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# Investor Update

28 April 2023

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This Investor Presentation has been approved for release to ASX by the Dubber Board of Directors.

# Q3 FY23 Financial Overview



Adjusted Recurring Revenue
<div>↑ 10%*</div>
\$7.4m

Operating Cash Receipts
\$8.1m
\$25.9m Year to date

Cash Operating Cost Reduction
\$1m*

Restructuring Outcomes
\$5m
Total quarterly cost reductions on track to be achieved by FY24

Cash @ 31 March 2023
\$40.2m



\* Vs Q2 FY23



## Our platform. Designed for Communication Service Providers

Dubber is a unified call recording and conversational intelligence business. A disruptor in the multi-billion dollar call recording industry and built to scale to meet any need, Dubber enables organisations to unlock the insights to be found in calls, videos and messages – on any device and in any location.

From a long and proud heritage in voice recording, today Dubber provides innovative solutions and advanced functionality that helps network owners extract – and deliver – more value.

Dubber is the clear market leader in conversational intelligence and capture – embedded at the heart of more than 185 service provider networks.

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## Providing the inbuilt advantage

### Connected to 185+ communication service providers

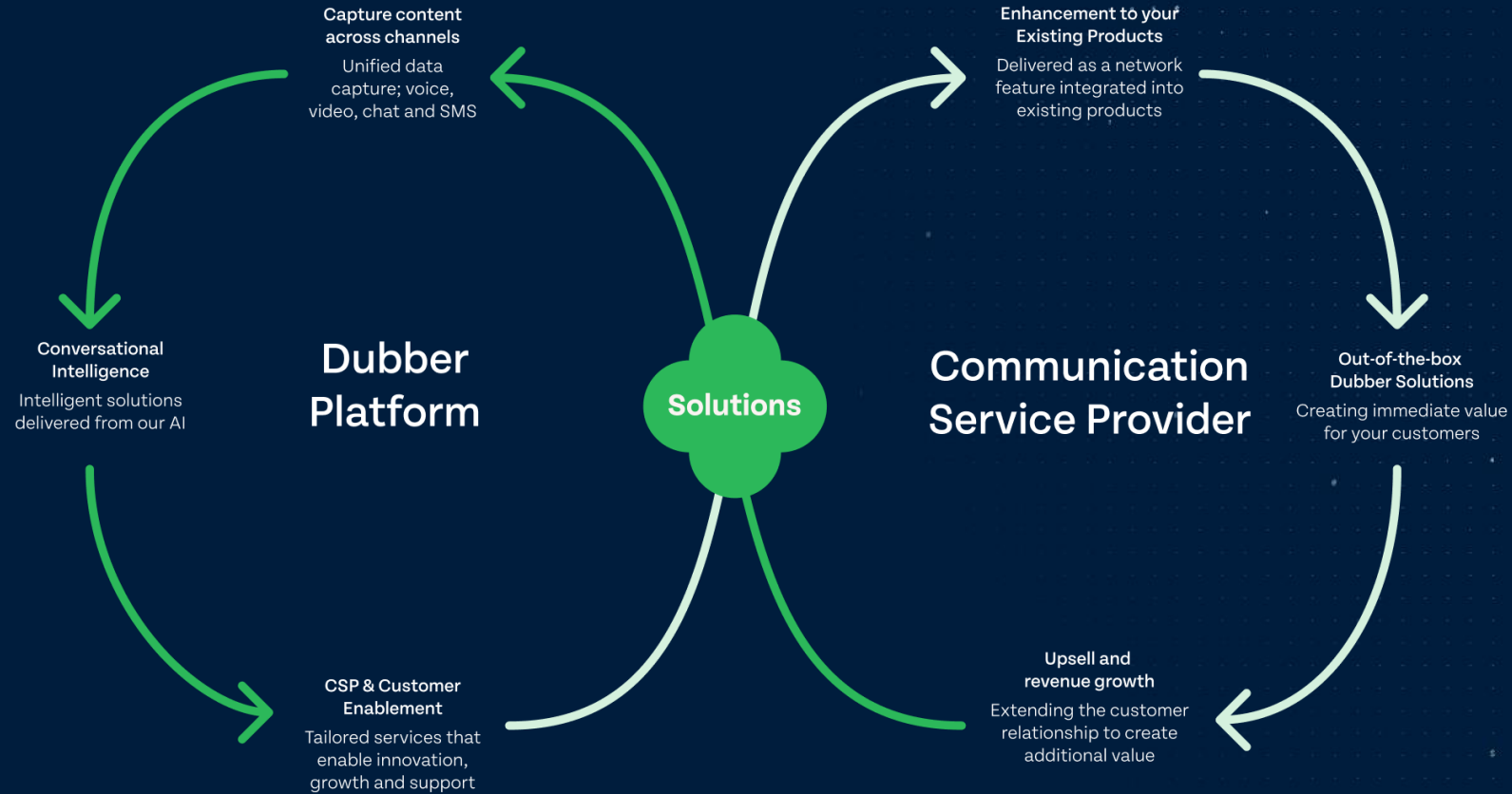
Designed specifically for communication service providers and born in the cloud, the Dubber Platform couldn't be easier to understand, utilise or deploy. Once activated on a network, Dubbers solutions can be immediately provisioned for any end customer.



