DUBBER CORPORATION LIMITED

ABN 64 089 145 424

Annual Report

30 JUNE 2021

Contents

End not knowing

Dubber is the Unified Conversational Recording (UCR) and AI platform chosen by the world's leading communication service providers and delivered from their network.

We create voice intelligence cloud services inside the leading communications networks and solutions globally - enabling government and business to unlock the potential of any - and every - conversation.

Provisioned with a click, UCR enables voice data to be generated from every conversation - voice, video and text - and delivered to Dubber's infinitely scalable Voice Intelligence Cloud. Recordings can be replayed and insights revealed through Dubber's advanced artificial intelligence (AI), and natural language processing (NLP).

We end not knowing

Dubber Today

FOUNDED 2011

ASX LISTED

200+ EMPLOYEES

HQ MELBOURNE, AUSTRALIA

NATIVE & CLOUD LEADER

>200% MARKET CAP GROWTH ON PCP

>160 SP GLOBALLY

BILLIONS OF MINUTES RECORDED

INDUSTRY LEADING AI & NLP

API CONNECTIONS & PARTNER SHIPS

"By 2025, 75% of conversations at work will be recorded and analyzed, enabling the discovery of added organizational value or risk."

GARTNER

Corporate Directory

BOARD OF DIRECTORS

Peter Clare
Non-Executive Chairman

Steve McGovern
CEO & Managing Director

Peter Pawlowitsch
Executive Director

Gerard Bongiorno
Non-Executive Director

Ian Hobson
Company Secretary

SECURITIES EXCHANGE

Dubber Corporation Limited shares are listed on the Australian Securities Exchange

ASX Code: DUB

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE:

Level 5, 2 Russell Street
Melbourne VIC 3000
www.dubber.net

SHARE REGISTRY

Automic Registry Services (Automic Pty Ltd)
Level 2, 267 St Georges Terrace Perth WA 6000

Telephone: +61 8 9324 2099

SOLICITOR

Milcor Legal Solicitor
Level 1, 6 Thelma Street
West Perth WA 6005

AUDITOR

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

Chairman's Letter

DEAR SHAREHOLDERS

This time last year, we were acknowledging the global impacts of COVID-19. Dubber staff have proven to be resilient in adjusting to this new world as COVID continues to have profound implications for government, business and society as a whole.

In light of these ongoing and challenging circumstances, and on behalf of all the Directors, I would like to thank all our teams who have worked tirelessly through another year of disruption and dislocation.

This same dislocation amongst our global customers continues to drive demand for greater visibility into every conversation for customer, people, compliance and revenue intelligence and insight. We remain focused on our mission to end not knowing by enabling every communications service provider to capture the data in every conversation and deliver crucial insights using productive AI.

During the year the Company has continued to evolve to become the global leader in native and cloud-based conversation recording and intelligence and our platform is accelerating through organic growth, acquisitions and technology innovation. This growth and leadership is generating shareholder value and global industry recognition and relevance.

It is remarkable to see what has been delivered by our teams around the world, who work every day to ensure that compliant and secure conversational recording happens inside the world's leading networks and applications.

We're pleased to announce that the Company delivered strong results in FY21. All of the Company's key metrics showed strong increases throughout the year.

In the 12 months to 30 June 2021:

- More active users were added over the last 12 months than the entire history prior;
- Active users increased by 118% to more than 420,000 (2020: 192,544);
- Operating revenue grew from $9,649,834 to $20,337,310; up 111% ;
- Number of billing telecommunication services providers increased by 27% to 105;
- Completed the acquisition of UK-based call recording and PCI payments company Speik in December 2020, expanding the Company's footprint in the compliant call recording space - and UK market.

A planned capital raising, undertaken in July 2021, provides significant financial contingency during these uncertain times as well as a strong foundation to support and enhance our global growth agenda. In addition, it enabled the business to evaluate acquisition opportunities, scale business resources around the world and close deals with Speik (and most recently Notiv). As we move through FY22 we are financially very well placed to build on our growth aspirations.

A further capital raising undertaken in July 2021 provided a significant financial buffer and created a strong financial foundation from which we are resourced to execute our strategy.

In addition, it enabled the business to evaluate growth opportunities, scale business resources around the world and close acquisition targets, such as that done for Speik - and most recently Notiv.

As we move into the 2022 financial year, the Company is well placed to capitalise on the growth in demand for compliant conversational recording; AI-enriched insights from conversations and the continued shift to a new, work from anywhere workplace.

Compliant data capture and use, security and trust

Dubber has always intended to be the most insightful and trusted platform for conversational capture. Conversational data, enriched with AI and NLP, is at the heart of this. We are committed to ensuring that how we capture conversations - and how we hold the related data - is secure, used responsibly, transparently, and consistent with global compliance standards.

We invest heavily to protect data on the Dubber platform and encourage our customers to adopt practices that help keep their accounts and data safe. We continue to review and enhance our data governance, as well as provide policies and education to guide Dubber employees on responsible data use whether that is in designing products, developing features for customers, or entering into partnerships.

This year we enhanced our platform’s security infrastructure and laid the foundations for greater automation and an improved operating model for our security services. This included IdP and service provider SSO.

Risk management

As a high-growth company, managing risks and opportunities is critical to the execution of our strategy and maintaining the trust of all stakeholders. The Board takes this responsibility seriously, and Dubber has a risk management framework in place that includes regular updates to the Board.

Diversity and inclusion

At Dubber, diversity means acknowledging, appreciating, and celebrating all the many ways we are different, visible and not. It includes differences that relate to gender, age, culture, ethnicity, race, disability, family status, language, religion, sexual orientation, gender identity, as well as differences in background, skills, work styles, perspectives, and experiences.

We are committed to developing our people and creating an adaptive, performance-enhancing culture. During FY21, we launched refreshed principles to guide our diversity and inclusion (D&I) goals and initiatives into the future.

Conclusion

Looking ahead, we expect that digital transformation will continue to accelerate in our personal and business lives around the world. In lock-step with this immutable trend is the unbridled growth in demand for capturing the data in these business conversations, their insights and value generating opportunities ambivalent to the source of those conversations.

Dubber is well-positioned to support its customers as they adapt to these new ways of working. Whether it be regular or mobile telephony, or one of the myriad of digital voice or video conferencing channels, demand for recording and analysing conversations will grow.

On behalf of the Board, I would like to thank all staff, contractors, customers and suppliers for their resilience and determination during these challenging times. And a special thank you to our loyal shareholders for your support and encouragement on our journey to unleash the potential of every conversation.

Yours faithfully,

Peter Clare
Non-Executive Chairman

CEO & Operations Report

WELCOME

FY2021 has been a landmark period for Dubber.

We came into the year with the goal of doubling the size of our business and have exceeded that across our key metrics notably being 25% ahead of our internal target for the company's annualised recurring revenue (ARR).

While we continued to pursue our longer-term strategy we were also able to focus on supporting our customers and partners' immediate requirements during the year as they answered the need for a new way to work and communicate from anywhere.

Dubber finished FY21 strongly and enters FY22 with momentum and confidence in our long-term strategy underpinned by three commercial philosophies:

1. Recording of every conversation - voice, video and text - should be available immediately, as a Service directly from the telephony network or unified communications solution.

2. AI should be enabled for every carrier network and communications service with voice data centralized and managed securely and compliantly in the cloud.

3. Hyper-scale UCR and AI is a source of advantage for Dubber, and its application will accelerate with the continued evolution of the Dubber Voice Intelligence Cloud. This fuels our business model with a competitive and economic advantage by enabling any conversation to be recorded from any source, and unified on one platform to provide integrated reporting, alerts, search and more.

Today Dubber is globally recognized as the leader in UCR and AI - an essential part of any communications service delivered from within their networks through the Cloud.

Major global trends underpin these three principles. These include the rapid evolution of the needs of major service providers to derive more value from the content on networks as core infrastructure is commoditized; accelerating demands for secure and compliant solutions; the rapid adoption of the cloud to answer the need for compliance, people, revenue and customer intelligence; and the increasing use of AI and NLP to enrich data and insights. One of our fundamental beliefs is that AI has a part to play as a standard feature of every call and conversation - supporting compliance and the overall performance of government and business in a post-pandemic world.

Covid has accelerated these trends and the end of legacy call recording by driving the rapid proliferation of unified communications and new applications to connect dislocated employees and customers.

The Dubber Platform and Voice Intelligence Cloud is the only one of its kind, built to operate the same way a service provider provisions its services instead of providing applications or hardware at an individual enterprise or business level. As a result, Dubber is presented either in the service provider's brand or as Dubber products.

The integration of the Dubber Platform at a network level underpins our strategy and commercial opportunity for the business. Once deployed, the Dubber Platform is invariably the only network call recording and data capture technology in a service provider network. The potential for the service to be terminated at any point in the future is low - as exemplified by the zero network churn Dubber in FY21.

SCALING BUSINESS OPERATIONS

The Company successfully completed a capital raising and share purchase plan in October and November 2020, totalling $45M (before costs), consolidating our financial footing with closing cash of $32,041,224.

We continue to deploy this capital to grow our team and product leadership, which are essential to realising the potential of Foundation Partnerships. And, we continue to pursue attractive M&A opportunities globally.

Execution of strategy: Notable Highlights

CISCO FOUNDATION PARTNER

The company announced Cisco as its first major Foundation Partner meaning that every subscription of Cisco Webex Calling and Unified Communications Manager (UCM) cloud includes Dubber as a standard feature. Dubber compliant call capture is available as a standard feature of Cisco for Webex Calling and UCM - availing any service provider using Cisco Broadsoft of the ability to offer Dubber to its customers. Dubber Foundation benefits Cisco and Dubber customers with a required capability as a standard feature while providing for the broader journey in which the content of calls can be transformed into rich, usable data for compliance, productivity, insights and customer engagement.

AT&T

Dubber launched compliant Unified Call Recording and Voice AI on 3 AT&T Networks: AT&T IP Toll-Free Network, AT&T Hosted Voice Service and Cisco Webex Calling with AT&T Business in the United States. AT&T serves more than 3 million businesses globally, including many Fortune 500 and enterprises across financial services, retail, healthcare, insurance and manufacturing sectors. AT&T IP Toll-Free is a SIP trunking service that delivers inbound toll-free calls to business customer locations over the entire AT&T network.

FSI

Dubber’s partnership in EMEA deepened with the company securing major wins with significant financial institutions across the regions. Dubber anticipates this relationship continuing to strengthen in the coming quarters based on this success.

MICROSOFT TEAMS, ZOOM, RINGCENTRAL

The adoption of Unified Communications spanning calling, video, and messaging accelerated during Covid. Dubber remains the only company capable of unifying conversations from all sources in one Cloud service and platform, applying AI and NPL to deliver meaningful insights. Dubber announced and expanded major integrations with Microsoft Teams, Zoom and RingCentral.

Dubber remains one of the only partners to achieve compliance call recording certification for Microsoft Teams. To be certified under the Microsoft program, companies are required to submit their solutions for rigorous third-party approved testing for quality assurance, performance within the Microsoft Azure environment, interoperability and compatibility with the Teams user experience, security and compliance, marketing and customer support.

TELSTRA

Dubber continued to meet growing customer demand for Telstra TIPT, SIP Connect and Liberate services - and now Cisco Webex and Microsoft Teams.

OPTUS

Dubber is now available on the Optus Loop services offering and anticipates launching new services with Optus in the near future. In addition, Dubber is the preferred UCR platform on Optus for Microsoft Teams, Cisco Webex and Cisco UCM-C. Together the company is engaged with a number of significant Australian enterprises.

M&A

Dubber's overall strategy is to grow organic Annualised Recurring Revenue (ARR) while augmenting that growth with strategic acquisitions where possible. Acquisitions must either add accretive and synergistic revenue or provide substantial product and technology capability, which will drive organic ARR growth. During FY21 we successfully completed the acquisition of Speik, significantly increasing our ARR, footprint in major UK mobile service providers - specifically the major provider, O2 - and, expanded our PCI compliance offerings.

DEEPENING & STRENGTHENING PARTNERSHIPS

Dubber continued to deepen its technology partnerships with IBM and Amazon while expanding its global distribution relationships with Ingram and Cisco Commerce Web.

PRODUCT UPDATES

We made significant investments in product development and technology in FY21, delivering new capabilities for service providers, government and businesses alike. We made enhancements that simplify the capture of all conversational content, focus on providing fast and accurate data, streamlined workflows, and deeper insights through advances in AI and NLP.

These included:

- New packages for general use by individuals, teams, and enterprises. And, new solutions to meet the specific requirements of compliance teams.
- Automatic language detection of the dominant language in a recording such that transcription, sentiment and tone use the dominant detected language
- IdP SSO & SP-SSO for Dubber accounts, simplifying security and access using a business' identity provider
- Transcription cross-talk elimination to eliminate transcription errors due to cross talk and improvement of transcriptions when a caller is in a noisy environment
- Legal hold, protecting recordings from deletion (by user, by retention period, or accidental) to ensure recordings remain for future retrieval
- AI speaker and question detection enhancing the resulting transcription to be more conversational and readable
- Improved data management functionality for retention periods and exporting data

Outlook

WE ENTER THE NEW FISCAL YEAR WITH A STRONG FOUNDATION FOR GROWTH:

- Continued deployment into tier-one communications services, including native integration of the world's largest mobile networks
- The pipeline of orders via our existing partner networks and channels continues to grow. Through our Foundation Partner program, we anticipate having even greater access to subscribers with Dubber available on every end-point by default - and those Subscribers accessible by Dubber to upgrade them to more fully-featured solutions.
- The rapid evolution of our products - including pricing and packaging - driving consumption and AI-rich subscriptions
- Exponential growth in the need for voice data at a massive scale across the whole of government and business. And, for that data enriched with Dubber's advanced AI and NLP technologies.
- The expansion of our Foundation Partners - and the program itself - leading to Dubber's presence as a pre-packed service within the service provider offering.
- Our capacity to continue to scale the operating team in crucial revenue-generating roles. Dubber remains a sought after employer both in terms of its culture, product offering and growth potential.

CONCLUSION

The Company achieved many significant milestones in FY21 - particularly in securing secure footprints in major communications and services - which positively impact our long-term future.

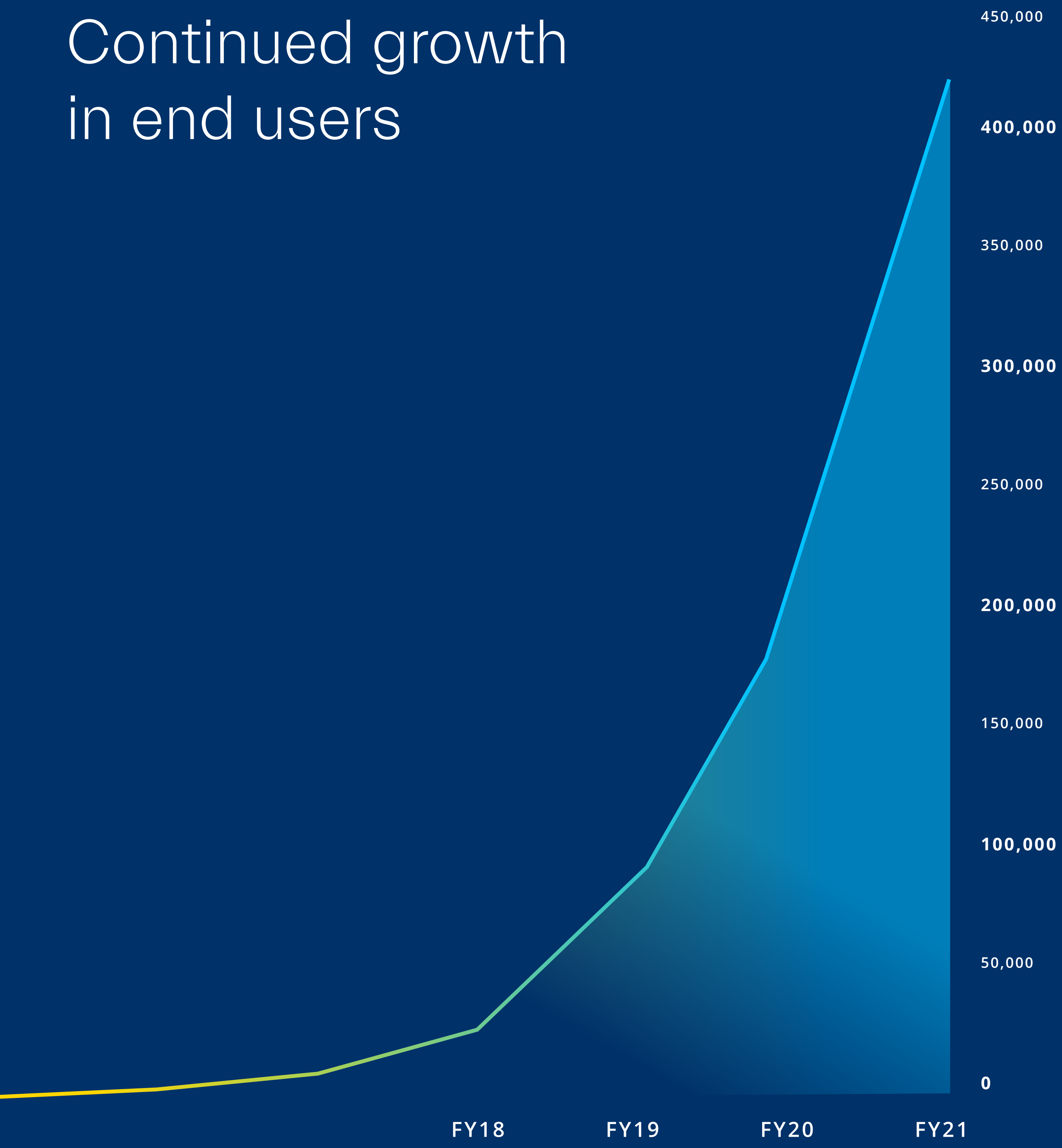
Our belief in Dubber and the need for UCR has never been stronger. UCR should be available as a 'switch on' feature as part of a communications service and AI capability, including transcription and data-driven insights. UCR will become a standard feature expectation as part of a communications service and embedded in every business' daily activity.

On behalf of the Dubber Board and leadership team, I'd like to acknowledge and thank all our team worldwide for their commitment, resilience, and hard work during FY21. And thanks to you, our partners, shareholders, customers for your continuing support of Dubber.

> "Voice data is one of the last great untapped resources for companies... By making data and insights from conversations more accessible, we unlock the potential to drive digital and customer experience transformation through voice. With the pandemic and acceleration of remote work, moving to network-centric and unified call recording has never been more important. Together with Dubber, we can help answer these customer needs on a global scale."
>
> **Rich Shaw, Vice President, Voice & Collaboration, AT&T Business** [1]

1 Source: https://www.dubber.net/dubber-news-announcements/att-business-supercharges-its-ip-toll-free-iptf-network-with-dubber-unified-call-recording-ucr-and-voice-ai/

Continued growth in end users



The 2021 financial year has shown substantial growth in all key metrics reflecting the scaling of business operations to match the global opportunities for the Company's technology and business plan. The Company also continued to focus on laying the foundations for future success by engaging with leading global carriers and service providers in the knowledge that expansion of the global network footprint provides a large-scale addressable market.

