



PROSPECTUS

EQUITY STORY GROUP LTD
ACN 653 383 478

2022

For an offer of 22,500,000 Shares at an issue price of \$0.20 per Share to raise \$4,500,000 (Offer).

The Offer comprises:

- (a) a priority offer to Eligible EQS Subscribers (**Priority Offer**); and
- (b) an offer to the general public (**Public Offer**).

Oversubscriptions of up to a further 5,000,000 Shares at an issue price of \$0.20 per Share to raise up to a further \$1,000,000 may be accepted.

The Offer is conditional upon satisfaction of the Conditions, which are detailed further in Section 4.7. No Shares will be issued pursuant to this Prospectus until those Conditions are met.

Lead Manager to the Public Offer: CPS Capital Group Pty Ltd (ACN 088 055 636) (AFSL 294848)

Refer to Section 11.1.1 for details regarding the terms of the Lead Manager Mandate.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have been questions about the Shares being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Shares offered by this Prospectus should be considered as highly speculative.

2022

IMPORTANT NOTICE



This Prospectus is dated 4 February 2022 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that you read this Prospectus in its entirety and seek professional

advice where necessary. The Shares the subject of this Prospectus should be considered as highly speculative.

Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications for Shares under this Prospectus will not be accepted by the Company until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

No offering where offering would be illegal

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those set out below. Failure to comply with these restrictions may violate securities laws.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is important

that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Shares or the offer, or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia. This Prospectus has been prepared for publication in Australia.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.equitystory.com.au/investor-center. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Share Registry, Boardroom Pty Limited by phone on 1300 737 760 or +61 2 9290 9600 during office hours or by emailing the Company at admin@equitystory.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when

that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No document or other information available on the Company's website is incorporated into this Prospectus by reference.

No cooling-off rights

Cooling-off rights do not apply to an investment in Shares issued under the Prospectus. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before



deciding to subscribe for Shares under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Risks

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for Shares. There are risks associated with an investment in the Company. The Shares offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Shares. Refer to Section F of the Investment Overview as well as Section 9 for details relating to some of the key risk factors that should be considered by prospective investors. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.



Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 9.



Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Continuous disclosure obligations

Following admission of the Company to the Official List, the Company will be a “disclosing entity” (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a

reasonable person would expect to have a material effect on the price or the value of the Shares.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 14.

All references to time in this Prospectus are references to Australian Eastern Daylight Time (AEDT).

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your

Shares in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus. Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial, or other professional adviser without delay. Should you have any questions about the Offer or how to accept the Offer please call the Company Secretary on 0411 764 556.



CORPORATE DIRECTORY

DIRECTORS

Ben Loiterton

Non-Executive Chair

David John Tildesley

Executive Director

Trent McGraw

Director and Chief Executive Officer

Mark Goes

Executive Director

COMPANY SECRETARY

Elissa Hansen

PROPOSED ASX CODE

EQS

REGISTERED OFFICE

1/357 Sydney Road,
BALGOWLAH NSW 2093

Telephone: + 61 2 9907 9652

Email: admin@equitystory.com.au

Website: www.equitystory.com.au

LEGAL ADVISERS

Steinepreis Paganin

Level 4,

50 Market Street

MELBOURNE VIC 3000

INVESTIGATING ACCOUNTANT

MNSA Pty Ltd
283 George Street,
SYDNEY NSW 2000

AUDITOR

MNSA Pty Ltd
283 George Street,
SYDNEY NSW 2000

LEAD MANAGER

CPS Capital Group Pty Ltd
Level 45,
108 St Georges Terrace,
PERTH WA 6831

Telephone: + 61 8 9223 2222

SHARE REGISTRY*

Boardroom Pty Ltd
Level 12, 225 George St
The Rocks NSW 2000

Telephone: +61 2 9290 9600

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

TABLE OF CONTENTS

| | | |
|-----|--|-----|
| 1. | CHAIRMAN'S LETTER | 12 |
| 2. | KEY OFFER INFORMATION | 14 |
| 3. | INVESTMENT OVERVIEW | 18 |
| 4. | DETAILS OF THE OFFER | 47 |
| 5. | DIRECTORS AND KEY MANAGEMENT PERSONNEL | 57 |
| 6. | INDUSTRY OVERVIEW | 62 |
| 7. | COMPANY OVERVIEW | 77 |
| 8. | FINANCIAL INFORMATION | 106 |
| 9. | RISK FACTORS | 122 |
| 10. | INTERESTS OF BOARD AND MANAGEMENT AND CORPORATE GOVERNANCE | 132 |
| 11. | MATERIAL CONTRACTS | 146 |
| 12. | ADDITIONAL INFORMATION | 171 |
| 13. | DIRECTORS' AUTHORISATION | 191 |
| 14. | GLOSSARY | 192 |
| | ANNEXURE A – INVESTIGATING ACCOUNTANT'S REPORT | 196 |
| | APPLICATION FORM | 197 |

CHAIRMAN'S LETTER



Dear Investor

On behalf of the directors of Equity Story Group Ltd (**Company** or **EQS**), it gives me great pleasure to invite you to become a shareholder of the Company.

EQS provides stock market trading advice, research and investor education services. The Company currently has around 1,200 subscribers paying annual membership fees for our equities market advice and commentary through several subscription packages. We also have a broader database of around 40,000 interested investors to whom we can promote new and relevant financial investor service offerings.

Investment by Australians in the stock market continues to grow, particularly from younger 'next generation' investors. Between 2018 and 2020, a quarter of active new investors trading on the ASX were in the 18 – 24 age group. This has driven growth in the demand for investment advice and education, providing unique opportunities for EQS' s business.

To date, the Company' s marketing has been via a combination of limited online advertising spend as well as referrals and word-of-mouth recommendations following the success of the

investment advice and strategies of the EQS investment team. The key to EQS' s immediate future growth lies in deploying capital to drive more aggressive marketing activities in order to increase the Company' s subscriber base, thereby building annuity subscription revenues.

Membership growth will also enable EQS to grow income from adjacent services such as investor education courses, funds management services and access to investment opportunities. EQS' s funds management business will give individual investors the opportunity to directly participate in our market insights. The Company will also offer access to IPO and other unique investment opportunities to members in our growing database. We will also explore other adjacent services to offer our members in the future. The Company' s IPO will enable us to fulfil these growth ambitions as a financial media company.


This Prospectus is seeking to raise up to \$4,500,000 through the issue of Shares at an issue price of \$0.20 per Share. Oversubscriptions of up to a further 5,000,000 Shares at an issue price of \$0.20 per Share to raise up to a further \$1,000,000 may be accepted. The purpose of the Offer is to provide funds to implement the Company' s business strategies (explained in Section 7).

The Board has significant expertise and experience in equities market research and financial advisory businesses and will aim to ensure that funds raised through the Offer will be utilised in a cost-effective manner to advance the Company' s business.

This Prospectus is issued for the purpose of supporting an application to list the Company on the ASX. This Prospectus contains detailed information about EQS and its business together with the risks of an investment in the Company. The Shares offered under this Prospectus should be considered highly speculative.

Before you make your investment decision, please read this Prospectus in its entirety and seek professional advice if required. I look forward to you joining us as a Shareholder and sharing in what we believe are exciting and rewarding times ahead for the Company.

Yours sincerely



Ben Loiterton
Non-Executive Chair

KEY OFFER INFORMATION

INDICATIVE TIMETABLE¹

| | |
|---------------------------------------|------------------|
| Lodgement of Prospectus with the ASIC | 4 February 2022 |
| Exposure Period begins | 4 February 2022 |
| Offers Opening Date | 14 February 2022 |
| Priority Offer Opening Date | 14 February 2022 |
| Priority Offer Closing Date | 25 February 2022 |
| Public Offer Closing Date | 4 March 2022 |
| Issue of Securities under the Offers | 14 March 2022 |
| Despatch of holding statements | 16 March 2022 |
| Expected date for quotation on ASX | 18 March 2022 |

1. The above dates are indicative only and may change without notice. Unless otherwise indicated, all time given are [AEDT]. The Exposure Period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act. The Company reserves the right to extend the Closing Date or close the Offers early without prior notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Securities to applicants.
2. If the Offers are cancelled or withdrawn before completion of the Offers, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Offers open.

KEY STATISTICS OF THE OFFERS

| | Minimum Subscription (\$4,500,000) ¹ | Full Subscription (\$5,500,000) ² |
|--|--|---|
| Offer Price per Share | \$0.20 | \$0.20 |
| Shares currently on issue ³ | 76,343,468 | 76,343,468 |
| Options currently on issue ⁴ | 7,500,000 | 7,500,000 |
| Shares to be issued under the Offer | 22,500,000 | 27,500,000 |
| Shares to be issued on conversion of Convertible Notes ⁵ | 7,449,995 | 7,449,995 |
| Gross Proceeds of the Offer | \$4,500,000 | \$5,500,000 |
| Shares on issue Post-Listing (undiluted)⁶ | 106,293,463 | 111,293,463 |
| Market Capitalisation Post-Listing (undiluted)⁷ | \$21,258,693 | \$22,258,693 |
| Options to be issued to the Lead Manager under the Lead Manager Mandate ⁸ | 4,000,000 | 4,000,000 |
| Shares on issue Post-Listing (fully diluted)⁶ | 117,793,463 | 122,793,463 |
| Market Capitalisation Post-Listing (fully diluted)⁷ | \$23,558,693 | \$24,558,693 |

NOTES

1. Assuming the Minimum Subscription of \$4,500,000 is achieved under the Offer.
2. Assuming all the 27,500,000 Shares offered under the oversubscription facility are subscribed and a total amount of \$1,000,00 is raised, the Full Subscription of \$5,500,000 is achieved under the Offer.
3. The Company has a total of 76,343,468 Shares on issue, comprising:
 - (a) 1 Share issued to David Tildesley (a Director) in September 2021 at an issue price of \$1.00 per Share;
 - (b) 67,176,800 Shares issued to the vendors of Equity Story Pty Ltd (ACN 127 714 998) in consideration for the acquisition of 100% of the issued shares in the capital of Equity Story Pty Ltd;
 - (c) 4,000,000 Shares issued to the vendors of Equity Story Fund Pty Ltd (ACN 642 009 783) in consideration for the acquisition of 100% of the issued shares in the capital of Equity Story Fund Pty Ltd;
 - (d) 4,166,667 Shares issued to seed investors under the Company's pre-IPO seed raising, conducted in September 2021, at an issue price of \$0.12 per Share; and
 - (e) 1,000,000 Shares issued to nominee of Ben Loiterton (a Director), Venturastar Pty Ltd and an entity controlled by Ben Loiterton in accordance with his letter of appointment as Chairman of the Company.
4. The Company has a total of 7,500,000 Options on issue, comprising 1,500,000 Options issued to each of Ben Loiterton (or nominee) (a Director), Trent McGraw (or nominee) (a Director), David Tildesley (or nominee) (a Director), Mark Goes (or nominee) (a Director) and Peter Kopetz (or nominee), as an incentive component of their remuneration, exercisable at \$0.25 each, on or before three (3) years from the date of the Company's admission to the Official List of ASX. Refer to Section 12.3 for a summary of the terms and conditions of the Options currently on issue.

5. Shares to be issued to noteholders on conversion under the Convertible Note Subscription Agreements, being 7,449,995 Shares converted at \$0.10 per Share. Refer to Section 11.2.1 for a summary of the terms of the Convertible Note Subscription Agreements.
6. Certain Securities on issue post-listing will be subject to ASX-imposed escrow. Refer to Section 7.14 for a disclaimer with respect to the likely escrow position.
7. Assuming a Share price of \$0.20, however the Company notes that the Shares may trade above or below this price.
8. 4,000,000 Options, exercisable at \$0.25 each on or before the date that is three years from the date of the Company' s admission to the Official List of ASX (**Lead Manager Options**). These Options will be issued to the Lead Manager in accordance with the Lead Manager Mandate. Refer to Section 11.1.1 for the full terms and conditions of the Lead Manager Mandate and Section 12.4 for a summary of the terms and conditions of the Lead Manager Options.

INVESTMENT OVERVIEW

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

A. Company and Company Group

| ITEM | SUMMARY | FURTHER INFORMATION |
|---------------------------------------|--|---------------------|
| Who is the issuer of this Prospectus? | Equity Story Group Ltd (ACN 653 383 478) (Company or Equity Story Group or EQS). | Section 7.1 |
| Who is the Company? | <p>The Company is an Australian unlisted public company, incorporated on 3 September 2021.</p> <p>Since its incorporation, the Company has acquired Equity Story Pty Ltd (Equity Story), a Sydney-based share market research, recommendation and educational member subscription business founded in 2007, and Equity Story Fund Pty Ltd (Equity Story Fund), the fund manager of Equity Story Growth Fund, a boutique wholesale fund that was launched in September 2020 with a total of \$3.72 million funds under management and currently with over \$5.0 million funds under management, as its wholly-owned subsidiaries.</p> | Section 7.1 |

| | | |
|---|---|-------------|
| What does the Company do? | <p>The Company, through Equity Story, offers general share market trading advice, research, recommendation and investment educational courses to help its clients make more informed trading decisions and provide actionable investment recommendations handpicked by Equity Story’s investment team. All advice and recommendations provided are general in nature only. Equity Story currently has over 40,000 subscribed Australian-based members (Subscribers), with 1,200 of its subscribed members being paying subscription members (Paying Subscribers).</p> <p>The Company, through Equity Story Fund, delivers fund management services to its clients. Equity Story Fund is the fund manager of the Equity Story Growth Fund, a whole fund which operates an equity fundamental and technical strategy, focusing on medium to long term growth opportunities. The Equity Story Growth Fund invests in both domestic and international equities.</p> | Section 7.1 |
| What are the Company’s key objectives post listing? | <p>The Company’s main objectives on completion of the Offer and ASX listing are to:</p> <ul style="list-style-type: none"> (a) leverage its large number of total Subscribers by continuing to develop and expand its existing services and offerings to Subscribers; (b) further market penetration and Subscriber growth in existing key target markets in Australia; (c) increase the Subscriber base to include customers from other geographies (subject to regulatory requirements); (d) explore complementary acquisition opportunities; (e) grow the funds under management in the existing fund and by the creation of new funds and investment vehicles; (f) expand into potential new verticals and adjacent businesses across the financial services landscape, including investor services, securities trading, market research and data, investment technology, funds management and corporate advisory; (g) enhance its public profile in the independent investment research services industry, funds management services industry and primary equity securities distribution industry as a result of becoming an ASX listed entity; (h) provide Shareholders with access to a liquid market for Shares; (i) provide the Company with access to equity capital markets for potential future capital raising; and (j) provide working capital for the Company. | Section 7.5 |

B. Industry Overview

| ITEM | SUMMARY | FURTHER INFORMATION |
|--|--|-------------------------|
| What is the industry in which the Company will operate? | The Company operates within the independent investment research services industry and funds management services industry in Australia. The Company also proposes to operate within the primary equity securities distribution industry. | Section 6.1 |
| Where are the Company's key markets located? | The Company's key market is located in Australia. | Section 6.1 |
| What is the scale of the independent investment research services industry and the funds management market industry? | <p>The independent investment research services industry in Australia is currently valued at approximately \$235.9 million and is expected to grow annually by 4.5% over the next five years, through to 2026.</p> <p>The Australian funds management services Industry is currently valued at \$10.3 billion, with an expected annual growth of 1.8% from 2021 to 2026. There are currently over 300 competitors in the industry, offering around 3,700 active funds to investors. The industry manages just under \$2.5 trillion in consolidated assets with overseas investors contributing around 5% of the pool of funds under management (FUM).</p> | Sections 6.2 and 6.8 |
| Who are the Company's key competitors? | <p>The key competitors of Equity Story are boutique research and general advice providers operating in Australia, which are largely focused on servicing individual traders and investors, high net worth individuals and family offices, self-managed superannuation funds, day-traders and retail-level participants. The Company's key competitors include Motley Fool, InvestSmart, Fat Prophets, Investor Daily, Under the Radar Report, Marcus Today, Stock Baron, Australian Stock Report, FN Arena, The Chartist, Eureka Report and Intelligent Investor.</p> <p>Equity Story Fund competes against other fund managers with strong historical investment returns and industry operators who have an extensive distribution network.</p> | Section 6.3.2 and 6.8.1 |

| | | |
|---|--|--------------------------------|
| <p>What are the key barriers to entry in the independent investment research services market industry and the funds management services industry?</p> | <p>The barriers to entry in the boutique independent investment research services industry are relatively high and increasing. Despite the apparent inexpensive nature of establishing an investment research company, new firms face a variety of barriers that may prevent successful operations. These include:</p> <ul style="list-style-type: none"> (a) difficulty in accessing a customer base due to the extensive branding advantages of established/reputable competitors; (b) limitations in the ability of new entrants to reach potential clients due to the uncertainty in research quality and lack of track record; and (c) high levels of compliance and regulatory requirements, including costs associated with licensing and reporting. <p>The funds management services industry has medium barriers to entry due to the following reasons:</p> <ul style="list-style-type: none"> (a) raising funds without prior experience or established network can be difficult and new entrants to the funds management services industry will face difficulties in attracting investors; (b) building a reputation and investment performance history comparable with existing fund managers can take time; and (c) establishing a new business can incur numerous costs including brand building, distribution and constructing a team of skilled staff, but the cost of operating fund gradually decreases as the value of the funds under management (FUM) grows, due to the greater realisation of economies of scale. | <p>Section 6.3.3 and 6.8.2</p> |
| <p>What is the regulatory environment in which the Company operates?</p> | <p>Investment research firms operate within a highly regulated industry in Australia as they are regulated by ASIC and are required to obtain an Australian Financial Services (AFS) license to provide financial advice.</p> | <p>Section 6.6.1</p> |

C. Business Model

| ITEM | SUMMARY | FURTHER INFORMATION |
|--|---|---------------------|
| What are the key business strategies of the Company? | <p>The Company's key business strategies are to:</p> <ul style="list-style-type: none"> (a) continue to provide high quality general trading advice, information, products and services to the existing Paying Subscribers; (b) increase the range and depth of products and services offered to its Subscribers and Paying Subscribers; (c) grow the Company's database of Subscribers and Paying Subscribers, within Australia and other target jurisdictions such as United States of Australia; and (d) pursue non-organic growth opportunities, including value adding acquisitions. | Section 7.2 |
| What is the Company's business model? | <p>The Company will deliver its services to its clients through the following key business units:</p> <ul style="list-style-type: none"> (a) independent investment research services; (b) investor education services; (c) funds management; and (d) access for clients to investment opportunities. <p>A detailed explanation of the Company's business model is provided at Section 7.3.</p> | Section 7.3 |
| How does the Company generate revenue? | <p>The Company, through Equity Story, generates its revenue via annual membership subscription fees paid by Paying Subscribers to access the member-only online portal where general financial product advice is delivered; and educational course registration fees paid by participants of Equity Story's educational courses fee to participate in its online securities investment educational courses.</p> <p>The Company, through Equity Story Fund, generates its revenue via performance fees and management fees, through its management of the Equity Growth Fund.</p> <p>The Company also expects to receive a portion of the placement fees as paid to stockbrokers or directly from issuing companies under Equity Story's joint venture partnership with Andover.</p> | Section 7.4 |

What are the significant dependencies of the Company post-listing?

The key factors that the Company will depend on to meet its objectives are:

Section 7.8

- (a) **Personnel** - Equity Story' s business model depends on the quality of stock market trading advice and research as provided by the Company. As such, the analyst team of Equity Story is instrumental to the growth and development of Equity Story' s business;
 - (b) **AFSL** - Equity Story currently holds an Australian Financial Services Licence (AFSL 343937), which authorises Equity Story to provide general financial product advice in respect of securities to retail clients; and
 - (c) **Partner and Suppliers** - Equity Story Fund is the corporate authorised representative (**CAR**) of Boutique Capital Pty Ltd. These CAR arrangements enable Equity Story Fund to act as investment manager of Equity Story Growth Fund. Equity Story also has a joint venture arrangement with Andover Corporate Finance Pty Ltd (**Andover**), where Andover will manage future equity securities investment opportunities for distribution to Equity Story' s database of Subscribers.
 - (d) **US Licensing Expansion**
The Company' s business model depends on the Company' s ability to increase its Subscriber base to include customers from other geographies (subject to regulatory requirements). As such, the ability for the Company to secure US Securities and Exchange Commission (SEC) Investment Advisor licence or registration is key to the Company' s ability to increase Subscriber base (especially from other geographies) and to increase its revenue streams.
-

What is the Company's growth strategy?

The Company has a comprehensive growth plan with the key objectives of significantly boosting Paying Subscribers and Subscribers numbers, increasing revenue and profit margin. This plan includes:

Section 7.5

(a) **Advertising**

The Company has steadily grown its membership subscription revenue to date with limited advertising spend. In order to accelerate growth of the business, the Company will significantly increase its monthly advertising spend, primarily across Google and Facebook channels. This increase in advertising spend, along with being able to spend consistently month on month will allow the Company to achieve further market penetration, increase the profile of the Company and drive revenue.

(b) **Marketing Growth and Customer Acquisition**

The Company has recently engaged an award-winning digital marketing agency, King Kong with the resources to promote Equity Story's range of services both here in Australia and, if required, overseas. The digital marketing agency will assist the Company to drive customer acquisition growth with its advisory and educational events businesses through channels such as YouTube, Google and Facebook. The Company intends to engage other events promotional partners to independently drive the Company's education events business over and above its existing marketing channels.

(c) **Market Analysis**

Equity Story is both a technology business and a people business. The technology delivers the services and the people deliver the advice and education. The Company is looking to build its operational market analyst team as the business grows to assist with the delivery of advice and education to its Subscribers. Each operations market analyst team member will require access to the best research tools to deliver the best possible service. This includes, for example, but not limited to, access to subscriptions such as Esignal, Reuters, Refinitiv and Riskalyze (US only).

- (d) **Further Investment and Development of Technology**
 In order to provide the highest level of service to a growing database of Subscribers, the Company will invest in ongoing development of its technology. With the goal of delivering best-in-class technology, this will not only drive customer growth, but also increase customer retention and help maximize customer lifetime value (CLV). The Company is looking to invest in its technology by:
- (i) Upgrading its Australian advisory website and Paying Subscribers membership portal;
 - (ii) Upgrading Equity Story Fund' s website;
 - (iii) Building a membership mobile application;
 - (iv) Building a dedicated education events website;
 - (v) Exploring options to deploy charting and/or execution platforms; and
 - (vi) Building its US advisory website and Paying Subscribers membership portal (if required).
- (e) **Licensing Expansion**
 The Company is working with both Australian and US Financial services licensing advisors to explore licensing options to provide further potential services and revenue streams. This may include:
- (i) upgrading Equity Story' s AFSL to include managed investment scheme products and to enable Equity Story' s advisory business to discuss Equity Story Fund with its Paying Subscribers (subject to appropriate conflicts management procedures); and
 - (ii) securing US Securities and Exchange Commission (**SEC**) Investment Advisor licence or registration.

What is the Company' s Dividend Policy?

