STORY-I LIMITED

and its controlled entities

ACN 163 916 989

Half Year Financial Report

For the half year ended 31 December 2018



Story your apple, our story



CONTENTS

Corporate Particulars	1
Directors' Report	2
Auditor's Independence Declaration	4
Financial Report	
Consolidated Statement of Profit or Loss and Other Comprehensive Income	5
Consolidated Statement of Financial Position	7
Consolidated Statement of Changes in Equity	8
Consolidated Statement of Cash Flows	9
Condensed Notes to the Financial Statements	10
Directors' Declaration	15
Independent Auditor's Review Report	16





CORPORATE PARTICULARS

Directors Mr Djohan Widodo *Chairman*

Mr Michael ChanExecutive DirectorMr Michael PixleyNon-Executive DirectorLee Han PengNon-Executive Director

Company Secretary Mr Brett Crowley

Registered Office Level 5

23 – 25 O'Connell Street

SYDNEY, NSW, AUSTRALIA, 2000

Corporate Office Level 5

23 – 25 O'Connell Street

SYDNEY, NSW, AUSTRALIA, 2000

Share Registry Boardroom Pty Ltd

Level 12, 225 George Street

SYDNEY, NSW, AUSTRALIA, 2000

Auditor Bentleys NSW Audit Pty Ltd

Level 14, 60 Margaret St.

SYDNEY, NSW, AUSTRALIA, 2000





DIRECTORS' REPORT

The Directors of Story-I Limited ("Story-I" or "the Company") present their financial report on the Company and its controlled entities PT Inetindo Infocom and Story-I Pte Ltd (the "Group") for the half year ended 31 December 2018.

Directors

The names of directors who held office during or since the end of the half year are:

- Djohan Widodo, Chairman
- Michael Chan, Executive Director
- Michael Pixley, Non-Executive Director
- Lee Han Peng, Non-Executive Director

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

Review of Operations

The profit attributable to members of Story-I Limited for the half year ended 31 December 2018 (report period) was \$792,143 (2017: \$926,488). No dividends were paid or declared payable during or since the half year.

During the report period, the Company successfully raised \$600,000 before capital raising costs via the following:

- Issue of 24,000,000 fully paid ordinary shares on 5 July 2018 at \$0.025 per share pursuant to a placement.

The Company's current operating position and other activities appear in announcements released to the Australian Securities Exchange and should be read in conjunction with this half yearly report.

Please refer to the Trading Performance section in the Appendix 4D for information regarding the operations of the Company.



DIRECTORS' REPORT (continued)

Events Subsequent to Reporting Date

There have been no other material items, transactions or events subsequent to 31 December 2018 which, although they do not relate to conditions existing at that date, have not been dealt with in this report and which would cause reliance on the information shown in this report to be misleading.

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration under Section 307C of the *Corporations Act 2001* is set out on page 4 and forms part of the Directors' Report for the half year ended 31 December 2018.

Signed in accordance with a resolution of the Directors.

Chatte.

Michael Chan Director Dated at Perth this 28th day of February 2019



Bentleys NSW Audit Pty Ltd

Level 14, 60 Margaret St Sydney NSW 2000 Australia ABN 49 141 611 896 T +61 2 9220 0700 F +61 2 9220 0777 bentleys.com.au

Story-I Limited ABN: 55 163 916 989

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Story-I Limited

As lead audit director for the review of the financial statements of Story-I Limited for the half year ended 31 December 2018 I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

Robert Evett Director Sydney

Date: 28 February 2019

BENTLEYS NSW AUDIT PTY LTD CHARTERED ACCOUNTANTS

Balley NSW Audit Pty Ltd



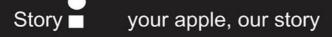






CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the half year ended 31 December 2018

