

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 2017
Previous Corresponding Reporting Period	Half Year Ended 31 December 2016

Part 2 – Results for Announcement to the Market

	\$'000	Percentage increase /(decrease) over previous corresponding period
Revenue from continuing operations	500	112%
Loss from continuing activities after tax attributable to members	(6,407)	18%
Net loss attributable to members	(6,407)	18%

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:

Refer to the Review of Operations contained in the Directors' Report which forms part of the attached Interim Financial Report for other details.

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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 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

	2017	2016
Net tangible asset backing per ordinary security	5.48 cents	3.73 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)	
	2017 %	2016 %	2017 \$A'000	2016 \$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
1	Interim Financial Report

Signed by Director



Peter Clare

Dated: 27 February 2018

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DUBBER CORPORATION LIMITED

ABN 64 089 145 424

**Interim Financial Report
For the Half-Year Ended 31 December 2017**

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

Suite 5, 95 Hay Street

Subiaco WA 6008

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 2017. 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
Stephe Wilks	Non-executive Director (resigned 30 August 2017)
Gerard Bongiorno	Non-executive Director (appointed 2 July 2017)
Peter Clare	Non-executive Chairman (appointed 1 December 2017)

REVIEW OF OPERATIONS

The net loss for the half-year attributable to members of Dubber Corporation Limited was \$6,407,280 (2016: loss of \$5,433,072).

Highlights

During the half-year the Company continued to focus on the following:

1. Increasing the number of users of the Dubber Platform
2. Growing monthly revenue
3. Expanding its global footprint through partnering with telecommunications service providers

Key growth metrics:

- Revenue increased from \$279k in the June 2017 half to \$493k in the December 2017 half.
- Active user numbers increased from 8,606 to 15,724, with 19,513 contracted and active users (increasing from approximately 14,333 as at 30 June 2017).
- Number of telecommunication companies agreeing to take the Dubber Platform increased from 22 to 33.
- Number of telecommunication companies at the stage of billing increased from 8 to 17.

On the Corporate front, Dubber successfully completed capital raisings of \$13.5m to accelerate the Company's expansion. The Company also confirmed the appointment of a new Non-executive Chairman, Peter Clare.

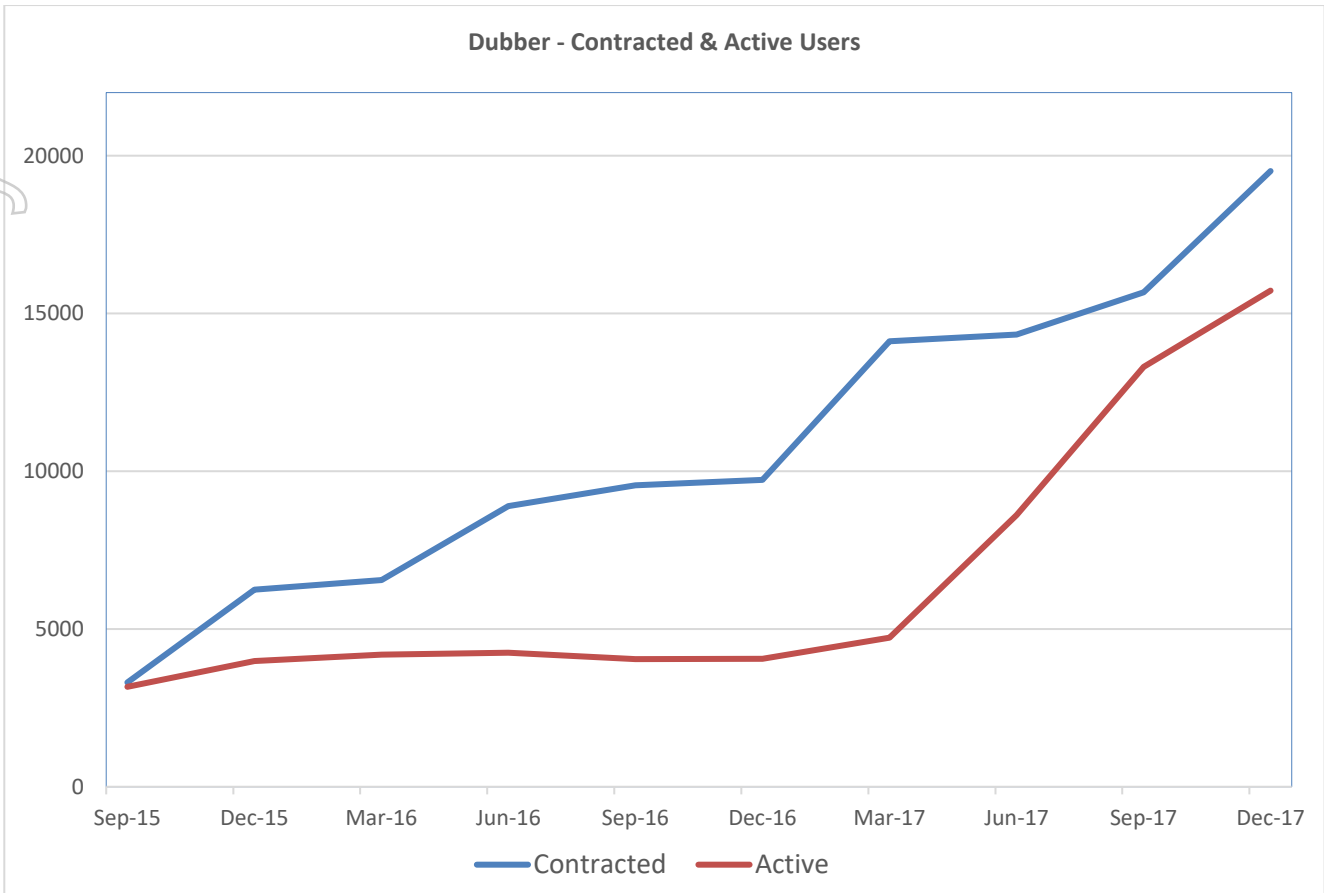
Achievements for Dubber for the Half-Year Ended 31 December 2017

