

# Ensurance Limited and controlled entities

## Appendix 4D

### Half-year report



#### 1. Company details

|                   |  |
|-------------------|--|
| Name of entity:   | Ensurance Limited                        |
| ABN:              | 80 148 142 634                           |
| Reporting period: | For the half-year ended 31 December 2021 |
| Previous period:  | For the half-year ended 31 December 2020 |

#### 2. Results for announcement to the market

|   |    |           | \$        |
|---|----|-----------|-----------|
| Revenues from ordinary activities   | up | 48.6% to  | 3,599,081 |
| Profit from ordinary activities after tax attributable to the owners of Ensurance Limited | up | 185.7% to | 263,429   |
| Profit for the half-year attributable to the owners of Ensurance Limited                  | up | 185.7% to | 263,429   |

#### Dividends

There were no dividends paid, recommended or declared during the current financial period.

#### Comments

The profit for the consolidated entity after providing for income tax amounted to \$263,429 (31 December 2020: loss of \$307,510).

#### 3. Net tangible assets

|   | Reporting period<br>Cents | Previous period<br>Cents |
|---|---------------------------|--------------------------|
| Net tangible assets per ordinary security | 2.87                      | 0.08                     |

#### 4. Control gained over entities

|   |                            |
|---|----------------------------|
| Name of entities (or group of entities) | TK Specialty Risks Pty Ltd |
| Date control gained                     | 1 July 2021                |

|  | \$      |
|--|---------|
| Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities before income tax during the period (where material)            | 798,174 |
| Profit/(loss) from ordinary activities before income tax of the controlled entity (or group of entities) for the whole of the previous period (where material) | 602,407 |

#### 5. Loss of control over entities

Not applicable.

**6. Audit qualification or review**

*Details of audit/review dispute or qualification (if any):*

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

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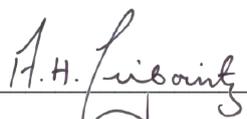
**7. Attachments**

*Details of attachments (if any):*

The Interim Report of Ensurance Limited for the half-year ended 31 December 2021 is attached.

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**8. Signed**

Signed  \_\_\_\_\_

Tony Leibowitz  
Non-Executive Chairman

Date: 17 February 2022

# **Ensurance Limited and controlled entities**

**ABN 80 148 142 634**

**Interim Report - 31 December 2021**

**Ensurance Limited and controlled entities**  
**Corporate directory**  
**31 December 2021**



|   |   |
|---|---|
| Directors                                       | <p><b>Mr Tony Leibowitz</b><br/>Non-Executive Chairman<br/>Appointed 29 September 2017</p> <p><b>Mr Tony Wehby</b><br/>Independent Non-Executive Director<br/>Appointed 3 May 2018</p> <p><b>Mr Sam Hallab</b><br/>Independent Non-Executive Director<br/>Appointed 2 July 2021</p> |
| Company secretary                               | <p><b>Mr Sam Hallab</b><br/>Appointed 1 February 2017</p>   |
| Registered office & Principal place of Business | <p>Level 21, Westfield Tower 2<br/>101 Grafton Street<br/>Bondi Junction NSW 2022</p>   |
| Postal Address                                  | <p>PO Box 199<br/>Bondi Junction NSW 1355<br/>+61 2 9167 8050</p>   |
| Share register                                  | <p>Computershare Investor Services Pty Limited<br/>Level 11, 172 St Georges Terrace<br/>Perth WA 6000<br/>1300 850 505 (investors within Australia)<br/>+61 3 9415 4000<br/><a href="http://www.investorcentre.com">www.investorcentre.com</a></p>                                  |
| Auditor   | <p>William Buck (SA)<br/>Level 6, 211 Victoria Square<br/>Adelaide SA 5000<br/>+61 8 8409 4333<br/><a href="http://www.williambuck.com.au">www.williambuck.com.au</a></p>   |
| Solicitors                                      | <p>Steinepreis Paganin<br/>Level 4, The Read Buildings<br/>16 Milligan St<br/>Perth WA 6000</p>   |
| Stock exchange listing                          | <p>Ensurance Limited (ASX code: ENA)</p>  |
| Website   | <p><a href="http://www.ensuranceltd.com">www.ensuranceltd.com</a></p>   |

## Ensurance Limited and controlled entities

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31 December 2021



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### General information

The financial statements cover Ensurance Limited as a consolidated entity consisting of Ensurance Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Ensurance Limited's functional and presentation currency.

Ensurance Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 21, Westfield Tower 2  
101 Grafton St  
Bondi Junction NSW 2022

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 17 February 2022.

# Ensurance Limited and controlled entities

## Directors' report

### 31 December 2021



The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Ensurance Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2021.

#### Directors

The following persons were directors of Ensurance Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Tony Leibowitz  
Mr Tony Wehby  
Mr Sam Hallab (appointed on 2 July 2021)  
Mr Adam Davey (resigned on 2 July 2021)

#### Principal activities

During the financial half-year the principal continuing activities of the consolidated entity consisted of providing customised insurance solutions specialising in construction, liability product range, terrorism and sabotage.

#### Review of operations

The profit for the consolidated entity after providing for income tax amounted to \$263,429 (31 December 2020: loss of \$307,510).

The strong financial performance of the Company has mainly been attributable to the continued growth experienced by the underlying business units combined with other new revenue initiatives. The Australian and UK divisions continued to expand their broker networks, which has led to improved penetration in their respective markets and higher levels of deal flow.

As a group, the UK and Australian divisions are now beginning to enjoy a strong camaraderie, laying the foundation for a resilient insurance business with global partnerships and a diverse set of products yielding increasing and sustainable revenue streams.

The Company received commitments from new and existing professional, sophisticated and institutional investors and raised \$2.145M by way of share placement.

