

Appendix 4E

Preliminary Final Report to the Australian Securities Exchange

Part 1

Name of Entity	Dubber Corporation Limited
ABN	64 089 145 424
Financial Year Ended	12 months ended 30 June 2021
Previous Corresponding Reporting Period	12 months ended 30 June 2020

Part 2 – Results for Announcement to the Market

	\$'000	Percentage increase /(decrease) over previous corresponding period
Revenue from ordinary activities	23,335	97%
Loss from ordinary activities after tax attributable to members	(30,681)	70%
Net loss attributable to members	(30,681)	70%

Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Record date for determining entitlements to the dividends (if any)	Not Applicable	

Commentary on Results

Commentary on significant features of the operating performance, trends in performance and other factors affecting the results for the financial year are included in the Commentary on Results released to the market on 31 August 2021.

The Appendix 4E Preliminary Final Report has been prepared in accordance with ASX Listing Rule 4.3A and the Financial Report is in the process of being audited.

ASX and ASIC relief

ASX issued a class waiver 'Extended Reporting and Lodgement Deadlines' under listing Rule 18.1 to give effect under the listing rules to the relief granted by ASIC in ASIC Corporations (Extended Reporting and Lodgement Deadlines – Listed Entities) Instrument 2021/315 dated 26 April 2021 ("ASIC Relief").

ASX's class waiver imposes two conditions that listed entities must satisfy to get the benefit of the extension to the lodgement date for their audited or reviewed accounts under listing rules 4.2B and 4.5.1:

- The first is a requirement that the entity provide to the market unaudited/unreviewed accounts and the information required by Appendix 4D or 4E (as applicable) by the usual lodgment deadlines.
 - *Dubber Corporation Limited is complying with this requirement with this release.*
- The second is a requirement that, at the same time that it lodges its unaudited/unreviewed accounts with ASX, it announces to the market not only that it is relying on the ASIC Relief to extend the lodgment date for its audited/reviewed accounts, but also to state that it will immediately make a further announcement to the market if there is a material difference between its unaudited/unreviewed accounts and its audited/reviewed accounts.
 - *Dubber Corporation Limited hereby states that it is relying on the ASIC Relief to extend the lodgement date for its audited accounts and will immediately make a further announcement to the market if there is a material difference between its unaudited accounts and its audited accounts.*

Part 3 – Contents of ASX Appendix 4E

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Part 4 – Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Part	Year Ended 30 June 2021 \$	Year Ended 30 June 2020 \$
Revenue			
Service income		20,412,346	9,649,834
Other revenue from ordinary activities	9(a)	2,922,776	2,194,392
Expenses			
Salaries and related expenses		(22,179,191)	(13,217,848)
Employee share based payments		(13,842,177)	(4,412,032)
Direct costs		(10,360,343)	(6,598,407)
General and administration costs	9(b)	(4,296,969)	(3,307,808)
Finance costs		(383,929)	(148,836)
Depreciation and amortisation		(2,829,256)	(2,051,129)
Non-operating foreign exchange gains/(losses)		(124,274)	(108,426)
Loss before income tax expense		(30,681,018)	(18,000,260)
Income tax expense		-	-
Loss after income tax for the year		(30,681,018)	(18,000,260)
Other comprehensive income/(loss)			
<i>Items that may be reclassified to profit or loss</i>			
Foreign currency translation differences		345,222	(26,428)
Other comprehensive income/(loss) for the year, net of tax		345,222	(26,428)
Total comprehensive loss attributable to owners of Dubber Corporation Limited		(30,335,796)	(18,026,688)

Part 5 – Consolidated Accumulated losses

	Year Ended 30 June 2021 \$	Year Ended 30 June 2020 \$
Accumulated losses at the beginning of the year	(68,583,064)	(50,582,804)
Loss for the year	(30,681,018)	(18,000,260)
Accumulated losses at the end of the year	(99,264,082)	(68,583,064)

Part 6 – Consolidated Statement of Financial Position

	30 June 2021 \$	30 June 2020 \$
ASSETS		
Current Assets		
Cash and cash equivalents	32,041,224	18,408,881
Trade and other receivables	22,793,739	10,346,912
Sundry debtors	536,132	106,067
Total Current Assets	55,371,095	28,861,860
Non-Current Assets		
Property, plant and equipment	735,186	241,582
Rights of use asset	1,541,730	2,102,360
Intangible assets	43,750,926	4,137,010
Total Non-Current Assets	46,027,842	6,480,952
Total Assets	101,398,937	35,342,812
LIABILITIES		
Current Liabilities		
Trade and other payables	11,597,258	5,323,337
Deferred consideration	-	116,381
Lease liability	612,358	560,630
Provisions	1,206,597	763,974
Contract liabilities	3,626,914	632,623
Total Current Liabilities	17,043,127	7,396,945
Non-Current Liabilities		
Deferred consideration	18,300,000	-
Lease liability	1,523,574	1,915,789
Provisions	402,663	300,910
Contract liabilities	868,611	182,789
Deferred Tax Liabilities	3,865,957	-
Total Non-Current Liabilities	24,960,805	2,399,488
Total Liabilities	42,003,932	9,796,433
NET ASSETS	59,395,005	25,546,379
EQUITY		
Issued capital	136,947,992	85,666,948
Reserves	21,711,095	8,803,497
Accumulated losses	(99,264,082)	(68,924,066)
TOTAL EQUITY	59,395,005	25,546,379