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# Embed the future in your networks



It's a new approach to innovation and the rapid delivery of network-native services for differentiation, enhanced revenues and retention.

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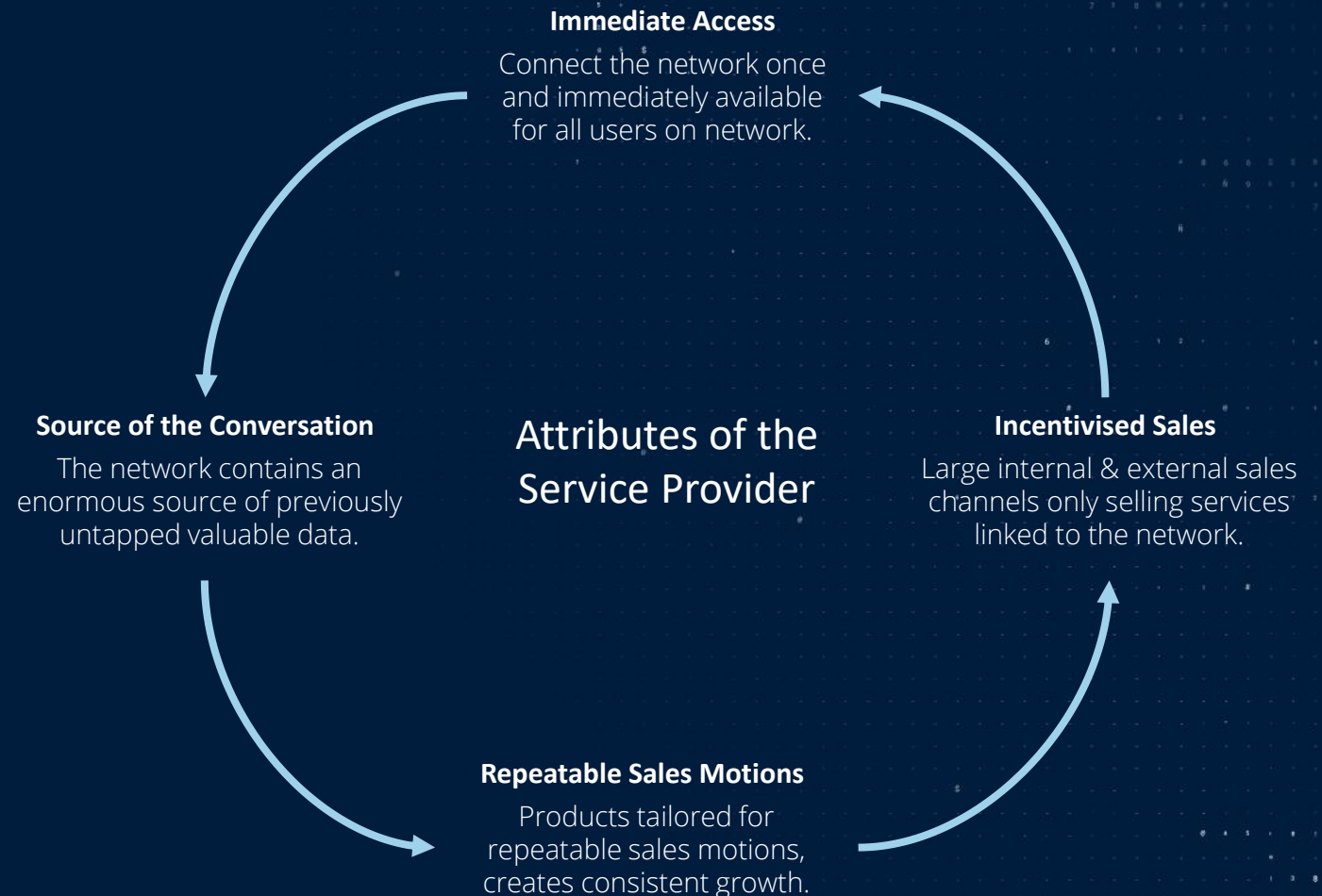


