

Rocketboots Limited

(Formerly known as Ensogo Limited)

ACN 165 522 887

Financial Report

For the six months ended

30 June 2021

For personal use only

Rocketboots Limited
(Formerly known as Ensogo Limited)
Corporate directory
30 June 2021



Directors	Mark Licciardo David Nairn Pang Ming Wee
Company secretary	Mark Licciardo
Registered office	C/O Mertons Corporate Services Level 7, 330 Collins Street Melbourne VIC 3000
Auditor	ShineWing Australia Level 10, 530 Collins Street Melbourne VIC 3000
Solicitors	K&L Gates Level 25, 525 Collins Street Melbourne VIC 3000

For personal use only

The directors present their report, together with the financial statements, of Rocketboots Limited, formerly known as Ensogo Limited, (referred to hereafter as the 'Company') for the six month period ended 30 June 2021.

Directors

The following persons were directors of Rocketboots Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

Mark Licciardo
David Nairn
Pang Ming Wee

Transitional financial year

The Australian Securities and Investment Commission ('ASIC') permitted the Company to change its financial year-end from 31 December to 30 June. The change of year-end enables the Company to align its year-end with that of the Rocketboots' operating business it is acquiring and thus to facilitate listing on the ASX as described further in *Matters subsequent to the end of the financial period* below. The change in year-end results in the current financial period being a transitional six-month period from 1 January 2021 to 30 June 2021. The comparative period in this Financial Report is the 12-month period ended 31 December 2020. In future, the Company will report its results as normal with respect to a 30 June financial year-end.

Principal activities

The Company ceased its provision of e-commerce business services in all locations effective 21 June 2016 following the collective decision of the Board of Directors.

Dividends

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

Review of operations

The loss for the Company after providing for income tax amounted to \$310,202 (31 December 2020: \$492,977).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company during the financial period.

Matters subsequent to the end of the financial period

On 17 May 2021, Ensogo Ltd (now known as Rocketboots Ltd) entered into a share purchase agreement to acquire 100% of the equity interest in Rocketboots Operations Pty Ltd (formerly Rocketboots Pty Ltd) for consideration of shares to be issued in the Company. The transaction, when completed, will result in the current shareholders of Ensogo Ltd owning 13.25% of the enlarged shares on issue, post Initial Public Offering (IPO) on ASX, the expected market capitalisation is A\$15.85 million. The IPO will include a public capital raising of A\$4.25 million via issuance of 21.25 million new shares at A\$0.20 each.

On 8 September 2021, the shareholders of Ensogo Ltd (now known as Rocketboots Ltd) approved the resolutions relating to the proposals, including changing the name of the Company to Rocketboots Ltd, and the transaction is expected to be completed in Q4 2021.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the Company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Company.

Environmental regulation

The Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Mark Licciardo
Title:	Independent, Non-executive Director and Company Secretary
Qualifications:	B Bus (Acc), GradDip CSP, FGIA, GAICD
Experience and expertise:	<p>Mr Licciardo is the founder and Managing Director of Mertons Corporate Services. He has extensive experience in working with Boards of Directors of high profile ASX-listed companies in the areas of corporate governance, accounting and finance, and company secretarial practices during a 30-year corporate career in banking and finance, funds management, investment, infrastructure development and in the establishment and management of a consulting business.</p> <p>A former Company Secretary of Top 50 ASX listed companies Transurban Group and Australian Foundation Investment Company Limited, Mr Licciardo is also the former Chairman of the Academy of Design, the Governance Institute of Australia (GIA) Victoria division and Melbourne Fringe Festival, and a current Non-executive Director of a number of public and private companies.</p>
Special responsibilities:	Committee Chairman of the Audit, Business Risk and Compliance Committee and Committee Chairman of the Remuneration and Nomination Committee.
Name:	David Nairn
Title:	Independent, Non-Executive Director
Qualifications:	GAICD, FCA, FCPA
Experience and expertise:	<p>Mr Nairn is an experienced professional Chartered Accountant and has held senior executive and partner roles with Deloitte and HLB Mann Judd in Australia, New Zealand and Canada. He has strong expertise in financial reporting, accounting and assurance and extensive experience in governance and risk management, including conducting board performance reviews and consulting support.</p> <p>Mr Nairn has held Non-executive Director and audit and risk committee roles.</p>
Special responsibilities:	Member of the Audit, Business Risk and Compliance Committee and the Remuneration and Nomination Committee.
Name:	Pang Ming Wee
Title:	Executive Director
Qualifications:	Chartered Accountant, Australia and New Zealand and Bachelor of Commerce, University of Queensland
Experience and expertise:	<p>Mr Wee is currently the Finance Director of Catcha Group since 2012. Catcha Group are founders of several ASX listed companies, including Ensogo Ltd, iCar Asia Ltd and Frontier Digital Ventures Ltd, of which Mr Wee was involved in each of their Initial Public Offerings on the ASX. His experience includes 18 years in financial accounting, specialising in areas such as corporate finance and taxation across South East Asia and Australia.</p> <p>Prior to joining Catcha, Mr Wee had seven years of audit assurance experience with KPMG and BDO. His portfolio ranged from telecommunications, property development, print and online media, retail and trading, manufacturing, and multi-level marketing.</p>
Special responsibilities:	None

