

ASX Announcement
ASX: DUB

17th June 2025

Dubber Initiates Recovery Actions

Dubber Corporation Limited (ASX: DUB) ('Dubber' or 'the Company') today provides an update on recovery actions in respect of the misappropriation of \$26.6m of Company funds which was uncovered during the FY24 financial year.

As shareholders and customers were advised on 5th June 2025, the Company has been focused on returning the business to underlying operating cashflow positive* based on normal trading operations prior to December 2025, including reducing annual costs by circa AUD\$4m. It is targeting to maintain a strong working capital position of at least \$12m during this period. As the Company proceeds to pursue any claims arising out of the matters uncovered during FY24 there is no intention to raise further working capital for the purpose of litigating any of these claims.

In addition to this focus the Company is also undertaking a separate stream of activity in respect of recovery claims and actions against relevant parties arising out of the event in 2024. Should these claims and subsequent recoveries be successful the Company currently expects they will only improve its financial position.

As a major step in recovery action the wholly owned subsidiary of Dubber Corporation Limited, Dubber Pty Ltd, has today issued proceedings in the Federal Court of Australia against its former auditors, BDO Audit (WA) Pty Ltd. The claim is for an amount of up to \$26,605,000 plus interest and costs. The respondents' lawyers have denied any liability. Whilst the Company will pursue the claim vigorously it should be noted that all litigation is inherently risky, and the outcome is uncertain.

The proceeding relates to the audits conducted in the financial years 2019/2020, 2020/2021 and 2021/2022 and the misappropriation of Company funds during that period by known parties. Dubber Pty Ltd asserts that BDO Audit (WA) Pty Ltd was negligent in its audit performance and, alternatively, that it engaged in misleading and deceptive conduct, in failing to adequately perform its duties. It asserts that, but for that conduct, it would not have suffered the loss that it did as the known parties would have been unable to misappropriate the funds or otherwise the funds would have been partly or wholly recovered. The Company expects the matter to be heard for a trial in 2026.

Further and separate proceedings will be issued shortly against the known parties and in some cases against their associated professional bodies and insurers seeking restoration of misappropriated funds and associated interest and costs. A further major commercial contract claim is also likely. Again, there can be no certainty as to the outcome of any proceedings or the quantum of any recoveries.

* Underlying operating 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.





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.

For more information, please visit Dubber on www.dubber.net or contact:

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