

Appendix 4D

Half Year Report to the Australian Securities Exchange

Part 1

Name of Entity	Dubber Corporation Limited
ABN	64 089 145 424
Half Year Ended	31 December 2018
Previous Corresponding Reporting Period	Half year ended 31 December 2017

Part 2 – Results for Announcement to the Market

	\$'000	Percentage increase /(decrease) over previous corresponding period
Revenue from continuing operations	3,713*	642%
Loss from continuing activities after tax attributable to members	(4,065)*	36%
Net loss attributable to members	(4,066)*	36%

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	

Brief explanation of any of the figures reported above necessary to enable the figures to be understood:

Note:

*Includes a \$1.7M Research and Development Tax Rebate received in December 2018.

For further information, refer to the Review of Operations contained in the Directors' Report which forms part of the Interim Financial Report for the Half Year Ended 31 December 2018.

Part 3 – Contents of ASX Appendix 4D

Section	Contents
Part 1	Details of entity, reporting period
Part 2	Results for announcement to the market
Part 3	Contents of ASX Appendix 4D
Part 4	Commentary on results
Part 5	Details relating to dividends
Part 6	Net tangible assets per security
Part 7	Details of entities over which control has been gained or lost
Part 8	Details of associates and joint venture entities
Part 9	Information on audit or review

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Part 4 – Commentary on Results

Refer to the Review of Operations contained in the Directors' Report which forms part of the attached Interim Financial Report for the Half Year Ended 31 December 2018 for details.

Part 5 – 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 6 – Net Tangible Assets per Security

	2018	2017
Net tangible asset backing per ordinary security	4.33 cents	5.48 cents

Part 7 – Details of Entities Over Which Control has been Gained or Lost

Name of entity (or group of entities)	Not applicable
Date control gained or lost	Not applicable
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	Not applicable
Profit (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	Not applicable
Contribution to consolidated profit/(loss) from ordinary activities from sale of interest leading to loss of control	Not applicable

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Part 8 – Details of Associates and Joint Venture Entities

Name of entity	Ownership Interest		Contribution to net profit/(loss)	
	2018 %	2017 %	2018 \$A'000	2017 \$A'000
	N/A	N/A	N/A	N/A
Associates				
Joint Venture Entities				
Aggregate Share of Losses				

Part 9 – Audit/Review Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited	<input type="checkbox"/>	The accounts have been subject to review	<input checked="" type="checkbox"/>
The accounts are in the process of being audited or subject to review	<input type="checkbox"/>	The accounts have not yet been audited or reviewed	<input type="checkbox"/>

If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:


Not applicable

If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:

Not applicable

Attachments Forming Part of Appendix 4D

Attachment No.	Details

Signed by Director 
Peter Clare
Dated: 28 February 2019

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DUBBER CORPORATION LIMITED

ABN 64 089 145 424

**Interim Financial Report
For the Half-Year Ended 31 December 2018**

Board of Directors

Peter Clare

Non-Executive Chairman

Steve McGovern

Managing Director

Peter Pawlowitsch

Non-Executive Director

Gerard Bongiorno

Non-Executive Director

Ian Hobson

Company Secretary

Share Registry

Automic Registry Services

Level 2, 267 St Georges Terrace

Perth WA 6000

Telephone: +61 8 9324 2099

Auditor

BDO Audit (WA) Pty Ltd

38 Station Street

Subiaco WA 6008

Securities Exchange

Dubber Corporation Limited shares are listed on the Australian Securities Exchange

ASX Code: DUB

Principal Place of Business

Level 5, 2 Russell Street

Melbourne VIC 3000

Telephone: +61 3 8658 6111

Facsimile: +61 3 8080 6466

Website: www.dubber.net/investors

Registered Office

Level 5, 2 Russell Street

Melbourne VIC 3000

Solicitor

Milcor Legal

Level 1, 6 Thelma Street

West Perth WA 6005

Banker

Westpac Banking Corporation Limited

150 Collins Street

Melbourne VIC 3000

DIRECTORS' REPORT

Your Directors submit the financial report of the consolidated entity for the half-year ended 31 December 2018. In order to comply with the provisions of the Corporations Act 2001, the Directors' report as follows:

DIRECTORS

The names of the Directors who held office during or since the end of the half-year and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated:

Steve McGovern	Managing Director
Peter Pawlowitsch	Non-Executive Director
Gerard Bongiorno	Non-Executive Director
Peter Clare	Non-Executive Chairman

REVIEW OF OPERATIONS

The net loss for the half-year attributable to members of Dubber Corporation Limited was \$4,065,861 (2017: loss of \$6,407,280).

