

**Douough Limited**  
**Appendix 4D**  
**Half-year report**

**1. Company details**

Name of entity: Douough Limited  
ABN: 41 108 042 593  
Reporting period: For the half-year ended 31 December 2020  
Previous period: For the half-year ended 31 December 2019

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**2. Results for announcement to the market**

			\$
Revenues from ordinary activities	up	-	1,290
Loss from ordinary activities after tax attributable to the owners of Douough Limited	up	634.7%	(5,432,420)
Loss for the half-year attributable to the owners of Douough Limited	up	634.7%	(5,432,420)

*Dividends*

There were no dividends paid, recommended or declared during the current financial period.

*Comments*

The loss for the Company after providing for income tax amounted to \$5,432,420 (31 December 2019: \$739,381).

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**3. Net tangible assets**

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>2.22</u>	<u>(0.69)</u>

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**4. Control gained over entities**

On 17 September 2020, the Company acquired 100% of Douough Technologies Limited (formerly Douough Limited) through the issuance of 275,000,000 ordinary shares, 75,000,000 unlisted options and 75,000,000 performance rights to the shareholder of Douough Technologies Limited. The acquisition has a features of a reverse acquisition under AASB 3 Business Combination as the acquisition resulted in Douough Technologies Limited shareholders holding a controlling interest in the Company and consequently the interim report represents a continuation of Douough Technologies Limited's financial statements with the exception of the capital structure.

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**5. Loss of control over entities**

Not applicable.

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**6. Dividends**

*Current period*

There were no dividends paid, recommended or declared during the current financial period.

*Previous period*

There were no dividends paid, recommended or declared during the previous financial period.

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**7. Dividend reinvestment plans**

Not applicable.

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**8. Details of associates and joint venture entities**

Not applicable.

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**9. Foreign entities**

*Details of origin of accounting standards used in compiling the report:*

Not applicable.

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**10. Audit qualification or review**

*Details of audit/review dispute or qualification (if any):*

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

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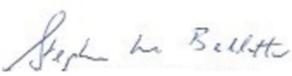
**11. Attachments**

*Details of attachments (if any):*

The Interim Report of Douough Limited for the half-year ended 31 December 2020 is attached.