Part 7 – Consolidated Statement of Cash Flows

	Part	Year Ended 30 June 2021 \$	Year Ended 30 June 2020 \$
Cash flows from operating activities			
Receipts from customers		20,276,426	5,575,307
Payments to suppliers and employees		(41,260,724)	(20,377,768)
Interest received		262,620	70,115
R&D tax offset refund, EMDG and other received		2,856,422	2,052,459
Interest and other finance costs paid		(10,087)	(4,758)
Net cash outflows used in operating activities	11(b)	(17,875,343)	(12,684,645)
Cash flows from investing activities			
Payments to acquire entities		(14,256,658)	67,316
Purchase of plant and equipment		(250,292)	(127,166)
Payment of security bonds and funds held in trust		(1,500,000)	(17,317)
Return of security bond and funds held in trust		1,514,364	1,536,923
Net cash inflows/(outflows) used in investing activities		(14,492,586)	1,459,756
Cash flows from financing activities			
Proceeds from issue of shares		48,027,123	10,757,495
Payment of share issue costs		(2,404,642)	(488,510)
Repayment of combined debt conversion loan		40,000	-
Proceeds from borrowings		516,230	-
Principal elements of lease liability		(189,071)	(189,071)
Net cash provided by financing activities		45,989,640	10,079,914
Net increase/(decrease) in cash held		13,621,711	(1,144,976)
Cash and cash equivalents at the beginning of the year		18,408,881	19,618,245
Effect of exchange rate changes on cash		10,632	(64,388)
Cash and cash equivalents at the end of the year		32,041,224	18,408,881

Part 8 – Basis of Preparation

This preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E.

Part 9 – Loss from Ordinary Activities

The loss from ordinary activities before income tax includes the following items of revenue and expense:

	Year Ended 30 June 2021 \$	Year Ended 30 June 2020 \$
REVENUES AND EXPENSES – CONTINUING OPERATIONS		
(a) Other revenue		
Interest	262,620	70,115
Research and development tax incentive	1,814,234	1,632,459
Rental income – sub-lease	3,250	71,818
Jobkeeper grant	742,500	270,000
Export market development grant	100,000	150,000
Sundry	534	-
	2,923,138	2,194,392
(b) General and administration		
Audit fees	81,271	44,792
Accounting and tax advice fees	293,435	195,813
Legal fees	870,104	396,630
Securities exchange and registry fees	229,822	129,910
Rent	236,948	256,758
Travel costs	259,699	710,539
Corporate affairs	263,804	318,208
Insurances	227,345	120,890
Other administration	1,866,176	946,988
	4,328,604	3,120,528

Part 10 – Commentary on Results

Refer to the ASX announcement - 'FY21 Results Commentary' - on the results for the year ended 30 June 2021 as lodged on 31 August 2021.

Part 11 – Notes to the Consolidated Statement of Cash Flows

	Year Ended 30 June 2021 \$	Year Ended 30 June 2020 \$
(a) Reconciliation of cash:		
For the purposes of the Statement of Cashflows, cash includes cash on hand, and in banks, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the Balance Sheet as follows:		
Cash and cash equivalents	32,041,223	18,408,881
Cash on hand and at bank	32,041,223	18,408,881
(b) Reconciliation of loss for the year to net cash flows from operating activities:		
Total loss for the year	(30,681,018)	(18,000,260)
<i>Non-cash flows in loss:</i>		
Depreciation and amortisation	2,829,256	2,051,129
Share based payments	13,842,177	4,412,032
Net exchange differences	(124,274)	(108,426)
<i>Changes in assets and liabilities:</i>		
Increase in trade and other receivables	3,076,813	4,996,381
Decrease/(Increase) in trade and other payables	(6,273,921)	(5,497,489)
Increase in provisions	(544,376)	(538,012)
Net cash outflows from operating activities	(17,875,343)	(12,684,645)

Part 12 – Details Relating to Dividends

Date the dividend is payable	N/A
Record date to determine entitlement to the dividend	N/A
Amount per security	N/A
Total dividend	N/A
Amount per security of foreign sourced dividend or distribution	N/A
Details of any dividend reinvestment plans in operation	N/A
The last date for receipt of an election notice for participation in any dividend reinvestment plans	N/A