Highlights

- Revenue increased from \$500k in the corresponding half in the previous year to \$2M in the December 2018 half (excluding R&D Grant); an increase of 300%.
- User subscribers increased from 29,405 to 68,575, since 30 June 2018; an increase of 133%
- Number of telecommunication companies agreeing to take the Dubber Platform increased from 38 to 92 during the half.
- Number of telecommunication companies at the stage of billing increased from 23 to 35 during the half.
- Completed a \$5m placement in November 2018 to assist development of the business in line with increased demand for its services.

Achievements for Dubber for the Half-Year Ended 31 December 2018

The focus of the Company in 2018 was to increase user numbers on the Dubber Platform, grow monthly revenue and continue to develop and grow commercial relationships with telecommunications service providers, delivering the unique technology applications which would capitalise on the industry's move towards cloud transformation.

User Numbers

The Company continues to grow active subscriber numbers driving growth in its revenues as a wholesale service. Since 30 June 2018, user subscribers increased 133% to 68,575 from 29,405.

The Company's core service has received significant validation in the last year as a result of it being chosen by some of the world's largest organisations in the telecommunication and IT sectors. In addition to attracting more partnerships, the Company has been able to modify its commercial approach thereby generating additional revenues by way of platform fees, licensing and minimum usage agreements.

As stated previously, with the continued growth in service provider partnerships and the fact that its existing customers are all still 'early stage', the Company believes that it is still at an embryonic point in terms of its penetration of the ultimate addressable market.

68,575
Users

39,170
added in 6 months

Jun 15

Dec 18

Telecommunications Service Providers

In the 6 months to 31 December 2018, the number of service provider partnerships increased to 92 (38 at 30 June 2018), with 35 telecommunications providers at billing stage (23 at 30 June 2018).

The Company again achieved record growth in the half, demonstrating its position as the platform of choice as service providers increasingly move services to the cloud, which is a key component of its strategy for driving sustainable shareholder value.

One of the unique attributes of the Company's technology is the ability for end users to subscribe to highly functional recording services directly from their service provider and subsequently augment these services with analytics and Artificial Intelligence products which provide long term value in relationships between the service provider and its customers.

The Company believes that, once end users integrate these services into their other operating applications, such as CRM, trading platforms and workflow tools, the Dubber Platform will provide a long-term base on which users and the service providers can build significant value.

The Company, therefore, will continue to focus on expanding its service provider network footprint.

As previously indicated, this growth has been aided by the fact that Dubber has been chosen to provide the recording service for the Cisco/BroadCloud platform, which has encouraged service providers to sign agreements with Dubber directly for a variety of their networks.

Telco Growth

Quarter on Quarter

■ Billing ■ Contracted



Growing Revenues

The Company's 'account management' strategy, is aimed at providing its partners with the tools to increase the engagement within the partners customer base. This process is on-going and is starting to deliver results as shown in the below graph demonstrating a case study of one of the Company's early partners.

Customer Success

Case Study: An early Service Provider adopter of the Dubber Platform as a Service.

26%
of customer Base

Onboarding Period

Mar 17 - Go Live

Dec 18

Revenue for the 6 months to 31 December 2018 grew fourfold to \$2M (excluding R&D Grant) against the previous year's corresponding period.

Revenue - Quarter on Quarter Growth



On 13 December 2018, the Company announced that it had achieved over \$500,000 revenue in a single month (November 2018) for the first time. Noting that the telecommunication sector typically experiences an 'embargo' period in December and January where modification of network-based infrastructure is often put on hold and therefore limited growth is expected in that period, this revenue result was repeated in December 2018.