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**12. Signed**

Signed 

Date: 26 February 2021

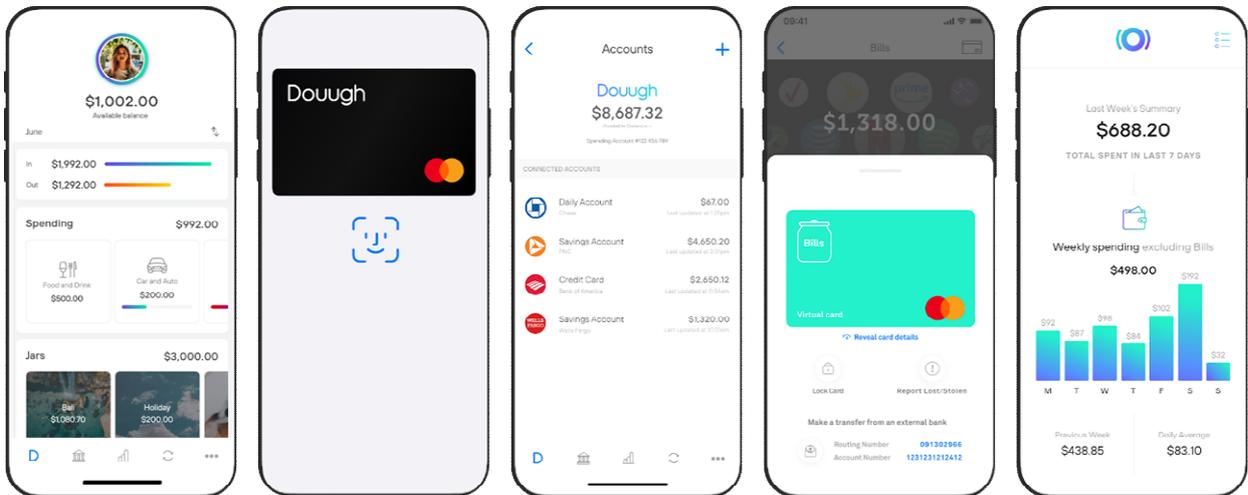
Steve Bellotti  
Chairman

# Douugh

**Douugh Limited**

**ABN 41 108 042 593**

## **Interim Financial Report - 31 December 2020**



**Douough Limited**  
**Corporate directory**  
**31 December 2020**

Directors	Mr Andrew Taylor (Managing Director and CEO) Mr Steve Bellotti (Non-Executive Chairman) Mr Umberto Mondello (Non-Executive Director) Mr Patrick Tuttle (Non-Executive Director)
Company secretary	Mr Derek Hall
Registered office	Level 7, 44 Market St, Sydney, 2000 T +61 (0) 8 6380 2555
Principal place of business	Level 7, 44 Market St, Sydney, 2000 T +61 (0) 8 6380 2555
Share register	Automic Group Share Registry Level 5, 126 Phillip Street Sydney NSW 2000 T 1300 288 664
Auditor	RSM Australia Partners Level 13, 60 Castlereagh Street Sydney, NSW 2000
Solicitors	Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street Perth WA 6000 Australia T +61 (0) 8 9321 4000
Stock exchange listing	Douough Limited shares are listed on the Australian Securities Exchange (ASX code: DOU)

**Douough Limited**  
**Directors' report**  
**31 December 2020**

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Company') consisting of Douough Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2020.

**Directors**

The following persons were Directors of Douough Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Andrew Taylor	Managing Director and CEO (appointed 18 September 2020)
Mr Steve Bellotti	Non-Executive Chairman (appointed 18 September 2020)
Mr Umberto Mondello	Non-Executive Director
Mr Patrick Tuttle	Non-Executive Director (appointed 18 September 2020)
Mr Salvatore Vallenga	Non-Executive Director (resigned 17 September 2020)
Mr Joshua Nicholas Hunt	Non-Executive Director (resigned 17 September 2020)

**Principal activities**

The principal activity of the Group during the financial year is to develop and get ready to launch an artificial intelligence (AI) first approach to reimagine banking, enabling our customers to better manage their money and achieve financial freedom through a smart mobile banking app.

**Review of operations**

The loss for the Company after providing for income tax amounted to \$5,432,420 (31 December 2019: \$739,381).

**Significant changes in the state of affairs**

On 20 March 2020, the Company announced that it had entered into a binding, conditional agreement to acquire 100% of the issued capital of Douough Technologies Limited (formerly 'Douough Limited') (the Transaction). Douough Technologies Limited is a purposed based fintech company, taking a proprietary artificial intelligence (AI) first approach to disrupting the business model of banking, helping customers live financially healthier.

The transaction incorporates a public offer up to 200,000,000 shares at an issue price of \$0.03 (the Public Offer) per share to raise \$6,000,000 before costs. The Public Offer closed on 3rd September 2020 and the Company successfully raised the \$6 million maximum stated under the Public Offer.

Upon the completion of the public offer, the acquisition of Douough Technologies Limited was completed on 17th September 2020. The Company re-comply with Chapters 1 and 2 of the ASX Listing Rules and reinstated to the Official Quotation of ASX on 6 October 2020.

There were no other significant changes in the state of affairs of the Company during the financial half-year.

**Matters subsequent to the end of the financial half-year**

On 6 January 2021, the Company announced that it has executed a binding term sheet pursuant to which the Company will acquire 100% of the issued capital in the consumer business of millennial investing fintech, Goodments Pty Ltd (Goodments).

On 26 February 2021, the Company announced that it has executed a share sale agreement with Goodments to issue 8,211,080 ordinary shares at deemed issue price of \$0.18268 per share, totalling to \$1,500,000 as part of the consideration of the acquisition.