The Company anticipates that significant expenditure will be incurred in the expansion of the business. These activities are expected to dominate at least the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

Section 7.15

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

D. Financial Information

| ITEM | SUMMARY | FURTHER INFORMATION |
|--|---|--------------------------|
| How has the Company performed historically? | The audited historical financial information of the Company (including its subsidiaries) as at 30 June 2019, 30 June 2020 and 30 June 2021 is set out in Section 8 and Annexure A. | Section 8 and Annexure A |
| What is the key financial information for the Company? | <p>A summary of key financial information about the pro forma financial position of the Company (including its subsidiaries) is set out below.</p> <p>The Historical Financial Information included in this Section 8 has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board and the Corporations Act.</p> | Section 8 and Annexure A |

Pro-forma Statement of Financial Position of the Consolidated Group

| | Pro-forma Equity Story Group Limited Consolidated As at 30 June 2021 | Pro-forma Minimum Capital Raising | Pro-forma Maximum Capital Raising |
|----------------------------------|--|---|---|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | \$ 742,647 | \$ 4,721,647 | \$ 5,676,647 |
| Trade and other receivables | \$ 108,242 | \$ 108,242 | \$ 108,242 |
| Other Assets | \$ 6,875 | \$ 6,875 | \$ 6,875 |
| TOTAL CURRENT ASSETS | \$ 857,764 | \$ 4,836,764 | \$ 5,791,764 |
| NON-CURRENT ASSETS | | | |
| Investments | \$ 150,000 | \$ 150,000 | \$ 150,000 |
| Intangible assets | \$ 525,000 | \$ 525,000 | \$ 525,000 |
| TOTAL NON-CURRENT ASSETS | \$ 675,000 | \$ 675,000 | \$ 675,000 |
| TOTAL ASSETS | \$ 1,532,764 | \$ 5,511,764 | \$ 6,466,764 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | \$ 140,319 | \$ 140,319 | \$ 140,319 |
| Borrowings | \$ 18,088 | \$ 18,088 | \$ 18,088 |
| TOTAL CURRENT LIABILITIES | \$ 158,407 | \$ 158,407 | \$ 158,407 |
| TOTAL LIABILITIES | \$ 158,407 | \$ 158,407 | \$ 158,407 |
| NET ASSETS | \$ 1,374,357 | \$ 5,353,357 | \$ 6,308,357 |
| EQUITY | | | |
| Contributed equity | \$ 1,494,357 | \$ 5,105,357 | \$ 6,060,357 |
| Reserves | \$ 690,000 | \$ 1,058,000 | \$ 1,058,000 |
| Accumulated losses | -\$ 810,000 | -\$ 810,000 | -\$ 810,000 |
| TOTAL EQUITY | \$ 1,374,357 | \$ 5,353,357 | \$ 6,308,357 |

How will the Company fund its activities?

Given the current status and nature of the Company' s business, the Directors do not consider it appropriate to forecast future earnings.

Section 8 and Annexure A

Any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a liable best estimate forecast or projection on a reasonable basis.

E. Key Investment Highlights

| ITEM | SUMMARY | FURTHER INFORMATION |
|---|---|---------------------|
| Experienced and Dedicated Management Team | The Company is led by a management team with a strong understanding of equity market trading, investment strategies and financial services. | Section 7.9 |
| Attractive Products and Services | The Company provides a range of unique and valuable products, services, content and information relevant to investors and traders interested in capital markets. | Section 7.9 |
| Existing and Established Subscribers base | The Company currently has around 1,200 Paying Subscribers, who are paying annual membership fees for the Company' s equities market advice and commentary through several subscription packages. | Section 7.9 |
| Extensive Database | The Company currently has over 40,000 Subscribers, being a broader database of potentially interested investors to whom the Company can promote new financial investor service offerings. | Section 7.9 |
| Local Market Growth | The Company believes there is a growing demand for high quality general trading advice, delivered in an engaging and entertaining way, with content from market experts, and information on related topics such as economic opinion, delivered via articles, videos and podcasts. | Section 7.9 |
| Market Opportunity | The Company believes that there is a growing number of retail investors who are underserved by the mainstream wealth management industry. These investors include retail investors with a smaller investment capital and/or of the younger demographics to include the Millennials and Gen Z, who usually have difficulty accessing mainstream traditional wealth advice and services. Additionally, due to technological advancement, it has made it easier than ever for investors to access stock market trading. As such, there has been a fast growing group of sophisticated investors of the older demographics, who are interested in actively managing their own investment portfolios and are seeking trusted and sound general trading advice, education and financial services. | |

Global Prospects
and Geographical
Source

The Company is working with both Australian and US financial services licensing advisors to upgrade Equity Story' s AFSL to include managed investment scheme products and to secure the SEC Investment Advisor licence or registration.

Section 7.9

F. Key Risks

| ITEM | SUMMARY | FURTHER INFORMATION |
|---------------------------|---|---------------------|
| Limited History | <p>The Company was only recently incorporated on 3 September 2021 and has only limited operating history and limited historical financial performance. Although Equity Story was founded in 2007 and has been operating since then and Equity Story Fund was founded in September 2020, there is a risk that the Company's future strategic plans and key objectives will not be achieved.</p> | Section 9.2 |
| Reliance on Key Personnel | <p>The success and profitability of the Company depends, in part, on the quality of the share market trading advice, research and recommendation as provided by Equity Story and the ability of Equity Story Fund, as the fund manager, to invest in investments that have the ability to generate a positive return for the Equity Growth Fund. As such, the ability of the Company to successfully execute its business strategy is dependent on retaining its key management personnel.</p> <p>The analyst team of the Company is instrumental to the growth and development of the Company's business. The Company is exposed to the risk that the key analysts of the Company may cease employment. The loss of key persons may have a material adverse effect on the operations of the Company because the Company would have reduced capacity to develop and implement desirable investment strategies, obtain investment opportunities, capitalise upon relationships and execute potential investments.</p> <p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company also depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p> | Section 9.2 |

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

Reliance on AFSL and other licensing and regulatory risk

Equity Story operates under AFSL number 343937, which authorises Equity Story to provide general financial product advice in respect of securities to retail clients. Compliance with the obligations of an AFSL is the respective licensee.

Section 9.2

The ability of Equity Story to continue to provide general financial product advice will also depend on its ability to maintain its AFSL and continuing to comply with ASIC imposed licence conditions, the Corporations Act and the various other regulatory requirements. The Company has comprehensive compliance systems, and has engaged specialist financial services lawyers and a full time compliance officer to assist with mitigating this risk. The Company also encourages a culture of compliance more generally.

If Equity Story does not meet the applicable regulatory requirements, Equity Story may suffer penalties, such as fines, obligations to pay compensation, enforceable undertakings, imposition of (or variations to) licence conditions or, ultimately, the cancellation or suspension of its AFSL. If Equity Story is unable to retain its AFSL, it would not be able to provide general financial product advice to retail clients. This in turn would have a material adverse effect on Equity Story's business and the market price of the Company's Shares. Equity Story Fund is the corporate authorised representative of Boutique Capital Pty Ltd (AFSL 508 011), which authorises Equity Story Fund to act as the investment manager of the Equity Growth Fund.

All regulatory approvals for the continued operation of the Company's business have been obtained and the Company is not aware of any circumstances which are likely to give rise to the cancellation or suspension of any of those regulatory approvals. If any of the regulatory approvals are amended, cancelled or suspended, there may be an adverse impact on the Company's financial performance and position.

The provision of financial services is highly regulated. Financial services regulation is complex and is impacted by published ASIC guidance as well as ASIC's views, both of which may change from time to time.

In addition, there are aspects of financial services regulation involving uncertainty as to their application and ASIC's views and interpretation may diverge from those taken by the market. Any change in ASIC's policies, practices, views or public guidance could have an impact on the Company's current regulatory arrangements.

Changes in legal, tax and regulatory regimes that apply to the Company's business may occur, which may have an impact on the Company's financial performance and position.

Governmental authorities around the world have called for financial system and participant regulatory reform in reaction to volatility and disruption in the global financial markets, financial institution failures and financial frauds in recent years. Such reform includes, among other things, additional regulation of financial services providers (which may include Equity Story), investment trusts (which may include Equity Story Growth Fund) and their managers (Equity Story Fund) and their activities. The impact on the Company cannot be predicted with certainty, and any of these regulatory reform measures could have an adverse impact on the Company's financial performance, position and the market price of its Shares.

Loss of Subscribers

The Company's success and profitability depends, in part, on its ability to attract and retain Subscribers and Paying Subscribers, which will depend in part on the Company's ability to consistently provide its Paying Subscribers high quality share market trading advice and recommendations. If Paying Subscribers do not perceive the service offering to be of high quality, the Company may not be able to attract or retain Paying Subscribers and the Company's revenue growth will be affected adversely.

Section 9.2

| | | |
|--|---|-------------|
| Failure to attract and/or retain fund investor | <p>Equity Story Fund’ s business relies heavily on attracting new investors and retaining investors, in order to generate fees for its fund. A number of factors affect Equity Story Fund’ s ability to retain current investors and attract new investors, which include:</p> <ul style="list-style-type: none"> (a) fund investment performance; (b) ongoing support from fund investors and their financial advisors where applicable; (c) demand for professional investment management services; (d) level of competition in the market for investment management services; (e) retention of key people; and (f) the general state of global capital and investment markets. <p>Equity Story Fund seeks to mitigate this risk by seeking to adhere to its risk management framework and investing in accordance with Equity Story Fund’ s investment strategy and objectives. If investors do not continue to invest in Equity Story Growth Fund or if new investors do not choose to invest in Equity Story Growth, the growth in the Company’ s revenue may grow slower than expected or may even decline.</p> | Section 9.2 |
| Fund Termination and Removal Rights | <p>The governing documentation for Equity Story Growth Fund includes rights for the investors to terminate by way of resolution or remove the manager or the trustee. Any such action by the investors may result in a reduction in management fee revenue and funds under management.</p> | Section 9.2 |
| Market Risk | <p>The investment returns on the Equity Growth Fund and the performance or results of stock market trading advice as provided by Equity Story are influenced by market factors, including, for example, changes in economic conditions changes in interest rates and economic activity, changes to the legislative and political environment as well as changes in investor sentiment.</p> <p>In addition, exogeneous shocks, natural disasters, acts of terrorism and financial market turmoil such as the global financial crisis can add to the equity market volatility as well as impact directly on individual entities.</p> <p>As a result, there is no guarantee that can be given in respect of the performance of Equity Story’ s stock market trading advice or the performance of the Equity Story Growth Fund.</p> | Section 9.2 |

| | | |
|----------------------------------|---|---------------------------|
| Loss of Reputation | The Company' s reputation is important to its business strategy. Reputational damage and/or underperformance of Equity Story Growth Fund could have a material impact on the Company' s financial performance (e.g. by impacting investor and customer confidence, its market strategy, visibility and growth in its fund' s FUM) and the market price of its Shares. | Section 9.2 |
| Industry Risk | There are a number of industry risk factors that may affect the future operation or performance of the Company. These factors are outside the control of the Company and such factors include increased regulatory and compliance costs and variations in legislation and government policies generally. | Section 9.2 |
| Privacy and data collection risk | Use of the Company' s subscription services involves the storage, transmission, and processing of data from Subscribers, including certain personal or individually identifying information. Personal privacy, information security, and data protection are significant issues. The regulatory framework governing the collection, processing, storage, and use of business information, particularly information that includes personal data, is rapidly evolving and any failure or perceived failure to comply with applicable privacy, security, or data protection laws, regulations or contractual obligations may adversely affect the Company' s business. | Section 9.2 |
| Competition | The independent investment research, the funds management services and the primary equity securities distribution industries in which the Company operates in are subject to competition. Current or future competitors may easily replicate the Company' s business model due to the low barrier to entry and offer better ways of delivering content via superior technological capabilities. The Company' s competitors include both boutique research and general advice providers and large, established corporations or multinationals. Those may decide to enter the Company' s target markets and be able to fund aggressive marketing strategies. They may also have stronger financial capabilities than the Company which may negatively affect the operating and financial performance of the business. | Section 9.2 |
| Other risks | For additional specific risks please refer to Section 9.2. For other risks with respect to the industry in which the Company operates and general investment risks, many of which are largely beyond the control of the Company and its Directors, please refer to Sections 9.3 and 9.4. | Sections 9.2, 9.3 and 9.4 |

G. Directors and Key Management Personnel

| ITEM | SUMMARY | FURTHER INFORMATION |
|--|--|---------------------|
| Who are the Directors involved in the Company? | <p>The Board currently consists of:</p> <ul style="list-style-type: none"> (a) Ben Loiterton – Non-Executive Chairman; (b) Trent McGraw – Director and Chief Executive Officer; (c) David Tildesley – Executive Director; and (d) Mark Goes – Executive Director. <p>The profiles of each of the Directors are set out in Section 5.1.</p> | Section 5.1 |
| Who are the other key management personnel? | <p>The Company’ s other key management personnel is Peter Kopetz – Equities Analyst (Fundamental).</p> <p>The profile of Peter Kopetz is set out in Section 5.2.</p> | Section 5.2 |

H. Interests of Key People and Related Party Transactions

| ITEM | SUMMARY | FURTHER INFORMATION |
|------|---------|---------------------|
|------|---------|---------------------|

What are the interests of Directors in the securities of the Company?

As at the date of this Prospectus, the Directors have relevant interests in the Securities as follows:

Section 10.1

| Director | Shares | Options ⁵ | % Fully Diluted |
|-----------------|-------------------------|------------------------|-----------------|
| Trent McGraw | 17,153,200 ¹ | 1,500,000 ⁶ | 22.47% |
| David Tildesley | 28,563,000 ² | 1,500,000 ⁷ | 37.41% |
| Ben Loiterton | 1,000,000 ³ | 1,500,000 ⁸ | 1.31% |
| Mark Goes | 10,897,000 ⁴ | 1,500,000 ⁸ | 14.27% |

Post-completion of the Offers, assuming the Minimum Subscription is raised, it is anticipated that the Directors will have relevant interests in Securities as follows:

| Director | Shares | Options | % Undiluted | % Fully Diluted |
|-----------------|------------|-----------|-------------|-----------------|
| Trent McGraw | 17,153,200 | 1,500,000 | 16.14% | 15.84% |
| David Tildesley | 28,563,000 | 1,500,000 | 26.87% | 25.52% |
| Ben Loiterton | 1,000,000 | 1,500,000 | 0.94% | 2.12% |
| Mark Goes | 10,897,000 | 1,500,000 | 10.25% | 10.52% |

Post-completion of the Offers, assuming the Full Subscription is raised, it is anticipated that the Directors will have relevant interests in Securities as follows:

| Director | Shares | Options⁵ | % Undiluted | % Fully Diluted |
|-----------------|-------------------------|----------------------------|--------------------|------------------------|
| Trent McGraw | 17,153,200 | 1,500,000 ⁶ | 15.41% | 15.19% |
| David Tildesley | 28,563,000 ² | 1,500,000 ⁷ | 25.66% | 24.48% |
| Ben Loiterton | 1,000,000 ³ | 1,500,000 ⁸ | 0.90% | 2.04% |
| Mark Goes | 10,897,000 ⁴ | 1,500,000 ⁸ | 9.79% | 10.10% |

Notes:

1. Comprising:
 - a. 10,256,000 Shares indirectly held by Edison Capital Pty Ltd as trustee for The McGraw Family Trust, an entity controlled by Trent McGraw;
 - b. 5,897,200 Shares indirectly held by McGraw Electrical Pty Ltd as trustee for McGraw Electrical Super Fund, an entity controlled by the parent of Trent McGraw; and
 - c. 1,000,000 Shares indirectly held by Edison Capital Group Pty Ltd, an entity controlled by Trent McGraw.
2. Comprising:
 - a. 27,563,000 Shares Indirectly held by spouse of David Tildesley, Tanya Tildesley; and
 - b. 1,000,000 Shares indirectly held by Jetsman Pty Ltd, an entity controlled by David Tildesley.
3. Comprising 1,000,000 Shares indirectly held by Venturastar Pty Ltd, an entity controlled by Ben Loiterton.

4. Comprising 10,897,000 Shares Indirectly held by Hago Futures Pty Ltd as trustee for Harrisongoes Family Trust, an entity controlled by Mark Goes.
5. Options, exercisable at \$0.25, on or before three (3) years from the date of the Company's admission to the Official List.
6. Comprising 1,500,000 Options, indirectly held by Edison Capital Group Pty Ltd as trustee for The McGraw Family Trust, an entity controlled by Trent McGraw.
7. Comprising 1,500,000 Options, indirectly held by Tanya Tildesley (spouse of David Tildesley), Joshua Tildesley, Noah Tildesley and Marcus David Tildesley (children of David Tildesley).
8. Comprising 1,500,000 Options, indirectly held by Venturastar Pty Ltd, an entity controlled by Ben Loiterton.
9. Comprising 1,500,000 Options, directly held by Mark Goes.

What benefits are payable to the Directors?

The benefits being paid to the Directors are set out below:

Section 10.1

| Director | Remuneration for the year ending 30 June 2021¹ | Remuneration for the year ending 30 June 2022² | Proposed Remuneration for the year ending 30 June 2023³ |
|------------------------------|--|--|---|
| Trent McGraw ⁴ | \$53,558 | \$229,425 | \$270,675 |
| David Tildesley ⁵ | \$91,667 | \$288,750 | \$330,000 |
| Ben Loiterton ⁶ | Nil | \$59,400 | \$83,600 |
| Mark Goes ⁷ | \$20,167 | \$74,250 | \$115,500 |

Notes:

1. The Company was incorporated on 3 September 2021 and therefore did not receive any remuneration directly from the Company for the year ended 30 June 2021. However, some of the Directors did receive remuneration through Equity Story and/or Equity Story Fund for the financial year ended 30 June 2021.
2. Includes per annum base salary or directors' fees (as applicable), pro-rated from the Company's admission to the Official List of ASX.
3. Includes per annum Directors' fees including superannuation.
4. Trent McGraw's remuneration includes a base salary of \$146,068 per annum (plus superannuation) payable by Equity Story commencing on 1 March 2021; a base salary of \$50,000 per annum (plus superannuation) payable by Equity Story Fund commencing on 1 July 2021; and a director's fee of \$50,000 per annum (plus superannuation) payable by the Company commencing from the Company's admission to the Official List of ASX.
5. David Tildesley's remuneration includes a base salary of \$250,000 per annum (plus superannuation) payable by Equity Story commencing on 1 March 2021; and a director's fee of \$50,000 per annum (plus superannuation) payable by the Company commencing from the Company's admission to the Official List of ASX.
6. Ben Loiterton's remuneration includes a base salary of \$60,000 per annum (plus GST) payable by the Company commencing on 3 September 2021 until the Company's admission to the Official List of ASX and \$76,000 per annum (plus GST) thereafter.
7. Mark Goes' remuneration includes a base salary of \$55,000 per annum (plus superannuation) payable by Equity Story commencing on 1 March 2021; and a director's fee of \$50,000 per annum (plus superannuation) payable by the Company commencing from the Company's admission to the Official List of ASX.

Please refer to Section 10.1 for further details.

| | | |
|--|--|----------------------|
| What are the significant interests of advisors to the Company? | CPS Capital has acted as the Lead Manager of the Public Offer and will receive fees under the Lead Manager Mandate described in Section 4.6 and 11.1.1 as summarised under Part I of this Investment Overview Section below. | Sections 4.6, 11.1.1 |
| Is there an Employee Incentive Scheme? | The Company has adopted an Employee Incentive Plan to allow eligible participants to be granted Performance Rights and Options in the Company. The key terms of the Plan are set out in Section 12.5.. | Section 12.5 |

I. Offer

| ITEM | SUMMARY | FURTHER INFORMATION |
|--|---|---------------------|
| What is being offered under the Offer? | The Offer is an initial public offering of 22,500,000 Shares at an issue price of \$0.20 per Share to raise up to \$4,500,000 (before costs). Oversubscriptions of up to a further 5,000,000 Shares at an issue price of \$0.20 per Share to raise up to a further \$1,000,000 may be accepted. | Section 4.1 |
| What is the Priority Offer? | Under the Priority Offer, Eligible EQS Subscribers will be given preference in respect of the allocation of 10,000 Shares (\$2,000) per Eligible EQS Subscriber. There are approximately 1,200 Eligible EQS Subscriber as at the date of the Prospectus. If the Company receives applications from any Eligible EQS Subscriber for more than 10,000 Shares, the Company will treat those additional applications as applications under the Public Offer. | Section 4.2 |
| Is there a minimum subscription under the Offer? | The minimum amount to be raised under the Offer is \$4,500,000. | Section 4.3 |
| What are the purposes of the Offer? | The purposes of the Offer are to facilitate an application by the Company for admission to the Official List, to position the Company to seek to achieve the objectives stated at Part C of this Investment Overview Section, and to provide the Company with future access to equity capital markets for funding. | Section 4.8 |
| Is the Offer underwritten? | No, the Offer is not underwritten. | |

| | | |
|--|--|------------------------|
| Who is the lead manager to the Offer? | <p>The Company has appointed CPS Capital (Lead Manager) as lead manager to the Offer. The Lead Manager will receive the following fees:</p> <ul style="list-style-type: none"> (a) placing fee of 4% (plus GST where applicable) of all funds raised under the Offer; and (b) 4,000,000 Options, exercisable at \$0.25 each, on or before the date that is three years from the date of the Company' s admission to the Official List of ASX, which is equal to equal to 3.40% of the Company' s fully diluted issued capital assuming the Minimum Subscription is raised and 3.26% of the Company' s fully diluted issued capital assuming the Full Subscription is raised. The Lead Manager will work with other AFSL holders to assist with raising funds under the Offer and some of these Options may be passed on to AFSL holders who assist with the Company' s raise under the Offer. <p>Refer to Sections 4.6 and 11.1.1 for further detail regarding the fees payable to the Lead Manager and the terms and conditions of the Lead Manager Mandate.</p> | Section 4.6 and 11.1.1 |
| Who is eligible to participate in the Offer? | <p>This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in Jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.</p> | Section 4.14 |
| How do I apply for Shares under the Offer? | <p>Applications for Shares under the Offer must be made by completing the Application Form attached to this Prospectus in accordance with the instructions set out in the Application Form.</p> | See Section 4.9 |
| What is the allocation policy? | <p>The Company retains an absolute discretion to allocate Shares under the Offer, and will be influenced by the factors set out in Section 4.10.</p> <p>There is no assurance that any Applicant will be allocated any Shares, or the number of Shares for which it has applied.</p> | Section 4.10 |

| | | |
|---|---|--------------|
| What is the Convertible Note Holder Offer? | <p>The Convertible Note Holder Offer is an offer of 7,449,995 Shares to the Convertible Note Holders upon conversion under the Convertible Note Subscription Agreements and the material terms of which are summarised at Section 11.2.1.</p> <p>Only the Convertible Note Holders may accept the Convertible Note Holder Offer. A personalised Convertible Note Holder Conversion Notice and Application Form in relation to the Convertible Note Holder Offer will be issued to the Convertible Note Holders together with a copy of this Prospectus.</p> | Section 4.11 |
| What will the Company's capital structure look like on completion of the Offer? | <p>The Company's capital structure on a post-Offer basis is set out in Section 7.12.</p> | Section 7.12 |
| What are the terms of the Shares offered under the Offer? | <p>A summary of the material rights and liabilities attaching to the Shares offered under the Offer are set out in Section 12.2.</p> | Section 12.2 |
| Will any Shares be subject to escrow? | <p>None of the Shares issued under the Offer will be subject to escrow. However, subject to the Company complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offer, it is anticipated that:</p> <ul style="list-style-type: none"> (a) 73,843,471 of the Shares currently on issue of which: <ul style="list-style-type: none"> (i) 11,943,271 Shares will be subject to a 12-month escrow period from the date of issue; and (ii) 61,900,200 Shares issued to related parties, and advisers (and their associates) will be subject to a 24-month escrow period from listing. (b) 3,725,004 Shares to be issued on conversion under the Convertible Note Holder offer will be subject to a 12-month escrow period from listing; (c) 7,500,000 Options currently on issue of which: <ul style="list-style-type: none"> (iii) 6,000,000 Options issued to related parties (and their associates) will be subject to a 24-month escrow period from listing; and (iv) 1,500,000 Options will be subject to a 12-month escrow period from listing; and | Section 7.14 |

-
- (d) 4,000,000 Options to be issued to the Lead Manager will be subject to a 24-month escrow period from listing.

During the period in which restricted Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Company will announce to ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on ASX.

The Company's 'free float' (being the percentage of Shares not subject to escrow and held by Shareholders that are not related parties of the Company (or their associates) at the time of admission to the Official List) will be approximately 73% (based on the Minimum Subscription) or 70% (based on the Full Subscription) comprising all shares issued.