The focus of the Company in 2017 was to increase user numbers on the Dubber Platform, grow monthly revenue and continue to develop commercial relationships with telecommunications service providers, delivering the unique technology applications which would capitalise on the industry's move towards cloud transformation.

User Numbers

For the period ending 31 December 2017, there were 15,705 active users and 19,513 'active and contracted' users respectively. The majority of the difference relate to customers who are currently being migrated to the Dubber service from legacy services.

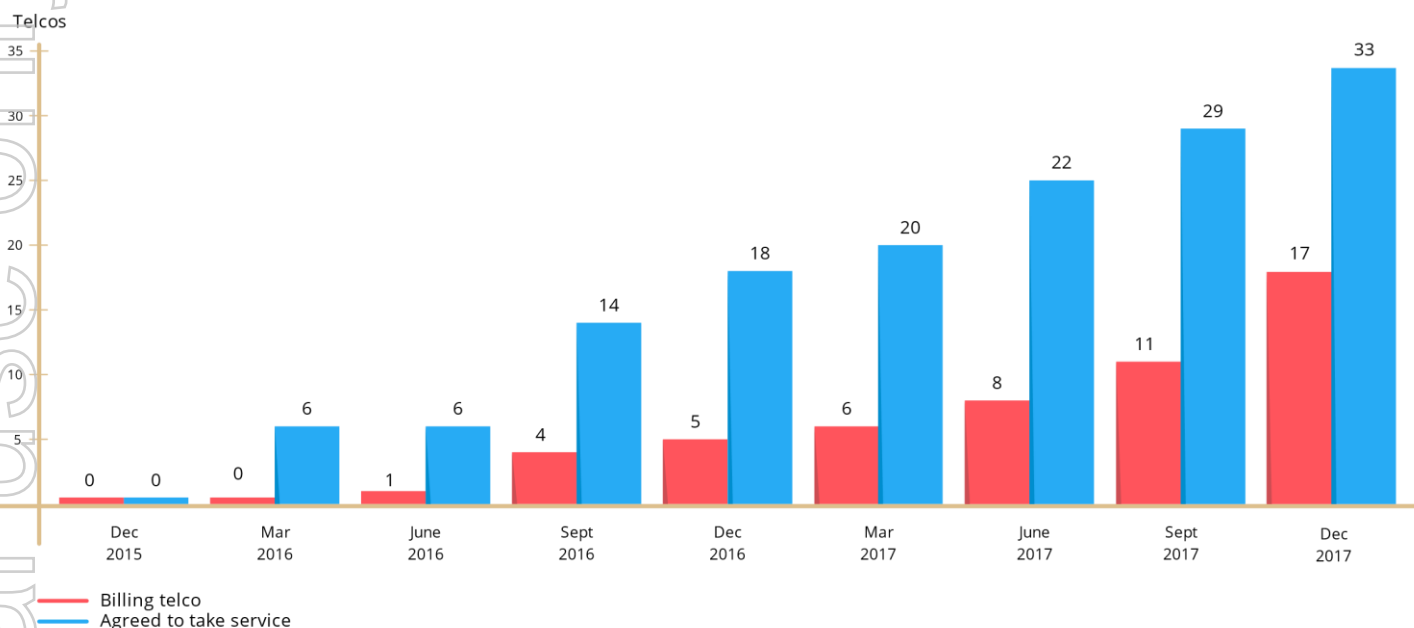
In most of these cases, the accounts have already been created in the Dubber platform for their pre-existing recordings but, at 31 December 2017, the new telephone calls had not yet been routed through the Dubber service.