Agreement with IBM

Dubber announced an agreement on 24 October 2018 with IBM for delivery of a Cognitive Call Listening and Recording (CCLR) service which combines proprietary technologies of IBM and Dubber for distribution by IBM's global sales channels and Dubber's network of Service Providers. The service will be aimed at the Enterprise and Government sectors where IBM are recognised as global leaders in provision of Enterprise Solutions. The service will provide customers with insights from conversations which are designed to add value to business processes and commercial outcomes. Dubber and IBM had been working to scope the solution under a Collaboration Agreement for over 12 months and, as a result, sales engagement with prospective clients is already active.

The initiative is designed to deliver additional revenue streams to Dubber based on Artificial Intelligence and Enterprise recording and reflects a long-held strategy to provide best of breed technologies via the Dubber Platform.

Agreement with Vodafone New Zealand

On 20 November 2018, Dubber announced that it was providing its call recording and analytics suite to Vodafone New Zealand for fixed and mobile services. The Vodafone One Business service sees Dubber's call recording platform powering call recording for both fixed and mobile solutions as part of Vodafone's Fixed Mobile Convergence (FMC) strategy. The recording service also forms part of Vodafone's 'Ready Government' program.

Capital Raising

The Company successfully completed a \$5,000,000 placement to institutional and sophisticated investors in November 2018. At an issue price of \$0.38 per share the placement will result in the issue of 13,157,895 new fully paid ordinary shares.

11,842,105 new fully paid ordinary shares were issued under the Company's current placement capacity in accordance with Listing Rule 7.1 with a further 1,315,789 new shares to be issued to directors (subject to shareholder approval) who are subscribing to \$500,000 in the placement.

Outlook

The Company's focus for the remainder of FY2019 is to continue to improve its key metrics;

1. Increasing the number of active subscribers of the service quarter on quarter
2. Increase revenue from users of the Dubber Platform.
3. Increase the global footprint across telecommunication service providers thereby enabling the Company's unique platform to demonstrate the value of capturing and analysing voice data on a global scale.

CHANGES IN STATE OF AFFAIRS

During the half year ended 31 December 2018 there was no significant change in the entity's state of affairs other than that referred to in the half year financial statements or notes thereto.

SIGNIFICANT MATTERS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There are no matters or circumstances which have arisen since the end of the half year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods, other than as disclosed in Note 11 to the financial statements.

AUDITOR'S DECLARATION OF INDEPENDENCE

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 in relation to the review for the half-year ended 31 December 2018 is included within this financial report.

Signed in accordance with a resolution of Directors.



Peter Clare
Non-Executive Chairman

28 February 2019

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

Note	31 December 2018 \$	31 December 2017 \$
Revenue		
Service revenue	1,995,186	493,245
Interest	10,335	6,726
Research and development tax incentive	1,708,038	-
Expenses		
Salaries and related expenses	(3,839,577)	(2,579,434)
Direct costs	(1,891,027)	(1,461,036)
General and administration costs	(1,183,393)	(2,039,028)
Finance costs	(9,185)	(43,853)
Depreciation and amortisation	(783,510)	(783,901)
Non-operating foreign exchange gains/(losses)	(72,728)	-
Loss before income tax expense	(4,065,861)	(6,407,280)
Income tax expense	-	-
Loss after income tax expense for the period	(4,065,861)	(6,407,280)
Other comprehensive income		
<i>Items that may be reclassified to profit or loss</i>		
Foreign currency translation differences	(1,008)	(16,940)
Other comprehensive income for the period, net of tax	(1,008)	(16,940)
Total comprehensive loss for the period attributable to owners of Dubber Corporation Limited	(4,066,869)	(6,424,220)
Earnings per share attributable to the owners of Dubber Corporation Limited:		
Basic loss per share	(2.66)	(4.75)