Who are the current Shareholders of the Company and on what terms were their Shares issued?

The following Shares in the Company are currently on issue:

Section 7.12

- (a) 1 Share was issued on incorporation on 3 September 2021 to David Tildesley at a price of \$1.00;
- (b) 4,166,667 Shares were issued to seed investors on 21 September 2021 and 24 September 2021 at an issue price of \$0.12 per Share;
- (c) 67,176,800 Shares were issued to the vendors of Equity Story on 3 November 2021 in consideration for the acquisition of 100% of the issued shares in the capital of Equity Story;
- (d) 4,000,000 Shares were issued to the vendors of Equity Story Fund on 8 November 2021 in consideration for the acquisition of 100% of the issued shares in the capital of Equity Story Fund; and
- (e) 1,000,000 Shares issued to the nominee of Ben Loiterton (a Director), Venturastar Pty Ltd on 17 November 2021 in accordance with his letter of appointment as Director of the Company.
-

| | | |
|--|---|-----------------------|
| Will the Shares be quoted on ASX? | Application for quotation of all Shares to be issued under the Offer will be made to ASX no later than 7 days after the date of this Prospectus. | Section 4.12 |
| What are the key dates of the Offer? | The key dates of the Offer are set out in the indicative timetable in the Key Offer Information Section. | Key Offer Information |
| What is the minimum investment size under the Offer? | Applications under the Public Offer and Priority Offer must be for a minimum of \$2,000 worth of Shares (10,000 Shares) and thereafter, in multiples of \$500 worth of Shares (2,500 Shares). | Section 4.9 |
| Are there any conditions to the Offer? | No, other than raising the Minimum Subscription and ASX approval for quotation of the Shares, the Offer is unconditional. | Section 4.7 |

J. Use of funds

| ITEM | SUMMARY | FURTHER INFORMATION |
|--|--|---------------------|
| How will the proceeds of the Offer be used? | <p>The Offer proceeds and the Company' s existing cash reserves will be used for:</p> <ul style="list-style-type: none"> (a) implementing the Company' s business objectives as set out in Part C of Investment Overview; (b) advertising; (c) marketing growth and customer acquisition (including events); (d) market analysis; (e) further investment and development of technology; (f) licensing expansion; (g) working capital; (h) cash expenses of the Offer; and (i) administration costs, <p>further details of which are set out in Section 7.11</p> | Section 7.11 |
| Will the Company be adequately funded after completion of the Offer? | <p>The Directors are satisfied that on completion of the Offer, the Company will have sufficient working capital to carry out its objectives as stated in this Prospectus.</p> | Section 7.11 |

K. Additional information

| ITEM | SUMMARY | FURTHER INFORMATION |
|---|---|----------------------|
| Is there any brokerage, commission or duty payable by applicants? | No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Offer. However, the Company will pay to the Lead Manager the fees detailed in Section 11.1.1 in connection with the Offer. | Section 4.6 and 4.16 |
| Can the Offer be withdrawn? | The Company reserves the right not to proceed with the Offer at any time before the issue or transfer of Shares to successful applicants. If the Offer does not proceed, application monies will be refunded (without interest). | Section 4.17 |
| What are the tax implications of investing in Shares? | Holders of Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares subscribed for under this Prospectus. The tax consequences of any investment in Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Shares offered under this Prospectus. | Section 4.16 |
| What are the corporate governance principles and policies of the Company? | To the extent applicable, in light of the Company's size and nature, the Company has adopted The Corporate Governance Principles and Recommendations (4th Edition) as published by ASX Corporate Governance Council (Recommendations). The Company will announce its main corporate governance policies and practices and the Company's compliance and departures from the Recommendations prior to the date of quotation of the Shares issued under the Offer. | Section 10.3 |
| Where can I find more information? | (a) By speaking to your sharebroker, solicitor, accountant or other independent professional adviser; (b) By contacting the Company Secretary, on +61 4 11 764 556; or (c) By contacting the Share Registry on + 61 2 9290 9600. | |

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

DETAILS OF THE OFFER

4.1 The Offer

The Offer is an initial public offering of up to 22,500,000 Shares at an issue price of \$0.20 per Share to raise up to \$4,500,000 (**Minimum Subscription**).

The Offer comprises a:

- (a) **Priority Offer** – a priority offer of up to the amount of \$2,000 per Eligible EQS Subscriber; and
- (b) **Public Offer** – an offer to the general public in Australia.

The Shares issued under the Offer will be fully paid and will rank equally with all other existing Shares currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 12.2.

4.2 Priority Offer

Under the Priority Offer, Eligible EQS Subscribers will be given preference in respect of the allocation of 10,000 Shares (\$2,000) per Eligible EQS Subscriber. There are approximately 1,200 Eligible EQS Subscribers as at the date of the Prospectus.

If the Company receives applications from any Eligible EQS Subscriber for more than 10,000 Shares, the Company will treat those additional applications as applications under the Public Offer.

4.3 Minimum subscription

The minimum subscription for the Offer is \$4,500,000 (22,500,000 Shares) (**Minimum Subscription**).

If the Minimum Subscription has not been raised within four (4) months after the date of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

4.4 Oversubscriptions

Oversubscriptions of up to a further 5,000,000 Shares at an issue price of \$0.20 per Share to raise up to a further \$1,000,000 may be accepted.

4.5 Underwriter

The Offer is not underwritten.

4.6 Lead Manager

The Company has appointed CPS Capital (**Lead Manager**) as the Lead Manager to the Offer. In consideration for its services, the Company has agreed to pay the following fees to the Lead Manager:

- (a) lead manager and corporate advisory fees of:
 - (i) a placing fee of 4% (plus GST where applicable) of all funds raised under the Offer; and
 - (ii) 4,000,000 Options, exercisable at \$0.25 each, on or before the date that is three years from the date of the Company' s admission to the Official List of ASX, which is equal to 3.40% of the Company' s fully diluted issued capital assuming the Minimum Subscription is raised and 3.26% of the Company' s fully diluted issued capital assuming the Full Subscription is raised. The Lead Manager will work with other AFSL holders to assist with raising funds under the Offer and some of these Options may be passed on to AFSL holders who assist with the Company' s raise under the Offer.

The total value of the Options to be issued to the Lead Manager in connection with the Offer is \$368,000.

In the event that all Lead Manager Options to which the Lead Manager is entitled are exercised, an additional \$1,000,000 will be raised by the Company.

Please refer to Section 11.1.1 for further details relating to the engagement of the Lead Manager by the Company.

4.7 Conditions of the Offer

The Offer is conditional upon the following events occurring:

- (a) the Minimum Subscription to the Offer being reached; and
- (b) ASX granting conditional approval for the Company to be admitted to the Official List,

(together the **Conditions**).

If these Conditions are not satisfied then the Offer will not proceed and the Company will repay all application monies received under the Offer within the time prescribed under the Corporations Act, without interest.

4.8 Purpose of the Offer

The primary purposes of the Offer are to:

- (a) assist the Company to meet the admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules;
- (b) provide the Company with additional funding for:
 - (i) ongoing development and expansion of the Company's existing services and offerings to its Subscribers;
 - (ii) furthering market penetration and Subscriber growth in existing key target markets in Australia;

- (iii) increasing the Subscriber base to include customers from other geographies, subject to regulatory requirements;
 - (iv) exploring complementary acquisition opportunities;
 - (v) growing the funds under management in the Company' s existing fund and by the establishment of new funds and investment vehicles;
 - (vi) expanding into potential new verticals and adjacent businesses across the financial services landscape, including investor services, securities trading, market research and data, investment technology, funds management and corporate advisory;
 - (vii) the Company' s working capital requirements while it is implementing the above; and
- (c) remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Offer.

The Company intends on applying the funds raised under the Offer together with its existing cash reserves in the manner detailed in Section 7.11.

4.9 Applications

Applications for Shares under the Public Offer and Priority Offer must be made by using the relevant Application Form as follows:

- (a) using an online Application Form at www.equitystory.com.au/prospectus and pay the application monies electronically; or
- (b) completing a paper-based application using the relevant Application Form attached to, or accompanying, this Prospectus or a printed copy of the relevant Application Form attached to the electronic version of this Prospectus.

By completing an Application Form, each applicant under the Offer will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Applications for Shares under the Offer must be for a minimum of \$2,000 worth of Shares (10,000) Shares and thereafter in multiples of 2,500 Shares and payment for the Shares must be made in full at the issue price of \$0.20 per Share.

Completed Application Forms and accompanying cheques, made payable to “**Equity Story Group Limited**” and crossed “**Not Negotiable**”, must be mailed or delivered to the address set out on the Application Form by no later than 5:00pm (AEDT) on the Closing Date, which is scheduled to occur on 4 March 2022.

If paying by BPAY®, please follow the instructions on the Application Form. A unique reference number will be quoted upon completion of the online application. Your BPAY reference number will process your payment to your application electronically and you will be deemed to have applied for such Shares for which you have paid. Applicants using BPAY should be aware of their financial institution’s cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the Closing Date of the Public Offer. You do not need to return any documents if you have made payment via BPAY.

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company’s decision to treat an application as valid, or how to construe, amend or complete it, will be final.

The Company reserves the right to close the Public Offer early.

4.10 Allocation policy under the Public Offer and Priority Offer

Under the Priority Offer, Equity Story's Paying Subscribers will be given preference in respect of allocation of up to 10,000 Shares at IPO Price per Paying Subscriber.

If the Company receives applications from Equity Story's Paying Subscribers for more than 10,000 Shares each Paying Subscriber, the Company will treat those additional applications as Applications under the Public Offer.

The Company retains an absolute discretion to allocate Shares under the Public Offer and Priority Offer and reserves the right, in its absolute discretion, to allot to an applicant a lesser number of Shares than the number for which the applicant applies, or to reject an Application Form. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

No applicant under the Public Offer or Priority Offer has any assurance of being allocated all or any Shares applied for. The allocation of Shares by Directors (in conjunction with the Lead Manager) will be influenced by the following factors:

- (a) the number of Shares applied for;
- (b) the overall level of demand for the Offers;
- (c) the timeliness of the bid by particular Applicants;
- (d) the desire for a spread of investors, including institutional investors;
- (e) recognising the ongoing support of existing Shareholders;
- (f) the likelihood that particular Applicants will be long-term Shareholders;
- (g) the desire for an informed and active market for trading Shares following completion of the Offers;
- (h) ensuring an appropriate Shareholder base for the Company going forward; and
- (i) any other factors that the Company and the Lead Manager consider appropriate.

The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

4.11 Convertible Note Holder Offer

The Prospectus includes an offer of 7,449,995 Shares to the Convertible Note Holders upon conversion under the Convertible Note Subscription Agreements, the material terms of which are summarised at Section 11.2.1. (**Convertible Note Holder Offer**).

The terms of the Shares offered under the Convertible Note Holder Offer are summarised in Section 12.2.

Only the Convertible Note Holders may accept the Convertible Note Holder Offer. A personalised Convertible Note Holder Conversion Notice and Application Form in relation to the Convertible Note Holder Offer will be issued to the Convertible Note Holders together with a copy of this Prospectus.

The Securities issued under the Convertible Note Holder Offer may be subject to escrow under the ASX Listing Rules. Please refer to Section 7.14 for a summary of the likely escrow position.

4.12 ASX listing

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. However, applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be admitted to the Official List. As such, the Shares may not be able to be traded for some time after the close of the Offer.

If the Shares are not admitted to Official Quotation by ASX before the expiration of four (4) months after the date of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

4.13 Issue

Subject to the to the Conditions set out in Section 4.6 being met, the issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

The Directors (in conjunction with the Lead Manager) will determine the recipients of the issued Shares in their sole discretion in accordance with the allocation policy detailed in Section 4.10. The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares issued

is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Holding statements for Shares issued to the issuer sponsored subregister and confirmation of issue for Clearing House Electronic Subregister System (CHES) holders will be mailed to applicants being issued Shares pursuant to the Offer as soon as practicable after their issue.

4.14 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those outlined below. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that you have complied with these restrictions.

4.15 Commissions payable

The Company reserves the right to pay a commission of up to 4% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

The Lead Manager will or may work with other licensed securities dealers or Australian financial services licensees to assist with capital raising under the Offer and some of the Lead Managers may be passed on to them under the Lead Manager Mandate.

4.16 Taxation

The acquisition and disposal of Shares will have tax consequences which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus or the reliance of any applicant on any part of the summary contained in this Section.

No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Public Offer.

4.17 Withdrawal of Public Offer

The Offer may be withdrawn at any time. In this event, the Company will return all application monies (without interest) in accordance with applicable laws.

DIRECTORS AND KEY MANAGEMENT PERSONNEL

5.1 Directors Biographies

(a) **Trent McGraw**

Director and Chief Executive Officer

Trent has over 14 years' business and executive experience. In 2020, Trent co-founded Equity Story Fund, being the fund manager of the Equity Story Growth Fund, which primarily makes investments in both domestic and international equities utilising in-house fundamental and technical research analysis. Trent is currently the Chief Executive Officer of Equity Story Fund. Trent is also a director of Equity Story, a stock market research, recommendation and education firm since 2016.

Prior to his directorship roles in Equity Story Fund and Equity Story, Trent co-founded Edison Capital Group, a venture and seed capital investment company in 2014 and became the Chief Executive Officer of Edison Capital Group in 2017. His previous experience also includes a directorship role in Fifo Capital Australia Pty Ltd, a business financing company.

Trent holds no current directorships in public companies.

The Board considers that Trent is not an independent Director.

(b) **David Tildesley (BA, & BSc)**

Executive Director

David has over 20 years' business and executive experience. David co-founded Equity Story in 2007. David has been the lead technical equities analyst of Equity Story since 2010 and is widely regarded as one of Australia's leading trending analysts.

David holds a Degree in History and Sociology, a diploma in Financial Markets through the Securities Institute of Australia and maintains RG146 accreditations.

David holds no current directorships in public companies.

The Board considers that David is not an independent Director.

(c) **Mark Goes (Dip. Financial Markets)**

Executive Director

Mark has over 20 years' experience in financial markets, most recently as a senior securities advisor. Mark co-founded Equity Story in 2007. He is currently the head of AFSL Compliance at Equity Story. Mark previously held positions as an investment advisor at Morgans Financial, RBS Morgans and HSBC James Capel Australia.

Mark has extensive experience in domestic and international equity markets, equity derivatives, initial public offerings, unlisted and greenfield capital raising, private placements, institutional and retail equity operations, estate administration, insurance and superannuation investment advice.

Mark holds a diploma in Financial Markets through the Securities Institute of Australia and has achieved accreditations as follows: Superannuation, Insurance and Derivatives (ADA2) and is RG 146 compliant. He is currently a member of the Stockbrokers and Financial Advisers Association (SAFAA) and a registered member of the Tax Practitioners Board (TPB).

The Board considers that Mark is not an independent Director.

(d) **Ben Loiterton (Bcom (Fin), LLB)**

Non-Executive Chairman

Ben has over 28 years' experience in investment banking, corporate advisory, business management and entrepreneurial activity. He is an experienced public company director having served on four ASX-listed company boards and various private company boards and advisory boards.

Ben has extensive experience with driving IPOs, equity capital raising transactions, corporate finance, mergers & acquisitions, commercial strategy, financial management and capital structuring. He has direct experience in a wide array of sectors including software technology, IT services, financial services, ecommerce, telecoms, media, and both new economy business models and traditional businesses. He has co-founded several start-up businesses and arranged equity funding across the full spectrum from seed capital to private equity transactions.

Ben is currently a Non-Executive Chairman of Simble Solutions Limited (ASX:SIS).

The Board considers that Ben is an independent Director.

No Director of the Company has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the past 10 years which is relevant or material to the performance of their duties as a Director of the Company, or which is relevant to an investor' s decision as to whether to subscribe for Shares.

No Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12-month period after they ceased to be an officer.

The Company is aware of the need to have sufficient management to properly supervise its operations, expansion and research and development, and the Board will continually monitor the management roles in the Company. The Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management oversight of the Company' s activities.

5.2 Key Management Personnel Biographies

(a) **Peter Kopetz**

Trading Analyst (Fundamental)

Peter has over 20 years' experience as a senior level securities advisor. He is currently the Head Fundamental Analyst at Equity Story, a role he started in 2015. Peter is also currently the Investment Manager for the Equity Story Growth Fund.

Prior to these roles at Equity Story, Peter was an Equities Analyst at State One Stockbroking (2009-2015), DJ Carmichael (2006-2009) and a Senior Auditor at Asguard Wealth Solutions (2001-2006).

Peter holds a Graduate Diploma of Applied Finance and Investment (Kaplan), a Diploma in Financial Markets (Finsia) and a Graduate Certificate in Financial Markets (Finsia).

INDUSTRY OVERVIEW

6.1 Background

Equity Story Group's wholly-owned subsidiary, Equity Story Pty Ltd (**Equity Story**) is a share market trading advice, research, recommendation and educational member subscription business, with over 1,200 member subscribed to its database.

The Company also operates a recently acquired wholly-owned subsidiary, Equity Story Fund Pty Ltd (**Equity Story Fund**), being the fund manager of the Equity Story Growth Fund, a boutique wholesale fund that was launched in September 2020 with a total of \$3.72 million funds under management and currently with over \$5.0 million funds under management.

The Company, through these wholly-owned subsidiaries, provides investors with general information, education and guidance on share trading strategies, and related services including funds management. The Company has also entered into a joint venture arrangement with Andover, pursuant to which the Company proposes to provide its investors with access to primary shares issues.

The Company operates within the:

- (a) **independent investment research services industry**, which accounts for the majority of Equity Story's revenue; and
- (b) **funds management services industry**,

in Australia. The Company also proposes to operate within the primary equity securities distribution industry.

6.2 Overview of the Independent Investment Research Services

Industry

In recent years, the equity capital markets globally have attracted increasing interest from individual investors in trading and investing in a wide range of investment products, and in particular in publicly listed or traded stocks.

The independent investment research services industry in Australia is currently valued at approximately \$235.9 million and is expected to grow annually by 4.5% over the next five years, through to 2026, through the offering of four (4) key product categories:

(a) **Investment Research Subscription Services**

Equity Story derives the majority of its revenue from this product category, which refers to the investment research provided by research firms to clients usually via the means of a paid subscription. It is noted that majority of research firms utilise this revenue model.

(b) **Pay-for-Ratings Services**

This product category refers to investment research providers who charge a fee for the evaluation of a financial product and the publication of a rating.

(c) **Research Consulting Services**

The product category refers to research firms or providers who provide research consulting services that are not directly related to ratings products, and these include specialised economic and industry reports, asset allocation optimisation, fund management performance, and other financial products and services.

(d) **Other Investment and Research Services**

This product category refers to other investment and research services that the industry provides, which includes conference sponsorships, software subscriptions, data service subscriptions, advertising in company publications and websites.

The chart below shows the percentage of industry revenue in Australia for each services in Australia in 2021:

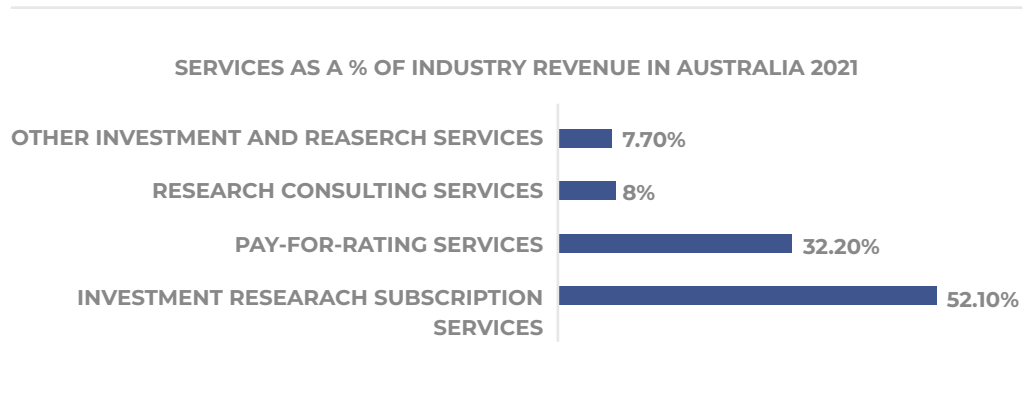


Figure 1: Services as a percentage of Industry Revenue in Australia in 2021

6.3 Investment Research Subscription Services Segment

Equity Story operates in the investment research subscription services industry but only in the investment research subscription services category (see Section 6.2(a) above). Equity Story offers investment research subscription services to its clients, by providing the services as described in Section 7 of this Prospectus.

Equity Story offers general share market trading advice and recommendations, and delivers its investment research and trading strategies through data, charts, webinars, reports, opinions, education services.

6.3.1 Market Concentration

There is moderate market share concentration in the wider independent investment research services industry, which comprises both larger global and Australian-based firms, as well as Australian-based boutique firms, which includes Equity Story.

External competition in the Australian boutique market is comparatively higher with various small firms providing investment research and trading advice to private investors, generally using a subscription business model.

This has been driven, in recent years, by demand from Retail Investors and high net worth individual investors seeking general advice and commentary on individual stocks and trading strategies, predominantly with regards to ASX listed companies, including small-cap and mid-cap stocks.

6.3.2 Equity Story Competitive Landscape

The key competitors of Equity Story are boutique research and general advice providers operating in Australia, which are largely focused on servicing individual traders and investors, high net worth individuals and family offices, self-managed superannuation funds, day-traders and retail-level participants.

The majority of Australian boutique research services providers are locally based in Sydney and Melbourne. These operators tend to offer specialised independent research on particular stocks, fundamental commentary (investment fundamentals such as operational and financial performance) as well as technical commentary (stock price charting-based observations).

Boutique research services largely follow a subscription based business model with their main revenue streams coming from monthly or annual fees paid by clients.

Research Service Providers in Australia – Key Selected Competitors to Equity Story

| Key Selected Competitors |
|----------------------------|
| 1. Motley Fool |
| 2. InvestSmart |
| 3. Fat Prophets |
| 4. Investor Daily |
| 5. Under the Radar Report |
| 6. Marcus Today |
| 7. Stock Baron |
| 8. Australian Stock Report |
| 9. FN Arena |
| 10. The Chartist |
| 11. Eureka Report |
| 12. Intelligent Investor |

The increase in new firms entering the market has reduced market concentration in recent years and this trend is forecasted to continue as smaller players are expected to experience a growth in numbers of individuals interested in market advice, a trend of individual clients shifting away from wealth management offerings towards self-managed portfolios, and a general increase in market awareness of boutique firms.

Equity Story possesses a competitive advantage in the boutique independent investment research services industry due to the following factors:

- (a) unique combination of technical and fundamental research and information, with a unique focus on video-based commentary on stock price charts of selected ASX listed shares;
- (b) positive track record of investment returns from general advice and commentary provided to subscribers;
- (c) entertaining video content combined with newsletters and written research;
- (d) interactive live education services via webinars and seminars;
- (e) interactive live Q&A sessions with analysts,

noting that Equity Story only provides general financial product advice.

Thus, Equity Story has been able to offer a point of differentiation from key competitors, effectively fostering a highly loyal customer base.

6.3.3 Barriers to Entry

The barriers to entry in the boutique independent investment research services industry are relatively high and increasing. Despite the apparent inexpensive nature of establishing an investment research company, new firms face a variety of barriers that may prevent successful operations. These include:

- (a) difficulty in accessing a customer base due to the extensive branding advantages of established/reputable competitors;
- (b) limitations in the ability of new entrants to reach potential clients due to the uncertainty in research quality and lack of track record; and
- (c) high levels of compliance and regulatory requirements, including costs associated with licensing and reporting.

6.4 Impact of Technologies

Technology disruption has been moderate but increasing across the independent investment research services industry over the past five years.