#### Australian Division – Ensurance Australia

Ensurance acquired TK Specialty Risks Pty Ltd (TKSR) and re-branded it as Ensurance Australia Pty Ltd, a wholly owned subsidiary of the Company. Expansion plans are well underway for the Australian arm of the Company. Hardening market conditions coupled with recently developed in-house software tools has resulted in Ensurance Australia being able to partner closely with key brokers who are in need of fast solutions to complex insurance placements.

#### UK Business

The UK's positive performance continues to be driven by a combination of organic growth within the Company and the rolling out of new insurance products. Notably, Ensurance UK recently launched new offerings in Terrorism and Construction classes, which allow the business to better position itself within the market.

#### Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

#### Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

#### Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

**Ensurance Limited and controlled entities**  
**Directors' report**  
**31 December 2021**



This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink that reads 'A. H. Leibowitz'.

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Tony Leibowitz  
Non-Executive Chairman

17 February 2022

## Auditor's Independence Declaration Under Section 307C of The Corporations Act 2001 To The Directors Of Ensurance Limited And Controlled Entities

I declare that, to the best of my knowledge and belief during the half-year ended 31 December 2021 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

William Buck

**William Buck (SA)**  
ABN: 38 280 203 274

M.D King

**M.D King**  
Partner

Dated this 17<sup>th</sup> day of February, 2022.

#### ACCOUNTANTS & ADVISORS

Level 6, 211 Victoria Square  
Adelaide SA 5000  
GPO Box 11050  
Adelaide SA 5001  
Telephone: +61 8 8409 4333  
[williambuck.com](http://williambuck.com)

**Ensurance Limited and controlled entities**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2021**



|   | Note | 31 Dec 2021<br>\$ | 31 Dec 2020<br>\$ |
|---|------|-------------------|-------------------|
| <b>Revenue</b>  | 4    | 3,580,702         | 2,415,181         |
| Other income  | 5    | -                 | 205,144           |
| Interest revenue  |      | 18,379            | 6,145             |
| <b>Expenses</b>   |      |                   |                   |
| Business development  |      | (72,562)          | (36,764)          |
| Compliance costs  |      | (141,960)         | (150,239)         |
| Computers and communications  |      | (257,411)         | (150,715)         |
| Depreciation and amortisation   | 6    | (48,007)          | (62,317)          |
| Employment costs  | 6    | (2,397,621)       | (1,834,314)       |
| Payaway commissions   |      | (32,200)          | (13,431)          |
| Legal and consulting fees   |      | (59,640)          | (60,783)          |
| Occupancy costs   |      | (92,176)          | (137,520)         |
| Travel and accommodation  |      | (12,292)          | (4,543)           |
| Write off of assets   |      | -                 | (66,961)          |
| Other expenses  |      | (105,275)         | (78,363)          |
| Finance costs   | 6    | (116,508)         | (335,944)         |
| <b>Operating profit/(loss)</b>  |      | 263,429           | (305,424)         |
| Modified loss on sale of subsidiary   |      | -                 | (2,086)           |
| <b>Profit/(loss) before income tax expense</b>  |      | 263,429           | (307,510)         |
| Income tax expense  |      | -                 | -                 |
| <b>Profit/(loss) after income tax expense for the half-year attributable to the owners of Ensurance Limited</b> |      | 263,429           | (307,510)         |
| <b>Other comprehensive income/(loss)</b>  |      |                   |                   |
| <i>Items that may be reclassified subsequently to profit or loss</i>  |      |                   |                   |
| Foreign currency translation  |      | 51,421            | (47,381)          |
| Other comprehensive income/(loss) for the half-year, net of tax   |      | 51,421            | (47,381)          |
| <b>Total comprehensive income/(loss) for the half-year attributable to the owners of Ensurance Limited</b>      |      | 314,850           | (354,891)         |
|   |      | <b>Cents</b>      | <b>Cents</b>      |
| Basic earnings per share  | 23   | 0.32              | (0.53)            |
| Diluted earnings per share  | 23   | 0.32              | (0.53)            |

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

**Ensurance Limited and controlled entities**  
**Consolidated statement of financial position**  
**As at 31 December 2021**



|                                      | Note | 31 Dec 2021<br>\$ | 30 Jun 2021<br>\$ |
|--------------------------------------|------|-------------------|-------------------|
| <b>Assets</b>                        |      |                   |                   |
| <b>Current assets</b>                |      |                   |                   |
| Cash and cash equivalents            |      | 1,764,162         | 1,464,031         |
| Trade and other receivables          | 7    | 2,435,184         | 1,768,778         |
| Trust account insurer assets         | 8    | 20,961,743        | 19,226,262        |
| Prepayments                          |      | 98,501            | 129,281           |
| <b>Total current assets</b>          |      | <b>25,259,590</b> | <b>22,588,352</b> |
| <b>Non-current assets</b>            |      |                   |                   |
| Receivables                          | 9    | -                 | 273,347           |
| Investments                          |      | 1,200             | 1,200             |
| Property, plant and equipment        | 10   | 33,863            | 11,506            |
| Right-of-use assets                  | 11   | 44,046            | -                 |
| Intangibles                          | 12   | 2,385,174         | 133,692           |
| Bonds on deposit                     |      | 20,363            | 18,743            |
| <b>Total non-current assets</b>      |      | <b>2,484,646</b>  | <b>438,488</b>    |
| <b>Total assets</b>                  |      | <b>27,744,236</b> | <b>23,026,840</b> |
| <b>Liabilities</b>                   |      |                   |                   |
| <b>Current liabilities</b>           |      |                   |                   |
| Trade and other payables             | 13   | 628,860           | 1,309,351         |
| Borrowings                           | 14   | 1,000,000         | 66,665            |
| Lease liabilities                    |      | 30,765            | -                 |
| Provisions                           |      | 129,551           | 88,917            |
| Trust account insurer liabilities    | 15   | 20,969,969        | 18,859,720        |
| <b>Total current liabilities</b>     |      | <b>22,759,145</b> | <b>20,324,653</b> |
| <b>Non-current liabilities</b>       |      |                   |                   |
| Borrowings                           |      | -                 | 2,500,000         |
| Lease liabilities                    |      | 14,023            | -                 |
| Provisions                           |      | 16,699            | 9,936             |
| <b>Total non-current liabilities</b> |      | <b>30,722</b>     | <b>2,509,936</b>  |
| <b>Total liabilities</b>             |      | <b>22,789,867</b> | <b>22,834,589</b> |
| <b>Net assets</b>                    |      | <b>4,954,369</b>  | <b>192,251</b>    |
| <b>Equity</b>                        |      |                   |                   |
| Issued capital                       | 16   | 26,650,380        | 22,241,201        |
| Reserves                             | 17   | 116,975           | 74,164            |
| Accumulated losses                   |      | (21,812,986)      | (22,123,114)      |
| <b>Total equity</b>                  |      | <b>4,954,369</b>  | <b>192,251</b>    |

