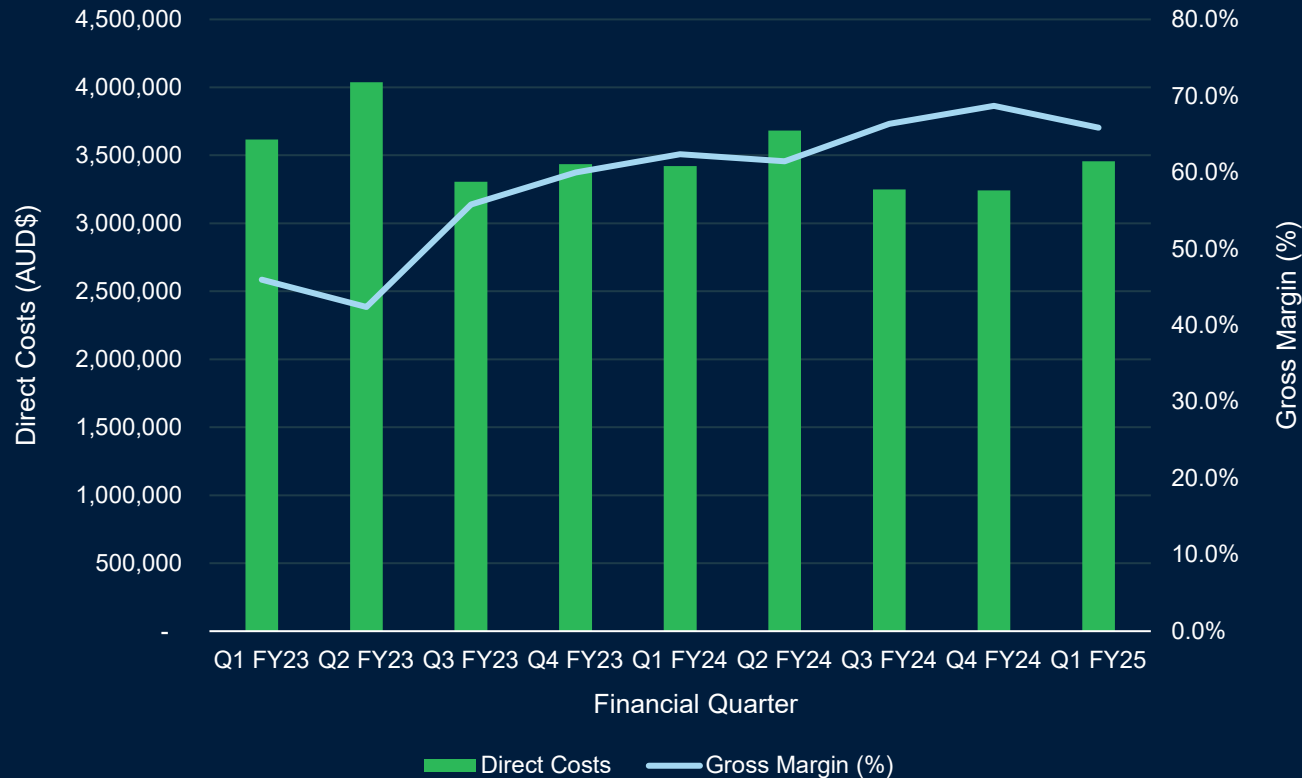


All figures presented for Q1 FY25 are unaudited.

Direct costs efficiencies are delivering improved gross margin



Direct Costs and Gross Margin



- Gross margin in Q1 FY25 impacted by lower reported revenue and small increase in direct costs resulting from preparatory work for the roll out of Trends products into markets.
- A gross margin of over 70% is targeted for FY25 based on expected increases to revenues and continued economies of scale achieved. Artificial Intelligence enabled solutions (such as Dubber Trends and Dubber Moments) expected to be an increasing proportion of the revenue mix.

