

Appendix 4E

Preliminary Final Report to the Australian Securities Exchange

PART 1 – COMPANY DETAILS AND REPORTING PERIOD

Name of Entity	Dubber Corporation Limited
ABN	64 089 145 424
Half Year Ended	12 months ended 30 June 2024
Previous Corresponding Reporting Period	12 months ended 30 June 2023

PART 2 – RESULTS FOR ANNOUNCEMENT TO THE MARKET

	\$'000	Percentage increase /(decrease) over previous corresponding period
Revenue from continuing operations	38,659	30%
Loss from continuing activities after tax attributable to members	(40,728)	(44%)
Net loss attributable to members	(40,728)	(44%)
Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Record date for determining entitlements to the dividends (if any)	Not Applicable	

Commentary on Results

Commentary on significant features of the operating performance, trends in performance and other factors affecting the results for the financial year are included in section 10.

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

PART 3 – CONTENTS OF ASX APPENDIX 4E

Section	Contents
Part 1	Company details and reporting period
Part 2	Results for announcement to the market
Part 3	Contents of ASX Appendix 4E
Part 4	Consolidated statement of profit or loss and other comprehensive income
Part 5	Consolidated accumulated losses
Part 6	Consolidated statement of financial position
Part 7	Consolidated statement of cash flows
Part 8	Basis of preparation
Part 9	Loss from ordinary activities
Part 10	Commentary on results
Part 11	Notes to the consolidated statement of cash flows
Part 12	Details relating to dividends
Part 13	Loss per share
Part 14	Net tangible assets per security
Part 15	Details of entities over which control has been gained or lost
Part 16	Details of associates and joint venture entities
Part 17	Issued securities
Part 18	Segment information
Part 19	Subsequent events
Part 20	Information on audit or review

PART 4 – CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Part	Year Ended 30 June 2024 \$	Year Ended 30 June 2023 (Restated) \$
Revenue			
Revenue	9(a)	38,659,209	29,765,516
Direct costs		(13,596,517)	(13,943,694)
Revenue less Direct Costs		25,062,692	15,821,822
Other income	9(b)	761	87,901
Expenses			
Salaries and related expenses		(32,711,366)	(53,889,894)
Employee share based payments		(3,624,094)	(5,976,446)
General and administration costs	9(c)	(12,632,226)	(17,618,686)
Foreign exchange gains/(losses)		(312,040)	1,422,219
Earnings before depreciation, amortisation, impairment, interest and tax		(24,216,273)	(60,153,084)
Finance income		54,240	141,068
Finance costs		(4,144,271)	(1,208,008)
Impairment of goodwill		(3,224,678)	(3,679,449)
Impairment of right-of-use asset		(1,121,053)	-
Depreciation and amortisation		(8,152,656)	(8,399,494)
Loss before income tax expense		(40,804,691)	(73,298,967)
Income tax benefit		80,615	789,384
Loss after income tax for the year		(40,724,076)	(72,509,583)
Other comprehensive income/(loss)			
<i>Items that may be reclassified to profit or loss</i>			
Foreign currency translation differences		(29,558)	864,913
Other comprehensive income/(loss) for the year, net of tax		(29,558)	864,913
Total comprehensive loss attributable to owners of Dubber Corporation Limited		(40,753,634)	(71,644,670)
Loss per share attributable to the owners of			
Dubber Corporation Limited		Cents	Cents
Basic loss per share		(0.087)	(0.236)

PART 5 – CONSOLIDATED ACCUMULATED LOSSES

	Year Ended 30 June 2024 \$	Year Ended 30 June 2023 (Restated) \$
Accumulated losses at the beginning of the year	(286,345,954)	(213,836,371)
Loss for the year	(40,724,076)	(72,509,583)
Accumulated losses at the end of the year	(327,070,030)	(286,345,954)