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

**Ensurance Limited and controlled entities**  
**Consolidated statement of changes in equity**  
**For the half-year ended 31 December 2021**



|  | <b>Issued capital</b><br>\$ | <b>Reserves</b><br>\$ | <b>Retained profits</b><br>\$ | <b>Total deficiency in equity</b><br>\$ |
|--|-----------------------------|-----------------------|-------------------------------|---|
| Balance at 1 July 2020                                       | 19,291,070                  | 1,911,212             | (22,266,475)                  | (1,064,193)                             |
| Loss after income tax expense for the half-year              | -                           | -                     | (307,510)                     | (307,510)                               |
| Other comprehensive loss for the half-year, net of tax       | -                           | (47,381)              | -                             | (47,381)                                |
| Total comprehensive loss for the half-year                   | -                           | (47,381)              | (307,510)                     | (354,891)                               |
| Expense of Options   | -                           | 41,013                | -                             | 41,013                                  |
| Lapse of options & performance rights                        | -                           | (1,154,339)           | 1,154,339                     | -                                       |
| Balance at 31 December 2020                                  | 19,291,070                  | 750,505               | (21,419,646)                  | (1,378,071)                             |
|  | <b>Issued capital</b><br>\$ | <b>Reserves</b><br>\$ | <b>Retained profits</b><br>\$ | <b>Total equity</b><br>\$               |
| Balance at 1 July 2021                                       | 22,241,201                  | 74,164                | (22,123,114)                  | 192,251                                 |
| Adjustment for correction of error                           | -                           | -                     | (3,350)                       | (3,350)                                 |
| Balance at 1 July 2021 - restated                            | 22,241,201                  | 74,164                | (22,126,464)                  | 188,901                                 |
| Profit after income tax expense for the half-year            | -                           | -                     | 263,429                       | 263,429                                 |
| Other comprehensive income for the half-year, net of tax     | -                           | 51,421                | -                             | 51,421                                  |
| Total comprehensive income for the half-year                 | -                           | 51,421                | 263,429                       | 314,850                                 |
| <i>Transactions with owners in their capacity as owners:</i> |                             |                       |                               |   |
| Contributions of equity, net of transaction costs (note 16)  | 2,111,179                   | -                     | -                             | 2,111,179                               |
| Share-based payments (note 24)                               | 48,000                      | -                     | -                             | 48,000                                  |
| Purchase of TK Specialty Risks Pty Ltd                       | 2,250,000                   | -                     | -                             | 2,250,000                               |
| Lapse of options & performance rights                        | -                           | (50,049)              | 50,049                        | -                                       |
| Expense of Options   | -                           | 41,439                | -                             | 41,439                                  |
| Balance at 31 December 2021                                  | 26,650,380                  | 116,975               | (21,812,986)                  | 4,954,369                               |

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

**Ensurance Limited and controlled entities**  
**Consolidated statement of cash flows**  
**For the half-year ended 31 December 2021**



|  | Note | 31 Dec 2021<br>\$ | 31 Dec 2020<br>\$ |
|--|------|-------------------|-------------------|
| <b>Cash flows from operating activities</b>                                |      |                   |                   |
| Receipts from customers (inclusive of GST)                                 |      | 3,734,026         | 2,230,099         |
| Payments to suppliers and employees (inclusive of GST)                     |      | (3,552,895)       | (2,841,830)       |
|  |      | 181,131           | (611,731)         |
| Interest received  |      | 18,379            | 6,145             |
| Other revenue  |      | -                 | 168,242           |
| Interest and other finance costs paid                                      |      | (113,479)         | (201,092)         |
| Net cash from/(used in) operating activities                               |      | 86,031            | (638,436)         |
| <b>Cash flows from investing activities</b>                                |      |                   |                   |
| Payments for property, plant and equipment                                 | 10   | (5,749)           | (3,949)           |
| Payments for intangibles   | 12   | (5,250)           | (35,317)          |
| Payments for financial assets  |      | -                 | (5,650)           |
| Proceeds from disposal of business   |      | 457,974           | 633,128           |
| Funds received on acquisition of TK Specialty Risks Pty Ltd                |      | 336,312           | -                 |
| Net cash from investing activities   |      | 783,287           | 588,212           |
| <b>Cash flows from financing activities</b>                                |      |                   |                   |
| Proceeds from issue of shares  | 16   | 2,145,001         | -                 |
| Share issue transaction costs  |      | (33,822)          | -                 |
| Interest and other finance costs paid                                      |      | (47,263)          | (89,103)          |
| Repayment of borrowings  |      | (2,341,387)       | (26,662)          |
| Repayment of lease liabilities   |      | (15,562)          | (52,219)          |
| Pre-acquisition dividend less expenses paid for TK Specialty Risks Pty Ltd |      | (276,154)         | -                 |
| Net cash used in financing activities                                      |      | (569,187)         | (167,984)         |
| Net increase/(decrease) in cash and cash equivalents                       |      | 300,131           | (218,208)         |
| Cash and cash equivalents at the beginning of the financial half-year      |      | 1,464,031         | 1,276,309         |
| Cash and cash equivalents at the end of the financial half-year            |      | 1,764,162         | 1,058,101         |

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

## **1. Significant accounting policies**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

### **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.

## **2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

### *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 consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity 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 consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

### *Share-based payment transactions*

The consolidated entity 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 by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. 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 profit or loss and equity.