# Why communication service providers?

The general attributes of all providers enables immense global scale and growth opportunities. Dubber has built a global footprint of connected communication service provider networks which is uniquely placed to:

- Solve the challenges of differentiation and margin erosion being experienced by providers
- Take hold of the AI revolution and quickly deliver end user benefits sellable by providers
- Use the power of the Dubber Platform to embed functionality across an entire network, which can accelerate Dubber's growth

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# Our solutions deliver value on the network

Our innovative solutions leverage cutting-edge technologies that enable communication service providers to turn the rich conversational content captured across the network into business intelligence that creates unique value for their customers.

## Solutions at a glance

Dubber solutions are available via our communications services providers and used globally by their customers.



## Customised to provider objectives

Solutions delivered that best suit the go-to-market requirements of the provider, from light touch to full network solutions.



### Network Features

Delivered as a feature of the provider network, leveraging Dubber innovation and scale.



### Embeddables

Solutions delivered as part of the existing provider product offering and apps.



### Product Solutions

Out of the box product solutions creating immediate revenue.

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# Case Study: Surf Life Saving New South Wales

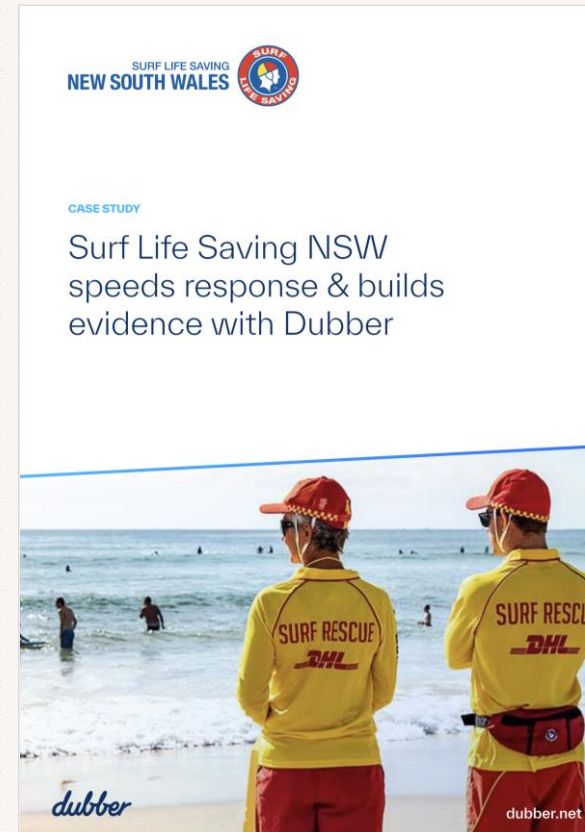
Surf Life Saving New South Wales (SLSNSW) uses Dubber call recording and transcription (Dubber AI) to compile evidence for investigations. Dubber helps the emergency service save vital time in responding to incidents and improve reporting accuracy.

Dubber is delivered via Telstra in Australia on the Telstra TIPT and Liberate communication services.

"Dubber improves our response speed. It frees up the operators to focus on the rescue, helps us prepare evidence for coronial enquiries and improves reporting accuracy. Together these make us more professional as an organisation and an emergency service."