	Consolidated Group 31 December 31 December 2018 2017 \$	
Revenue from sale of goods	20,044,310	13,205,804
Other income	537,601	107,493
Cost of sales	(16,200,608)	(9,885,932)
Gross Profit	4,381,303	3,427,365
Marketing expenses	(784,972)	(426,014)
Other expenses	(1,922,098)	(1,579,980)
Interest expense	(334,319)	(189,953)
Depreciation expense	(305,537)	(171,540)
Other operational income	48,696	314,735
Foreign exchange gain / (loss)	146,769	(17,369)
Profit before income tax	1,229,842	1,357,244
Income tax expense	(385,039)	(368,465)
Profit after income tax	844,803	988,779
Profit attributable to:	-	
Equity holders of the parent entity	792,143	926,488
Non-controlling interests	52,660	62,291
Profit for the period	844,803	988,779
Other comprehensive income	_	_
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations, net of tax	381,201	(208,471)
Total comprehensive income for the period	1,226,004	780,308
Total comprehensive income for the period attributable:		
Equity holders of the parent entity	1,154,285	729,527
Non-controlling interests	71,719	50,781
Total comprehensive income for the period	1,226,004	780,308





CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

For the half year ended 31 December 2018

Consolidated Group

	31 December 2018	31 December 2017
	\$	\$
Basic earnings per share (cents)	0.27	0.44
Diluted earnings per share (cents)	0.26	0.43
Weighted average number of shares used in		
calculating basic earnings per share	296,714,872	240,819,101
Weighted average number of shares used in		
calculating diluted earnings per share	303,964,881	248,069,110

The accompanying notes form an integral part of these financial statements





CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 31 December 2018

		Consolidated Group		
	Note	31 December 2018 \$	30 June 2018 \$	
ASSETS		Ψ	Ψ	
Current Assets				
Cash and cash equivalents		2,581,333	1,918,458	
Trade and other receivables	2	12,773,408	13,361,850	
Inventories		9,522,930	5,192,151	
Current tax receivable		369,959	208,766	
Other		586,398	514,138	
Total Current Assets		25,834,028	21,195,363	
Non-Current Assets				
Plant and equipment		6,432,821	1,677,084	
Intangibles		1,039,631	1,015,639	
Other		569,718	410,915	
Deferred tax assets		44,014	42,355	
Total Non-Current Assets		8,086,184	3,145,993	
TOTAL ASSETS		33,920,212	24,341,356	
LIABILITIES				
Current Liabilities				
Trade and other payables		14,900,546	6,696,433	
Proceeds received for shares		-	600,000	
Borrowings	3	1,716,931	1,706,077	
Total Current Liabilities	· ·	16,617,477	9,002,510	
Non-Original Linkship				
Non-Current Liabilities		4.070.700	4 0 44 4 0 0	
Trade and other payables		1,376,729	1,241,133	
Provisions Total Non-Current Liabilities		<u>176,058</u> 1,552,787	169,422	
Total Non-Current Liabilities		1,552,767	1,410,555	
TOTAL LIABILITIES		18,170,264	10,413,065	
NET ASSETS		15,749,948	13,928,291	
EQUITY				
Contributed equity	4	7,532,206	6,936,553	
Retained earnings	-T	7,616,469	6,824,326	
Foreign currency translation reserve		29,129	(333,013)	
Parent interests		15,177,804	13,427,866	
Non-controlling interests		572,144	500,425	
_				
TOTAL EQUITY		15,749,948	13,928,291	

The accompanying notes form an integral part of these financial statements.

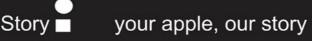




CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the half year ended 31 December 2018

	Contributed Equity	Retained Earnings	Foreign Currency Translation Reserve	Total	Non- Controlling Interests	Total Equity
0047	\$	\$	\$	\$	\$	\$
2017						
Balance at 1 July 2017	2.744.025	E 007 400	(452.204)	0.000.000	202.700	0.000.000
Total profit for the period after tax	3,714,825	5,067,182	(153,384)	8,628,623	393,766	9,022,389
Other comprehensive income	-	926,488	-	926,488	62,291	988,779
Exchange differences on translation of foreign operation	-		(196,961)	(196,961)	(11,510)	(208,471)
Total comprehensive income for the period		926,488	(196,961)	729,527	50,781	780,308
Issue of shares (less share issue costs)	2,878,603	-	-	2,878,603	-	2,878,603
Balance at 31 December 2017	6,593,428	5,993,670	(350,345)	12,236,753	444,547	12,681,300
2018			(000,010)	,,	,	,00.,000
Balance at 1 July 2018	6,936,553	6,824,326	(333,013)	13,427,866	500,425	13,928,291
Total profit for the period after tax	-	792,143	-	792,143	52,660	844,803
Other comprehensive income						
Exchange differences on translation of foreign operation		-	362,142	362,142	19,059	381,201
Total comprehensive income for the period		792,143	362,142	1,154,285	71,719	1,226,004
Issue of shares (less share issue costs)	595,653	-	-	595,653	-	595,653
Balance at 31 December 2018	7,532,206	7,616,469	29,129	15,177,804	572,144	15,749,948

The accompanying notes form an integral part of these financial statements.