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Telecommunications service providers

The half-year to 31 December 2017 saw the Company continue to focus on its strategy of driving end user growth and associated revenues through its existing accounts whilst growing its global footprint. At 31 December 2017 the Company had 33 telecommunication carriers (up from 22 at 30 June 2017) having agreed to take the Dubber Platform. There are 17 at billing stage (up from 8 on 30 June 2017).



Growing revenue

In September 2017 the Company completed a Capital Raising to develop its operations, particularly in the USA. During the December quarter the Company signed agreements with 4 telecommunications Service Providers in North America for deployment of the Dubber platform onto their networks. The Dubber platform was deployed onto 8 networks of telecommunication Service Providers in USA and Canada including those of the previously announced AT&T and CDK Global in which the services went live at the end of December 2017.

The Company's growth in active user numbers drives the growth in its revenues as a wholesale service. With the exception of Dubber Connect for AT&T the service providers are billed in arrears.

A focus for the Company throughout 2017 was an 'account management' strategy aimed at reducing the time from agreement to deployment onto the service provider network. This initiative has shown tangible results with the service providers being deployed and billed at a faster rate leading to the ensuing growth in active users and revenue.

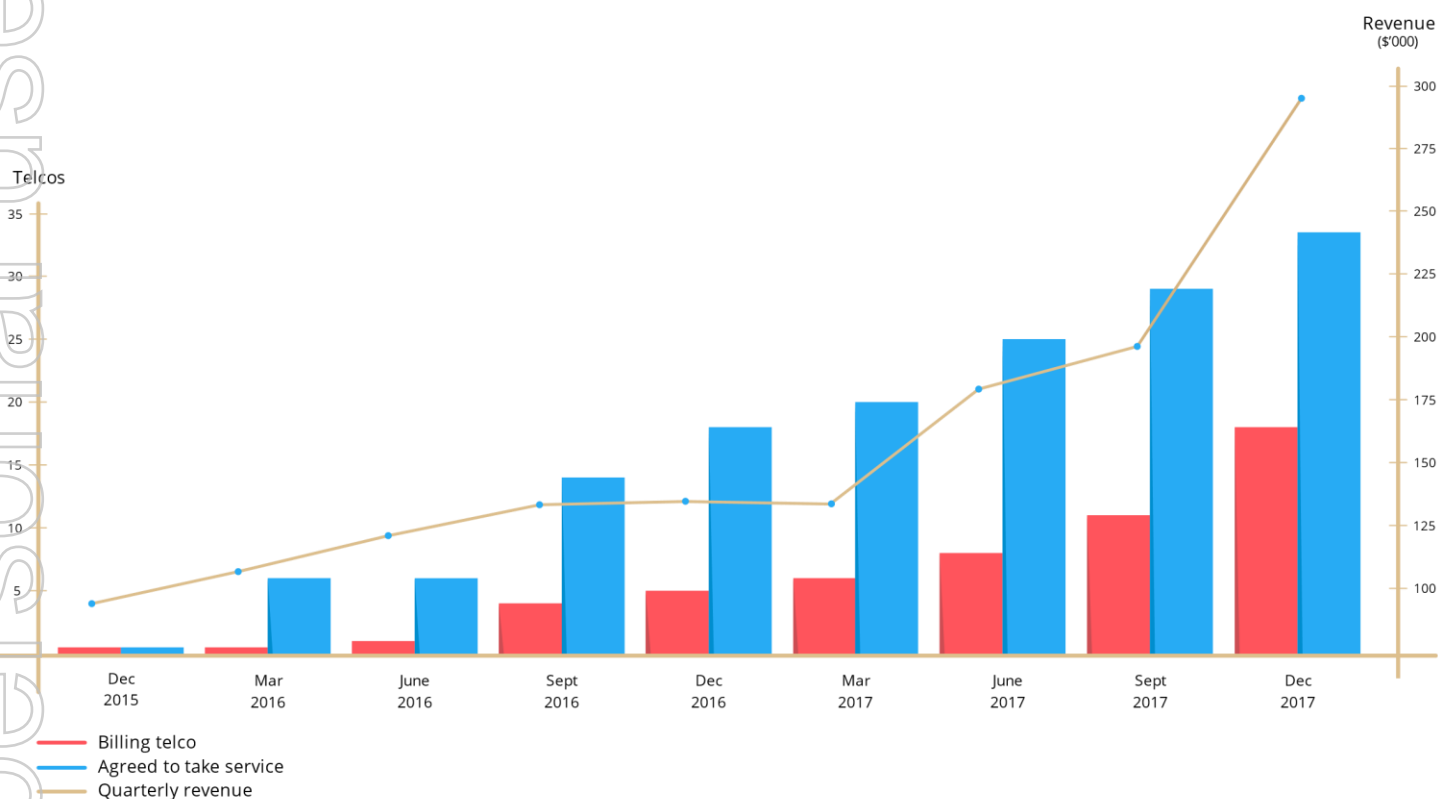
The Company has also focused on the Dubber Connect model, which sees users billed upfront and is the service deployed on AT&T Collaborate. In this case the users subscribe to the Dubber Connect service directly via their normal channel(s) at AT&T. The service went live into production at the end of December 2017, AT&T customers can subscribe to the service and the service will be proactively launched in the January quarter.