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

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018**

	Note	31 December 2018 \$	30 June 2018 \$
ASSETS			
Current Assets			
Cash and cash equivalents		6,109,767	5,673,548
Trade and other receivables	2	2,416,169	1,396,564
Total Current Assets		8,525,936	7,070,112
Non-Current Assets			
Property, plant and equipment		82,802	81,497
Intangible assets	3	5,090,948	5,861,503
Total Non-Current Assets		5,173,750	5,943,000
Total Assets		13,699,686	13,013,112
LIABILITIES			
Current Liabilities			
Trade and other payables		1,511,518	1,613,985
Provisions		516,716	499,069
Total Current Liabilities		2,028,234	2,113,054
Total Liabilities		2,028,234	2,113,054
NET ASSETS		11,671,452	10,900,058
EQUITY			
Issued capital	4	49,131,762	44,871,437
Reserves		7,880,686	7,303,755
Accumulated losses		(45,340,996)	(41,275,134)
TOTAL EQUITY		11,671,452	10,900,058

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

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$
Balance at 1 July 2018	44,871,437	7,303,755	(41,275,134)	10,900,058
Loss after income tax expense for the period	-	-	(4,065,862)	(4,065,862)
Other comprehensive income/(loss) for the period, net of tax	-	(1,008)	-	(1,008)
Total comprehensive loss for the period	-	(1,008)	(4,065,862)	(4,066,870)
Transactions with owners in their capacity as owners:				
Securities issued during the period	4,530,320	-	-	4,530,320
Capital raising costs	(269,995)	-	-	(269,995)
Cost of share based payments	-	577,939	-	577,939
Balance at 31 December 2018	49,131,762	7,880,686	(45,340,996)	11,671,452
Balance at 1 July 2017	31,312,336	5,992,219	(29,956,033)	7,348,522
Loss after income tax expense for the period	-	-	(6,407,280)	(6,407,280)
Other comprehensive income/(loss) for the period, net of tax	-	(16,940)	-	(16,940)
Total comprehensive loss for the period	-	(16,940)	(6,407,280)	(6,424,220)
Transactions with owners in their capacity as owners:				
Securities issued during the period	13,305,250	-	-	13,305,250
Capital raising costs	(1,339,650)	-	-	(1,339,650)
Cost of share based payments	-	1,128,017	-	1,128,017
Balance at 31 December 2017	43,277,936	7,103,296	(36,363,313)	14,017,919

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

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

	31 December 2018 \$	31 December 2017 \$
Cash flows from operating activities		
Receipts from customers	1,296,311	423,048
Payments to suppliers and employees	(6,559,153)	(5,524,105)
Interest received	10,334	5,706
R&D tax offset refund received	1,708,038	-
Interest and other finance costs paid	(6,330)	(1,167)
Net cash outflows used in operating activities	(3,550,800)	(5,096,518)
Cash flows from investing activities		
Purchase of plant and equipment	(15,507)	(15,762)
Payment of security bond and funds held in trust	(223,630)	(880,814)
Net cash outflows used in investing activities	(239,137)	(896,576)
Cash flows from financing activities		
Proceeds from issue of shares	4,500,320	13,392,751
Proceeds from exercise of share options	30,000	-
Payment of share issue costs	(296,995)	(436,650)
Proceeds from borrowings	-	1,000,000
Net cash provided by financing activities	4,233,325	13,956,101
Net increase in cash held	443,388	7,963,007
Cash and cash equivalents at the beginning of the period	5,673,557	857,777
Effect of exchange rate changes on cash	(7,178)	(6,895)
Cash and cash equivalents at the end of the period	6,109,767	8,813,889

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

1. BASIS OF PREPARATION

These general purpose interim financial statements for the half-year reporting period ended 31 December 2018 have been prepared in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The consolidated entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2018 and any public announcements made by Dubber Corporation Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2011*.

The accounting policies have been consistently applied with those of the previous financial year and corresponding interim reporting period, except in relation to the matters disclosed below.

The 30 June 2018 annual report disclosed that the Company anticipated no material impacts (amounts recognised and/or disclosed) arising from initial application of those standards issued but not yet applied at that date, and this remains the assessment as at 31 December 2018. There were no new standards issued since 30 June 2018 that have been applied by the Company other than the following:

Adoption of new and revised accounting standards

A number of new or amended standards became applicable for the current reporting period resulting in the adoption of the following standards:

- (i) AASB 15 Revenue from Contracts with Customers; and
- (ii) AASB 9 Financial Instruments

AASB 15 Revenue from Contracts with Customers – Impact of Adoption

The Group has adopted AASB 15 with a date of initial application of 1 July 2018. The Group has applied AASB 15 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under AASB 118 *Revenue*. As a result of adoption of AASB 15, the Group has changed its accounting policy for revenue recognition as detailed below.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a service to a customer.