CONSOLIDATED STATEMENT OF CASH FLOWS For the half year ended 31 December 2018

	Consolida 31 December 2018 \$	ted Group 31 December 2017 \$
Cash flows from operating activities		
Receipts from customers Payments to suppliers and employees Other receipts Interest paid Net cash provided by / (used) in operating	21,021,961 (15,808,284) 586,297 (334,319)	11,981,069 (11,193,499) 422,228 (189,953)
activities	5,465,655	1,019,845
Cash flows from investing activities		
Payments for plant and equipment and intangibles (Payments for) / recovery of security deposits	(4,906,028) (61,536)	(1,414,580)
Net cash provided by / (used) in investing activities	(4,967,564)	(1,414,580)
Cash flows from financing activities		
Proceeds from issue of shares (net of share issue costs) Repayment of other loan Proceeds from / (repayments of) bank loans Net cash provided by financing activities	(4,347) (30,400) 199,531 164,784	2,878,603 (500,000) (230,465) 2,148,138
Net increase / (decrease) in cash held Cash and cash equivalents at the beginning of the financial period	662,875 1,918,458	1,753,403 657,617
Cash and cash equivalents at the end of the financial period	2,581,333	2,411,020

The accompanying notes form an integral part of these financial statements.



1. Basis of Preparation

These general purpose interim financial statements for the half year reporting period ended 31 December 2018 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Story-I Limited and its controlled entities (referred to as the "consolidated group" or "group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2018, together with any public announcements made during the following half year ended 31 December 2018.

a) New and Revised Accounting Requirements Applicable to the Current Half year Reporting Period

The Group 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.

The following accounting standards and interpretations are most relevant to the Group.

AASB 15 Revenue from Contracts with Customers

AASB 15 replaces AASB 118 Revenue, AASB 111 Construction Contracts and several revenue-related Interpretations. The new Standard has been applied as at 1 January 2018.

The adoption of this standard has had no impact on the current or previous reporting period and as such there have been no adjustments to the opening balance of retained earnings.

Sale of Goods

The customer obtains control over the product upon delivery and revenue is therefore recognised at the point in time the product delivered or handed over to the customer. Revenue is measured based on the consideration expected to be received, net of trade rebates and discounts paid.

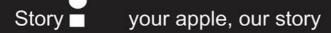
AASB 9 Financial Instruments

AASB 9 Financial Instruments replaces AASB 139's 'Financial Instruments: Recognition and Measurement' requirements. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.

The adoption of this standard has had no impact on the current or previous reporting period.

(i) Changes in accounting policy and disclosures

Other than those identified above, there have been no other standards coming into effect for the first time during the half-year ended 31 December 2018.





1. Basis of Preparation (continued)

b) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Story-I Limited) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 10.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss and other comprehensive income.



(c) Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

For the half year ended 31 December 2018, the Group earned a profit of \$792,143 and had net cash inflows of \$662,875.

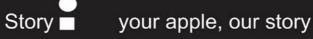
The Directors believe that it is reasonably foreseeable that the Company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

2. Trade and Other Receivables Other

2. I lade and Other Receivables Other		
	31 December	30 June
	2018	2018
	\$	\$
Trade debtors	3,384,779	3,111,239
Prepayments	912,112	607,949
Other receivables	6,330,094	2,011,106
Advance payment	2,146,423	7,631,556
	12,773,408	13,361,850
3. Borrowings		
-	31 December	30 June
	2018	2018
	\$	\$
Bank loan (i)	1,548,849	1,507,595
Other loan		30,400
Convertible notes and interest	168,082	168,082
	1,716,931	1,706,077
		168,082

⁽i) The consolidated group is a party to a bank loan held through the Indonesian subsidiary PT Inetindo Infocom. The bank loan is drawn down in both United States dollars and Indonesian Rupiah ("IDR"). The bank loan is secured by a CTBC Time deposit amounting to IDR 4,800,000,000 in the name of the subsidiary company, PT Inetindo Infocom. This loan facility period expired on 16 February 2019 and was not renewed.