The Company signed an agreement with BroadSoft for BroadSoft Business on BroadCloud which sees Dubber enabled for every user on BroadSoft Business/BroadCloud for a nominal monthly connection fee with further revenue dependent on the usage of the service. The process to integrate Dubber has commenced and the service will go live via BroadCloud's service provider customers upon finalisation of the integration.

DIRECTORS' REPORT

In October 2017, Dubber participated at the annual 'BroadSoft Connections' event in Phoenix, Arizona, an event which brings global telecommunications service providers together for a three day Unified Communications conference. BroadSoft showcased Dubber's service live on the main stage as the recording integration into their 'UC Connect' mobile app to demonstrate the value of the service in an 'every day' user application. The Company believes that, with the BroadSoft endorsement combined with validation by some of the world's leading telecommunications companies, the event will provide a strong foundation for continued growth into the 650 telecommunications service providers worldwide who use the BroadSoft infrastructure.

The Company signed an agreement with CDK Global to deploy the Dubber Platform to its customer base in the automotive industry with the staged roll-out to a minimum of 40,000 users, progressively over three years, initially to a 'light' version of the Dubber service well under way. The US deployment, originally scheduled for Q1 2018 was completed ahead of schedule in late December 2017. CDK Global are currently providing the service to a continually increasing number of end users and, currently have in excess of 3,000 active users already connected in their UK operations.



New Chairman

During the half-year the Company was pleased to be able to appoint Mr Peter Clare as Non-executive Chairman.

Capital Raising

The Company successfully undertook two capital raisings during the half. The first was \$7,000,000 at an issue price of \$0.35 per share resulting in the placement of 20,000,000 new fully paid ordinary shares. The second was \$6,500,000 at an issue price of \$0.35 per share resulting in the placement of 17,143,572 new fully paid ordinary shares with a further 1,428,572 subject to shareholder approval (which was received on 30 January 2018) relating to a proposed subscription of \$500,000 by Managing Director Steve McGovern.

DIRECTORS' REPORT

Outlook

The Company's commercial and capital raising activities in the previous two quarters have set the foundation for its 2018 strategy and outlook.

The Company's focus for 2018 is to continue to improve its key metrics;

1. Increasing the number of active users 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 2017 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.

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 13 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 2017 is included within this financial report.

Signed in accordance with a resolution of Directors.