### *Goodwill*

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill have suffered any impairment. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Goodwill relating to the business combination has been provisionally accounted for.

## 2. Critical accounting judgements, estimates and assumptions (continued)

### *Business combinations*

Business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the consolidated entity taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

## 3. Operating segments

### *Identification of reportable operating segments*

The consolidated entity is organised into 3 operating segments: These being the operational businesses in the UK and Australia and the head office which is also in Australia. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

### *Intersegment transactions*

Intersegment transactions were made at cost. Intersegment transactions are eliminated on consolidation.

### *Operating segment information*

|  | Ensurance<br>UK<br>\$ | Head<br>Office<br>\$ | Ensurance<br>Australia<br>\$ | Total<br>\$       |
|--|-----------------------|----------------------|------------------------------|-------------------|
| <b>31 Dec 2021</b>                             |                       |                      |                              |                   |
| <b>Revenue</b>                                 |                       |                      |                              |                   |
| Sales to external customers                    | 2,321,106             | -                    | 1,259,596                    | 3,580,702         |
| Interest revenue                               | 136                   | 18,243               | -                            | 18,379            |
| <b>Total revenue</b>                           | <b>2,321,242</b>      | <b>18,243</b>        | <b>1,259,596</b>             | <b>3,599,081</b>  |
| <b>EBITDA</b>                                  | 128,155               | (523,208)            | 822,997                      | 427,944           |
| Depreciation and amortisation                  | (22,701)              | (1,019)              | (24,287)                     | (48,007)          |
| Finance costs                                  | (2,493)               | (113,479)            | (536)                        | (116,508)         |
| <b>Profit/(loss) before income tax expense</b> | <b>102,961</b>        | <b>(637,706)</b>     | <b>798,174</b>               | <b>263,429</b>    |
| Income tax expense                             |                       |                      |                              | -                 |
| <b>Profit after income tax expense</b>         |                       |                      |                              | <b>263,429</b>    |
| <b>Assets</b>                                  |                       |                      |                              |                   |
| Segment assets                                 | 20,682,216            | 27,882,768           | 3,988,987                    | 52,553,971        |
| Intersegment eliminations                      |                       |                      |                              | (24,809,735)      |
| <b>Total assets</b>                            |                       |                      |                              | <b>27,744,236</b> |
| <b>Liabilities</b>                             |                       |                      |                              |                   |
| Segment liabilities                            | 18,460,630            | 10,514,998           | 3,190,713                    | 32,166,341        |
| Intersegment eliminations                      |                       |                      |                              | (9,376,474)       |
| <b>Total liabilities</b>                       |                       |                      |                              | <b>22,789,867</b> |

**Ensurance Limited and controlled entities**  
**Notes to the consolidated financial statements**  
**31 December 2021**



**3. Operating segments (continued)**

|  | Ensurance<br>UK<br>\$ | Head<br>Office<br>\$ | Total<br>\$       |
|--|-----------------------|----------------------|-------------------|
| <b>31 Dec 2020</b>                             |                       |                      |                   |
| <b>Revenue</b>                                 |                       |                      |                   |
| Sales to external customers                    | 2,415,181             | -                    | 2,415,181         |
| Interest revenue                               | 4,542                 | 1,603                | 6,145             |
| <b>Total revenue</b>                           | <b>2,419,723</b>      | <b>1,603</b>         | <b>2,421,326</b>  |
| <b>EBITDA</b>                                  |                       |                      |                   |
| Depreciation and amortisation                  | 492,889               | (335,177)            | 157,712           |
| Impairment of assets                           | (61,589)              | (728)                | (62,317)          |
| Finance costs                                  | (66,961)              | -                    | (66,961)          |
|  | (4,138)               | (331,806)            | (335,944)         |
| <b>Profit/(loss) before income tax expense</b> | <b>360,201</b>        | <b>(667,711)</b>     | <b>(307,510)</b>  |
| Income tax expense                             |                       |                      | -                 |
| <b>Loss after income tax expense</b>           |                       |                      | <b>(307,510)</b>  |
| <b>30 Jun 2021</b>                             |                       |                      |                   |
| <b>Assets</b>                                  |                       |                      |                   |
| Segment assets                                 | 21,418,769            | 26,456,738           | 47,875,507        |
| Intersegment eliminations                      |                       |                      | (24,848,667)      |
| <b>Total assets</b>                            |                       |                      | <b>23,026,840</b> |
| <b>Liabilities</b>                             |                       |                      |                   |
| Segment liabilities                            | 19,351,543            | 13,148,557           | 32,500,100        |
| Intersegment eliminations                      |                       |                      | (9,665,511)       |
| <b>Total liabilities</b>                       |                       |                      | <b>22,834,589</b> |

**4. Revenue**

|                            | <b>31 Dec 2021</b><br>\$ | <b>31 Dec 2020</b><br>\$ |
|----------------------------|--------------------------|--------------------------|
| Underwriting commission    | 3,275,607                | 2,167,044                |
| Profit commission          | -                        | 206,451                  |
| Policy administration fees | 305,095                  | 41,686                   |
| <b>Revenue</b>             | <b>3,580,702</b>         | <b>2,415,181</b>         |

**5. Other income**

|                                     | <b>31 Dec 2021</b><br>\$ | <b>31 Dec 2020</b><br>\$ |
|-------------------------------------|--------------------------|--------------------------|
| Net gain on disposal of business    | -                        | 36,902                   |
| Government grants - cash flow boost | -                        | 153,798                  |
| Other income                        | -                        | 14,444                   |
| <b>Other income</b>                 | <b>-</b>                 | <b>205,144</b>           |