PART 6 – CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 June 2024 \$	30 June 2023 (Restated) \$
ASSETS		
Current Assets		
Cash and cash equivalents	10,646,517	2,020,711
Trade and other receivables	6,458,082	10,120,043
Total Current Assets	17,104,599	12,140,754
Non-Current Assets		
Property, plant and equipment	982,732	2,010,286
Rights of use asset	5,256,163	8,585,666
Intangible assets	30,276,365	38,039,864
Other assets	674,966	837,577
Total Non-Current Assets	37,190,226	49,473,393
Total Assets	54,294,825	61,614,147
LIABILITIES		
Current Liabilities		
Trade and other payables	20,732,525	19,118,562
Lease liability	1,980,268	2,526,287
Provisions	1,229,225	1,479,283
Contract liabilities	3,618,014	6,053,207
Total Current Liabilities	27,560,032	29,177,339
Non-Current Liabilities		
Lease liability	5,419,210	6,839,818
Provisions	541,398	743,435
Contract liabilities	1,048,030	1,389,342
Deferred Tax Liabilities	2,239,872	2,342,693
Total Non-Current Liabilities	9,248,510	11,315,288
Total Liabilities	36,808,542	40,492,627
NET ASSETS	17,486,283	21,121,520
EQUITY		
Issued capital	323,537,343	281,020,797
Reserves	21,018,970	26,446,677
Accumulated losses	(327,070,030)	(286,345,954)
TOTAL EQUITY	17,486,283	21,121,520

PART 7 – CONSOLIDATED STATEMENT OF CASH FLOWS

	Year Ended 30 June 2024	Year Ended 30 June 2023 (Restated)
Part	\$	\$
Cash flows from operating activities		
Receipts from customers	39,852,555	36,146,911
Payments to suppliers and employees	(61,686,299)	(86,855,954)
Interest received	60,004	141,100
Government grants received	-	127,113
Interest and other finance costs paid	(547,404)	(713,844)
Net cash outflows used in operating activities	11(b) (22,321,144)	(51,154,674)
Cash flows from investing activities		
Purchase of plant and equipment	(3,387)	(740,845)
Proceeds from disposal of plant and equipment	750	-
Return of funds from cash at call deposit	2,420,000	2,083,283
Net cash inflows/(outflows) used in investing activities	2,417,363	1,297,438
Cash flows from financing activities		
Proceeds from issue of shares	31,583,235	316,500
Payment of share issue costs	(3,299,552)	-
Payment of principal portion of lease liabilities	(2,614,840)	(2,247,034)
Repayment of borrowings	(2,181,035)	-
Proceeds from borrowings	5,040,000	-
Net cash (consumed)/provided by financing activities	28,527,808	(1,930,534)
Net (decrease)/ increase in cash held	8,638,844	(51,787,770)
Cash and cash equivalents at the beginning of the year	2,020,711	53,542,059
Effect of exchange rate changes on cash	(13,038)	266,422
Cash and cash equivalents at the end of the year*	10,646,517	2,020,711

* \$841,915 of cash held in bank deposits with security placed over them for property leases is presented within trade and other receivables in both 2024 and 2023.

PART 8 – BASIS OF PREPARATION

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

Restatement of comparative financial information

The comparative financial information has been restated for a number of matters as set out below.

1. Cash at Call Deposits

As reported in the interim financial statements for the 6 months to 31 December 2023, the Group identified during the year that Cash at Call deposits supposed to have been held by a trustee have been misused and are not available to the Group. Following investigation, the Group has determined an amount of \$26.6m is unaccounted for and is likely misappropriated and lost.

The Trust Account ledger operated by the trustee indicates that a series of unauthorised transfers out of the Trust Account were made over a number of years.

Cash at call deposit

In previous reporting periods cash at call deposits were classified as trade and other receivables in the Balance Sheet. Following the investigation, the carrying amount of the cash at call deposit has been restated to its recoverable value at 30 June 2024 and in the comparative period. The loss on derecognition relating to the funds held in trust of \$26,605,000 has been recognised as an adjustment to opening retained earnings at 1 July 2022 as the unauthorised withdrawals occurred prior to FY23, and is the earliest comparative period presented.

Finance income

In FY23, the Group received \$975,000 cash from the third party trustee which was accounted for as finance income. All funds received in the comparative period are restated as repayments of the cash at-call deposit asset instead of finance income.

2. Correction to Prior Period Employment Taxes and Other Statutory Liabilities

Following engagement with tax authorities, as part of the 2024 financial year end process a detailed reconciliation of outstanding employment tax liabilities was undertaken. This process identified an under provision for employment related taxes, and associated interest and penalties relating to prior financial years, predominantly arising in FY2020 to FY2023.

An adjustment to opening retained earnings at 1 July 2022 of \$2,043,039 reflects the additional outstanding tax and interest liabilities at that date. Salaries and related expenses in FY23 were increased by \$965,753 and finance expenses increased by \$413,226 reflecting additional tax obligations arising in respect of the year. As a consequence, trade and other payables at 30 June 2023 was restated to increase by \$3,422,018 in respect of employment tax liabilities.