Matthew Ingersole  
Chief Information Officer, Surf Life Saving NSW

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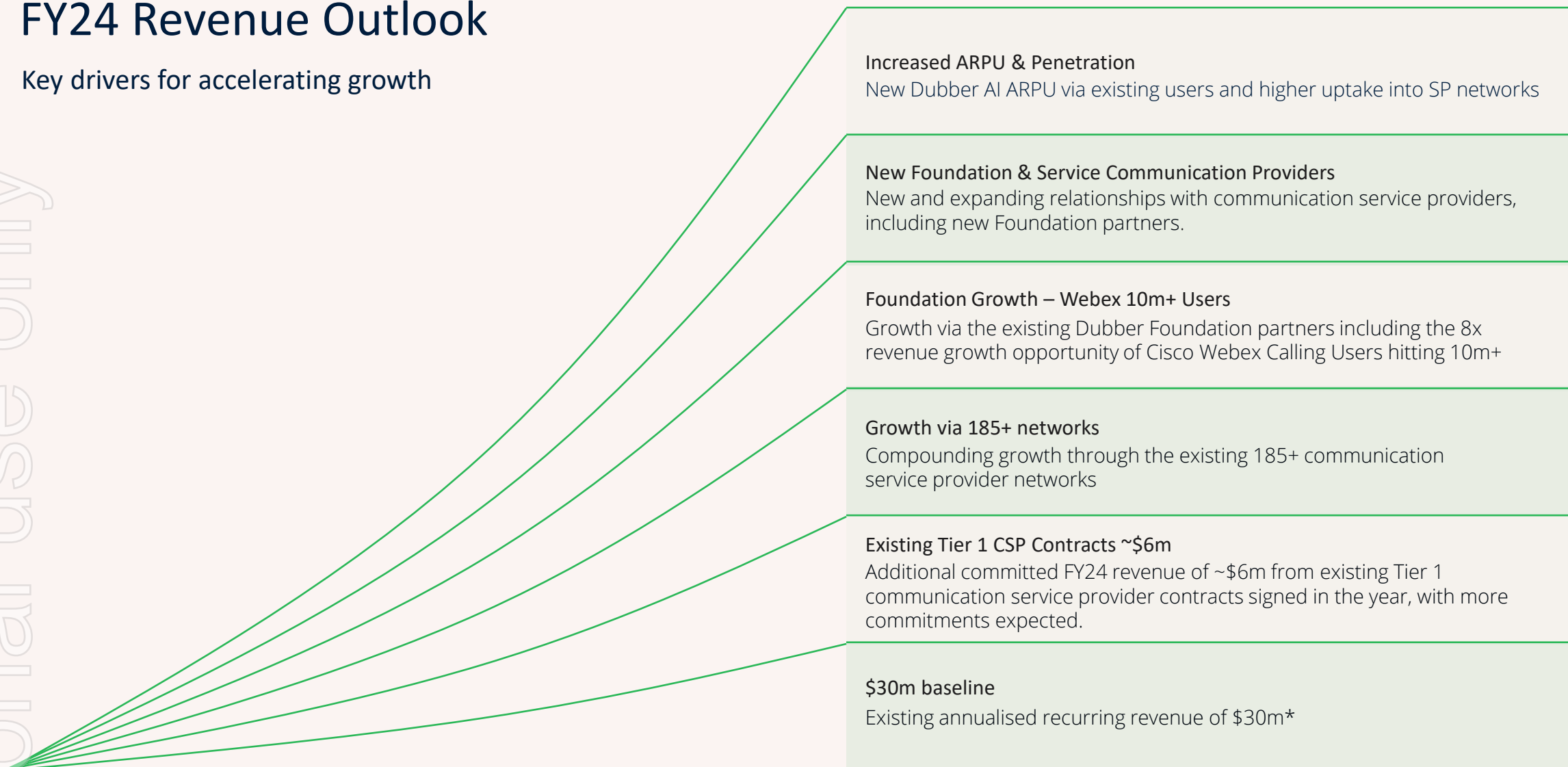
For more information:  
Video: <https://youtu.be/BudP92cXxYQ>  
[Dubber Case Study](#)





# FY24 Revenue Outlook

Key drivers for accelerating growth



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\* Based on annualised Q3 FY23 recurring revenues

# \$6m+ Committed FY24 Revenue From Signed Tier 1 Agreements

Incremental committed revenues for FY24 are currently at \$6m+ with additional results expected via the pipeline within these signed and existing Tier 1 communications services providers.