Company secretary

Mark Licciardo

Mr Licciardo, of Mertons Corporate Services Pty Ltd, has been Rocketboots Limited's company secretary since 1 January 2016. Mr Licciardo's qualifications, experience and expertise are disclosed in the Information of Directors section above.

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the period ended 30 June 2021, and the number of meetings attended by each director were:

	Full Board		Audit, Business Risk and Compliance Committee	
	Attended	Held	Attended	Held
Mark Licciardo	4	4	-	-
David Nairn	4	4	-	-
Pang Ming Wee	4	4	-	-

Held: represents the number of meetings held during the time the director held office.

Indemnity and insurance of officers

The Company has insurance in place to indemnify the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial period, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial period, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial period, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

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.

Auditor

ShineWing Australia continues in office in accordance with section 327 of the *Corporations Act 2001*.

Rocketboots Limited
(Formerly known as Ensogo Limited)
Directors' report
30 June 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, appearing to read "Mark Licciardo", written over a horizontal line.

Mark Licciardo
Director

30 September 2021

For personal use only

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF ROCKETBOOTS LIMITED (FORMERLY ENSOGO LIMITED)

As lead auditor, I declare that, to the best of my knowledge and belief, during the six months ended 30 June 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



ShineWing Australia
Chartered Accountants



R Blayney Morgan
Partner

Melbourne, 30 September 2021

Brisbane
Level 14
12 Creek Street
Brisbane QLD 4000
T + 61 7 3085 0888

Melbourne
Level 10
530 Collins Street
Melbourne VIC 3000
T + 61 3 8635 1800

Perth
Level 25
108 St Georges Terrace
Perth WA 6000
T + 61 8 6184 5980

Sydney
Level 8
167 Macquarie Street
Sydney NSW 2000
T + 61 2 8059 6800



Rocketboots Limited
(Formerly known as Ensogo Limited)
Contents
30 June 2021



Statement of profit or loss and other comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12
Directors' declaration	21
Independent auditor's report to the members of Rocketboots Limited	22

General information

The financial statements cover Rocketboots Limited (the 'Company') at the end of, or during, the period. The financial statements are presented in Australian dollars, which is Rocketboots Limited's functional and presentation currency.

Rocketboots Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

C/O Mertons Corporate Services
Level 7, 330 Collins Street
Melbourne VIC 3000

A description of the nature of the Company'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 16 September 2021. The directors have the power to amend and reissue the financial statements.

Rocketboots Limited
(Formerly known as Ensogo Limited)
Statement of profit or loss and other comprehensive income
For the period ended 30 June 2021



	Note	6 months ended 30 Jun 2021 \$	12 months ended 31 Dec 2020 \$
Expenses			
Administration expenses	4	(310,202)	(492,977)
Loss before income tax expense		(310,202)	(492,977)
Income tax expense	5	-	-
Loss after income tax expense for the period attributable to the owners of Rocketboots Limited	10	(310,202)	(492,977)
Other comprehensive income for the period, net of tax		-	-
Total comprehensive loss for the period attributable to the owners of Rocketboots Limited		<u>(310,202)</u>	<u>(492,977)</u>

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

Rocketboots Limited
(Formerly known as Ensogo Limited)
Statement of financial position
As at 30 June 2021