3. Other Restatement Items

The Group implemented a new ERP system during FY23. During FY24 discrepancies were identified between migrated balance sheet accounts between the two ERP systems which predominantly had the impact of understating trade payables and deferred revenue liabilities at 30 June 2023. Additionally, an under accrual of commissions payable to customer partners was identified impacting FY2022 and FY2023.

The impact of the corrections was to reduce FY23 revenue by \$264,295, increase costs by \$694,738, reduce trade and other receivables at 30 June 2023 by \$105,126, increase trade and other payables by \$468,341, increase contract liabilities by \$511,987 and increase accumulated losses in the opening balance sheet by \$126,422.

4. Reclassification of Cash Balances

Cash balances held in deposits of \$814,915 at both 30 June 2022 and 30 June 2023 which have security placed over them for property leases have been reclassified from cash to trade and other receivables to reflect that the deposits have a maturity of greater than 90 days.

The impact of the restatements on the comparative information is set out on the following pages:

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	12 months to 30 June 2023		
	As previously reported \$	Restatement \$	Restated \$
Revenue	30,029,811	(264,295) ³	29,765,516
Direct Costs	(13,741,020)	(202,674) ³	(13,943,694)
Revenue less Direct Costs	16,288,791	(466,969)	15,821,822
Salaries and related expenses	(52,784,896)	(1,104,998) ^{2,3}	(53,889,894)
General and Administration Costs	(17,265,867)	(352,819) ³	(17,618,686)
Earnings before depreciation, amortisation, impairment, interest and tax	(58,228,298)	(1,924,786)	(60,153,084)
Finance income	1,116,068	(975,000) ¹	141,068
Finance costs	(794,782)	(413,226) ²	(1,208,008)
Loss before income tax benefit	(69,985,955)	(3,313,012)	(73,298,967)
Loss after income tax expense for the period	(69,196,571)	(3,313,012)	(72,509,583)
Total comprehensive loss for the period attributable to owners of Dubber Corporation Limited	(68,331,658)	(3,313,012)	(71,644,670)
Basic loss per share	(22.53)	(1.07)	(23.60)
Diluted loss per share	(22.53)	(1.07)	(23.60)

1. Cash at call deposit

2. Employment taxes

3. Other restatements

Only restated income and expense categories are presented in the table above.

Consolidated Statement of Financial Position

	As at 30 June 2022			As at 30 June 2023		
	As previously reported \$	Restatement \$	Restated \$	As previously reported \$	Restatement \$	Restated \$
Cash and cash equivalents ⁴	54,383,974	(841,915)	53,542,059	2,862,626	(841,915)	2,020,711
Trade and other receivables ^{1,4}	36,691,462	(25,763,085)	10,928,377	36,963,255	(26,843,212)	10,120,043
Total current assets	91,075,436	(26,605,000)	64,470,436	39,825,881	(27,685,127)	12,140,754
Total assets	148,454,544	(26,605,000)	121,849,544	89,299,274	(27,685,127)	61,614,147
Trade and other payables ^{2,3}	(11,866,070)	(2,169,461)	(14,035,531)	(15,228,203)	(3,890,359)	(19,118,562)
Contract liabilities ³	(3,952,172)	-	(3,952,172)	(5,541,220)	(511,987)	(6,053,207)
Total current liabilities	(19,334,829)	(2,169,461)	(21,504,290)	(24,774,993)	(4,402,346)	(29,177,339)
Total liabilities	(33,206,840)	(2,169,461)	(35,376,301)	(36,090,281)	(4,402,346)	(40,492,627)
Net assets	115,247,704	(28,774,461)	86,473,243	53,208,993	(32,087,473)	21,121,520
Accumulated Losses	(185,061,911)	(28,774,461)	(213,836,372)	(254,258,481)	(32,087,473)	(286,345,954)
Total Equity	115,247,704	(28,774,461)	86,473,243	53,208,993	(32,087,473)	21,121,520

1. Cash at call deposit
2. Employment taxes
3. Other restatements
4. Reclassification of cash balances

Only restated assets and liabilities are presented in the table above.

Consolidated Statement of Cash Flows

	As at 30 June 2023		
	As previously reported \$	Restatement \$	Restated \$
Interest received	1,116,100	(975,000)	141,100
Net cash flows used in operating activities	(50,179,674)	(975,000)	(51,154,674)
Return of security bond and funds held in trust	1,063,283	975,000	2,038,283
Net cash flows used in investing activities	322,438	975,000	1,297,438

Restatement of cash received from third party trustee in FY23 from interest received (operating cash flow) to recovery of funds held in trust (investing cash flow).

