# Q3 FY25 Quarterly Activities Report and Appendix 4C

29 April 2025 | dubber.net

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

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# Contents



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# Key Messages – Q3 FY25

- With a normalised operating cash outflow[1] of $1.4m for Q3 FY25 and our target of achieving operating cash flow monthly run rate breakeven in June 2025, along with available working capital of $16.5m at 31 March 2025, we are positive about the strong financial position of the business going forward

- Continued growth of our recurring revenue, reduction of costs and progression towards achieving target of operating cash flow monthly run rate breakeven in June 2025[2]:

  - ✓ Revenues grew 6% in Q3 FY25 compared to Q2 FY25 to $11.0m
  - ✓ Total cash based costs[3] reduced by 7% in Q3 vs Q2 FY25 with costs trending down as efficiencies delivered. Total cash based costs run-rate of $45.6m[2]
  - ✓ Q3 FY25 annualised recurring revenue exit run rate of $43.2m[4], total annualised cash-based costs[2] run-rate of $45.6m with additional cash cost savings identified to be delivered over the coming quarter

- Total available funds at 31 March 2025 of $16.5m, comprising cash balance at 31 March 2025 of $11.5m, and $5m undrawn committed loan facility
- Communications Service Provider (CSP) Partners increased to 235+ at 31 March 2025, up from 230+ at 31 December 24
- Outstanding ATO liabilities of $6.8m paid in January 2025 which clears the historic outstandings and $5m loan facility entered into in the quarter
- Recovery of funds and investigations continues under Board sub-committee
- Board renewal completed in the quarter with appointment of Ted Pretty as Chairman
- Board and senior management binding commitment to purchase approximately $1m of shares at $0.04 announced during the quarter conditional on receiving shareholder approval at the 2025 AGM

1. Normalised operating cash outflow excludes payments for historic ATO and SRO tax liabilities and non-recurring costs related to investigations and restructurings.
2. 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).
3. 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. Run-rate based off Q3 cash costs multiplied by 4.
4. Based on recurring revenues for March 25 multiplied by 12.

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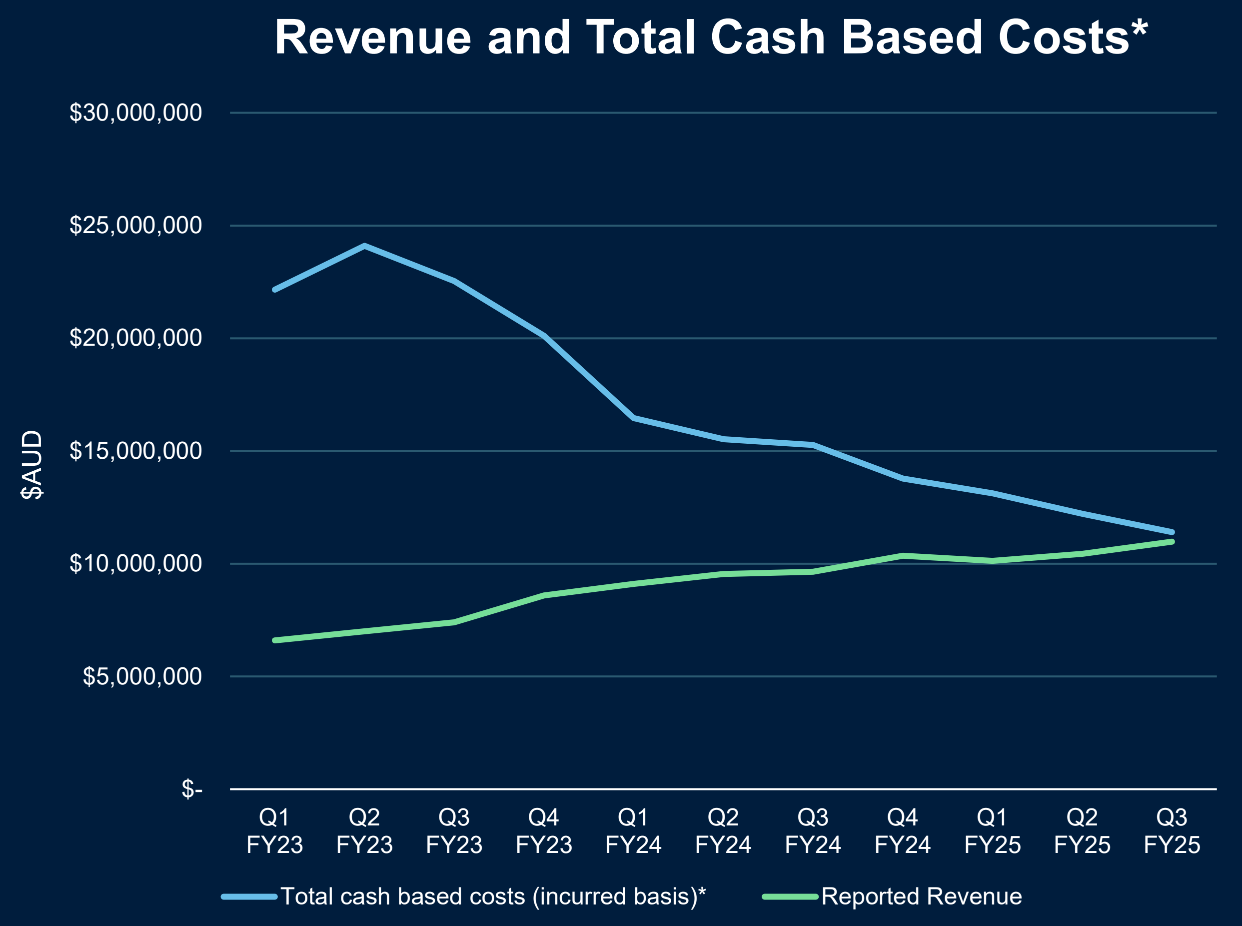
# Key Messages – Q3 FY25 (continued)




| AU$m | Q3 FY25 | Q2 FY25 |
|---|---|---|
| **Normalised net cash outflows used in operating activities** | **(1.4)** | **(1.7)** |
| ATO PAYG historic repayment | (6.8) | (0.6) |
| Other abnormal cash outflows | (0.8) | (1.9) |
| **Reported operating cash outflows** | **(9.0)** | **(4.2)** |
| **Available funds at end of quarter** | **16.5** | **20.6** |

