

Story-i Limited

ABN 56 163 916 989

and its controlled entities

APPENDIX 4D

Interim Financial Report

31 December 2019



your apple, our story



Authorised
Reseller

Corporate directory**Current Directors**

Djohan Widodo	<i>Chairman</i>
Michael Chan	<i>Executive Director</i>
Michael Pixley	<i>Non-executive Director</i>
Han Peng Lee	<i>Non-executive Director</i>

Company Secretary

Stuart Usher

Registered and Corporate Office

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Auditors

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Level 14, 60 Margaret Street
SYDNEY, NSW, AUSTRALIA, 2000

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Share Registry

Advanced Share Registry Limited

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ASX Code SRY

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STORY-I LIMITED

AND CONTROLLED ENTITIES

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Results for Announcement to the Market

for the half-year ended 31 December 2019

1 REPORTING PERIOD (item 1)				
■ Report for the period ended:		31 December 2019		
■ Previous corresponding period is half-year ended:		31 December 2018		

2 RESULTS FOR ANNOUNCEMENT TO THE MARKET		Movement	Percentage	Amount
			%	\$
■ Revenues from ordinary activities (item 2.1)		Increase	23.47 to	24,748,199
■ Profit from ordinary activities after tax attributable to members (item 2.2)		Increase in Profit	25.01 to	990,243
■ Profit from after tax attributable to members (item 2.3)		Increase in Profit	25.01 to	990,243
a. Dividends (items 2.4 and 5)				
			Amount per Security	Franked amount per security
			¢	%
■ Interim dividend			nil	n/a
■ Final dividend			nil	n/a
■ Record date for determining entitlements to the dividend (item 2.5)		n/a		
b. Brief explanation of any of the figures reported above necessary to enable the figures to be understood (item 2.6):				
1. Revenue represents interest earned and service revenue.				

3 DIVIDENDS (item 6) AND RETURNS TO SHAREHOLDERS INCLUDING DISTRIBUTIONS AND BUY BACKS	
Nil.	
a. Details of dividend or distribution reinvestment plans in operation are described below (item 6):	
Not applicable	

4 RATIOS		Current period	Previous corresponding period
		\$	\$
a. Financial Information relating to 4b:			
Earnings for the period attributable to owners of the parent		990,243	792,143
Net assets		19,083,862	16,359,287
Less: Intangible assets		(1,071,918)	(1,058,962)
Net tangible assets		18,011,944	15,300,325
		No.	No.
Fully paid ordinary shares		369,916,789	297,367,046
		¢	¢
b. Net tangible (liability)/assets backing per share (cents) (item 3):		4.869	5.145

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Results for Announcement to the Market

for the half-year ended 31 December 2019

5 DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD: (item 4)

a. Control gained over entities

■ Name of entities (item 4.1)

■ Date(s) of gain of control (item 4.2)

b. Loss of control of entities

■ Name of entities (item 4.1)

Nil

■ Date(s) of loss of control (item 4.2)

n/a

c. Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was gained / lost (item 4.3).

n/a

d. Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (item 4.3)

n/a

6 DETAILS OF ASSOCIATES AND JOINT VENTURES: (item 7)

■ Name of entities (item 7)

Nil

■ Percentage holding in each of these entities (item 7)

N/A

■ Aggregate share of profits (losses) of these entities (item 7)

Current period	Previous corresponding period
N/A	N/A

7 The financial information provided in the Appendix 4D is based on the interim final report (attached), which has been prepared in accordance with Australian Accounting Standards.**8** The report is based on accounts which are have been reviewed by the Company's independent auditor (item 9):

Not applicable

Directors' report

Your directors present their report on the consolidated entity, consisting of Story-i Limited (**Story-i** or **the Company**) and its controlled entities, PT Inetindo Infocom and Story-I Pte Ltd, (collectively **the Group**), for the half-year ended 31 December 2019.

1. Directors

The names of Directors in office at any time during or since the end of the half-year are:

■ Djohan Widodo	<i>Chairman</i>
■ Michael Chan	<i>Executive Director</i>
■ Michael Pixley	<i>Non-Executive Director</i>
■ Han Peng Lee	<i>Non-Executive Director</i>

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

2. Operating and financial review

2.1. Operations review

The launch of new Apple products including the new range of iPhone 11s, MacBook Pro and the related accessories lifted the 1HFY20 revenue to \$24,748,199 an increase of 23.4% over the prior corresponding period.