PART 9 – LOSS FROM ORDINARY ACTIVITIES



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

Revenues and expenses – continuing operations	Year Ended 30 June 2024 \$	Year Ended 30 June 2023 (restated) \$
(a) Revenue		
Subscriptions	38,144,490	29,683,882
Professional services	514,719	81,634
	38,659,209	29,765,516
(b) Other income		
Research and development tax incentive	-	87,246
Sales of assets	682	-
Other	79	655
	761	87,901
(c) General and administration		
Audit, accounting and tax advice fees	1,041,184	1,102,471
Advertising, marketing and events	995,332	3,412,628
Doubtful debts	323,219	243,057
Legal fees	1,497,158	1,063,848
Securities exchange and registry fees	518,025	323,175
Rent and outgoings	814,988	464,785
Travel costs	1,084,529	1,906,752
Corporate affairs	203,090	246,370
Insurances	709,605	658,018
Software and other technology costs	1,948,034	2,274,310
Consultants	1,757,876	3,297,382
Other administration costs	1,738,882	2,625,890
	12,632,226	17,618,686
(d) Finance income		
Finance Income	54,240	141,068
	54,240	141,068
(e) Finance Costs		
Bridging loan facility arrangement fees	2,279,002	-
Interest on statutory liabilities	1,055,501	413,226
Interest cost on finance leases	552,600	639,922
Other	257,168	154,860
Total	4,144,271	1,208,008

PART 10 – COMMENTARY ON RESULTS

Significant Event Occurring During the Financial Year

On 27 February 2024 the Board uncovered that Company funds, which were supposed to have been held by a trustee in a term deposit on behalf of the Company, may have been misused by either or both the Company's former Managing Director and CEO, Steve McGovern and the third party trustee. The trustee is Melbourne law firm, Christopher William Legal, whose principal is Mark Madafferi. The Company had deposited in aggregate approximately \$60 million of funds into the trust account to be held in term deposits since mid-2019, with a final payment of \$30 million deposited in August 2021. Less material deposits for purported commercial purposes were also made by the Company without the express purpose of being invested in term deposits, resulting in a total of \$74.8 million of payments into the trust account since 2018. As at the date of this report, \$26.6 million of the funds remain unaccounted for.

The Company immediately commenced an investigation into the matter and then on 1 March 2024 announced the suspension of the employment of Mr McGovern pending the outcome of the investigation. The matter was also referred by the Company to ASIC and the Legal Services Board of Victoria, and on 22 March 2024 ASIC announced that it had secured interim travel restraint orders against Mr McGovern and Mr Madafferi, on the basis of ASIC's concerns that they may have breached the Corporations Act in respect of the suspected misuse of the funds. The Company continues to cooperate with ASIC in relation to its investigation and understands that the Legal Services Board has commenced an investigation of its own.

Following this, and as a consequence of the Company's investigation, on 9 April 2024 the Company terminated the employment of Mr McGovern with immediate effect.

As set out in the Company's interim financial statements for the period to 31 December 2023, significant internal and external resources have been applied to an investigation of the matter, including with the assistance of a top-tier accounting firm.

The investigation was undertaken across the Company's operations to seek to determine whether Mr McGovern was the only employee of the Company involved in the misuse of the funds and to confirm whether the misuse of the funds or any other unauthorized actions by those involved has had any impact on the Company's financial statements for the period ended 30 June 2024 or the prior comparative period, other than a decrease in cash at call deposit balance and earnings from interest income associated with the term deposit.

The investigation was undertaken on information available to the Company, including its own records and limited information provided by Mr McGovern and Mr Madafferi, including a purported trust account ledger provided by Christopher William Legal.