The acquisition of Goodments will accelerate the development and broaden the depth of the Company's planned 'Wealth Jars' feature, which will initially allow customers to accelerate their savings goals by investing money in custom-built portfolios to help it fulfill its mission of becoming a fully fledged autonomous financial wellness platform, with integrated banking and investing. The Company will also continue to support the Goodments business locally prior to Douough Australian App launch this year.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

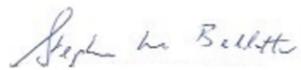
**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

**Douogh Limited**  
**Directors' report**  
**31 December 2020**

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors



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Steve Bellotti  
Chairman

26 February 2021

**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Douugh Limited for the half year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink that reads 'RSM'.

**RSM AUSTRALIA PARTNERS**

A handwritten signature in black ink that reads 'Anthony Travers'.

**Anthony Travers**  
Partner

Sydney, NSW

Dated: 26 February 2021

**Dough Limited**  
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**31 December 2020**

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**General information**

The financial statements cover Dough Limited as a Company consisting of Dough Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Dough Limited's functional and presentation currency.

Dough Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 7, 44 Market St,  
Sydney NSW 2000

A description of the nature of the Company's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 26 February 2021.

**Douough Limited**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2020**

		<b>Consolidated</b>	
	<b>Note</b>	<b>31 December 2020</b>	<b>31 December 2019</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue</b>	4	1,290	-
Other income	5	269,855	598,025
<b>Expenses</b>			
Share based payments	15	(988,500)	-
Administrative and operating activities		(363,924)	(711,093)
Employee benefits expense		(604,633)	-
Research and development costs		(177,038)	(364,011)
Depreciation and amortisation expense		(28,670)	-
Direct and other operational costs		(94,841)	-
Finance costs		(111,629)	(45,364)
Advertising and marketing		(332,640)	(155,589)
Corporate restructure costs	2	(3,001,690)	-
<b>Loss before income tax expense</b>		(5,432,420)	(678,032)
Income tax expense		-	(61,349)
<b>Loss after income tax expense for the half-year attributable to the owners of Douough Limited</b>		(5,432,420)	(739,381)
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Foreign currency translation		19,781	1,779
Other comprehensive income for the half-year, net of tax		19,781	1,779
<b>Total comprehensive income for the half-year attributable to the owners of Douough Limited</b>		(5,412,639)	(737,602)
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	14	(1.17)	(0.71)
Diluted earnings per share	14	(1.17)	(0.71)

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Douough Limited**  
**Consolidated statement of financial position**  
**As at 31 December 2020**

		<b>Consolidated</b>	
	<b>Note</b>	<b>31 December 2020 \$</b>	<b>30 June 2020 \$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	16,021,191	172,136
Trade and other receivables		502,024	640,354
Other assets		1,465	-
<b>Total current assets</b>		<u>16,524,680</u>	<u>812,490</u>
<b>Non-current assets</b>			
Property, plant and equipment		-	-
Intangibles	7	486,678	-
<b>Total non-current assets</b>		<u>486,678</u>	<u>-</u>
<b>Total assets</b>		<u>17,011,358</u>	<u>812,490</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	8	1,516,317	705,541
Contract liabilities	9	330,000	330,000
Borrowings		3,520	-
Employee benefits		97,823	55,283
Other liabilities		-	621,373
<b>Total current liabilities</b>		<u>1,947,660</u>	<u>1,712,197</u>
<b>Total liabilities</b>		<u>1,947,660</u>	<u>1,712,197</u>
<b>Net assets/(liabilities)</b>		<u>15,063,698</u>	<u>(899,707)</u>
<b>Equity</b>			
Issued capital	10	23,904,529	3,104,485
Reserve	11	614,991	19,210
Accumulated losses		(9,455,822)	(4,023,402)
<b>Total equity/(deficiency)</b>		<u>15,063,698</u>	<u>(899,707)</u>