Due to the greater collection of data, use of trading software and the shift towards data analytics, research services firms are able to leverage such resources to provide a wider and more comprehensive range of analysis on financial products. This has also spurred the creation of new services that appeal to specialised markets, such as analysis of small-cap and micro-cap stocks, and observing trends from detailed market trading data.

Additionally, new mediums for delivering research and market information have become available and are growing in popularity, in particular digital video technology. Equity Story has been a market leader in providing informative and entertaining daily video content to its subscriber base.

Digital and online methods of reaching subscribers results in greater efficiency of communicating regularly with members and allows a wider array of data and information to be shared with them.

Digital marketing techniques utilising social media platforms also allow Investment Research Firms to promote and market their products to a wide audience of potential new customers.

6.5 Independent Investment Research Services Key Customers

The Independent Investment Research Services segment predominantly services Retail Investors and Wholesale Investors, which includes households, high net worth individuals, family offices, self-managed superannuation funds and individual traders and investors that require independent investment research on ASX listed stocks.

Equity Story targets Retail Investors and Wholesale Investors segments within the key customers of the independent investment research services industry.

6.6 Challenges for the Independent Investment Research Services Industry

6.6.1 Regulatory Environment Challenges

Investment research firms operate within a highly regulated industry in Australia as they are regulated by ASIC and are required to obtain an Australian Financial Services (AFS) license to provide financial advice.

Such regulation enforces the adequacy of capital resources and compliance with audit requirements to ensure the transparency and integrity of services.

However, the recent reports of mixed superannuation fund returns, corporate mismanagement and the collapse of various Australian financial services firms and schemes have resulted in increased scrutiny of the investment research industry.

Accusations of conflicts-of-interests surrounding pay-for-rating business and operator commissions in recent years catalysed ASIC investigations and increased regulations regarding disclosures in an attempt to improve industry transparency.

Key areas of improvements listed by ASIC have concerned heightening the comprehensiveness of information regarding potential issues of funds and commission earned by firms marketing investment products. This has contributed to an increase in demand for independent investment commentary and trading advice.

A key risk faced by boutique Independent Investment Research Services firms is the prospect of greater regulations surrounding activities in the sector, reducing business growth opportunities. However, such changes may also enhance growth opportunities for Equity Story as a provider of general investment advice because traditional highly regulated wealth management groups may be faced with increased compliance requirements.

6.6.2 Consolidation Challenges

Trends of consolidation in the independent investment research services industry may result in a smaller number of operators and therefore a less diverse range of investment opinions available to investors.

However, due to the prospective increase in the range of investment strategies available and a growth in the number of individual investors seeking independent financial advice and commentary, external consolidation threats to the boutique Independent Investment Research industry are expected to be minimal.

6.7 Industry Growth Factors and Opportunities

The following growth factors for the stock market will have a positive impact of the independent investment research services industry:

6.7.1 Increase in Retail Investor Numbers

In Australia, the number of Retail Investors increased by 100% since May 2020, with an estimated 1.43 million individuals placing one or more trades during this period. This fluctuation is most prominently due to the desire to learn new skills during the COVID-19 lockdown period, paralleled with increased share market volatility and public awareness during the COVID-19 period.

6.7.2 Interest in Investing by Younger Demographics

The Australian equities market has been dominated by male investors with all investors averaging an age of 46. However, it is predicted a future shift in the demographics as larger numbers of younger ‘next generation investors’ aged under 40 enter the market as investors.

Over the 2018 and 2020 period in Australia, a quarter of new investors and 27% of intending investors (i.e. those who plan to begin investing within 12 months) belong to the 18-24 age group. Many investors in this age group have stated their willingness to seek professional help, with over one third mentioning that they lack the confidence to invest independently.

In the US, a recent research poll found that 67% of American investors aged between 18 and 40 have a preference for equities and over 40% own cryptocurrencies. Over 90% of investors in the 19 to 40 age range in the US use social media as a platform for obtaining investing information and 12% regard social media and online influencers as their most preferred source of investment advice, and 12% most prefer independent research providers.

Equity Story offers a combination of independent research and entertaining video content which may have greater appeal to younger demographics of equity market investors.

6.7.3 Global Loose Monetary Policy Settings

A low interest rate environment has been a key catalyst for first-time Retail Investors entering the market in recent years. With an aim to stimulate the business and household sector, the Reserve Bank of Australia (RBA) has reduced the cash rate to 0.25% in March and 0.1% in November 2020, which is a historic low.

Paralleled with quantitative easing since 2009 by Global Reserve Regulators, the monetary climate supports the rationale for the shift towards the equity market. The RBA has stated that the cash rate is projected to stay at historic lows until 2024, notwithstanding recent indications that a monetary tightening cycle may be soon underway.

Therefore, interest in investing in equity markets is likely to continue in line with this, which is an opportunity for Equity Story.

6.7.4 Discretionary Income

Despite the volatile economic conditions stemming from the COVID-19 pandemic, real household discretionary income has risen strongly over the 2020-21 period. Government support packages, including support payments, early superannuation access and tax concessions, were effective in offsetting the effects of the economic disruption of the pandemic.

Discretionary income has seen an annualised growth of 3.4% over the 2016-21 period, and is expected to increase by 1.2% in 2021-22 to \$606 billion, after peaking at over 20% during the height of the pandemic. The Australian household savings cash pool topped \$140 billion in June 2021.

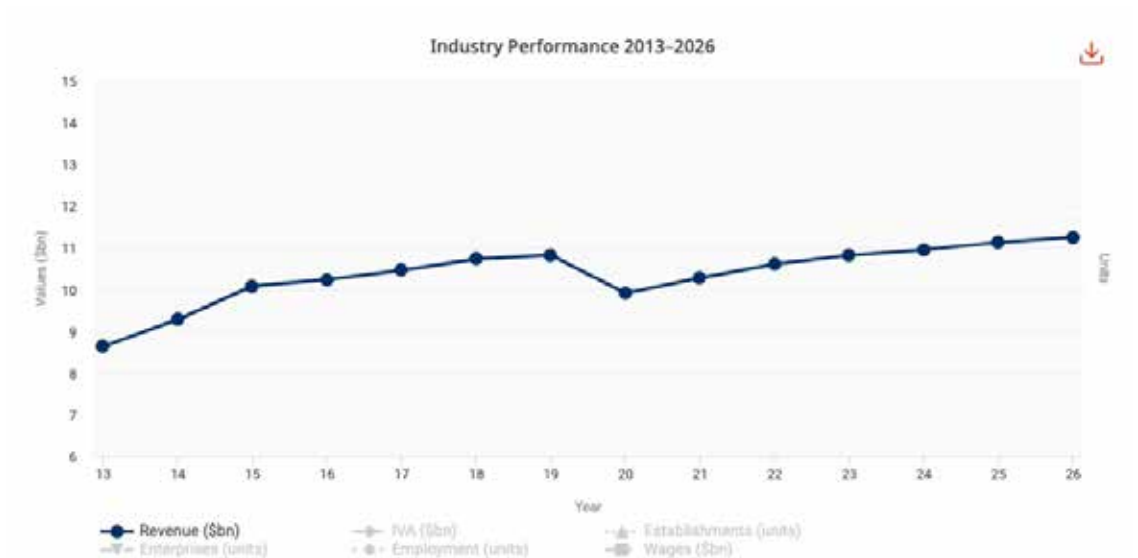
Combined with historically high household savings rates and low interest rates in Australia, this vast sum of income and associated savings provides an opportunity for individuals to participate in the equities market.

6.8 Funds Management

EQS, through Equity Story Fund, will also operate in the Funds Management Services industry and offer funds management services to certain clients as described in Section 7 of this Prospectus.

The Australian Funds Management Services Industry is currently valued at \$10.3 billion, with an expected annual growth rate of 1.8% from 2021 to 2026. There are currently over 300 competitors in the industry, offering around 3,700 active funds to investors. The industry manages just under \$2.5 trillion in consolidated assets with overseas investors contributing around 5% of the pool of funds under management (**FUM**).

Future growth in the industry will be further driven by Australia's ageing population and increases in superannuation and general wealth. As the Australian population ages, demand for funds management services is expected to increase for portfolios and funds that provide a regular income stream as well as capital growth opportunities.



6.8.1 Equity Story Fund's Competitive Landscape

Equity Story Fund competes against other fund managers with strong historical investment returns and industry operators who have an extensive distribution network.

6.8.2 Barriers to Entry

The funds management services industry has medium barriers to entry due to the following reasons:

- (a) raising funds without prior experience or established network can be difficult and new entrants to the funds management services industry will face difficulties in attracting investors;
- (b) building a reputation and investment performance history comparable with existing fund managers can take time; and
- (c) establishing a new business can incur numerous costs including brand building, distribution and constructing a team of skilled staff, but the cost of operating fund gradually decreases as the value of the funds under management (**FUM**) grows, due to the greater realisation of economies of scale.

6.9 Primary Equity Securities Distribution Industry

Through Equity Story's joint venture arrangement with Andover Corporate Finance Pty Ltd (**Andover**) as detailed in Section 11.4 of this Prospectus, the Company proposes to operate a business unit where Andover will distribute investment opportunities, such as ASX listed company placements and initial public offerings, to Equity Story's members who are Wholesale Investors, as described in Section 7 of this Prospectus.

6.9.1 Initial Public Offerings (IPOs)

Through Equity Story's joint venture arrangement with Andover, EQS proposes to operate a new business unit to offer IPO opportunities to qualified (Wholesale Investors) members of its subscription services, as described in Section 7 of this Prospectus.

The Australian IPO market is one of the world's most active exchanges by listing volumes, executing an average of approximately 120 new listings per year from 2014 to 2020. 2021 was a standout year for ASX with 240 new listings, raising over \$13 billion of capital (being the highest in seven years) and a total combined market capitalisation of \$52 billion. This has significantly increased from around 120 listings in 2020 and is the biggest year for ASX since the height of the mining and bull market of 2007.

Underscored by the world's fourth largest investable pension pool, the ASX continues to be an attractive platform for IPOs. The superannuation sector is projected to reach \$10 trillion by 2038 from \$2.7 trillion in 2020, thus the increase in capital available for investment further supports the rationale for listings and IPOs on the exchange.

6.9.2 Secondary Market Placements

Placements, which target Wholesale Investors to efficiently raise equity, are the most frequent form of capital raising initiatives undertaken by listed entities.

In the 2006-2020 period, there have been 5,952 placements on ASX, effectively raising a total of \$181.2 billion. This is contrasted by 1,024 IPO listings over the same period, with total capital raised of \$68.6 billion.

An increasing number of ASX-listed entities have looked to capital raising in recent years in an attempt to raise growth funds, finance acquisitions and improve their balance sheets.

Placements are the most frequent form of transaction, but also raise a smaller amount of capital per deal compared with IPOs. Placements can be executed quickly (normally within 24 hours) and are targeted at Wholesale Investors.

IPOs are a less frequent form of capital raising, however IPOs, on average, raise over double the amount of capital per transaction in contrast to placements.

Andover will through its joint venture arrangement with Equity Story offer selected IPOs and ASX Listed Placements to qualified (Wholesale Investors) members of Equity Story's subscription services from time to time, as part of this industry segment.

COMPANY OVERVIEW

7.1 Background

The Company is an Australian unlisted public company incorporated on 3 September 2021.

The Company subsequently acquired Equity Story and Equity Story Fund as its wholly-owned subsidiaries in October 2021.

Equity Story was founded in 2007 and is a results-driven share market trading advice, research, recommendation and educational member subscription business. Equity Story was founded to provide its clients with general financial product advice, to help its clients to make more informed trading decisions, and provide actionable investment recommendations handpicked by Equity Story's investment team. Equity Story currently has approximately 40,000 subscribed Australian-based members (**Subscribers**), with around 1,200 of its subscribed members being paying subscription members (**Paying Subscribers**).

Since its founding, Equity Story has delivered its general advisory only services via an online membership platform, which can be accessed via the member-only online portal. Members receive a daily 15-20min 'Market Watch' video at 11:30am every trading day of the year.

Equity Story Fund is the fund manager of the Equity Story Growth Fund, which operates on equity fundamental and technical strategy, focusing on medium to long term growth opportunities. The Equity Story Growth Fund invests in both domestic and international equities.

In 2020, Equity Story expanded its services to include investment educational courses to its clients.

Through Equity Story's joint venture arrangement with Andover Corporate Finance Pty Ltd (**Andover**) as detailed in Section 11.4 of this Prospectus, Equity Story will further expand its services to give its Wholesale Investor clients access to listed investment opportunities.

7.2 Company Mission

The Company's mission is to help its clients become better investors and traders to achieve their financial goals, and to empower and educate its clients by offering premium general securities trading advice, education and investment services through quality investment research and products.

The Company's key business strategies are to:

- (a) continue to provide quality general trading advice, information, products and services to the existing Paying Subscribers;
- (b) increase the range and depth of products and services offered to its Subscribers and Paying Subscribers;
- (c) grow the Company's database of Subscribers and Paying Subscribers, within Australia and other target jurisdictions such as United States of Australia; and
- (d) pursue non-organic growth opportunities, including value adding acquisitions.

7.3 Business model

Upon completion of the Offer, the Company will deliver its services to its clients through the following key business units:

- (a) independent investment research services;
- (b) investor education services;
- (c) funds management; and
- (d) access for clients to investment opportunities.

7.3.1 Independent Investment Research Services

Equity Story was founded in 2007 and has since provided independent investment research services to its clients, by offering unique and entertaining general stock market investment advice to its Subscribers.

Equity Story holds AFSL 343937, which authorises it to provide general financial product advice in respect of securities to retail clients. The retail authorisation means that Equity Story must treat all clients (including wholesale clients) as retail clients when dealing with them. This enables Equity Story to provide the services described in this section (other than the funds management services) to both retail and wholesale clients.

The Company generates its revenue from fees paid by paying Subscribers, who have historically paid an average annual subscription fee of \$900 to \$1000, depending on the membership package they subscribed to.

In August 2021, Equity Story increased its annual advice subscription packages fees to between \$1,500 to \$2,500 and has also introduced multi-year subscription packages to include 3-year, 5-year and 8-year subscription packages, ranging from \$2995 to \$4995. Since these changes were implemented in August, it has led to improved average monthly and annual subscription revenues as presented in the tables below:

| Time Period | Average annual subscription amount | Growth on FY17-FY21 Average (%)¹ |
|--------------------|---|--|
| FY17-FY21 | \$843.86 | |
| Aug-21 | \$1,206.24 | 42.94% |
| Sep-21 | \$1,594.00 | 88.89% |
| Oct-21 | \$2,389.37 | 183.14% |
| Nov-21 | \$1,590.00 | 88.41% |
| Dec-21 | \$1,595.95 | 89.12% |

Figure 2: revenue growth since increase of annual subscription amount

Notes:

1. The growth percentages for each month are calculated based on the average annual subscription amount since FY17-FY-21.

| Time Period | Average monthly subscription amount | Growth on FY17-FY21 Average (%) ² |
|-------------|-------------------------------------|--|
| FY17-FY21 | \$101.67 | |
| Aug-21 | \$115.88 | 13.68% |
| Sep-21 | \$143.00 | 23.72% |
| Oct-21 | \$140.70 | 21.73% |
| Nov-21 | \$143.00 | 40.65% |
| Dec-21 | \$141.72 | 39.39% |

Figure 3: revenue growth since increase of monthly subscription amount

Notes:

1. The growth percentages for each month are calculated based on the average monthly subscription amount since FY17-FY-21.

Equity Story's Paying Subscribers are provided with a member-only online portal.

Equity Story offers two primary subscription packages, being the Trader Pro Membership package and the Trader X Membership package. The Paying Subscribers of the Trader Pro membership includes trading advice relating to stocks listed on the ASX and the Paying Subscribers of the Trader X Membership Package receive all content included in the Trader Pro Membership package plus trading advice, ideas and stock recommendations in the US Market.

Under Equity Story's Trader Pro and Trader X Membership packages, Paying Subscribers receive the following:

- (a) A daily 15-20 minute 'Market Watch' video at 11:30am (AEDT) every trading day of the year in Australia. This video is hosted by Equity Story's team of analysts and provides:
 - (i) general market coverage for both the US and Australian markets; and
 - (ii) actionable short to medium term trading ideas, based on technical and fundamental analysis;
- (b) Actionable short/medium and long term investment recommendations based on technical and fundamental analysis and these recommendations include:
 - (i) trades of stocks across a range of company sizes, comprising of micro, small, mid and large cap opportunities; and
 - (ii) Entry, exit and stop-loss targets;
- (c) Access to twice-weekly live webinars, where Paying Subscribers are able to ask Equity Story's analysts trading and investment related questions on any listed company;
- (d) A range of trading ideas every Sunday to include what Equity Story's team of analysts considers to be the best technical equities charts for the trading week ahead, based on Equity Story's own internal trading methodology combined with Equity Story's internally selected moving average indicates.

The Company plans to significantly grow the number of Paying Subscribers with marketing initiatives to the wider database of 40,000 Subscribers, and by advertising in the general private investor market. Please refer to Section 7.5 for more detail in respect of the Company' s future plans.

7.3.2 Investor Education Services

Equity Story offers investing and trading educational courses to its clients. These education courses are delivered online as a full day event, where attendees are taught Equity Story' s proven, actionable and easy-to-follow 7-step investment strategies.

Equity Story' s investing and trading educational course included the following content:

- (a) investing and trading mindset and planning;
- (b) technical analysis to include interpreting technical indicators and signals;
- (c) fundamental analysis; and
- (d) risk management to include using trade signals, risk reward analysis and using stop losses.

The Company plans to significantly grow the number of attendees of these Investor Education Courses and programs with marketing initiatives to the wider database of 40,000 Subscribers and by advertising in the general private investor market.

7.3.3 Funds Management

The Company acquired Equity Story Fund as a wholly-owned subsidiary in October 2021. Equity Story Fund was incorporated in June 2020 and is a boutique wholesale fund manager of the Equity Story Growth Fund. The Equity Story Growth Fund was launched in September 2020 with a total of \$3.72 million funds under management and currently with over \$5.0 million funds under management (**FUM**).

Equity Story Fund is also a corporate authorised representative (**CAR**) of Boutique Capital Pty Ltd (AFSL 508 011). These CAR arrangements enable Equity Story Fund to act as investment manager of the Equity Story Growth Fund.

The Equity Story Growth Fund invests in both domestic and international equities and implements an equity fundamental and technical strategy, focusing on medium to long-term growth opportunities.



The trustee and the issuer of the units in the Equity Growth Fund is Boutique Capital Pty Ltd (ACN 621 697 621) (AFSL 508011) (**Boutique Capital**).

Under an investment management agreement, Equity Story Fund was appointed as the investment manager of Equity Story Growth Fund. In consideration for Equity Story Fund providing services as the investment manager, Boutique Capital must pay Equity Story Fund a management fee of 1.75% plus GST per annum of the net asset value of the fund. Equity Story Fund is also entitled to be paid a performance fee of 17.5% of positive returns relative to a highwater mark. Performance fees will be paid quarterly, each 31 March, 30 June, 30 September and 31 December. Boutique Capital is responsible for implementing all investments in relation to the Equity Growth Fund under the sole instructions of Equity Story Fund.

Equity Story Fund has also entered into a corporate authorised representative agreement with Primary Securities Ltd (**Primary**). Primary has established a retail feeder fund, the Primary Investment Board Class E, to accept investments from Retail Investors. The CAR Agreement with Primary enables Equity Story Fund to provide general financial product advice to investors in the Primary Investment Board Class E.

The Company plans to significantly increase the total FUM of the Equity Story Growth Fund by implementing marketing strategies to obtain investment from the wider database of Subscribers and by advertising in the general private investor market. The Company also intends to launch additional funds with various investment strategies, that are complementary to the business in the future.

7.3.4 Access for Clients to Investment Opportunities

Equity Story has entered into a joint venture arrangement with Andover Corporate Finance Pty Ltd (**Andover**), where Andover will procure and manage, in consultation with Equity Story, equity securities investment opportunities for distribution to Equity Story' s database of Subscribers.

Andover is an independent investment banking and advisory firm based in Sydney that has been operating for over eighteen (18) years. Equity Story' s joint venture partnership with Andover will add corporate advisory as well as access to on-market ASX equity placements, IPOs and other capital raising capabilities to the Company.

Andover will through its joint venture arrangement with Equity Story provide to Equity Story' s Subscribers who are Wholesale Investors, which includes investment funds, family offices and high net worth individuals and other qualified Section 761GA investors, access to listed capital raises (e.g. placements) and Initial Public Offerings (**IPOs**). Subject to regulatory and licensing requirements, the Company plans to offer investment opportunities to Equity Story' s Subscribers who are Retail Investors in the future.

The Company believes that Equity Story' s joint venture partnership with Andover will enable Equity Story to add value to its Subscribers and clients, as well as provide the Company with an additional revenue stream.

7.4 Revenue Model

Equity Story currently has a membership base of around 1,200 Paying Subscribers, with its services currently delivered via a member-only online portal.

Equity Story currently generates revenue via:

- (a) annual membership subscription fees – Paying Subscribers pay Equity Story an annual membership subscription fee to access the member-only online portal where general financial product advice are delivered; and
- (b) educational course registration fees – participants of Equity Story' s educational courses pay Equity Story a registration fee to participate in its online securities investment educational courses.

Equity Story Fund currently generates revenue via performance fees and management fees, through its management of the Equity Growth Fund.

The Company expects to generate revenue in the future via access to investment opportunities, where the Company will receive a portion of the placement fees as paid to stockbrokers or directly from issuing companies under Equity Story' s joint venture partnership with Andover.

7.5 Future Strategic Plans and Key Objectives

The Company intends to continue with Equity Story' s current business model, with a focus on scale, expansion and diversification, which will enable the Company to fulfill its growth ambitions as a financial media company. The Company believes that it can

realise significant growth of its established investment research and educational services business by:

- (a) leveraging its large number of total Subscribers by continuing to develop and expand its existing services and offerings to Subscribers;
- (b) furthering market penetration and Subscriber growth in existing key target markets in Australia;
- (c) increasing the Subscriber base to include customers from other geographies (subject to regulatory requirements);
- (d) exploring complementary acquisition opportunities;
- (e) growing the funds under management in the existing fund, and by the creation of new funds and investment vehicles;
- (f) expanding into potential new verticals and adjacent businesses across the financial services landscape, including investor services, securities trading, market research and data, investment technology, funds management and corporate advisory.

The Company has a comprehensive growth plan with the key objectives of significantly boosting Paying Subscribers and Subscribers numbers, increasing revenue and profit margin, which includes:

(a) **Advertising**

The Company has steadily grown its membership subscription revenue to date with limited advertising spend. In order to accelerate growth of the business, the Company will significantly increase its monthly advertising spend, primarily across Google and Facebook channels. This increase in advertising spend, along with being able to spend consistently month on month, will allow the Company to achieve further market penetration with its business, increase the profile of the Company and drive revenue.

(b) **Marketing Growth and Customer Acquisition**

The Company has recently engaged an award-winning digital marketing agency, King Kong with the resources to promote Equity Story' s range of services both here in Australia and, if required, overseas. The digital marketing agency will assist the Company to drive customer acquisition growth with its advisory and educational events businesses through channels such as YouTube, Google and Facebook. The Company intends to engage other events promotional partners to independently drive the Company' s education events business over and above its existing marketing channels.

(c) **Market Analysis**

Equity Story is both a technology business and a people business. The technology delivers the services and the people deliver the advice and education. The Company is looking to build its operational market analyst team as the business grows to assist with the delivery of advice and education to its Subscribers. Each operations market analyst team member will require access to the best research tools to deliver the best possible service. This includes, for example, but not limited to access to subscriptions such as Esignal, Reuters, Refinitiv, Riskalyze (US only) etc.