FY21
Key Highlights

ARR CAGR
148% Since FY18

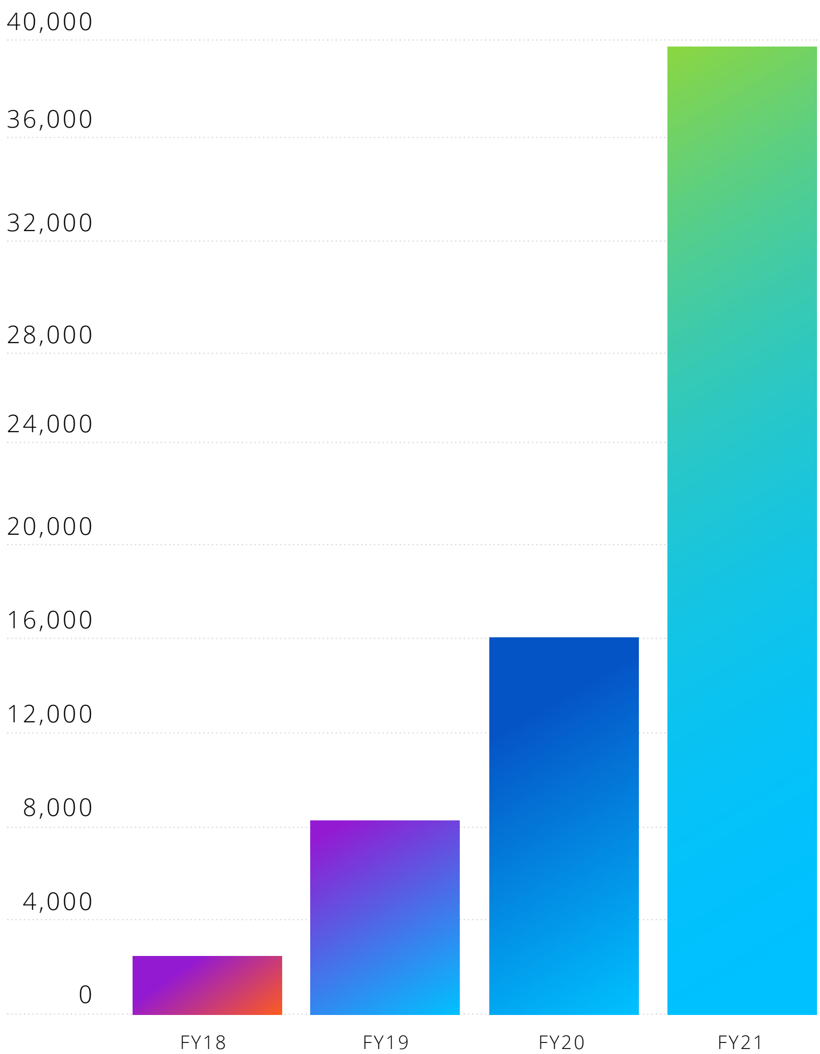
REVENUE CAGR
94% Since FY18

USER CAGR
143% Since FY18

CHURN RATE
3.7% Since FY18

CASH AT BANK
$32m EOFY21

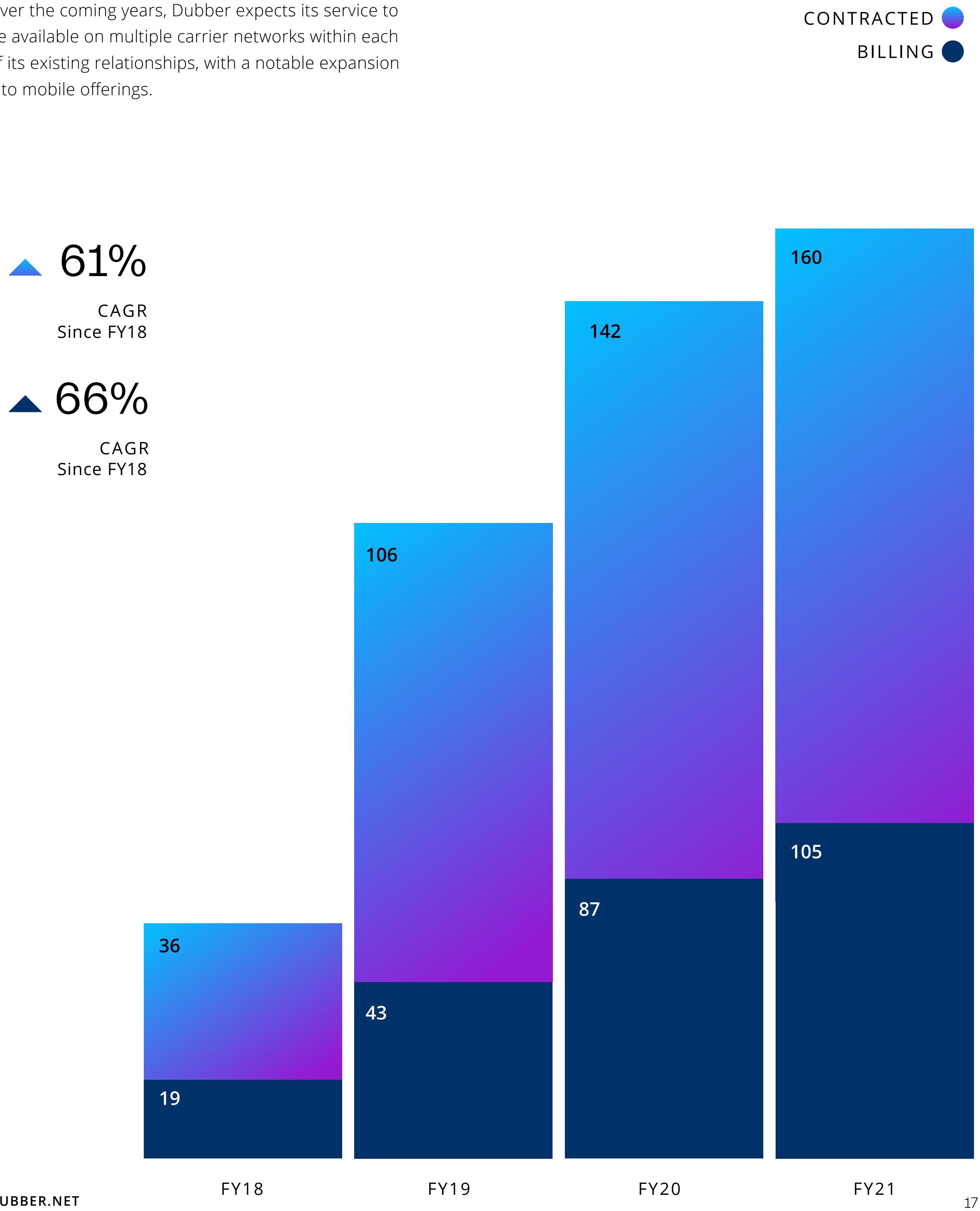
Annualised Recurring Revenue (AUD $'000s)



	FY18	FY19	FY20	FY21
AR	$2.55m	$8.22m	$16.10m	$39m
REVENUE	$3.18m	$7.39m	$11.84	$23.3m
MC	59m	250m	235m	791m
USERS	29,405	94,824	192,544	420,000+
SP CONTRACTED	38	106	138	160
SP BILLING	23	43	83	105

Telco Growth

Over the coming years, Dubber expects its service to be available on multiple carrier networks within each of its existing relationships, with a notable expansion into mobile offerings.



Highlights

+111%

INCREASE IN OPERATING REVENUE

$9.64m

OPERATING REVENUE IN 2020

$20.33m

OPERATING REVENUE IN 2021

118%

INCREASE IN USERS

192,544

USERS IN 2020

420,000+

USERS IN 2021

16%

INCREASE IN SERVICE PROVIDERS

138

TELECOMMUNICATION PROVIDERS IN 2020

160

SERVICE PROVIDERS IN 2021

$32m CASH AT BANK AT 30 JUNE 2021

Our Strategy

This year we made significant progress on our core strategy to enable the world's communications service and solution providers to extract value from every conversation on their networks and services. By making Dubber a native and feature-rich solution available to every customer, we unlock the potential of billions of connected end-points.

Why Dubber Exists

Our Purpose
To improve the way the world communicates, listens and connects

Our Mission
To Dub every communications service in the world - voice, video, chat and more

Our Vision
To realise the potential of Conversational Data as a Service - unlocking the power of conversation data for government, service providers and businesses globally

1 Dubber on every network and communication solution globally

AI on every phone and end-point fuelling the Voice Intelligence Cloud

Answering customers' needs for compelling and new differentiated services, creating recurring value from the content flowing on their networks and services

Areas of investment

- Best-in-class unified conversation caputure and AI-enrichment for communications services
- Robust technology to drive innovation at speed
- Expansion of sales, marketing and support globally

2 Win and serve efficiently with partners - direct & channel

Create network effects with every end-point and user, creating incremental growth

Answering customers needs for increasing recurring revenue, customer retention and differentiation

Areas of investment

- Attract, inspire and retain world class talent
- Foundation Partner offerings and footprint
- Optimise operational, product and financial structure

3 AI powered intelligence & insight

Create more value for partners and customers than ever before through compliant UCR data, connections and integrations

Answering customers needs for compliance, customer, revenue and people intelligence - enriched with AI

Areas of investment

- Advancing Dubber's AI, NLP and digital signal processing leadership
- Government and business needs for compliance, customer, people and revenue intelligence
- New use cases leveraging data, AI, and NLP

Strategy Highlights

Realising the potential of voice data as a service

STRATEGY #1

Dubber on every network and communications solution globally

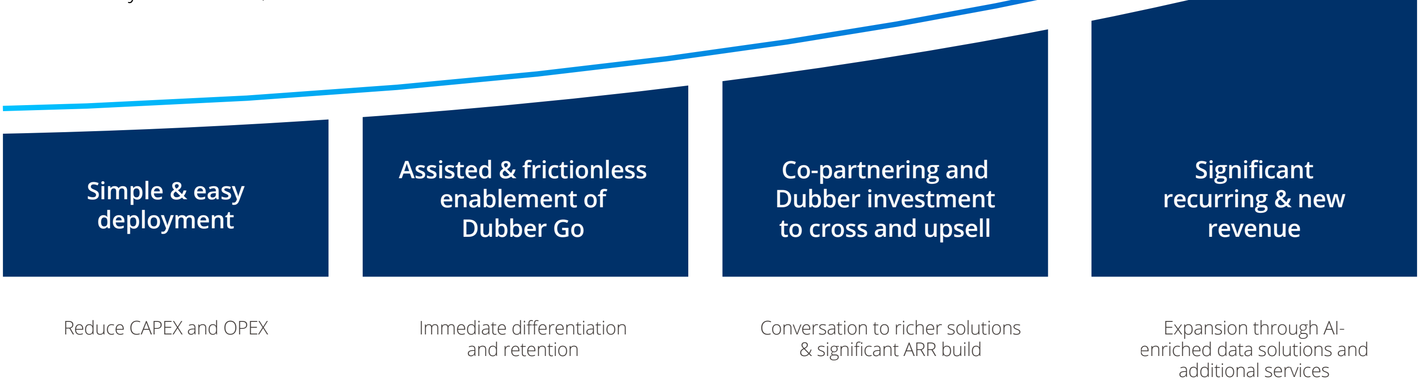
AI on every phone and end-point fuelling the Voice Intelligence Cloud

Our momentum with major service providers continued to accelerate globally including Cisco, AT&T, Verizon, Microsoft, 02, Telstra, Optus and more.

We launched a first-of-a-kind global partner program - Dubber Foundation - whereby a service provider includes Dubber as a core feature for every subscription. This enables providers of communications services to deploy UCR and AI for any content and end-point at a fraction of the cost of legacy solutions and with significant revenue and retention potential. Our first Foundation Partner has launched Dubber on its primary Webex Calling and Cisco UCM services.

Dubber Foundation

Dubber as a standard feature in every subscription
The Pathway to revenue, retention & differentiation



> "Customers worldwide are responding to increased regulatory and compliance obligations for their businesses. Embedding tools, like Dubber call recording, as a standard service that is available to Webex users, will help customers meet those requirements while enabling easy access to powerful advanced voice data services."
>
> **Lorrissa Horton, Vice President and General Manager of Webex Calling and Online.**

STRATEGY #2

Win and serve efficiently with partners – direct & channel

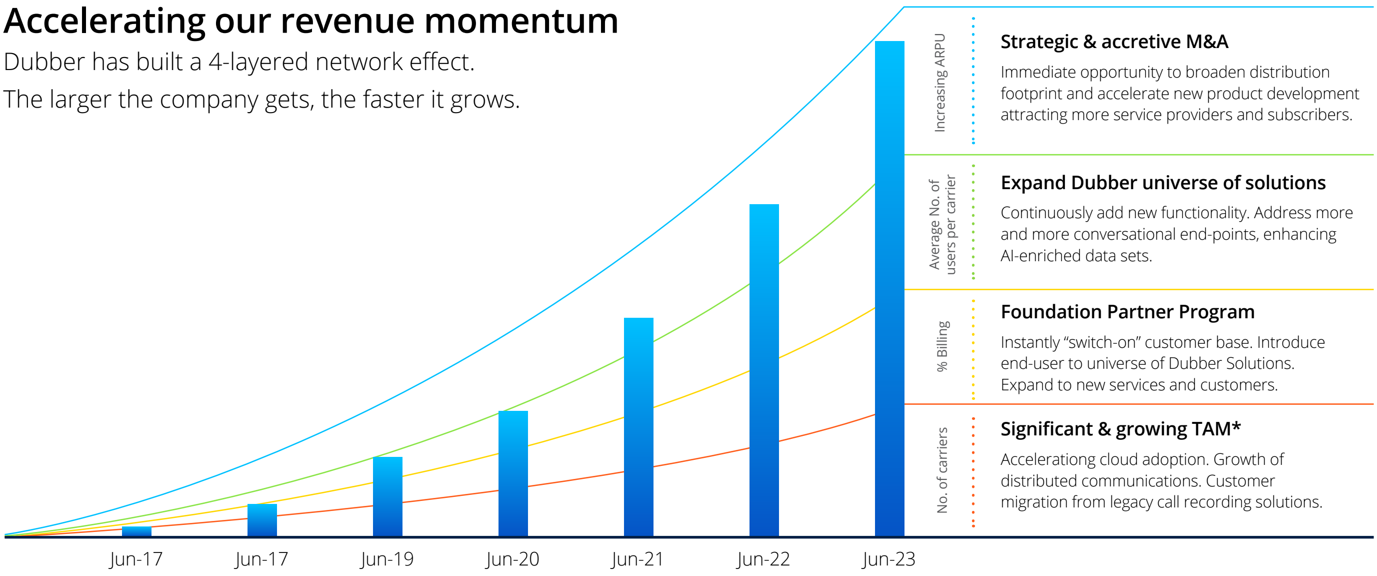
Create network effects with every end-point and user, creating incremental growth

We expanded our offerings and services across all the world's major UC platforms including Cisco Webex Teams and Webex Calling, Microsoft Teams, Zoom, and RingCentral. Today we are the only truly UCR that is compliant, secure and infinitely scalable.

New pricing and packaging - including the innovative Dubber Go solution offered to Foundation Partners - enables us to deliver fit-for-purpose solutions to governments and businesses of every size.

Accelerating our revenue momentum

Dubber has built a 4-layered network effect.
The larger the company gets, the faster it grows.



STRATEGY #3

AI powered intelligence & insights

Create more value for partners and customers than ever before through compliant UCR data, connections and integrations

Dubber continued to innovate, launching new features harnessing its AI leadership. These included features such as automatic language detection enabling Dubber to transcribe to the preferred language when two languages are being spoken.

The successful acquisition of Speik added new networks and broadened our compliance offerings - especially for PCI Compliance. Speik joined Dubber with a long and successful seven-year track record with a number of UK service providers, including O2, the UK's largest network. Speik immediately grew Dubber's market-leading position in EMEA and contributed positively to Dubber's overall ARR momentum with a profitable Statement of Financial Position.

How Dubber is used today

> The uses of Dubber are virtually endless. From the simple and easy ability to replay a conversation when you need it most through rich insights to fuel people, compliance, revenue and customer intelligence.

Compliance Intelligence

Reduce the cost and risk of security and non-compliance through UCR with integrated and dedicated compliance storage and archiving. True AI, ML, and NLP automatically detect security, data loss, and compliance risks across video, voice, chat, and content in what is shared, shown, spoken, and typed.

Revenue Intelligence

Dubber captures customer interactions across phone, web conferencing, and email. True AI understands what was said in these interactions, and delivers insights to help your team win more. Connected to Salesforce, businesses generate real-time accurate records of every conversation, accelerating sales productivity and effectiveness by improving training and coaching. Disputes can be resolved with certainty.

People Intelligence

Working from anywhere has reduced visibility into employee sentiment, wellbeing and performance. Dubber enables real-time monitoring of all communication channels to maintain performance and conduct standards and safeguard against data loss.

Customer Intelligence

Transform customer experience through intelligence. See satisfaction and sentiment data in real-time and gain a vital lens into what's working and what isn't. Resolve disputes faster based on what was said. Enhance customer data sets with an accurate record of conversations.

Answering the needs of every government, business and individual

CRUCIAL CONVERSATIONS

Jess uses call recordings to verify crucial conversations for order accuracy and dispute resolution

COMPLIANCE

Jeff records all lenders calls for compliance, conducting real-time search and alerting on keywords

CUSTOMER EXPERIENCE

Jim sees every sales conversation and presentation in Salesforce, in real-time with customer and employee sentiment analysis

COACHING & TRAINING

Cathy captures every conversation for coaching and performance management

BUSINESS PRODUCTIVITY

Marcia captures team meetings and presentations to boost productivity and keep accurate records of what matters

IT VOICE DATA MANAGEMENT

Jon integrates all voice data for rapid reporting and enterprise surveillance, meeting compliance mandates

Directors' Report

Your directors present their report of Dubber Corporation Limited and its controlled entities (the Group) for the financial year ended 30 June 2021.

Directors

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

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

The particulars of the qualifications, experience and special responsibilities of each director are as follows:

STEVE MCGOVERN — MANAGING DIRECTOR

Experience

Mr McGovern is a founder of Dubber Pty Ltd. He has over 25 years' experience in the fields of telecommunications, media sales, pay TV and regulatory. Mr McGovern has been a senior executive of several established companies, both domestically and internationally, which have been primarily associated with new and emerging markets and have required a strong sales and solutions focus.

Interest in Shares and Options/Rights at the date of this report

- 9,836,242 ordinary shares held directly and indirectly
- 3,070,215 ZEPOs held directly or indirectly

Directorships held in other listed entities in the past three years

- Linius Technologies Limited (April 2016 – present)

MR PETER CLARE — NON-EXECUTIVE CHAIRMAN

Experience

Peter is a highly experienced senior executive with an active interest in technology and innovation and has a number of private equity investments in fintech and other new technology businesses. He also holds a number of other non-executive director positions with independent companies/businesses.

He was previously Managing Director and Chief Executive Officer for Westpac in New Zealand and held Group Executive roles at Westpac, Commonwealth and St George banks in Australia, with responsibility for Strategy, Mergers and Acquisitions, Product, Operations, Technology, Property and Procurement. His background also includes Insolvency Accounting and Management Consulting.

Peter's qualifications include a BCom and MBA. He is a member of the Australian Institute of Company Directors, a Fellow of the Governance Institute of Australia, the Financial Services Institute of Australasia, and Certified Practicing Accountants Australia.

Interest in Shares and Options/Rights at the date of this report

- 765,000 ordinary shares held indirectly
- 89,053 ZEPOs held indirectly
- 600,000 remuneration options held indirectly

Directorships held in other listed entities in the past three years

- Lynch Group Holdings Limited (February 2021 – present)

MR PETER PAWLOWITSCH — EXECUTIVE DIRECTOR

Experience	Mr Pawlowitsch holds a Bachelor of Commerce from the University of Western Australia, is a current member of the Certified Practicing Accountants of Australia, a Fellow of the Governance Institute of Australia and holds a Master of Business Administration from Curtin University. These qualifications have underpinned more than fifteen years' experience in the accounting profession and more recently in business management and the evaluation of businesses and projects.
Interest in Shares and Options/ Rights at the date of this report	• 4,964,511 ordinary shares held indirectly • 1,617,703 ZEPOs held indirectly
Directorships held in other listed entities in the past three years	• VRX Silica Limited (February 2010 – present) • Knosys Limited (March 2015 – present) • Novatti Group Limited (June 2015 – present) • Family Zone Cyber Safety Limited (September 2019 – present)

MR GERARD BONGIORNO — NON-EXECUTIVE DIRECTOR

Experience	Mr Bongiorno is Principal and Co-CEO of Sapient Capital Partners, a merchant banking operation and has over 30 years of professional experience in capital raisings and corporate advisory. Prior to forming Sapient (formerly Otway Capital), Gerard was Head of Property Funds Management at Challenger Financial Services Group (CFG) and was Group Special Projects Manager at Village Roadshow. Earlier in his career he worked at KPMG in insolvency and corporate Finance. Gerard received his Bachelor's Degree in Economics and Accounting from Monash University and the Program for Management development at Harvard Business School PMD75.
Interest in Shares and Options/ Rights at the date of this report	• 796,723 ordinary shares held indirectly • 51,641 ZEPOs held indirectly • 300,000 remuneration options held indirectly
Directorships held in other listed entities in the past three years	• Linius Technologies Limited (February 2017 – present)

Company Secretary

Mr Ian Hobson, the Company Secretary since 17 October 2011 holds a Bachelor of Business degree and is a Chartered Accountant and Chartered Secretary. Mr Hobson provides company secretary services and corporate, management and accounting advice to a number of listed public companies.

Corporate Information

CORPORATE STRUCTURE

Dubber Corporation Limited is a limited liability company that is incorporated and domiciled in Australia. Dubber Corporation Limited has prepared a consolidated financial report incorporating the entities that it controlled during the financial year as follows:

Dubber Corporation Ltd	-	parent entity
Medulla Group Pty Ltd	-	100% owned controlled entity
Dubber Pty Ltd	-	100% owned controlled entity
Dubber Ltd (UK)	-	100% owned controlled entity
Dubber USA Pty Ltd	-	100% owned controlled entity
Dubber, Inc.	-	100% owned controlled entity
Dubber Connect Australia Pty Ltd	-	100% owned controlled entity
CallN Pty Ltd	-	100% owned controlled entity
Aeriandi Ltd	-	100% owned controlled entity
Voxygen Ltd	-	100% owned controlled entity

PRINCIPAL ACTIVITIES

The principal continuing activities of Dubber Corporation Limited and its controlled entities consisted of provision of call recording and audio asset management in the cloud.