The results of the Company's investigation are set out below:

- Funds were deposited with the third party trustee within the parameters of the Company's financial controls and procedures at the time deposits were made.
- The misuse of the funds occurred whilst they were under the control of the third party trustee, outside of the Company's control, knowledge and supervision.
- Whilst the \$60 million of funds deposited by the Company between mid 2019 and August 2021 into the trust account were supposed to have been held on trust for the Company and deposited in term deposits, the trust account ledger shows numerous transfers into and out of the trust account, which were made without the Company's knowledge.
- The Company did not know of the existence of the trust account ledger and did not see this until 27 February 2024, and documents that were likely falsified were provided to the Company and its external auditor to support the ongoing existence of the term deposits.
- The sequence of transfers suggest that in some cases subsequent deposits by the Company of funds into the trust account may have been used to return to the Company previous deposits plus notional 'interest' earned on those purported term deposits.
- \$26.6 million of the Company's funds remain unaccounted for and likely have been misappropriated and lost.
- It is likely that both Mr McGovern and Mr Madafferi were involved in the unauthorized use of the Company's funds and had been using some or all of the funds for their own purposes. This included making payments to multiple third parties and entities. Recipients of payments included certain personnel of the Company or entities or individuals associated with them, which warranted further investigation, however no conclusive evidence has been identified to-date that any individual connected to the Company other than Mr McGovern was involved in the likely misappropriation of funds.
- There was sufficient evidence for the Company to terminate the employment of Mr McGovern with immediate effect, however the Board considers the evidence currently available does not warrant the Company taking disciplinary steps against any other current personnel.

- In addition to the likely misappropriation of funds resulting in an overstatement of the Company's assets and earnings from interest income over the relevant periods, the Company has also identified a small number of potential transactions that may have been valid Company transactions undertaken through the trust account that it was not aware of and which were therefore not recorded by the Company. These transactions impact the 2022 and earlier financial years and if valid would result in a cumulative understatement of operating losses of \$4,607,142 over that period. The results of the investigation are reflected in the Company's preliminary financial results for 30 June 2024.

The Company will continue to undertake further investigations into the matter as part of its efforts to pursue recovery of the misappropriated funds. This may include seeking recovery from Mr McGovern, Mr Madafferi and/or Christopher William Legal. The Company has also made a claim on the Victorian Fidelity Fund (a fund operated by the Victorian Legal Services Board which provides compensation for loss caused by dishonest or fraudulent behaviours of a lawyer). However, the process of recovering funds is in its early stages and may prove time consuming and costly. In addition, the outcome of that process is uncertain, and success cannot be guaranteed. No amounts are recorded in the preliminary final report in respect of potential future recoveries.

Commentary on Results

FY23 results have been restated as set out in Part 8. The commentary below reflects the restated FY23 results.

Revenue

Overall, revenue grew 30% in FY24 to \$38,659,209 (FY23: \$29,765,516).

Europe Revenues grew 29% in FY24 to \$26,329,047 (FY23: \$20,383,189), reflecting good volume growth in end user volumes across a number of Tier 1 Communication Service Providers (CSPs) in the UK, along with completion of the migration of Vodafone's recording customer base from a legacy service to Dubber in the first half of the year.

A number of new CSP agreements were signed, and the Group continued to see good growth of premium call recording services via CSPs to financial services end customers and growth in the Microsoft Teams recording base.

Americas Revenues grew 33% in FY24 to \$9,314,300 (FY23: \$6,977,299), which combined solid volume growth through existing foundation partners with a range of new revenue generating network providers and enterprise customers. Cisco, as the Group's key foundation partner, continued to ramp up the activation of Webex-Cloud users across the year, which includes a licence for Dubber Go within each Webex activation. The Group also saw increased penetration of Dubber premium recording products to Cisco users. The region benefited from increasing orders for services from a range of large CSPs that were activated in previous financial years as they included Dubber products as part of their standard end customer telecommunications offerings.

Rest of world adjusted revenues were up 25% to \$3,015,862 (FY23: \$2,405,028). This reflects incremental volume growth across a number of reseller and CSP partners in the region.

Operating Expenses

Direct costs decreased by 2% to \$13,596,517 (FY23: \$13,943,694) reflecting the efficiencies and optimisations delivered to the core Dubber Platform despite higher volumes of users, recordings and AI utilization in FY24 compared to the prior year. This led to gross margins of 65% for FY24, up from 53% in FY23.

Salaries and related expenses were \$32,711,366 (FY23: \$53,889,894), down 39% on FY23. This reflected lower average headcount across FY24 than FY23 as a result of the restructuring programme undertaken in Q3 of FY23. This also reduced other staff related costs such as travel and amenities that are linked to headcount. Employee share based payments reduced 39% to \$3,624,094 (FY23: \$5,976,446) reflecting significantly lower value of share based incentive instruments granted to employees in the year.