(d) **Further Investment and Development of Technology**

In order to provide the highest level of service to a growing database of Subscribers, the Company will invest in ongoing development of its technology. With the goal of delivering best-in-class technology, this will not only drive customer growth, but also increase customer retention and help maximize customer lifetime value (**CLV**). The Company is looking to invest in its technology by:

- (i) Upgrading its Australian advisory website and Paying Subscribers membership portal;
- (ii) Upgrading Equity Story Fund' s funds management website;
- (iii) Building a membership mobile application;
- (iv) Building a dedicated education events website;

- (v) Exploring options to deploy charting or execution platforms; and
- (vi) Building its US advisory website and Paying Subscribers membership portal (if required).

(e) **Licensing Expansion**

The Company is working with both Australian and US Financial services licensing advisors to explore licensing options to provide further potential services and revenue streams. This may include:

- (i) Upgrade Equity Story' s AFSL to include managed investment scheme products and to enable Equity Story' s advisory business to discuss Equity Story Fund with its Paying Subscribers (subject to appropriate conflicts management procedures); and
- (ii) secure US Securities and Exchange Commission (SEC) Investment Advisor licence or registration.

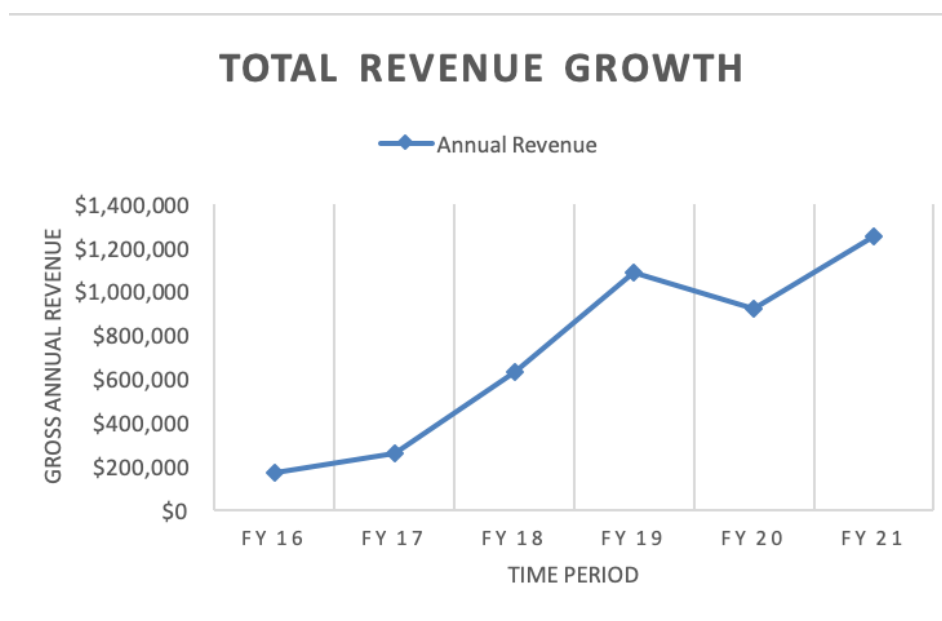
7.6 Operations Overview

The Company' s office is based in Sydney, Australia with a team of professionals overseeing the corporate development, sales and marketing, technology, compliance and financial aspect of the business. The Equity Story team is supported by its team of analysts to deliver excellent content to its Subscribers.

7.7 Historical Financial Summary

(a) Revenue

The graph below shows the total revenue growth of the Company since financial year 2016:



(b) Paying Subscribers and Subscribers

The table below shows the increase of Paying Subscribers each calendar year from 2017:

| Time Period | Number of Paying Subscribers | Growth relative to prior Financial Year (%) |
|--------------|------------------------------|---|
| January 2017 | 214 | |
| January 2018 | 324 | 51.40% |
| January 2019 | 463 | 42.90% |
| January 2020 | 559 | 20.73% |
| January 2021 | 843 | 50.80% |
| January 2022 | 1194 | 41.64% |

(c) **Members (Subscribers)**

The table below shows the number of Subscribers on the Equity Story database since 2017:

| Time Period | Number of Subscribers |
|--------------------|------------------------------|
| January 2017 | 1,619 |
| January 2018 | 8,103 |
| January 2019 | 18,487 |
| January 2020 | 23,531 |
| January 2021 | 37,108 |
| October 2021 | 43,484 |
| November 2021 | 44,383 |
| December 2021 | 44,528 |

7.8 Significant dependencies

The key factors that the Company will depend on to meet its objectives are:

(a) **Personnel**

Equity Story's business model depends on the quality of stock market trading advice and research as provided by the Company. As such, the analyst team of Equity Story is instrumental to the growth and development of Equity Story's business. The key analysts of Equity Story are David Tildesley and Peter Kopetz, being the technical analyst and fundamental analyst respectively. Equity Story will be expanding its team of analysts as the business grows and develops.

(b) **AFSL**

Equity Story currently holds an Australian Financial Services Licence (AFSL 343937), which authorises Equity Story to provide general financial product advice in respect of securities to retail clients.

(c) **Technology**

Equity Story's business model depends on its ability to deliver high-quality content effectively and efficiently and its technology capabilities to scale and manage a larger Subscriber database. The ability of Equity Story's team to maintain, grow and keep ahead of the technology growth curve is key to being a market leader in the independent investment research services industry.

(d) **Partners and Suppliers**

The Company's key partners and suppliers are as follows:

- (i) Equity Story Fund is the corporate authorised representative (**CAR**) of Boutique Capital Pty Ltd. These CAR arrangements enable Equity Story Fund to act as investment manager of Equity Story Fund; and
- (ii) Equity Story has a joint venture arrangement with Andover Corporate Finance Pty Ltd (**Andover**), where Andover will procure equity securities investment opportunities for distribution to Equity Story's database of Subscribers.

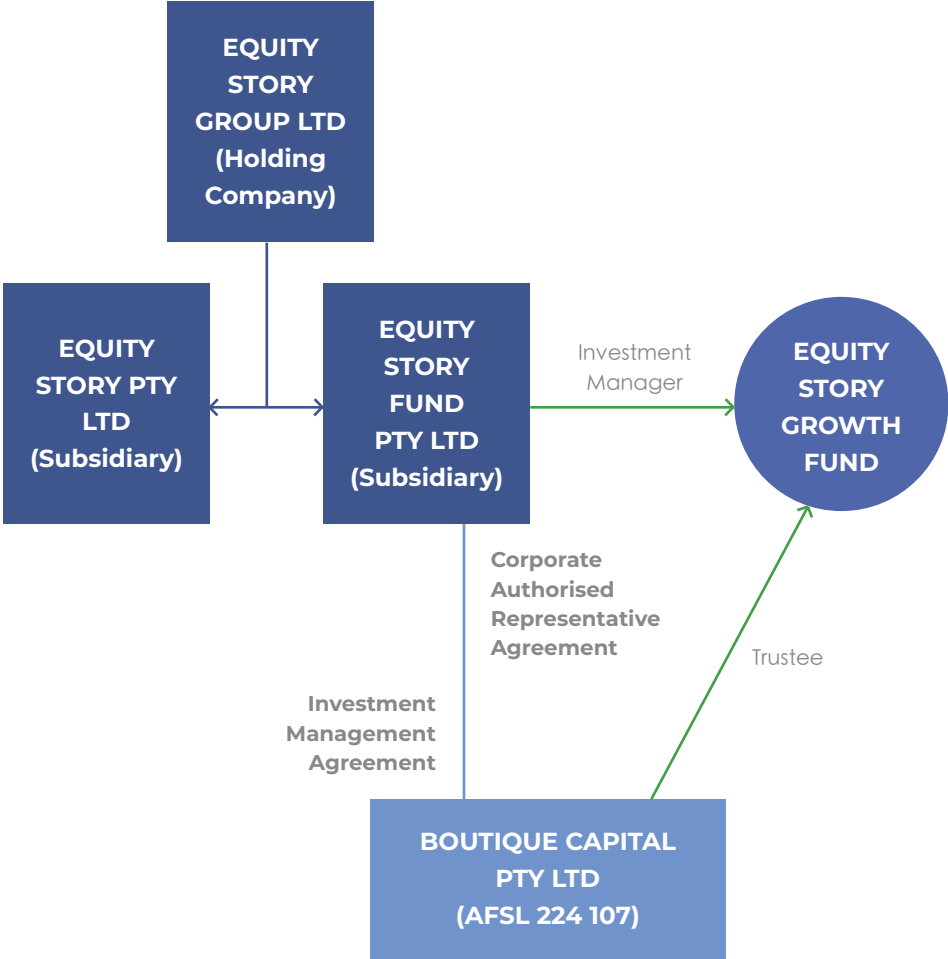
(e) **US Licensing Expansion**

The Company's business model depends on the Company's ability to increase its Subscriber base to include customers from other geographies (subject to regulatory requirements). As such, the ability for the Company to secure US Securities and Exchange Commission (**SEC**) Investment Advisor licence or registration is key to the Company's ability to increase Subscriber base (especially from other geographies) and to increase its revenue streams.

7.9 Key Investment Highlights

| | |
|---|---|
| Experienced and dedicated Management Team | The Company is led by a management team with a strong understanding of equity market trading, investment strategies and financial services. |
| Attractive Products and Services | The Company provides a range of unique and valuable products, services, content and information relevant to investors and traders interested in capital markets. |
| Existing and Established Subscribers base | The Company currently has around 1,200 Paying Subscribers, who are paying annual membership fees for the Company's equities market advice and commentary through several subscription packages. |
| Extensive Database | The Company currently has over 40,000 Subscribers, being a broader database of potentially interested investors to whom the Company can promote new financial investor service offerings. |
| Local Market Growth | The Company believes there is a growing demand for high quality general trading advice, delivered in an engaging and entertaining way, with content from market experts, and information on related topics such as economic opinion, delivered via articles, videos and podcasts. |
| Market Opportunity | The Company believes that there is a growing number of retail investors who are underserved by the mainstream wealth management industry. These investors include retail investors with a smaller investment capital and/or of the younger demographics to include the Millennials and Gen Z, who usually have difficulty accessing mainstream traditional wealth advice and services. Additionally, due to technological advancement, it has made it easier than ever for investors to access stock market trading. As such, there has been a fast growing group of sophisticated investors of the older demographics, who are interested in actively managing their own investment portfolios and are seeking trusted and sound general trading advice, education and financial services. |
| Growth Prospects – Source and Geographical | The Company is working with both Australian and US financial services licensing advisors to upgrade Equity Story's AFSL to include managed investment scheme products and to secure the US Securities and Exchange Commission (SEC) Investment Advisor licence or registration. |

7.10 Corporate Structure



7.11 Use of funds

The Company intends to apply funds raised from the Offer, together with existing cash reserves post-admission, over the first two years following admission of the Company to the Official List of ASX as follows:

| Funds available | Minimum Subscription (\$) (\$4,500,000) | Percentage of Funds (%) | Full Subscription (\$) (\$5,500,000) | Percentage of Funds (%) |
|---------------------------------------|--|--------------------------------|---|--------------------------------|
| Existing cash reserves ¹ | \$575,000 | 11.33 | \$575,000 | 9.47 |
| Funds raised from the Offer | \$4,500,000 | 88.67 | \$5,500,000 | 90.53 |
| Total | \$5,075,000 | 100.00 | \$6,075,000 | 100.00 |
| Allocation of funds | | | | |
| Advertising ² | \$1,060,000 | 23.56% | \$1,500,000 | 27.27% |
| Marketing – Growth and Customer | \$800,000 | 17.78% | \$870,000 | 15.82% |
| Market Analysis ⁴ | \$280,000 | 6.22% | \$420,000 | 7.64% |
| Further Investment and Development of | \$100,000 | 2.22% | \$150,000 | 2.73% |
| Licensing Expansion ⁶ | \$80,000 | 1.78% | \$80,000 | 1.45% |
| Expenses of the Offer ⁷ | \$521,000 | 11.58% | \$566,000 | 10.29% |
| Administration Costs ⁸ | \$959,000 | 21.31% | \$1,114,000 | 20.25% |
| Working capital | \$700,000 | 15.56% | \$800,000 | 14.55% |
| Total | \$4,500,000 | 100.00 | \$5,500,000 | 100.00 |

Notes:

1. Existing cash reserve as at 28 November 2021. Refer to the Financial Information set out in Section 8 for further details. The Company intends to apply these funds towards the purposes set out in this table, including the payment of the expenses of the Offer of which various amounts will be payable prior to completion of the Offer.
2. Costs include Google and Facebook direct online advertising spend.
3. Costs include those related to marketing, educational and online events, marketing firm retainer and events promotional partner retainer.
4. Costs include remuneration of operations market analysts and multiple charting and analysis subscription/platforms required for building and expanding the Company' s team of operational market analysts.
5. Costs include development and building of new membership platforms, building educational events website, building member website.
6. Costs include upgrading Equity Story' s AFSL to include managed investment scheme products and to achieve SEC investment adviser licence.
7. Refer to Section 12.9 for further details.
8. Administration costs include the general costs associated with the management and operation of the Company' s business including administration expenses, management salaries, directors' fees, rent and other associated costs.

It is anticipated that the funds raised under the Offer will enable 2 years of full operations (if the Minimum Subscription is raised). Whilst the Company is profitable, it should be noted that the Company may not be fully self-funding through its own operational cash flow at the end of this period. Accordingly, the Company may require additional capital beyond this point, which will likely involve the use of additional debt or equity funding.

In the event the Company raises more than the Minimum Subscription of \$4,500,000 under the Offer but less than the Full Subscription of \$5,500,000, the additional funds raised will be first applied towards the expenses of the Offer and then proportionally to the other line items in the above table.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

The Directors consider that following completion of the Offer, the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 9.

7.12 Capital structure

The capital structure of the Company following completion of the Offer (assuming both Minimum Subscription and Full Subscription under the Offer) is summarised below:

Shares¹

| | Minimum Subscription | Full Subscription |
|--|-------------------------|----------------------|
| Shares currently on issue ² | 76,343,468 | 76,343,468 |
| Shares to be issued pursuant to the Offer ³ | 22,500,000 | 27,500,000 |
| Shares to be issued on conversion of Convertible Notes ⁴ | 7,449,995 | 7,449,995 |
| Total Shares on completion of the Offer | 106,293,463 | 111,293,463 |

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 12.2.
2. The Company has a total of 76,343,468 Shares on issue, comprising:
 - (a) 1 Share issued to David Tildesley (a Director) in September 2021 at an issue price of \$1.00 per Share;
 - (b) 67,176,800 Shares issued to the vendors of Equity Story in consideration for the acquisition of 100% of the issued shares in the capital of Equity Story;
 - (c) 4,000,000 Shares issued to the vendors of Equity Story Fund Pty Ltd (ACN 642 009 783) in consideration for the acquisition of 100% of the issued shares in the capital of Equity Story Fund Pty Ltd;
 - (d) 4,166,667 Shares issued to seed investors under the Company's pre-IPO seed raising, conducted in September 2021, at an issue price of \$0.12 per Share; and
 - (e) 1,000,000 Shares issued to a nominee of Ben Loiterton (a Director), Venturastar Pty Ltd, an entity controlled by Ben Loiterton in accordance with his letter of appointment as Director of the Company.
3. Shares to be issued at an issue price of \$0.20 per Share under the Offer.
4. Shares to be issued to noteholders on conversion under the Convertible Note Subscription Agreements, being 7,449,995 Shares converted at \$0.10 per Share. Refer to Section 11.2.1 for a summary of the terms of the Convertible Note Subscription Agreements.

Options

| | Minimum Subscription | Full Subscription |
|---|-------------------------|----------------------|
| Options currently on issue ¹ | 7,500,000 | 7,500,000 |
| Options to be issued pursuant to the Offer | Nil | Nil |
| Options to be issued to the Lead Manager ² | 4,000,000 | 4,000,000 |
| Total Options on completion of the Offers | 11,500,000 | 11,500,000 |

Notes:

1. Comprising of 7,500,000 Options exercisable at \$0.25 each, on or before the date that is three years from the date of the Company' s admission to the Official List of ASX, issued to Ben Loiterton (or nominee) (Non-Executive Chairman), Trent McGraw (or nominee) (Chief Executive Officer), David Tildesley (or nominee) (Executive Director), Mark Goes (or nominee) (Executive Director) and Peter Kopetz (or nominee) as an incentive component of their remuneration. Refer to Section 12.3 for a summary of the terms and conditions of the Options currently on issue.
2. Options exercisable at \$0.25 each, on or before the date that is three years from the date of the Company' s admission to the Official List of ASX, to be issued to CPS Capital, the Lead Manager under the Lead Manager Mandate. Refer to Sections 4.6 and 11.1.1 for further detail relating to the Lead Manager Mandate and Section 12.4 for a summary of the terms and conditions of the Lead Manager Options.

Convertible Notes

| | Minimum Subscription | Full Subscription |
|---|-------------------------|----------------------|
| Convertible Notes on issue as at the date of this Prospectus ¹ | 6,208,329 | 6,208,329 |
| Convertible Notes to be issued pursuant to the Offer ² | Nil | Nil |
| Total Convertible Notes on issue on completion of the Offers | Nil | Nil |

Notes:

1. Comprising of 6,208,329 Convertible Notes on the terms and conditions set out in Section 11.2.1. All Convertible Notes on issue as at the date of this Prospectus will automatically convert into Shares prior to the Company' s admission to the Official List.

7.13 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offer are set out in the respective tables below.

As at the date of the Prospectus

| Shareholder | Shares | Options | Percentage (%) (undiluted) |
|---|------------|-----------|-------------------------------|
| Tanya Tildesley ¹ | 27,563,000 | 375,000 | 36.10% |
| Hago Futures Pty Ltd ATF Harrisongoes Family Trust ² | 10,897,000 | Nil | 14.27% |
| Edison Capital Pty Ltd ATF The McGraw Electrical Super | 10,256,000 | 1,500,000 | 13.43% |
| McGraw Electrical Pty Ltd ATF McGraw Electrical Super Fund ⁴ | 5,897,200 | Nil | 7.72% |
| Zobel Investments Pty Ltd ATF for Napier Properties Super Fund | 4,487,000 | Nil | 5.88% |

**On completion of the issue of Shares under the Offer with Minimum Subscription
(assuming no existing substantial Shareholder subscribes and receives additional
Shares pursuant to the Offer)**

| Shareholder | Shares | Options | Percentage (%) (undiluted) | Percentage (%) (fully diluted) |
|--|---------------|----------------|---|---|
| Tanya Tildesley ¹ | 27,563,000 | 375,000 | 25.93% | 23.72% |
| Hago Futures Pty Ltd ATF Harrisongoes Family Trust ² | 10,897,000 | Nil | 10.25% | 9.25% |
| Edison Capital Pty Ltd ATF The McGraw Electrical Super Fund ³ | 10,256,000 | 1,500,000 | 9.65% | 9.98% |
| McGraw Electrical Pty Ltd ATF McGraw Electrical Super Fund ⁴ | 5,897,200 | Nil | 5.55% | 5.01% |

**On completion of the issue of Shares under the Offer with Full Subscription
(assuming no existing substantial Shareholder subscribes and receives additional
Shares pursuant to the Offer)**

| Shareholder | Shares | Options | Percentage (%) (undiluted) | Percentage (%) (fully diluted) |
|--|---------------|----------------|---|---|
| Tanya Tildesley ¹ | 27,563,000 | 375,000 | 24.77% | 22.75% |
| Hago Futures Pty Ltd ATF Harrisongoes Family Trust ² | 10,897,000 | Nil | 9.79% | 8.87% |
| Edison Capital Pty Ltd ATF The McGraw Electrical Super Fund ³ | 10,256,000 | 1,500,000 | 9.22% | 9.57% |
| McGraw Electrical Pty Ltd ATF McGraw Electrical Super Fund ⁴ | 5,897,200 | Nil | 5.30% | 4.80% |

Notes:

1. Held by spouse of David Tildesley.
2. An entity controlled by Mark Goes.
3. An entity controlled by Trent McGraw.
4. An entity controlled by parent of Trent McGraw.

The Company will announce to the ASX details of its top-20 Shareholders following completion of the Offer prior to the Shares commencing trading on ASX.

7.14 Restricted Securities

Subject to the Company being admitted to the Official List and completing the Offer, certain Securities will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

While the ASX has not yet confirmed the final escrow position applicable to the Company's Shareholders, the Company anticipates that the following Securities will be subject to escrow:

- (a) 73,843,471 of the Shares currently on issue of which:
 - (i) 10,943,271 Shares will be subject to a 12-month escrow period from the date of issue;
 - (ii) 62,900,200 Shares issued to related parties and promoters (and their associates) will be subject to a 24-month escrow period from listing;
- (b) 3,725,004 Shares to be issued on conversion under the Convertible Note Holder Offer will be subject to a 12-month escrow period from listing;
- (c) 7,500,000 of the Options currently on issue of which:
 - (i) 6,000,000 Options issued to related parties (and their associates) will be subject to a 24-month escrow period from listing; and
 - (ii) 1,500,000 Options will be subject to a 12-month escrow period from listing;and
- (d) 4,000,000 Options to be issued to the Lead Manager will be subject to a 24-month escrow period from listing.

The number of Securities that are subject to ASX imposed escrow are at ASX's discretion in accordance with the ASX Listing Rules and underlying policy. The above is a good faith estimate of the Shares that are expected to be subject to ASX imposed escrow.

The Company will announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Shares commencing trading on ASX (which admission is subject to ASX' s discretion and approval).

7.15 Dividend policy

The Company anticipates that significant expenditure will be incurred in the expansion of the business. These activities are expected to dominate at least the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and the operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

FINANCIAL INFORMATION

8.1 Introduction

The financial information contained in this section includes historical financial information for:

- (a) Equity Story Pty Ltd, comprising:
 - (i) Audited statement profit or loss and other comprehensive income for the year ended 30 June 2021, 30 June 2020 and 30 June 2019;
 - (ii) Audited statement of financial position as at 30 June 2021, 30 June 2020 and 30 June 2019; and
 - (iii) Audited statement of cash flows for the year ended 30 June 2021, 30 June 2020 and 30 June 2019, and
- (b) Equity Story Fund Pty Ltd, comprising:
 - (i) Audited statement profit or loss and other comprehensive income for the year ended 30 June 2021;
 - (ii) Audited statement of financial position as at 30 June 2021; and
 - (iii) Audited statement of cash flows for the year ended 30 June 2021.

(together, referred to as the **Historical Financial Information**), and

- (c) Equity Story Group Ltd
 - (i) Pro-forma Equity Story Group Ltd consolidated statement of financial information and supporting notes, which include the minimum and maximum capital raising.
- (together, referred as **Financial Information**).

The Directors are responsible for the preparation and inclusion of the Financial Information in the Prospectus. MNSA Pty Limited has prepared an Investigating Accountants Report in respect of the Financial Information, as set out in Annexure A. Investors should note the scope and limitations of the Investigating Accountants Report.

All amounts disclosed in this Section 8 are presented in Australian dollars.

8.2 Background Information

Equity Story Group Ltd (ABN 84 653 383 478) was incorporated on the 3 September 2021. Equity Story Group Ltd acquired 100% of share capital of Equity Story Pty Ltd on 5 October 2021 and Equity Story Fund Pty Ltd on 8 October 2021.

8.3 Basis of Preparation of the Historical Financial Information

The Historical Financial Information included in this Section 8 has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board and the Corporations Act. The Historical Financial Information is presented in an abbreviated form insofar as it does not include all the presentation, disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act 2001.

The Historical Financial Information has been prepared for the purpose of the Offer.

8.4 Pro-Forma Financial Information

The Pro-forma Financial Information included in this Section 8 has been prepared for the purposes of inclusion in this Prospectus. The Pro-Forma Financial Information is adjusting for the impacts of the Offer and other pro-forma adjustments.

The Pro Forma Financial Information does not reflect the actual financial results of the Company Group for the period indicated. The Directors of the Company Group believe that it provides useful information as it illustrates to investors the financial position of the Company Group immediately after the Offer is completed and related pro forma adjustments are made.

