



ASX Announcement

31 January 2018

Dubber Quarterly Activities Report – Period Ending 31 December 2017

During quarter the Company has focused on the following;

1. Increasing the number of users of the Dubber Platform
2. Growing monthly revenue
3. Expanding its global footprint through partnering with telecommunications service providers

Key growth metrics:

- Revenue increased from \$195k in the September quarter to \$297k in the December Quarter
- Active user numbers increased from 13,305 to 15,724, with 19,513 contracted and active users (increasing from approximately 15,600 in the previous quarter).
- Number of telecommunication companies agreeing to take the Dubber Platform increased from 29 to 33.
- Number of telecommunication companies at the stage of billing increased from 11 to 17

Successfully completed a \$6.5m capital raising at \$0.35

Appointed new Chairman of the Board, Peter Clare.

Cloud-based call recording technology provider, Dubber Corporation Limited (ASX: DUB) has today lodged its Appendix 4C with the ASX for the quarter ending 31 December 2017, and provides the following additional information.



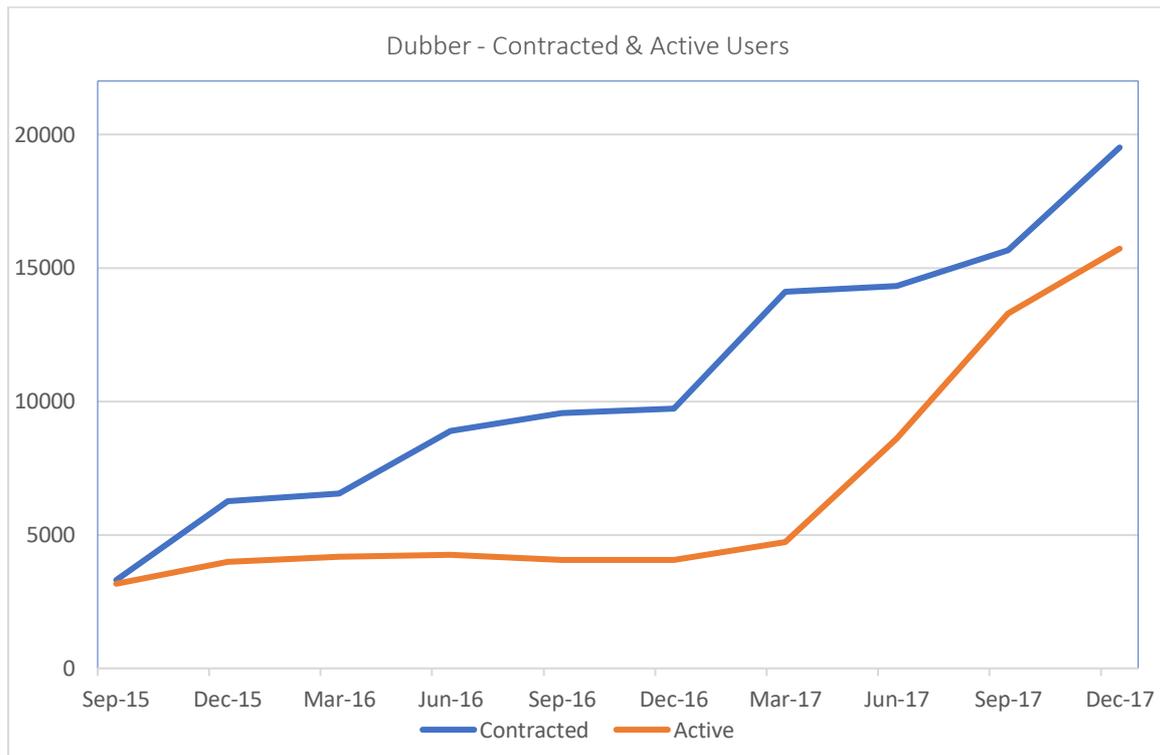
Dubber Corporation Ltd
ACN 089 145 424
Level 5, 2 Russell St
Melbourne VIC Australia 3000

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User Numbers

For the period ending December 31 2017, there were 15,705 active users and 19,513 'active and contracted' users respectively. The majority of the difference relate to customers who are currently being migrated to the Dubber service from legacy services.