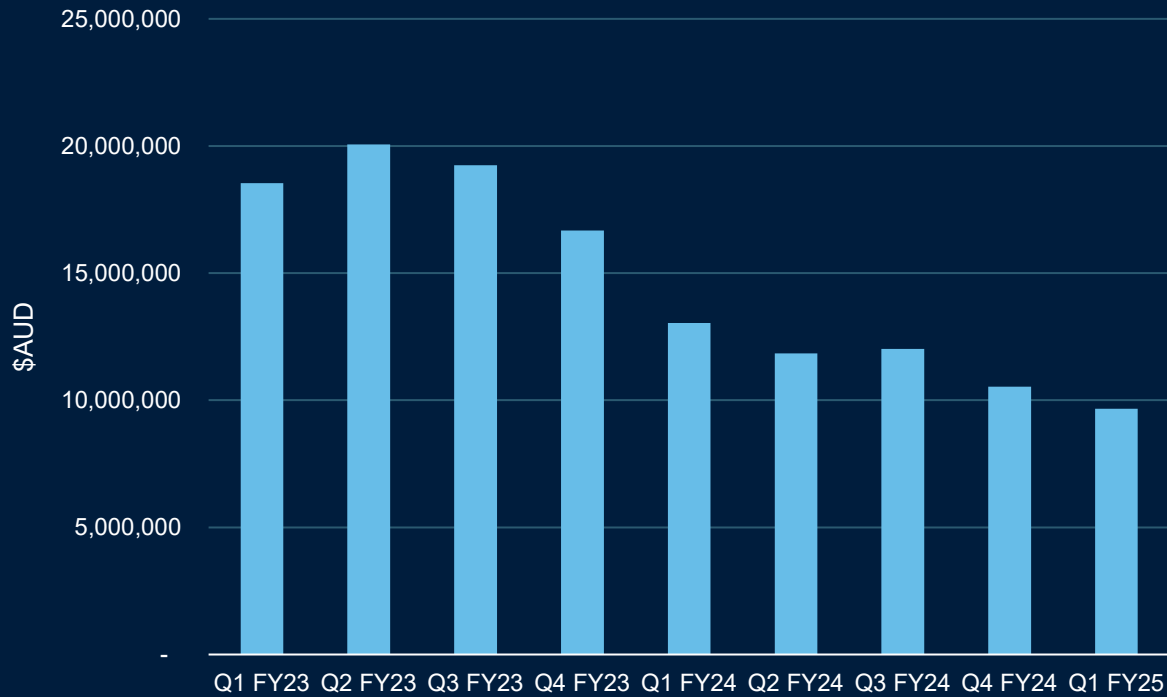


All figures presented for Q1 FY25 are unaudited.

Operating costs continue to be well controlled



Operating Cash Based Costs* (incurred basis)



- Operating Cash Based Costs* have reduced 8% between Q4 FY24 and Q1 FY25 reflecting ongoing cost efficiencies being delivered.
- Q1 FY25 annualised operating cash based cost run-rate of \$40m** with further savings expected to be delivered over the next 6 months.



* Operating Cash based costs are salaries and related costs and G&A costs incurred on a P+L basis + the cash lease payments for finance leases. It excludes direct costs, share-based payment expenses, FX gains and losses, impairment, and non-recurring costs associated with the investigation into the alleged misappropriation of funds and their recovery and equity capital raisings.