General and administration costs decreased 28% to \$12,632,226 (FY23: \$17,618,686) reflecting a reduction in a variety of overhead areas in FY24, including lower marketing, consultant and technology costs, offset partly by one-time costs related to the investigation into the misuse of funds and capital raising in the second half of the year. Excluding one-off costs related to the investigation of the misuse of funds and subsequent capital raise (one-off costs) G&A costs were \$11,324,429, a 36% decrease on FY23.

As a result, the Group recorded a loss before depreciation, amortisation, interest and tax of \$24,216,213 (FY23: \$60,153,084), a reduction in loss of 60% on FY23. On an adjusted basis, excluding one off costs operating loss before depreciation, amortisation, interest and tax reduced by 62% on FY23 to \$22,912,665.

Other Income and Expense

Finance income reduced 62% to \$54,240 (FY23: \$141,068) with lower average cash balances on deposit in FY24. FY23 Finance income was restated to remove previously accounted for interest on term deposits which was restated to be presented as a repayment of the term deposit in connection with the misappropriation of funds.

Finance costs increased 243% to \$4,144,271 (FY23: \$1,208,008) principally reflecting the borrowing arrangement costs for the bridging loan facility provided by the Thorney Group in the second half of the year ahead of the capital raise, as well as interest charges on the Group's outstanding tax liabilities.

Depreciation and amortisation was down 3% to \$8,152,656 (FY23: \$8,399,494) reflecting amortization of Speik acquired intangible assets and depreciation on Right-of-Use assets for the Group's property leases which were broadly consistent year on year.

The Group recognised goodwill impairment charges of \$3,224,678 in H1 FY24 (FY23: \$3,679,449), in respect of the Rest of World segment as reported in the 31 December 2023 half year financial statements. The Group also recognised an impairment charge of \$1,121,053 in respect of Right-of-Use assets for surplus office lease space the Group is seeking to exit.

FY24 Income tax benefit was \$80,615 (FY23: \$789,384) reflecting the utilisation of tax losses in the year.

As a result, the Group recorded a loss before income tax of \$40,804,691 (FY23: \$73,298,967), a reduction in loss of 44% on FY23. On an adjusted basis, excluding one-off costs and the bridging loan facility arrangement expense loss after income tax reduced by 49% on FY23 to \$37,141,466.

Cashflows

The Group recorded operating cash receipts from customers of \$39,852,555 (FY23: \$36,146,911), up 10% on FY23, which was slightly below the increase in revenue reflecting the unwind of deferred revenues for cash received in FY23 in advance of revenue recognised in FY24. Net cash outflows used in operating activities were 56% lower than FY23 at \$22,321,144 (FY23: \$51,154,674) reflecting the lower cash based expenses (excluding non-cash share based payments) incurred in the year.

During FY24, the Group received \$2,420,000 repayment of the amounts previously presented as a term deposit in FY23 (FY23: \$2,083,283). The Company raised \$31,583,235 of capital in the year, offset by \$3,299,552 of costs.

The Group had \$11,488,432 of cash at 30 June 2024, including \$841,915 held as secured bank deposits presented as part of trade and other receivables.

FY25 outlook and focus areas

The Company is focussed on the following areas for FY25:

- Fully aligning the operating models and structures of the business to our strategy and requirements in different global markets.
- Continuing to build market awareness of the Dubber solution capability, particularly in the new areas of conversation intelligence.
- Executing on the new sales strategy including the new partner segmentation and engagement approach.
- Continuing to review direct and operating costs to find efficiencies and cost savings.
- Continue misappropriated funds recovery activity.
- Appointing a permanent CEO.
- Ensuring the Dubber team has clarity of direction and accountabilities.
- Strengthen the Company's balance sheet by pursuing a range of options which may include recovery of missing funds, debt funding and finalising commercial disputes.
- Maintain focus on the FY25 goal to deliver on our growth and efficiency plans to achieve a breakeven operating cashflow run-rate position assuming no material changes to trading conditions or strategy in FY25.

PART 11 – NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

	Year Ended 30 June 2024 \$	Year Ended 30 June 2023 (Restated) \$
(a) Reconciliation of loss before tax to net cash flows from operating activities:		
Loss before tax	(40,804,691)	(73,298,967)
<i>Non-cash flows in loss:</i>		
Depreciation and amortisation	8,152,656	8,399,494
Share based payments	3,624,094	5,976,446
Impairment expense	4,345,731	3,679,449
Finance costs	2,279,002	413,225
Net exchange differences	312,040	(1,422,219)
<i>Changes in assets and liabilities:</i>		
(Increase)/Decrease in trade and other receivables	1,384,661	(2,271,051)
(Decrease)/Increase in trade and other payables	(1,162,542)	7,927,192
(Decrease)/Increase in provisions	(452,095)	268,207
Net cash outflows from operating activities	(22,321,144)	(51,154,674)

Non-cash transactions

Thorney Investment Group provided a bridging loan facility of \$5,000,000 in the year. \$2,818,965 of this loan facility was repaid through conversion to equity by issuing 56,379,305 shares and the remainder was repaid in cash.