- Continued progression towards achieving target of operating cash flow monthly run rate breakeven in the final month of FY25**
- Exit annualised recurring revenue run-rate of $43.2m and **total** cash based* cost run-rate of $45.6m for the quarter
- Significantly reduced normalised cash outflow from operating activities in the quarter excluding historic ATO PAYG payment

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* Total Cash based costs are direct costs, salaries and related costs and G&A costs incurred on a P+L basis + the cash lease payments for finance leases. It excludes 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.
** 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 FY25 are unaudited.

# Q3 FY25 Financial Overview

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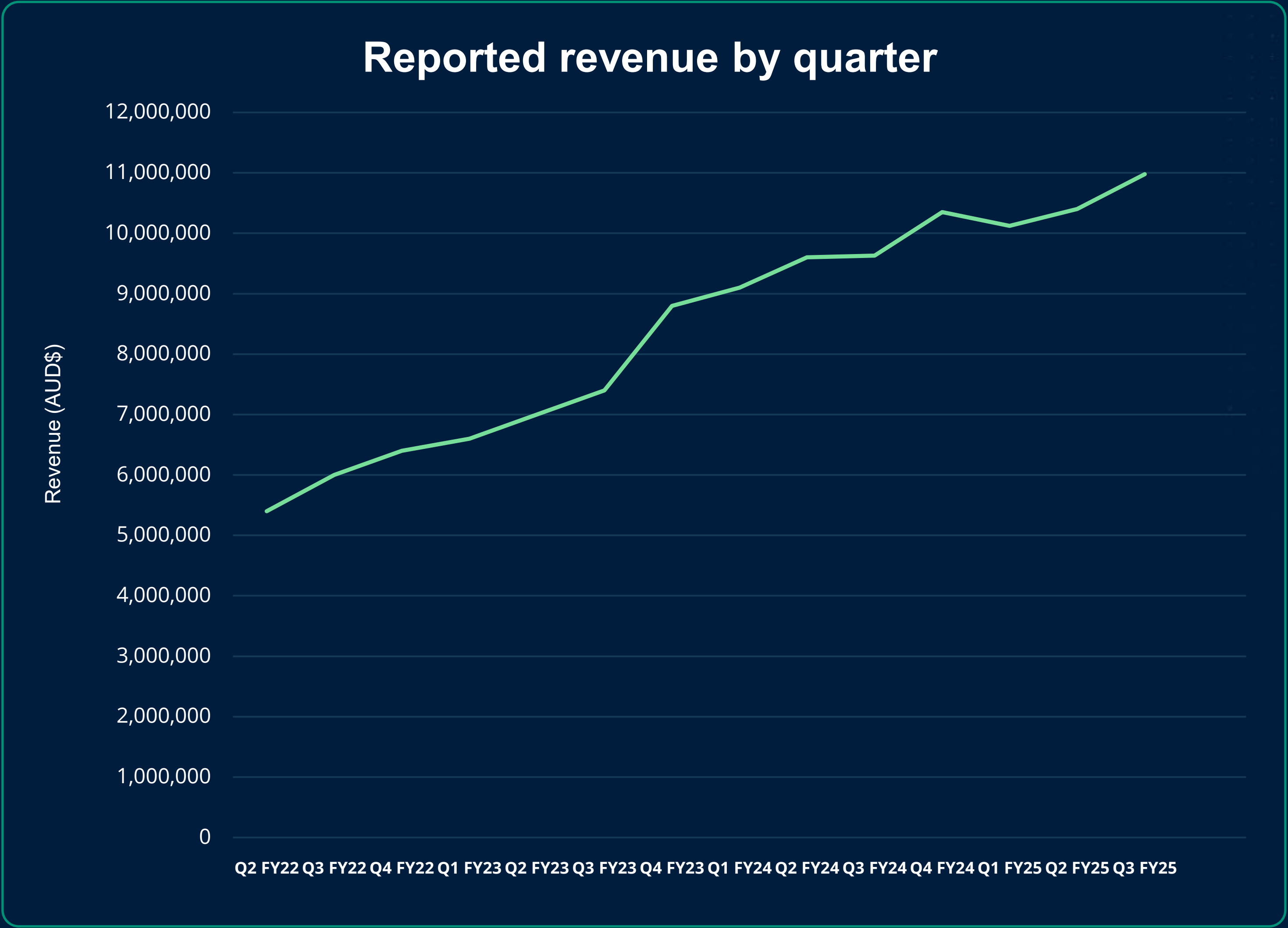
# Reported Revenue growth by quarter




- Consistent trend of revenue growth
- Q3 FY25 reported revenue of $11.0m,
  - up 14% on prior corresponding period (pcp, Q3 FY24), and
  - up 6% on prior quarter (Q2 FY25)
- Recurring revenue was $10.7m for Q3 FY25 ($10.3m Q2 FY25)
- Exit run-rate[1] for annualised recurring revenue for Q2 FY25 was $43.2m
- CSP partners increased to 235+ at 31 March 2025, from 230+ at 31 December 2024, reflecting the focus on growing existing partner penetration alongside CSP partner growth.