Group revenues consists of service income, being monthly subscription fees from retail or reseller customers.

The Group undertook a detailed review of its revenue contracts on transition date and the following areas have been identified as being impacted by the adoption of the new standard:

Subscription service income

Subscription service revenue is recognised and measured in the accounting period in which the services are provided based on the amount of the expected transaction price allocated to each performance obligation.

The performance obligations are the provision of cloud-based call recording services (Dubber platform) on a monthly basis; the provision of services represent a series of distinct services that are substantially the same with the same pattern of transfer to the customer. The performance obligation is considered to be satisfied as control over the services are transferred to the customer, being the point at which the services are accessible to the customer. It is at this point which revenue is recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

The Group has applied AASB 15 Revenue from Contracts with Customers from 1 July 2018 which resulted in changes to accounting policies but no adjustments to the amounts recognised in the financial statements at the reporting date or on transition to the standard effective from 1 July 2018. Comparatives have not been restated to apply AASB 15, had the prior year revenue recognition accounting policy been adopted for the half-year ended 31 December 2018, there would be no adjustment to sales revenue recognised in the current financial period.

AASB 9 Financial Instruments – Impact of Adoption

The Group has adopted AASB 9 with a date of initial application of 1 July 2018 and has elected not to restate its comparatives. As a result, the Group has changed its accounting policy for financial instruments as detailed below.

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows and are initially measured at fair value adjusted for transaction costs (where applicable).

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories:

- Financial assets at amortised cost
- Financial assets at fair value through profit or loss (FVTPL)
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Equity instruments at FVTOCI

Financial assets at amortised cost

Financial assets with contractual cash flows representing solely payments of principal and interest and held within a business model of 'hold to collect' contractual cash flows are accounted for at amortised cost using the effective interest method. The Group's trade and most other receivables fall into this category of financial instruments.

Impairment

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward looking information to calculate the expected credit losses using a provision matrix.

The Group considers a financial asset in default when contractual payment are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

The Group has determined that the application of AASB 9's requirements at transition 1 July 2018 did not result in a material adjustment.

Impact of standards issued but not yet applied by the entity

AASB 16 *Leases* is effective for the reporting period commencing 1 July 2019. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The Group is still in the process of fully assessing the impact on the Group's financial results and position when it is first adopted for the year ending 30 June 2020.

2. TRADE AND OTHER RECEIVABLES

	31 December 2018	30 June 2018
	\$	\$
Current		
Trade receivables	1,336,066	469,830
GST recoverable	(11,990)	6,821
Receivable from Medulla Group Pty Ltd vendors	140,977	140,977
Prepayments	949,509	720,616
Other receivables	1,607	58,320
	<u>2,416,169</u>	<u>1,396,564</u>

	31 December 2018	30 June 2018
	\$	\$
3. INTANGIBLE ASSETS		
Dubber intellectual property – at cost	8,483,031	8,483,031
Less: Accumulated amortisation	(5,400,816)	(4,630,262)
	<u>3,082,215</u>	<u>3,852,769</u>
Goodwill	2,008,734	2,008,734
Net carrying amount	<u>5,090,949</u>	<u>5,861,503</u>
Reconciliation		
Balance at the beginning of the period	5,861,503	7,402,610
Amortisation expense	(770,554)	(1,541,107)
Net carrying amount at the end of the period	<u>5,090,949</u>	<u>5,861,503</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

4. ISSUED CAPITAL

	31 December 2018 \$	30 June 2018 \$
(a) Issued and paid up capital		
Ordinary shares - fully paid	49,131,762	44,871,437
(b) Movement in ordinary shares on issue		
<i>Ordinary shares – fully paid</i>	Number	\$
Balance at the beginning of the period	140,079,435	44,871,437
Issued on exercise of options	120,000	30,000
Issued pursuant to placement	11,841,895	4,500,320
Share issue costs	-	(269,995)
Balance at the end of the period	152,041,330	49,131,762