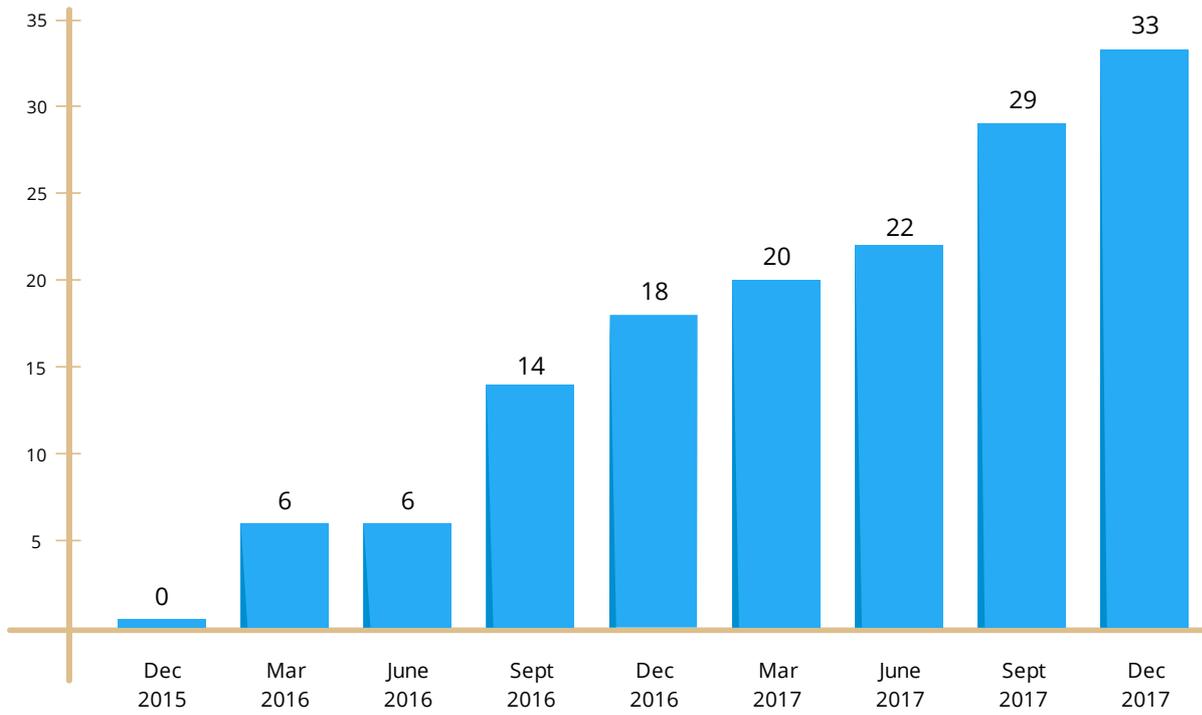
In most of these cases, the accounts have already been created in the Dubber platform for their pre-existing recordings but the new telephone calls have not yet been routed through the Dubber service.