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# Cisco Webex Calling & Dubber

Building on our 3 year relationship and demonstrating the ultimate expression of Dubbers capabilities, supporting the hyper scale of Webex Calling.



Calling Growth

March 2022

March 2023

6m+

Webex Calling Users

10m+

Webex Calling Users

Dubber Revenue Opportunity

8x

From the Dubber existing Cisco Webex Calling channel

## Five Attributes of Cisco Webex Calling Relationship

**1** Globally Connected  
A part of the global Webex Calling deployment with local presences across the globe and full redundancy.

**2** Bundled & Automated  
Webex Calling includes basic call recording, powered by Dubber. Single click provisioning into Dubber from the Webex application.

**3** Sales @ scale  
1,000s of Cisco partners enabled to sell Cisco Webex Calling, plus internal Cisco sellers across the globe.

**4** Simple to Upgrade  
The full range of Dubber enhanced Unified Capture & Dubber Insights available for purchase via CCW\*.

**5** Speed to Revenue  
With immediate provisioning and deployment, the channel, Cisco and Dubber can quickly turn an order into revenue.

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\*Cisco Commerce Web. \*\*<https://blog.webex.com/cloud-calling/enterprise-connect-2023-webex-calling/>



# Art of the conversation

While the way in which we communicate is changing ,the fundamental nature of conversations between people never changes.

Within a conversation there will always be key Moments that provide new intelligence, providing a deeper understand and the ability to action these insights. Leveraging these Moments is the cornerstone of **Dubber AI** conversation intelligence

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## Keeping providers at the forefront of the AI revolution

AI means many things to many people, at Dubber AI is all about unlocking the value of conversations that take place across Communication service provider networks.

With ongoing advancements in AI and other emerging technologies, the possibilities are vast and exciting.

Dubber's Platform, connected to provider networks enables a 'production line' of AI driven products which are easily added to existing provider offerings without any new integration requirements.

Dubber delivers a range of productised AI options, including out-of-the-box solutions which enable a repeatable sales motion by Communication service providers that accelerate revenue growth and a pathway to increased ARPU.

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# We innovate around conversations