**Ensurance Limited and controlled entities**  
**Notes to the consolidated financial statements**  
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**6. Expenses**

|                                      | <b>31 Dec 2021</b> | <b>31 Dec 2020</b> |
|--------------------------------------|--------------------|--------------------|
|                                      | <b>\$</b>          | <b>\$</b>          |
| <b>Depreciation and amortisation</b> |                    |                    |
| Depreciation expense                 | (12,852)           | (20,263)           |
| Amortisation - Software              | (19,885)           | (12,681)           |
| Amortisation - Right of use assets   | (15,270)           | (29,373)           |
|                                      | <b>(48,007)</b>    | <b>(62,317)</b>    |

|  | <b>31 Dec 2021</b> | <b>31 Dec 2020</b> |
|--|--------------------|--------------------|
| <b>Finance costs</b>                       |                    |                    |
| Interest on convertible notes              | -                  | (128,843)          |
| Short-term loan interest and finance costs | (2,493)            | (835)              |
| Interest on related party loans            | (113,479)          | (201,093)          |
| Interest on lease liability                | (536)              | (5,173)            |
|  | <b>(116,508)</b>   | <b>(335,944)</b>   |

|  | <b>31 Dec 2021</b> | <b>31 Dec 2020</b> |
|--|--------------------|--------------------|
|  | <b>\$</b>          | <b>\$</b>          |
| <b>Employee Entitlements</b>                   |                    |                    |
| Non-Executive Director fees                    | (39,877)           | (45,043)           |
| Increase in employee benefit provisions        | (17,325)           | (36,012)           |
| Superannuation expenses                        | (155,795)          | (109,242)          |
| Wages and salaries                             | (1,888,890)        | (1,423,449)        |
| Other employment related costs                 | (33,576)           | (24,309)           |
| Employee National Insurance Contributions (UK) | (172,719)          | (155,245)          |
| Share based payments                           | (89,439)           | (41,014)           |
|  | <b>(2,397,621)</b> | <b>(1,834,314)</b> |

**7. Trade and other receivables**

|   | <b>31 Dec 2021</b> | <b>30 Jun 2021</b> |
|---|--------------------|--------------------|
|   | <b>\$</b>          | <b>\$</b>          |
| Other receivables                                       | 12,737             | 17,850             |
| Commission on Trust Assets                              | 2,456,885          | 1,613,593          |
| Less: Allowance for expected credit losses              | (34,438)           | (34,125)           |
|   | <b>2,435,184</b>   | <b>1,597,318</b>   |
| Funds on the sale of Ensurance Underwriting Pty Limited | -                  | 171,460            |
|   | <b>2,435,184</b>   | <b>1,768,778</b>   |

## 8. Trust account insurer assets

|                   | 31 Dec 2021<br>\$ | 30 Jun 2021<br>\$ |
|-------------------|-------------------|-------------------|
| Insurance debtors | 12,647,678        | 11,418,742        |
| Trust accounts    | 8,314,065         | 7,807,520         |
|                   | 20,961,743        | 19,226,262        |

Please see the reconciliation of trust assets in the trust liabilities note.

## 9. Receivables

|  | 31 Dec 2021<br>\$ | 30 Jun 2021<br>\$ |
|--|-------------------|-------------------|
| Other receivables                          | -                 | 280,859           |
| Less: Allowance for expected credit losses | -                 | (7,512)           |
|  | -                 | 273,347           |

Other receivables relate to the sale of Ensurance Underwriting Pty Limited to 360 Construction and Engineering Pty Limited (360) on the 1st March 2020. The sale proceeds were to be paid in instalments over a number of years. 360 made the decision to pay all amounts outstanding ahead of the contract dates of the 31st of July 2022 and the 31st July 2023 and as a consequence, all funds were received by the 12th August 2021.

## 10. Property, plant and equipment

|                                 | 31 Dec 2021<br>\$ | 30 Jun 2021<br>\$ |
|---------------------------------|-------------------|-------------------|
| Plant and equipment - at cost   | 102,073           | 77,673            |
| Less: Accumulated depreciation  | (69,099)          | (67,529)          |
|                                 | 32,974            | 10,144            |
| Fixtures and fittings - at cost | 4,875             | 5,283             |
| Less: Accumulated depreciation  | (3,986)           | (3,921)           |
|                                 | 889               | 1,362             |
|                                 | 33,863            | 11,506            |

### Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

|   | Plant &<br>Equipment<br>\$ | Furniture &<br>Fittings<br>\$ | Total<br>\$ |
|---|----------------------------|-------------------------------|-------------|
| Balance at 1 July 2021                            | 10,144                     | 1,362                         | 11,506      |
| Additions   | 5,749                      | -                             | 5,749       |
| Additions through business combinations (note 21) | 29,621                     | -                             | 29,621      |
| Exchange differences                              | (172)                      | 11                            | (161)       |
| Depreciation expense                              | (12,368)                   | (484)                         | (12,852)    |
| Balance at 31 December 2021                       | 32,974                     | 889                           | 33,863      |

**Ensurance Limited and controlled entities**  
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**11. Right-of-use assets**

|                                | <b>31 Dec 2021</b> | <b>30 Jun 2021</b> |
|--------------------------------|--------------------|--------------------|
|                                | <b>\$</b>          | <b>\$</b>          |
| Right of use assets            | 76,516             | 684,753            |
| Less: Accumulated depreciation | (32,470)           | (684,753)          |
|                                | <u>44,046</u>      | <u>-</u>           |

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

|   | <b>Office<br/>Space</b> | <b>Total</b>  |
|---|-------------------------|---------------|
|   | <b>\$</b>               | <b>\$</b>     |
| Balance at 1 July 2021                            | -                       | -             |
| Additions through business combinations (note 21) | 59,316                  | 59,316        |
| Depreciation expense                              | (15,270)                | (15,270)      |
| Balance at 31 December 2021                       | <u>44,046</u>           | <u>44,046</u> |

The company has leases in Western Australia and South Australia. In the prior year we had leases in London, Sydney and Melbourne.