The information set out in this Section 8 and the Company's selected financial information should be read together with:

- (a) the Risk Factors described in Section 9;
- (b) the Use of Funds described in Section 7.11;
- (c) the Indicative Capital Structure described in Section 7.12;
- (d) the Investigating Accountants Report on the Historical Financial Information set out in Annexure A; and
- (e) the other information, contained in this Prospectus.

Investors should also note that historical results are not a guarantee of future performance.

8.5 Historical financial information

8.5.1 Equity Story Pty Limited Statement of Profit or Loss and Other Comprehensive Income

| | Audited 2021 | Audited 2020 | Audited 2019 |
|--|-----------------|-----------------|-----------------|
| Revenue | \$ | \$ | \$ |
| Revenue from services | 1,144,773 | 920,219 | 1,084,520 |
| Other income | 42,294 | 53 | 21 |
| Expenses | | | |
| Advertising & marketing expense | (377,573) | (247,447) | (202,368) |
| Consulting fee | (260,897) | (163,643) | (177,936) |
| Depreciation expense | (11,536) | (3,896) | (5,226) |
| Employee benefits expense | (753,890) | (191,292) | (197,866) |
| Finance costs | (176) | (200) | (313) |
| Other expenses | (273,686) | (213,290) | (227,950) |
| Profit before income tax expense | (490,691) | 100,504 | 272,882 |
| Income tax benefits/(expense) | 70,356 | (27,639) | (75,043) |
| Profit after income tax benefit/(expense) for the year attributable to the owners of Equity Story Pty Limited | (420,335) | 72,865 | 197,839 |
| <i>Other comprehensive income</i> | | | |
| Items that will not be reclassified subsequently to profit or loss | | | |
| Other comprehensive income for the year, net of tax | - | - | - |
| Total comprehensive income for the year attributable to the owners of Equity Story Pty Limited | (420,335) | 72,865 | 197,839 |
| Earnings per share | | | |
| - basic earnings/(loss) per share | (822.57) | 142.59 | 387.16 |
| - diluted earnings/(loss) per share | (822.57) | 142.59 | 387.16 |

8.5.2 Equity Story Pty Limited Statement of Financial Position

| | Audited 2021 \$ | Audited 2020 \$ | Audited 2019 \$ |
|---------------------------------------|-----------------------|-----------------------|-----------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | 229,348 | 818,334 | 94,182 |
| Loans and Advances | - | - | 127,255 |
| Other assets | 86,398 | 8,068 | - |
| TOTAL CURRENT ASSETS | <u>315,746</u> | <u>826,402</u> | <u>221,437</u> |
| NON-CURRENT ASSETS | | | |
| Property Plant & Equipment | - | 11,536 | 15,432 |
| Intangible Assets | 525,000 | 525,000 | 300,858 |
| Investments | 150,000 | - | - |
| TOTAL NON-CURRENT ASSETS | <u>675,000</u> | <u>536,536</u> | <u>316,290</u> |
| TOTAL ASSETS | <u>990,746</u> | <u>1,362,938</u> | <u>537,727</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 95,572 | 11,500 | 32,196 |
| Borrowings | - | - | 171,500 |
| Current Tax Liabilities | - | 27,639 | 47,824 |
| TOTAL CURRENT LIABILITIES | <u>95,572</u> | <u>39,139</u> | <u>251,520</u> |
| NON-CURRENT LIABILITIES | | | |
| Borrowings | 16,438 | 24,728 | - |
| TOTAL NON-CURRENT LIABILITIES | <u>16,438</u> | <u>24,728</u> | <u>-</u> |
| TOTAL LIABILITIES | <u>112,010</u> | <u>63,867</u> | <u>251,520</u> |
| NET ASSETS | <u>878,736</u> | <u>1,299,071</u> | <u>286,207</u> |
| EQUITY | | | |
| Issued Capital | 940,399 | 940,399 | 400 |
| Retained Profits/(Accumulated losses) | (61,663) | 358,672 | 285,807 |
| TOTAL EQUITY | <u>878,736</u> | <u>1,299,071</u> | <u>286,207</u> |

8.5.3 Equity Story Pty Limited Statement of Cash Flows

| | Audited 2021 \$ | Audited 2020 \$ | Audited 2019 \$ |
|---|-----------------------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Receipts from customers | 1,138,261 | 919,079 | 1,103,290 |
| Payments to suppliers and employees | ▾ (1,531,974) | ▾ (835,697) | ▾ (826,419) |
| Interest paid | ▾ (176) | - | - |
| Income tax paid | ▾ (36,807) | ▾ (47,824) | ▾ (52,898) |
| Net cash provided by/ (used in) operating activities | <u>▾ (430,696)</u> | <u>▾ 35,558</u> | <u>▾ 223,973</u> |
| Cash flows from investing activities | | | |
| Proceeds from property, plant and equipment | - | - | 9000 |
| Payment of bond | - | ▾ (6,875) | - |
| Directors loan repayment | - | ▾ 127,255 | ▾ (127,255) |
| Payments for investments | ▾ (150,000) | ▾ (225,013) | - |
| Net cash provided by/ (used in) investing activities | <u>▾ (150,000)</u> | <u>▾ (104,633)</u> | <u>▾ (118,255)</u> |
| Cash flows from financing activities | | | |
| Net repayment of borrowings | ▾ (8,290) | ▾ (146,772) | ▾ (46,598) |
| Issued of capital | - | ▾ 939,999 | - |
| Net cash provided by/ (used in) financing activities | <u>▾ (8,290)</u> | <u>▾ 793,227</u> | <u>▾ (46,598)</u> |
| Net increase/(decrease) in cash and cash equivalents held | ▾ (588,986) | 724,152 | 59,120 |
| Cash and cash equivalents at beginning of year | 818,334 | 94,182 | 35,062 |
| Cash and cash equivalents at end of financial year | <u>229,348</u> | <u>818,334</u> | <u>94,182</u> |

8.5.4 Equity Story Fund Pty Limited Statement of Profit or Loss and Other Comprehensive Income

| | Audited 2021 \$ |
|--|--------------------------------|
| Service Income | 63,299 |
| Formation Costs | (1,650) |
| Profit/(loss) before income tax | <u>61,649</u> |
| Income tax expense | (16,029) |
| Profit/(loss) for the year | <u>45,620</u> |
| Other comprehensive income, net of income tax | |
| Other comprehensive income | - |
| Other comprehensive income for the year, net of tax | - |
| Total comprehensive income for the year | <u>45,620</u> |
| | <u>45,620</u> |
| Earnings per share | |
| - basic earnings/(loss) per share | 456.2 |
| - diluted earnings/(loss) per share | 456.2 |

8.5.5 Equity Story Fund Pty Limited Statement of Financial Position

| | Audited |
|---------------------------|----------------|
| | 2021 |
| | \$ |
| ASSETS | |
| CURRENT ASSETS | |
| Cash and cash equivalents | 63,399 |
| TOTAL CURRENT ASSETS | <u>63,399</u> |
| TOTAL ASSETS | <u>63,399</u> |
| LIABILITIES | |
| CURRENT LIABILITIES | |
| Provision for Income Tax | 16,029 |
| Borrowings | 1,650 |
| TOTAL CURRENT LIABILITIES | <u>17,679</u> |
| TOTAL LIABILITIES | <u>17,679</u> |
| NET ASSETS | <u>45,720</u> |
| EQUITY | |
| Issued capital | 100 |
| Retained profits | 45,620 |
| TOTAL EQUITY | <u>45,720</u> |

8.5.6 Equity Story Fund Pty Limited Statement of Cash Flows

| | Audited |
|---|----------------|
| | 2021 |
| | \$ |
| Cash flows from operating activities | |
| Receipts from customers | 63,299 |
| Net cash provided by/ (used in) operating activities | <u>63,299</u> |
| Cash flows from investing activities | |
| Payments for investing activities | - |
| Net cash provided by/ (used in) investing activities | <u>-</u> |
| Cash flows from financing activities | |
| Proceeds from issue of shares | 100 |
| Net cash provided by/ (used in) financing activities | <u>100</u> |
| Other Activities: | |
| Net increase/(decrease) in cash and cash equivalents held | 63,399 |
| Cash and cash equivalents at beginning of year | - |
| Cash and cash equivalents at end of financial year | <u>63,399</u> |

8.5.7 Pro-forma Statement of Financial Position of the Consolidated Group

| | Pro-forma Equity Story Group Limited Consolidated As at 30 June 2021 | Pro-forma Minimum Capital Raising | Pro-forma Maximum Capital Raising |
|----------------------------------|--|---|---|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | \$ 742,647 | \$ 4,721,647 | \$ 5,676,647 |
| Trade and other receivables | \$ 108,242 | \$ 108,242 | \$ 108,242 |
| Other Assets | \$ 6,875 | \$ 6,875 | \$ 6,875 |
| TOTAL CURRENT ASSETS | \$ 857,764 | \$ 4,836,764 | \$ 5,791,764 |
| NON-CURRENT ASSETS | | | |
| Investments | \$ 150,000 | \$ 150,000 | \$ 150,000 |
| Intangible assets | \$ 525,000 | \$ 525,000 | \$ 525,000 |
| TOTAL NON-CURRENT ASSETS | \$ 675,000 | \$ 675,000 | \$ 675,000 |
| TOTAL ASSETS | \$ 1,532,764 | \$ 5,511,764 | \$ 6,466,764 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | \$ 140,319 | \$ 140,319 | \$ 140,319 |
| Borrowings | \$ 18,088 | \$ 18,088 | \$ 18,088 |
| TOTAL CURRENT LIABILITIES | \$ 158,407 | \$ 158,407 | \$ 158,407 |
| TOTAL LIABILITIES | \$ 158,407 | \$ 158,407 | \$ 158,407 |
| NET ASSETS | \$ 1,374,357 | \$ 5,353,357 | \$ 6,308,357 |
| EQUITY | | | |
| Contributed equity | \$ 1,494,357 | \$ 5,105,357 | \$ 6,060,357 |
| Reserves | \$ 690,000 | \$ 1,058,000 | \$ 1,058,000 |
| Accumulated losses | -\$ 810,000 | -\$ 810,000 | -\$ 810,000 |
| TOTAL EQUITY | \$ 1,374,357 | \$ 5,353,357 | \$ 6,308,357 |

8.6 Pro-forma Adjustments

The Pro-forma adjustments are intended to illustrate the financial effect of the consolidated entity upon completion of the capital raising. The Pro-forma Financial information includes:

(a) **Business Acquisitions**

The Pro-forma Financial Information includes the acquisition of Equity Story Pty Ltd on the 5 October 2021 and Equity Story Fund Pty Ltd on 8 October 2021. The Pro-Forma Financial Information comprises:

- (i) audited statement of financial information of Equity Story Pty Ltd as at 30 June 2021;
- (ii) audited statement of financial information of Equity Story Fund Pty Ltd as at 30 June 2021; and
- (iii) unaudited pro-forma statement of financial information of Equity Story Group Ltd as at 30 June 2021, which includes:
 - (A) pre-IPO capital raising of \$500,000; and
 - (B) acquisition of Equity Story Pty Ltd and Equity Story Fund Pty Ltd.

(b) **Capital Raising – Maximum**

The issue of 27,500,000 fully paid ordinary shares to raise \$5,500,000 at a price of \$0.20 per share pursuant to the Prospectus. Proceeds after cost of capital raising is \$4,934,000. Refer to Section 12.9 of the prospectus for additional information on the maximum capital raising.

(c) **Capital Raising – Minimum**

The issue of 22,500,000 fully paid ordinary shares to raise \$4,500,000 at a price of \$0.20 per share pursuant to the Prospectus. Proceeds after cost of capital raising is \$3,979,000. Refer to Section 12.9 of the prospectus for additional information on the minimum capital raising.

(d) **Options**

The issue of 4,000,000 Lead Manager Options and 7,500,000 Options currently on issue. Exercisable at \$0.25 on or before three years from the date of the Company' s admission to the Official List of ASX.

(e) **Other Pro-forma adjustments**

1,000,000 Shares issued to nominee of Ben Loiterton (a Director), Venturastar Pty Ltd and an entity controlled by Ben Loiterton, in accordance with his letter of appointment as Chairman of the Company.

Shares to be issued to noteholders on conversion under the Convertible Note Subscription Agreements, being 7,449,995 Shares converted.

8.7 Notes to and forming part of the Pro-forma Financial Information

8.7.1 Note 1. Cash and cash equivalents

| | Pro-forma Equity Story Group Limited Consolidated As at 30 June 2021 \$ | Pro-forma Minimum Capital Raising \$ | Pro-forma Maximum Capital Raising \$ |
|----------------------------------|---|--|--|
| Cash at bank | 742,647 | 742,647 | 742,647 |
| Proceeds from capital raise | - | 4,500,000 | 5,500,000 |
| Less Cost of capital raise | - | (521,000) | (566,000) |
| Cash and cash equivalents | 742,647 | 4,721,647 | 5,676,647 |

8.7.2 Note 2. Investments

| | | | |
|--|----------------|----------------|----------------|
| Investments at cost- Equity Story Growth Fund | 150,000 | 150,000 | 150,000 |
| Cash and cash equivalents | 150,000 | 150,000 | 150,000 |

8.7.3 Note 3. Intangible assets

| | | | |
|--------------------------|----------------|----------------|----------------|
| Goodwill | 525,000 | 525,000 | 525,000 |
| Intangible assets | 525,000 | 525,000 | 525,000 |

8.7.4 Note 1. Cash and cash equivalents

(a) Minimum Capital Raising

| | \$ | No. |
|---|------------------|--------------------|
| Issued Capital | 1,494,357 | 76,343,468 |
| Shares to be issued on conversion of Convertible Notes (Refer 8.6.5) | - | 7,449,995 |
| Proceeds from capital raise | 4,500,000 | 22,500,000 |
| Cost of capital raising | (889,000) | - |
| Issued capital following Maximum Capital Raising | 5,105,357 | 106,293,463 |

(b) Maximum Capital Raising

| | \$ | No. |
|---|------------------|--------------------|
| Issued Capital | 1,494,357 | 76,343,468 |
| Shares to be issued on conversion of Convertible Notes (Refer 8.6.5) | - | 7,449,995 |
| Proceeds from capital raise | 5,500,000 | 27,500,000 |
| Cost of capital raising | (934,000) | - |
| Issued capital following Maximum Capital Raising | 6,060,357 | 111,293,463 |

8.7.5 Note 5. Reserves

| | Pro-forma Equity Story Group Limited Consolidated As at 30 June 2021 \$ | Pro-forma Minimum Capital Raising \$ | Pro-forma Maximum Capital Raising \$ |
|-------------------------------|---|--|--|
| Options Reserve | 690,000 | 690,000 | 690,000 |
| Issue of Lead Manager Options | - | 368,000 | 368,000 |
| Reserves | 690,000 | 1,058,000 | 1,058,000 |

The options to be issued to advisors are defined as share-based payments. The valuation of share-based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

8.8 Valuation of Options issued to the Lead Manager

The grant of 4,000,000 Options, with an exercise price of \$0.25 and expiring 36 months from the date of the Company's admission to the Official List to the Lead Manager has been determined to have a total fair value of \$368,000. Refer to section 4.6 for further details regarding the advisor options. See below for the option valuation assumptions.

| | |
|--------------------------------|-----------|
| Excise price | \$0.25 |
| Expected volatility | 80% |
| Implied option life | 36 Months |
| Risk free rate | 0.1% |
| Expected dividend yield | Nil |

8.9 Valuation of Options currently on issue

The grant of 7,500,000 Options, with an excise price of \$0.25 and expiring 36 months from the date of the Company's admission to the Official List to the Lead Manager has been determined to have a total fair value of \$690,000. Refer to section 4.6 for further details regarding the advisor options. See below for the option valuation assumptions.

| | |
|--------------------------------|-----------|
| Excise price | \$0.25 |
| Expected volatility | 80% |
| Implied option life | 36 Months |
| Risk free rate | 0.1% |
| Expected dividend yield | Nil |

RISK FACTORS

9.1 Introduction

The Shares offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The future performance of the Company and the value of the Shares may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks that have a direct influence on the Company, its Business and activities are set out in Section 9. Those key risks, as well as other risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities, together with financial markets generally are described below.

The risks factors set out in this Section 9, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares.

This Section 9 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 9, together with all other information contained in this Prospectus.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 9 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

9.2 Company specific risks

| Risk Category | Risk |
|----------------------------------|---|
| Limited history | <p>The Company was only recently incorporated on 3 September 2021 and has only limited operating history and limited historical financial performance. Although Equity Story was founded in 2007 and has been operating since then and Equity Story Fund was founded in September 2020, there is a risk that the Company's future strategic plans and key objectives will not be achieved.</p> |
| Reliance on key personnel | <p>The success and profitability of the Company depends, in part, on the quality of the share market trading advice, research and recommendation as provided by Equity Story and the ability of Equity Story Fund, as the fund manager, to invest in investments that have the ability to generate a positive return for the Equity Growth Fund. As such, the ability of the Company to successfully execute its business strategy is dependent on retaining its key management personnel.</p> <p>The analyst team of the Company is instrumental to the growth and development of the Company's business. The Company is exposed to the risk that the key analysts of the Company may cease employment. The loss of key persons may have a material adverse effect on the operations of the Company because the Company would have reduced capacity to develop and implement desirable investment strategies, obtain investment opportunities, capitalise upon relationships and execute potential investments.</p> <p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company also depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p> <p>The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.</p> |

**Reliance on
AFSL and other
licensing and
regulatory risk**

Equity Story operates under AFSL number 343937, which authorises Equity Story to provide general financial product advice in respect of securities to retail clients.

The ability of Equity Story to continue to provide general financial product advice will also depend on its ability to maintain its AFSL and continuing to comply with ASIC imposed licence conditions, the Corporations Act and the various other regulatory requirements. The Company has comprehensive compliance systems, and has engaged specialist financial services lawyers and a full time compliance officer to assist with mitigating this risk. The Company also encourages a culture of compliance more generally.

If Equity Story does not meet the applicable regulatory requirements, Equity Story may suffer penalties, such as fines, obligations to pay compensation, enforceable undertakings, imposition of (or variations to) licence conditions or, ultimately, the cancellation or suspension of its AFSL. If Equity Story is unable to retain its AFSL, it would not be able to provide general financial product advice to retail clients. This in turn would have a material adverse effect on Equity Story's business and the market price of the Company's Shares. Equity Story Fund is the corporate authorised representative of Boutique Capital Pty Ltd (AFSL 508 011), which authorises Equity Story Fund to act as the investment manager of the Equity Growth Fund.

All regulatory approvals for the continued operation of the Company's business have been obtained and the Company is not aware of any circumstances which are likely to give rise to the cancellation or suspension of any of those regulatory approvals. If any of the regulatory approvals are amended, cancelled or suspended, there may be an adverse impact on the Company's financial performance and position.

The provision of financial services is highly regulated. Financial services regulation is complex and is impacted by published ASIC guidance as well as ASIC's views, both of which may change from time to time.

In addition, there are aspects of financial services regulation involving uncertainty as to their application and ASIC's views and interpretation may diverge from those taken by the market. Any change in ASIC's policies, practices, views or public guidance could have an impact on the Company's current regulatory arrangements.

Changes in legal, tax and regulatory regimes that apply to the Company's business may occur, which may have an impact on the Company's financial performance and position.

Governmental authorities around the world have called for financial system and participant regulatory reform in reaction to volatility and disruption in the global financial markets, financial institution failures and financial frauds in recent years. Such reform includes, among other things, additional regulation of financial services providers (which may include Equity Story), investment trusts (which may include Equity Story Growth Fund) and their managers (Equity Story Fund) and their activities. The impact on the Company cannot be predicted with certainty, and any of these regulatory reform measures could have an adverse impact on the Company's financial performance, position and the market price of its Shares.

**Loss of
Subscribers**

The Company's success and profitability depends, in part, on its ability to attract and retain Subscribers and Paying Subscribers, which will depend in part on the Company's ability to consistently provide its Paying Subscribers high quality share market trading advice and recommendations. If Paying Subscribers do not perceive the service offering to be of high quality, the Company may not be able to attract or retain Paying Subscribers and the Company's revenue growth will be affected adversely.

**Failure to attract
and/or retain
fund investor**

Equity Story Fund's business relies heavily on attracting new investors and retaining investors, in order to generate fees for its fund. A number of factors affect Equity Story Fund's ability to retain current investors and attract new investors, which include:

- (a) fund investment performance;
- (b) ongoing support from fund investors and their financial advisors where applicable;
- (c) demand for professional investment management services;
- (d) level of competition in the market for investment management services;
- (e) retention of key people; and
- (f) the general state of global capital and investment markets.

Equity Story Fund seeks to mitigate this risk by seeking to adhere to its risk management framework and investing in accordance with Equity Story Fund's investment strategy and objectives.

If investors do not continue to invest in Equity Story Growth Fund or if new investors do not choose to invest in Equity Story Growth, the growth in the Company's revenue may grow slower than expected or may even decline.

| | |
|--|---|
| Fund Termination and Removal Rights | The governing documentation for Equity Story Growth Fund includes rights for the investors to terminate by way of resolution or remove the manager or the trustee. Any such action by the investors may result in a reduction in management fee revenue and funds under management. |
| Market Risk | <p>The investment returns on the Equity Growth Fund and the performance or results of stock market trading advice as provided by Equity Story are influenced by market factors, including, for example, changes in economic conditions changes in interest rates and economic activity, changes to the legislative and political environment as well as changes in investor sentiment.</p> <p>In addition, exogeneous shocks, natural disasters, acts of terrorism and financial market turmoil such as the global financial crisis can add to the equity market volatility as well as impact directly on individual entities.</p> <p>As a result, there is no guarantee that can be given in respect of the performance of Equity Story’ s stock market trading advice or the performance of the Equity Story Growth Fund.</p> |
| Loss of Reputation | The Company’ s reputation is important to its business strategy. Reputational damage and/or underperformance of Equity Story and/or Equity Story Growth Fund could have a material impact on the Company’ s financial performance (e.g. by impacting investor and customer confidence, its market strategy, visibility and growth in its fund’ s FUM) and the market price of its Shares. |
| Industry Risk | There are a number of industry risk factors that may affect the future operation or performance of the Company. These factors are outside the control of the Company and such factors include increased regulatory and compliance costs and variations in legislation and government policies generally. |
| Privacy and data collection risk | Use of the Company’ s subscription services involves the storage, transmission, and processing of data from Subscribers, including certain personal or individually identifying information. Personal privacy, information security, and data protection are significant issues. The regulatory framework governing the collection, processing, storage, and use of business information, particularly information that includes personal data, is rapidly evolving and any failure or perceived failure to comply with applicable privacy, security, or data protection laws, regulations or contractual obligations may adversely affect the Company’ s business. |

| | |
|--------------------|---|
| Competition | <p>The independent investment research, the funds management services and the primary equity securities distribution industries in which the Company operates in are subject to competition. Current or future competitors may easily replicate the Company's business model due to the low barrier to entry and offer better ways of delivering content via superior technological capabilities. The Company's competitors include both boutique research and general advice providers and large, established corporations or multinationals. Those may decide to enter the Company's target markets and be able to fund aggressive marketing strategies. They may also have stronger financial capabilities than the Company which may negatively affect the operating and financial performance of the business.</p> |
|--------------------|---|

9.3 Industry specific risks

| Risk Category | Risk |
|----------------------|-------------|
|----------------------|-------------|

| | |
|-----------------|--|
| Disputes | <p>The activities of the Company may result in disputes with third parties, including, without limitation, the Company's investors, competitors, regulators, partners, Subscribers, directors, officers and employees, and service providers. The Company may incur substantial costs in connection with such disputes. The Company notes that it is a member of the Australian Financial Complaints Authority (AFCA).</p> <p>Further, a change in strategy may involve material and as yet unanticipated risks, as well as a high degree of risk, including a higher degree of risk than the Company's strategy in place as of the date of this Prospectus.</p> |
|-----------------|--|

| | |
|-------------------|---|
| Litigation | <p>The Company is exposed to possible litigation risks including, but not limited to, intellectual property ownership disputes, contractual claims, and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.</p> |
|-------------------|---|

Data loss, theft or corruption

The Company will store data in its own systems and networks and also with a variety of third party service providers. Exploitation or hacking of any of the Company' s systems or networks could lead to corruption, theft or loss of the data which could have a material adverse effect on the Company' s business, financial condition and results. Further, if the Company' s systems, networks or technology are subject to any type of 'cyber' crime, its technology may be perceived as unsecure which may lead to a decrease in the number of customers.

