

Story-i Limited
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ASX Release
31 October 2022

ASX Code: SRY

CORPORATE UPDATE

Story-i Limited (**SRY** or **Company**) provides the following updates in respect to various matters, including its progress towards seeking reinstatement of the Company's securities to trading on the ASX.

The Company's securities were, and have remained, suspended from quotation since 24 March 2021 by reason of (amongst other matters) ASX identifying various *Corporations Act 2001* (Cth) (**Corporations Act**) and ASX Listing Rules (**Listing Rules**) compliance matters, which has resulted in a number of queries from the ASX. These matters include (but are not limited to):

- the Company's non-compliance with section 201A(2) of the Corporations Act – refer to the ASX announcement dated 24 February 2022 for further details;
- queries and further disclosures required regarding the Company's former directors and corporate adviser – refer to the ASX announcement dated 24 February 2022 for further details;
- certain related party transactions that had previously occurred that were not approved by shareholders (refer below for further details); and
- the adequacy of the Company's existing policies and procedures,

(together, the **Compliance Matters**).

The Company has engaged, and continues to engage, with the ASX to address the Compliance Matters and in respect to the requirements, and conditions, for the Company's securities to be reinstated to trading on the ASX. ASX has advised that the Company's securities will not be reinstated to trading until:

- the Company has responded to and/or addressed the Compliance Matters and any other matters raised by the ASX;
- the Company has prepared and released a full form prospectus pursuant to section 710 of the Corporations Act; and
- ASX is satisfied that:
 - the Company is in compliance with its obligations under the Listing Rules (including in particular Chapter 3, Listing Rule 10.1 and Chapter 11); and
 - the Company has adequate systems and controls in place to manage its obligations to comply with the Listing Rules; and
 - it is otherwise appropriate to do so.

Having regard to the Compliance Matters and its engagement with the ASX, the Company has:

- commissioned Hall Chadwick, an independent accounting firm, to undertake a review of its policies and procedures;
- included in its notice of annual general meeting (which will be accompanied by an independent expert's report and dispatched shortly) resolutions to seek shareholder approval to ratify prior related party transactions (refer below for further details);
- appointed a new director, Mr Stuart Usher, to its Board (refer to the ASX announcement dated 30 August 2022); and
- commenced the preparation of a full form prospectus (as required by the ASX).

The Company will provide shareholders with an update in respect of its progress and status (including timings) by way of further ASX announcements.

Related Party Transactions

PT Sigmadata Transactions

Between 1 July 2016 to 30 June 2019, the Company sold goods (namely Apple products and accessories) to PT Sigmadata Indonesia (**PT Sigmadata**) totalling A\$1,755,881 (**PT Sigmadata Transactions**). PT Sigmadata is 70% owned by PT Sigmanet, which is a company owned and controlled by Mr Djohan Widodo (a director of the Company) and Mrs Betty Widodo, who is closely related to Mr Widodo. The remaining shareholdings in PT Sigmadata are held by Ms Tri Widodo (15%) and Ms Hartaty Widodo (15%) who are also closely related to Mr Widodo and closely related to Mr Michael Chan (a director of the Company). Having regard to this, ASX has determined that PT Sigmadata is a party pursuant to which Listing Rule 10.1.5 applies. Details of the PT Sigmadata Transactions were disclosed in the 2018 Annual Report, 2019 Annual Report and 2020 Annual Report.

PT Inetdata Transactions

Between 1 July 2019 to 30 June 2021, the Company sold goods (namely UBTech robotic products) to PT Inetdata Indonesia (**PT Inetdata**) totalling A\$1,693,107 (**PT Inetdata Transactions**). PT Inetdata is an entity that is:

- (a) 62% owned by PT Sigmanet, an entity owned and controlled by Mr Widodo and Mrs Widodo; and
- (b) 19% owned by Ms Tri Widodo and 19% owned by Ms Hartaty Widodo, who are both closely related to Messrs Widodo and Chan.

Having regard to the above, ASX has determined that PT Inetdata is a party to which Listing Rules 10.1.1, 10.1.4 and 10.1.5 apply. Details of the PT Inetdata Transactions were disclosed in the 2020 Annual Report and 2021 Annual Report.

ASX Listing Rule 10.1

ASX has determined that the goods sold pursuant to the PT Sigmadata Transactions and PT Inetdata Transactions are deemed to be substantial assets exceeding 5% of the total equity interest in the Company as at 30 June of the relevant financial years during the period of the transactions.

Having regard to the quantum (of the consideration received) of the PT Sigmadata Transactions and PT Inetdata Transactions, ASX determined that the Company should:

- (a) obtain Shareholder ratification under Listing Rule 10.1 in relation to the PT Sigmadata Transactions; and
- (b) obtain Shareholder ratification under Listing Rule 10.1 in relation to the PT Inetdata Transactions.

The Company intends to seek Shareholder approval at the annual general meeting of shareholders to be held on 30 November 2022 to (amongst other items of business) ratify the PT Sigmadata Transactions and the PT Inetdata Transactions. The Company is not seeking approval for any future sales of goods to PT Sigmadata and/or PT Inetdata as the Company has no current intention to make any further sale of goods to PT Sigmadata and/or PT Inetdata.

Further information regarding the nature of the related party interests between the Company and each of PT Sigmadata and PT Inetdata will be detailed in the Explanatory Memorandum accompanying the Notice of Meeting. An independent expert's report, which accompanies the Notice of Meeting, has been prepared by Pendragon Capital Limited.

Annual Report Disclosures

The Company also advises that the annual reports for the financial year ended 30 June 2022 and financial year ended 30 June 2021 have incorrectly disclosed that Mr Djohan Widodo held 1,309,090 shares. Mr Widodo had nominated a non-related party to receive those shares and, as at the date of this announcement, does not hold any shares in the Company.

Authorised for release by Mr Michael Chan, Executive Director.

For more information please contact Michael Chan at michael@story-i.com

Forward looking statements

Certain information in this document refers to the intentions of Story-i, but these are not intended to be forecasts, forward looking statements or statements about the future matters for the purposes of the Corporations Act or any other applicable law. The occurrence of the events in the future are subject to risk, uncertainties and other actions that may cause Story-i's actual results, performance or achievements to differ from those referred to in this document. Accordingly, Story-i and its affiliates and their directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of these events referred to in the document will actually occur as contemplated. Statements contained in this document, including but not limited to those regarding the possible or assumed future costs, performance, dividends, returns, revenue, exchange rates, potential growth of Story-i, industry growth or other projections and any estimated company earnings are or may be forward looking statements. Forward-looking statements can generally be identified by the use of words such as 'project', 'foresee', 'plan', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. These statements relate to future events and expectations and as such involve known and unknown risks and significant uncertainties, many of which are outside the control of Story-i. Actual results, performance, actions and developments of Story-i may differ materially from those expressed or implied by the forward-looking statements in this document. Such forward-looking statements speak only as of the date of this document.

There can be no assurance that actual outcomes will not differ materially from these statements. To the maximum extent permitted by law, Story-i and any of its affiliates and their directors, officers, employees, agents, associates and advisers:

- disclaim any obligations or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumption;
- do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).