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ASX Announcement

ASX: DUB

11 October 2024

Dubber Corporation to Raise a total A\$25.0m via a fully underwritten equity raising

Dubber Corporation Limited (ASX:DUB) (**Dubber** or the **Company**) today announces a fully underwritten \$25.0 million equity raising.

Key Highlights:

- Dubber has launched a fully underwritten \$25.0 million equity raising via:
 - Fully underwritten institutional placement to institutional and sophisticated investors to raise \$3.6 million (**Placement**);
 - Fully underwritten conditional placement subject to shareholder approval to raise \$7.5m (**Conditional Placement**);
 - Fully underwritten 1 for 1 pro rata accelerated non-renounceable entitlement offer to raise approximately \$13.9 million (**Entitlement Offer**) (together with the **Placement** and **Conditional Placement**, the **Equity Raising**)
- The proceeds from the Placement, Conditional Placement and Entitlement Offer are intended to be used for working capital as the Company continues to build market awareness of the Dubber solution capability and drive sales growth (particularly in the new area of conversation intelligence), reducing tax liabilities, supporting recovery efforts in respect of the previously announced alleged misappropriated funds, and costs of the Offers. Revenue, costs and margins have all improved (vs pcp), with Dubber now targeting operating cash flow monthly run rate breakeven in the final month of FY25
- New Chief Executive Officer, Matthew Bellizia, has pre-committed \$1.25 million to the Capital Raising

Dubber Chairman, Neil Wilson said:

"This \$25.0m equity raising provides Dubber and customers with the confidence that recent growth in the business will continue.

The funds provide the flexibility in Dubber's balance sheet to accelerate sales momentum and execute a new sales strategy whilst maintaining a disciplined approach to costs and providing customers confidence that Dubber is fully funded to be able to execute on these objectives."

Equity Raising

The Equity Raising consists of a fully underwritten Placement to raise ~\$3.6 million via the issue of 242.9 million shares, a fully underwritten Conditional Placement to raise ~\$7.5 million via the issue of 500.0 million shares and a fully underwritten Entitlement Offer to raise ~\$13.9 million via the issue of 926.1 million shares.

A total of approximately 1,669.0 million new Dubber shares will be issued under the Equity Raising (**New Shares**). New Shares will rank equally with existing Dubber shares and Dubber will, upon issue of those shares, seek quotation of the share on the ASX.

The Equity Raising is being made under a prospectus under section 713 of the Corporations Act 2001 that has been lodged with ASIC and ASX today (**Prospectus**).

Under the Entitlement Offer, eligible shareholders are invited to subscribe for 1 New Share for every 1 existing Dubber share (**Entitlements**) held as at 7:00pm (Sydney time) on Tuesday, 15 October 2024.



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All New Shares offered under the Equity Raising will be issued at a price of \$0.015 per New Share (Offer Price), which represents a:

- 48.3% discount to the last traded price of \$0.029 on Thursday, 10 October 2024;
- 50.0% discount to the 5-day VWAP of \$0.03;
- 25.0% discount to the theoretical ex-rights price (TERP) of \$0.02 per Dubber share

Morgans Corporate Limited and Unified Capital Partners Pty Ltd (together, the **Underwriters**) are acting as joint lead managers, joint underwriters and joint bookrunners to the Equity Raising. Herbert Smith Freehills is acting as Legal Counsel to Company for the Equity Raising.

Director & Key Management Personnel Participation

New CEO, Matthew Bellizia, has committed \$1.25m towards the Placement. Director Peter Pawlowitsch has committed to take up his full Entitlement of ~\$378,000 of shares and committed to sub-underwrite the retail entitlement offer for \$600,000.

Placement

Approximately 242.9 million New Shares are expected to be issued to new institutional investors and existing institutional shareholders under the Placement at the Offer Price to raise approximately \$3.6 million.

The Placement will be conducted concurrently with the Institutional Entitlement Offer (as described below) in reliance on part of Dubber's ASX Listing Rule 7.1 (upsized by an ASX "super size" waiver) placement capacity.

New Shares issued under the Placement will not be eligible to participate in the Entitlement Offer.