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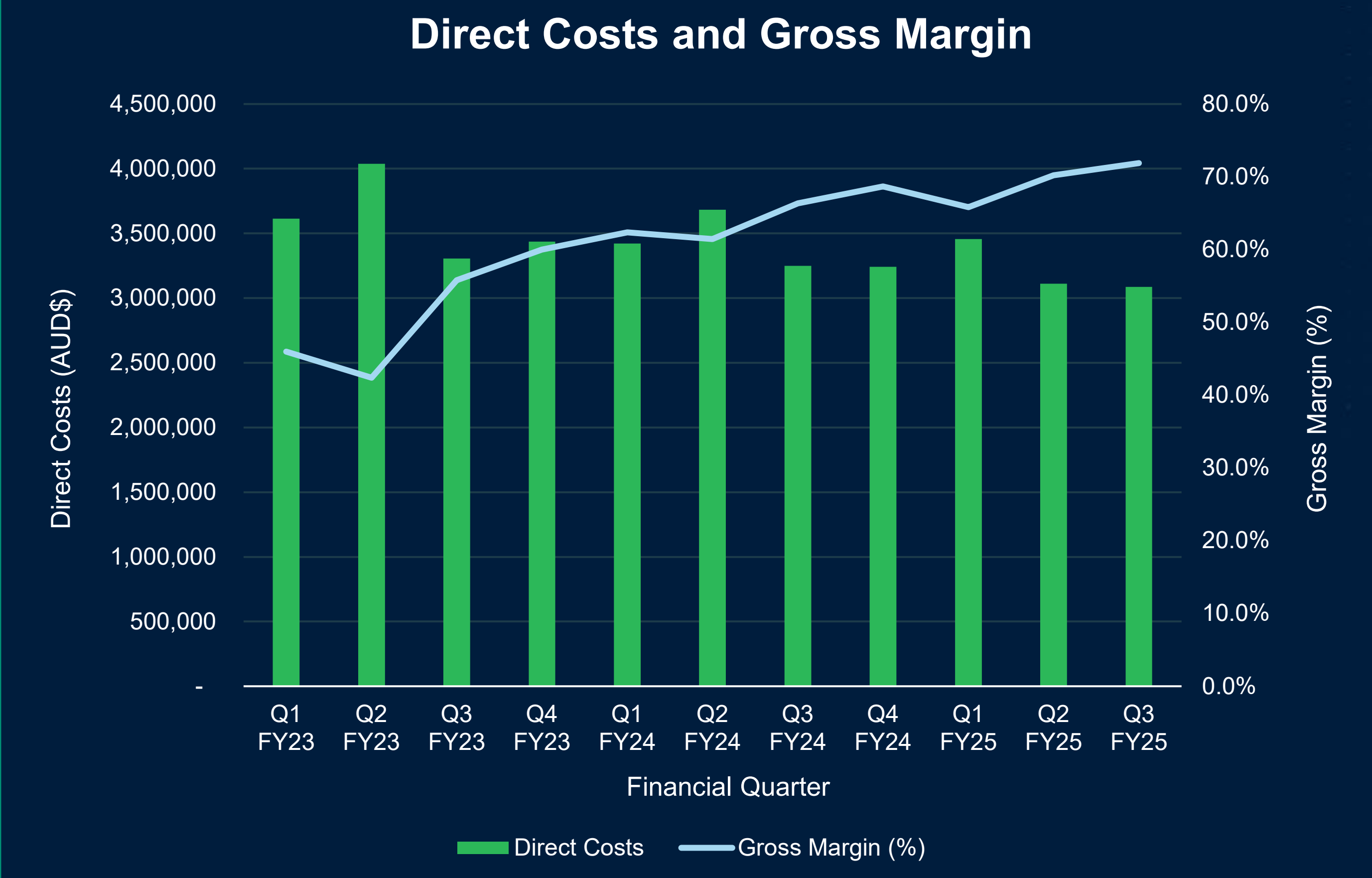
1. Based on March 25 monthly recurring revenue result annualised.
All figures presented for FY25 are unaudited.

# Direct costs efficiencies are delivering improved gross margin




- Q3 FY25 annualised direct cost run-rate of $12.4m*
- Gross margin of 72% achieved in Q3 FY25 reflecting revenue growth, efficiencies of scale achieved and ongoing reductions in underlying platform costs, including cloud platforms and AI service consumption costs
- Gross margin is expected to continue to improve in future quarters 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