Operating and Financial Review

REVIEW OF OPERATIONS

A review of operations for the financial year and the results of those operations is contained within the review of operations preceding this report.

OPERATING RESULTS

The loss from ordinary activities after providing for income tax amounted to $31,697,438 (2020: $18,000,260).

FINANCIAL POSITION

On 30 June 2021 the Group had net assets of $58,956,036 (2020: $25,546,379) and cash reserves of $32,041,224 (2020: $18,408,881).

DIVIDENDS

No dividends were paid or declared during the year. No recommendation for payment of dividends has been made.

Significant changes in the state of affairs

Significant changes in the state of affairs of the Company during the financial year are detailed in the review of operations.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report or in the financial statements.

Events subsequent to reporting date

In July 2021, the Company announced a $110,000,000 placement (before costs) to be completed in two (2) tranches. The first tranche was completed on 29 July 2021 and the second tranche was approved by shareholders at a general meeting on 2 September 2021.

The Company completed the acquisition of AI Technology Company Notiv, by way of cash and equity for circa AU$6.6M on 20 September 2021.

No other matters or circumstances have arisen since the end of the financial year.

Likely developments and expected results of operations

The Group will continue to pursue its principal activity of rolling out and developing its cloud-based call recording and audio asset management platform.

Meetings of directors

The numbers of meetings of directors held during the year and the numbers of meetings attended by each director were as follows:

	DIRECTORS' MEETINGS	
	Number eligible to attend	Number attended
Mr Steve McGovern	11	11
Mr Peter Clare	11	11
Mr Peter Pawlowitsch	11	11
Mr Gerard Bongiorno	11	11

Remuneration Report

Remuneration Report

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The following persons were directors of Dubber Corporation Limited during the financial year:

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

Other persons that fulfilled the role of a key management person during the year, are as follows:

James Slaney	Chief Operating Officer
Peter Curigliano	Chief Financial Officer
Russell Evans	Chief Revenue Officer

Overview of Remuneration Policies

The Board as a whole is responsible for considering remuneration policies and packages applicable both to directors and executives of the Consolidated Entity.

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and the Consolidated Entity, including directors of the Company and other executives.

Broadly, remuneration levels for key management personnel of the Company and of the Consolidated Entity are competitively set to attract and retain appropriately qualified and experienced directors and executives and reward the achievement of strategic objectives. In the previous financial year and completed this year, the Board implemented an independent review of its remuneration policies to come into effect from 1 July 2020. The review also included recommendations on the design and operation of short term and long-term incentive plans for the Company's executives. As a result of this review, new executive service agreements were entered into with CEO & Managing Director, Mr Steve McGovern and Chief Operating Officer, Mr James Slaney. In addition, the review resulted in a change of role for Mr Peter Pawlowitsch from Non-Executive Directive to Executive Director - Commercial and Strategy, under a new executive service agreement. These new agreements became effective from 1 July 2020.

The following is what was in place during the 2021 financial year:

Remuneration packages can consist of fixed remuneration including base salary, employer contributions to superannuation funds, cash bonuses and non-cash benefits.

The Company has a variable remuneration package for directors, which involves short term incentives (STI) and long term incentives (LTI). STI's incentives are broadly linked to the delivery of annual operational objectives while LTI's focus on the delivery of strategic objectives and creation of sustainable shareholder value. STI's and associated performance targets are set annually by the Board. LTI's are set every three (3) years by the Board and are linked to the delivery of the Group's business plan, subject to continued employment and achievement over the life of the Remuneration Policy.

Mr Steve McGovern's bonus plan was replaced by a new Employment Services Agreement (ESA) in FY21. Hence, no cash bonus was paid or accrued to Mr Steve McGovern in FY21 (2020: $150,000).

Bonuses of $20,000 and $40,000 were paid to key management personnel Mr James Slaney and Mr Russell Evans in line with a determination by the Board and the achievement of sales targets respectively. (2020: $40,000 and $35,000 respectively)

FIXED REMUNERATION

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis and includes any FBT charges related to employee benefits including motor vehicle), as well as employer contributions to superannuation funds.

Remuneration levels are reviewed annually by the Board through a process that considers individual, segment and overall performance of the Consolidated Entity. The Board has regard to remuneration levels external to the Consolidated Entity to ensure the directors' and executives' remuneration is competitive in the marketplace.

Executive directors are employed full time and receive fixed remuneration in the form of salary and statutory superannuation or consultancy fees, commensurate with their required level of services.

Non-Executive directors, unless otherwise specified by any non-executive and consultancy service agreement in place, receive a fixed monthly fee for their services. Where non-executive directors provide services materially outside their usual Board duties, they are remunerated on an agreed retainer or daily rate basis.

SERVICE AGREEMENTS

It is the Consolidated Entity's policy that service agreements for key management personnel are unlimited in term but capable of termination on 3 months' notice and that the Consolidated Entity retains the right to terminate the service agreements immediately, by making payment equal to 3 months' pay in lieu of notice.

The service agreement outlines the components of compensation paid to key management personnel but does not prescribe how remuneration levels are modified year to year. Remuneration levels are reviewed annually on a date as close as possible to 30 June of each year to take into account key management personnel's performance.

Certain key management personnel will be entitled to bonuses as the Board may decide in its absolute discretion from time to time.

NON-EXECUTIVE DIRECTORS

Total remuneration for all non-executive directors, last voted upon by shareholders at the 2014 Annual General Meeting, is not to exceed $500,000 per annum and has been set at a level to enable the Company to attract and retain suitably qualified directors. The Company does not have any scheme relating to retirement benefits for non-executive directors.

RELATIONSHIP BETWEEN THE REMUNERATION AND COMPANY PERFORMANCE

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. Two methods have been applied to achieve this aim, the first being a performance-based rights subject to performance based vesting conditions, and the second being the issue of options or shares to key management personnel to encourage the alignment of personal and shareholder interests.

Short term incentives and associated performance targets are to be set annually by the Board. For the 2020/21 financial year they are:

- the 2021/2022 financial year budget for the business of the Group shows that the business will have sustainable cash flows to cover budgeted operating costs for that year;
- a positive personal scorecard'; and
- core business objectives (six or more) and product releases (six or more).

For the 2020/21 financial year, short term incentive remuneration is payable only by way of STI ZEPOs, subject to Shareholder approval where required. For subsequent years, short term incentive remuneration is payable at the executive's election up to 100% in cash, with the balance in equity in the form of STI ZEPOs.

Long term incentives are to be set every three years by the Board and will be linked to delivery of the Group's business plan, subject to continued employment, achievement over the life of the Remuneration Policy (ie within that three year period) with performance targets over the next three years being:

- recurring revenue targets; and
- targets for agreements in place for the deployment of the Dubber call recording service on telecommunication networks.

Long term incentive remuneration is payable in equity only in the form of LTI ZEPOS.

Share-based Payment

OPTIONS

The Company operates an Employee Incentive Plan ("EIP") for executives and employees of the Consolidated Entity. In accordance with the provisions of the EIP, executives and employees may be granted options (ZEPO or strike price) to purchase ordinary shares at an exercise price to be determined by the Board with regard to the market value of the shares when it resolves to offer the options. The options may only be granted to eligible persons after the Board considers the person's seniority, position, length of service, record of employment, potential contribution and any other matters which the Board considers relevant.

Each employee share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable to the Company by the recipient on receipt of the option. The options carry neither right to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is determined by the Board. Typically, options granted under the EIP expire within thirty-six months of their issue. The options are not exercisable until the vesting date provided the participant is an employee at the relevant vesting date.

SHARES

The directors, at their discretion, may issue shares to participants under the Employee Share Plan ("ESP") at any time, having regard to relevant considerations such as the participant's past and potential contribution to the Company, and their period of employment with the Company. Directors of the Company, full-time employees and part-time employees of the Group who hold a salaried employment or office in the Group, are eligible to participate in the ESP.

Plan shares may be issued at an issue price to be determined by the Board, which may be a nominal or nil issue price if so determined by the Board. The number of plan shares issued is determined by the Board.

The plan shares are issued on the same terms as the fully paid ordinary shares of the Company and rank equally with all of the Company's then existing shares.

The Board may impose conditions in an offer of plan shares that must be satisfied (unless waived by the Board in its absolute discretion) before the plan shares to which the condition applies can be sold, transferred, assigned, charged or otherwise encumbered.

Where a restriction condition in relation to plan shares is not satisfied by the due date, or becomes incapable of satisfaction in the opinion of the Board, the Company must, unless the restriction condition is waived by the Board:

Where the plan shares were issued for no cash consideration, buy back the relevant plan shares within 12 months of the date the restriction condition was not satisfied (or became incapable of satisfaction) at a price equal to $0.0001 per share; or

Where the shares were issued for cash consideration, use its best endeavours to buy back the relevant plan shares within 12 months of the date the restriction condition was not satisfied (or became incapable of satisfaction) at a price equal to the cash consideration paid by the participant for the plan shares.

To date, plan shares offered under the ESP vest in three equal tranches on each of the three consecutive annual vesting dates. The shares are not issued to the participant until the vesting date provided the participant is an employee at the relevant vesting date.

LOAN FUNDED SHARES

Loan funded shares offered under the plan may be issued to the participant or purchased on-market, at the discretion of the Board. It is the Board's present intention that loan funded shares will be issued to participants.

Participants will acquire loan funded shares at market value as at the grant date using a loan provided by the Company. The loan will be interest-free and limited recourse in accordance with the loan terms and the plan rules. The plan rules require the loan to be repaid before a participant can sell their shares.

The Board has the discretion to impose such vesting conditions in relation to the loan funded shares as it deems appropriate. These may include conditions relating to continued employment or service, performance (of the participant or the Company) and the occurrence of specific events.

A participant must not sell, transfer, encumber or otherwise deal with a loan funded share unless otherwise permitted under the plan or determined by the Board. The loan funded shares will not be quoted on ASX and, at the discretion of the Company, will be the subject of a "holding lock", restricting the participant's ability to trade the shares.

Forfeiture conditions apply at all times while each participant holds loan funded shares, such that the participant will forfeit their interest in the loan funded shares where the participant is determined by the Board to:

- be a leaver;
- be in breach of any terms of the loan; or
- fail to satisfy the vesting conditions.

Participants will be invited to purchase shares using loan funds under a loan agreement with the Company. The loan must always be repaid if the participant wishes to benefit from the shares. Participants only benefit from growth in share price.

The loan commences on the grant date and, subject to the Board's discretion to permit the loan to continue for a further specified period, must be repaid by the earliest of the following:

- five years from the grant date;
- the date the participant ceases employment, engagement or directorship with the Company;
- the date the loan funded shares are forfeited;
- the date the Board determines any of the vesting conditions will not be satisfied;
- the date the Company is wound up; or
- the date, other than above, that the participant and the Company agree to in writing.

The loan is interest-free and fee-free, and limited recourse. Limited recourse means the repayment amount will be the lesser of the outstanding loan value and the market value of the loan funded shares that were acquired using the loan.

If the participant's loan funded shares are of lower value than the loan balance at the time that they are required to repay the loan, that participant's loan funded shares will be disposed of at market value and the proceeds applied in full satisfaction of the loan obligations.

The participant may repay the loan before the repayment date. The loan must be repaid in full (or arrangements for the repayment of the loan entered into to the satisfaction of the Board), and the vesting conditions satisfied, before the loan funded shares can be disposed of.

If dividends are paid by the Company on the participant's loan funded shares, the Company will apply the after-tax value of the dividends to the repayment of the loan.

When the loan is due for repayment, the Company may sell or buy-back some or all of the participant's loan funded shares to satisfy the outstanding loan balance. The proceeds from any sale or buy-back of the loan funded shares will be applied to repay the outstanding loan balance and any excess funds after costs and expenses will be returned to the participant if they are entitled to them under the terms of the plan rules and the loan.

To date, loan funded shares offered under the Loan Funded Share Plan vest in three equal tranches on each of the first, second and third anniversaries of the grant date, provided the participant has not ceased employment, engagement or directorship with the Company before the relevant vesting date.

PERFORMANCE RIGHTS

The Directors, at their discretion, may at any time invite eligible employees to participate in the Performance Rights Plan. The eligible participants under the plan are full time and part time employees (including Directors) of the Company and its related bodies corporate or any other person who is declared by the Board to be eligible to receive a grant of performance rights under the plan (eligible employees). Subject to Board approval, an eligible employee may nominate a nominee to receive the performance rights to be granted to the eligible employee.

The plan is administered by the Directors,
who have the power to:

i. determine appropriate procedures for administration of the plan consistent with its terms;

ii. resolve conclusively all questions of fact or interpretation in connection with the plan;

iii. delegate the exercise of any of its powers or discretions arising under the plan to any one or more persons for such period and on such conditions as the Board may determine; and

iv. suspend, amend or terminate the plan (subject to restrictions on amendments to the plan which reduce the rights of the participant in respect of any performance rights or shares already granted).

Performance rights will be granted for nil cash consideration, unless the Board determines otherwise (which will be no more than a nominal amount). No amount will be payable on the exercise of performance rights under the plan.

The plan does not set out a maximum number of shares that may be made issuable to any one person or company.

The shares to be issued following the performance rights vesting conditions being satisfied, will be issued on the same terms as the fully paid, ordinary shares of the Company and will rank equally with all of the Company's then existing shares. The Board may apply such further voluntary escrow on shares issued on conversion of performance rights as it shall determine appropriate.

The performance rights granted under the plan will be subject to vesting conditions determined by the Board from time to time and expressed in a written offer made by the Company to the eligible employee which is subject to acceptance by the eligible employee within a specified period. The vesting conditions may include one or more of (i) service to the Company of a minimum period of time (ii) achievement of specific performance conditions by the participant and/or by the Company or (iii) such other performance conditions as the Board may determine and set out in the offer. The Board determines whether vesting conditions have been met.

Performance rights will have an expiry date as the Board may determine in its absolute discretion and specify in the offer to the eligible employee.

The vesting conditions of performance rights will have a milestone date as determined by the Board in its absolute discretion and will be specified in the offer to the eligible employee. The Board shall have discretion to extend a milestone date.

Performance rights will not be listed for quotation. However, the Company will make application to ASX for official quotation of all shares issued on vesting of the performance rights within the period required by the Listing Rules.

The Performance rights are not transferable unless the Board determines otherwise or the transfer is required by law and provided that the transfer complies with the Corporations Act.

If a vesting condition of a performance right is not achieved by the earlier of the milestone date or the expiry date then the performance right will lapse. An unvested performance right will also lapse if the participant ceases to be an eligible employee for the purposes of the plan by reason of resignation, termination for poor performance or termination for cause (unless the Board determines otherwise).

Under the plan, if the participant ceases to be an employee of the Company or of a related body corporate for any reason other than those reasons set out in the paragraph above, including (but not limited to) upon the retirement, total and permanent disability, redundancy, death of a participant or termination by agreement then in respect of those performance rights which have not satisfied the vesting condition but have not lapsed, then the participant shall be permitted to continue to hold those performance rights as if the participant was still an eligible employee except that any continuous service condition will be deemed to have been waived (unless the Board determines otherwise).

If, in the opinion of the Board, a participant acts fraudulently or dishonestly, is in breach of his or her obligations to the Company and its related bodies corporate or has done an act which has brought the Company or any of its related bodies corporate into disrepute, or the Company becomes aware of a material misstatement or omission in the financial statements in relation to the Company Group, a participant is convicted of an offence in connection with the affairs of the Company Group or a participant has judgment entered against him in any civil proceedings in respect of the contravention of his duties at law in his capacity as an employee or officer of the Company Group, the Board will have the discretion to deem any performance rights to have lapsed.

If in the opinion of the Board, performance rights vested as a result of the fraud, dishonesty or breach of obligations of either the participant or any other person and in the opinion of the Board, the performance rights would not have otherwise vested; or the Company is required by, or entitled under, law to reclaim an overpaid bonus or other amount from a participant, then the Board may determine (subject to applicable law) any treatment in relation to the performance rights or shares to comply with the law or to ensure no unfair benefit is obtained by the participant.

If there is a change of control event in relation to the Company prior to the conversion of the performance rights, then all remaining milestones will be deemed to have been achieved and each performance right will automatically and immediately convert into shares, however, if the number of shares to be issued as a result of the conversion of all performance rights due to a change in control event in relation to the Company is in excess of 10% of the total fully diluted share capital of the Company at the time of the conversion, then the number of performance rights to be converted will be prorated so that the aggregate number of shares issued upon conversion of all performance rights is equal to 10% of the entire fully diluted share capital of the Company.

Change of control event means:

i. the occurrence of:

a) the offeror under a takeover offer in respect of all shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and

b) that takeover bid has become unconditional; or

ii. the announcement by the Company that:

a) shareholders have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all shares are to be either (1) cancelled, or (2) transferred to a third party; and

b) the Court, by order, approves the proposed scheme of arrangement.

The Board may waive, amend or replace any vesting condition attaching to a performance right if the Board determines that the original vesting condition is no longer appropriate or applicable, provided that the interests of the relevant participant are not, in the opinion of the Board, materially prejudiced or advantaged relative to the position reasonably anticipated at the time of the grant.

There are no participating rights or entitlements inherent in the performance rights and participants will not be entitled to participate in new issues of capital offered to shareholders during the currency of the performance rights.

If the Company makes an issue of shares pro rata to existing shareholders there will be no adjustment to the number of shares which must be allocated on the exercise of a performance right.

If the Company makes a bonus issue of shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of shares which must be allocated on the exercise of a performance right will be increased by the number of shares which the participant would have received if the performance right had vested before the record date for the bonus issue.

To date, performance rights offered under the Performance Rights Plan have milestones with an expiry date set as the vesting conditions.

Employment Details of Directors and other Key Management Personnel

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

STEVE MCGOVERN	CEO & MANAGING DIRECTOR
Agreement type:	Executive Service Agreement
Agreement commenced:	1 July 2020
Term of Agreement:	3 year minimum term to 30 June 2023, then rolling with 6 month termination notice
Remuneration:	Annual salary of $456,000 plus statutory superannuation.
Termination notice:	The Company may terminate the agreement on six months written notice. If notice of termination is given more than 6 months from the end of the initial term, then employment shall be deemed to be on the last day of the initial term.

PETER CLARE	NON-EXECUTIVE CHAIRMAN
Agreement type:	Letter of appointment
Agreement commenced:	1 December 2017
Term of Agreement:	No fixed term
Remuneration:	Annual fee of $109,500 and reimbursement of all reasonable expenses incurred in performing the Non-Executive Chairman's duties.
Termination notice:	None specified

PETER PAWLOWITSCH	EXECUTIVE DIRECTOR
Agreement type:	Executive Service Agreement
Agreement commenced:	1 July 2020
Term of Agreement:	3 year minimum term to 30 June 2023, then rolling with 6 month termination notice
Remuneration:	Annual fee of $144,658 plus statutory superannuation, plus reimbursement of all reasonable expenses incurred in performing the Executive Director's duties.
Termination notice:	The Company may terminate the agreement on six months written notice. If notice of termination is given more than 6 months from the end of the initial term, then employment shall be deemed to be on the last day of the initial term.

GERARD BONGIORNO — NON-EXECUTIVE DIRECTOR

Agreement type:	Letter of appointment
Agreement commenced:	2 July 2017
Term of Agreement:	No fixed term
Remuneration:	Annual fee of $75,000 (inclusive of statutory superannuation) plus reimbursement of all reasonable expenses incurred in performing the Non-Executive Director's duties.
Termination notice:	None specified

JAMES SLANEY — CO-FOUNDER AND CHIEF OPERATING OFFICER

Agreement type:	Executive Service Agreement
Agreement commenced:	1 July 2020
Term of Agreement:	3 year minimum term to 30 June 2023, then rolling with 6 month termination notice
Remuneration:	Annual salary of $415,000 plus statutory superannuation.
Termination notice:	The Company may terminate the agreement on six months written notice. If notice of termination is given more than 6 months from the end of the initial term, then employment shall be deemed to be on the last day of the initial term.

PETER CURIGLIANO — CHIEF FINANCIAL OFFICER

Agreement type:	Executive Service Agreement
Agreement commenced:	18 June 2018
Term of Agreement:	No fixed term
Remuneration:	Annual salary of $220,000 plus statutory superannuation..
Termination notice:	The Company may terminate the agreement on 3 months' notice, or by providing a cash payment in lieu of such notice.

