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Business Update

Story-i Announces Indonesian Apple Reseller Business under Receivership

Jakarta, Indonesia – Story-i Limited (Story-i or the Company) advises that the Apple reseller business in Indonesia has gone into receivership.

Key Points:

- The business has been placed in receivership , effective immediately.
- PII's outstanding debt totals IDR 38.2 billion (AUD3.58 million). These liabilities are confined to PT Inetindo Infocom ("PII") and does not impact Story-i, as the investment in PII is held through Story-I Pte Ltd, a Singapore investment holding company.

The Indonesian business has experienced losses for four years due to:

- 2 years of COVID causing constant trading interruptions.
- Weakened consumer spending in the discretionary sector.
- Low profit margins.
- Rising interest rates impacting business costs.

Receivership of Business

The Company's Apple reseller business in Indonesia has been placed into-receivership. M/s Sammy Arter and Sri Damayanti have been appointed as the receivers for PII.

The outstanding debt owed by PII to creditors totals IDR 38.2 billion, equivalent to AUD 3.58 million. These liabilities are at the subsidiary level, and there are no claims on Story-i itself as the 95% shareholding in PII is held through Story-i Pte Ltd, a Singapore investment holding company. There is an inter-company loan of approximately AUD \$3.5 million due from PII to Story-i. The receivers-will be working closely with PII and its creditors.

The Indonesian business had been experiencing losses for the past four years due to a combination of factors, including poor sentiment in the consumer discretionary segment during and after the pandemic, regular business interruptions due to COVID, low margins, and increased funding costs resulting from significant interest rate rises in the past year.

Following the announcement dated 30 November 2023 regarding the termination of the sale of the business to NextGen Retail Inc., a subsidiary of Society Pass Inc. (NASDAQ: SOPA), the board engaged in discussions with other potential buyers but was ultimately unsuccessful.

Audit Update

Story-i continues to work with its Indonesian auditor to finalise the accounts, which will be submitted to the receivers promptly and to the Australian auditor to commence audit and finalisation of the Financial Reports, which the Company is behind on and are aiming to lodge all reports by mid-June.

Story-i will now streamline its operations and continue to focus on identifying new business opportunities. The Company is in advanced discussions with a client of Singaporean based Indian Ocean Capital Advisors (IOCA) and is in late stages of its due diligence. An announcement will be made when a binding agreement is executed. IOCA is also a Convertible Note holder as announced to ASX on 2 January 2024.

Authorised for release by the Board.

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