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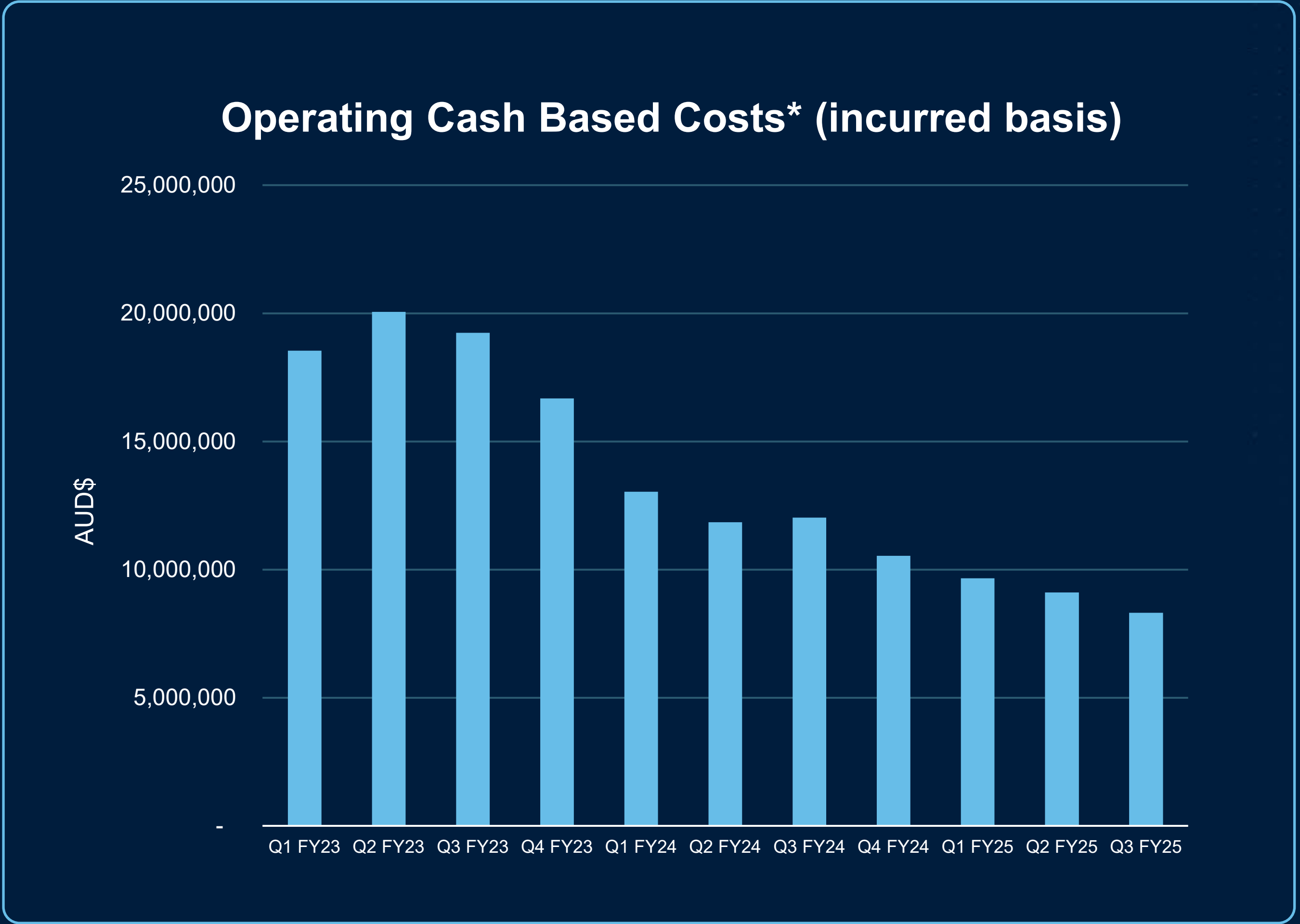
* Based on actual achieved for Q3 FY25 multiplied by 4.
All figures presented for FY25 are unaudited.

# Operating costs continue to be well controlled




- Operating Cash Based Costs* decreased 9% between Q2 FY25 and Q3 FY25 reflecting ongoing cost efficiencies being delivered across all operational cost types in the business
- Q3 FY25 annualised **operating** cash based cost run-rate of $33.3m and **total** cash based costs were $45.6m including direct costs**
- Additional cash cost savings have been identified to be realised in Q4 FY25
- Programme to exit additional surplus property lease in London circa AUD$1.3m annual cash cost

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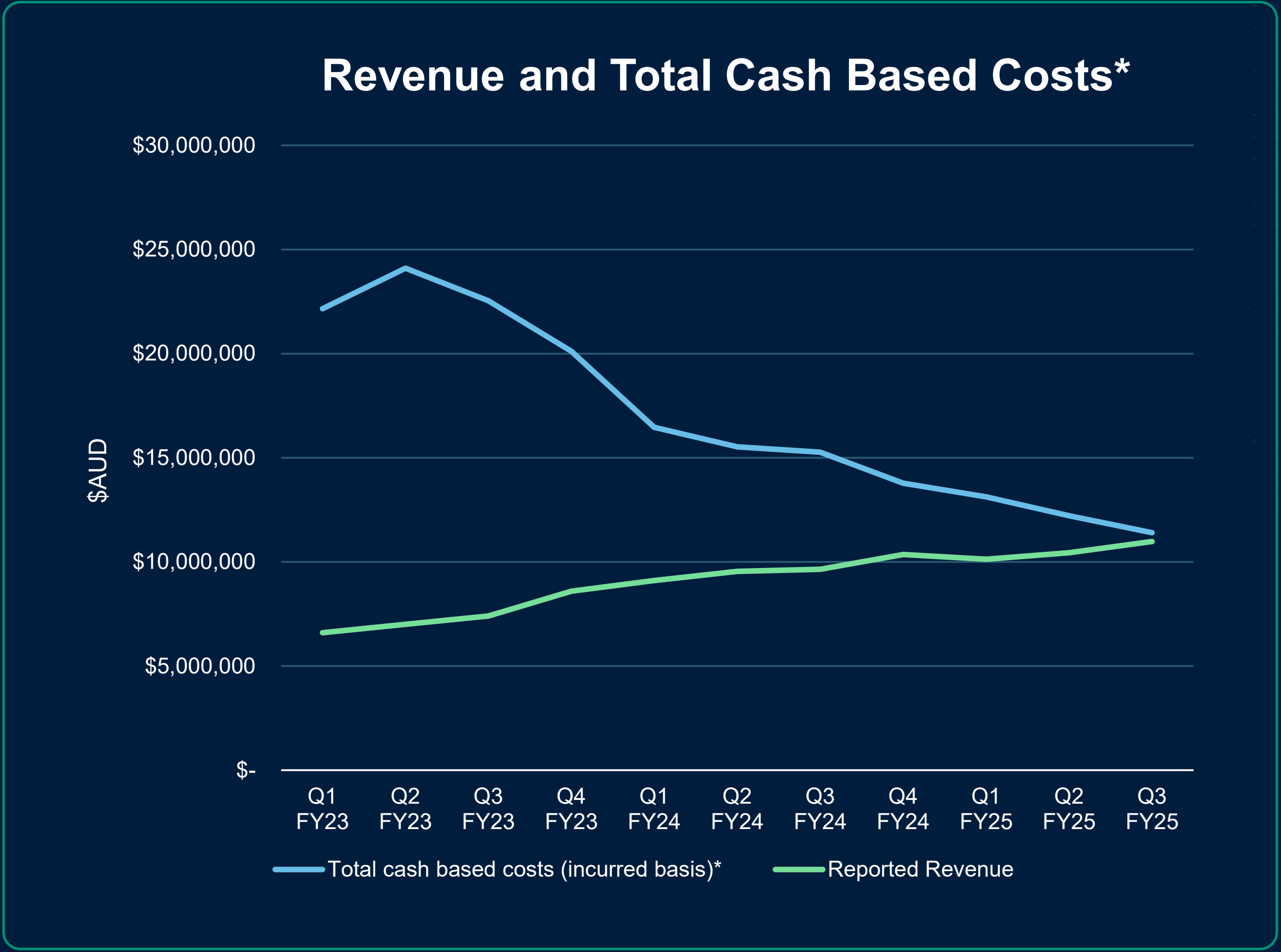
* Operating Cash based costs are salaries and related costs and G&A costs incurred on a P+L basis + the cash lease payments for finance leases. It excludes direct costs, share-based payment expenses, FX gains and losses, impairment, and non-recurring costs associated with the investigation into the alleged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