RUSSELL EVANS — CHIEF REVENUE OFFICER

Agreement type:	Service Agreement
Agreement commenced:	6 May 2019
Term of Agreement:	No fixed term
Remuneration:	Annual salary of $320,000 plus statutory superannuation.
Termination notice:	The Company may terminate the agreement on 3 months' notice, or by providing a cash payment in lieu of such notice.

Details of Remuneration for Year

Details of the remuneration of each director and named executive officer of the Company, including their personally-related entities, during the year was as follows:

		Short Term Benefits		Long Term Benefits	Post-Employment	Share Based Payments			
	Year	Salary and Fees	Cash Bonus	Annual & Long Service Leave	Superannuation	Options, Rights or Shares	Total	Remuneration consisting of options, rights or shares	Remuneration based on performance
		$	$	$	$	$	$	%	%
Executive Directors:									
S McGovern	2021	456,000	-	149,202	25,000	d) 3,153,715	3,783,917	83	83
	2020	240,000	150,000	23,556	22,800	-	436,356	-	34
P Pawlowitsch	2021	144,658	-	-	13,743	d) 3,178,845	3,337,246	95	24
	2020	100,000	-	-	9,500	-	109,500	-	-
Non-Executive Directors:									
P Clare	2021	109,500	-	-	-	176,911	286,411	62	-
	2020	109,500	-	-	-	a) 49,068	158,568	31	-
G Bongiorno	2021	75,000	-	-	-	93,206	168,206	55	-
	2020	75,000	-	-	-	a) 26,367	101,367	26	-
Other Key Management Personnel:									
J Slaney	2021	405,000	20,000	104,798	25,000	d) 3,287,298	3,842,096	86	86
	2020	321,896	40,000	25,633	24,700	b) 600,000	1,012,229	59	4
C Jackson (e)	2021	-	-	-	-	-	-	-	-
	2020	208,587	-	3,808	19,816	c) 292,300	511,512	56	-
P Curigliano	2021	217,901	-	17,662	24,999	-	260,562	-	-
	2020	215,905	-	12,924	24,995	c) 134,670	388,494	35	-
R Evans	2021	320,000	40,000	13,955	30,400	435,110	839,465	52	5
	2020	320,000	35,000	8,647	31,825	c) 263,130	658,602	40	6
Total	2021	1,728,059	60,000	285,617	119,142	10,325,085	12,517,903	83	83
	2020	1,590,888	225,000	74,568	133,636	1,365,535	3,389,627	40	7

a) Subject to vesting dates under the Loan Funded Share Plan as detailed in the section titled 'Compensation Securities Issued to Key Management Personnel'.

b) Fully Paid Ordinary shares issued upon successful achievement of the business objectives of the Company's long-term strategy. At the time of issue to Mr J Slaney, these shares were valued at $1.60 per share.

c) Options and shares issued under the Company's employee share and option plans.

d) The share price for valuation purposes of ZEPOs at the date of shareholder approval or acceptance by the executive, was substantially higher than at the date of offer to the executives resulting in a higher value disclosed in the remuneration report than would have been otherwise.

- The ZEPOs for Mr Steve McGovern at date of offer (1 July 2020) were valued at $0.941 & at date of shareholder approval (30 November 2020) - $1.659. Hence, deemed value of ZEPOs at offer date: $1,788,816 / reported value at reporting date: $3,153,715.
- The ZEPOs for Mr Peter Pawlowitsch at date of offer (1 July 2020) were valued at $0.941 & at date of shareholder approvals - 30 November 2020 and 23 July 2021 were $1.659 and $3.199 respectively. Hence, deemed value of ZEPOs at offer date: $1,155,871 / reported value at reporting date: $3,178,845.
- The ZEPOs for Mr James Slaney at date of offer (1 July 2020) were valued at $0.941 & at date of offer acceptance (8 June 2021) - $2.919. Hence, deemed value of ZEPOs at offer date: $1,059,728 / reported value at reporting date: $3,287,298.

e) Mr C Jackson was not included in key management personnel in FY21.

Compensation Securities Issued to Key Management Personnel

PERFORMANCE RIGHTS

No performance rights were issued for the year ended 30 June 2021 (2020: $0).

LOAN FUNDED SHARES

In FY18 the following loan funded shares were issued as part of the remuneration package of directors appointed during that year.

Key Management Personnel	Grant Date	Number Granted	Value per Loan Funded Share at Grant Date	Vesting Date	Number Vested during the year	Number Vested in Prior Years	Balance at 30/06/21
							Unvested
G Bongiorno							
Tranche 1	29/11/17	175,000	$0.27	20/12/18	-	175,000	-
Tranche 2	29/11/17	175,000	$0.27	20/12/19	-	175,000	-
Tranche 3	29/11/17	175,000	$0.27	20/12/20	175,000	-	-
P Clare							
Tranche 1	01/12/17	200,000	$0.42	30/01/19	-	200,000	-
Tranche 2	01/12/17	200,000	$0.42	30/01/20	-	200,000	-
Tranche 3	01/12/17	200,000	$0.42	30/01/21	200,000	-	-
Total		**1,125,000**			**375,000**	**750,000**	-

The issue of the loan funded shares to Mr Gerard Bongiorno was approved by shareholders at the 2017 annual general meeting held on 29 November 2017. The total value of the loan funded shares was $141,750. The fair value was determined using a Black-Scholes model with an underlying share price of $0.360, volatility of 100% and an interest rate of 2.09%. The value of the loan funded shares has been allocated over the vesting period of each tranche. At 30 June 2021, $7,317 (approximately 5% of the total value of the loan funded shares), assessed as vested is included in the remuneration table above.

The issue of the loan funded shares to Mr Peter Clare was approved by shareholders at general meeting held on 30 January 2018. The total value of the loan funded shares was $250,560. The fair value was determined using a Black- Scholes model with an underlying share price of $0.555, volatility of 100% and an interest rate of 2.47%. The value of the loan funded shares has been allocated over the vesting period of each tranche. At 30 June 2021, $15,461 (approximately 6% of the total value of the loan funded shares), assessed as vested is included in the remuneration table above.

ADDITIONAL INFORMATION

We aim to align our executive remuneration to our strategic and business objectives and the creation of shareholder wealth. The Group has continued to grow its operating revenue over the last financial year. As outlined in the operating and financial review, growth in revenue in particular annualised recurring revenue is a key focus of the Group. The table below shows measures of the group's financial performance over the last five years as required by the Corporations Act 2001. These are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs and Directors. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

The earnings of the consolidated entity for the five years to 30 June 2021 are summarised below:

	2021 $'000	2020 $'000	2019 $'000	2018 $'000	2017 $'000
Sales revenue	20,337	9,649	5,547	1,502	510
EBITDA	(27,348)	(15,691)	(7,933)	(9,640)	(8,128)
EBIT	(30,393)	(17,743)	(9,629)	(11,209)	(9,691)
Profit after income tax	(31,697)	(18,000)	(9,648)	(11,319)	(9,853)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2021	2020	2019	2018	2017
Share price at financial year end ($)	3.09	1.13	1.34	0.42	0.215
Total dividends declared (cents per share)	-	-	-	-	-
Basic loss per share (cents per share)	(13.25)	(9.30)	(6.22)	(9.19)	(11.12)

REMUNERATION CONSULTANTS

During the year the Board implemented an independent review of its remuneration policies to come into effect from 1 July 2020. The new policies and framework were finalised and applied retrospectively from 1 July 2020, and furthermore were disclosed to shareholders in a Notice of Meeting released to the share market on 23 October 2020 for the approval of the equity component of the related parties.

VOTING AND COMMENTS MADE AT THE COMPANY'S 2020 ANNUAL GENERAL MEETING ('AGM")

At the 2020 AGM, 98% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2020. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Telephony services totalling $2,297 (2020: $2,150) were provided by Canard Pty Ltd, a company associated with Mr Steve McGovern. Trade payables at 30 June 2021 include a balance of $1,161 (30 June 2020: $193) payable to Canard Pty Ltd. Intelligent Voice and 1300 MY SOLUTION are businesses associated with Mr Steve McGovern. The Group earned service fee income of $65,815 (2020: $57,943) from Intelligent Voice and $119,036 (2020: $168,269) from 1300 MY SOLUTION. Trade receivables at 30 June 2021 include balances of nil (30 June 2020: nil) due from Intelligent Voice and 1300 MY SOLUTION.

During the financial year, advisory services of $0 (2020: $42,750) were provided by Mr Peter Pawlowitsch's consultancy company, Gyoen Pty Ltd for services outside his usual Board duties. Trade payables at 30 June 2021 include a balance of $0 (30 June 2020: $4,125) payable to Gyoen Pty Ltd.

Services totalling $10,000 (2020: $Nil) were provided by Bassplay Pty Ltd, a company associated with Mr Peter Curigliano. Other receivables at 30 June 2021 includes an amount of $100,977 (30 June 2020: $140,977) receivable from the Medulla Group Pty Ltd vendors, including Mr Steve McGovern and Mr James Slaney.

All transactions are conducted on normal commercial terms and on an arm's length basis.

This concludes the remuneration report, which has been audited.

Additional Disclosures Relating to Key Management Personnel

SHAREHOLDINGS

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

Key Management Personnel	Balance at start of Year	Received as Remuneration	Options Exercised	Acquired/ disposed	Net Change Other	Balance at End of Year
S McGovern	7,747,328	-	-	833,333	-	8,580,661
P Clare	765,000	-	-	-	-	765,000
P Pawlowitsch	3,409,348	-	-	833,333	-	4,242,681
G Bongiorno	792,111	-	-	-	-	792,111
J Slaney	3,624,831	-	-	-	-	3,624,831
P Curigliano	190,500	-	167,500	9,090	-	367,090
R Evans	16,500	100,000*	-	-	-	116,500
Total	**16,545,618**	**100,000**	**167,500**	**1,675,756**	**-**	**18,488,874**

*FPO shares issued as a part of an employment contract.

OPTION HOLDINGS

The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

Key Management Personnel	Balance at Start of Year	Received as Remuneration	Options Exercised	Options Expired	Net Change Other	Balance at end of Year	Number vested and exercisable	Unvested
S McGovern	-	4,325,796	-	-	-	4,325,796	1,000,000	3,325,796
P Clare	-	696,988	-	-	-	696,988	7,953	689,035
P Pawlowitsch	-	2,339,532	-	-	-	2,339,532	654,426	1,685,106
G Bongiorno	-	356,253	-	-	-	356,253	4,612	351,641
J Slaney	-	3,431,456	-	-	-	3,431,456	1,000,000	2,431,456
P Curigliano	167,500	-	(167,500)	-	-	-	-	-
R Evans	150,000	500,000	-	-	-	650,000	400,000	250,000
Total	**317,500**	**11,650,025**	**(167,500)**	**-**	**-**	**11,800,025**	**3,066,991**	**8,733,034**

Terms and conditions of the share based payment arrangements:

The assessed fair values of the options was determined using a binomial option pricing model or Black-Scholes model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underling share, expected yield and the risk-free interest rate for the term of the option. For the options granted during the current financial year, the inputs to the model used were:

Grant date	30 November 2020	8 June 2021	1 July 2020
Number of options	5,452,051	3,431,456	1,213,277
Vesting date	30/6/21, 15/8/21 & 30/6/23	30/6/21, 15/8/21 & 30/6/23	30/6/21, 30/6/22 & 30/6/23
Total value ($)	$9,044,952	$10,016,420	$3,881,273
Expense recognised in FY21 ($)	$3,962,346 (2020: $ -)	$3,287,298 (2020: $ -)	$2,370,214 (2020: $ -)
Exercise Price	$ -	$ -	$ -
Fair Value Per Option	$1.659	$2.919	$3.199
Expected life of options (years)	3	3	3

Grant date	24 March 2021	24 March 2021	24 March 2021
Number of options	153,241	300,000	300,000
Vesting date	30/6/21, 30/6/22, 30/6/23 & 30/6/24	30/6/24	30/6/24
Total value ($)	$490,218	$607,800	$593,100
Expense recognised in FY21 ($)	$102,013 (2020: $ -)	$49,886 (2020: $ -)	$48,680 (2020: $ -)
Exercise Price	$ -	$1.75	$1.75
Fair Value Per Option	$3.199	$2.026	$1.977
Dividend yield (%)	-	-	-
Expected volatility (%)	-	75%	75%
Risk-free interest rate (%)	-	0.13%	0.13%
Expected life of options (years)	3	3	3
Expected life of options (years)	3	3	3

Grant date	24 March 2021	13 May 2020	13 May 2021
Number of options	300,000	250,000	250,000
Vesting date	30/6/24	13/5/21	13/5/22
Total value ($)	$569,700	$199,300	$451,000
Expense recognised in FY21 ($)	$46,759 (2020: $ -)	$199,300 (2020: $ -)	$59,310 (2020: $ -)
Exercise Price	$1.75	$1.165	$2.64
Fair Value Per Option	$1.899	$0.7972	$1.804
Dividend yield (%)	-	-	-
Expected volatility (%)	75%	100%	100%
Risk-free interest rate (%)	0.13%	0.25%	0.10%
Expected life of options (years)	3	3	3
Expected volatility (%)	100%	100%	100%
Risk-free interest rate (%)	0.10%	0.25%	0.10%
Expected life of options (years)	3	3	3

5,452,051 ZEPOs granted to Executive Directors as of 30 November 2020

Director	2020 ZEPOs	STI ZEPOs	LTI ZEPOs
Stephen McGovern	1,000,000	255,581	3,707,215
Peter Pawlowitsch	250,000	67,404	808,851
Total	**1,250,000**	**322,985**	**3,879,066**

3,431,456 ZEPOs granted to Co-Founder and Chief Operating Officer, James Slaney as of 8 June 2021

2020 ZEPOs	STI ZEPOs	LTI ZEPOs
1,000,000	187,035	2,244,421

Vesting conditions for the above are as follows:

2020 ZEPOS
The 2020 ZEPO shall vest on 30 June 2021 if the holder remains in continued employment with the Company until 30 June 2021.

STI ZEPOS
The STI ZEPOS shall vest on the date that the 2021/2022 financial year budget for the business of the Group is approved by the Board and that budget shows that the business will have sufficient cash from cash at bank and budgeted operating revenue to sustain budgeted operating costs for that year.

Subject to achievement of the sustainable cash flow condition above:

i. If the holder receives a positive "Personal Scorecard" (scorecard to be determined by agreement between the Company and the Executive) for the financial year ended 30 June 2021 from the Board for performance over the previous 12 months, 50% of the STI ZEPOS shall vest.

ii. If, by 30 June 2021, the Group has achieved 8 or more core business objectives and/or product releases (to be determined by agreement between the Company and the Executive) then the following proportion of the remaining 50% of the STI ZEPOS shall vest, namely achieving:

(A) 8 core business objectives and/or product releases - 20%

(B) 9-40%

(C) 10 -60%

(D) 11 - 80%, and

(E) 12 or more - 100%

LTI ZEPOS
If the holder remains in continued employment with the Company until 30 June 2023, the LTI ZEPOS shall vest as follows:

i. Recurring revenue (50% of LTI ZEPOs). The following proportions of LTI ZEPOs shall vest where recurring revenue for the Group by 30 June 2023 is:

(A) at or above $40 million but less than $60 million: 33% at $40 million with a straight-line pro rata vesting up to 60%;

(B) at or above $60 million but less than $80 million: 60% at $60 million with a straight-line pro rata vesting up to 100%; and

(C) at or above $80 million: 100%.

Recurring revenue means operating revenue of the Group for any month multiplied by 12 exclusive of one off revenue fees such as connection fees and any R&D or other grant revenue

ii. Agreements for deployments into telecommunication networks (50% of LTI ZEPOs). The following proportions of LTI ZEPOS shall vest where, by 30 June 2023, the Group has agreements in place for the deployment of the Dubber call recording service on to telecommunication service provider networks (whether or not yet active):

(A) at least 170 but less than 185: 33% at 170 with a straight-line pro rata vesting up to 60%;

(B) at least 185 but less than 200: 60% at 185 with a straight-line pro rata vesting up to 100%; and

(C) at or above 200: 100%.

1,213,277 ZEPOs granted to Executive Director Mr Peter Pawlowitsch as of 1 July 2020

Vesting
If the holder remains an employee of the Company as at the relevant date, the Options shall vest as follows:

i. one-third of the Options (rounded up to the nearest whole number) shall vest on 30 June 2021;

ii. a further one-third of the Options (rounded up to the nearest whole number) shall vest on 30 June 2022; and

iii. the remaining Options shall vest on 30 June 2023.

153,241 ZEPOs granted to Non-Executive Directors Mr Peter Clare and Mr Gerard Bongiorno as of 24 March 2021

Director	ZEPOs
Mr Peter Clare	96,988
Mr Gerard Bongiorno	56,253
Total	**153,241**

Vesting

If the holder remains as a director of the Company as at the relevant date or in certain cases of prior departure the Board exercises its discretion otherwise in accordance with the 2020 Plan, the ZEPOS shall vest as follows:

i. 8.2% of the aggregate number of ZEPOs (rounded down to the nearest whole number) shall vest on 30 June 2021;

ii. 30.6% of the aggregate number of ZEPOS (rounded down to the nearest whole number) shall vest on 30 June 2022;

iii. 30.6% of the aggregate number of ZEPOs (rounded down to the nearest whole number) shall vest on 30 June 2023; and

iv. the balance shall vest on 30 June 2024.

900,000 Remuneration Options granted to Non-Executive Directors Mr Peter Clare and Mr Gerard Bongiorno as of 24 March 2021

Director	Remuneration
Mr Peter Clare	600,000
Mr Gerard Bongiorno	300,000
Total	**900,000**

The Options shall vest on 30 June 2024 if the holder remains as a director of the Company as at that date, or in certain cases of prior departure if the Board exercises its discretion otherwise in accordance with the 2020 Plan, as follows:

i. one-third of the Options shall vest if the price of Shares traded on ASX has achieved $3.00 or more on a 20-day volume-weighted average price (20-day VWAP) basis before that date;

ii. a further one-third of the Options shall vest if the price of Shares traded on ASX has achieved $4.00 or more on a 20-day VWAP basis before that date; and

iii. the remaining Options shall vest if the price of Shares traded on ASX has achieved $5.00 or more on a 20-day VWAP basis before that date.

250,000 Yearly tenure options granted as of 13 May 2020 and 13 May 2021 to Chief Revenue Officer Mr Russell Evans

Vesting period is 12 months

SHARES

The assessed fair value of the shares was determined using share price at grant date.
For the shares granted during the current financial year, the inputs to the model used were:

Grant date	1 December 2020
Number of options	100,000
Vesting date	12/5/21
Expense recognised in FY21 ($)	$176,500
Fair Value Per Share	$1.765

INDEMNIFYING OFFICERS OR AUDITORS

Dubber Corporation Limited has paid premiums to insure directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct while acting in the capacity of director of Dubber Corporation Limited, other than conduct involving a wilful breach of duty in relation to Dubber Corporation Limited.

SHARE OPTIONS AND ORDINARY SHARES

At the date of this report there were the following unissued ordinary shares for which options were outstanding:

- 345,000 options expiring 15 January 2022, exercisable at $0.38 each
- 60,000 options expiring 20 September 2022, exercisable at $1.25 each
- 150,000 options expiring 20 September 2022, exercisable at $0.75 each
- 945,000 options expiring 22 March 2023, exercisable at $0.75 each
- 1,387,035 STI ZEPOs expiring 30 June 2023
- 3,879,066 LTI ZEPOs expiring 30 June 2025
- 414,665 ZEPOs expiring 31 January 2024
- 439,136 options expiring 31 January 2024, exercisable at $1.80 each
- 75,000 options expiring 31 January 2024, exercisable at $1.68 each
- 50,000 options expiring 30 November 2023, exercisable at $1.21 each
- 100,000 options expiring 31 May 2024, exercisable at $1.60 each
- 100,000 ZEPOs expiring 31 May 2024
- 140,676 ZEPOs expiring 31 July 2024
- 900,000 options expiring 31 July 2024, exercisable at $1.75 each
- 4,535,083 ZEPOs expiring 30 June 2025
- 250,000 options expiring 12 May 2024, exercisable at $1.165 each
- 250,000 options expiring 12 May 2025, exercisable at $2.64 each
- 100,000 ZEPOs expiring 6 August 2023
- 100,000 ZEPOs expiring 6 August 2024

During the year the following options were granted:

- 1,250,000 ZEPOs expiring 30 June 2023
- 322,985 STI ZEPOs expiring 30 June 2023
- 3,879,066 LTI ZEPOs expiring 30 June 2025
- 840,825 ZEPOs expiring 31 January 2024
- 433,272 options expiring 31 January 2024, exercisable at $1.80 each
- 75,000 options expiring 31 January 2024, exercisable at $1.68 each

During the year the following options were exercised:

- 335,500 options expiring 15 January 2022, exercised at $0.38 each
- 70,000 options expiring 20 September 2022, exercised at $1.25 each
- 2,000,000 options expiring 31 December 2020, exercised at $0.80 each
- 275,000 options expiring 22 March 2023, exercised at $0.75 each
- 360,000 ZEPOs expiring 22 March 2023
- 121,971 ZEPOs expiring 31 January 2024
- 1,111 options expiring 31 January 2024, exercised at $1.80 each

Since the end of the financial year, the following securities were exercised:

→ 110,290 options at $0.38 each
→ 265,000 options at $0.75 each
→ 2,967,846 ZEPOs

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of Dubber Corporation Limited or intervene in any proceedings to which Dubber Corporation Limited is a party for the purpose of taking responsibility on behalf of Dubber Corporation Limited for all or any part of those proceedings.