Conditional Placement

500.0 million New Shares are expected to be issued to new institutional investors and existing institutional shareholders under the Conditional Placement at the Offer Price to raise \$7.5 million. The Conditional Placement is subject to the requisite shareholder approval(s) to be sought at the company's Annual General Shareholder meeting (AGM).

Details of the time and venue of the AGM will be provided in a notice of meeting to be dispatched to shareholders in late October 2024. The AGM is expected to be held on Wednesday, 27 November 2024.

Entitlement Offer

The Entitlement Offer comprises both the Institutional Entitlement Offer and the Retail Entitlement Offer. All holders of shares in Australia and New Zealand, as well as institutional holders in Hong Kong, Singapore and the United Kingdom (**Eligible Securityholders**) will have the opportunity to apply for 1 New Share for every 1 existing share they hold as at the Record Date (being 7:00pm (Sydney time) on Tuesday, 15 October 2024).

All New Shares issued to Eligible Shareholders under the Entitlement Offer will be issued at the Offer Price. The Entitlement Offer is non-renounceable and Entitlements will not be tradeable on the ASX or be otherwise transferable. Eligible Shareholders who do not take up their full entitlement will not receive any payment and their interest in Dubber will be diluted. The Entitlement Offer is fully underwritten.

Institutional Entitlement Offer

Eligible institutional shareholders will be invited to participate in the institutional component of the Entitlement Offer (**Institutional Entitlement Offer**), which is being conducted on Friday, 11 October 2024.

Eligible institutional shareholders can choose to take up all, part or none of their Entitlements. Institutional Entitlements cannot be traded on ASX or transferred. Any New Shares not allocated to eligible institutional shareholders will be placed in accordance with the terms of the underwriting agreement between Dubber and the Joint Lead Managers.



Ineligible institutional shareholders are shareholders who are registered holders of Dubber shares as at the Record Date and who are institutional or professional investors with a registered address outside of Australia, New Zealand, Hong Kong, Singapore and the United Kingdom, or whom the Joint Lead Managers and Dubber otherwise determine will be an ineligible institutional shareholder for the purpose of the Institutional Entitlement Offer and who is not an Eligible Retail Shareholder (defined below).

Retail Entitlement Offer

Eligible retail shareholders with a registered address in Australia or New Zealand as at the Record Date (**Eligible Retail Shareholders**) have the opportunity to take up their Entitlement for New Shares at the Offer Price, on the terms and conditions that will be set out in the Prospectus to be sent to Eligible Retail Shareholders on Friday, 18 October 2024. The Retail Entitlement Offer is anticipated to close on Wednesday, 6 November 2024. Eligible Retail Shareholders should read the Prospectus in full.

Eligible Retail Shareholders can choose to take up all, part, or none of their entitlements. The Retail Entitlement Offer will not include a 'top-up' facility. Any shortfall from the Retail Entitlement Offer will be subscribed for in accordance with the terms of the Underwriting Agreement.

New Shares under the Retail Entitlement Offer are expected to be issued on Wednesday, 13 November 2024. Dubber will, upon issue of the New Shares under the Retail Entitlement Offer, seek quotation of the New Shares on ASX. Please note that Retail shareholders with a registered address outside Australia or New Zealand on the Record Date are ineligible to participate in the Retail Entitlement Offer. Shareholders who are on the register on the Record Date will be notified by Dubber if they are ineligible to participate in the Entitlement Offer. Eligible Retail Shareholders will receive a Prospectus which will provide further details of how to participate in the Retail Entitlement Offer.

Institutional Investors and Control Implications

The Equity Raising is well supported by:

- Thorney Investment Group who currently holds 19.4% of the Shares on issue, who has agreed to sub-underwrite the Equity Raising in an amount of \$1.0 million, take up its full Entitlement to New Shares of \$2.7 million under the Entitlement Offer and participate in the Conditional Placement in an amount of \$2.5 million. Under the Underwriting Agreement, it has been agreed between the Company and the Underwriters that Thorney will receive an allocation of shortfall shares (to the extent possible) to ensure that it maintains a relevant interest in Dubber shares above 19% following the Retail Entitlement Offer; and
- Regal Funds Management, which currently holds 1.2% of the Shares on issue, who has agreed to sub-underwrite \$10.0 million of the Offer, take up its full entitlement to New Shares of \$164,901 under the Entitlement Offer and participate in the Placement in an amount of \$1.0 million.