The new market segments that were started last year the campus stores and the service centres have also contributed to the increase in revenue. The campus stores are located in major schools in Jakarta which makes it more convenient for students to access our stores. The services centres provide service and maintenance for Apple devices not only to our customers but to all Apple product users across Indonesia.

The EBITDA of \$2.9 million and NPBT of \$1.62 million (31 December 2018: EBITDA \$1.87 m and NPBT \$1.2 m) were higher than the prior period. The Company has been able to improve margins by increasing the contribution from accessories, service and maintenance.

2.2. Financial Review

a. Operating results

For the half-year ended 31 December 2019 the Group had revenues of \$24,748,199 which was an increase of 23.4% over the prior period (31 December 2018: \$20,044,310) and delivered a profit before tax of \$1,626,465 (31 December 2018: \$1,229,842 profit), and profit after tax of \$1,050,989 (31 December 2018: \$844,803) an increase of 24.4% over the prior period.

b. Financial position

The net assets of the Group have increased from 30 June 2019 by \$2,724,575 to \$19,083,862 at 31 December 2019 (30 June 2019: \$16,359,287).

As at 31 December 2019, the Group's cash and cash equivalents decreased from 30 June 2019 by \$751,099 to \$4,348,617 (30 June 2019: \$5,099,716) and had working capital of \$8,808,078 (30 June 2019: \$8,753,780 working capital).

On 27 December 2019, the Company completed an allotment of 6,981,816 Ordinary Fully Paid Shares in lieu of unpaid director fees, representing \$192,000 in fees for unpaid director fees, 62,083,309 Ordinary Fully Paid Shares on the conversion of \$1,707,291 of debt being the outstanding principal of loans to the Company, and 3,484,618 Ordinary Fully Paid Shares for consultancy services provided representing \$95,827 in unpaid fees. All allotments were in accordance with shareholder approval received at the Company's AGM held on 29 November 2019.

2.3. Events Subsequent to Reporting Date

There are no other significant after balance date events that are not covered in this Directors' Report or within the financial statements at Note 19 Events subsequent to reporting date.

2.4. Future Developments, Prospects and Business Strategies

Likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations have not been included in this report as the Directors believe that the inclusion of such information would be likely to result in unreasonable prejudice to the Group.

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Directors' report

3. Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the half-year ended 31 December 2019 has been received and can be found on page 5 of the interim financial report.

Signed in accordance with a resolution of directors made pursuant to s306(3) of the *Corporations Act 2001* (Cth).



MICHAEL PIXLEY

Non-executive Director

Dated this Friday, 6 March 2020

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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 2019 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.



Kevin Cranfield
Director
Sydney

BENTLEYS NSW AUDIT PTY LTD
Chartered Accountants

Date: 6 March 2020

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Condensed consolidated statement of profit or loss and other comprehensive income

for the half-year ended 31 December 2019

	Note	31 December 2019 \$	31 December 2018 \$
<i>Continuing operations</i>			
Revenue	4	24,748,199	20,044,310
Costs of sales		(19,999,821)	(16,200,608)
Gross Profit		4,748,378	3,843,702
Other income	4	1,049,025	733,066
Marketing expenses		(431,100)	(784,972)
Interest expense		(585,568)	(334,319)
Depreciation expense		(747,146)	(305,537)
General and administrative		(2,273,081)	(1,771,933)
Other expenses	5a	(134,043)	(150,165)
Profit before tax		1,626,465	1,229,842
Income tax expense	6a	(575,476)	(385,039)
Net profit for the half-year		1,050,989	844,803
<i>Other comprehensive income, net of income tax</i>			
■ Items that may be reclassified subsequently to profit or loss			
□ Foreign currency movement		(268,099)	381,201
Other comprehensive income for the half-year, net of tax		(268,099)	381,201
Total comprehensive income for the half-year, net of tax		782,890	1,226,004
<i>Profit for the period attributable to:</i>			
■ Non-controlling interest		60,746	52,660
■ Owners of the parent		990,243	792,143
		1,050,989	844,803
<i>Total comprehensive income attributable to:</i>			
■ Non-controlling interest		47,342	71,719
■ Owners of the parent		735,548	1,154,285
		782,890	1,226,004
<i>Earnings per share:</i>			
Basic earnings per share (cents per share)	7	0.33	0.27
Diluted earnings per share (cents per share)	7	0.33	0.26