Dubber Corporation Limited was not a party to any such proceedings during the year.

ENVIRONMENTAL REGULATIONS

The Group is not currently subject to any specific environmental regulation under Australian Commonwealth or State law.

NON-AUDIT SERVICES

There were no amounts paid or payable to the auditor for non-audit services provided during the year by the auditor other than those outlined in Note 17 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporation Act 2001.

The directors are of the opinion that the services as disclosed in Note 17 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2021, as required under section 307C of the Corporations Act 2001, has been received and is included within the financial report.

Signed in accordance with a resolution of the Board of Directors:

Peter Clare
Chairman
Dated: 29 October 2021

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Australia

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF DUBBER CORPORATION LIMITED

As lead auditor of Dubber Corporation Limited for the year ended 30 June 2021, 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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

Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 29 October 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	2021	2020
		$	**$**
Revenue			
Service income	2 (a)	**20,337,310**	9,649,834
Other revenue from ordinary activities	2 (b)	**2,922,774**	2,194,392
Expenses			
Salaries and related expenses		**(22,146,099)**	(13,217,848)
Employee share based payments	22	**(13,842,177)**	(4,412,032)
Direct costs		**(10,341,788)**	(6,598,407)
General and administration costs	2 (c)	**(4,278,125)**	(3,307,808)
Finance costs		**(1,461,481)**	(148,836)
Depreciation and amortisation		**(3,045,586)**	(2,051,129)
Non-operating foreign exchange gains losses		**(124,315)**	(108,426)
Loss before income tax expense		**(31,979,487)**	(18,000,260)
Income tax benefit		**282,049**	-
Loss after income tax expense for the year		**(31,697,438)**	(18,000,260)
Other comprehensive loss			
Items that may be reclassified to profit or loss			
Foreign currency translation differences		**922,674**	(26,428)
Other comprehensive loss for the year, net of tax		**922,674**	(26,428)
Total comprehensive loss attributable to owners of		**(30,774,764)**	(18,026,688)
Dubber Corporation Limited			
Loss per share attributable to the owners of			
Dubber Corporation Limited		**Cents**	Cents
Basic loss per share	15	**(13.25)**	(9.30)

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

	Note	2021	2020
		$	$
ASSETS			
Current Assets			
Cash and cash equivalents	4	**32,041,224**	18,408,881
Trade and other receivables	5	**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	6	**735,186**	241,582
Rights of use asset	8	**1,966,496**	2,102,360
Intangible assets	7	**42,261,910**	4,137,010
Total Non-Current Assets		**44,963,592**	6,480,952
Total Assets		**100,334,687**	35,342,812
LIABILITIES			
Current Liabilities			
Trade and other payables	9	**11,597,258**	5,323,337
Deferred consideration	25	**16,031,836**	116,381
Lease liability	8	**597,929**	560,630
Provisions	10	**1,206,597**	763,974
Contract liabilities	11	**5,382,217**	632,623
Total Current Liabilities		**34,815,837**	7,396,945
Non-Current Liabilities			
Lease liability	8	**2,006,421**	1,915,789
Provisions	10	**402,663**	300,910
Contract liabilities	11	**575,260**	182,789
Deferred Tax Liabilities	3	**3,578,468**	-
Total Non-Current Liabilities		**6,562,813**	2,399,488
Total Liabilities		**41,378,650**	9,796,433
NET ASSETS		**58,956,036**	25,546,379
EQUITY			
Issued capital	12	**136,947,992**	85,666,948
Reserves	13	**22,288,545**	8,803,497
Accumulated losses	14	**(100,280,501)**	(68,924,066)
TOTAL EQUITY		**58,956,036**	25,546,379

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued Capital	Reserves	Accumulated Losses	Total
	$	$	$	$
2021				
Balance at 1 July 2020	85,666,948	8,803,497	(68,924,066)	25,546,379
Loss after income tax expense for the year	-	-	(31,697,438)	(31,697,438)
Other comprehensive loss for the year, net of tax	-	922,674	-	922,674
Total comprehensive loss for the year	-	922,674	(31,697,438)	(30,774,764)
Transactions with owners in their capacity as owners:				
Securities issued during the year	52,501,896	-	-	52,501,896
Capital raising costs	(2,159,652)	-	-	(2,159,652)
Cost of share based payments	938,800	12,562,374	341,003	13,842,177
Balance at 30 June 2021	**136,947,992**	**22,288,545**	**(100,280,501)**	**58,956,036**

2020				
Balance at 1 July 2019	71,592,843	7,355,895	(50,923,806)	28,024,932
Loss after income tax expense for the year	-	-	(18,000,260)	(18,000,260)
Other comprehensive loss for the year, net of tax	-	(26,428)	-	(26,428)
Total comprehensive loss for the year	-	(26,428)	(18,000,260)	(18,026,688)
Transactions with owners in their capacity as owners:				
Securities issued during the year	11,606,592	-	-	11,606,592
Capital raising costs	(470,487)	-	-	(470,487)
Cost of share-based payments	2,938,000	1,474,030	-	4,412,030
Balance at 30 June 2020	**85,666,948**	**8,803,497**	**(68,924,066)**	**25,546,379**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2021	2020
		$	$
Cash flows from operating activities			
Receipts from customers		20,276,426	5,575,307
Payments to suppliers and employees		(40,831,154)	(20,377,768)
Interest received		262,620	70,115
Government grants received		2,856,422	2,052,459
Interest and other finance costs paid		(10,087)	(4,758)
Net cash outflows used in operating activities	22	(17,445,773)	(12,684,645)
Cash flows from investing activities			
Payments for business acquisition		(12,347,859)	67,316
Purchase of plant and equipment		(250,292)	(127,166)
Payment of security bond 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 provided by / (used in) investing activities		(12,583,787)	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	-
Repayment of loans		(1,908,799)	-
Proceeds from borrowings		516,230	-
Principle elements of lease liability		(618,641)	(189,071)
Net cash provided by financing activities		43,651,271	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	**4**	**32,041,224**	**18,408,881**

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

Notes to the Consolidated Financial Statements

1. Summary of Significant Accounting Policies

BASIS OF PREPARATION

Dubber Corporation Limited ("Company" or "Parent Entity") is a company limited by shares, incorporated and domiciled in Australia. These consolidated financial statements and notes represent those of Dubber Corporation Limited and controlled entities ("Group" or "Consolidated Entity"). The nature of the operations and principal activities of the Group are described in the Directors' Report.

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Dubber Corporation Limited is a for-profit entity for the purpose of preparing the financial statements.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. The financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial reports have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The separate financial statements of the parent entity, Dubber Corporation Limited, have not been presented within this financial report as permitted by the Corporations Act 2001.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity 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.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:
Conceptual Framework for Financial Reporting (Conceptual Framework)

The consolidated entity has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

These financial statements are presented in Australian dollars, rounded to the nearest dollar.

RIGHTS OF USE ASSETS

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except were included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

LEASE LIABILITIES

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

REVENUE RECOGNITION

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.

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 customer.

Provision of services relating to establishment and configuration is not distinct from the platform usage (i.e. call recording services) as the customer cannot benefit from on the establishment and configuration alone and hence are regarded as one performance that is satisfied over time.

INTEREST

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

GOVERNMENT GRANTS/RESEARCH AND DEVELOPMENT TAX INCENTIVES

Grants from the government (such as research and development tax incentives) are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants received for the period prior to the acquisition of Dubber Pty Ltd was deducted from the carrying value of the Dubber intellectual property, with subsequent grants being recognised as other income. The Company qualified for Jobkeeper and Cash Flow Boost that are Federal and State Government initiatives to support businesses through the COVID-19 pandemic. Amounts under these initiatives were received by the Company and are expected to continue into FY21.

BASIS OF CONSOLIDATION

SUBSIDIARIES

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Dubber Corporation Limited ("Company" or "parent entity") as at 30 June 2021 and the results of all subsidiaries for the year then ended. Dubber Corporation Limited and its subsidiaries together are referred to in these financial statements as the Group or the consolidated entity.

Subsidiaries are all entities (including special purpose entities) over which the Group has control. The Group has control over an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to use its power to affect those returns.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. Refer to the 'business combinations' accounting policy for further details. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

CONTRACT LIABILITIES

Contract liabilities represent the consolidated entity's obligation to transfer 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 services to the customer.

FAIR VALUE MEASUREMENT

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the full Board of Directors.

FOREIGN CURRENCY TRANSLATION

- Functional and presentation currency
  The consolidated financial statements are presented in Australian dollars, which is the functional and presentation currency of Dubber Corporation Limited.
- Transactions and balances
  Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities, denominated in foreign currencies, are recognised in profit or loss.
- Foreign operations.
  The assets and liabilities of foreign operations are translated to the functional currency as exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates at the dates of the transactions.

Foreign currency difference is recognised in other comprehensive income and presented in the foreign currency translation reserve in equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income and are presented in the translation reserve in equity. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

FINANCE INCOME

Finance income comprises interest income earned on funds invested in bank accounts and call deposits. Interest is recognised on an accrual basis in the consolidated statement of profit or loss and other comprehensive income, using the effective interest method.

INCOME TAX

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current assets and liabilities are offset where a legally enforceable right of setoff exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of setoff exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

PROVISIONS

Provisions are recognised when a Group company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

TRADE RECEIVABLES

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

FINANCIAL INSTRUMENTS

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 risk 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 adjusting 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 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 are due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external 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.

PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment
Plant and equipment are measured on the cost basis.

Depreciation
The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straightline basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The estimated useful lives used for each class of depreciable assets are:

Class of Fixed Asset	Useful Life
Furniture, Fixtures and Fittings	4 years
Computer Equipment	3 years
Computer Software	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Property, plant and equipment is derecognised and removed from the statement of financial position on disposal or when no future economic benefits are expected. Gains and losses from derecognition are measured as the difference between the net disposal proceeds, if any, and the carrying amount and are recognised in the statement of profit or loss and other comprehensive income.

Subsequent costs are included in the property, plant and equipment's carrying value or recognised as a separate asset when it is probable that future economic benefits associated with the item will be realised and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in the statement of profit or loss and other comprehensive income.

IMPAIRMENT OF ASSETS

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including, dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of preacquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

Nonfinancial assets, other than inventories, deferred tax assets, assets from employee benefits, investment properties, biological assets, and deferred acquisition costs, are assessed for any indication of impairment at the end of each reporting period. Any indication of impairment requires formal testing of impairment by comparing the carrying amount of the asset to an estimate of the recoverable amount of the asset. An impairment loss is calculated as the amount by which the carrying amount of the asset exceeds the recoverable amount of the asset.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment annually regardless of whether there is any indication of impairment.

The recoverable amount is the greater of the asset's fair value less costs to sell and its value in use. The asset's value in use is calculated as the estimated future cash flows discounted to their present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks associated with the asset. Assets that cannot be tested individually for impairment, are grouped together into the smallest group of assets that generates cash inflows (the asset's cash generating unit).

Impairment losses are recognised in the statement of profit or loss and other comprehensive income. Impairment losses are allocated first, to reduce the carrying amount of any goodwill allocated to cashgenerating units, and then to other assets of the group on a pro-rata basis.

Assets other than goodwill are assessed at the end of each reporting period to determine whether previously recognised impairment losses may no longer exist or may have decreased. Impairment losses recognised in prior periods for assets other than goodwill are reversed up to the carrying amounts that would have been determined had no impairment loss been recognised in prior periods.

TRADE AND OTHER PAYABLES

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

CONTRIBUTED EQUITY

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

EARNINGS PER SHARE

Basic earnings per share:
Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

CURRENT AND NON-CURRENT CLASSIFICATION

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

SHARE-BASED PAYMENT TRANSACTIONS

Employees of the Company receive remuneration in the form of sharebased payment transactions, whereby employees render services in exchange for equity instruments ("equitysettled transactions").

When the goods or services acquired in a sharebased payment transaction do not qualify for recognition as assets, they are recognised as expenses.

The cost of equitysettled transactions and the corresponding increase in equity is measured at the fair value of the goods or services acquired. Where the fair value of the goods or services received cannot be reliably estimated, the fair value is determined indirectly by the fair value of the equity instruments using the Black Scholes option valuation technique.

Equitysettled transactions that vest after employees complete a specified period of service are recognised as services received during the vesting period with a corresponding increase in equity.

INTANGIBLE ASSETS

Intangible assets acquired as part of a business combination are brought in at fair value at acquisition. Intangible assets with finite useful life are amortised over a straight-line basis in the profit or loss over the estimated useful life. Management had previously re-assessed the useful life of the platform from 10 years to 5 years, as they believe it is more reflective of the useful life.

Customer relationships

Customer relationships acquired as part of a business combination are recognised separately from goodwill. The customer relationships are carried at fair value at the date of acquisition less accumulated amortisation and any impairment losses. These are amortised over on a straight line basis over the period of their expected benefit, being their finite life of 7 years.

Technology

The technology acquired in a business combination for proprietary software solutions are recognised separately from goodwill. This technology is carried at fair value at the date of acquisition less accumulated amortisation and any impairment losses. Technology related assets are amortised over on a straight line basis over the period of their expected benefit, being their finite life of 7 years.

Management's assessment of intangible assets acquired via the acquisition of Speik during the financial year, have a useful life of 7 years.

GOODWILL

Goodwill is measured as described in Business combination policy. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (Note 20).

EMPLOYEE PROVISIONS

Short-term employee benefit obligations
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled wholly within 12 months after the end of the reporting period are recognised in other liabilities in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable.

Other long-term employee benefit obligations
Liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the reporting period. They are recognised as part of the provision for employee benefits and measured as the present value of expected

future payments to be made in respect of services provided by employees to the end of the reporting period. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government corporate bond rates at the end of the reporting period with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Regardless of when settlement is expected to occur, liabilities for long service leave and annual leave are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period.

BUSINESS COMBINATIONS

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition- date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

PARENT ENTITY FINANCIAL INFORMATION

The financial information for the parent entity, Dubber Corporation Limited, disclosed in Note 24 has been prepared on the same basis as the consolidated financial statements.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Carrying value of goodwill

The Group tests annually whether the carrying value of goodwill and other intangibles exceed its recoverable amount to determine potential impairment requirements. The recoverable amount of goodwill and other intangibles has been calculated using a number of assumptions as disclosed in note 7. No impairment has been recognised in respect of intangibles at the end of the reporting period.

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a binomial option pricing and black scholes method. The related assumptions are detailed in Note 23. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group.

These assumptions include recent sales experience, historical collection rates and credit rating of counterparty.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Contingent consideration

The Group has estimated these amounts based on management's best judgement as to the actual expected outcome for this component. The amount was management's estimate of the final consideration payable. The fair value of the contingent consideration was estimated by calculating the present value of the future expected cash flows. Refer to Note 16(d) for further details regarding estimates applied to value the contingent consideration.

Fair value measurement hierarchy

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets

The group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

The following key judgements have been applied in relation to:

Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- The Group determined that revenue from its software service is to be recognised over time because the customer simultaneously receives and consumes the benefits provided by the Group.
- The Group has determined that it is the principal in its agreements with its customers because it has control over the service before delivering it to the customer, it is primarily responsible for fulfilling the promise to deliver the service, and it is responsible for establishing the price for the service to be delivered.
- When recognising revenue from contracts with customers, the Group determines that it is probable that the Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. This is determined based upon the credit worthiness of the customer and the Group makes reference to credit ratings, historical payment default rate and financial capacity to meet obligations in determining this judgements.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it probable that future taxable amounts will be available to utilise those temporary differences and losses.

Fair value of net assets assumed in a business combination

Estimates and judgements were made in determining the fair value of assets acquired and liabilities assumed in a business combination. Assets and liabilities which judgement were made in determining fair value were:

Assets: Trade and other Receivables, Other assets, Property plant and equipment and intangible assets.

Liabilities: Unearned revenue and provisions

For the year ended 30 June 2021, the Group has finalised the acquisition of Speik in accordance with the provisions of AASB 3 Business Combinations. Refer to Note 25 for further details.

2. Revenue and Expenses from Continuing Operations

	Consolidated	
	2021	2020
	$	$
(a) Service revenue*		
Subscriptions	**20,267,029**	9,624,752
Professional services	**70,281**	25,082
Total	**20,337,310**	9,649,834
(b) Other revenue		
Interest	**262,620**	70,115
Research and development tax incentive	**1,814,234**	1,632,459
Export market development grant	**100,000**	150,000
Jobkeeper / cash flow boost	**742,500**	270,000
Rental income – sub lease	**3,420**	71,818
Total	**2,922,774**	2,194,392
(c) General and administration costs		
Audit fees	**81,458**	44,792
Accounting and tax advice fees	**292,163**	195,813
Legal fees	**868,529**	396,630
Securities exchange and registry fees	**229,822**	129,910
Rent	**214,216**	256,758
Travel costs	**258,997**	710,539
Corporate affairs	**263,804**	318,208
Insurances	**224,073**	120,890
Other administration	**1,845,063**	1,134,268
Total	**4,278,125**	3,307,808

* **Disaggregation of revenue from contracts with customer**

Revenue is recognised when or as the Group transfers services to a customer at the amount to which the group expects to be entitled over time.
Dubber as one performance obligation for the provision of subscriptions services transferred over time. For the financial year ended 30 June 2021, revenue recognised was $20,267,029 (2020: $9,624,752). Disaggregation of revenue by geographical regions is as disclosed in Note 20 - Operating Segment.

3. Income Tax

	Consolidated	
	2021	2020
	$	$
(a) Income tax expense		
Loss before income tax expense	**(31,979,486)**	(18,000,260)
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2020: 27.5%)	**(7,942,080)**	(4,950,072)
Tax Effect of:		
Tax effect of amounts not deductible (taxable) in calculating taxable income	**4,408,318**	1,575,334
Tax rate differential	**708,115**	-
Tax losses and temporary differences not recognised	**2,825,647**	3,374,738
Income tax expense	**-**	-

(b) Deferred tax assets		
Unrecognised deferred tax asset balances:		
Timing differences	**1,156,835**	1,100,730
Tax losses - revenue	**12,652,090**	9,558,540
Deferred tax assets	**13,808,925**	10,659,271
Offset against deferred tax liabilities	**(972,231)**	(882,814)
Net deferred tax assets	**12,836,695**	9,776,456
Amounts in equity	**236,509**	187,617
Tax losses - capital	**478,864**	526,750
Deferred tax assets not brought to account	**13,552,067**	**10,490,824**

(c) Deferred tax liabilities		
Recognised deferred tax liability balances:		
Timing differences - intangibles	**(3,578,468)**	-
Deferred tax liabilities brought to account	**(3,578,468)**	**-**

Unrecognised deferred tax liability balances:		
Timing differences	**(972,231)**	(882,814)
Deferred tax liabilities	**(972,231)**	(882,814)
Offset by deferred tax assets	**972,231**	882,814
Deferred tax liabilities brought to account	**-**	**-**

There are no franking credits available to the Group.

4. Cash and Cash Equivalents

	Consolidated	
	2021	2020
	$	$
Cash at bank	**12,041,224**	8,408,881
Cash on call deposit	**20,000,000**	10,000,000
Total	**32,041,224**	**18,408,881**

The cash on call deposit can be called back at any time by the company. The Company's exposure to interest rate risk is outlined in Note 16.

5. Trade and Other Receivables

	Consolidated	
	2021	2020
	$	$
Current		
Trade receivables	**16,211,208**	8,560,372
Less: Provision for doubtful debt	**-**	(187,279)
	16,211,208	8,373,093
Receivable from Medulla Group Pty Ltd vendors	**100,977**	140,977
Other debtors	**208,103**	79,064
Prepayments	**4,588,603**	65,667
Deposits in trust	**1,684,248**	1,687,511
Other receivables	**600**	600
Total	**22,793,739**	10,346,912

Deposits in trust includes cash amounts deposited in a trust account. These amounts are set aside to facilitate negotiations with the Groups suppliers. The cash can be recalled at any time by the Company.

