



ASX Announcement

ASX: DUB

3 April 2019

Dubber raises \$22m to accelerate growth

Highlights:

- Dubber receives firm commitments to successfully raise \$22m via a placement of 29.33m ordinary shares at \$0.75 per share to sophisticated and institutional investors.
- The placement was conducted at a 9.6% discount to the 5 day VWAP with investor demand in excess of the amount sought to be raised.
- The funds raised will be deployed to support Dubber's opportunities for global growth, ensuring it can scale usage and long-term recurring revenue.

Dubber Corporation Limited (ASX: DUB), the world's most scalable cloud call recording service, is pleased to announce it has received firm commitments to raise \$22 million via a placement to institutional and sophisticated investors ("Placement"). The Company will issue 29,333,333 shares at \$0.75 per share to sophisticated and professional investors pursuant to its placement capacity under ASX listing rules 7.1 and 7.1A. 15,589,633 shares will be issued pursuant to LR 7.1A and 13,743,700 pursuant to LR 7.1. The issue price of \$0.75 per share exceeds the minimum price ASX listing rule requirement pursuant to LR 7.1A.3.

The Placement is expected to be completed in 5 business days.

The Placement price of \$0.75 for each Placement Share, represents a 9.6% discount to the Company's 5-day volume weighted average price ("VWAP"). The Placement shares will rank equally with existing ordinary shares.

The proceeds of Placement will enable the Company to embark on its accelerated growth business plan, the primary areas of work being:

Wholesale - 40%

- Dubber has existing agreements with 92 telecommunications service providers (as at December 31, 2018), and is seeing strong demand for its products as service providers seek to provide feature rich offerings, standardised across multiple networks.
- Drive growth through existing 92 telecommunications carriers

- The Company has potentially a long-tail of growth, with currently 35 of 92 service providers at billing stage, the greater majority still being embryonic in terms of revenue development.
- The Company has a further 57 contracted service providers at various stages of deployment and this number is expected to continue to grow thereby expanding the global footprint for opportunity.
- The Company expects to be able to drive further uptake and in turn long-term valuable recurring revenue from its existing relationships.
- Continue to expand the total number of service providers that deploy the Dubber platform
 - The Company believes that by expanding its sales and account management teams it has a clear and present opportunity to add new service provider customers to the Dubber platform, especially in the North American and European markets.

Dubber Connect (dubberconnect.com) – 20%

- The Dubber Connect model continues to be attractive to large service providers due to their requirement for a managed service, as well as the ability to rapidly deploy service offerings.
- This opens up the ability to leverage the Dubber brand, develop retail revenues and determine product offerings.
- To support this demand, the Company will invest in additional business development and sales staffing.

Channel – 20%

- Dubber believes it has substantial global opportunities as a result of its position as the embedded recording service in the Cisco/BroadCloud platform.
- Cisco/BroadSoft have a global presence and large distribution channels to which Dubber will deploy funding to support growth opportunities.
- Dubber has recently signed an agreement with IBM which sees the marketing of a joint technology solution whereby the Dubber platform captures voice data, thereby enabling IBM to deploy its suite of products and services. The Company will seek to allocate account managers on a 'light touch' basis to support the opportunities presented by IBM's substantial client base and sales channel.

Development – 20%

- Dubber's open platform enables the integration of third-party applications to provide value added services, such as CRM and business intelligence applications through its API platform.
- The Company will continue to invest in the enhancement of the functionality of its platform through its ability to scale across any device to entrench Dubber's market leading position. Dubber will invest in expanding the ecosystem of connected applications which ultimately will deliver solutions for all users, ranging from large enterprises to the smallest of businesses.

This investment will take advantage of Dubber's ability to capture voice data at scale to be integral in everyday processes, helping propel the Company's global user base.

- The Company will invest further in expanding core functionality to include advanced Artificial Intelligence services, opening the market for every phone for every user.

Commenting on the successful capital raising, Dubber's CEO, Steve McGovern, said: "This is a significant milestone for Dubber, following strong growth across our key metrics.

"We have a number of opportunities in which we will now invest in, to ensure that growth is accelerated and that we consolidate and expand our market leading position as a cloud platform designed for telecommunications service providers.

"Fundamentally, the Company believes that call recording is a service which a customer should be able to switch on immediately, without any technical or capital barriers as part of a standard phone service. We also believe that every phone should, and will, have the capability for Artificial Intelligence offerings, served directly from the network, to facilitate enhanced user experiences and business outcomes.

"Dubber has a unique advantage through its operating leverage, that to date, has allowed us to service the largest carriers in the world, in a number of different continents, with less than 60 employees. We are truly excited to now invest in the next stage of growth to ensure that we become the de-facto industry solution in our market.

"Finally, I would like to welcome our new institutional shareholders and thank them for their support for what is an exciting global opportunity. I would like to particularly thank our existing shareholders who have enabled Dubber to reach this exciting inflection point."

Morgans Corporate Limited acted as Lead Manager to the Placement.

About Dubber:

Dubber is the world's most scalable call recording service which has been adopted as core network infrastructure by multiple global leading telecommunications carriers in North America, Europe and Asia Pacific. Dubber is a disruptive innovator in the multi-billion dollar call recording industry, its Software as a Service offering removes the need for hardware, productisation or capital expenditure.

As the telecommunications sector moves towards Cloud services, Dubber has also been chosen by BroadSoft, Inc., a Cisco Systems Company, for its global leading Cloud telecommunications platform, BroadCloud, as the recording and voice data capture service for its network of telecommunication Service Provider Customers.

Dubber provides the opportunity for the capture of voice data across these networks enabling further monetising opportunities, in addition to regulatory compliance, in the areas of analytics, artificial intelligence and 'Big Data' - expanding the potential market for call recording to every phone.

For more information, please contact:

Investors

Simon Hinsley

simon.hinsley@dubber.net

+61 (0) 401 809 653

Media

Terry Alberstein

terry@navigatecommunication.com.au

+61 (0) 458 484 921