The condensed consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Condensed consolidated statement of financial position

as at 31 December 2019

	Note	31 December 2019 \$	30 June 2019 \$
<i>Current assets</i>			
Cash and cash equivalents	8	4,348,617	5,099,716
Trade and other receivables	9	6,805,543	7,810,406
Inventories	10	12,745,831	11,912,034
Other assets	11a	3,955,188	2,622,927
Total current assets		27,855,179	27,445,083
<i>Non-current assets</i>			
Plant and equipment	12	7,939,227	7,606,451
Intangible assets	13	1,071,918	1,058,962
Right of use assets	14	1,338,111	-
Other assets	11b	668,667	525,705
Deferred tax asset	6b	43,089	42,254
Total non-current assets		11,061,012	9,233,372
Total assets		38,916,191	36,678,455
<i>Current liabilities</i>			
Trade and other payables	15a	15,429,683	15,499,299
Borrowings	16a	2,828,662	3,192,004
Leases liabilities		788,756	-
Total current liabilities		19,047,101	18,691,303
<i>Non-current liabilities</i>			
Trade and other payables	15b	-	1,458,848
Provisions	17	172,356	169,017
Leases liabilities		612,872	-
Total non-current liabilities		785,228	1,627,865
Total liabilities		19,832,329	20,319,168
Net assets		19,083,862	16,359,287
<i>Equity</i>			
Contributed equity	18a	9,527,324	7,532,206
Reserves		97,706	352,401
Retained earnings		8,822,062	7,882,580
Non-controlling interest		636,770	592,100
Total equity		19,083,862	16,359,287

The condensed consolidated statement of financial position is to be read in conjunction with the accompanying notes.

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Condensed consolidated statement of changes in equity

for the half-year ended 31 December 2019

	Note	Contributed equity \$	Retained earnings \$	Foreign Currency Translation Reserve \$	Sub-total \$	Non-controlling Interest (NCI) \$	Total equity \$
<i>Balance at 1 July 2018</i>		6,936,553	6,824,326	(333,013)	13,427,866	500,425	13,928,291
Profit for the half-year attributable owners of the parent		-	792,143	-	792,143	52,660	844,803
Other comprehensive income for the half-year attributable owners of the parent		-	-	362,142	362,142	19,059	381,201
Total comprehensive income for the half-year attributable owners of the parent		-	792,143	362,142	1,154,285	71,719	1,226,004
<i>Transaction with owners, directly in equity</i>							
Shares issued during the half-year (net of 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
<i>Balance at 1 July 2019</i>		7,532,206	7,882,580	352,401	15,767,187	592,100	16,359,287
Change in accounting policy	2	-	(50,761)	-	(50,761)	(2,672)	(53,433)
Restated total equity at the beginning of the financial year		7,532,206	7,831,819	352,401	15,716,426	589,428	16,305,854
Profit for the half-year attributable owners of the parent		-	990,243	-	990,243	60,746	1,050,989
Other comprehensive income for the half-year attributable owners of the parent		-	-	(254,695)	(254,695)	(13,404)	(268,099)
Total comprehensive income for the half-year attributable owners of the parent		-	990,243	(254,695)	735,548	47,342	782,890
<i>Transaction with owners, directly in equity</i>							
Shares issued during the half-year (net of costs)	18a	1,995,118	-	-	1,995,118	-	1,995,118
Balance at 31 December 2019		9,527,324	8,822,062	97,706	18,447,092	636,770	19,083,862

The condensed consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Condensed consolidated statement of cash flows
for the half-year ended 31 December 2019

Note	31 December 2019 \$	31 December 2018 \$
<i>Cash flows from operating activities</i>		
Receipts from customers	27,178,228	21,021,961
Payments to suppliers and employees	(25,410,137)	(15,808,284)
Income tax paid	(586,071)	-
Interest paid	(585,568)	(334,319)
Other receipts	-	586,297
Net cash provided by operating activities	596,452	5,465,655
<i>Cash flows from investing activities</i>		
Payments for plant and equipment and intangibles	(929,693)	(4,906,028)
Payment for security deposits	(95,147)	(61,536)
Net cash used in investing activities	(1,024,840)	(4,967,564)
<i>Cash flows from financing activities</i>		
Proceeds from issue of shares (net of share issue costs)	-	(4,347)
Proceeds from bank loans	-	199,531
Repayment of other borrowings	(423,442)	(30,400)
Net cash (used in)/provided by financing activities	(423,442)	164,784
Net (decrease)/increase in cash held	(851,830)	662,875
Cash and cash equivalents at the beginning of the half-year	5,099,716	1,918,458
Change in foreign currency held	100,731	-
Cash and cash equivalents at the end of the half-year	4,348,617	2,581,333