Prepayments include invoices for fixed price development work to be conducted over 12 months from April 2021. The cost of this work is being expensed over the course of the development work and in line with its expected completion date.

The acquisition of Medulla Group Pty Ltd ("Medulla") was on a no liability basis. It was determined on reconciling the acquisition and liabilities paid of Medulla that the vendors of Medulla Group Pty Ltd owed Dubber Corporation Limited $100,977. Receipt of this amount is expected within 12 months of 30 June 2021.

Trade and other receivables are all due within three months of this report. Information about credit and liquidity risk is outlined in Note 16.

6. Property, Plant and Equipment

		Consolidated	
		2021	2020
		$	$
Fitout - at cost		**31,295**	-
Plant and equipment – at cost		**1,449,830**	320,773
Less: Accumulated depreciation		**(782,132)**	(133,109)
	Sub-total	**667,698**	187,664
Furniture		**33,159**	33,159
Less: Accumulated depreciation		**(29,272)**	(23,801)
	Sub-total	**3,887**	9,358
Office Equipment		**65,063**	61,942
Less: Accumulated depreciation		**(32,756)**	(17,383)
	Sub-total	**32,307**	44,559
Net carrying amount		**735,186**	241,582

RECONCILIATION

Reconciliation of the carrying amount for each class of property, plant and equipment between the beginning and the end of the current and previous financial year are set out below:

	Computer Equipment	Computer Equipment	Furniture	Fitout	Total
	$	$	$	$	$
2021					
Balance at the beginning of the year	187,664	44,559	9,358	-	241,581
Additions through business combinations	342,880	-	-	-	342,880
Additions / (write-offs)	295,542	3,121	-	31,295	329,958
Depreciation expense	(158,388)	(15,373)	(5,471)	-	(179,232)
Carrying amount at the end of the year	667,698	32,307	3,887	31,295	735,186
2020					
Balance at the beginning of the year	88,523	10,428	9,963		108,914
Additions	158,720	43,937	4,682		207,339
Depreciation expense	(59,579)	(9,806)	(5,288)		(74,671)
Carrying amount at the end of the year	187,664	44,559	9,358		241,582

7. Intangible Assets

		Consolidated	
		2021	2020
		$	$
Dubber intellectual property – at cost		**8,483,031**	8,483,031
Less: Accumulated amortisation		**(8,483,031)**	(7,712,477)
	Sub-total	**-**	770,554
Acquired customer relationships			
At cost		**10,145,162**	-
Foreign exchange movement		**391,321**	-
Less: Accumulated amortisation		**(783,536)**	-
	Sub-total	**9,752,947**	-
Acquired technology			
At cost		**9,446,293**	-
Foreign exchange movement		**364,364**	-
Less: Accumulated amortisation		**(729,560)**	-
	Sub-total	**9,081,097**	-
	Total	**18,834,044**	770,554
Opening goodwill		**3,366,456**	2,008,734
Acquired goodwill (Note 25)		**19,316,332**	1,357,722
Foreign exchange movement		**745,078**	-
	Sub-total	**23,427,866**	3,366,456
Net carrying amount at the end of the year		**42,261,910**	**4,137,010**

Reconciliation		
Balance at the beginning of the year	**4,137,010**	4,320,395
Acquired goodwill (Note 25)	**19,316,332**	1,357,722
Exchange difference on acquired goodwill	**745,078**	-
Acquired through business combination (customer relationships and technology)	**20,347,141**	**–**
Amortisation expense	**(2,283,651)**	(1,541,107)
Net carrying amount at the end of the year	**42,261,910**	**4,137,010**

Impairment testing

Goodwill acquired through business combinations have been allocated to the following cash-generating units:

	Consolidated	
	2021	2020
	$'000	$'000
Europe	**20,061,410**	-
Rest of world	**3,366,456**	3,366,456
Total	**23,427,868**	**3,366,456**

The recoverable amount of the consolidated entity's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 12-month projection period approved by management and extrapolated for a further 4 years using a steady rate, together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

Europe

The following key assumptions were used in the discounted cash flow model:

- 14% pre-tax discount rate;
- 10% per annum average projected revenue growth rate;
- 76% gross margin
- 2% terminal growth rate per annum

Rest of world

The following key assumptions were used in the discounted cash flow model:

- 13% pre-tax discount rate;
- 60% in year one rising to 25% per annum year on year from FY2023;
- 35% gross margin (increasing 3% year on year from FY2023)
- 2.5% terminal growth rate per annum

Management has determined the values assigned to each of the above key assumptions as follows:

The discount rate of 13% and 14% pre-tax reflects management's estimate of the time value of money and the consolidated entity's weighted average cost of capital, the risk-free rate and the volatility of the share price relative to market movements.

ASSUMPTION	APPROACH USED TO DETERMINE VALUES
Revenue growth	Average annual growth rate over the five-year forecast based on past performance and management's expectations of market development.
Budgeted gross margin	Based on past performance and management's expectations for the future.
Other operating costs	Fixed costs of the CGUs, which do not vary significantly with sales growth. Management forecasts these costs based on the current structure of the business, adjusting for inflationary increases but not reflecting any future restructurings or cost saving measures.
Terminal growth rate	This is the weighted average growth rate used to extrapolate cash flows beyond the budgeted period.
Post-tax discount rate	Reflect specific risks relating to the relevant segments in which they operate.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of goodwill is based, would not cause the cash-generating unit's carrying amount to exceed its recoverable amount.

8. Leases

(i) Amounts recognised in the consolidated statement of financial position shows the following amounts relating to leases:

	Consolidated	
Right of use assets	**2021 $**	2020 $
Office space	**3,019,200**	2,545,890
Accumulated amortisation	**(1,052,704)**	(443,530)
Total	**1,966,496**	2,102,360

Lease liabilities	**2021 $**	2020 $
Current	**597,929**	560,630
Non-current	**2,006,421**	1,915,789
Total	**2,604,350**	2,476,419

Additions to the rights of use assets during the 2021 financial year were $473,310 (2020: $2,545,890).

(ii) Amounts recognised in the consolidated of profit or loss and other comprehensive income.

	2021 $	2020 $
Depreciation charge of right of use assets	**611,334**	443,530
Interest expense	**136,876**	119,599

The total cash outflow for leases in 2021 was $618,641 (2020: $189,071).

9. Trade and Other Payables

	Consolidated	
	2021 $	2020 $
Current		
Trade payables	**4,507,714**	2,476,386
Payroll tax and other statutory liabilities	**5,933,328**	2,712,199
Other payables	**1,156,216**	134,752
Total	**11,597,258**	5,323,337

All payables are expected to be settled within 6 months. Risk management policies in regard to liquidity and currency risk are outlined in Note 16.

10. Provisions

	Consolidated 2021 $	2020 $
Current		
Employee benefits	**1,206,597**	763,974
Non-Current		
Employee benefits	**402,663**	300,910
Total	**1,609,260**	1,064,884

Employee benefits represent annual leave and long service leave entitlements of employees within the Group and is non-interest bearing.

11. Contract Liabilities

	Consolidated 2021 $	2020 $
Current	**5,382,218**	632,623
Non-current	**575,260**	182,789
Total contract liabilities	**5,957,478**	815,412

	Consolidated 2021 $	2020 $
Reconciliation		
Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	**815,412**	-
Additions on acquisition (Note 25)	**3,577,545**	-
Payments received in advance	**5,046,808**	992,956
Transfers to revenue – performance obligations satisfied	**(3,482,288)**	(177,544)
Total	**5,957,477**	815,412

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was $5,957,478 as at 30 June 2021 ($815,412 as at 30 June 2020). These are expected to be recognised as revenue in future periods ranging from 6 – 44 months with the majority to be recognised in the next 24 months.

12. Issued Capital

	Consolidated 2021 $	2020 $
Issued and paid up capital		
256,200,395 (2020: 207,722,566) Ordinary shares – fully paid	**144,339,770**	90,899,074
Share issue costs written off against share capital	**(7,391,778)**	(5,232,126)
Total	**136,947,992**	85,666,948

MOVEMENT IN ORDINARY SHARES ON ISSUE

2021	Issue Price	No. of Shares	$
Balance at the beginning of the year	-	207,722,566	85,666,948
Issued pursuant to a placement	$1.10	31,818,182	35,000,000
Issued pursuant to a share purchase plan	$1.10	9,090,669	9,999,783
Issued on exercise of options	$0.38	335,500	127,490
Issued on exercise of options	$0.75	275,000	206,250
Issued on exercise of options	$1.25	70,000	87,500
Issued on exercise of options	$1.80	1,111	2,000
Issued on acquisition	$1.069	105,599	112,886
Issued on acquisition	$1.725	2,441,533	4,211,644
Issued on acquisition	$1.685	91,598	154,342
Issued to directors pursuant to shareholder approval	$0.60	1,666,666	1,000,000
Issued on exercise of options	$0.80	2,000,000	1,600,000
Issued pursuant to an employee share plan	$ -	100,000	311,500
Issued on exercise of ZEPOs	$ -	481,971	627,300
Share issue costs	-	-	(2,159,651)
Balance at the end of the year		**256,200,395**	**136,947,992**
2020			
Balance at the beginning of the year	-	186,570,452	71,592,843
Exercise of options – 23 July 2019	$0.38	55,000	20,900
Exercise of options – 15 August 2019	$0.38	125,000	47,500
Shares issued under employee share plan – 23 September 2019	$1.46	1,000,000	1,460,000
Shares issued under employee share plan – 23 September 2019	$1.60	895,000	1,432,000
Shares issued under employee share plan – 23 September 2019	$0.46	100,000	46,000
Exercise of options – 30 September 2019	$0.38	25,000	9,500
Exercise of options – 30 September 2019	$0.40	75,000	30,000
Exercise of options – 30 September 2019	$0.60	600,000	360,000
Exercise of options – 16 October 2019	$0.40	150,000	60,000
Exercise of options – 6 December 2019	$0.38	70,000	26,600
Exercise of options – 6 December 2019	$0.60	1,400,000	840,000
Exercise of options – 11 December 2019	$0.38	150,000	57,000
Exercise of options – 18 December 2019	$0.38	25,000	9,500
Exercise of options – 19 March 2020	$0.38	14,210	5,400
Exercise of options – 26 March 2020	$0.40	225,000	90,000
Exercise of options – 27 March 2020	$0.40	300,000	120,000
Exercise of options – 11 June 2020	$0.75	70,000	52,500
Exercise of options -16 June 2020	$0.38	50,000	19,000
Exercise of options – 23 June 2020	$0.38	20,000	7,600
Issued for cash pursuant to placement – 6 April 2020	$0.60	15,003,333	9,001,995
Issued on acquisition (Note 24)	$1.69	799,571	854,741
Share issue costs	-	-	(476,131)
Balance at the end of the year		**207,722,566**	**85,666,948**

OPTIONS

At the end of the year, the following options over unissued ordinary shares were outstanding:

Grant Date	Expiry Date	Exercise Price	Number Under Option
15-Jan-19	15-Jan-22	$0.38	455,290
23-Sep-19	20-Sep-22	$1.25	70,000
23-Sep-19	20-Sep-22	$0.75	150,000
31-Mar-20	22-Mar-23	$0.75	1,210,000
30-Nov-20	30-Jun-21	$0.00	1,250,000
30-Nov-20	30-Jun-23	$0.00	322,985
30-Nov-20	30-Jun-25	$0.00	3,879,066
03-May-21	31-Jan-24	$0.00	718,854
03-May-21	31-Jan-24	$0.00	432,161
03-May-21	31-Jan-24	$0.00	75,000
Total			**8,563,356**

CAPITAL RISK MANAGEMENT

The group's objectives when managing capital are to safeguard the ability to continue as a going concern, so that benefits to stakeholders and an optimum capital structure are maintained.

In order to maintain or adjust the capital structure, the Company may return capital to shareholders, cancel capital, issue new shares or options or sell assets.

13. Reserves

	Consolidated	
	2021	2020
	$	$
Option reserve	**18,830,803**	5,792,426
Performance rights reserve	**2,663,035**	3,004,038
Unvested share reserve	**-**	135,000
Foreign currency reserve	**794,708**	(127,967)
Total	**22,288,546**	**8,803,497**

OPTION RESERVE

The option reserve is used to accumulate amounts received on the issue of options and records items recognised as expenses on valuation of incentive-based share options and loan funded shares.

Movement in option reserve:

	Consolidated	
	2021	2020
	$	$
Balance at the beginning of the year	**5,792,426**	4,318,394
Allocation of incentive-based share options values over vesting period – employees and key management personnel	**6,435,700**	1,398,597
Allocation of incentive-based options values over vesting period – directors	**6,579,899**	-
Allocation of incentive-based loan funded shares values over vesting period – directors	**22,779**	75,435
Balance at the end of the year	**18,830,803**	**5,792,426**

PERFORMANCE RIGHTS RESERVE

The performance rights reserve is used to record the value of performance rights issued as share based payments until the performance rights are converted into fully paid ordinary shares upon achievement of performance based milestones.

Movement in performance rights reserve:	Consolidated	
	2021	2020
	$	$
Balance at the beginning of the year	**3,004,038**	3,004,038
Reversal of incentive share based payment – management performance shares cancelled upon milestones not being achieved by expiry date	**(341,003)**	-
Balance at the end of the year	**2,663,035**	**3,004,038**

UNVESTED SHARE RESERVE

The unvested share reserve is used to record the value of shares formally offered and accepted as share based payments until the shares are issued on a future specified vesting date.

Movement in unvested share reserve:	Consolidated	
	2021	2020
	$	$
Balance at the beginning of the year	**135,000**	135,000
Allocation of incentive share based payment over vesting period – employee shares	**-**	-
Shares issued on vesting date	**(135,000)**	-
Balance at the end of the year	**-**	**135,000**

FOREIGN CURRENCY RESERVE

The foreign currency reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations.

	Consolidated	
Movement in foreign currency reserve:	**2021**	2020
	$	$
Balance at the beginning of the year	**(127,966)**	(101,538)
Currency translation differences	**922,674**	(26,428)
Balance at the end of the year	**794,708**	**(127,966)**

14. Accumulated Losses

	Consolidated	
	2021	2020
	$	$
Balance at the beginning of the year	**(68,924,066)**	(50,923,806)
Transfer of cancelled performance rights	**341,003**	-
Loss attributable to owners of Dubber Corporation Limited	**(31,697,438)**	(18,000,260)
Balance at the end of the year	**(100,280,501)**	**(68,924,066)**

15. Earnings per Share (EPS)

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	Consolidated	
	2021	2020
	$	$
Earnings attributable to the owners of Dubber Corporation Limited used to calculate EPS		
Loss for the year	**(31,697,438)**	**(18,000,260)**

Weighted average number of ordinary shares used in the calculation of EPS	**No.**	No.
Weighted average number of ordinary shares used as the denominator in calculating basic EPS	**239,175,682**	**193,598,343**

As the consolidated entity is in a loss position there is no diluted EPS calculated.

16. Financial Risk Management

Financial instruments consist mainly of deposits with banks and accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Weighted Average Interest Rate (%)			Consolidated	
	2021	2020	Note	2021 $	2020 $
Financial Assets					
Cash and cash equivalents	**0.9**	1.2	4	**32,041,224**	18,408,881
Trade and other receivables (incl. sundry debtors)	**-**	-	5	**23,329,871**	10,452,979
Total Financial Assets	**-**			**55,371,095**	28,861,860
Financial Liabilities					
Trade and other payables	**-**	-	9	**11,597,258**	5,323,337
Lease liability	**-**		8	**2,604,351**	2,476,419
Deferred consideration	**-**		25	**16,031,835**	116,381
Total Financial Liabilities	**-**			**30,233,444**	7,916,137

The carrying amounts of these financial instruments approximate their fair values.

FINANCIAL RISK MANAGEMENT POLICIES

Exposure to key financial risks is managed in accordance with the Group's risk management policy with the objective to ensure that the financial risks inherent in technological activities and new business reviews are identified and then managed or kept as low as reasonably practicable.

The main financial risks that arise in the normal course of business are market risk (including currency risk and interest rate risk), credit risk and liquidity risk. Different methods are used to measure and manage these risk exposures. Liquidity risk is monitored through the ongoing review of available cash and future commitments for research expenditure. Exposure to liquidity risk is limited by anticipating liquidity shortages and ensures capital can be raised in advance of shortages. Interest rate risk is managed by limiting the amount of interest-bearing loans entered into by the Company. It is the Board's policy that no speculative trading in financial instruments be undertaken to limit exposure to price risk.

Primary responsibility for identification and control of financial risks rests with the Managing Director, under the authority of the Board. The Board is apprised of these risks from time to time and agrees any policies that may be undertaken to manage any of the risks identified.

Details of the significant accounting policies and methods adopted, including criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each financial instrument are disclosed in Note 1 to the financial statements. The carrying values less the impairment allowance for receivables and payables are assumed to approximate fair values due to their short-term nature. Cash and cash equivalents are subject to variable interest rates.

SPECIFIC FINANCIAL RISK EXPOSURES AND MANAGEMENT

a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include:

- significant financial difficulty of the customer;
- a breach of contract;
- it is probable that the customer will enter bankruptcy or other financial reorganisation.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. However, financial assets may still be subject to enforcement activities, taking into account legal advice where appropriate. Any recoveries made are recognised in the profit or loss.

Trade receivables

The Group has adopted the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of contracts and corresponding historical credit losses. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as at 30 June 2021 was determined as follows for both trade receivables.

	Current	More than 30 days past due	More than 60 days past due	Total
Expected loss rate	0%	0%	2.7%	-
Gross carrying amount – trade receivables	5,176,965	279,939	10,754,304	16,211,208
Loss allowance	0	0	290,366	0

The consolidated entity has a credit risk exposure with a major Australian customer, which as at 30 June 2021 owed the consolidated entity $10,858,038 (67% of trade receivables) (2020: $6,400,848 (75% of trade receivables)).

No impairment was made as at 30 June 2021 as the customer is considered a rating of AA and Dubber is confident that these receivables are collectable and are active in the management and reduction of these overdue amounts.

Subsequent to the year end, Dubber received $1,881,000 to begin extinguishment of the oldest debt. A payment plan was also renegotiated to pay down the remainder of the debt every quarter over the next 18 months.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Loss allowance as at 30 June 2020 was determined as follows for both trade receivables.

	Current	More than 30 days past due	More than 60 days past due	Total
Expected loss rate	0%	0%	2.7%	-
Gross carrying amount – trade receivables	1,717,828	66,103	6,776,442	8,560,372
Loss allowance	0	0	187,279	187,279

Management have assessed the risk of collections for the amounts more than 60 days past due as low, however had decided to make a conservative loss allowance in the year ended 30 June 2020 as shown in the above table.

The Company believes that The Group's credit risk on liquid funds is limited because the majority of cash and deposits are held with Westpac Banking Corporation and National Australia Bank, both AA3 credit rated banks.

b) Liquidity risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash reserves to meet the ongoing operational requirements of the business. It is the Company's policy to maintain sufficient funds in cash and cash equivalents. Furthermore, the Company monitors its ongoing research and development cash requirements and raises equity funding as and when appropriate to meet such planned requirements. The Company has undrawn financing facilities. Trade and other payables, the only financial liability of the Company, are due within 3 months.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

FINANCIAL LIABILITY AND FINANCIAL ASSET MATURITY ANALYSIS

	Within 1 Year		1 to 5 Years		Total Contractual Cash Flow	
	2021	2020	**2021**	2020	**2021**	2020
	$	$	**$**	$	**$**	$
Financial assets – cash flows receivable						
Trade and other receivables	**16,511,722**	10,387,312	**2,229,545**	-	**18,741,267**	10,387,312
Total expected inflows	**16,511,722**	10,387,312	**2,229,545**	-	**18,741,267**	10,387,312
Financial liabilities due for payment realisable						
Trade and other payables	**11,597,258**	5,323,337	**-**	-	**11,597,258**	5,323,337
Lease liability	**597,929**	737,743	**2,006,421**		**2,604,350**	2,909,440
Total anticipated outflows	**12,195,187**	6,061,080	**2,006,421**	-	**14,201,608**	8,232,777
Net (outflow)/inflow on financial instruments	**4,316,535**	4,326,232	**223,124**		**4,539,659**	2,154,535

c) Market risk

i. Interest rate risk
The Company's cashflow interest rate risk primarily arises from cash at bank and deposits subject to market bank rates. The Company does not have any borrowings or enter into hedges. An increase/(decrease) in interest rates by 0.5% during the whole of the respective periods would have led to an increase/(decrease) in losses of less than $100,000.

i. Foreign currency risk
The consolidated Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
Consolidated	**2021 $'000**	2020 $'000	**2021 $'000**	2020 $'000
US dollars	**1,519**	908	**160**	73
British pounds	**7,199**	608	**557**	66
	8,718	1,516	**717**	139

The consolidated entity had net assets denominated in foreign currencies of $8,001,000 (assets of $8,718,000 less liabilities of $717,000) as at 30 June 2021 (2020: $1,377,000 (assets of $1,516,000 less liabilities of $139,000). Based on this exposure, had the Australian dollar weakened by 10%/strengthened by 5% (2020: weakened by 10%/strengthened by 5%) against these foreign currencies with all other variables held constant, the consolidated entity's profit before tax for the year would have been

$160,000 lower/$98,000 higher (2020: $137,000 lower/$68,000 higher) and equity would have been $2.9m lower/$1.7m higher (2020: $2.5m lower/$1.2m higher).