**12. Intangibles**

|                                | <b>31 Dec 2021</b> | <b>30 Jun 2021</b> |
|--------------------------------|--------------------|--------------------|
|                                | <b>\$</b>          | <b>\$</b>          |
| Goodwill - at cost             | 2,264,876          | -                  |
| Software - at cost             | 167,538            | 166,013            |
| Less: Accumulated amortisation | (52,490)           | (32,321)           |
|                                | <u>115,048</u>     | <u>133,692</u>     |
| AFSL Licence preliminary cost  | 5,250              | -                  |
|                                | <u>2,385,174</u>   | <u>133,692</u>     |

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

|   | <b>Software</b> | <b>Goodwill</b>  | <b>AFSL Licence</b> | <b>Total</b>     |
|---|-----------------|------------------|---------------------|------------------|
|   | <b>\$</b>       | <b>\$</b>        | <b>\$</b>           | <b>\$</b>        |
| Balance at 1 July 2021                            | 133,692         | -                | -                   | 133,692          |
| Additions   | -               | -                | 5,250               | 5,250            |
| Additions through business combinations (note 21) | -               | 2,264,876        | -                   | 2,264,876        |
| Exchange differences                              | 1,241           | -                | -                   | 1,241            |
| Amortisation expense                              | (19,885)        | -                | -                   | (19,885)         |
| Balance at 31 December 2021                       | <u>115,048</u>  | <u>2,264,876</u> | <u>5,250</u>        | <u>2,385,174</u> |

**Ensurance Limited and controlled entities**  
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**13. Trade and other payables**

|  | <b>31 Dec 2021</b> | <b>30 Jun 2021</b> |
|--|--------------------|--------------------|
|  | \$                 | \$                 |
| Trade payables                                   | 275,198            | 332,851            |
| Convertible note redemption payout with interest | -                  | 816,814            |
| Other payables                                   | 353,662            | 159,686            |
|  | <u>628,860</u>     | <u>1,309,351</u>   |

The convertible notes expired on 30 June 2021. Of these notes, \$1,448,982 were converted into share capital, resulting in the issue of 96,598,794 ordinary shares. The remaining notes balance of \$772,506 was repaid to subscribers with interest of \$44,308.

**14. Borrowings**

|                    | <b>31 Dec 2021</b> | <b>30 Jun 2021</b> |
|--------------------|--------------------|--------------------|
|                    | \$                 | \$                 |
| Bank loans         | -                  | 66,665             |
| Related party loan | 1,000,000          | -                  |
|                    | <u>1,000,000</u>   | <u>66,665</u>      |

On 1st July 2021, the \$2,500,000 loan from Kalonda Pty Ltd, a related entity of Mr Tony Leibowitz was renewed for a term of 18 months. Interest on the facility is charged at 11% per annum. During the period \$1,500,000 was repaid and is able to be used as an offset facility if required. At 30 June 2021, the \$2,500,000 loan was disclosed as non-current.

**15. Trust account insurer liabilities**

|                         | <b>31 Dec 2021</b> | <b>30 Jun 2021</b> |
|-------------------------|--------------------|--------------------|
|                         | \$                 | \$                 |
| Underwriter's liability | 19,829,696         | 18,336,288         |
| Other                   | 826,872            | 523,432            |
| Unearned revenue        | 313,401            | -                  |
|                         | <u>20,969,969</u>  | <u>18,859,720</u>  |

**Reconciliation of insurer assets**

**Trust account insurer assets**

|                            |                   |                   |
|----------------------------|-------------------|-------------------|
| Insurance debtors          | 12,647,678        | 11,418,742        |
| Trust accounts             | 8,314,065         | 7,807,520         |
| Total trust account assets | <u>20,961,743</u> | <u>19,226,262</u> |

**Trust account insurer liabilities**

|                                 |                     |                     |
|---------------------------------|---------------------|---------------------|
| Underwriter's liability         | (19,829,696)        | (18,336,288)        |
| Other                           | (826,872)           | (523,432)           |
| Total trust account liabilities | <u>(20,656,568)</u> | <u>(18,859,720)</u> |

|   |                |                |
|---|----------------|----------------|
| Excess of insurance assets over liabilities | <u>305,175</u> | <u>366,542</u> |
|---|----------------|----------------|

The reconciling difference represents cash in the trust account that belongs to Ensurance UK. This amount had not been drawn out of the account as at 31 December 2021.

## 16. Issued capital

|                              | 31 Dec 2021<br>Shares | 30 Jun 2021<br>Shares | 31 Dec 2021<br>\$ | 30 Jun 2021<br>\$ |
|------------------------------|-----------------------|-----------------------|-------------------|-------------------|
| Ordinary shares - fully paid | 89,684,937            | 71,825,511            | 26,650,380        | 22,241,201        |

### *Movements in ordinary share capital*

| Details   | Date             | Shares     | Issue price | \$         |
|---|------------------|------------|-------------|------------|
| Balance   | 1 July 2021      | 71,825,511 |             | 22,241,201 |
| Shares issued on purchase of TKSR (escrowed until 28 July 2023) at fair value | 28 July 2021     | 8,333,334  | \$0.270     | 2,250,000  |
| Share placement (net of expenses)   | 8 October 2021   | 9,326,092  | \$0.230     | 2,111,179  |
| Incentive share plan  | 1 October 2021   | 200,000    | \$0.240     | 48,000     |
| Balance   | 31 December 2021 | 89,684,937 |             | 26,650,380 |

### *Ordinary shares*

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

### *Share buy-back*

There is no current on-market share buy-back.

### *Share consolidation*

The Company implemented a 10 for 1 share consolidation. This was approved at the General Meeting of shareholders on 28th July 2021.