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The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the condensed consolidated financial statements

for the half-year ended 31 December 2019

Note 1 Statement of significant accounting policies

These are the condensed consolidated financial statements and notes of Story-i Limited (**Story-i** or **the Company**) and controlled entities (collectively **the Group**). Story-i is a company limited by shares, domiciled and incorporated in Australia.

The financial statements were authorised for issue on 6 March 2020 by the directors of the Company.

a. Basis of preparation

This interim financial report is intended to provide users with an update on the latest annual financial statements of Story-i Limited and controlled entities. 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 combination with the annual financial statements of the Group for the year ended 30 June 2019, together with any public announcements made during the half-year.

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

i. Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

ii. Use of estimates and judgments

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The judgements, estimates and assumptions applied in the condensed financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2019.

b. Accounting Standards that are mandatorily effective for the current reporting period

The Group has consistently applied the following accounting policies to all periods presented in the financial statements. The Directors have reviewed and the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2019.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

AASB 16: Leases

AASB 16 removes the classification of leases as either operating leases or finance leases for the lessee effectively treating all leases as finance leases. Short term leases (less than 12 months) and leases of a low value are exempt from the lease accounting requirements. Lessor accounting remains similar to current practice. The adoption of this standard has no material financial impact on the financial statements of the Group.

c. Changes in accounting policies, accounting standards and interpretations

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2019. All applicable new standards and interpretations issued since 1 July 2019 have been adopted.

Notes to the condensed consolidated financial statements**FOR THE HALF-YEAR ENDED 31 DECEMBER 2019****Note 2 Effects of Changes in Accounting Policy**

This note explains the impact of the adoption of AASB 16 *Leases* on the Group's financial statements and discloses the new accounting policies that have been applied from 1 July 2019 in note 2 a following. The Group has adopted AASB 16 retrospectively from 1 July 2019, but has not restated comparatives for the 30 June 2019 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 July 2019.

a. Adjustments recognised on adoption of AASB 16

On adoption of AASB 16, the Group recognised lease liabilities in relation to leases which had previously been classified as *operating leases* under AASB117 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 July 2019 was 4%.

	31 December 2019 \$
<i>Operating lease commitments disclosed as at 30 June 2019</i>	5,214,575
Discounted using the lessee's incremental borrowing rate of at the date of initial application	1,784,709
Lease liability recognised as at 1 July 2019	1,784,709
Of which are:	
• Current lease liabilities	777,460
• Non-current lease liabilities	1,007,249
	1,784,709

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied. Other right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 30 June 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

The recognised right-of-use assets relate to the following types of assets:

	31 December 2019 \$	1 July 2019 \$
Properties	1,338,111	1,731,277
Total right-of-use assets	1,338,111	1,731,277

The change in accounting policy affected the following items in the balance sheet on 1 July 2019:

- right-of-use assets – increase by \$1,731,277
- lease liabilities – increase by \$1,784,709

The net impact on retained earnings on 1 July 2019 was a decrease of \$53,433.

Notes to the condensed consolidated financial statements

for the half-year ended 31 December 2019

Note 2 Effects of Changes in Accounting Policy (continued)**b. Practical expedients applied**

In applying AASB 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 July 2019 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease

The group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the group relied on its assessment made applying AASB 117 and Interpretation 4 *Determining whether an Arrangement contains a Lease*.

c. The group's leasing activities and how these are accounted for

The group leases various offices. Rental contracts are typically made for fixed periods of 3 to 5 years but may have extension options as described in (d) below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Until the 2019 financial year, leases of property were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 July 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis

d. Key estimates – Extension and termination options

An extension options is included in a property lease of Group. These terms are used to maximise operational flexibility in terms of managing contracts. The extension option held is exercisable only by the Group and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

Note 3 Company details

The registered office of the Company is:

Street + Postal: Suite 1, GF, 437 Roberts Road
SUBIACO WA 6008

Telephone: +61 (0)8 6380 2555

Facsimile: +61 (0)8 9381 1122

Notes to the condensed consolidated financial statements for the half-year ended 31 December 2019

Note 4 Revenue and other income

a. Revenue

Revenue from sale of goods

b. Other Income

Interest income

Other income

Foreign exchange gain / (loss)

31 December 2019 \$	31 December 2018 \$
24,748,199	20,044,310
24,748,199	20,044,310
33,622	48,696
1,015,403	537,601
-	146,769
1,049,025	733,066

Note 5 Profit / (loss) before income tax

The following significant revenue and expense items are relevant in explaining the financial performance:

a. Other Expenses:

■ Accounting and audit fees

■ Professional fees

■ Director fees

31 December 2019 \$	31 December 2018 \$
47,850	18,515
16,818	93,650
69,375	38,000
134,043	150,165

Note 6 Income tax

a. Income tax expense

Current tax

Deferred tax

31 December 2019 \$	31 December 2018 \$
575,476	385,039
-	-
575,476	385,039

b. Deferred tax assets

Tax losses

Net deferred tax assets

31 December 2019 \$	30 June 2019 \$
43,089	42,254
43,089	42,254

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STORY-I LIMITED

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Notes to the condensed consolidated financial statements
for the half-year ended 31 December 2019

Note 7 Earnings per share (EPS)**a. Reconciliation of earnings to profit or loss**

Profit for the half-year

Less: Profit attributable to non-controlling equity interest

Profit used in the calculation of basic and diluted EPS

Note

31 December 2019 \$	31 December 2018 \$
---------------------------	---------------------------

1,050,989	844,803
60,746	52,660
990,243	792,143

b. Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS

Weighted average number of dilutive equity instruments outstanding

c. Weighted average number of ordinary shares outstanding during the year used in calculation of diluted EPS

31 December 2019 No.	31 December 2018 No.
----------------------------	----------------------------

300,142,173	296,714,872
2,142,857	7,250,009

302,285,030	303,964,881
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d. Earnings per share

Basic EPS (cents per share)

Diluted EPS (cents per share)

31 December 2019 ¢	31 December 2018 ¢
--------------------------	--------------------------

0.33	0.27
0.33	0.26

Note 8 Cash and cash equivalents**a. Current**

Cash at bank

31 December 2019 \$	30 June 2019 \$
---------------------------	-----------------------

4,348,617	5,099,716
-----------	-----------

4,348,617	5,099,716
-----------	-----------

Note 9 Trade and other receivables**a. Current**

Trade debtors

Other receivables

31 December 2019 \$	30 June 2019 \$
---------------------------	-----------------------

972,409	2,478,448
---------	-----------

5,833,134	5,331,958
-----------	-----------

6,805,543	7,810,406
-----------	-----------

Note 10 Inventories**Current**

Finished goods - at cost

31 December 2019 \$	30 June 2019 \$
---------------------------	-----------------------

12,745,831	11,912,034
------------	------------

12,745,831	11,912,034
------------	------------

Notes to the condensed consolidated financial statements

for the half-year ended 31 December 2019

Note 11 Other assets

a. Current

Prepayments

Advance payment

Restricted deposits

31 December 2019 \$	30 June 2019 \$
1,907,107	1,133,523
2,048,081	1,432,332
-	57,072
3,955,188	2,622,927
114,831	-
553,836	525,705
668,667	525,705

b. Non-current

Restricted deposits

Rental deposits

Note 12 Property, plant, and equipment

a. Non-current

Plant and equipment at cost

Less: Accumulated Depreciation

Total plant and equipment

31 December 2019 \$	30 June 2019 \$
10,437,840	9,588,244
(2,498,613)	(1,981,793)
7,939,227	7,606,451

Note 13 Intangible asset

a. Non-current

Goodwill at cost

Total Intangible Assets

31 December 2019 \$	30 June 2019 \$
1,071,918	1,058,962
1,071,918	1,058,962

Note 14 Right of use assets

a. Non-current

Properties

31 December 2019 \$	30 June 2019 \$
1,338,111	-
1,338,111	-

APPENDIX 4D

Interim Financial Report
31 December 2019

STORY-I LIMITED

AND CONTROLLED ENTITIES

ABN 56 163 916 989

Notes to the condensed consolidated financial statements

for the half-year ended 31 December 2019

Note 15 Trade and other payables**a. Current***Unsecured*

Trade creditors

Taxes payable

Related party payables

Other payables

b. Non-current

Amount payable to former shareholders

31 December 2019 \$	30 June 2019 \$
6,241,450	6,185,370
530,953	536,295
260,450	69,519
8,396,830	8,708,115
15,429,683	15,499,299
-	1,458,848