	Note	30 Jun 2021 \$	31 Dec 2020 \$
Assets			
Current assets			
Cash and cash equivalents	6	1,475,121	1,747,412
Other receivables	7	28,005	3,686
Total current assets		<u>1,503,126</u>	<u>1,751,098</u>
Total assets		<u>1,503,126</u>	<u>1,751,098</u>
Liabilities			
Current liabilities			
Other payables	8	91,928	29,698
Total current liabilities		<u>91,928</u>	<u>29,698</u>
Total liabilities		<u>91,928</u>	<u>29,698</u>
Net assets		<u>1,411,198</u>	<u>1,721,400</u>
Equity			
Issued capital	9	163,083,293	163,083,293
Accumulated losses	10	(161,672,095)	(161,361,893)
Total equity		<u>1,411,198</u>	<u>1,721,400</u>

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

Rocketboots Limited
(Formerly known as Ensogo Limited)
Statement of changes in equity
For the period ended 30 June 2021



	Issued capital \$	Accumulated losses \$	Total equity \$
Balance at 1 January 2020	163,083,293	(160,868,916)	2,214,377
Loss after income tax expense for the period	-	(492,977)	(492,977)
Other comprehensive income for the period, net of tax	-	-	-
Total comprehensive loss for the period	-	(492,977)	(492,977)
Balance at 31 December 2020	<u>163,083,293</u>	<u>(161,361,893)</u>	<u>1,721,400</u>
	Issued capital \$	Accumulated losses \$	Total equity \$
Balance at 1 January 2021	163,083,293	(161,361,893)	1,721,400
Loss after income tax expense for the period	-	(310,202)	(310,202)
Other comprehensive income for the period, net of tax	-	-	-
Total comprehensive loss for the period	-	(310,202)	(310,202)
Balance at 30 June 2021	<u>163,083,293</u>	<u>(161,672,095)</u>	<u>1,411,198</u>

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

Rocketboots Limited
(Formerly known as Ensogo Limited)
Statement of cash flows
For the period ended 30 June 2021



	Note	6 months ended 30 Jun 2021 \$	12 months ended 31 Dec 2020 \$
Cash flows from operating activities			
Payments to suppliers and employees		(272,291)	(576,000)
Net cash used in operating activities	19	(272,291)	(576,000)
Net cash from investing activities		-	-
Net cash from financing activities		-	-
Net decrease in cash and cash equivalents		(272,291)	(576,000)
Cash and cash equivalents at the beginning of the financial period		1,747,412	2,323,412
Cash and cash equivalents at the end of the financial period	6	<u>1,475,121</u>	<u>1,747,412</u>

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

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Going concern

For the six months ended 30 June 2021, the Company incurred a loss after income tax of \$310,202 (31 December 2020: \$492,977) and had net cash outflows from operations of \$272,291 (31 December 2020: \$576,000).

The directors believe the preparation of the financial statements on a going concern basis remains appropriate as the Company has net current assets of \$1,411,198 (31 December 2020: \$1,721,400) and cash and cash equivalents of \$1,475,121 (31 December 2020: \$1,747,412). The Board of Directors believe that the remaining assets of the Company are sufficient to cover all ongoing obligations of Rocketboots Limited.

On 17 May 2021, Ensogo Ltd (now known as Rocketboots Ltd) entered into a share purchase agreement to acquire 100% of the equity interest in Rocketboots Operations Pty Ltd (formerly Rocketboots Pty Ltd) for consideration of shares to be issued in the Company. The transaction, when completed, will result in the current shareholders of Ensogo Ltd owning 13.25% of the enlarged shares on issue, post IPO on the ASX, the expected market capitalisation is A\$15.85 million. The IPO will include a public capital raising of A\$4.25 million via issuance of 21.25 million new shares at A\$0.20 each.

On 8 September 2021, the shareholders of Ensogo Ltd (now known as Rocketboots Ltd) approved the resolutions relating to the proposals and the transaction is expected to be completed in Q4 2021. If the IPO is not successful, then the directors will need to assess the best course of action for the Company which could include returning funds to current shareholders.

These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern and to be able to pay its debts as and when they fall due, and therefore the Company may be unable to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 1. Significant accounting policies (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

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

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

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

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

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

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

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 - 60 days of recognition.

Fair value measurement

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

Note 1. Significant accounting policies (continued)

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

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2021. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below.