## Built around



### Moments

Analyse the context of a conversation, not the transcription



### Conversations

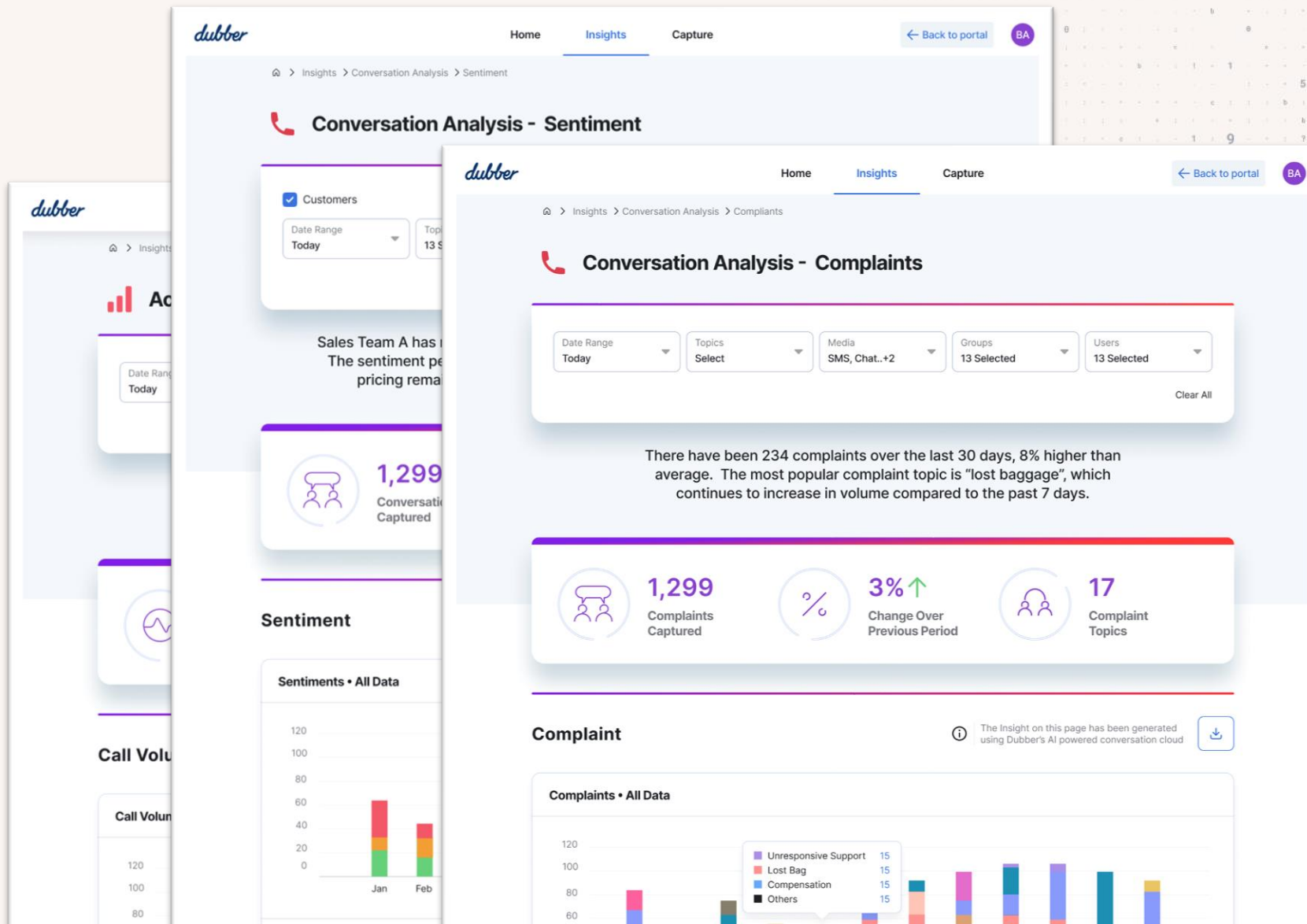
Improved transcription with conversation summarization



### Insights

Enables a meaningful solution experience with immediate business knowledge.

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# Q3 FY23 Update

# Q3 FY23 Financial Highlights



## Adjusted Recurring Revenue

Q3 FY23 Adjusted Recurring Revenue<sup>1</sup> of \$7.4m up 10% on Q2 FY23 and 17% on pcp.

## Cash Receipts

Operating cash receipts for the quarter were \$8.1m, and \$25.9m YTD, up 12% on pcp.

## Reduced Operating Costs

Cash operating costs excluding one-offs payments reduced in the quarter by ~\$1m.

## Restructuring Programme

Restructuring largely completed and on track to deliver \$5m+ of quarterly cost savings from FY24 financial year, with \$2m to be achieved in Q4 FY23.

## Cash Position

Cash on hand at 31 March 2023 was \$40.2m.