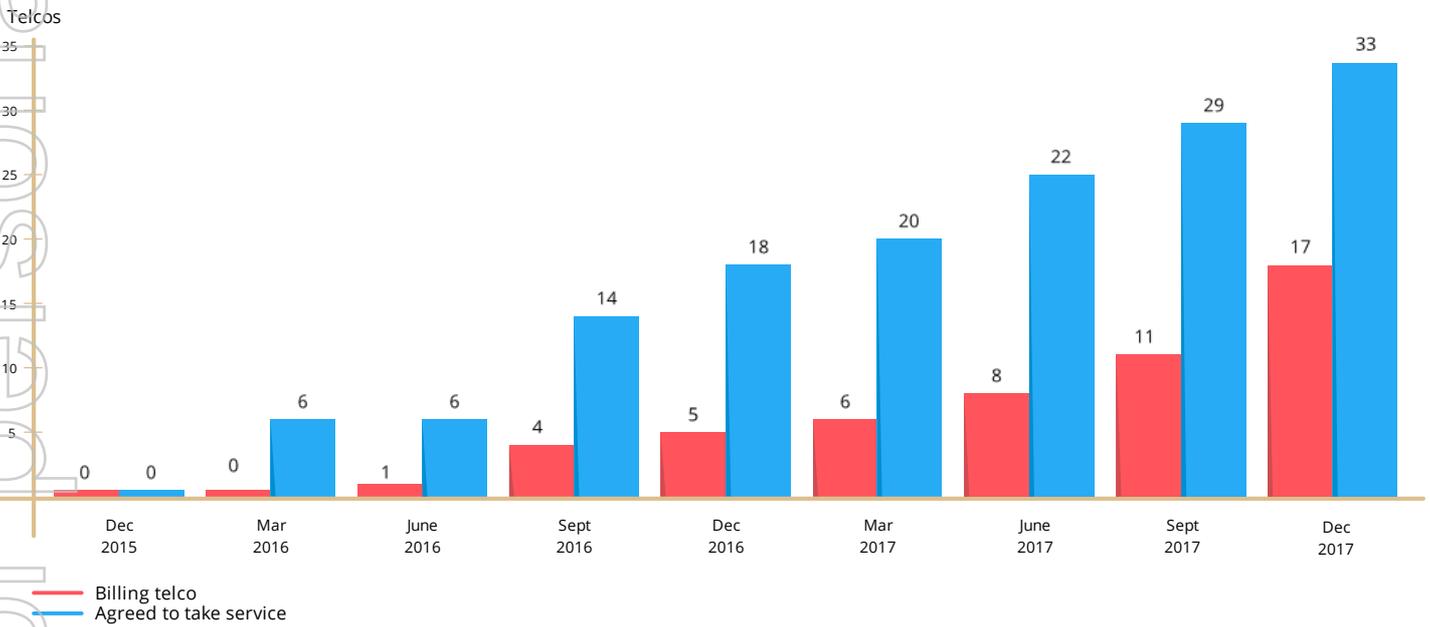
Telecommunications service providers

The quarter to December 31 saw the Company continue to focus on its strategy of driving end user growth and associated revenues through its existing accounts whilst growing its global footprint. At December 31 the Company had 33 telecommunication carriers (up from 29 at 30 September 2017) having agreed to take the Dubber Platform.

Telcos



There are 17 at billing stage (up from 11 on 30 September 2017).



Growing revenue

In September 2017 the Company completed a Capital Raising to develop its operations, particularly in the USA. During the December quarter the Company signed agreements with 4 telecommunications Service Providers in North America for deployment of the Dubber platform onto their networks.

The Dubber platform was deployed onto 8 networks of telecommunication Service Providers in USA and Canada including those of the previously announced AT&T and CDK Global in which the services went live at the end of December.

The Company's growth in active user numbers drives the growth in its revenues as a wholesale service. With the exception of Dubber Connect for AT&T the service providers are billed in arrears.