## 17. Reserves

|   | 31 Dec 2021<br>\$ | 30 Jun 2021<br>\$ |
|---|-------------------|-------------------|
| Revaluation surplus reserve   | (800)             | (800)             |
| Financial assets at fair value through other comprehensive income reserve | 51,421            | 16,752            |
| Foreign currency translation reserve                                      | (144,361)         | (161,114)         |
| Share-based payments reserve  | 210,715           | 219,326           |
|   | 116,975           | 74,164            |

### *Revaluation surplus reserve*

The reserve is used to recognise increments and decrements in the fair value of shares held.

### *Financial assets at fair value through other comprehensive income reserve*

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

### *Foreign currency reserve*

The reserve is used to recognise exchange differences arising from the translation of the financial statements of the UK operations to Australian dollars.

**Ensurance Limited and controlled entities**  
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**17. Reserves (continued)**

*Share-based payments reserve*

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

*Movements in reserves*

Movements in each class of reserve during the current financial half-year are set out below:

|   | Asset<br>Revaluation<br>\$ | Share Based<br>Payment<br>\$ | Foreign<br>Currency<br>Translation<br>\$ | Total<br>\$ |
|---|----------------------------|------------------------------|--|-------------|
| Balance at 1 July 2021                  | (800)                      | 219,326                      | (144,362)                                | 74,164      |
| Foreign currency translation            | -                          | -                            | 51,421                                   | 51,421      |
| Expense of options                      | -                          | 41,439                       | -  | 41,439      |
| Lapse of options and performance rights | -                          | (50,049)                     | -  | (50,049)    |
| Balance at 31 December 2021             | (800)                      | 210,716                      | (92,941)                                 | 116,975     |

**18. Contingent liabilities**

There has been no change in contingent liabilities since the last annual reporting period.

**19. Commitments**

The consolidated entity has entered into a new lease for Sydney office space. The lease is from the 1st February 2022 for 12 months. The lease payment is \$4,763.70 per month.

**20. Related party transactions**

*Parent entity*

Ensurance Limited is the parent entity.

*Transactions with related parties*

The following transactions occurred with related parties:

|   | 31 Dec 2021<br>\$ | 31 Dec 2020<br>\$ |
|---|-------------------|-------------------|
| Interest paid to Kalonda Pty Limited  | 113,479           | 201,093           |
| <u>Other transactions:</u>  |                   |                   |
| A pre-acquisition dividend paid to the CEO, as per the Binding Heads of Agreement with TK Speciality Risks Pty Ltd (TKSR) net of the loan with his related entity and expenses incurred on behalf of the CEO unrelated to Ensurance Ltd | 276,154           | -                 |
| An executive service fee was paid to Mr Tony Leibowitz in relation to the share placement   | 27,500            | -                 |
| On 18 August 2020, the Company paid Mr Tony Leibowitz for a letter of guarantee, confirming he would continue to support the Company financially for eighteen months.   | -                 | 20,000            |

*Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

**Ensurance Limited and controlled entities**  
**Notes to the consolidated financial statements**  
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**20. Related party transactions (continued)**

*Loans to/from related parties*

The following balances are outstanding at the reporting date in relation to loans with related parties:

|  | 31 Dec 2021 | 30 Jun 2021 |
|--|-------------|-------------|
|  | \$          | \$          |
| Current borrowings:  |             |             |
| On 1st July 2021, the \$2,500,000 loan from Kalonda Pty Ltd, a related entity of Mr Tony Leibowitz was renewed for a term of 18 months. Interest on the facility is charged at 11% per annum. During the period \$1,500,000 was repaid and is able to be used as an offset facility if required. At 30 June 2021, the \$2,500,000 loan was disclosed as non-current. | 1,000,000   | 2,500,000   |

*Terms and conditions*

All transactions were made on normal commercial terms and conditions and at market rates.

**21. Business combinations**

On 1 July 2021 Ensurance Limited acquired 100% of the ordinary shares of TK Specialist Risk Pty Ltd (TKSR), a boutique underwriting agency. The total consideration transferred was for 8,333,334 Ensurance shares. The fair value of these shares at 1 July 2021 is 27 cents per share. The goodwill of \$2,264,876 represents the fair value of the business. The acquired business contributed revenues of \$1.3M and a profit of \$797K to the consolidated entity for the period from 1 July 2021 to 31 December 2021.

The evaluation of the identifiable assets and liabilities and the calculation of their fair value associated with the acquisition on the acquisition date have not been determined. The business is determining if an independent assessment of the fair value of assets is warranted. Therefore the goodwill relating to this acquisition has been provisionally accounted for based on available reasonable information.

Details of the acquisition are as follows:

|  | Fair value  |
|--|-------------|
|  | \$          |
| Cash and cash equivalents  | 336,312     |
| Trade receivables  | 268,220     |
| Trust assets   | 2,039,155   |
| Plant and equipment  | 29,621      |
| Right-of-use assets  | 59,316      |
| Trade payables   | (128,478)   |
| Other payables   | (294,082)   |
| Provision for income tax   | (192,272)   |
| Employee benefits  | (30,073)    |
| Trust liabilities  | (2,039,155) |
| Other provisions   | (3,626)     |
| Lease liability  | (59,814)    |
| Net liabilities acquired   | (14,876)    |
| Goodwill   | 2,264,876   |
| Acquisition-date fair value of the total consideration transferred | 2,250,000   |
| Representing:  |             |
| Ensurance Limited shares issued to vendor                          | 2,250,000   |

**Ensurance Limited and controlled entities**  
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**22. Events after the reporting period**

No matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**23. Earnings per share**

|  | <b>31 Dec 2021</b> | <b>31 Dec 2020</b> |
|--|--------------------|--------------------|
|  | \$                 | \$                 |
| Profit/(loss) after income tax attributable to the owners of Ensurance Limited | 263,429            | (307,510)          |
|  | <b>Cents</b>       | <b>Cents</b>       |
| Basic earnings per share   | 0.32               | (0.53)             |
| Diluted earnings per share   | 0.32               | (0.53)             |

During half-year ended 31 December 2021 the Group's unissued shares under option were anti-dilutive.