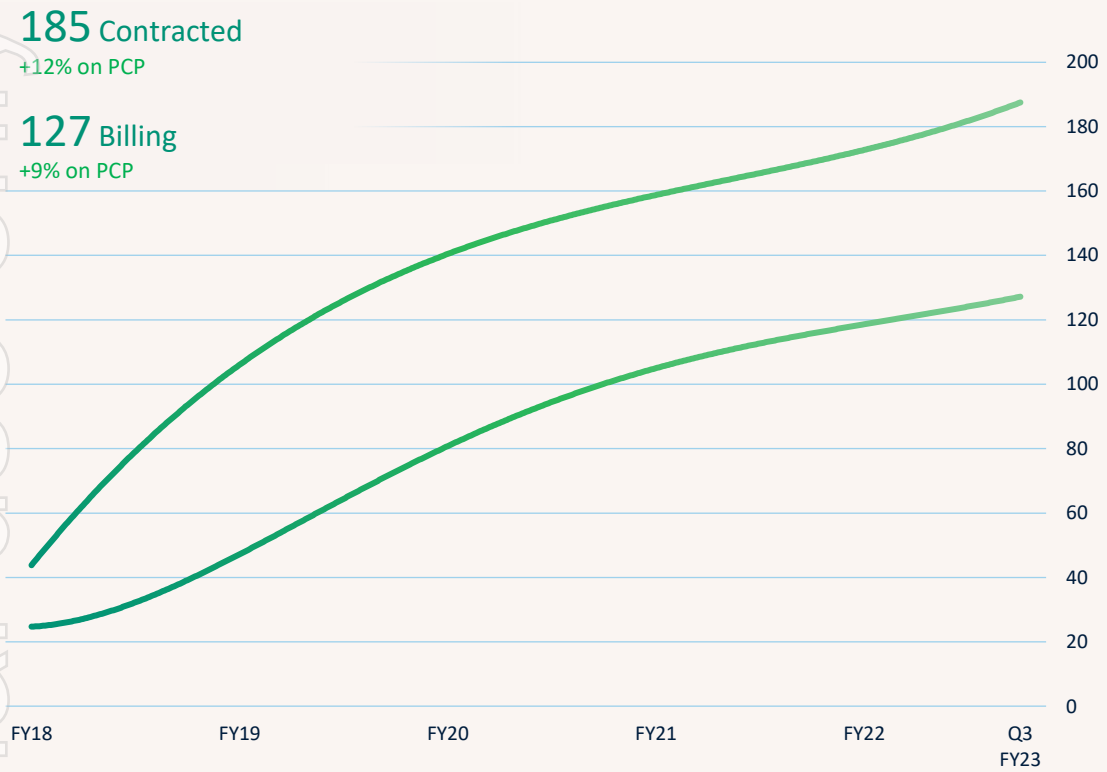


<sup>1</sup>) Adjusted recurring revenue excludes one-time revenues/income (such as professional services fees) and is adjusted to remove any revenues recorded in a quarterly period that have been subsequently reversed due to changes in the Company's interpretation of accounting standards (as set out in the FY22 Annual Report).

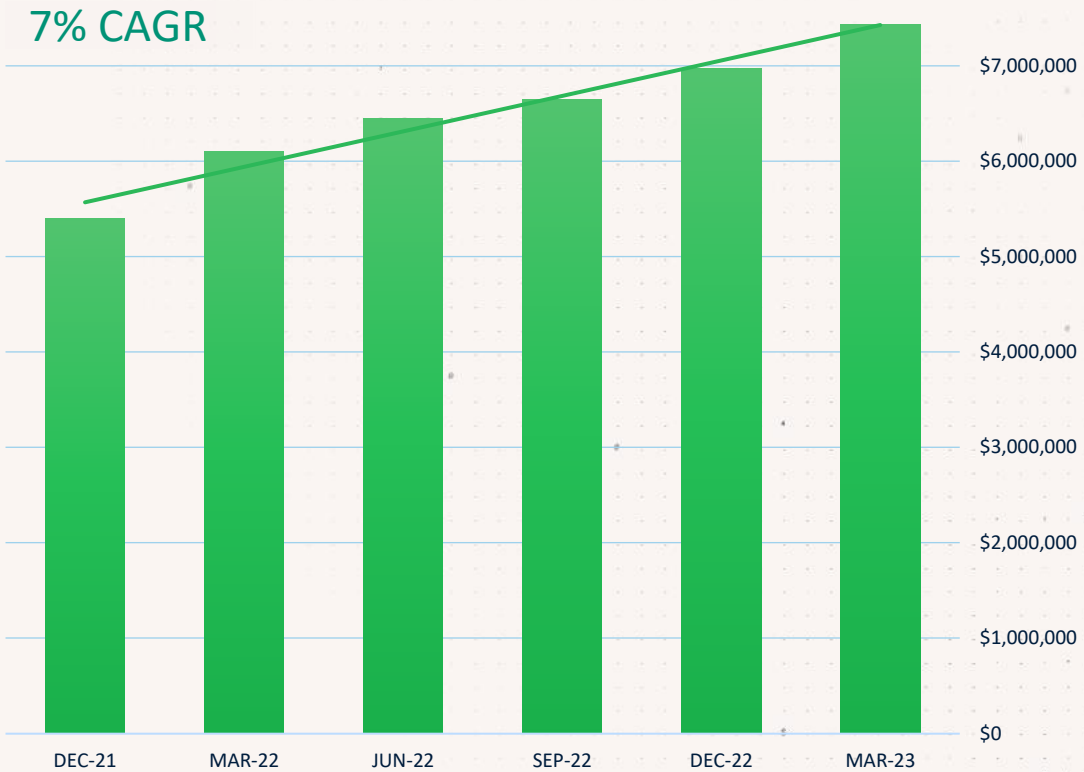
# Track record of growth in communication service providers and Revenue