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes*

**Dough Limited**  
**Consolidated statement of changes in equity**  
**For the half-year ended 31 December 2020**

<b>Consolidated</b>	<b>Issued capital \$</b>	<b>Reserves \$</b>	<b>Retained profits \$</b>	<b>Non-controlling interest \$</b>	<b>Total deficiency in equity \$</b>
Balance at 1 July 2019	1,986,213	492,101	(2,723,802)	-	(245,488)
Loss after income tax expense for the half-year	-	-	(739,381)	-	(739,381)
Other comprehensive income for the half-year, net of tax	-	1,779	-	-	1,779
Total comprehensive income for the half-year	-	1,779	(739,381)	-	(737,602)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	466,833	-	-	-	466,833
Balance at 31 December 2019	<u>2,453,046</u>	<u>493,880</u>	<u>(3,463,183)</u>	<u>-</u>	<u>(516,257)</u>
<b>Consolidated</b>	<b>Issued capital \$</b>	<b>Reserves \$</b>	<b>Retained profits \$</b>	<b>Non-controlling interest \$</b>	<b>Total equity \$</b>
Balance at 1 July 2020	3,104,485	19,210	(4,023,402)	-	(899,707)
Loss after income tax expense for the half-year	-	-	(5,432,420)	-	(5,432,420)
Other comprehensive income for the half-year, net of tax	-	19,781	-	-	19,781
Total comprehensive income for the half-year	-	19,781	(5,432,420)	-	(5,412,639)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 10)	20,387,544	-	-	-	20,387,544
Share-based payments (note 15)	412,500	576,000	-	-	988,500
Balance at 31 December 2020	<u>23,904,529</u>	<u>614,991</u>	<u>(9,455,822)</u>	<u>-</u>	<u>15,063,698</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

**Douough Limited**  
**Consolidated statement of cash flows**  
**For the half-year ended 31 December 2020**

	<b>Note</b>	<b>Consolidated 31 December 2020 \$</b>	<b>31 December 2019 \$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		734,328	363,000
Payments to suppliers and employees (inclusive of GST)		<u>(1,573,136)</u>	<u>(1,045,601)</u>
		(838,808)	(682,601)
Interest received		10,416	354
Government grant received		167,000	-
Income taxes paid		<u>(111,629)</u>	<u>-</u>
Net cash used in operating activities		<u>(773,021)</u>	<u>(682,247)</u>
<b>Cash flows from investing activities</b>			
Payments for intangibles	7	(861,377)	-
Cash from acquisition of subsidiary		<u>443,309</u>	<u>-</u>
Net cash used in investing activities		<u>(418,068)</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	10	18,000,000	-
Proceeds from borrowings		3,520	171,467
Share issue transaction costs	10	(983,157)	-
Repayment of borrowings		-	(10,288)
Proceeds from shares application funds		<u>-</u>	<u>240,035</u>
Net cash from financing activities		<u>17,020,363</u>	<u>401,214</u>
Net increase/(decrease) in cash and cash equivalents		15,829,274	(281,033)
Cash and cash equivalents at the beginning of the financial half-year		172,136	649,105
Effects of exchange rate changes on cash and cash equivalents		<u>19,781</u>	<u>1,774</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>16,021,191</u></u>	<u><u>369,846</u></u>

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes*

**Dough Limited**  
**Notes to the consolidated financial statements**  
**31 December 2020**

**Note 1. Significant accounting policies**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2020 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Note 2. Reverse acquisition**

Dough Limited (formerly Ziptel Limited) (the Company) acquired Dough Technologies Limited (formerly Dough Limited) on 17 September 2020.

From a legal and taxation perspective the Company is considered the acquiring entity. However, the acquisition has the features of a reverse acquisition as described in the Australian Accounting Standard AASB 3 Business Combinations (AASB 3) because the acquisition resulted in Dough Technologies Limited shareholders holding a controlling interest in the Company after the transaction notwithstanding the Company being the legal parent of the Group. At the time of the acquisition the Company divested all of its operations, and its activities were limited to managing its cash balances, filing obligations (i.e., a listed shell), and completion of the acquisition. It is therefore considered that the Company does not meet the definition of a business for the purposes of AASB 3 as it did not have any processes or outputs.

