



ASX Announcement

31 July 2017

Dubber Quarterly Activities Report – Period ending 30 June 2017

During quarter the Company has continued to focus on its core strategy of:

1. Growing monthly recurring revenue
2. Becoming the global backbone of call recording

Key growth metrics:

- Customer billings increased from \$127k in the March quarter to \$174k in the June Quarter
- User numbers increased from 13,000 to over 14,000
- Number of telecommunication companies at the stage of billing increased from 6 to 8

Approximate available cash for operations at 31 July 2017 is \$2.24m

Cloud-based call recording technology provider, Dubber Corporation Limited (ASX: DUB) has today lodged its Appendix 4C with the ASX for the quarter ending 30 June 2017, and provides the following background information to assist with reviewing that report.

June Quarter Summary

During quarter the Company has continued to focus on its core strategy of:

1. Growing monthly recurring revenue
2. Becoming the global backbone of call recording

Growing monthly recurring revenue

This calendar year the Company has employed account managers to work with our telecommunication company partners (**telcos**) to assist them with their customer engagement on the benefits of the Dubber Platform. To that end Dubber's staff have been involved in a number of tenders as part of the telco's service offering to the end customers and building sales collateral which is available to the Company's partners through the Company's knowledge centre and case studies on the benefits of the Dubber Platform which can be found at <https://www.dubber.net/telecom-blog/>.



Dubber Corporation Ltd
ACN 089 145 424
Level 5, 2 Russell St
Melbourne VIC
Australia 3000

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The June quarter reflects an increase in underlying net monthly billing from approximately \$125k in the March quarter to \$174k in the June quarter,

User numbers have grown over the last 3 months from about 13k to over 14k.

Becoming the global backbone of call recording

Market Conditions Driving Growth Opportunity

In January 2018 there are substantial changes to regulations relating to the financial services sector in Europe, the Markets in Financial Instruments Directive II (MIFID II) which have a flow on effect globally in the financial and banking sector. This includes regulation regarding the recording of phone calls and other communications, plus the continued storage of the data.

At the same time, the telco industry is in transformation from traditional network based services to Cloud services particularly regarding the option of 'Platform as a Service' for customer services.

The two key drivers of the transition are;

- Speed to market
- The service must integrate with the customer's existing choices in applications and services

Dubber's unique Call Recording PaaS sees the Company well placed to deliver value to its telco partners in a time frame which enables 'on network' compliance options in time for the regulatory changes.

This has resulted in the development of the Dubber Connect product to enable call recording and communication capture services through telecommunications companies but with the end user dealing directly with Dubber.

The Company is aiming to launch the Dubber Connect product in the September quarter with a telco partner delivering a Software as a Service (SaaS) model which will see the telco's users pay for service in advance directly to Dubber. This project has been a priority for the commercial, development and operating team following the BroadSoft Connections event in November 2016.

The Company now has 22 telcos (up from 20 on 31 March 2017) having agreed to take the Dubber Platform and 8 now at billing stage (up from 6 on 31 March 2017).

Cash position

Cash receipts for the June quarter of \$123k was a moderate increase on the previous quarter but below that forecast, due to the delayed collection relating to one particular account for which the service is successfully active. The Company expects to be able to report collection on that account in the current quarter.

Expenditure in the quarter was similar to previous quarter reflecting the additions to the commercial team in the previous quarter. This has enabled the Company to further its engagements in the US and Europe whilst establishing processes within its existing telco customers.

Approximate available cash for the operations at 31 July 2017 is:

Description	\$ (000)
Cash at the 30 June 2017	857
Net operating cash outflows for July 2017	(822)
Subscription for shares by Peter Pawlowitsch at \$0.42	200
Release of bond from commercial activities	464
R & D Finance facility (currently undrawn)	1,544
Total available cash	2,243

Outlook

The Company will continue to build on the approach of deploying account managers to assist telcos with implementing Dubber Platform to their customers. Currently, these account managers are engaged with many enterprise customers of our telco partners with the target of increasing users and monthly recurring revenue moving from 'potential' to 'billing'.

In addition the Company intends to continue in deploying its service as the network enabled recording platform for as many telcos as possible to position Dubber as the global backbone of recording.

For further information:

www.dubber.net

Contact:

Peter Pawlowitsch

Chairman

Peter.pawlowitsch@dubber.net

+61 419 299 302

Terry Alberstein

terry@navigatecommunication.com.au

+61 458 484 921

About Dubber:

Dubber is the world's most scalable call recording service which enables telecommunications carriers and customers to capture voice data in a way never before available. Dubber's use of a true native cloud platform is revolutionary and is revitalising the call recording industry. Its high availability, unlimited scalability and Software as a Service (SaaS) offering enable telecommunications carriers to deploy and manage new services and revenue streams without the need for hardware, productisation or capital expenditure.