Communication Service Providers & Solutions | Q3 FY23



Adjusted Recurring Revenue | QoQ (AUD\$)



# Operating Cashflows for Q3 FY23



- \$8.1m cash receipts for Q3 FY23, consistent with Q2 FY23.
- Q2 cashflows contained receipts for certain UK annually billed contracts and excluding these, underlying cash receipts continued to increase in Q3 FY23.
- Cash receipts for the financial year to date of \$25.9m, up 12% on pcip.
- Reported operating cash costs were \$24.0m for the quarter, down from \$24.6m in Q2 FY23.
- Excluding one-off restructuring costs and other abnormal non-recurring items cash costs were in the range of \$20m-\$21m for the quarter, which was approximately \$1m lower than previous underlying cash cost guidance and reflects initial restructuring cost savings achieved in the quarter.
- The restructuring programme announced in February 2023 has been largely completed and the business is on track to deliver \$5m+ of quarterly cost savings from FY24 financial year, with \$1m achieved in Q3 and approximately \$2m of those savings expected to be realized in Q4 FY23.



# Outlook



- The business continues to focus on accelerating the current recurring revenue growth rate through its organic customer uptake and the realization of the contractual value of its recent Service Provider agreements such as the Vodafone customer migration.
- The Company has forward visibility of approximately \$6m in incremental, committed annual recurring revenues for FY24 from Tier 1 Service Provider contracts signed this financial year, in addition to the compounding existing service provider growth and further growth from the launch of the Dubber AI suite.
- Cisco Systems has announced in excess of 10 million sales of Webex Calling subscriptions, each of which will include a 'Dubber Go' subscription as a standard feature. This provides substantial opportunity for growth in higher ARPU Dubber services in the coming year.
- Underlying cash costs are expected to reduce to \$18m-\$19m in Q4 as restructuring savings are achieved with further reductions in Q1 FY24. The Company continues to anticipate achieving cashflow breakeven by FY25.
- Further one-off cash costs relating to the restructuring of approximately \$2m are expected to be incurred in Q4 FY23.
- Further guidance for FY24 to be provided at the release of the FY23 full year results.

# Summary – FY24 Revenue Outlook

Key drivers for accelerating growth

## Increased ARPU & Penetration

New Dubber AI ARPU via existing users and higher uptake into SP networks

## New Foundation & Service Communication Providers

New and expanding relationships with Communication service providers, including new Foundation partners.

## Foundation Growth – Webex 10m+ Users

Growth via the existing Dubber Foundation partners including the 8x revenue growth opportunity of Cisco Webex Calling Users hitting 10m+

## Growth via 185+ networks

Compounding growth through the existing 185+ Communication service provider networks

## Existing Tier 1 CSP Contracts ~\$6m

Additional committed FY24 revenue of ~\$6m from existing Tier 1 Communication service provider contracts signed in the year, with more commitments expected.

## \$30m baseline

Existing annualised recurring revenue of \$30m\*

\* Based on annualised Q3 FY23 recurring revenues

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# Corporate Profile



ASX Ticker

**DUB**

Number of shares on issue\*

**309.4m**

Options on issue\*

**16.2m**

Cash held\*\*

**\$40.2m**

Share price\*

**\$0.20**

Market Cap\*

**\$63M**

\* As at 27 April 2023

\*\* As at 31 March 2023

## Board of Directors

- Neil Wilson *Non-Executive Chairman*
- Steve McGovern *Managing Director & CEO*
- Peter Pawlowitsch *Executive Director*
- Sarah Diamond *Non-Executive Director*
- Gerard Bongiorno *Non-Executive Director*

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# Disclaimer



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