The transaction has therefore been accounted for as a reverse acquisition from a consolidated perspective, where Dough Technologies Limited is the accounting acquirer and the Company is the legal acquirer. The interim report includes the consolidated financial statements of Dough Technologies Limited for the half year and the Company for the period 17 September 2020 to 31 December 2020. The interim report represents a continuation of Dough Technologies Limited's financial statements with the exception of the capital structure. The amount recognised as equity instruments in these consolidated statements represents the issued equity of the Company adjusted to reflect the equity issued by the Company on acquisition.

Under the reverse acquisition principles, the consideration provided by Dough Technologies Limited was determined to be \$3,120,701 which is the deemed fair value of the 104,023,356 shares owned by the former Dough Limited shareholders at the completion of the acquisition, valued at the capital raising share price of \$0.03 per share.

The excess of the deemed fair value of the shares owned by the Company shareholders and the fair value of the identifiable net assets of the Company immediately prior to the completion of the merger is accounted for under AASB 2 Share Based Payments and resulted in the recognition of \$3,001,690 being recorded as "Corporate Restructure Expense". The net assets of the Company were recorded at fair value at acquisition date. As the carrying value of all assets and liabilities held by the Company at acquisition date approximated their fair value, no adjustments were required.

**Dough Limited**  
**Notes to the consolidated financial statements**  
**31 December 2020**

**Note 2. Reverse acquisition (continued)**

The fair values of the assets and liabilities of the Company (being the accounting acquiree) as at the date of acquisition and the deemed consideration is as follows:

	<b>Fair value</b> <b>\$</b>
Cash and cash equivalents	443,309
Trade and other receivables	536
Trade and other payables	<u>(324,834)</u>
Net assets acquired	119,011
Goodwill	<u>-</u>
Fair value of net assets acquired	<u><u>119,011</u></u>
	At 17 September 2020 \$

**Corporate restructure expense on acquisition:**

Fair value of the shares deemed to have been issued by Dough Technologies Limited*	3,120,701
Less: fair value of identifiable net assets acquired - Dough Limited (as per above)	<u>(119,011)</u>
	<u><u>3,001,690</u></u>

\* The fair value of the deemed consideration of \$3,120,701 was based on the Company's capital raising price for the acquisition of \$0.03 multiplied by the number of shares on issue at the date of the transaction being 104,023,356. The directors believe that this is the most reasonable measurement of the consideration given the facts and circumstances surrounding the acquisition.

Existing shareholders of Dough Technologies Limited were granted the following unlisted options and performance shares pursuant to the acquisition of Dough Technologies Limited:

- 75,000,000 unlisted share options issued with an exercise price of \$0.04, vesting date of 17 August 2020, expiry 31 August 2024; and
- 75,000,000 performance rights issued with nil exercise price for one fully ordinary share upon the achievement of certain non-market conditions

The terms of the performance rights granted to the existing shareholders of Dough Technologies Limited are outlined below:

**Dough Limited**  
**Notes to the consolidated financial statements**  
**31 December 2020**

**Note 2. Reverse acquisition (continued)**

<b>Performance Rights</b>	<b>Milestones</b>	<b>No. on issues</b>	<b>Expiry date</b>
Class A Performance rights	Whichever occurs first of: 1. The acquisition of 10,000 customer accounts; or 2. Achievement of \$100,000 monthly recurring revenue for 3 consecutive calendar months.	25,000,000	6/10/2023
Class B Performance rights	Whichever occurs first of: 1. The acquisition of 12,500 customer accounts; or 2. Achievement of \$125,000 in monthly recurring revenue for 3 consecutive calendar months.	25,000,000	6/10/2023
Class C Performance rights	Whichever occurs first of: 1. The acquisition of 25,000 customer accounts or; 2. Achievement of \$250,000 in monthly recurring revenue for 3 consecutive calendar months.	25,000,000	6/10/2023

None of the milestones were met in the period ended 31 December 2020 and no performance shares were converted to ordinary shares during the period.