The Company has not been hacked, but it is possible that the Company may experience negative publicity if their systems are able to be hacked at some point in the future.

Foreign exchange

The Company will be operating in a variety of jurisdictions, including Australia and the United States, and as such, expects to generate revenue and incur costs and expenses in Australian and US Dollar. Consequently, movements in currency exchange rates may adversely or beneficially affect the Company' s results or operations and cash flows. For example, the appreciation or depreciation of the US dollar relative to the Australian dollar would result in a foreign currency loss or gain. Any depreciation of currencies in foreign jurisdictions in which the Company operates may result in lower than anticipated revenue, profit and earnings of the Company.

Insurance coverage

The Company faces various risks in conducting its business and may lack adequate insurance coverage or may not have the relevant insurance coverage. The Company proposes to arrange and maintain insurance coverage for its employees, as well as directors and officers liability insurance, however it does not currently propose to arrange and maintain business interruption insurance or insurance against claims for certain property damage. The Company will need to review its insurance requirements periodically. If the Company incurs substantial losses or liabilities and its insurance coverage is unavailable or inadequate to cover such losses or liabilities, the Company' s financial position and financial performance may be adversely affected.

The Company considers that it has sufficient insurance policies in place in respect of its business and assets, including appropriate professional indemnity insurance in accordance with its AFSL requirements. However, the occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

9.4 General risks

| Risk Category | Risk |
|--|--|
| COVID-19 risk | <p>The outbreak of the coronavirus disease (COVID-19) is impacting global economic markets and continues to do so. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19, whether in Australia or elsewhere, may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving and the consequences are therefore inevitably uncertain.</p> |
| Additional requirements for capital | <p>The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Offers. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p> |
| Economic conditions and other global or national issues | <p>Changes in general economic conditions, both domestic and global, weakening or downturn in the financial services or funds management industries, introduction of tax reform, new legislation, employment rates, trade barriers, movements in interest and inflation rates, credit spreads, equity risk premiums, corporate failure rates, currency exchange controls and rates, national and international political circumstances (including wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations. Deterioration in the general economic conditions may adversely affect the Company's profitability.</p> |

Currently no market

There is currently no public market for the Company' s Shares, the price of its Shares is subject to uncertainty and there can be no assurance that an active market for the Company' s Shares will develop or continue after the Offer.

The price at which the Company' s Shares trade on ASX after listing may be higher or lower than the issue price of Shares offered under this Prospectus and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors over which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors. There can be no guarantee that an active market in the Company' s Shares will develop or that the price of the Shares will increase. There may be relatively few or many potential buyers or sellers of the Shares on ASX at any given time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is above or below the price that Shareholders paid.

Market conditions

Share market conditions may affect the value of the Company' s quoted securities regardless of the Company' s operating performance. Share market conditions are affected by many factors such as:

- (a) general economic outlook;
- (b) introduction of tax reform or other new legislation;
- (c) interest rates and inflation rates;
- (d) changes in investor sentiment toward particular market sectors;
- (e) the demand for, and supply of, capital; and
- (f) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and technology or defence stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

The value of the Shares may fluctuate more sharply than that of other securities, given the low per Share pricing of the Shares under the Prospectus, and the fact that investment in the Company is highly speculative.

Further, after the end of the relevant escrow periods affecting Shares in the Company, a significant sale of then tradeable Shares (or the market perception that such a sale might occur) could have an adverse effect on the Company's Share price. Please refer to Section 7.14 for further details on the Shares likely to be classified by the ASX as restricted securities.

Taxation risk

The acquisition and disposal of Shares will have tax consequences for investors, which will vary depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent professional taxation and financial advice about the consequences of acquiring and disposing of Securities from a taxation viewpoint and generally.

9.5 Investment speculative

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares.

Before deciding whether to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

INTERESTS OF BOARD AND MANAGEMENT AND CORPORATE GOVERNANCE

10.1 Disclosure of interests

REMUNERATION

Given that the Company was incorporated on 3 September 2021, the Directors did not receive any remuneration directly from the Company for the financial year ended 30 June 2021. However, the other Directors did receive remuneration through Equity Story for the financial year ended 30 June 2021. In addition, some of the Directors will not receive any remuneration for the current financial year from the Company until the Company's admission to the Official List of ASX (other than in respect of the Director and Executive Options and Shares to be issued to the Chair described below):

| Director | Remuneration for the year ended 30 June 2021 ¹ | Proposed Remuneration for the year ending 30 June 2022 ² | Proposed Remuneration for the year ending 30 June 2023 ³ |
|------------------------------|---|---|---|
| Trent McGraw ⁴ | \$53,558 | \$229,425 | \$270,675 |
| David Tildesley ⁵ | \$91,667 | \$288,750 | \$330,000 |
| Ben Loiterton ⁶ | Nil | \$59,400 | \$83,600 |
| Mark Goes ⁷ | \$20,167 | \$74,250 | \$115,500 |

Notes:

1. The Company was incorporated on 3 September 2021 and therefore did not receive any remuneration directly from the Company for the year ended 30 June 2021. However, some of the Directors did receive remuneration through Equity Story for the financial year ended 30 June 2021.
2. Includes per annum base salary or directors' fees (as applicable), pro-rated from the Company's admission to the Official List of ASX.
3. Includes per annum Directors' fees including superannuation.
4. Trent McGraw's remuneration includes a base salary of \$146,068 per annum (plus superannuation) payable by Equity Story commencing on 1 March 2021; a base salary of \$50,000 per annum (plus superannuation) payable by Equity Story Fund commencing on 1 July 2021; and a director's fee of \$50,000 per annum (plus superannuation) payable by the Company commencing from the Company's admission to the Official List of ASX.
5. David Tildesley's remuneration includes a base salary of \$250,000 per annum (plus superannuation) payable by Equity Story commencing on 1 March 2021; and a director's fee of \$50,000 per annum (plus superannuation) payable by the Company commencing from the Company's admission to the Official List of ASX.
6. Ben Loiterton's remuneration includes a base salary of \$60,000 per annum (plus GST) payable by the Company commencing on 3 September 2021 until the Company's admission to the Official List of ASX and \$76,000 per annum (plus GST) thereafter.
7. Mark Goes' remuneration includes a base salary of \$55,000 per annum (plus superannuation) payable by Equity Story commencing on 1 March 2021; and a director's fee of \$50,000 per annum (plus superannuation) payable by the Company commencing from the Company's admission to the Official List of ASX.

INTERESTS IN SECURITIES

As at the date of this Prospectus

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a director. As at the date of this Prospectus, the Directors have relevant interests in securities as follows:

| Director | Shares | Options⁵ | Percentage (%) (Undiluted) |
|-----------------|-------------------------|----------------------------|---------------------------------------|
| Trent McGraw | 17,153,200 ¹ | 1,500,000 ⁶ | 22.47% |
| David Tildesley | 28,563,001 ² | 1,500,000 ⁷ | 37.41% |
| Ben Loiterton | 1,000,000 ³ | 1,500,000 ⁸ | 1.31% |
| Mark Goes | 10,897,000 ⁴ | 1,500,000 ⁸ | 14.27% |

Notes:

1. Comprising:
 - a. 10,256,000 Shares indirectly held by Edison Capital Pty Ltd as trustee for The McGraw Family Trust, an entity controlled by Trent McGraw; and
 - b. 5,897,200 Shares indirectly held by McGraw Electrical Pty Ltd as trustee for McGraw Electrical Super Fund, an entity controlled by the parent of Trent McGraw; and
 - c. 1,000,000 Shares indirectly held by Edison Capital Group Pty Ltd, an entity controlled by Trent McGraw.
2. Comprising:
 - a. 27,563,000 Shares indirectly held by spouse of David Tildesley, Tanya Tildesley; and
 - b. 1,000,000 Shares indirectly held by Jetsman Pty Ltd, an entity controlled by David Tildesley.
3. Comprising 1,000,000 Shares indirectly held by Venturastar Pty Ltd, an entity controlled by Ben Loiterton.
4. Comprising 10,897,000 Shares Indirectly held by Hago Futures Pty Ltd as trustee for Harrisongoes Family Trust, an entity controlled by Mark Goes.
5. Options, exercisable at \$0.25, on or before three (3) years from the date of the Company' s admission to the Official List.
6. Comprising 1,500,000 Options, indirectly held by Edison Capital Group Pty Ltd as trustee for The McGraw Family Trust, an entity controlled by Trent McGraw.
7. Comprising 1,500,000 Options, indirectly held by Tanya Tildesley (spouse of David Tildesley), Joshua Tildesley, Noah Tildesley and Marcus David Tildesley (children of David Tildesley).
8. Comprising 1,500,000 Options, indirectly held by Venturastar Pty Ltd, an entity controlled by Ben Loiterton.
9. Comprising 1,500,000 Options, directly held by Mark Goes.

Post-completion of the Offers – Minimum Subscription

| Director | Shares | Options | Percentage (%) (Undiluted) | Percentage (%) (Fully Diluted) |
|-----------------|---------------|----------------|---------------------------------------|---|
| Trent McGraw | 17,153,200 | 1,500,000 | 16.14% | 15.84% |
| David Tildesley | 28,563,000 | 1,500,000 | 26.87% | 25.52% |
| Ben Loiterton | 1,000,000 | 1,500,000 | 0.94% | 2.12% |
| Mark Goes | 10,897,000 | 1,500,000 | 10.25% | 10.52% |

Post-completion of the Offers – Full Subscription

| Director | Shares | Options | Percentage (%) (Undiluted) | Percentage (%) (Fully Diluted) |
|-----------------|-------------------------|----------------|---------------------------------------|---|
| Trent McGraw | 17,153,200 ¹ | 1,500,000 | 15.41% | 15.19% |
| David Tildesley | 28,563,000 ² | 1,500,000 | 25.66% | 24.48% |
| Ben Loiterton | 1,000,000 ³ | 1,500,000 | 0.90% | 2.04% |
| Mark Goes | 10,897,000 ⁴ | 1,500,000 | 9.79% | 10.10% |

Notes:

1. Comprising:
 - a. 10,256,000 Shares indirectly held by Edison Capital Pty Ltd as trustee for The McGraw Family Trust, an entity controlled by Trent McGraw;
 - b. 5,897,200 Shares indirectly held by McGraw Electrical Pty Ltd as trustee for McGraw Electrical Super Fund, an entity controlled by the parent of Trent McGraw; and
 - c. 1,000,000 Shares indirectly held by Edison Capital Group Pty Ltd, an entity controlled by Trent McGraw.
2. Comprising:
 - a. 27,563,000 Shares Indirectly held by spouse of David Tildesley, Tanya Tildesley; and
 - b. 1,000,000 Shares indirectly held by Jetsman Pty Ltd, an entity controlled by David Tildesley.
3. Comprising 1,000,000 Shares indirectly held by Venturastar Pty Ltd, an entity controlled by Ben Loiterton.
4. Comprising 10,897,000 Shares Indirectly held by Hago Futures Pty Ltd as trustee for Harrisongoes Family Trust, an entity controlled by Mark Goes.
5. Options, exercisable at \$0.25, on or before three (3) years from the date of the Company' s admission to the Official List.
6. Comprising 1,500,000 Options, indirectly held by Edison Capital Group Pty Ltd as trustee for The McGraw Family Trust, an entity controlled by Trent McGraw.
7. Comprising 1,500,000 Options, indirectly held by Tanya Tildesley (spouse of David Tildesley), Joshua Tildesley, Noah Tildesley and Marcus David Tildesley (children of David Tildesley).
8. Comprising 1,500,000 Options, indirectly held by Venturastar Pty Ltd, an entity controlled by Ben Loiterton.
9. Comprising 1,500,000 Options, directly held by Mark Goes.

The Company's constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The aggregate remuneration for non-executive Directors is \$350,000 per annum although may be varied by ordinary resolution of the Shareholders in general meeting.

The remuneration of any executive director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee.

DIRECTOR LOAN

The Company owes Trent McGraw a non-interest bearing, director loan amount of \$16,653.21, payable from the revenue of the Company, on or before 1 April 2022.

10.2 Agreements with Directors and related parties

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The agreements between the Company and related parties are summarised in Sections 11.6.

10.3 Corporate governance

- (a) **ASX Corporate Governance Council Principles and Recommendations**

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted The Corporate Governance Principles and Recommendations (4th Edition) as published by ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website www.equitystory.com.au.

(b) **Board of Directors**

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (i) maintain and increase Shareholder value;
- (ii) ensure a prudential and ethical basis for the Company's conduct and activities consistent with the Company's stated values; and
- (iii) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (i) leading and setting the strategic direction, values and objectives of the Company;

- (ii) appointing the Chairman of the Board, Managing Director or Chief Executive Officer and approving the appointment of senior executives and the Company Secretary;
- (iii) overseeing the implementation of the Company' s strategic objectives, values, code of conduct and performance generally;
- (iv) approving operating budgets, major capital expenditure and significant acquisitions and divestitures;
- (v) overseeing the integrity of the Company' s accounting and corporate reporting systems, including any external audit (satisfying itself financial statements released to the market fairly and accurately reflect the Company' s financial position and performance);
- (vi) establishing procedures for verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor, to ensure that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions;
- (vii) overseeing the Company' s procedures and processes for making timely and balanced disclosure of all material information that a reasonable person would expect to have a material effect on the price or value of the Company' s securities;
- (viii) reviewing, ratifying and monitoring the effectiveness of the Company' s risk management framework, corporate governance policies and systems designed to ensure legal compliance; and
- (ix) approving the Company' s remuneration framework.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

(c) **Composition of the Board**

Election of Board members is substantially the province of the Shareholders in general meeting, subject to the following:

- (i) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and
- (ii) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent Shareholders and fulfil the business objectives and values of the Company as well as to deal with new and emerging business and governance issues.

The Board currently consists of four Directors (one non-executive Directors and three executive Director) of whom Ben Loiterton is considered independent. The Board considers the current balance of skills and expertise to be appropriate given the Company' s currently planned level of activity.

To assist in evaluating the appropriateness of the Board' s mix of qualifications, experience and expertise, the Board intends to maintain a Board Skills Matrix to ensure that the Board has the skills to discharge its obligations effectively and to add value.

The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director or senior executive.

The Board ensures that Shareholders are provided with all material information in the Board' s possession relevant to a decision on whether or not to elect or re-elect a Director.

The Company shall develop and implement a formal induction program for Directors, which is tailored to their existing skills, knowledge and experience. The purpose of this program is to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of the Company' s policies and procedures.

The Board maintains oversight and responsibility for the Company' s continual monitoring of its diversity practices. The Company' s Diversity Policy provides a framework for the Company to achieve enhanced recruitment practices whereby the best person for the job is employed, which requires the consideration of a broad and diverse pool of talent.

(d) **Identification and management of risk**

The Board' s collective experience will enable accurate identification of the principal risks that may affect the Company' s business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

(e) **Ethical standards**

The Board is committed to the establishment and maintenance of appropriate ethical standards and to conducting all of the Company' s business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations. In particular, the Company and the Board are committed to preventing any form of bribery or corruption and to upholding all laws relevant to these issues as set out in in the Company' s Anti-Bribery and Anti-Corruption Policy. In addition, the Company encourages reporting of actual and suspected violations of the Company' s Code of Conduct or other instances of illegal, unethical or improper conduct. The Company and the Board provide effective protection from victimisation or dismissal to those reporting such conduct as set out in its Whistleblower Protection Policy.

(f) **Independent professional advice**

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(g) **Remuneration arrangements**

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

In accordance with the Constitution, the total maximum remuneration of non-executive Directors is initially set by the Board and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$350,000 per annum.

In addition, a Director may be paid fees or other amounts (for example, and subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having regard to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(h) **Trading policy**

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the managing director). The policy generally provides that the written acknowledgement of the Chair (or the Board in the case of the Chairman) must be obtained prior to trading.

(i) **External audit**

The Company in general meetings is responsible for the appointment of the external auditors of the Company. From time to time, the Board will review the scope, performance and fees of those external auditors.

(j) **Audit committee**

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to:

- (i) monitoring and reviewing any matters of significance affecting financial reporting and compliance;
- (ii) verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor;
- (iii) monitoring and reviewing the Company' s internal audit and financial control system, risk management systems; and
- (iv) management of the Company' s relationships with external auditors.

(k) **Diversity policy**

The Company is committed to workplace diversity. The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

(l) **Departures from Recommendations**

Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

The Company' s compliance and departures from the Recommendations will also be announced prior to admission to the Official List of the ASX.

MATERIAL CONTRACTS

Set out below is a brief summary of the certain contracts to which the Company is a party and which the Directors have identified as material to the Company or are of such a nature that an investor may wish to have details of particulars of them when making an assessment of whether to apply for Shares.

To fully understand all rights and obligations of a material contract, it would be necessary to review it in full and these summaries should be read in this light.

11.1 Capital Raising Agreements

11.1.1 Lead Manager Mandate

The Company entered into mandate with CPS Capital Group Pty Ltd (ACN 088 055 636) (**CPS Capital**) pursuant to which the Company has agreed to engage CPS Capital on an exclusive basis to act as lead manager, broker and corporate advisor to the Company for the Offer and corporate advisory services (**Lead Manager Mandate**).

The material terms and conditions of the Lead Manager Mandate are summarised below:

| | |
|-----------------|--|
| Role | CPS Capital will seek, on a best endeavour basis, to co-ordinate and lead manager the Company' s proposed IPO raising of a minimum of \$4,500,000 and up to \$5,500,000 at \$0.20 per Share. |
| Fees | <p>The Company will pay CPS Capital:</p> <ul style="list-style-type: none">(a) a placing fee of 4% (plus GST where applicable) of all funds raised under the Offer; and(b) 4,000,000 Options, exercisable at \$0.25 each, on or before the date that is three years from the date of the Company' s admission to the Official List of ASX. CPS Capital will work with other financial service licensees to assist with the Company' s IPO and CPS Capital notes that some of these Options may be passed on to the financial service licensees who assist with the Company' s IPO with consultation with the adviser and the Company. |
| Expenses | The Company will reimburse CPS Capital, excluding travel expenses, only if prior written approval has been given for CPS to be reimbursed for such expenses. |

**Termination
Events**

CPS Capital may terminate this Lead Manager Mandate:

- (a) by 14 days' written notice if the Company commits a material breach of any of the terms or conditions of this Lead Manager Mandate or if any warranty or representation given or made by the Company is not complied with or proves to be untrue in any respect; or
- (b) immediately by notice in writing to the effect if the Company becomes insolvent, has a receiver, administrative receiver or manager or administrator appointed over the whole of or any of their assets, enters into any composition with creditors generally or has an order made or resolution passed for it to be wound up, or if a court makes an administration order with respect to the Company or any composition in satisfaction of its debts or a scheme of arrangement of the affairs of the Company.

The Company may terminate this Lead Manager Mandate by seven (7) days written notice. In this event, any outstanding expenses will be immediately payable.

CPS Capital may not terminate the Lead Manager Mandate under clause (a) without first giving the Company 14 days' prior notice for the reason of the proposed termination and the Company being unable to rectify the matter within that time.

In the event of termination, CPS Capital must provide the Company with copies of all documentation, including electronic copies that it has received or created for its future use.

The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

11.2 Financing Agreements

11.2.1 Convertible Note Subscription Agreements

Equity Story Pty Ltd has entered into various convertible note subscription agreements (**Convertible Note Subscription Agreements**) with various noteholders (**Convertible Note Holders**) under which the Convertible Note Holders have agreed to provide loans of differing amounts to Equity Story. The Company and Equity Story subsequently entered into deed of novation and assignment with each of the Convertible Note Holders between 10 December 2021 and 28 January 2022, whereby the rights and obligations of Equity Story are novated to the Company.

The material terms and conditions of each of the Convertible Note Subscription Agreements are the same for each Noteholder (except in relation to the total number of convertible notes) and are as follows:

| | |
|---------------------|--|
| Subscription | The Convertible Note Holders agree to subscribe for the convertible notes (Note) at a subscription price of \$0.12 per Note and the Company agrees to issue the Notes to the Convertible Note Holders. |
| Interest | Each Note accrues interest from the issue date of the Note at a rate of 5% per annum. In the event that the Notes are converted to Shares on the occurrence of a listing or where the Company elects to redeem the Notes, all accrued but unpaid interest must be paid to the Convertible Note Holders in cash within 5 business days of either the Company being admitted to the Official List of the ASX or the date of redemption. |

**Conversion and
Redemption
Events**

- (a) Unless redeemed earlier on 30 June 2021, upon the ASX granting conditional approval for listing within the period within the period from 30 June 2021 until the day immediately prior to 30 June 2022, each Note will automatically convert into Shares and the number of Shares that will be issued to the Noteholder in respect of each Note will be equal to \$0.12 divided by \$0.20.
- (b) If a listing has not occurred before 30 June 2022, the Company must within a period of 10 business days of 30 June 2022, either in its sole discretion:
- (i) redeem all outstanding Notes by paying the Convertible Note Holders an amount of cash calculated as follows, in full and final satisfaction and extinguishment of the Notes:
- $A = B \times C$
- Where: A = the amount payable to the Noteholder to redeem the Notes in full and final satisfaction and extinguishment of the Notes.
- B = \$0.12, being the subscription price for each Note.
- C = the number of outstanding Notes; or
- (ii) convert all outstanding Notes into Shares calculated as follows, in full and final satisfaction and extinguishment of the Notes:
- $A = (B \times C) / (D \times 0.50)$
- Where:
- A = the number of Shares to be issued to the Noteholder in full and final satisfaction and extinguishment of the Notes.
- B = \$0.12, being the subscription price for each Note.
- C = the total number of outstanding Notes.
- D = the Valuation as at 30 June 2022.

If the calculation of Shares results in an entitlement to a number of Shares which include a fraction of a Share, the fraction will be rounded upwards.

| | |
|----------------|--|
| Listing | In the event of conversion of the Notes into Shares on the occurrence of a listing, the Convertible Note Holders agree that they will agree to any escrow restrictions imposed by ASX on the Shares. |
|----------------|--|

| | |
|------------------------|--|
| Issue of Shares | Each Share issued must be allotted within 5 business days after the conversion date and rank equally with and have all rights, benefits and obligations identical with, the same class of Shares existing as at the date of issue. |
|------------------------|--|

The Convertible Note Subscription Agreements otherwise contain provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

11.3 Licensing Agreements

11.3.1 Corporate Authorised Representative Agreement – Boutique Capital

On 8 July 2020, Equity Story Fund entered into a corporate authorised representative agreement with and has been appointed to act as, a Corporate Authorised Representative of Boutique Capital Pty Ltd (AFSL 508011) (**Boutique Capital**) (**Boutique CAR Agreement**).

The material terms and conditions of the Boutique CAR Agreement are as follows:

| | |
|--------------------|---|
| Appointment | Boutique has agreed to appoint and authorise Equity Story Fund to provide all services permissible under the authorisation permissible with AFSL 508011 (Authorised Services) in accordance with the procedures, terms and conditions set out in the Boutique CAR Agreement. |
|--------------------|---|

Fees Equity Story Fund shall pay Boutique Capital the following fees:

- (a) initial establishment costs of \$3,000;
- (b) annual AFSL licensing and compliance fee of \$36,000, paid quarterly in advance;
- (c) annual administration and custodial fee of \$24,000 per annum, paid quarterly in advance; and

other potential cost considerations to include management fees, roadshow costs and airfares, events for promotion, reporting, audit and other promotional requirements.