Conceptual Framework for Financial Reporting (Conceptual Framework)

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 July 2021 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the Company has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the Company may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the Company's financial statements.

Note 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. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

Note 3. Operating segments

The Company has a single operating segment being the Rocketboots segment. This segment information is provided to the Board of Directors on a quarterly basis.

Note 4. Administration expenses

	6 months ended 30 Jun 2021 \$	12 months ended 31 Dec 2020 \$
Salaries and wages	60,000	120,000
Costs associated with the potential acquisition	144,341	118,963
Other administration expenses	105,861	254,014
	<u>310,202</u>	<u>492,977</u>

Note 5. Income tax

	6 months ended 30 Jun 2021 \$	12 months ended 31 Dec 2020 \$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(310,202)	(492,977)
Tax at the statutory tax rate of 26% (2020: 27.5%)	(80,653)	(135,569)
Current year tax losses not recognised	80,653	135,569
Income tax expense	<u>-</u>	<u>-</u>

Tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed. Accordingly, there are no unused tax losses available to the Company.

Note 6. Current assets - cash and cash equivalents

	30 Jun 2021 \$	31 Dec 2020 \$
Cash at bank	<u>1,475,121</u>	<u>1,747,412</u>

Note 7. Current assets - other receivables

	30 Jun 2021 \$	31 Dec 2020 \$
Other receivables	6,915	-
GST receivable	21,090	3,686
	<u>28,005</u>	<u>3,686</u>

Note 8. Current liabilities - other payables

	30 Jun 2021	31 Dec 2020
	\$	\$
Accrued expenses	22,476	29,698
Accrued transaction costs *	44,452	-
Contract liabilities **	25,000	-
	<u>91,928</u>	<u>29,698</u>

Refer to note 12 for further information on financial instruments.

* This liability relates to the outstanding amount payable into the solicitor's trust account to cover transaction expenses in relation to the potential acquisition.

** This liability relates to the outstanding deposit amount payable into the solicitor's trust account to cover transaction expenses in relation to the potential acquisition.

Note 9. Equity - issued capital

	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>39,128,220</u>	<u>39,128,220</u>	<u>163,083,293</u>	<u>163,083,293</u>

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.

Capital risk management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Note 10. Equity - accumulated losses

	30 Jun 2021	31 Dec 2020
	\$	\$
Accumulated losses at the beginning of the financial period	(161,361,893)	(160,868,916)
Loss after income tax expense for the period	(310,202)	(492,977)
Accumulated losses at the end of the financial period	<u>(161,672,095)</u>	<u>(161,361,893)</u>

Note 11. Equity - dividends

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

Note 12. Financial instruments

Financial risk management objectives

The Company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk.

Risk management is carried out by senior finance executives under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Company and appropriate procedures, controls and risk limits.

Market risk

Foreign currency risk

The Company is exposed to foreign currency risk through foreign exchange rate fluctuations where transactions are denominated in foreign currency other than the entity's functional currency. As there are no material exposure to foreign currency risk within the financial assets and liabilities outside of Company's functional currency, no sensitivity analysis has been prepared.

Price risk

The Company is not exposed to any significant price risk.

Interest rate risk

As the Company does not have any long-term borrowings its exposure to interest rate risk is considered to be minimal. In addition, the interest rate on the Company's bank deposits does not have any significant impact to the Company's financial results.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Company obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Company does not hold any collateral.

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions.

Liquidity risk

Vigilant liquidity risk management requires the Company to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 12. Financial instruments (continued)

Remaining contractual maturities

The following tables detail the Company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

30 Jun 2021	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Other payables	-	91,928	-	-	-	91,928
Total non-derivatives		91,928	-	-	-	91,928

31 Dec 2020	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Other payables	-	29,698	-	-	-	29,698
Total non-derivatives		29,698	-	-	-	29,698

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 13. Fair value measurement

The carrying amounts of other receivables and other payables are assumed to approximate their fair values due to their short-term nature.