A new facility agreement with Bank BTPN was entered into on 18 February 2019, amounting to IDR 5,000,000,000 for general working capital and IDR 25,000,000,000 financing facility. The term of the facility is 1 year.





4. Contributed equity

. ,	31 December 2018 \$	30 June 2018 \$
Ordinary shares Issued and fully paid	7,532,206	6,936,553
Movement in fully paid ordinary shares:	No. of Shares	\$
At 1 July 2018 Issued at \$0.025 per share 5 July 2018 Less: costs associated with issue of shares	273,367,046 24,000,000	6,936,553 600,000 (4,347)
At 31 December 2018	297,367,046	7,532,206

5. Segment Information

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

The Company operates in the segments of corporate activity within Australia and Singapore, and operational activity in Indonesia. In the current financial period, the Company operated in the same segment.

The Company is domiciled in Australia. All revenue from external parties is generated from Indonesia only. Segment revenues are allocated based on the country in which the party is located.

All the assets are located in Australia, Singapore and Indonesia. Segment assets are allocated to countries based on where the assets are located.

Reportable segments:	Australia \$	Singapore \$	Indonesia \$	Consolidated \$
Segment revenue				
2018	-	-	20,581,911	20,581,911
2017	-	-	13,313,297	13,313,297
Segment result				
2018	(208,407)	-	1,053,210	844,803
2017	(256,811)	(236)	1,245,826	988,779
Segment assets				
31 December 2018	6,144	3,032	33,914,036	33,920,212
30 June 2018	604,895	2,899	23,743,562	24,351,356
Segment liabilities				
31 December 2018	(221,258)	(62,267)	(17,886,739)	(18,170,264)
30 June 2018	(917,526)	(59,536)	(9,436,003)	(10,413,065)
Depreciation and amortisation exp	ense			
2018	-	-	(305,537)	(305,537)
2017	-	-	(171,540)	(171,540)



6. Events Subsequent to Reporting Date

There have been no other material items, transactions or events subsequent to 31 December 2018 which, although they do not relate to conditions existing at that date, have not been dealt with in this report and which would cause reliance on the information shown in this report to be misleading.

7. Contingent Liabilities

There are no contingent liabilities at the reporting date.

8. Dividends

No dividends were paid or declared payable during or since the half year.

9. Expenditure Commitments

The Group has certain operating commitments pertaining to non-cancellable operating leases and other non-cancellable agreements contracted for but not recognised in the financial statements:

	Consolidated 31 December 2018 \$	Consolidated 30 June 2018 \$
Not later than one year	1,529,384	1,365,741
Between one and five years	7,244,357	5,462,963
•	8,773,741	6,828,704

10. Controlled Entities

	Country of Incorporation	Percentage Co	ntrolled (%)	
		31 December 2018	30 June 2018	
Subsidiaries of Story-I Limited:				
Story-I Pte Ltd	Singapore	100	100	
PT Inetindo Infocom	Indonesia	95	95	





DIRECTORS' DECLARATION

The Directors of the Company declare that:

- 1. The financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (a) complying with Accounting Standard AASB 134 Interim Financial Reporting; and
 - (b) giving a true and fair view of the Group's financial position as at 31 December 2018 and of its performance for the half year ended on that date.
- 2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Michael Chan Director

Dated at Perth this 28th day of February 2018



Bentleys NSW Audit Pty Ltd

Level 14, 60 Margaret St Sydney NSW 2000 Australia ABN 49 141 611 896 T +61 2 9220 0700 F +61 2 9220 0777 bentlevs.com.au

Story-I Limited ABN: 55 163 916 989

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF STORY-I LIMITED AND ITS CONTROLLED ENTITIES

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Story-I Limited ("the Company") and its Controlled Entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2018, 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, selected explanatory notes and the director's declaration for the Group, comprising both the company and the entities it controlled during that half year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Group's financial position as at 31 December 2018 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. As the auditor of the Consolidated Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the financial report.

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







Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if provided to the directors as at the time of this auditor's review report.

Conclusion

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 Story-I Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134: *Interim Financial Reporting and the Corporations Regulations 2001.*

ROBERT EVETT Director Sydney

Date: 28 February 2019

BENTLEYS NSW AUDIT PTY LTD
CHARTERED ACCOUNTANTS

Balley NSW Audit Pty Ltd