**Note 3. Segment reporting**

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors. During the period the Company only operated in one segment and that was the development of a smart mobile app for banking.

**Note 4. Revenue**

	<b>Consolidated</b>	
	<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>\$</b>	<b>\$</b>
Sale of goods and services	1,290	-

**Note 5. Other income**

	<b>Consolidated</b>	
	<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>\$</b>	<b>\$</b>
Government grant - ATO - Jobkeeper subsidy	137,000	-
Government grant - ATO - Cash flow boost	30,000	-
Government grant R&D	92,439	597,671
Interest income	487	354
Other income	9,929	-
Other income	<u>269,855</u>	<u>598,025</u>

**Douough Limited**  
**Notes to the consolidated financial statements**  
**31 December 2020**

**Note 5. Other income (continued)**

***Accounting policy for other income***

*Government grant*

Government grants are recognised at fair value where there is reasonable assurance the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Except for amount received under the R&D tax incentive program, grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

**Note 6. Current assets - cash and cash equivalents**

	<b>Consolidated</b>	
	<b>31 December</b>	<b>30 June 2020</b>
	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	16,021,191	172,136

**Note 7. Non-current assets - intangibles**

	<b>Consolidated</b>	
	<b>31 December</b>	<b>30 June 2020</b>
	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Capitalised development expenditures - at cost	486,678	-

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

<b>Consolidated</b>	Capitalised development expenditures \$
Balance at 1 July 2020	-
Additions	861,377
Research & development incentives	(374,699)
Balance at 31 December 2020	<u>486,678</u>

***Accounting policy for intangible assets***

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

*Capitalised development expenditures*

**Douough Limited**  
**Notes to the consolidated financial statements**  
**31 December 2020**

**Note 7. Non-current assets - intangibles (continued)**

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

**Note 8. Current liabilities - trade and other payables**

	<b>Consolidated</b>	
	<b>31 December</b>	<b>30 June 2020</b>
	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Trade payables	1,179,516	705,541
Other payables	336,801	-
	<u>1,516,317</u>	<u>705,541</u>

**Note 9. Current liabilities - contract liabilities**

	<b>Consolidated</b>	
	<b>31 December</b>	<b>30 June 2020</b>
	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Contract liabilities	<u>330,000</u>	<u>330,000</u>

**Accounting policy for contract liabilities**

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

**Note 10. Equity - issued capital**

	<b>Consolidated</b>			
	<b>31 December</b>	<b>30 June 2020</b>	<b>31 December</b>	<b>30 June 2020</b>
	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	<u>655,652,144</u>	<u>129,784,045</u>	<u>23,904,529</u>	<u>3,104,485</u>

**Douough Limited**  
**Notes to the consolidated financial statements**  
**31 December 2020**

**Note 10. Equity - issued capital (continued)**

*Movements in ordinary share capital*

Details	Date	Shares	Issue price	\$
Balance	1 July 2020	129,784,045		3,104,485
Elimination of Douough existing Douough share on acquisition date	17 September 2020	(129,784,045)	\$0.00	-
Existing Company shares at acquisition of Douough	17 September 2020	104,023,356	\$0.00	-
Company shares issued to Douough vendors on acquisition	17 September 2020	275,000,000	\$0.03	3,120,701
Conversion of convertible notes	21 September 2020	8,333,333	\$0.03	250,000
Placement of shares	25 September 2020	200,000,000	\$0.03	6,000,000
Issue of shares to advisors, directors and company secretary	25 September 2020	13,750,000	\$0.03	412,500
Placement of shares - R&D	7 December 2020	54,545,455	\$0.22	12,000,000
Share issues costs		-	\$0.00	(983,157)
Balance	31 December 2020	<u>655,652,144</u>		<u>23,904,529</u>

**Note 11. Equity - Reserve**

	Consolidated	
	31 December 2020	30 June 2020
	\$	\$
Foreign currency reserve	38,991	19,210
Share-based payments reserve	576,000	-
	<u>614,991</u>	<u>19,210</u>

**Note 12. Equity - dividends**

There were no dividends paid, recommended or declared during the current or previous financial half-year.