Part 13 – Loss per Share

	Consolidated	
	Year Ended 30 June 2021	Year Ended 30 June 2020
Basic (loss) per share attributable to the owners of Dubber Corporation Limited	(11.98) cents	(8.67) cents
Weighted average number of ordinary shares used in the calculation of basic (loss) per share	239,175,682	193,598,343
<i>As the Company is in a loss position there is no diluted earnings per share calculated.</i>		

Part 14 – Net Tangible Assets per Security

	30 June 2021	30 June 2020
Net tangible asset backing per ordinary security (cents)	5.50	9.29

Part 15 – Details of Entities Over Which Control has been Gained or Lost

Name of entity (or group of entities)	Aeriandi Ltd and Voxygen Ltd trading as Speik
Date control gained or lost	22 December 2020
Contribution of the controlled entity (or group of entities) to the profit/(loss) from ordinary activities during the period, from the date of gaining or losing control	AU\$447,633
Profit (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	Nil
Contribution to consolidated profit/(loss) from ordinary activities from sale of interest leading to loss of control	Nil

Part 16 – Details of Associates and Joint Venture Entities

	Ownership Interest		Contribution to net profit/(loss)	
	30/06/21 %	30/06/20 %	Year ended 30/06/21 \$A'000	Period ended 30/06/20 \$A'000
Name of entity	N/A	N/A	N/A	N/A
Associate	N/A	N/A	N/A	N/A
Joint Venture Entities	N/A	N/A	N/A	N/A
Aggregate Share of Losses	N/A	N/A	N/A	N/A

Part 17 – Issued Securities

	30 June 2021 \$	30 June 2020 \$
Share capital		
256,200,395 (30 June 2020: 207,722,566) fully paid ordinary shares	136,947,992	85,672,593
The following movements in issued capital occurred during the year:		
	Year Ended 30 June 2021	Year Ended 30 June 2020
	Number of Shares	Number of Shares
Balance at beginning of the year	207,722,566	186,570,452
Issued on exercise of options at 38c each	335,500	534,210
Issued on exercise of options at 40c each	-	750,000
Issued on exercise of options at 60c each	-	2,000,000
Issued on exercise of options at 75c each	275,000	70,000
Issued on exercise of options at 80c each	2,000,000	-
Issued on exercise of options at \$1.25 each	70,000	-
Issued on exercise of options at \$1.80 each	1,111	-
Issued on exercise of zero exercise price options	481,971	-
Issue of shares under employee share plan	100,000	1,995,000
Issued for cash pursuant to share placement at 60c each	1,666,666	15,003,333
Issued for cash pursuant to share placement at \$1.10 each	31,818,182	-
Issue of shares pursuant to company acquisitions	2,638,730	799,571
Issue of shares pursuant to a share purchase plan	9,090,669	-
	256,200,395	207,722,566

Options

The following options to subscribe for fully paid ordinary shares are outstanding at balance date:

- 455,290 options expiring 15 January 2022, exercisable at \$0.38 each
- 70,000 options expiring 20 September 2022, exercisable at \$1.25 each
- 150,000 options expiring 20 September 2022, exercisable at \$0.75 each
- 1,210,000 options expiring 22 March 2023, exercisable at \$0.75 each
- 1,250,000 zero exercise price options expiring 30 June 2023
- 322,985 STI zero exercise price options expiring 30 June 2023
- 3,879,066 LTI zero exercise price options expiring 30 June 2025
- 718,854 zero exercise price options expiring 31 January 2024
- 432,161 options expiring 31 January 2024, exercisable at \$1.80 each
- 75,000 options expiring 31 January 2024, exercisable at \$1.68 each

Part 18 – Segment Information

The Group has identified its operating segments based on the internal reports that are used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The management report financial information to the Board in a single segment which reflects the entire Dubber business including integrated acquisitions.

The accounting policies applied for internal purposes are consistent with those applied in the preparation of these financial statements.

Part 19 – Subsequent Events

Subsequent to the year ended 30 June 2021, the Company completed a capital raise on 29 July 2021. The commitments received were \$110,000,000 (before costs).

Part 20 – Audit/Review Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited		The accounts have been subject to review	
The accounts are in the process of being audited or subject to review	✓	The accounts have not yet been audited or reviewed	

If the accounts have not yet been audited and are likely to contain an independent audit report that is subject to a modified opinion, emphasis of matter or other matter paragraph, a description of the modified opinion, emphasis of matter or other matter paragraph:

Not applicable

If the accounts have been audited and contain an independent audit report that is subject to a modified opinion, emphasis of matter or other matter paragraph, a description of the modified opinion, emphasis of matter or other matter paragraph:

Not applicable