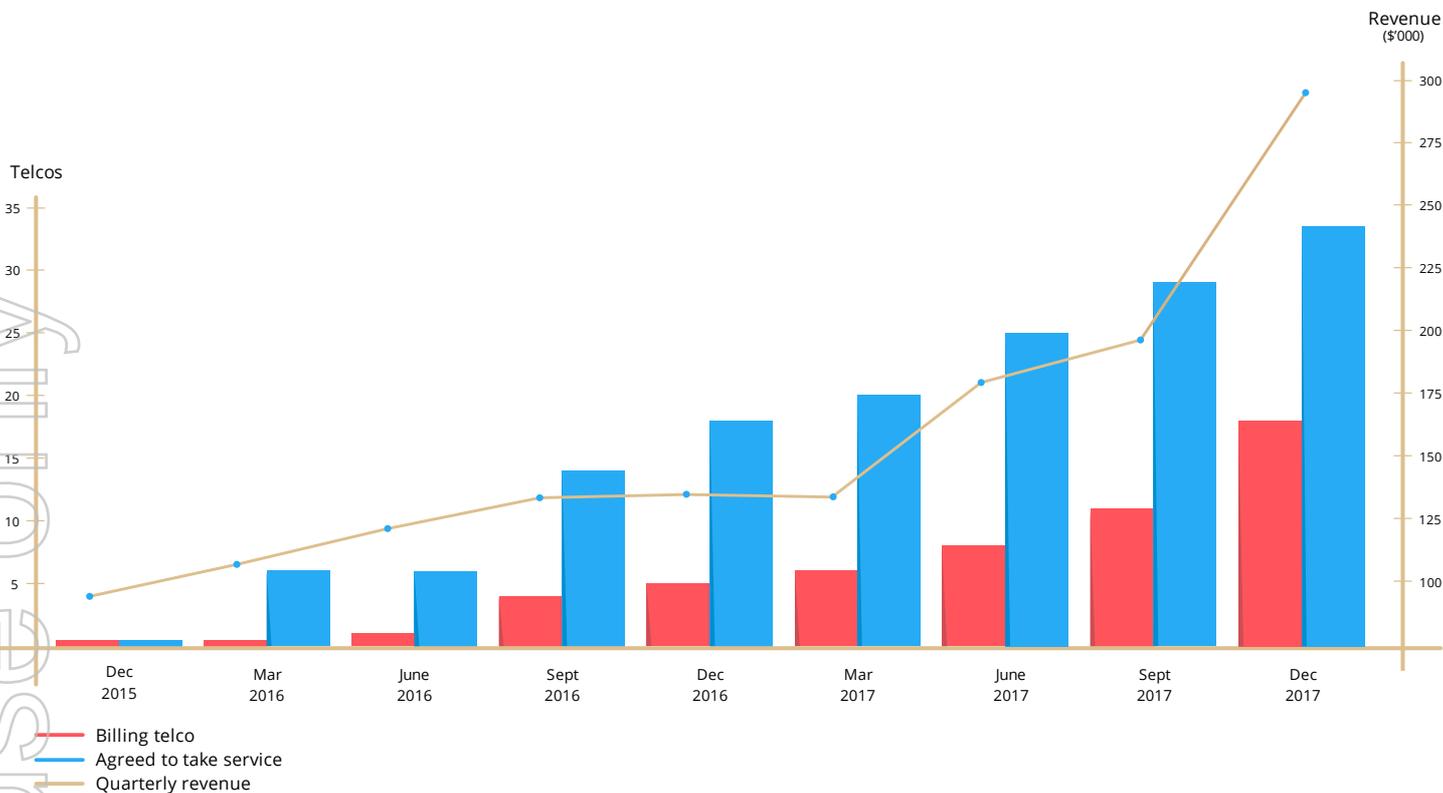
A focus for the Company throughout 2017 was an 'account management' strategy aimed at reducing the time from agreement to deployment onto the service provider network. This initiative has shown tangible results with the service providers being deployed and billed at a faster rate leading to the ensuing growth in active users and revenue.

The Company has also focussed on the Dubber Connect model, which sees users billed upfront and is the service deployed on AT&T Collaborate. In this case the users subscribe to the Dubber Connect service directly via their normal channel(s) at AT&T. The service went live into production at the end of December, AT&T customers can subscribe to the service and the service will be proactively launched in the current quarter.

The agreement with BroadSoft for BroadSoft Business on BroadCloud sees Dubber enabled for every user on BroadSoft Business/BroadCloud for a nominal monthly connection fee with further revenue dependent on the usage of the service. The process to integrate Dubber has commenced and the service will go live via BroadCloud's service provider customers upon finalisation of the integration.

In October, Dubber participated at the annual 'BroadSoft Connections' event in Phoenix, Arizona, an event which brings global telecommunications service providers together for a three day Unified Communications conference. BroadSoft showcased Dubber's service live on the main stage as the recording integration into their 'UC Connect' mobile app to demonstrate the value of the service in an 'every day' user application. The company believes that, with the BroadSoft endorsement combined with validation by some of the world's leading telecommunications companies, the event will provide a strong foundation for continued growth into the 650 telecommunications service providers worldwide who use the BroadSoft infrastructure.

CDK Global continued a staged roll-out during the quarter. The US deployment, originally scheduled for Q1 2018 was completed ahead of schedule in late December. CDK Global are currently providing the service to a continually increasing number of end users and, currently have in excess of 3,000 active users already connected in their UK operations.