Peter Clare
Chairman

Dated 27 February 2018

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

	Note	31 December 2017 \$	31 December 2016 \$
Revenue			
Service income		493,245	231,694
Interest		6,726	4,555
Expenses			
Service platform costs		(1,461,036)	(1,375,596)
Accounting and tax advice fees		(50,665)	(77,005)
Audit fees		(16,022)	(14,840)
Consulting fees		(75,606)	(205,665)
Depreciation and amortisation		(783,901)	(779,885)
Directors fees and benefits		(292,775)	(266,150)
Employee benefits expense		(2,061,642)	(1,074,257)
Finance costs		(43,853)	(74,672)
Legal fees		(75,915)	(40,335)
Marketing		(531,091)	(510,492)
Occupancy costs		(307,641)	(205,595)
Securities exchange and registry fees		(92,421)	(63,409)
Share based payments	6	(225,017)	(350,693)
Travel costs		(380,143)	(376,954)
Other expenses from ordinary activities		(509,523)	(253,773)
Loss before income tax expense		(6,407,280)	(5,433,072)
Income tax expense		-	-
Loss after income tax expense for the period		(6,407,280)	(5,433,072)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Foreign currency translation differences		(16,940)	-
Other comprehensive income for the period, net of tax		(16,940)	-
Total comprehensive loss for the period attributable to owners of Dubber Corporation Limited		(6,424,220)	(5,433,072)
Earnings per share attributable to the owners of Dubber Corporation Limited			
Basic loss per share		(5.90)	(6.66)
Diluted loss per share		(5.90)	(6.66)

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 2017**

	Note	31 December 2017 \$	30 June 2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents		8,813,889	857,777
Trade and other receivables	2	2,202,870	1,778,722
Total Current Assets		11,016,759	2,636,499
Non-Current Assets			
Property, plant and equipment		83,466	81,052
Intangible assets	3	6,632,056	7,402,610
Total Non-Current Assets		6,715,522	7,483,662
Total Assets		17,732,281	10,120,161
LIABILITIES			
Current Liabilities			
Trade and other payables		2,329,226	2,438,753
Provisions		385,136	332,886
Loans and borrowings	4	1,000,000	-
Total Current Liabilities		3,714,362	2,771,639
Total Liabilities		3,714,362	2,771,639
NET ASSETS		14,017,919	7,348,522
EQUITY			
Issued capital	5	43,277,936	31,312,336
Reserves		7,103,296	5,992,219
Accumulated losses		(36,363,313)	(29,956,033)
TOTAL EQUITY		14,017,919	7,348,522

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 2017**

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$
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 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
Balance at 1 July 2016	25,455,700	5,535,229	(20,102,131)	10,888,798
Loss after income tax expense for the period	-	-	(5,433,072)	(5,433,072)
Total comprehensive loss for the period	-	-	(5,433,072)	(5,433,072)
Transactions with owners in their capacity as owners:				
Securities issued during the period	6,295,303	-	-	6,295,303
Capital raising costs	(854,917)	-	-	(854,917)
Cost of share based payments	-	829,161	-	829,161
Balance at 31 December 2016	30,896,086	6,364,390	(25,535,203)	11,725,273

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 2017**

	31 December 2017 \$	31 December 2016 \$
Cash flows from operating activities		
Receipts from customers	423,048	207,228
Payments to suppliers and employees	(5,524,105)	(4,247,588)
Interest received	5,706	8,771
Interest and other finance costs paid	(1,167)	(46,887)
Net cash outflows used in operating activities	(5,096,518)	(4,078,476)
Cash flows from investing activities		
Purchase of plant and equipment	(15,762)	(21,506)
Payment of security bond and funds held in trust	(880,814)	(190,000)
Net cash outflows used in investing activities	(896,576)	(211,506)
Cash flows from financing activities		
Proceeds from issue of shares	13,392,751	6,295,303
Payment of share issue costs	(436,650)	(441,317)
Proceeds from borrowings	1,000,000	1,130,000
Net cash provided by financing activities	13,956,101	6,983,986
Net increase in cash held	7,963,007	2,694,004
Cash and cash equivalents at the beginning of the period	857,777	2,563,767
Effect of exchange rate changes on cash	(6,895)	76
Cash and cash equivalents at the end of the period	8,813,889	5,257,847

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 2017**

1. BASIS OF PREPARATION

These general purpose interim financial statements for the half-year reporting period ended 31 December 2017 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 2017 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.

There were no new standards issued since 30 June 2017 that have been applied by the Company. The 30 June 2017 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 2017.