The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last 6 months each year and the spot rate at each reporting date. The actual foreign exchange loss for the year ended 30 June 2021 was $124,315 (2020: loss of $108,426).

d) Fair value measurement

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

Level 1: Quoted prices in active markets for identical items (unadjusted)

Level 2: Observable direct or indirect inputs other than Level 1 inputs

Level 3: Unobservable inputs (i.e. not derived from market data)

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below:

30 June 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Total Financial Assets	-	-	-	-
Financial Liabilities				
Deferred consideration	-	-	16,031,836	16,031,836
Total Financial Liabilities	-	-	**16,031,836**	**16,031,836**

30 June 2020	Level 1	Level 2	Level 3	Total
Financial Assets				
Total Financial Assets	-	-	-	-
Financial Liabilities				
Deferred consideration	-	-	116,381	116,381
Total Financial Liabilities	-	-	**116,381**	**116,381**

Assets and liabilities held for sale are measured at fair value on a non-recurring basis.
There were no transfers between levels during the financial year.

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the financial year are set out below:

Consolidated	Deferred Consideration	Total
Balance at 1 July 2019	-	-
Additions – CallN Pty Ltd (1 June 2020)	116,381	116,381
Balance at 30 June 2020	**116,381**	**116,381**
Balance at 1 July 2020	**116,381**	**116,381**
Final settlement on acquisition of CallN Pty Ltd	(116,381)	(116,381)
Additions – Speik (22 December 2020)	14,387,878	14,387,878
Finance costs on unwinding of deferred consideration – 30 June 2021	1,068,381	1,068,381
Foreign exchange rate restatement – 30 June 2021	575,577	575,577
Balance at 30 June 2021	**16,031,836**	**16,031,836**

The level 3 assets and liabilities unobservable inputs and sensitivity are as follows:

Description	Unobservable inputs	Sensitivity
Deferred consideration	Revenue	5% change would increase/decrease fair value by $1.06m

Valuation techniques for fair value measurements categorised within level 3

Deferred consideration is based on Speik's budgeted revenue targets for FY22 with a multiplication factor applied. Refer to Note 25 for full business combination disclosure.

The fair values of the deferred consideration have been determined based on present values and the discount rates were adjusted for counterparty or own credit that is expected to settled as of July 2022.

17. Auditors' Remuneration

	Consolidated	
	2021	2020
	$	$
Remuneration of the auditor of the Company, BDO Audit (WA) Pty Ltd, for:		
Audit services	**74,926**	54,850
Taxation advice – BDO Corporate Tax (WA) Pty Ltd	**26,601**	12,103
Advisory services – BDO Reward (WA) Pty Ltd	**-**	23,750
Advisory Services – BDO Corporate Finance (WA) Pty Ltd	**85,338**	-
Total	**186,865**	90,703

18. Contingent Liabilities

The Consolidated entity has no material contingent liabilities as at reporting date (2020: Nil).

19. Commitments

The Consolidated entity has no material commitments as at reporting date (2020: Nil).

20. Operating Segments

Identification of reportable operating segments

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. Up to 22 December 2020, the Group managed primarily on the basis that it had only one main operating segment, being the Dubber technology suite. Accordingly, all significant operating decisions were based upon analysis of the Group as one segment. For the prior financial year ended 30 June 2020, the financial results from the operating segment was equivalent to the financial statements of the Group as a whole.

Due to the acquisition of Speik Ltd during the year, the Board now segments the business into geographical regions of the world to effectively review its operations and allocate resources according to opportunities in a total addressable market.

The group has three main operating segments, specifically for the provision of subscriptions services in Europe, United States of America ('Americas') and Rest of World.

Intersegment transactions

An internally determined transfer price is set for all inter-segment sales. This price is based on what would be realised in the event that the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation. Corporate charges are recognised in Other segment which contains the treasury and oversight functions of the group.

Intersegment receivables, payables and loans

Where an asset is used across multiple segments, the asset is allocated to the segment that receives majority economic value from that asset. Segment assets are clearly identifiable on the basis of their nature and physical location.

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Segment liabilities includes trade and other payables.

Unallocated items

Any items noted below as 'Other' are not allocated to operating segments as they are not considered part of the core operations of any segment in particular.

Major customers

Revenues of $4,051,991 (2020: $4,497,626) are derived from a single external customer, representing 20% of the total services revenue. These revenues are attributed to the 'Rest of World' geographical segment.

The Group aggregates two or more operating segments into a single reportable segment when the Group has assessed and determined the aggregated operating segments share economical and geographical characteristics, such as the type of customers for the Group's services and similar expected growth rates and regulatory environment accounting policies applied for internal purposes are consistent with those applied in the preparation of these financial statements.

	Europe	Americas	Rest of world	Other	Total
	$	$	$	$	$
Year ended 30 June 2021					
Segment income					
Services income	10,730,904	3,560,515	6,045,891	-	**20,337,310**
Other revenue	171		2,922,604	-	**2,922,774**
	10,731,075	**3,560,515**	**8,968,495**	**-**	**23,260,084**
Segment expenses					
Direct costs	2,906,965	1,918,019	5,516,804	-	**10,341,788**
Operating expenses	5,750,133	3,568,891	15,649,767	1,579,748	**26,548,540**
Share based payments	-	-	-	13,842,177	**13,842,177**
	8,657,098	**5,486,910**	**21,166,572**	**15,421,925**	**50,732,504**
EBITDA	2,073,977	(1,926,395)	(12,198,077)	(15,421,925)	**(27,472,420)**
Depreciation and amortisation	1,549,723	50,704	1,445,159	-	**3,045,586**
Finance costs	77,390	12,992	1,371,099	-	**1,461,481**
	1,627,113	**63,696**	**2,816,258**	**-**	**4,507,067**
Loss before income tax	**446,864**	**(1,990,091)**	**(15,014,335)**	**(15,421,925)**	**(31,979,486)**
Segment assets	47,487,566	1,950,431	50,896,690	-	**100,334,687**
Segment liabilities	10,618,580	1,047,421	29,712,650	-	**41,378,650**
	36,868,986	**903,010**	**21,184,040**	**-**	**58,956,037**

21. Related Party Transactions

SUBSIDIARIES

The consolidated financial statements include the financial statements of Dubber Corporation Limited and the subsidiaries listed in the following table:

			Equity Holding	
	Country of Incorporation	Class of Shares	2021 (%)	2020 (%)
Medulla Group Pty Ltd	Australia	Ordinary	**100**	100
Dubber Pty Ltd	Australia	Ordinary	**100**	100
Dubber Ltd	England and Wales	Ordinary	**100**	100
Dubber USA Pty Ltd	Australia	Ordinary	**100**	100
Dubber, Inc.	United States of America	Ordinary	**100**	100
Dubber Connect Australia Pty Ltd	Australia	Ordinary	**100**	100
CallN Pty Ltd	Australia	Ordinary	**100**	100
Aeriandi Ltd	England	Ordinary	**100**	-
Voxygen Ltd	England	Ordinary	**100**	-

PARENT ENTITY

Dubber Corporation Limited is the ultimate Australian parent entity and ultimate parent of the Group.

KEY MANAGEMENT PERSONNEL

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of Dubber Corporation Limited's key management personnel for the year ended 30 June 2021.

The totals of remuneration paid to key management personnel of the Company during the year are as follows:

	Consolidated	
	2021	2020
	$	$
Short-term employee benefits	**1,788,059**	1,815,888
Long-term benefits	**285,618**	74,569
Post-employment benefits	**119,141**	133,636
Share-based payments	**10,325,085**	1,365,535
Total	**12,517,903**	**3,389,628**

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Telephony services totalling $2,297 (2020: $2,150) were provided by Canard Pty Ltd, a company associated with Mr Steve McGovern. Trade payables at 30 June 2021 include a balance of $1,161 (30 June 2020: $193) payable to Canard Pty Ltd. Intelligent Voice and 1300 MY SOLUTION are businesses associated with Mr Steve McGovern. The Group earned service fee income of $65,815 (2020: $57,943) from Intelligent Voice and $119,036 (2020: $168,269) from 1300 MY SOLUTION. Trade receivables at 30 June 2021 include balances of $0.00 (30 Jun 2020: $0.00) due from Intelligent Voice and 1300 MY SOLUTION. During the year $0.00 (2020: $42,750) was invoiced to the Company by Mr Peter Pawlowitsch's consultancy company, Gyoen Pty Ltd for advisory services outside his usual Board duties. Trade payables at 30 June 2020 include a balance of nil (30 June 2020: $4,125) payable to Gyoen Pty Ltd. Services totalling $10,000 (2020: $Nil) were provided by Bassplay Pty Ltd, a company associated with Mr Peter Curigliano. Other receivables at 30 June 2021 includes an amount of $100,977 (30 June 2020: $140,977) receivable from the Medulla Group Pty Ltd vendors, including Mr Steve McGovern and Mr James Slaney.

Amounts included in the remuneration table for Mr Gerard Bongiorno were paid to his consultancy company Otway Capital Consulting and likewise, amounts included for Mr Peter Clare were paid to his consultancy company Shared Runway Pty Ltd. All transactions are conducted on normal commercial terms and on an arm's length basis. No Compensation Options were issued to related parties in the year ended 30 June 2021.

22. Cash Flow Information

Reconciliation of loss for the year to net cash flows from operating activities

	Consolidated	
	2021	2020
	$	$
Net loss for the year	**(31,697,438)**	(18,000,260)
Non-cash flows in loss:		
Depreciation and amortisation	**3,045,586**	2,051,129
Share based payments	**13,842,177**	4,412,032
Net exchange differences	**(124,315)**	(108,426)
Changes in assets and liabilities:		
Increase in trade and other receivables	**4,306,514**	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	**(17,445,773)**	(12,684,645)

NON-CASH FINANCING AND INVESTING ACTIVITIES

(i) 2,533,131 fully paid ordinary shares were issued as the first instalment for the acquisition of Speik in December 2020 and March 2021.

(ii)105,599 fully paid ordinary shares were issued in July 2020 to complete the acquisition of CallN Pty Ltd.

In 2020, 799,571 fully paid ordinary shares were issued as the first instalment for the acquisition of CallN Pty Ltd.

23. Share Based Payments

VALUE OF SHARE BASED PAYMENTS IN THE FINANCIAL STATEMENTS

	Consolidated	
	2021 **$**	2020 $
Expensed – directors and other key management personnel remuneration:		
Employee options	**10,125,806**	176,130
Fully paid ordinary shares	**176,500**	832,000
Loan funded shares	**22,779**	75,435
Sub-total	**10,325,085**	1,083,565
Expensed – other employees' and consultants:		
Fully paid ordinary shares	**-**	2,106,000
Employee options	**3,517,092**	1,222,467
Sub-total	**3,517,092**	3,328,467
Total	**13,842,177**	4,412,032

SHARES

The Company formally offered the following fully paid ordinary shares to employees;

2021						
Offer Date	**Vesting Date**	**Balance 01/07/20**	**Offered**	**FPO Shares Issued**	**Forfeited**	**Balance 30/06/21**
01/12/20	12/05/21	-	100,000	100,000	-	-
Total		**-**	**100,000**	**100,000**	**-**	**-**

2020						
Offer Date	**Vesting Date**	**Balance 01/07/19**	**Offered**	**Ord FP Shares Issued**	**Forfeited**	**Balance 30/06/20**
23/09/19	23/09/19	-	895,000	895,000	-	-
Total		-	895,000	895,000	-	-

OPTIONS

Set out below are the summaries of options granted as share based payments:

2021									
Grant Date	**Expiry Date**	**Exercise Price**	**Defer Type**	**Balance 01/07/20**	**Granted**	**Exercised**	**Expired or Forfeited**	**Balance 30/06/21**	**Number vested and exercisable**
20/12/17	31/12/20	$0.80		2,000,000	-	(2,000,000)	-	-	-
15/01/19	15/01/22	$0.38		790,790	-	(335,500)	-	455,290	455,290
20/09/19	20/09/22	$1.25		140,000	-	(70,000)	-	70,000	70,000
20/09/19	20/09/22	$0.75		150,000	-	-	-	150,000	150,000
31/03/20	22/03/23	$0.75		1,485,000	-	(275,000)	-	1,210,000	1,210,000
31/03/20	22/03/23	$0.00		360,000	-	(360,000)	-	-	-
30/11/20	30/06/21	$0.00		-	1,250,000	-	-	1,250,000	1,250,000
30/11/20	30/06/23	$0.00		-	322,985	-	-	322,985	-
30/11/20	30/06/25	$0.00		-	3,879,066	-	-	3,879,066	-
03/05/21	31/01/24	$0.00		-	840,825	(121,971)	-	718,854	718 854
03/05/21	31/01/24	$1.80		-	433,272	(1,111)	-	432,161	432,161
03/05/21	31/01/24	$1.68		-	75,000	-	-	75,000	75,000
Total				**4,925,790**	**6,801,148**	**3,163,582**	**-**	**8,563,356**	**3,642,451**
Weighted average exercise price				**$0.67**	**$0.13**	**$0.64**	**-**	**$0.26**	**$0.50**

2020									
Grant Date	**Expiry Date**	**Exercise Price**	**Defer Type**	**Balance 01/07/18**	**Granted**	**Exercised**	**Expired or Forfeited**	**Balance 30/06/19**	**Number vested and exercisable**
22/12/16	31/03/20	$0.40	1	850,000	-	(750,000)	(100,000)	-	-
20/12/17	31/12/19	$0.60		2,000,000	-	(2,000,000)	-	-	-
20/12/17	31/12/20	$0.80		2,000,000	-	-	-	2,000,000	2,000,000
15/01/19	15/01/22	$0.38		1,325,000	-	(534,210)	-	790,790	790,790
20/09/19	20/09/22	$1.25		-	140,000	-	-	140,000	140,000
20/09/19	20/09/22	$0.75		-	150,000	-	-	150,000	150,000
31/03/20	22/03/23	$0.75		-	1,555,000	(70,000)	-	1,485,000	1,485,000
31/03/20	22/03/23	$0.00		-	360,000	-	-	360,000	360,000
Total				**6,175,000**	**2,205,000**	**(3,354,210)**	**(100,000)**	**4,925,790**	**4,925,790**
Weighted average exercise price				**$0.59**	**$0.66**	**$0.51**	**$0.40**	**$0.67**	**$0.67**

The various deferred vesting options listed above are subject to milestones or vesting dates which are listed below. Probability of achieving these milestones or vesting dates have been assessed at 100% unless otherwise stated.

1. Employee options vest and become exercisable on the following dates provided the employee is an employee of the Company at the relevant vesting date:

   Vesting date 1: 1 March 2017 - 350,000 options
   Vesting date 2: 1 March 2018 - 350,000 options less 100,000 options cancelled during the FY2019 upon resignation of employee before vesting date
   Vesting date 3: 1 March 2019 - 350,000 options less 100,000 options cancelled during the FY2019 upon resignation of employee before vesting date

The assessed fair values of the options were determined using a binomial option pricing model or Black-Scholes model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underling share, expected yield and the risk-free interest rate for the term of the option. For the options granted during the current and previous financial year, the inputs to the model used were:

Grant date	1 Dec 2020[1]	3 May 2021[2]	3 May 2021[3]	8 June 2021[4]	1 June 2020[4]
Number of options	-	840,825	508,272	250,000	600,000
Number of shares	100,000	-	-	-	-
Vesting date	12 May 2021	various	various	various	various
Expense recognised in FY21 ($)	$176,500	$2,279,574	$412,477	$540,805	$284,236
Exercise price ($)	0.00	0.00	1.68 - 1.8	1.216 – 1.6	1.22
Dividend yield (%)	-	-	-	-	-
Expected volatility (%)	N/A	N/A	100%	100%	100%
Risk-free interest rate (%)	N/A	N/A	0.10%	0.14%	0.10%
Fair value per option/ share	1.77	2.77	1.88-1.91	1.2 - 2.8	0.87 - 1.37
Expected life of options (years)	3	3	3	3	3

1. Shares granted to the Chief Revenue Officer on 1 Decemeber 2020 based on continued employment through to vesting date.
2. 840,825 options granted - 815,825 vested immediately with the remaining 25,000 subject to continuous employment to relevant vesting date as per offer letter.
3. 508,272 options granted as of 3 May 2021 subject to continuos employment to relevant vesting date.
4. 250,000 options issued on 8 June 2020 and 600,000 options issued to 1 June 2020 to an employee based on continous employment at vesting date.

Grant date	30 November 2020	8 June 2021	1 July 2020
Number of options	5,452,051	3,431,456	1,213,277
Vesting date	30/6/21, 15/8/21 & 30/6/23	30/6/21, 15/8/21 & 30/6/23	30/6/21, 30/6/22 & 30/6/23
Expense recognised in FY21 ($)	$3,962,346 (2020: $ -)	$3,287,298 (2020: $ -)	$2,370,214 (2020: $ -)
Exercise Price	$ -	$ -	$ -
Fair Value Per Option	$1.659	$2.919	$3.199
Expected life of options (years)	3	3	3

Grant date	24 March 2021	24 March 2021	24 March 2021
Number of options	153,241	300,000	300,000
Vesting date	30/6/21, 30/6/22, 30/6/23 & 30/6/24	30/6/24	30/6/24
Expense recognised in FY21 ($)	$102,013 (2020: $ -)	$49,886 (2020: $ -)	$48,680 (2020: $ -)
Exercise Price	$ -	$1.75	$1.75
Fair Value Per Option	$3.199	$2.026	$1.977
Dividend yield (%)	-	-	-
Expected volatility (%)	-	75%	75%
Risk-free interest rate (%)	-	0.13%	0.13%
Expected life of options (years)	3	3	3
Expected life of options (years)	3	3	3

Grant date	24 March 2021	13 May 2020	13 May 2021
Number of options	300,000	250,000	250,000
Vesting date	30/6/24	13/5/21	13/5/22
Expense recognised in FY21 ($)	$46,759 (2020: $ -)	$199,300 (2020: $ -)	$59,310 (2020: $ -)
Exercise Price	$1.75	$1.165	$2.64
Fair Value Per Option	$1.899	$0.7972	$1.804
Dividend yield (%)	-	-	-
Expected volatility (%)	75%	100%	100%
Risk-free interest rate (%)	0.13%	0.25%	0.10%
Expected life of options (years)	3	3	3
Expected volatility (%)	100%	100%	100%
Risk-free interest rate (%)	0.10%	0.25%	0.10%
Expected life of options (years)	3	3	3

5,452,051 ZEPOs granted to Executive Directors as of 30 November 2020

Director	2020 ZEPOs	STI ZEPOs	LTI ZEPOs
Mr Stephen McGovern	1,000,000	255,581	3,707,215
Mr Peter Pawlowitsch	250,000	67,404	808,851
Total	**1,250,000**	**322,985**	**3,879,066**

3,431,456 ZEPOs granted to Co-Founder and Chief Operating Officer, Mr James Slaney as of 8 June 2021

2020 ZEPOs	STI ZEPOs	LTI ZEPOs
1,000,000	187,035	2,244,421

Vesting conditions for the above are as follows:

2020 ZEPOS
The 2020 ZEPO shall vest on 30 June 2021 if the holder remains in continued employment with the Company until 30 June 2021.

STI ZEPOS
The STI ZEPOS shall vest on the date that the 2021/2022 financial year budget for the business of the Group is approved by the Board and that budget shows that the business will have sufficient cash from cash at bank and budgeted operating revenue to sustain budgeted operating costs for that year.