**Note 13. Events after the reporting period**

On 6 January 2021, the Company announced that it has executed a binding term sheet pursuant to which the Company will acquire 100% of the issued capital in the consumer business of millennial investing fintech, Goodments Pty Ltd (Goodments).

On 26 February 2021, the Company announced that it has executed a share sale agreement with Goodments to issue 8,211,080 ordinary shares at deemed issue price of \$0.18268 per share, totalling to \$1,500,000 as part of the consideration of the acquisition.

The acquisition of Goodments will accelerate the development and broaden the depth of the Company's planned 'Wealth Jars' feature, which will initially allow customers to accelerate their savings goals by investing money in custom-built portfolios to help it fulfill its mission of becoming a fully fledged autonomous financial wellness platform, with integrated banking and investing. The Company will also continue to support the Goodments business locally prior to Douough Australian App launch this year.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

**Douough Limited**  
**Notes to the consolidated financial statements**  
**31 December 2020**

**Note 14. Earnings per share**

	<b>Consolidated</b>	
	<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax attributable to the owners of Douough Limited	<u>(5,432,420)</u>	<u>(739,381)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>462,375,696</u>	<u>104,156,360</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>462,375,696</u>	<u>104,156,360</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(1.17)	(0.71)
Diluted earnings per share	(1.17)	(0.71)

Weighted average number of ordinary shares outstanding during the current period has been calculated using:

- The number of ordinary shares outstanding from the beginning of the current period to the acquisition date computed on the basis of the weighted average number of ordinary shares of Douough Technologies Limited (accounting acquirer) outstanding during the period multiplied by the exchange ratio of 129,784,045 Douough Technologies Limited shares to 275,000,000 Douough Limited shares
- The number of ordinary shares outstanding from the acquisition date to the end of that period being the actual number of ordinary shares of Douough Limited (the accounting acquiree) outstanding during the period.

**Note 15. Share-based payments**

During the financial period, the Group has issued the following equity instruments to its directors, management, company secretary and financial advisors.

- 30,000,000 unlisted share options issued with an exercise price of \$0.04, vesting date of 17 August 2020, expiry 31 July 2024; and
- 13,750,000 ordinary shares at issue price of \$0.03.

Set out below are summaries of options granted under the plan:

31 December  
2020

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the half-year
17/08/2020	31/07/2024	\$0.04	-	30,000,000	-	-	30,000,000
			-	30,000,000	-	-	30,000,000
Weighted average exercise price			\$0.00	\$0.04	\$0.00	\$0.00	\$0.04

The weighted average share price during the financial half-year was \$0.04 (2019: nil).

The weighted average remaining contractual life of options outstanding at the end of the financial half-year was 3.58 years.

**Douough Limited**  
**Notes to the consolidated financial statements**  
**31 December 2020**

**Note 15. Share-based payments (continued)**

For the options granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
17/08/2020	31/07/2024	\$0.03	\$0.04	100.00%	-	0.26%	\$0.019

Total expense recognised in the profit or loss for the period ended 31 December 2020 amounted to \$988,500 (2019: \$nil).

**Douogh Limited**  
**Directors' declaration**  
**31 December 2020**

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2020 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors



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Steve Bellotti  
Chairman

26 February 2021

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

### **TO THE MEMBERS OF**

### **Dough Limited**

#### **Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Dough Limited, which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

#### *Directors' Responsibility for the Half-Year Financial Report*

The directors of the entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and for such control as the directors and those charged with governance determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Dough Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Dough Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Dough Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



**RSM AUSTRALIA PARTNERS**



**Anthony Travers**  
Partner

Sydney, NSW  
Dated: 26 February 2021