5. SHARE BASED PAYMENTS

During the half-year period, the following share-based payments was recorded:

	Value \$
Value of offered, but unissued shares and employee options previously issued, as disclosed in the 30 June 2018 annual report, expensed during the half-year period	577,939

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

6. SEGMENT INFORMATION

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

The Group is managed primarily on the basis that it has only one main operating segment, being the Dubber technology suite. All the Group's activities are interrelated, and discrete financial information is reported to the Board of Directors as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment

The financial results from this segment are equivalent to the financial statements of the Group as a whole.

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

	Corporate	Technology	Total
	\$	\$	\$
Half-year ended 31 December 2018			
<i>Revenue:</i>			
Services revenue	-	1,995,187	1,995,187
Interest Income	2,734	7,600	10,334
Research and Development Tax Rebate	1,708,038	-	1,708,038
Total revenue	1,710,772	2,002,787	3,713,559
Result: Profit/(Loss)	290,439	(4,356,301)	(4,065,862)
Acquisition of non-current assets	-	15,507	15,507
Amortisation	-	(770,554)	(770,554)
Depreciation of non-current assets	-	(12,956)	(12,956)
Service platform costs	-	(1,891,027)	(1,891,027)
As at 31 December 2018:			
Intangible assets	-	5,090,948	5,090,948
Total assets	2,210,469	11,489,217	13,699,686
Total liabilities	(388,514)	(1,639,720)	(2,028,234)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

6. SEGMENT INFORMATION (CONTINUED)

	Corporate \$	Technology \$	Total \$
Half-year ended 31 December 2017			
<i>Revenue:</i>			
Services Income	-	493,245	493,245
Interest income	5,705	1,021	6,726
Total revenue	5,705	494,266	499,971
Result (Loss)	(986,600)	(5,420,680)	(6,407,280)
Acquisition of non-current assets	-	15,761	15,761
Amortisation	-	(770,554)	(770,554)
Depreciation of non-current assets	-	(13,347)	(13,347)
Service platform costs	-	(1,461,036)	(1,461,036)
As at 30 June 2018:			
Intangible assets		5,861,503	5,861,503
Total assets	2,099,689	10,913,423	13,013,112
Total liabilities	(404,762)	(1,708,292)	(2,113,054)

7. DIVIDENDS

There have been no dividends declared or recommended and no distribution made to shareholders or other persons during the period.

8. COMMITMENTS

There has been no significant change in commitments since the last annual reporting date.

9. CONTINGENT LIABILITIES

The Group has no material contingent liabilities as at the date of this report.

10. RELATED PARTIES

Other than the share based payment transactions disclosed in Note 5, transactions with related parties are consistent with those disclosed in the 30 June 2018 annual report.

11. SIGNIFICANT EVENTS SUBSEQUENT TO REPORTING DATE

There are no matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods, other than as follows:

On 15 January 2019, in accordance with the Company's Employee Share Option Plan, 1,350,000 Unlisted Options were issued at 38 cents each, vesting 31 March 2019 and expiring 15 January 2022.

DIRECTORS' DECLARATION

In the opinion of the directors of Dubber Corporation Limited ('the company'):

1. The financial statements and notes thereto of the consolidated entity, as set out within this financial report, are in accordance with the Corporations Act 2001 including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year then ended.
2. 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



Peter Clare
Non-Executive Chairman

Melbourne, 28 February 2019

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF DUBBER CORPORATION LIMITED

As lead auditor for the review of Dubber Corporation Limited for the half-year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Dubber Corporation Limited and the entities it controlled during the period.



Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth, 28 February 2019

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Dubber Corporation Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Dubber Corporation Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year then ended, and notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration.

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 the Group is not in accordance with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2018 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' responsibility for the Half-Year Financial Report

The directors of the company 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 the *Corporations Act 2001* and for such internal control as the directors 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 Group's financial position as at 31 December 2018 and its financial 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 the Group, 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 the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'J Prue', is written over the printed name.

Jarrad Prue

Director

Perth, 28 February 2019

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