** Based on actual achieved for Q3 FY25 multiplied by 4.

All figures presented for FY25 are unaudited.

# Targeting operating cashflow** run-rate breakeven in FY25




- Gap between revenue and cash-based costs continues to close
- Exit annualised recurring revenue run-rate of $43.2m and **total** cash based* cost run-rate of $45.6m for the quarter
- Targeting operating cashflow** run-rate breakeven in the final month of FY25, assuming no material changes to trading conditions or strategy

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* Total Cash based costs are direct costs, salaries and related costs and G&A costs incurred on a P+L basis + the cash lease payments for finance leases. It excludes 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.
** 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 FY25 are unaudited.

# Q3 FY25 Quarterly Cashflow

| AU$m | Q3 FY25 | YTD FY25 |
|---|---|---|
| Receipts from customers | 10.6 | 32.5 |
| Other operating cash outflows | (19.6) | (53.7) |
| **Net cash outflows used in operating activities** | **(9.0)** | **(21.2)** |
| Net cash inflows/(outflows) used in investing activities | - | - |
| Net cash (consumed)/provided by financing activities | (0.5) | 21.5 |
| **Net decrease in cash in the quarter/YTD** | **(9.5)** | **0.3** |
| Opening cash balance at 1 January 25 / 1 July 24 | 20.6 | 10.6 |
| FX movements | 0.4 | 0.6 |
| **Closing cash balance at 31 March 2025** | **11.5** | **11.5** |
| Undrawn loan facility | 5.0 | 5.0 |
| **Total available funding at 31 March 2025** | **16.5** | **16.5** |

- Reported receipts of $10.6m in Q3 FY25 down from $12.5m in Q2 FY25 principally due to timing of receipts from customers due in March 25 (Q3) that. will be received in the June 25 quarter (Q4)
- Operating cash outflows of $19.6m were up 17% from $16.8m in Q2 FY25 principally reflecting abnormal payment items
- Operating cash payments in Q3 FY25 include $7.6m (Q2 FY25 $2.5m) of abnormal or non-recurring costs including historic tax repayments ($6.8m cash paid in January 25), 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
- Loan facility of $5m within 18 month term entered into in the quarter with Thorney Group

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All figures presented for FY25 are unaudited.

# Q3 FY25 Quarterly Cashflow (continued)

- Excluding abnormal or non-recurring cash costs including historic tax repayments, costs related to the ongoing investigations into the misuse of funds, and restructuring costs normalised net cash outflows were $1.4m for the quarter down from $1.7m in Q2 FY25
- Abnormal cash outflows included $6.8m PAYG to ATO with $5.4m reflected in staff cost cash payments and $1.4m within interest cash payments within the 4C. $0.8m of other abnormal items including redundancies, payments to SROs for payroll tax and costs related to the investigation
- In accordance with Listing Rule 4.7C, payments made to related parties and their associates totaling $177k outlined in item 6 of the Appendix 4C, incorporates directors' fees, salaries and superannuation

| AU$m | Q3 FY25 | Q2 FY25 |
|---|---|---|
| Receipts from customers | 10.6 | 12.5 |
| Normalised other operating cash outflows | (12.0) | (14.2) |
| **Normalised net cash outflows used in operating activities** | **(1.4)** | **(1.7)** |
| ATO PAYG historic repayment | (6.8) | (0.6) |
| Other abnormal cash outflows | (0.8) | (1.9) |
| **Reported operating cash outflows** | **(9.0)** | **(4.2)** |
| | | |
| **Available funds at end of quarter** | **16.5** | **20.6** |

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# CEO Presentation

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# Current Operational Priorities and Updates

1. Cash Flow Break-Even Target
   a) Driving Revenue Growth (Priority)
   b) Cost out Program continuing with efficiency gains

2. Driving Recurring Revenue Growth
   a) New Comprehensive Marketing Plan and website refresh in progress
   b) Outcome based Selling and internal culture
   c) Industry based Marketing Outcomes
   d) Stimulating Partner sales with confidence
   e) Adding Further Partners (full retention of existing partners)
   f) Drive results culture