2. TRADE AND OTHER RECEIVABLES

	31 December 2017	30 June 2017
	\$	\$
Current		
Trade receivables	382,388	317,265
Less: Provision for doubtful debt	(108,356)	(106,889)
	274,032	210,376
GST recoverable	266,210	240,347
Receivable from Medulla Group Pty Ltd vendors	140,977	140,977
Prepayments	340,406	293,928
Other receivables	1,181,245	893,094
	2,202,870	1,778,722

Other receivables at 31 December 2017 include the following:

- \$537,377 held in trust for the repayment of additional research and development tax incentive received during the previous period and included in Trade and Other Payables; and
- \$575,000 held in trust for the payment of statutory liabilities included in Trade and Other Payables.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

	31 December 2017 \$	30 June 2017 \$
3. INTANGIBLE ASSETS		
Dubber intellectual property – at cost	8,483,031	8,483,031
Less: Accumulated amortisation	(3,859,709)	(3,089,155)
	4,623,322	5,393,876
Goodwill	2,008,734	2,008,734
Net carrying amount	6,632,056	7,402,610
Reconciliation		
Balance at the beginning of the period	7,402,610	
Amortisation expense	(770,554)	
Net carrying amount at the end of the period	6,632,056	

4. LOANS AND BORROWINGS

Current

R&D tax prepayment loan	1,000,000	-
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The Company has a R&D tax prepayment loan agreement with R&D Capital Partners Pty Ltd for \$1,544,000. The Company drew down \$1,000,000, repayable upon receipt of the tax refund from the Australian Taxation Office for the research and development tax incentive offset for the financial year ended 30 June 2017. Interest is fixed at 1.25% per month payable monthly. The loan is secured by a first ranking charge over the assets of the Company except the Dubber intellectual property, registered on the Personal Property Securities Register.

5. ISSUED CAPITAL

	31 December 2017 \$	30 June 2017 \$
(a) Issued and paid up capital		
Ordinary shares - fully paid	43,277,936	31,312,336

(b) Movement in ordinary shares on issue

Ordinary shares – fully paid

	Number	\$
Balance at the beginning of the period	96,186,100	31,312,336
Issued on exercise of options	420,000	105,000
Issued pursuant to placement	37,619,763	13,200,250
Share issue costs (Note 6)	-	(1,339,650)
Issue of loan funded shares (Note 6)	525,000	-
Balance at the end of the period	134,750,863	43,277,936

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

6. SHARE BASED PAYMENTS

During the half-year period, the following share based payments were incurred:

	Value per Share/Option	Number	Value \$
Value of offered but unissued shares and employee options previously issued, as disclosed in the 30 June 2017 annual report, expensed during the half-year period			133,076
Performance rights issued to Director, Mr Steve McGovern and other Key Management Personnel, Mr James Slaney and Mr Adrian Di Pietrantonio, with the following milestones: Milestone 1 – the Group achieving SaaS Revenue of \$500,000 or more for at least two consecutive calendar months, by 31 December 2018	\$0.3600	1,500,000	540,000
Milestone 2 – the Group achieving SaaS Revenue of \$1,000,000 or more for at least two consecutive calendar months, by 30 June 2019	\$0.3600	1,500,000	540,000
Less value of performance rights not vested at 31 December 2017			(1,006,577)
Issue of loan funded shares to Director, Mr Gerard Bongiorno, vesting on:			
20 December 2018	\$0.2700	175,000	47,250
20 December 2019	\$0.2700	175,000	47,250
20 December 2020	\$0.2700	175,000	47,250
Less value of loan funded shares not vested at 31 December 2017			(134,466)
Loan funded shares agreed to be issued to Director, Mr Peter Clare, expected to vest on:			
30 January 2019	\$0.4176	200,000	83,520
30 January 2020	\$0.4176	200,000	83,520
30 January 2021	\$0.4176	200,000	83,520
Less value of loan funded shares not vested at 31 December 2016			(239,326)
Expensed during the period			225,017
Unlisted options exercisable at \$0.60 each on or before 31 December 2019, issued as share placement underwriting fees and vesting during the period as capital raising costs	\$0.2143	2,000,000	428,600
Unlisted options exercisable at \$0.80 each on or before 31 December 2020, issued as share placement underwriting fees and vesting during the period as capital raising costs	\$0.2372	2,000,000	474,400
			<u>1,128,017</u>

The performance rights convert to shares on a one-for-one basis upon the satisfaction of milestones considered to be non-market factors. The performance rights were valued at the closing share price on the grant date.