PART 12 – DETAILS RELATING TO DIVIDENDS

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

PART 13 – LOSS PER SHARE

	Consolidated	
	Year Ended 30 June 2024	Year Ended 30 June 2023 (restated)
Basic (loss) per share attributable to the owners of Dubber Corporation Limited	(8.76) cents	(23.60) cents
Weighted average number of ordinary shares used in the calculation of basic (loss) per share	465,145,660	307,178,949

As the consolidated entity is in a loss position diluted EPS is the same as basic EPS.

PART 14 – NET TANGIBLE ASSETS PER SECURITY

	30 June 2024	30 June 2023 (restated)
Net tangible asset backing per ordinary security (cents)	(2.00)	(8.24)

PART 15 – DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST

Name of entity (or group of entities)	N/A
Date control gained or lost	N/A
Contribution of the controlled entity (or group of entities) to the profit/(loss) from ordinary activities during the period, from the date of gaining or losing control	N/A
Profit (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	N/A
Contribution to consolidated profit/(loss) from ordinary activities from sale of interest leading to loss of control	N/A

PART 16 – DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

	Ownership Interest		Contribution to net profit/(loss)	
	30/06/24 %	30/06/23 %	Year ended 30/06/24 \$A'000	Period ended 30/06/23 \$A'000
Name of entity	N/A	N/A	N/A	N/A
Associate	N/A	N/A	N/A	N/A
Joint Venture Entities	N/A	N/A	N/A	N/A
Aggregate Share of Losses	N/A	N/A	N/A	N/A

PART 17 – ISSUED SECURITIES

	30 June 2024 \$	30 June 2023 \$
Share capital		
900,365,710 (30 June 2023: 309,694,824) fully paid ordinary shares	323,537,345	281,020,797

The following movements in issued capital occurred during the year:

	Year Ended 30 June 2024 Number of Shares	Year Ended 30 June 2023 Number of Shares
Balance at beginning of the year	309,694,824	304,935,427
Issued on exercise of options at 75c each	-	170,000
Issued on exercise of zero exercise price options	8,815,755	4,589,397
Issued on vesting of restricted share units (RSU)	507,363	-
Issued for cash pursuant to share placement at \$0.14 each	73,214,286	-
Issued for cash pursuant to share placement at \$0.05 each	481,133,482	-
Issue of shares for borrowing facility establishment fee	27,000,000	-
	900,365,710	309,694,824

Options

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

- 1,188,711 ZEPOs expiring 30 June 2025
- 250,000 options expiring 12 May 2025, exercisable at \$2.64 each
- 250,000 options expiring 30 June 2025, exercisable at \$0.444 each
- 50,000 ZEPOs expiring 6 August 2024
- 943,274 ZEPOs expiring 31 March 2026
- 395,705 ZEPOs expiring 31 December 2025
- 275,079 ZEPOs expiring 30 September 2025
- 900,000 options expiring 31 July 2024, exercisable at \$1.75 each
- 54,596 ZEPOs expiring 31 March 2025
- 125,000 options expiring 30 November 2024, exercisable at \$2.013 each
- 150,000 ZEPOs expiring 30 June 2026
- 165,000 options expiring 31 March 2025, exercisable at \$2.013 each
- 125,000 options expiring 30 June 2026, exercisable at \$0.15 each
- 250,000 options expiring 31 October 2026, exercisable at \$0.176 each
- 1,475,389 ZEPOs expiring 31 October 2026
- 31,706,541 ZEPOs expiring 31 March 2027
- 27,213,852 ZEPOs expiring 31 July 2027
- 1,589,807 ZEPOs expiring 30 June 2027
- 1,467,750 ZEPOs expiring 30 September 2024
- 400,000 ZEPOs expiring 23 August 2024
- 600,000 options expiring 31 July 2027, exercisable at \$0.50 each