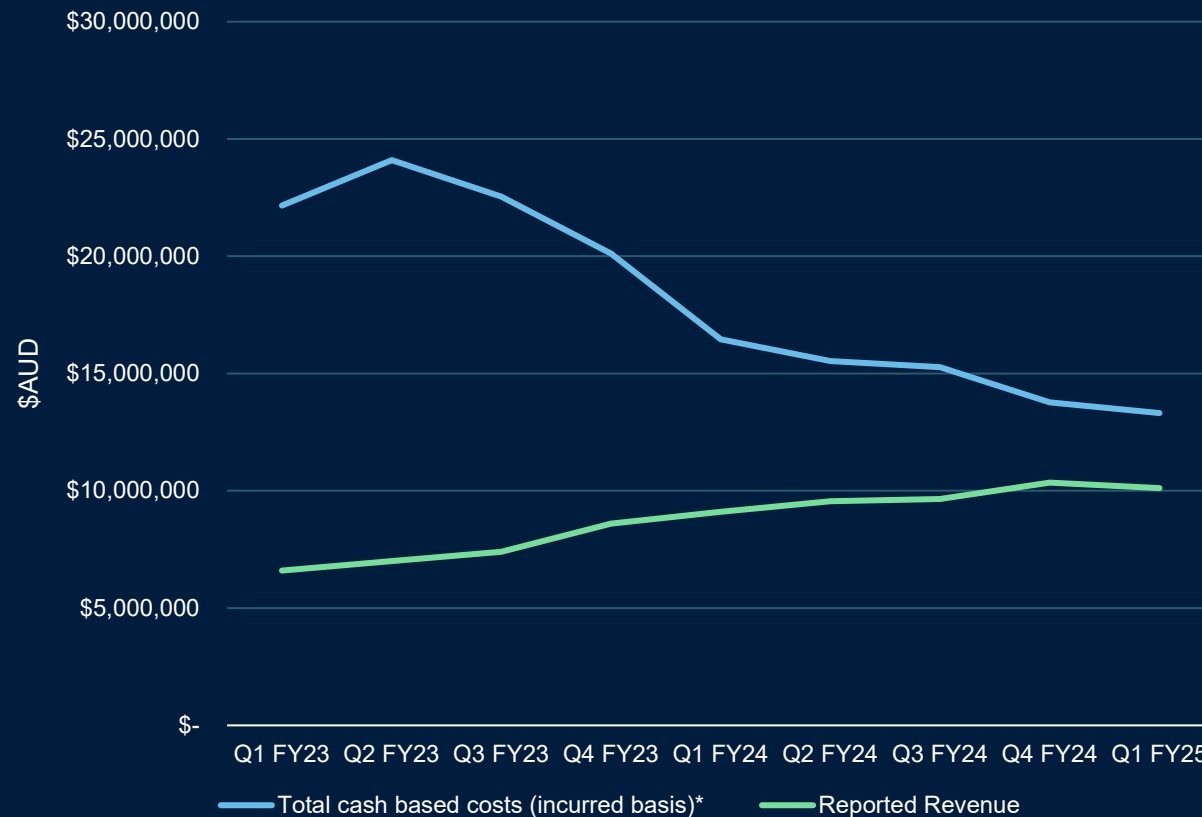
** Total annualised cash based costs run-rate including direct costs was \$53m for Q1 FY25.

All figures presented for Q1 FY25 are unaudited.

Targeting operating cashflow* run-rate breakeven in FY25



Revenue and Total Cash Based Costs*



- Significant cost reductions to right size the Group's cost base alongside revenue growth over the last 2 years with further savings expected to be delivered over the next 6 months.
- Sales structure now in place, expected to deliver accelerating repeatable revenue growth with our partner customers.
- Cost continues to be tightly controlled.
- Targeting operating cashflow* run-rate breakeven in the final month of FY25, assuming no material changes to trading conditions or strategy.



* Assumes no material changes to trading conditions or strategy. Operating run-rate relates to operating revenues and expenses incurred in respect of the year and excludes one-off costs relating to the investigation, business restructuring, capital raisings and repayment of any debt like items (including historic tax liabilities). Includes cash payments for finance leases which are presented as depreciation and interest in the income statement.

All figures presented for Q1 FY25 are unaudited.

Q1 FY25 Quarterly Cashflow



AU\$m	Q1 FY25
Receipts from customers	9.3
Other operating cash outflows	(17.3)
Net cash outflows used in operating activities	(8.0)
Net cash inflows/(outflows) used in investing activities	-
Net cash provided/(consumed) by financing activities	(0.7)
Net decrease in cash in the quarter	(8.7)
Closing cash balance (reported) at 30 September 2024	2.0
Cash collected to 4 October 2024	2.2
Cash balance as at 4 October 2024	4.2

Cash collections closely following revenue. Reported receipts of \$9.3m in Q1 FY24 down from \$10.9m in Q4 FY24 due to timing of receipts from customers due in September that were received in October. Normalising for receipts due by 30 September 24 that were received by 4 October 2024, Q1 FY25 receipts were up 5% QoQ.

Operating cash outflows of \$17.3m were down 12% from \$19.6m in Q4 FY24. Operating cash payments in Q1 FY25 include \$2.7m of abnormal or non-recurring costs including historic tax repayments, costs related to the ongoing investigations into the misuse of funds, and restructuring costs.

Underlying operating cash outflows are expected to continue to reduce over the remainder of FY25 as cash payments are more consistent with the incurrence of costs and reflecting recent cost reduction activities.



All figures presented for Q1 FY25 are unaudited.



Other 4C cashflow items

- In accordance with Listing Rule 4.7C, payments made to related parties and their associates totaling \$119,000 outlined in item 6 of the Appendix 4C, incorporates directors' fees, salaries and superannuation.
- Announced fully underwritten capital raise of ~\$25m on 11 October 2024 to strengthen the Company's balance sheet.