# Refreshed Management Structure with a Focus on Growth

Matt Bellizia

**Chief Executive Officer**

James Slaney

**Chief Commercial Officer**

Andrew Demery

**Chief Financial Officer**

Brendon Hay

**Chief Technology Officer**

Adrian Di Pietrantonio

**Head of Growth**

Michael Weeding

**Product Director**

# Operational Updates for Q3 FY25

1. Sydney office lease exited in February 2025

2. Brisbane office lease exited in March 2025

3. Programme to exit surplus London lease underway with ~$1.3m annualised savings

4. Mobile World Congress update
   a) Strong customer support
   b) Vodafone's MS Teams phone mobile supported by Dubber had strong cut through with customers

5. Momentum continuing to build with CSP partners
   a) Strong activity in the quarter with contract uplifts, demand for Dubber suite of products from existing partners and new partners coming on board.
   b) Positive indicators of consistent sales outcomes being achieved by our most engaged partners

6. Continuing optimisations on direct costs through:
   a) Platform operational improvements
   b) Supplier terms
   c) New recorder with significantly reduced compute costs and improved security to be rolled out through 2025

7. Released new UI/UX for Dubber customers

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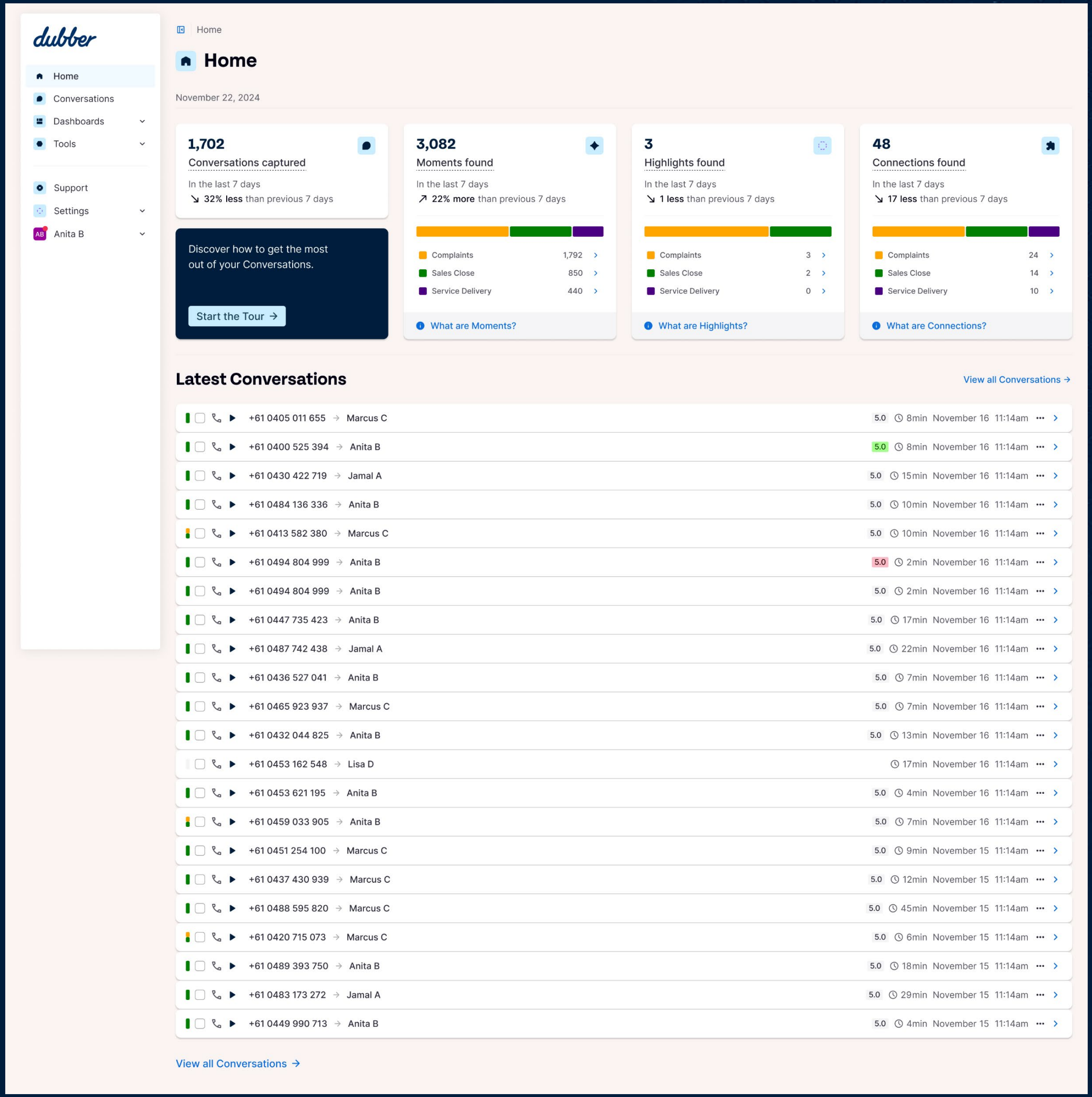
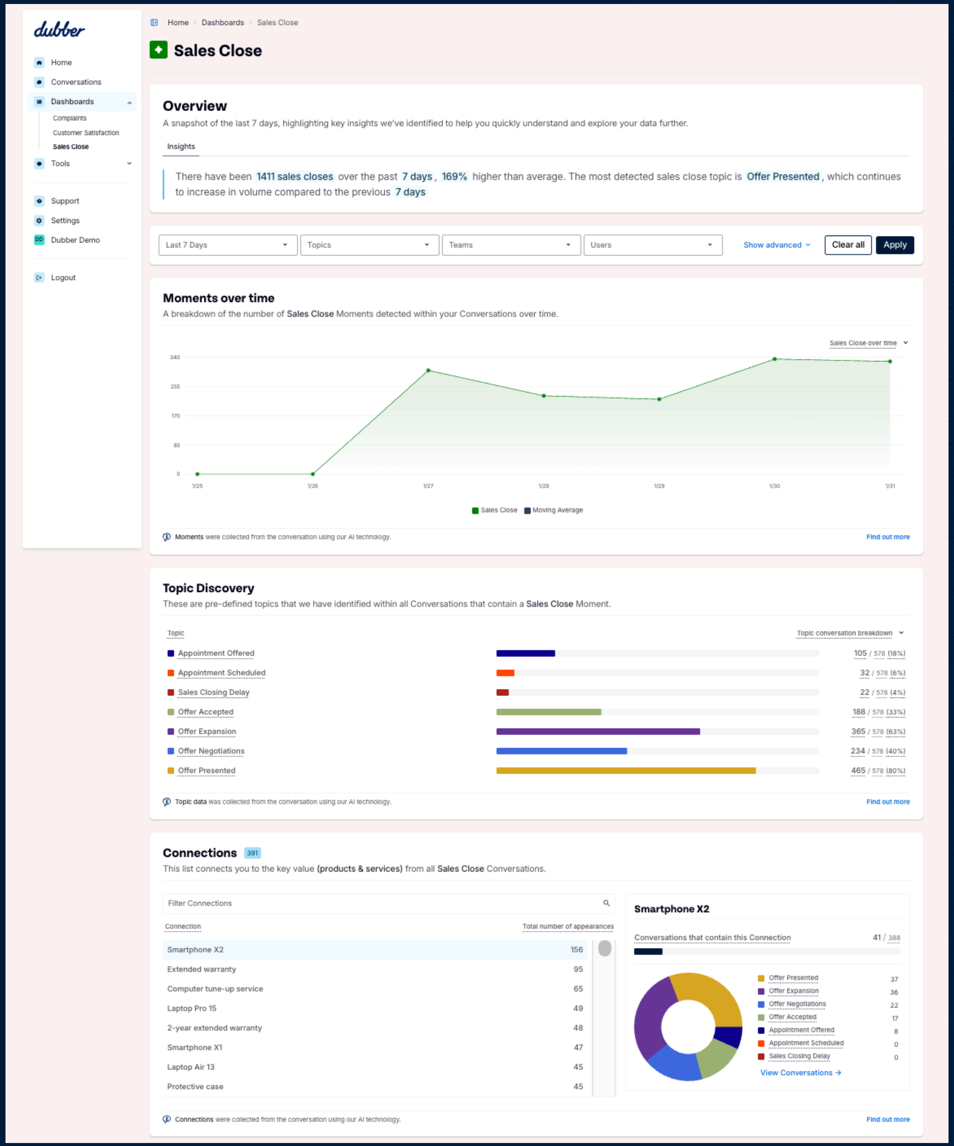
# New UI/UX Platform enhancements