Note 16 Borrowings**a. Current**

Bank loan (i)

Convertible notes and interest

31 December 2019 \$	30 June 2019 \$
2,675,287	3,023,922
153,375	168,082
2,828,662	3,192,004

(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").

Note 17 Provisions**Note****a. Non-current**

Employee entitlements

31 December 2019 \$	30 June 2019 \$
172,356	169,017
172,356	169,017

Note 18 Issued capital

Fully paid ordinary shares at no par value

a. Ordinary shares

At the beginning of the period

Shares issued during the year:

■ Issue of shares

Transaction costs relating to share issues

At reporting date

31 December 2019 No.	30 June 2019 No.	31 December 2019 \$	30 June 2019 \$
369,916,789	297,367,046	9,527,324	7,532,206
6 months to 31 December 2019 No.	12 months to 30 June 2019 No.	6 months to 31 December 2019 \$	12 months to 30 June 2019 \$
297,367,046	273,367,046	7,532,206	6,936,553
72,549,743	24,000,000	1,995,118	595,653
-	-	-	-
369,916,789	297,367,046	9,527,324	7,532,206

Notes to the condensed consolidated financial statements

for the half-year ended 31 December 2019

Note 19 Events subsequent to reporting date

On 16 February 2020, Convertible Notes totalling \$150,000 became due and payable. \$25,000 was paid with the remaining notes extended, \$75,000 extended to 16 August 2020 and \$50,000 extended to 16 May 2020. All other terms and conditions of the convertible notes remain the same.

Other than noted above, there has been no additional matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future reporting periods.

Note 20 Contingent liabilities

No other contingent liabilities other than what was disclosed as at 30 June 2019.

Note 21 Interest in subsidiaries**a. Information about principal subsidiaries**

The subsidiaries listed below have share capital consisting solely of ordinary shares which are held directly by the Group and the proportion of ownership interest held equals the voting rights held by the Group. Investments in subsidiaries are accounted for at cost. Each subsidiaries country of incorporation is also its principal place of business:

	Country of Incorporation	Class of Shares	Percentage Owned	
			2019	2018
■ Story-I Pte Ltd	Singapore	Ordinary	100.0	100.0
■ PT Inetindo Infocom	Indonesia	Ordinary	95.0	95.0

Note 22 Operating segments**a. Identification of reportable segments**

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.

b. Revenue by geographical region

Revenue attributable to external customers is disclosed below, based on the location of the external customer:

- Australia
- Singapore
- Indonesia

Total revenue

31 December 2019	31 December 2018
\$	\$
-	-
-	-
24,748,199	20,581,911
24,748,199	20,581,911

c. Assets by geographical location

Location of segment assets by geographical location of the assets is disclosed below:

- Australia
- Singapore
- Indonesia

Total assets

31 December 2019	30 June 2019
\$	\$
439,010	409,344
3,096	3,078
38,474,085	36,266,033
38,916,191	36,678,455

APPENDIX 4D

Interim Financial Report
31 December 2019

STORY-I LIMITED

AND CONTROLLED ENTITIES

ABN 56 163 916 989

Directors' declaration

The Directors of the Company declare that:

1. The condensed financial statements and notes, are in accordance with the *Corporations Act 2001* (Cth) and:
 - (a) comply with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - (b) give a true and fair view of the Group's financial position as at 31 December 2019 and of the 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 pursuant to s303(5) of the *Corporations Act 2001* (Cth) and is signed for and on behalf of the directors by:



MICHAEL PIXLEY

Non-executive Director

Dated this Friday, 6 March 2020

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 2019, 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 2019 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 2019 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*.

Kevin Cranfield *Bentleys NSW Audit PL*

Kevin Cranfield
Director
Sydney

BENTLEYS NSW AUDIT PTY LTD
Chartered Accountant

6 March 2020