New Chairman

During the quarter the Company was pleased to be able to appoint Mr Peter Clare as Non Executive Chairman.

Capital Raising

The Company successfully undertook a capital raising of \$6,500,000 at an issue price of \$0.35 per share resulting in the placement of 17,143,572 new fully paid ordinary shares with a further 1,428,572 subject to shareholder approval relating to a proposed subscription of \$500,000 by Managing Director Steve McGovern.

Notes to the Appendix 4c

The December Capital Raising to take advantage of pressing opportunities, current commercial arrangements and consolidate its strategy for 2018;

The Company exceeded its forecast expenditure during the quarter in order to take advantage of opportunities presented both with existing key contracts and those resulting from the BroadSoft Connections event held in Phoenix, Arizona at the end of October. Primarily the expenditure related to sending additional staff to BroadSoft Connections, travel and other commercial items which are non recurring as is reflected in the forecast expenditure for the current quarter.

The Company entered into an agreement, effective June 2017, to receive funding against its 2017 AusIndustry R&D grant (item 8). Accordingly, \$1m has been forwarded to the Company which will be repaid in full from receipts of the grant. The Company entered into funding agreements in previous years to facilitate growth strategies. Following the December capital raising the Company anticipates that it will not require the balance of the funding facility currently in place.

The Company is reporting holding monies in bond (item 2.5) regarding finalisation of commercial arrangements which when finalised the money will be transferred back to the Company. These commercial arrangements are due to be completed in the current quarter. Subject to finalisation, the monies in bond will be shown as cash held by the Company.

Outlook

The Company's commercial and capital raising activities in the previous two quarters have set the foundation for its 2018 strategy and outlook.

The Company's focus for 2018 is to continue to improve its key metrics;

1. Increasing the number of active users of the service quarter on quarter
2. Increase revenue from users of the Dubber Platform.
3. Increase the global footprint across telecommunication service providers thereby enabling the Company's unique platform to demonstrate the value of capturing and analysing voice data on a global scale.

For further information:

www.dubber.net

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About Dubber:

Dubber is a true native cloud platform providing call recording and additional voice data creation and intelligence services that enable customers to extract untapped value from recordings. Its high availability, unlimited scalability and true 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.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

DUBBER CORPORATION LIMITED

ABN

64 089 145 424

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	258	423
1.2 Payments for		
(a) research and development	(204)	(375)
(b) product manufacturing and operating costs	(1,400)	(2,488)
(c) advertising and marketing	(94)	(136)
(d) leased assets	-	-
(e) staff costs	(1,405)	(2,285)
(f) administration and corporate costs	(184)	(338)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	6
1.5 Interest and other costs of finance paid	-	(1)
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	(3,024)	(5,194)

2. Cash flows from investing activities

2.1 Payments to acquire:		
(a) property, plant and equipment	(11)	(16)
(b) businesses (see item 10)	-	-
(c) investments	-	-

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) 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))	(1,055)	(782)
2.6 Net cash from / (used in) investing activities	(1,066)	(798)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	6,149	13,393
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(7)	(437)
3.5 Proceeds from borrowings	1,000	1,000
3.6 Repayment of borrowings	-	-
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	7,142	13,956

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	5,769	857
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(3,024)	(5,194)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1,066)	(798)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	7,142	13,956

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(7)	(7)
4.6	Cash and cash equivalents at end of quarter	8,814	8,814

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	8,814	5,769
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)	8,814	5,769

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

178

-

Director salaries and fees, and telephony services.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

-

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	1,544	1,000
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Secured R&D Tax Prepayment Loan Agreement with R&D Capital Partners Pty Ltd repayable upon receipt of the tax refund from the ATO in relation to the financial year 30 June 2017. Interest at 1.25% per month payable monthly.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	175
9.2 Product manufacturing and operating costs	1,150
9.3 Advertising and marketing	125
9.4 Leased assets	-
9.5 Staff costs	1,050
9.6 Administration and corporate costs	190
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	2,690

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

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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.



Sign here:
(Company secretary)

Date: 31 January 2018

Print name: Ian Hobson

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.

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