The loan funded shares issued to Mr Gerard Bongiorno were valued using a Black-Scholes model with an underlying share price of \$0.36, volatility of 100% and an interest rate of 2.09%. The loan funds provided by the Company must be repaid by 20 December 2022 for Mr Bongiorno to benefit from the shares.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

6. SHARE BASED PAYMENTS (CONTINUED)

The loan funded shares agreed to be issued to Mr Peter Clare were valued using a Black-Scholes model with an underlying share price of \$0.555, volatility of 100% and an interest rate of 2.47%. The loan funds to be provided by the Company are expected to be repayable by 30 January 2023 for Mr Clare to benefit from the shares.

The unlisted options exercisable at \$0.60 each on or before 31 December 2019, issued as underwriting fees to consultants for nil consideration, were valued using the Black-Scholes model with an underlying share price of \$0.46, volatility of 100% and an interest rate of 1.97%. The Company could not reliably estimate the fair value of the underwriting fees, therefore they were measured by reference to the fair value of the options granted, measured at the date the share placement was completed.

The unlisted options exercisable at \$0.80 each on or before 31 December 2020, issued as underwriting fees to consultants for nil consideration, were valued using the Black-Scholes model with an underlying share price of \$0.46, volatility of 100% and an interest rate of 2.12%. The Company could not reliably estimate the fair value of the underwriting fees, therefore they were measured by reference to the fair value of the options granted, measured at the date the share placement was completed.

7. 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 2017			
Revenue	5,706	494,265	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)
Total assets	7,620,846	10,111,435	17,732,281
Total liabilities	(545,902)	(3,168,460)	(3,714,362)
Intangible assets	-	6,632,056	6,632,056

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

7. SEGMENT INFORMATION (CONTINUED)

	Corporate \$	Technology \$	Total \$
Half-year Ended 31 December 2016			
Revenue	3,479	232,770	236,249
Result (Loss)	(1,133,329)	(4,299,743)	(5,433,072)
Acquisition of non-current assets	-	21,506	21,506
Amortisation	-	(770,554)	(770,554)
Depreciation of non-current assets	-	(9,331)	(9,331)
Service platform costs	-	(1,375,596)	(1,375,596)
As at 30 June 2017			
Total assets	386,048	9,734,113	10,120,161
Total liabilities	(323,843)	(2,447,796)	(2,771,639)
Intangible assets	-	7,402,610	7,402,610

8. DIVIDENDS

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

9. COMMITMENTS

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

10. CONTINGENT LIABILITIES

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

11. RELATED PARTIES

On 13 July 2017, the Company issued 476,191 fully paid ordinary shares at an issue price of 42 cents each, raising \$200,000. The shares were issued to a company associated with Mr Peter Pawlowitsch, a Director of the Company, after shareholder approval was obtained on 30 June 2017 for the director to participate in the share placement announced on 8 December 2016.

Other than the above and the share based payment transactions disclosed in Note 6, transactions with related parties are consistent with those disclosed in the 30 June 2017 annual report.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

12. FAIR VALUE OF FINANCIAL INSTRUMENTS

Recurring fair value measurements

The Company does not have any financial instruments that are subject to recurring fair value measurements.

Fair values of financial instruments not measured at fair value

Due to their short term nature, the carrying amount of current receivables, current trade and other payables and current interest-bearing liabilities is assumed to approximate their fair value.

13. 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.

At a general meeting of the Company held on 30 January 2018, shareholders approved the following:

- the issue of 1,428,572 shares to Mr Steve McGovern, a Director of the Company, at an issue price of 35 cents per share, under the placement of shares announced on 14 December 2017; and
- the issue of 600,000 loan funded shares to Mr Peter Clare, a Director of the Company, agreed to and accounted during the half-year (note 6).

On 31 January 2018, the Company issued 1,250,000 shares following the exercise of 1,250,000 unlisted options at 25 cents each, expiring 31 January 2018.

On 20 February 2018, the Company issued 300,000 shares when 300,000 unlisted options expiring 28 February 2018, were exercised at 25 cents each.

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 2017 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
Chairman

Melbourne, 27 February 2018

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 2017, 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, 27 February 2018

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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 2017, 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 2017 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 2017 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.

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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

A handwritten signature in blue ink. The signature consists of the letters 'BDO' in a simple, blocky font, followed by a stylized signature that appears to be 'J Prue'.

Jarrad Prue

Director

Perth, 27 February 2018

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