PART 18 – SEGMENT INFORMATION

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

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

Year Ended 30 June 2024	Europe \$	Americas \$	Rest of World \$	Other \$	Total \$
Revenue	26,329,047	9,314,300	3,015,862	-	38,659,209
Direct costs	(5,165,378)	(2,740,822)	(5,632,317)	-	(13,596,517)
Revenue less direct costs	21,163,669	6,573,478	(2,674,455)	-	25,062,693
Other income	79	-	682	-	761
Salaries and related expenses	(7,836,609)	(3,545,421)	(21,329,336)	-	(32,711,366)
Share based payments	(127,565)	(61,913)	(1,887,966)	(1,546,650)	(3,624,094)
General and administration costs	(3,190,437)	(2,435,420)	(2,870,052)	(4,136,317)	(12,632,226)
Foreign currency gains/(losses)	(133,495)	(17,103)	(161,442)	-	(312,040)
Earnings before depreciation, amortisation, impairment, interest and tax	9,875,642	513,622	(28,922,570)	(5,682,967)	(24,216,273)
Finance income	7,907	-	46,333	-	54,240
Finance costs	(607,999)	(20,186)	(1,237,084)	(2,279,002)	(4,144,271)
Impairment of goodwill	-	-	(3,224,678)	-	(3,224,678)
Impairment of right-of-use asset	(1,121,053)	-	-	-	(1,121,053)
Depreciation and amortisation	(4,368,398)	(297,549)	(3,486,709)	-	(8,152,656)
Profit/(Loss) before income tax	3,786,099	195,887	(36,824,708)	(7,961,969)	(40,804,691)
Segment assets	39,259,203	4,907,888	10,127,734	-	54,294,825
Segment liabilities	14,384,829	2,094,041	20,329,672	-	36,808,542
Net segment assets	24,874,374	2,813,847	(10,201,938)	-	17,486,283
Year Ended 30 June 2023 (Restated)	Europe \$	Americas \$	Rest of World \$	Other \$	Total \$
Revenue	20,383,189	6,977,299	2,405,028	-	29,765,516
Direct costs	(5,021,752)	(2,423,506)	(6,498,436)	-	(13,943,694)
Revenue less direct costs	15,361,437	4,553,793	(4,093,408)	-	15,821,822
Other income	87,901	-	-	-	87,901
Salaries and related expenses	(12,501,057)	(7,977,693)	(33,411,144)	-	(53,889,894)
Share based payments	(414,568)	(186,334)	(3,893,292)	(1,482,252)	(5,976,446)
General and administration costs	(3,927,587)	(3,407,995)	(6,746,813)	(3,536,291)	(17,618,686)
Foreign currency gains/(losses)	40,849	(9,506)	1,390,876	-	1,422,219
Earnings before depreciation, amortisation, impairment, interest and tax	(1,353,025)	(7,027,734)	(46,753,781)	(5,018,543)	(60,153,083)
Finance income	19,624	-	121,444	-	141,068
Finance costs	(526,283)	(19,200)	(662,526)	-	(1,208,008)
Impairment of goodwill	(3,504,970)	-	(174,480)	-	(3,679,449)
Depreciation and amortisation	(4,495,065)	(223,661)	(3,680,768)	-	(8,399,494)
Profit/(Loss) before income tax	(9,818,869)	(7,280,101)	(49,759,234)	(5,018,543)	(71,876,748)
Segment assets	43,272,523	6,232,179	12,109,445	-	61,614,147
Segment liabilities	17,717,341	2,005,624	20,769,662	-	40,492,627
Net segment assets	25,555,182	4,226,555	(8,660,217)	-	21,121,520

PART 19 – SUBSEQUENT EVENTS

The Company issued 25,477,872 shares to satisfy option exercises under the Company's ESOP plan between 1 July 2024 and the date of this preliminary report.

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

PART 20 – AUDIT/REVIEW STATUS

This report is based on accounts to which one of the following applies:

(Tick one)

The accounts have been audited		The accounts have been subject to review	
The accounts are in the process of being audited or subject to review	✓	The accounts have not yet been audited or reviewed	

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

The Company's audit is continuing at present. Consistent with the half year accounts to 31 December 2023 the Company expects that the audit report will include an emphasis of matter paragraph highlighting a material uncertainty relating to the Company's ability to continue as a going concern and the need to strengthen the Company's balance sheet, which may include future capital raisings, access to debt facilities, recovery of missing funds and/or finalising commercial disputes.

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

Not applicable

This ASX release has been approved for release to ASX by the Dubber Board of Directors.