Depending on the percentage take up by Shareholders of the Retail Entitlement Offer, the Offers may have significant implications for control of the Company. Following completion of the Offers, Thorney Investment Group may hold up to 22.1% of the Shares in the Company and Regal may hold up to 28.9% of the Shares in the Company. In the case of Thorney, its percentage holding of Shares may further increase to 23.9% as a result of options it has or may hold in the Company. These percentages assume Eligible Securityholders do not take up any of their Entitlements under the Retail Entitlement Offer. Please refer to the Prospectus for further information on the potential control implications of the Offer.

Underwriting Agreement

The material terms of the Underwriting Agreement are set out in the investor presentation released to ASX today.



Indicative Timetable

Key event	Date
Announcement of Placement and Entitlement Offer	Friday, 11 October 2024
Announcement of results of Placement and Institutional Entitlement Offer Resumption of Trading on the ASX	Tuesday, 15 October 2024
Entitlement Offer Record Date	7.00pm, Tuesday 15 October 2024
Placement and Institutional Entitlement Offer Settlement Date	Friday, 18 October 2024
Despatch of the Prospectus and entitlement and acceptance form to eligible retail shareholders	Friday, 18 October 2024
Retail Entitlement Offer opens	Friday, 18 October 2024
Issue and allotment of New Shares under the Placement and Institutional Entitlement Offer	Monday, 21 October 2024
Notice of Annual General Meeting released to the ASX	Tuesday, 29 October 2024
Retail Entitlement Offer closes (Closing Date)	Wednesday, 6 November 2024
Announcement of results of Retail Entitlement Offer	Monday, 11 November 2024
Retail Entitlement Offer Settlement Date	Tuesday, 12 November 2024
Issue and allotment of New Shares under Retail Entitlement Offer (Issue Date)	Wednesday, 13 November 2024
Despatch of holding statements for New Shares issued under the Retail Entitlement Offer	Thursday, 14 November 2024
New Shares issued under Retail Entitlement Offer commence trading on ASX on a normal settlement basis	Thursday, 14 November 2024
Annual General Meeting including to approve issue of the Conditional Placement shares	Wednesday, 27 November 2024
Conditional Placement Settlement Date	Monday, 2 December 2024
Issue and allotment of New Shares under the Conditional Placement	Tuesday, 3 December

All dates and times are indicative only and subject to change. Unless otherwise specified, all times and dates refer to Melbourne time. Dubber reserves the right to amend any or all of these dates and times, with the consent of the Joint Lead Managers, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Dubber reserves the right to extend the Closing Date and to accept late applications under the Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the Issue Date for New Shares under the Offer. Any changes to the timetable will be posted on Dubber's website at www.dubber.net.

This announcement has been approved for release to ASX by the Board of Directors



About Dubber Corporation Limited

Dubber enables Communication Service Providers to unlock the potential of the network - turning every conversation into a source of value for differentiated innovation, retention, and revenue. Listed on the ASX, Dubber is one of the market leaders in conversational intelligence and unified conversational recording - embedded at the heart of over 225 Communication Service Provider networks and services.

For more information visit: www.dubber.net or contact:

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Disclaimer

The information in this announcement does not constitute investment or financial product advice (nor tax, accounting or legal advice) nor any recommendation to acquire New Shares. It does not take into account any individual's investment objectives, financial situation or particular needs. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek appropriate advice, including financial, legal, accounting and taxation advice appropriate to their jurisdiction. Dubber is not licensed to provide financial product advice in respect of the New Shares.

This announcement is not and should not be considered an invitation or offer to acquire or sell shares in Dubber or any other financial products, or a solicitation to invest in or refrain from investing in shares in Dubber or any other financial products. This announcement is for information purposes only and it is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law or any other law.

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