Subject to achievement of the sustainable cash flow condition above:

i. If the holder receives a positive “Personal Scorecard” (scorecard to be determined by agreement between the Company and the Executive) for the financial year ended 30 June 2021 from the Board for performance over the previous 12 months, 50% of the STI ZEPOS shall vest.

ii. If, by 30 June 2021, the Group has achieved 8 or more core business objectives and/or product releases (to be determined by agreement between the Company and the Executive) then the following proportion of the remaining 50% of the STI ZEPOS shall vest, namely achieving:

(A) 8 core business objectives and/or product releases - 20%

(B) 9-40%

(C) 10 -60%

(D) 11 - 80%, and

(E) 12 or more - 100%

Subject to achievement of the sustainable cash flow condition above:

i. If the holder receives a positive “Personal Scorecard” (scorecard to be determined by agreement between the Company and the Executive) for the financial year ended 30 June 2021 from the Board for performance over the previous 12 months, 50% of the STI ZEPOS shall vest.

ii. If, by 30 June 2021, the Group has achieved 8 or more core business objectives and/or product releases (to be determined by agreement between the Company and the Executive) then the following proportion of the remaining 50% of the STI ZEPOS shall vest, namely achieving:

(A) 8 core business objectives and/or product releases - 20%

(B) 9-40%

(C) 10 -60%

(D) 11 - 80%, and

(E) 12 or more - 100%

LTI ZEPOS

If the holder remains in continued employment with the Company until 30 June 2023, the LTI ZEPOS shall vest as follows:

i. Recurring revenue (50% of LTI ZEPOs). The following proportions of LTI ZEPOs shall vest where recurring revenue for the Group by 30 June 2023 is:

(A) at or above $40 million but less than $60 million: 33% at $40 million with a straight-line pro rata vesting up to 60%;

(B) at or above $60 million but less than $80 million: 60% at $60 million with a straight-line pro rata vesting up to 100%; and

(C) at or above $80 million: 100%.

Recurring revenue means operating revenue of the Group for any month multiplied by 12 exclusive of one off revenue fees such as connection fees and any R&D or other grant revenue.

ii. Agreements for deployments into telecommunication networks (50% of LTI ZEPOs). The following proportions of LTI ZEPOS shall vest where, by 30 June 2023, the Group has agreements in place for the deployment of the Dubber call recording service on to telecommunication service provider networks (whether or not yet active):

(A) at least 170 but less than 185: 33% at 170 with a straight-line pro rata vesting up to 60%;

(B) at least 185 but less than 200: 60% at 185 with a straight-line pro rata vesting up to 100%; and

(C) at or above 200: 100%.

1,213,277 ZEPOs granted to Executive Director Mr Peter Pawlowitsch as of 1 July 2020

Vesting

If the holder remains an employee of the Company as at the relevant date, the Options shall vest as follows:

i. one-third of the Options (rounded up to the nearest whole number) shall vest on 30 June 2021;

ii. a further one-third of the Options (rounded up to the nearest whole number) shall vest on 30 June 2022; and

iii. the remaining Options shall vest on 30 June 2023.

153,241 ZEPOs granted to Non-Executive Directors Mr Peter Clare and Mr Gerard Bongiorno as of 24 March 2021

Director	ZEPOs
Mr Peter Clare	96,988
Mr Gerard Bongiorno	56,253
Total	**153,241**

Vesting

If the holder remains as a director of the Company as at the relevant date or in certain cases of prior departure the Board exercises its discretion otherwise in accordance with the 2020 Plan, the ZEPOS shall vest as follows:

i. 8.2% of the aggregate number of ZEPOs (rounded down to the nearest whole number) shall vest on 30 June 2021;

ii. 30.6% of the aggregate number of ZEPOS (rounded down to the nearest whole number) shall vest on 30 June 2022;

iii. 30.6% of the aggregate number of ZEPOs (rounded down to the nearest whole number) shall vest on 30 June 2023; and

iv. the balance shall vest on 30 June 2024.

900,000 Remuneration Options granted to Non-Executive Directors Mr Peter Clare and Mr Gerard Bongiorno as of 24 March 2021

Director	Remuneration
Mr Peter Clare	600,000
Mr Gerard Bongiorno	300,000
Total	**900,000**

The Options shall vest on 30 June 2024 if the holder remains as a director of the Company as at that date, or in certain cases of prior departure if the Board exercises its discretion otherwise in accordance with the 2020 Plan, as follows:

i. one-third of the Options shall vest if the price of Shares traded on ASX has achieved $3.00 or more on a 20-day volume-weighted average price (20-day VWAP) basis before that date;

ii. a further one-third of the Options shall vest if the price of Shares traded on ASX has achieved $4.00 or more on a 20-day VWAP basis before that date; and

iii. the remaining Options shall vest if the price of Shares traded on ASX has achieved $5.00 or more on a 20-day VWAP basis before that date.

250,000 Yearly tenure options granted as of 13 May 2020 and 13 May 2021 to Chief Revenue Officer Mr Russell Evans

Vesting period is 12 months

The weighted average remaining contractual life of share-based payment options that were outstanding as at 30 June 2021 was 2 years (2020: 1.6 years).

The weighted average fair value of share-based payment options granted during the year was $0.13 (2020: $0.66) each.

PERFORMANCE RIGHTS

There were no performance rights issued in the year ended 30 June 2021 (30 June 2020: Nil).

LOAN FUNDED SHARES

Set out below is the summary of loan funded shares granted as share based payments:

2021									
Grant Date	Expiry Date	Exercise Price	Defer Type	Balance 01/07/20	Granted	Exercised	Expired or Forfeited	Balance 30/06/21	Number vested and exercisable
29/11/17	20/12/22	$0.36	1	525,000	-	-	-	525,000	525,000
1/12/17	30/1/23	$0.56	2	600,000	-	-	-	600,000	600,000
Total				**1,125,000**	**-**	**-**	**-**	**1,125,000**	**1,125,000**

2020									
Grant Date	Expiry Date	Exercise Price	Defer Type	Balance 01/07/19	Granted	Exercised	Expired or Forfeited	Balance 30/06/20	Number vested and exercisable
29/11/17	20/12/22	$0.36	1	525,000	-	-	-	525,000	350,000
1/12/17	30/1/23	$0.56	2	600,000	-	-	-	600,000	400,000
Total				**1,125,000**	**-**	**-**	**-**	**1,125,000**	**750,000**

The deferred loan funded shares are subject to vesting dates which are listed below. Probability of achieving these vesting dates have been assessed at 100% unless otherwise stated.

1. Loan funded shares vest on the following dates provided the employee is an employee of the Company at the relevant vesting date:
   Vesting date 1: 20 December 2018 - 175,000 loan funded shares
   Vesting date 2: 20 December 2019 - 175,000 loan funded shares
   Vesting date 3: 20 December 2020 - 175,000 loan funded shares
2. Loan funded shares vest on the following dates provided the employee is an employee of the Company at the relevant vesting date:
   Vesting date 1: 30 January 2019 - 200,000 loan funded shares
   Vesting date 2: 30 January 2020 - 200,000 loan funded shares
   Vesting date 3: 30 January 2021 - 200,000 loan funded shares

The assessed fair values of the loan funded shares was determined using a Black-Scholes model, taking into account the exercise price, term of loan, the share price at grant date and expected price volatility of the underling share, expected yield and the risk-free interest rate for the term of the loan. For the loan funded shares granted, the inputs to the model used were:

Grant date	**29/11/2017**	**1/12/2017**
Dividend yield (%)	-	-
Expected volatility (%)	100%	100%
Risk-free interest rate (%)	2.09%	2.47%
Expected life of loan (years)	5	5
Underlying share price ($)	$0.36	$0.555
Loan exercise price ($)	$0.36	$0.555
Value of loan funded share ($)	$0.2700	$0.4176

24. Parent Entity Disclosures

SUMMARY FINANCIAL INFORMATION

The individual financial statements for the parent entity show the following aggregate amounts:

	2021 ($)	2020 ($)
Statement of financial position		
Current assets	**23,996,568**	2,459,317
Non-current assets	**92,986,318**	26,206,631
Total assets	**116,982,886**	28,665,948
Current liabilities	**1,156,144**	1,144,894
Non-current liabilities	**1,579,585**	1,974,675
Total liabilities	**2,735,729**	3,119,569
Net assets	**114,247,157**	25,546,379
Equity		
Issued capital	**131,169,286**	84,227,772
Reserves	**21,467,471**	8,905,097
Accumulated losses	**(38,389,600)**	(67,586,490)
Total equity	**114,247,157**	25,546,379
Loss for the year	**(16,058,990)**	(5,192,216)
Total comprehensive loss	**(16,058,990)**	(5,192,216)

The parent entity had no capital commitments or contingent liabilities at 30 June 2021 or 30 June 2020.

25. Business Combinations

On 22 December 2020, Dubber Corporation Limited, entered into an agreement to acquire 100% of the ordinary shares of Voxygen Ltd and Aeriandi Ltd, collectively known as Speik for the total consideration of cash and FPO shares in Dubber Corporation Limited to the value of $31,596,358.

The acquired business, Speik Ltd, coupled with Dubber services contributed revenues of $7,210,187 and net profit after tax of $545,189, which is included in the consolidated statement of profit or loss and other comprehensive income from date of acquisition as of 22 December 2020 to 30 June 2021.

If the acquisition had occurred on 1 July 2020, consolidated pro-forma revenue and profit for the year ended 30 June 2021 would have been circa $13.2M and $595k respectively. These amounts have been calculated using the subsidiary's results and adjusting them for the additional depreciation and amortisation that would have been charged assuming the fair value adjustment to property, plant and equipment and intangible assets had been applied from 1 July 2020, together with the consequential tax effects.

The values identified in relation to the acquisition of Speik are accounted as final, as at 30 June 2021.

The assets and liabilities recognised as a result of the acquisition are as follows:	Fair value $'000
Cash and cash equivalents	326
Trade and other receivables	4,303
Prepayments	560
Plant and equipment	373
Intangibles [1]	19,591
Total assets	25,153
Payroll liabilities	(42)
Statutory liabilities	(1,418)
Trade and other payables	(2,107)
Loans	(1,918)
Lease liabilities	(87)
Contract liabilities	(3,578)
Deferred Tax Liabilities	(3,722)
Total liabilities	12,873
Net assets acquired	12,280
Goodwill [2]	19,316
Acquisition date fair value of the total consideration	31,596

Representing:

Cash paid to vendor	12,842
2,533,131 fully paid ordinary shares in Dubber Corporation Ltd issued to vendor	4,366
Value of cash and fully paid ordinary shares in Dubber Corporation Ltd to be issued as deferred consideration to the vendor	14,388
Total purchase consideration	**31,596**
Acquisition costs expensed to profit or loss	1,403

Key Acquisition Terms:

- Dubber has acquired all of the issued share capital of Aeriandi and its wholly owned subsidiary Voxygen, both UK companies. These companies own and operate the Speik business.
- The aggregate consideration is approx. £17.8 million (AUD $31.5 million) based on known and estimated numbers (see below). Payable in cash and/or shares, as elected by the selling shareholders, with a 5% reduction if taken in cash.
- Initial consideration of £10.1 million (A$17.9 million) was paid at completion, with £7.9 million paid in cash and loan notes (see below) (£1.07 million of which was paid to satisfy commercial loan debt of Aeriandi) and the balance, representing 22% of the initial consideration, to be satisfied by way of the issue of 2,441,533 Dubber fully paid ordinary shares at a deemed issued price of A$1.60. Initial consideration will be adjusted on customary terms post-completion for movement in targeted working capital.
- Deferred consideration is based on Speik's budgeted revenue targets for FY22 with a multiplication factor applied with each input as above representing a separate revenue stream. While the amount is unknown as at the completion date, based on Speik management forecasts for the relevant period, the earn out consideration if the EBITDA target is achieved would be £10.3 million (A$18.3 million at the present-day AUD/GBP exchange rate). If the forecasts are exceeded, the cash component of the earn-out will be capped in any event at approx. £8.8 million while the share component, which represents approx. 23% of the aggregate earn-out payment is not capped. The issue price of earn-out shares will be determined by the 30-day VWAP prior to the end of the earn-out period. Refer to note 16(d) for additional details on the fair value measurement policy applied to deferred consideration.

1. Intangibles acquired as part of the business combination included customer relationships and technology. The fair value of the acquired customer relationship related intangible assets was determined with reference to an income approach from the excess earnings valuation methodology. This required key assumptions to be made around revenue projections, annual attrition factor and contributory asset charges.

The fair value of the acquired technology based intangible assets was determined with reference to the replacement cost valuation methodology. This required assumptions to be made for developing the existing technology split by various models and around market participant adjustment.

2. The goodwill is attributable to the expectation of new customer contracts and relationships, the potential future technology and to the assembled workforce of the acquired business. It will not be deductible for tax purposes.

26. Events Subsequent to Year End

The Company successfully completed a capital raise of AU$110,000,000 (before costs) at a price of AU$2.95 per share in July 2021. The placement was completed in 2 tranches, with the first tranche completed on 29 July 2021 for 33,086,809 shares and the 2nd tranche of 4,201,327 approved by shareholders at an EGM on 2 September 2021.

The Company completed the acquisition of AI Technology Company Notiv, by way of cash and equity for circa AU$6.6M on 20 September 2021.

Information not disclosed as not yet available

At the time the financial statements were authorised for issue, the Group had not yet completed the accounting for the acquisition of Notiv.

There are no further matters or circumstances that have arisen since 30 June 2021 that have or may significantly affect the operations, results or state of affairs of the Company in future financial years.

The financial report was authorised for issue on 29 October 2021 by the Board of Directors.

Directors' Declaration

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001, and:

    i. comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

    ii. give a true and fair view of the financial position of the Company as at 30 June 2021 and of its performance for the financial year ended on that date.

2. The Managing Director and Chief Financial Officer have each declared that:

    i. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;

    ii. the financial statements and notes for the financial year comply with the accounting standards; and

    iii. the financial statements and notes for the financial year give a true and fair view.

3. In the opinion of the directors' there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

4. Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Board of Directors.

Peter Clare

Peter Clare
Chairman

Dated: 29 October 2021

Independent Auditors Report

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INDEPENDENT AUDITOR'S REPORT

To the members of Dubber Corporation Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Dubber Corporation Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, 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 year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for the acquisition of Speik Ltd

Key audit matter	*How the matter was addressed in our audit*
As disclosed in Note 25 of the financial report, the Group completed the acquisition of the business of Speik Ltd on 22 December 2020. The acquisition was accounted for in accordance with AASB 3 *Business Combinations* and was deemed to be a key audit matter given the acquisition was material to the Group and involved significant judgements made by management, including the estimation of the fair value of assets acquired, liabilities assumed and determination of the amount of purchase consideration, which included deferred consideration. Notes 1 and 25 of the financial report disclose the accounting policy for business combinations and the significant judgements and estimates made.	Our audit procedures included, but were not limited to the following: • Reviewing the business sale agreement to understand the key terms and conditions, and confirming our understanding of the transaction with management; • Agreeing the acquisition date to the date at which the Group obtained control over the business assets and liabilities; • Assessing the estimation of the deferred consideration by challenging the key assumptions including discount rate and achievement of future revenue targets; • Assessing the competency and objectivity of the independent expert to which management has engaged to assess the fair value of specified assets acquired as part of the acquisition; • Evaluating the assumptions and methodology in management's expert's determination of the fair value of assets and liabilities acquired; and • Assessing the adequacy of the related disclosures in Notes 1 and 25 of the financial report.

Revenue recognition

Key audit matter	*How the matter was addressed in our audit*
The Group recognises revenue in accordance with AASB 15 *Revenue from Contracts with Customers* ('AASB 15'). There are complexities and judgements associated with interpreting key revenue contracts entered into by the Group against the requirements of the accounting standard. This area is a key audit matter due to: • the significance of revenue to the financial report; and • revenue being one of the key drivers to the Group's performance.	Our audit procedures included but were no limited to the following: • Challenging management's assessment of the performance obligations promised to customers within a contract; • Obtaining and reviewing a sample of contracts, considering the terms and conditions, performance obligations of these arrangements and assessing the accounting treatment under AASB 15; • Assessing and challenging management's position on certain contracts against the criteria for revenue recognition in particular relating to probability of collection of consideration which it is entitled to; • Performing analytical procedures to understand movements and trends in revenue for comparisons against expectations; • Agreeing, for a sample of revenue transactions, the amounts recorded by the Group to supporting documentation to confirm the existence and accuracy of the revenue recognised and to consider whether the transaction was recorded in the correct period; • Agreeing a sample of debtor balances outstanding at 30 June 2021 to corroborating evidence including customer confirmations; • Performing cut-off procedures to ensure that all revenue was captured in the appropriate financial year; and • Assessing the adequacy of the relevant disclosures in Note 1 and Note 2 within the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 31 to 44 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Dubber Corporation Limited, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

Dean Just

Director

Perth, 29 October 2021

ADDITIONAL SHAREHOLDER INFORMATION

The following additional information is current as at 27 October 2021.

CORPORATE GOVERNANCE:

The company's corporate governance statement is available on the company's website at:
www.dubber.net/investors/investor-centre

SUBSTANTIAL SHAREHOLDER:

Holding ranges	Holders	Total units	% issued share capital
above 0 up to and including 1,000	4,725	2,333,069	0.78%
above 1,000 up to and including 5,000	4,792	12,166,973	4.09%
above 5,000 up to and including 10,000	1,490	11,296,287	3.80%
above 10,000 up to and including 100,000	1,935	55,096,156	18.52%
above 100,000	317	216,637,080	72.81%
Totals	**13,259**	**297,529,565**	**100.00%**

There are 690 shareholders with less than a marketable parcel.

VOTING RIGHTS

Each fully paid ordinary share carries voting rights of one vote per share.

TOP 20 HOLDERS OF ORDINARY SHARES

Position	Holder Name	Holding	% IC
1	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	35,725,028	12.01%
2	UBS NOMINEES PTY LTD	18,821,133	6.33%
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	17,072,821	5.74%
4	CITICORP NOMINEES PTY LIMITED	7,222,478	2.43%
5	STEVE MCGOVERN NOMINEES PTY LTD	6,605,038	2.22%
6	NATIONAL NOMINEES LIMITED	6,443,140	2.17%
7	MR ROBERT KLEIN	3,583,432	1.20%
8	"BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>"	3,563,191	1.20%
9	"PENELOPE SLANEY <PJ SLANEY FAMILY A/C>"	3,077,103	1.03%
10	VENN MILNER SUPERANNUATION PTY LTD	3,068,939	1.03%
11	BOSTON FIRST CAPITAL PTY LTD	2,577,289	0.87%
12	MOSCH PTY LTD	2,509,524	0.84%
13	"ONE MANAGED INVESTMENT FUNDS LIMITED <TI GROWTH A/C>"	2,223,535	0.75%
14	MR STUART JAMES HERCULES	1,950,000	0.66%
14	"ONE MANAGED INVESTMENT FUNDS LIMITED <TI ABSOLUTE RETURN A/C>"	1,950,000	0.66%
15	STEPHEN MCGOVERN	1,802,632	0.61%
16	"MILA INVESTMENT CO PTY LTD <MILA INVESTMENT A/C>"	1,660,000	0.56%
17	"BAY 88 PTY LTD <JOSEPH CAMUGLIA S/FUND A/C>"	1,550,000	0.52%
18	"ONE MANAGED INVESTMENT FUNDS LIMITED <TI HIGH CONVICTION A/C>"	1,528,947	0.51%
19	MR DENIS EDWARD ALAN WILKINS	1,490,000	0.50%
20	4SIGHT NOMINEES PTY LTD	1,428,572	0.48%
	Total	125,852,802	42.30%
	Total issued capital - selected security class(es)	**297,529,565**	**100.00%**

UNQUOTED EQUITY SECURITIES

Number	Number of holders	Class	Holder
345,000	7	Unlisted options exercisable at $0.38 expiring 15 January 2022	ESOP
60,000	6	Unlisted options exercisable at $1.25 expiring 20 September 2022	ESOP
150,000	1	Unlisted options exercisable at $0.75 expiring 20 September 2022	ESOP
945,000	31	Unlisted options exercisable at $0.75 expiring 22 March 2023	ESOP
1,387,035	2	Unlisted ZEPOs expiring 30 June 2023	ESOP
3,879,066	2	Unlisted ZEPOs expiring 30 June 2025	ESOP
414,665	25	Unlisted ZEPOs expiring 31 January 2024	ESOP
439,136	21	Unlisted options exercisable at $1.80 expiring 31 January 2024	ESOP
75,000	1	Unlisted options exercisable at $1.68 expiring 31 January 2024	ESOP
50,000	1	Unlisted options exercisable at $1.21 expiring 30 November 2023	ESOP
100,000	1	Unlisted options exercisable at $1.60 expiring 31 May 2024	ESOP
100,000	1	Unlisted ZEPOs expiring 31 May 2024	ESOP
140,676	2	Unlisted ZEPOs expiring 31 July 2024	ESOP
900,000	2	Unlisted options exercisable at $1.75 expiring 31 July 2024	ESOP
4,535,083	4	Unlisted ZEPOs expiring 30 June 2025	ESOP
250,000	1	Unlisted options exercisable at $1.165 expiring 12 May 2024	ESOP
250,000	1	Unlisted options exercisable at $2.64 expiring 12 May 2025	ESOP
100,000	1	Unlisted ZEPOs expiring 6 August 2023	ESOP
100,000	1	Unlisted ZEPOs expiring 6 August 2024	ESOP

Get in touch ↗

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