Home screen



# New UI/UX Platform enhancements

## Insights

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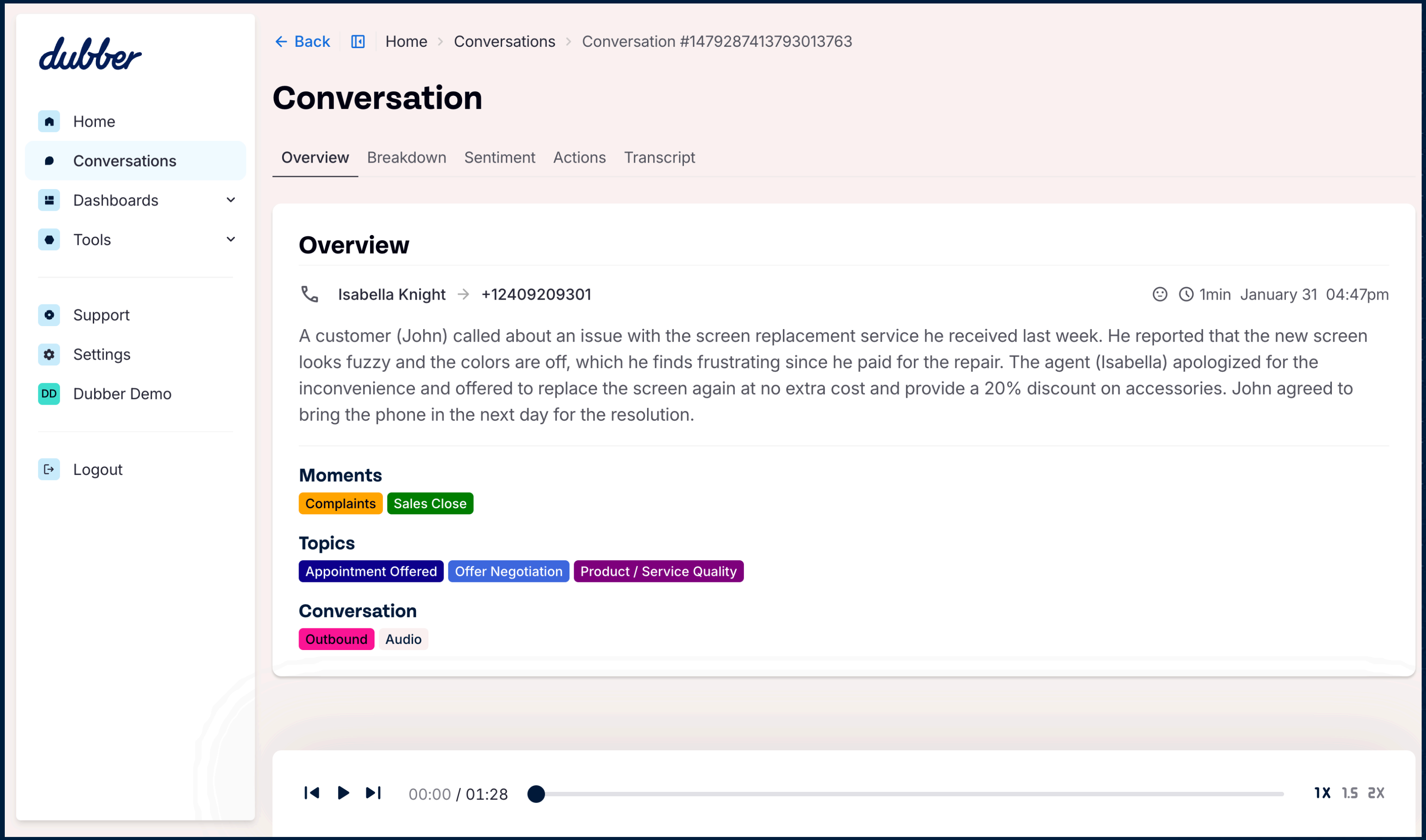
# New UI/UX Platform enhancements