Other Updates, New CEO & FY25 Focus

Investigation and recovery of funds



- Dubber continues its focus on recovery of funds.
- No material updates to findings of Dubber's investigation as reported in the Prospectus dated 11 October 2024.
- ASIC investigation is ongoing and Dubber continues to provide assistance.
- Claim against Victorian Legal Services Board Fidelity Fund lodged in August 2024. Such claims generally take 6-12 months to be assessed, and may be extended.
- Work to support other recovery avenues is underway but any recovery remains highly uncertain in respect of quantum and timing.

New CEO



- Matthew Bellizia appointed as Chief Executive Officer (CEO) from 10 September 2024.
- Over 20 years' experience as CEO/Co-founder of successful technology companies.
- Matthew comes to the role with extensive and relevant global technology business experience. His most recent role for 20 years was co-founder and CEO of Mobile Tracking and Data Pty Ltd (MTData) a business which supplies a software platform and mobile technologies to a range of industries including transport, taxi, mining, government, and service related industries.
- MTData operated throughout Australia, NZ, USA, Canada, UK, Europe and Middle East. The business was in Deloitte Fast 50 Growth for three consecutive years and grew to over \$70m in revenue and 160 staff globally and was highly profitable.
- MTData transport technology business was bought by Telstra in late 2017 and Matthew continued to be CEO until August 2023 whilst A2B Australia bought MTData's taxi technology business in 2018 where Matthew continued to consult until June 2024.
- Leading Dubber into an exciting new era.



FY25 Focus



Our focus areas

- Continue to build market awareness of our solution capability, particularly in the new area of conversation intelligence.
- Fully align the operating models and structures of the business to our strategy and requirements in different global markets.
- Ensure the Dubber team has clarity of direction and accountabilities.
- Execute on the new sales strategy and partner segmentation and engagement approach.
- Continue to deliver direct and operating cost efficiencies and cost savings.
- Continue to pursue recovery of missing funds and finalising commercial disputes.
- The Board will continue its renewal program and appoint new Directors over the coming months.

Deliver on our growth plans and achieve a breakeven operating cashflow run-rate position*



* Assumes no material changes to trading conditions or strategy. Operating run-rate relates to operating revenues and expenses incurred in respect of the year and excludes one-off costs relating to the investigation, business restructuring, capital raisings and repayment of any debt like items (including historic tax liabilities).



Q&A

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity
DUBBER CORPORATION LIMITED
ABN
64 089 145 424
Quarter ended ("current quarter")
30 September 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	9,322	9,322
1.2 Payments for		
(a) research and development	(515)	(515)
(b) product manufacturing and operating costs	(7,291)	(7,291)
(c) advertising and marketing	(22)	(22)
(d) leased assets	(37)	(37)
(e) staff costs	(7,708)	(7,708)
(f) administration and corporate costs	(1,554)	(1,554)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	29	29
1.5 Interest and other costs of finance paid	(208)	(208)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(7,984)	(7,984)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(3)	(3)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	5	5
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (bonds returned/deposited)	-	-
2.6	Net cash from / (used in) investing activities	2	2

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(125)	(125)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(525)	(525)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(650)	(650)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period*	10,647	10,647
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(7,984)	(7,984)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	2	2

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(650)	(650)
4.5	Effect of movement in exchange rates on cash held	4	4
4.6	Cash and cash equivalents at end of period	2,019	2,019

* Excludes \$841k of cash held in term deposits which have security placed over them for property leases which are presented as other receivables.

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,019	10,647
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,019	10,647

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	119
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Payments shown in 6.1 are in relation to Executive and Non-Executive Director remuneration (including superannuation).

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	<p>Secured bridging finance in the form of a secured loan of up to \$5 million (per ASX announcement on 15th March 2024)</p>	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(7,984)
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,019
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	2,019
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.25
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
<p>Answer: No – the Company has been focussed on reducing costs and increasing revenues targeted being a breakeven operating cashflow run-rate position on a monthly basis by the end of FY25.</p>	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
<p>Answer: Yes – the Company announced a fully underwritten capital raise of ~\$25m on 11 October 2025 which is expected to be completed by 3 December 2024 which will be sufficient to fund ongoing operations.</p>	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, refer to 8.6.1 and 8.6.2 above.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2024

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.