

5th June 2025

Business Update Announcement

Dubber Corporation Limited (ASX: DUB) ('Dubber' or 'the Company') including its wholly owned subsidiary Aeriandi Ltd, provides a further update to our market announcement of 20 May 2025 regarding the status of our customer contract with Virgin Media O2 (VMO2) and our response to minimise the impact. The headlines are as follows:

1. Dubber will **retain the VMO2 Wholesale SIP contract** with no plans for this to end.
2. Dubber and VMO2 have agreed a new side letter to the Agreement where Dubber is guaranteed revenues of **a minimum of AUD\$1.4m to \$1.5m** for Network Mobile Recording and Wholesale SIP during FY26.
3. VMO2 have advised there will be no migration of customers to the new recording provider before 1 July 2025.
4. The Company has taken decisive action and is **reducing annual costs by AUD\$4m by the end of H1 FY26**.
5. The Company is working to remove its surplus London real-estate to save a further \$1.25m a year.
6. The Company is aiming to be run-rate cash-flow positive* again by December 2025.
7. The Company reported a working capital position of \$16.5m as at 31st March 2025 and that the Company anticipates having available **working capital of at least \$12m based on achieving run-rate cash flow positive* by December 2025**.
8. Based on the above, the Board has **no current intention to raise capital** for working capital purposes.

Further details are below:

VMO2 has confirmed they have no intention to cancel the Wholesale SIP contract with Dubber and whilst the revenue varies due to usage it is broadly in the range \$550,000 to \$700,000 per annum.

A new side letter for a minimum commitment of Network Mobile Voice recording revenues in FY26 has been agreed in part supporting the transition of recording services to a new provider. The detail of the transition plan and timing of migration is in draft and there may be additional revenues arising on top of the minimum commitment should the transition take longer than the agreed side letter anticipates.

In light of the net impact of the impending revenue reduction with VMO2 the Dubber management team has taken all necessary steps to mitigate any bottom-line impact. With Board support the team is implementing a further cost reduction programme to reduce costs by approximately \$4m pa by 30 June 2025, with the benefits to be realised across the first half of FY26 year with little to no impact on our growth and product development activities.

We have an unfitted real-estate lease in London costing the company approximately \$1.25m per annum. In addition to the above savings, the Company currently has two interested parties and exiting this lease would yield further savings of approximately \$1.25m a year above the \$4m.

The focus is on returning the Company to run-rate cash-flow positive* again by December 2025. Sales activity remains healthy with multiple significant opportunities including some major brands nearing completion and a strong global pipeline.





The Company reported that it has \$16.5m of available working capital as at 31 March 2025. The balance sheet remains in a strong position after the actions referred to above and the Company anticipates having available working capital of at least \$12m based on achieving run-rate cash flow positive* by December 2025. Subject as always to market conditions the Board has no current intention to raise capital for working capital purposes.

* Underlying cashflow run-rate positive is based on revenue and cash P+L costs including cash costs of finance leases and excludes payments for historic ATO and SRO tax liabilities and non-recurring costs related to investigations and restructurings. This ASX release has been approved for release to ASX by the Board of Directors.

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About Dubber:

Dubber enables Communications Service Providers to unlock the potential of the network - turning every conversation into an exponential source of value for differentiated innovation, retention, and revenue. Listed on the ASX, Dubber is the clear market leader in conversational intelligence and unified conversational recording - embedded at the heart of over 230 Communications Service Provider networks and services.

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