## Conversation details

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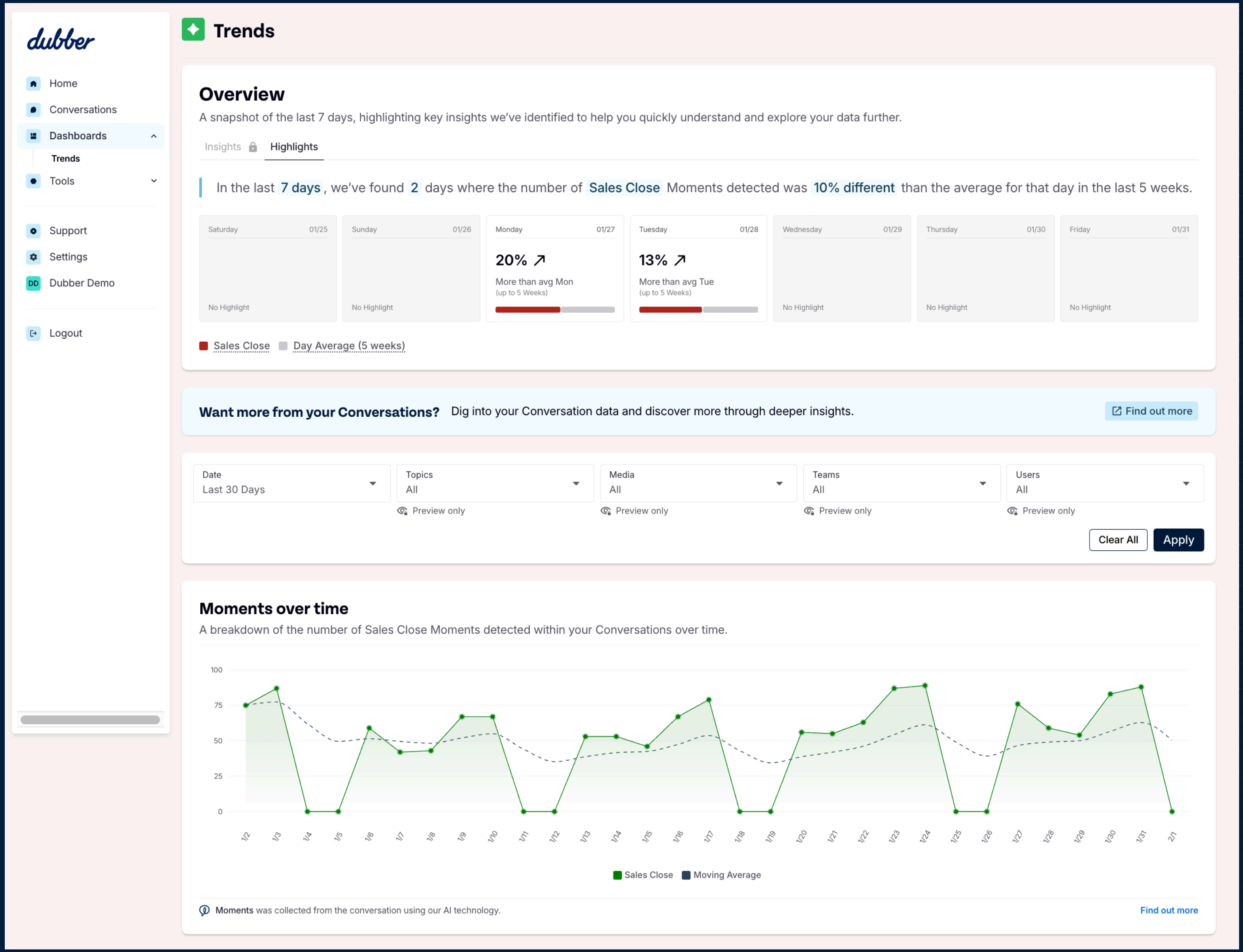
# New UI/UX Platform enhancements

## Trends



# Investigation and recovery of funds

- Dubber continues its focus on recovery of funds
- ASIC investigation is ongoing and Dubber continues to provide assistance
- Board sub-committee appointed to manage recovery going forward
- The Company continues to be engaged with the Victorian Legal Services Board Fidelity Fund on its potential claim
- Work to support other recovery avenues is underway but any recovery remains highly uncertain in respect of quantum and timing

# FY25 Focus areas

- Sales Growth:
  - Regular cost-effective marketing
  - Industry Vertical Strategy
  - Improve Partners ability to Sell
  - Look for new revenue streams
- Product Evolution
  - Release new recorder
  - New UI/UX for Dubber customers
  - Uplift AI sales through product
- Drive Results Culture
- Continue to find cost improvements / productivity gains
- Teams Phone Mobile increases our market opportunity

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

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# Q&A