In calculating the number of ordinary shares outstanding (the denominator of the EPS calculation) for the half-year ended 31 December 2021 the number of ordinary shares outstanding at the beginning of the half-year ended 31 December 2021 shall be adjusted by the number of shares issued in the period multiplied by the number of days they were in issue divided by the total number of days in the reporting period.

|   | <b>Number</b> | <b>Number</b> |
|---|---------------|---------------|
| Weighted average number of ordinary shares used in calculating basic earnings per share   | 83,309,619    | 57,574,538    |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | 83,309,619    | 57,574,538    |

**24. Share-based payments**

**Partly paid shares**

There are no partly paid shares as at 31 December 2021.

**Options**

At the date of signing this report, the following unlisted options were on issue:

31 Dec 2021

| Grant date | Expiry date | Exercise price | Balance at the start of the half-year | Granted | Expired / forfeited / other | Balance at the end of the half-year |
|------------|-------------|----------------|---------------------------------------|---------|-----------------------------|-------------------------------------|
| 28/11/2018 | 31/12/2021  | \$0.400        | 300,000                               | -       | (300,000)                   | -                                   |
| 28/11/2018 | 10/07/2021  | \$0.500        | 100,000                               | -       | (100,000)                   | -                                   |
| 28/11/2018 | 10/07/2021  | \$0.800        | 100,000                               | -       | (100,000)                   | -                                   |
| 28/11/2018 | 31/12/2022  | \$0.600        | 500,000                               | -       | -                           | 500,000                             |
| 28/11/2018 | 31/12/2023  | \$0.900        | 700,000                               | -       | -                           | 700,000                             |
| 25/11/2021 | 02/07/2023  | \$0.300        | -                                     | 100,000 | -                           | 100,000                             |
| 25/11/2021 | 02/07/2023  | \$0.500        | -                                     | 100,000 | -                           | 100,000                             |
|            |             |                | 1,700,000                             | 200,000 | (500,000)                   | 1,400,000                           |

Set out below are the options granted last year:

**24. Share-based payments (continued)**

31 Dec 2020

| Grant date | Expiry date | Exercise price | Balance at the start of the half-year | Expired/ forfeited/ other | Balance at the end of the half-year |
|------------|-------------|----------------|---------------------------------------|---------------------------|-------------------------------------|
| 09/08/2017 | 31/07/2020  | \$1.200        | 100,000                               | (100,000)                 | -                                   |
| 09/08/2017 | 31/07/2020  | \$0.170        | 300,000                               | (300,000)                 | -                                   |
| 09/08/2017 | 31/07/2020  | \$0.800        | 259,731                               | (259,731)                 | -                                   |
| 09/08/2017 | 31/07/2020  | \$0.150        | 350,000                               | (350,000)                 | -                                   |
| 15/12/2017 | 15/12/2020  | \$0.500        | 725,000                               | (725,000)                 | -                                   |
| 06/12/2019 | 06/06/2021  | \$0.200        | 4,397,125                             | -                         | 4,397,125                           |
| 20/12/2019 | 06/06/2021  | \$0.200        | 1,924,609                             | -                         | 1,924,609                           |
| 05/07/2019 | 30/06/2021  | \$0.400        | 1,263,430                             | -                         | 1,263,430                           |
| 28/11/2018 | 10/07/2021  | \$0.500        | 100,000                               | -                         | 100,000                             |
| 28/11/2018 | 10/07/2021  | \$0.800        | 100,000                               | -                         | 100,000                             |
| 28/11/2018 | 31/12/2021  | \$0.400        | 300,000                               | -                         | 300,000                             |
| 28/11/2018 | 31/12/2022  | \$0.600        | 500,000                               | -                         | 500,000                             |
| 28/11/2018 | 31/12/2023  | \$0.900        | 700,000                               | -                         | 700,000                             |
|            |             |                | 11,019,895                            | (1,734,731)               | 9,285,164                           |

**Performance rights**

Set out below are summaries of performance rights granted under the plan:

|   | Number of rights |             |
|---|------------------|-------------|
|   | 31 Dec 2021      | 31 Dec 2020 |
| Outstanding at the beginning of the financial half-year | 2,500,000        | 150,000     |
| Expired   | (750,000)        | (150,000)   |
| Outstanding at the end of the financial half-year       | 1,750,000        | -           |

**Incentive Share Plan**

An offer of fully paid ordinary shares were made and accepted by four employees under the Incentive Share Plan, to be issued in four tranches as follows:

|                                 | 31 Dec 2021 | 30 Jun 2021 |
|---------------------------------|-------------|-------------|
| Target issue date of March 2022 | 100,000     | 100,000     |
| Target issue date of March 2023 | 100,000     | 100,000     |
| Target issue date of June 2022  | 325,000     | 325,000     |
| Target issue date of June 2023  | 325,000     | 325,000     |
|                                 | 850,000     | 850,000     |

On the 1 October 2021 Tim James, Ensurance UK's Chief Executive Officer received 200,000 shares under the Incentive Share Plan. The fair value of these shares was \$48,000 and has been expensed in the period.

**Ensurance Limited and controlled entities**  
**Directors' declaration**  
**31 December 2021**



In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink that reads 'A.H. Leibowitz'.

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Tony Leibowitz  
Non-Executive Chairman

17 February 2022

## Independent auditor's review report

# Report on the Review of the Half-Year Financial Report

### Conclusion

We have reviewed the accompanying half-year financial report of Ensurance Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated group) on pages 6 to 22, which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Ensurance Limited on pages 6 to 22 is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half year ended on that date; and
- b) complying with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Responsibility of Management for the Financial Report

The directors of the group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### ACCOUNTANTS & ADVISORS

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### **Auditor's Responsibilities for the Review of the Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Independence**

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

William Buck

**William Buck (SA)**  
ABN: 38 280 203 274

M.D. King

**M.D. King**  
Partner

Adelaide, 17<sup>th</sup> February 2022