Note 14. Key management personnel disclosures

Directors

The following persons were directors of Rocketboots Limited during the financial period:

Mark Licciardo	Non-Executive Director and Company Secretary
David Nairn	Non-Executive Director
Pang Ming Wee	Executive Director

Compensation

The aggregate compensation made to directors of the Company is set out below:

	6 months ended 30 Jun 2021	12 months ended 31 Dec 2020
	\$	\$
Short-term employee benefits	60,000	120,000

Note 14. Key management personnel disclosures (continued)

Remuneration paid to entities related to certain key management personnel:

	6 months ended 30 Jun 2021 \$	12 months ended 31 Dec 2020 \$
Mertons Corporate Services Pty Ltd for company secretarial services	30,786	66,337

Note 15. Remuneration of auditors

During the financial period the following fees were paid or payable for services provided by ShineWing Australia, the auditor of the Company:

	6 months ended 30 Jun 2021 \$	12 months ended 31 Dec 2020 \$
<i>Audit services - ShineWing Australia</i> Audit or review of the financial statements	13,000	22,000

Note 16. Contingent liabilities

In 2016, the Company withdrew financial support to its former operating subsidiaries which have since been liquidated. The directors do not consider there to be any contingent liabilities as at 30 June 2021.

Note 17. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 14.

Transactions with related parties

The following transactions occurred with related parties:

	6 months ended 30 Jun 2021 \$	12 months ended 31 Dec 2020 \$
Payment for goods and services: Payment for company secretarial services to Mertons Corporate Services Pty Ltd, a company associated with Mark Licciardo	30,786	66,337

Receivable from and payable to related parties

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

	30 Jun 2021 \$	31 Dec 2020 \$
Current payables: Payables to Mertons Corporate Services Pty Ltd, a company associated with Mark Licciardo	5,359	5,359

Note 17. Related party transactions (continued)

Loans to/from related parties

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

Terms and conditions

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

Note 18. Events after the reporting period

On 17 May 2021, Ensogo Ltd (now known as Rocketboots Ltd) entered into a share purchase agreement to acquire 100% of the equity interest in Rocketboots Operations Pty Ltd (formerly Rocketboots Pty Ltd) for consideration of shares to be issued in the Company. The transaction, when completed, will result in the current shareholders of Ensogo Ltd owning 13.25% of the enlarged shares on issue, post IPO on ASX, the expected market capitalisation is A\$15.85 million. The IPO will include a public capital raising of A\$4.25 million via issuance of 21.25 million new shares at A\$0.20 each.

On 8 September 2021, the shareholders of Ensogo Ltd (now known as Rocketboots Ltd) approved the resolutions relating to the proposals and the transaction is expected to be completed in Q4 2021.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Note 19. Reconciliation of loss after income tax to net cash used in operating activities

	6 months ended 30 Jun 2021 \$	12 months ended 31 Dec 2020 \$
Loss after income tax expense for the period	(310,202)	(492,977)
Change in operating assets and liabilities:		
Decrease/(increase) in other receivables	(24,319)	9,297
Decrease in other payables	(7,222)	(92,320)
Increase in contract liabilities	25,000	-
Increase in other operating liabilities	44,452	-
Net cash used in operating activities	<u>(272,291)</u>	<u>(576,000)</u>

Rocketboots Limited
(Formerly known as Ensogo Limited)
Directors' declaration
30 June 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 comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the financial period 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



Mark Licciardo
Director

30 September 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ROCKETBOOTS LIMITED (FORMERLY ENSOGO LIMITED)

Opinion

We have audited the financial statements of Rocketboots Limited, formerly Ensogo Limited (the Company) which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the six months then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial statements of the Company are in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the six months then ended, and
- complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$310,202 and had operating cash outflows of \$272,291 for the six months ended 30 June 2021. As stated in Note 1, these conditions, along with other matters as stated in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's financial report for the six months ended 30 June 2021, but does not include the financial statements and our auditor's report thereon.

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

Brisbane
Level 14
12 Creek Street
Brisbane QLD 4000
T + 61 7 3085 0888

Melbourne
Level 10
530 Collins Street
Melbourne VIC 3000
T + 61 3 8635 1800

Perth
Level 25
108 St Georges Terrace
Perth WA 6000
T + 61 8 6184 5980

Sydney
Level 8
167 Macquarie Street
Sydney NSW 2000
T + 61 2 8059 6800



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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

ShineWing Australia

ShineWing Australia
Chartered Accountants

R Blayney Morgan

R Blayney Morgan
Partner

Melbourne, 30 September 2021

For personal use only