Insurance Equity Story Fund shall, in accordance with normal business practice, insure its own personnel and property and maintain professional indemnity insurance of a minimum amount of \$2,000,000.

Termination by Boutique Capital The Boutique CAR Agreement may be terminated:

- (a) with immediate effect by Boutique Capital, by giving Equity Story Fund written notice; or
- (b) by Equity Story Fund, by giving Boutique Capital 30 days' written notice; or
- (c) with immediate effect upon the Company being granted its own AFSL.

The Boutique CAR Agreement otherwise contains provisions considered standard for an agreement of its nature (including warranties, general duties and confidentiality provisions).

11.3.2 Corporate Authorised Representative Agreement –

Primary Securities

On 5 October 2021, Equity Story Fund entered into a corporate authorised representative agreement with and has been appointed to act as, a Corporate Authorised Representative of Primary Securities Ltd (AFSL 224107) (**Primary**) (**Primary CAR Agreement**).

The material terms and conditions of the Primary CAR Agreement are as follows:

| | |
|--------------------|--|
| Appointment | Primary appoints Equity Story Fund as an authorised representative to provide general financial product advice to retail clients in respect of the Class E Units of the Primary Investment Board established by Primary. |
|--------------------|--|

| | |
|-------------|---|
| Fees | Equity Story Fund shall pay Primary the following fees: <ul style="list-style-type: none">(a) preparation of the Primary CAR Agreement, being \$1,000 plus GST;(b) from the date the authorisation is registered with ASIC (Appointment Date) until the first anniversary of the Appointment Date a monthly fee of \$2,000 plus GST;(c) from the first anniversary of the Appointment Date until the second anniversary Appointment Date the fee of \$2,100 plus GST;(d) from the second anniversary of the Appointment Date onward \$2,100 Indexed plus GST;(e) a monthly fee of \$300 plus GST for any additional Officer appointed indexed; and(f) any regulatory fees imposed relating to the appointment and that portion of Primary' s annual fee as relates to the Company as authorised representative. |
|-------------|---|

| | |
|--------------------|--|
| Termination | Primary may revoke the appointment of the Company at any time by written notice to the Company (as provided in section 916A(4) of the Corporations Act). The Company may request the appointment to be terminated at any time by 30 days written notice to Primary, and Primary must then do so promptly. |
|--------------------|--|

The Primary CAR Agreement otherwise contains provisions considered standard for an agreement of its nature (including warranties, general duties and confidentiality provisions).

11.4 Investment Management Agreement

On 24 June 2020, the Company, via Equity Story Fund entered into a management agreement with Boutique Capital Pty Ltd (ACN 621 697 621) (**Boutique Capital**), pursuant to which Boutique Capital appoints Equity Story Fund as the investment manager of a portfolio of investments (Portfolio) comprising Equity Story Growth Fund (**Fund**) (**Investment Management Agreement**). Equity Story Fund is a corporate authorised representative of Boutique Capital, which is appropriately authorised under the Corporations Act.

The material terms and conditions of the Investment Management Agreement are as follows:

| | |
|------------------------------|---|
| Duties of the Manager | <p>Boutique Capital appoints Equity Story Fund as the exclusive manager of the Portfolio, where Equity Story Fund must amongst other duties:</p> <ul style="list-style-type: none">(i) manage the Portfolio for and on behalf of Boutique Capital; keep the Portfolio under regular review and advise Boutique Capital regarding the management of the Portfolio;(ii) exercise due care, skill and diligence in selecting, appointing, dealing with supervising, monitoring and reviewing the performance of any agent of Equity Story Fund involved with the Portfolio;(iii) have in place adequate and appropriate arrangements for the management of conflicts of interest that may arise; and(iv) provide or procure all of the information reasonably required by Boutique Capital. |
|------------------------------|---|

Management Fees In consideration for Equity Story Fund providing the services under this agreement, Boutique Capital must pay Equity Story a management fee of 1.75% plus GST per annum of the net asset value of the Fund in consideration for the management of the Fund (**Management Fee**). The Management Fee accrues and is to be calculated monthly and is payable annually in advance from the commencement of the Fund to the date of the final distribution.

Performance Fees Equity Story Fund shall be entitled to be paid a performance fee (**Performance Fee**) of 17.5% of positive returns relative to a highwater mark. Performance fees will be paid quarterly, each 31 March, 30 June, 30 September and 31 December.

Term This agreement begins on 24 June 2020 and remains in force until the earlier of 5 years after 24 June 2020 or termination of this agreement.

Termination by Equity Story Fund Equity Story Fund may terminate this agreement at any time by giving to the Trustee at least 3 months prior notice, or with 7 days' notice, where Boutique Capital has committed a serious breach of this Agreement, and Boutique Capital fails to correct the serious breach within 7 days of receiving notice from the Equity Story Fund specifying such breach.

**Termination by
Boutique Capital**

Boutique Capital may immediately terminate this agreement at any time by notice to Equity Story Fund if:

- a) a receiver, receiver and manager, administrator or similar person is appointed with respect to the assets and undertaking of Equity Story Fund;
- b) Equity Story Fund:
 - (i) goes into liquidation; or
 - (ii) materially breaches any provision of this agreement and Equity Story Fund fails to correct such breach or failure within 30 Business Days of receiving notice from Boutique Capital specifying such breach or failure;
- c) Equity Story Fund fails to duly and punctually observe or perform any material representation, warranty, undertaking, duty or obligation under this agreement and such default or breach cannot be rectified or, if rectifiable, is not rectified within 30 Business Days after Boutique Capital has notified Equity Story Fund to rectify the default or breach;
- d) Equity Story Fund creates or purports or attempts to create or knowingly allows to exist or subsist any security, charge, mortgage, pledge, lien or encumbrance of any kind on the Portfolio;
- e) any representation or warranty made or repeated in this agreement proves to be incorrect, untrue or misleading in any material respect when made or repeated and continues to be so incorrect, untrue or misleading for a period of 30 Business Days after Boutique Capital has notified Equity Story Fund to rectify the default or breach;
- f) any key professional person leaves the employ of the Equity Story Fund within three years of 24 June 2020, without the Boutique Capital' s consent.

The Investment Management Agreement otherwise contains provisions considered standard for an agreement of its nature (including warranties, general duties and confidentiality provisions).

11.5 Joint Venture Agreement

The Company, via Equity Story Pty Ltd has entered into a heads of agreement with Andover Corporate Finance Pty Ltd (ACN 103 815 505) (AFSL No. 238272) (**Andover**), pursuant to which Andover and Equity Story (together, the **Parties**) have entered into a joint venture arrangement (**Joint Venture**) where Andover will procure equity investment opportunities for distribution to Equity Story' s database of Subscribers (**Andover Joint Venture Agreement**) on the terms and conditions as summarised below:

| | |
|----------------------------------|---|
| Joint Venture Arrangement | The Parties have agreed to associate in a joint venture whereby the Parties will seek private placement, initial public offering (IPO) and/or other investment opportunities (Investment Opportunities) via their relationships with brokers, dealers and companies to distribute to Equity Story' s database of Subscribers. |
|----------------------------------|---|

Andover' s role is to locate and manage the Investment Opportunities. Andover will negotiate with the relevant sponsoring brokers, dealers, lead managers and/or companies to enter into a standard co-lead manager or distribution agreement, pursuant to which Andover would agree to a placement fees or a lead manager or similar fee, as well as other fees and/or securities, being shares and/or options.

| | |
|---------------------|--|
| Distribution | All fees paid by brokers and/or issuers to Andover will be distributed according to agreed fee splits from time to time between the Parties, after deduction of any costs as agreed between the Parties from time to time. |
|---------------------|--|

| | |
|-------------|--|
| Term | The initial term of the Joint Venture shall be 12 months, after which Equity Story or Andover may terminate this Agreement by giving the other Party 60 days' notice in writing of such termination. |
|-------------|--|

The Andover Joint Venture Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

11.6 Agreements with Directors

11.6.1 Trent McGraw – Director and Managing Director

The Company, through its fully-owned subsidiary, Equity Story, has entered into an employment agreement with Trent McGraw on 1 March 2021, pursuant to which Mr McGraw has been appointed as a Director of Equity Story (**McGraw Equity Story Employment Agreement**). Mr McGraw's employment commenced on 1 March 2021 and will continue until terminated, and Equity Story shall pay Mr McGraw a base salary of \$146,068 per annum plus superannuation.

The Company, through its fully-owned subsidiary, Equity Story Fund has further entered into an employment agreement with Trent McGraw on 1 July 2021, pursuant to which Mr McGraw has been appointed as the Managing Director of Equity Story Fund (**McGraw Equity Story Fund Employment Agreement**). Mr McGraw's employment commenced on 1 July 2021 and will continue until terminated and Equity Story Fund shall pay Mr McGraw a base salary of \$50,000 per annum plus superannuation.

The material terms and conditions of the McGraw Equity Story Employment Agreement and McGraw Equity Story Fund Employment Agreement (together, **McGraw Employment Agreements**) are as follows:

**Termination by
Company**

The Company may immediately terminate Mr McGraw' s employment without notice or payment in lieu of notice if Mr McGraw:

- (a) commits any act of wilful or serious misconduct as defined under the Fair Work Act 2009 (Cth) (**Fair Work Act**);
- (b) engages in misconduct or is convicted of a criminal offence;
- (c) breaches any provision of the McGraw Employment Agreements on more than one occasion;
- (d) fails to discharge his duties or responsibilities on more than one occasion;
- (e) is declared to be under the influence of alcohol or drugs in the workplace;
- (f) engages in other conduct likely to adversely affect the reputation of the Company;
- (g) commits any other act which at common law would allow the Company to terminate Mr McGraw' s employment; or
- (h) becomes bankrupt or makes an arrangement or composition with creditors.

The Company may terminate Mr McGraw' s employment, without cause, by giving Mr McGraw the minimum notice as required by the Fair Work Act or payment in lieu of notice, or a combination of notice and payment in lieu of notice.

**Termination by
Mr McGraw**

Mr McGraw may resign from the Company by giving the Company the higher of the minimum notice as required by the Fair Work Act or 4 weeks' notice.

**Resignation from
Offices**

Immediately upon Mr McGraw' s employment ending or the Company directing Mr McGraw to do so, Mr McGraw must resign from all directorships, offices and other positions that he holds with the Company.

The McGraw Employment Agreements otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

11.6.2 David Tildesley – Director

The Company, through its fully-owned subsidiary, Equity Story, has entered into an employment agreement with David Tildesley on 1 March 2021, pursuant to which Mr Tildesley has been appointed as a Director (**Tildesley Employment Agreement**).

The material terms and conditions of the Tildesley Employment Agreement are as follows:

| | |
|------------------------------|--|
| Remuneration | The Company will pay Mr Tildesley base salary of \$250,000 per annum plus superannuation. |
| Term | Mr Tildesley’s employment commenced on 1 March 2021 and will continue until terminated. |
| Intellectual Property | <ul style="list-style-type: none">(a) Mr Tildesley must disclose all works, ideas, concepts, designs, inventions, developments, improvements, systems or other material or information, created, made, discovered or used by Mr Tildesley (Materials) to the Company.(b) The Company will own all right in and to the Materials including any intellectual property rights which subsist in the Materials (Intellectual Property) and Mr Tildesley assigns all Intellectual Property to the Company.(c) Mr Tildesley grants the Company a non-exclusive, royalty-free, transferable and perpetual licence to use any existing Materials for any purpose in connection with the Company’s business activities.(d) Mr Tildesley indemnifies the Company against all actions, claims, demands, costs, charges and expenses arising from any infringement or alleged infringement of any intellectual property rights by the use of any Materials in the course of Mr Tildesley’s employment. |

| | |
|--------------------------------------|--|
| Intellectual Property (cont.) | <ul style="list-style-type: none"> (e) Mr Tildesley acknowledges the Company' s title to the Intellectual Property and undertakes not to take, permit or omit any action which would or might: <ul style="list-style-type: none"> (i) invalidate or put in dispute the Company' s right or title to the Intellectual Property; (ii) oppose any application for registration or invalidate any registration of the Company' s Intellectual Property; (iii) support any application to remove or undo the title in the Company' s Intellectual Property; or (iv) assist any other person directly or indirectly in any of the above. |
|--------------------------------------|--|

| | |
|-------------------------------|---|
| Termination by Company | <p>The Company may immediately terminate Mr Tildesley' s employment without notice or payment in lieu of notice if Mr Tildesley:</p> <ul style="list-style-type: none"> (a) commits any act of wilful or serious misconduct as defined under the Fair Work Act; (b) engages in misconduct or is convicted of a criminal offence; (c) breaches any provision of the Tildesley Employment Agreement on more than one occasion; (d) fails to discharge his duties or responsibilities on more than one occasion; (e) is declared to be under the influence of alcohol or drugs in the workplace; (f) engages in other conduct likely to adversely affect the reputation of the Company; (g) commits any other act which at common law would allow the Company to terminate Mr Tildesley employment; or (h) becomes bankrupt or makes an arrangement or composition with creditors. |
|-------------------------------|---|

The Company may terminate Mr Tildesley' s employment, without cause, by giving Mr Tildesley the minimum notice as required by the Fair Work Act or payment in lieu of notice, or a combination of notice and payment in lieu of notice.

| | |
|------------------------------------|--|
| Termination by Mr Tildesley | Mr Tildesley may resign from the Company by giving the Company the higher of the minimum notice as required by the Fair Work Act or 4 weeks' notice. |
| Restraint | <p>Mr Tildesley is subject to a restraint period of up to 6 months following termination of his employment during which time Mr Tildesley must not anywhere in Australia:</p> <ul style="list-style-type: none">(a) conduct, carry on or promote a business or operation similar to, or competitive with the Company;(b) be concerned or interested in a business or operation similar to, or competitive with the Company;(c) solicit, approach or entice away any customer of the Company with whom Mr Tildesley has had dealings with at any time during the 12 months period prior to the termination date or was a customer of the Company during that time; or(d) solicit, approach or entice away any staff to the Company with whom Mr Tildesley has had dealings with at any time during the 12 months period prior to the termination date or was staff of the Company during that time, <p>without the Company' s prior written consent.</p> |
| Resignation from offices | Immediately upon Mr Tildesley' s employment ending or the Company directing Mr Tildesley to do so, Mr Tildesley must resign from all directorships, offices and other positions that he holds with the Company. |

The Tildesley Employment Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

11.6.3 Mark Goes – Executive Director

The Company, through its fully-owned subsidiary, Equity Story, has entered into an employment agreement with Mark Goes on 1 March 2021, pursuant to which Mr Goes has been appointed as a Principle Customer Contact Specialist (**Goes Employment Agreement**).

The material terms and conditions of the Goes Employment Agreement are as follows:

| | |
|------------------------------|--|
| Remuneration | The Company will pay Mr Goes a base salary of \$55,000 per annum plus superannuation. |
| Term | Mr Goes employment commenced on 1 March 2021 and will continue until terminated. |
| Intellectual Property | <ul style="list-style-type: none">(a) Mr Goes must disclose all works, ideas, concepts, designs, inventions, developments, improvements, systems or other material or information, created, made, discovered or used by Mr Goes (Materials) to the Company.(b) The Company will own all right in and to the Materials including any intellectual property rights which subsist in the Materials (Intellectual Property) and Mr Goes assigns all Intellectual Property to the Company.(c) Mr Goes grants the Company a non-exclusive, royalty-free, transferable and perpetual licence to use any existing Materials for any purpose in connection with the Company' s business activities.(d) Mr Goes indemnifies the Company against all actions, claims, demands, costs, charges and expenses arising from any infringement or alleged infringement of any intellectual property rights by the use of any Materials in the course of Mr Goes' employment. |

| | |
|--------------------------------------|--|
| Intellectual Property (cont.) | <ul style="list-style-type: none">(e) Mr Goes acknowledges the Company' s title to the Intellectual Property and undertakes not to take, permit or omit any action which would or might:<ul style="list-style-type: none">(i) invalidate or put in dispute the Company' s right or title to the Intellectual Property;(ii) oppose any application for registration or invalidate any registration of the Company' s Intellectual Property;(iii) support any application to remove or undo the title in the Company' s Intellectual Property; or(iv) assist any other person directly or indirectly in any of the above. |
|--------------------------------------|--|

| | |
|-------------------------------|---|
| Termination by Company | <p>The Company may immediately terminate Mr Goes' employment without notice or payment in lieu of notice if Mr Goes:</p> <ul style="list-style-type: none">(a) commits any act of wilful or serious misconduct as defined under the Fair Work Act;(b) engages in misconduct or is convicted of a criminal offence;(c) breaches any provision of the Goes Employment Agreement on more than one occasion;(d) fails to discharge his duties or responsibilities on more than one occasion;(e) is declared to be under the influence of alcohol or drugs in the workplace;(f) engages in other conduct likely to adversely affect the reputation of the Company;(g) commits any other act which at common law would allow the Company to terminate Mr Goes' employment; or(h) becomes bankrupt or makes an arrangement or composition with creditors. |
|-------------------------------|---|

The Company may terminate Mr Goes' employment, without cause, by giving Mr Goes the minimum notice as required by the Fair Work Act or payment in lieu of notice, or a combination of notice and payment in lieu of notice.

Termination by Mr Goes Mr Goes may resign from the Company by giving the Company the higher of the minimum notice as required by the Fair Work Act or 4 weeks' notice.

Restraint Mr Goes is subject to a restraint period of up to 6 months following termination of his employment during which time Mr Goes must not anywhere in Australia:

- (a) conduct, carry on or promote a business or operation similar to, or competitive with the Company;
- (b) be concerned or interested in a business or operation similar to, or competitive with the Company;
- (c) solicit, approach or entice away any customer of the Company with whom Mr Goes has had dealings with at any time during the 12 months period prior to the termination date or was a customer of the Company during that time; or
- (d) solicit, approach or entice away any staff to the Company with whom Mr Goes has had dealings with at any time during the 12 months period prior to the termination date or was staff of the Company during that time,

without the Company's prior written consent.

Resignation from offices Immediately upon Mr Goes' employment ending or the Company directing Mr Goes to do so, Mr Goes must resign from all directorships, offices and other positions that he holds with the Company.

If Mr Goes does not immediately resign from all directorships, offices and positions, Mr McGraw irrevocably authorises the Managing Director to do all things and execute all documents necessary on his behalf to give effect to these resignations.

The Goes Employment Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

11.6.4 Executive Director appointments

Mr Trent McGraw, Mr David Tildesley and Mr Mark Goes have entered into appointment letters with the Company to act in the capacity as Executive Directors. Mr McGraw's, Mr Tildesley's and Mr Goes' employment commenced on 3 September 2021. The Company will pay each of the Executive Director a base salary of \$50,000 per annum (plus superannuation) commencing from the Company's admittance to the Official List of ASX); and issue to each of the Executive Director (or their nominees) 1,500,000 unlisted options exercisable at \$0.25 and expiring 3 years from the Company's admittance to the Official List of ASX at no cost (but subject to the Company's successful admission to ASX and where the Company is not admitted to ASX before 23 September 2022, the Company may request cancellation of the options).

11.6.5 Non-executive Director appointments

Ben Loiterton has entered into an appointment letter with the Company to act in the capacity of Non-Executive Chairman. Ben Loiterton will receive the remuneration set out in Section 10.1.

11.6.6 Deeds of indemnity, insurance and access

The Company has entered into a deed of indemnity, insurance and access with each of its Directors. Under these deeds, the Company will agree to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officer and allow the officers to inspect board papers in certain circumstances.

11.6.7 Key Management Personnel

11.6.8 Peter Kopetz – Equities Analyst

The Company, through its fully-owned subsidiary, Equity Story, has entered into an employment agreement with Peter Kopetz on 1 March 2021, pursuant to which Mr Kopetz has been appointed as an equities analyst (**Kopetz Equity Story Employment Agreement**).

Under the Kopetz Equity Story Employment Agreement, Mr Kopetz' employment shall commence on 1 March 2021 and continue until terminated, and Equity Story shall pay Mr Kopetz base salary of \$80,000 per annum (plus superannuation).

The Company, through its fully-owned subsidiary, Equity Story Fund Pty Ltd has further entered into an employment agreement with Peter Kopetz on 1 July 2021, pursuant to which Mr Kopetz has been appointed as an investment advisor (**Kopetz Equity Story Fund Employment Agreement**).

Under the Kopetz Equity Story Fund Employment Agreement, Mr Kopetz' employment shall commence on 1 July 2021 and continue until terminated and Equity Story Fund shall pay \$50,000 per annum (plus superannuation).

The material terms and conditions of the Kopetz Equity Story Employment Agreement and Kopetz Equity Story Fund Employment Agreement (together, **Kopetz Employment Agreements**) are as follows:

**Intellectual
Property**

- (a) Mr Kopetz must disclose all works, ideas, concepts, designs, inventions, developments, improvements, systems or other material or information, created, made, discovered or used by Mr Kopetz (Materials) to the Company.
 - (b) The Company will own all right in and to the Materials including any intellectual property rights which subsist in the Materials (Intellectual Property) and Mr Kopetz assigns all Intellectual Property to the Company.
 - (c) Mr Kopetz grants the Company a non-exclusive, royalty-free, transferable and perpetual licence to use any existing Materials for any purpose in connection with the Company' s business activities.
 - (d) Mr Kopetz indemnifies the Company against all actions, claims, demands, costs, charges and expenses arising from any infringement or alleged infringement of any intellectual property rights by the use of any Materials in the course of Mr Kopetz' s employment.
 - (e) Mr Kopetz acknowledges the Company' s title to the Intellectual Property and undertakes not to take, permit or omit any action which would or might:
 - (i) invalidate or put in dispute the Company' s right or title to the Intellectual Property;
 - (ii) oppose any application for registration or invalidate any registration of the Company' s Intellectual Property;
 - (iii) support any application to remove or undo the title in the Company' s Intellectual Property; or
 - (iv) assist any other person directly or indirectly in any of the above.
-

**Termination by
Company**

The Company may immediately terminate Mr Kopetz' s employment without notice or payment in lieu of notice if Mr Kopetz:

- (a) commits any act of wilful or serious misconduct as defined under the Fair Work Act;
- (b) engages in misconduct or is convicted of a criminal offence;
- (c) breaches any provision of the Kopetz Employment Agreements on more than one occasion;
- (d) fails to discharge his duties or responsibilities on more than one occasion;
- (e) is declared to be under the influence of alcohol or drugs in the workplace;
- (f) engages in other conduct likely to adversely affect the reputation of the Company;
- (g) commits any other act which at common law would allow the Company to terminate Mr Kopetz employment; or
- (h) becomes bankrupt or makes an arrangement or composition with creditors.

The Company may terminate Mr Kopetz' s employment, without cause, by giving Mr Kopetz the minimum notice as required by the Fair Work Act or payment in lieu of notice, or a combination of notice and payment in lieu of notice.

**Termination by
Mr Kopetz**

Mr Kopetz may resign from the Company by giving the Company the higher of the minimum notice as required by the Fair Work Act or 4 weeks' notice.

Restraint

Mr Kopetz is subject to a restraint period of up to 6 months following termination of his employment during which time Mr Kopetz must not anywhere in Australia:

- (a) conduct, carry on or promote a business or operation similar to, or competitive with the Company;
 - (b) be concerned or interested in a business or operation similar to, or competitive with the Company;
 - (c) solicit, approach or entice away any customer of the Company with whom Mr Kopetz has had dealings with at any time during the 12 months period prior to the termination date or was a customer of the Company during that time; or
 - (d) solicit, approach or entice away any staff to the Company with whom Mr Kopetz has had dealings with at any time during the 12 months period prior to the termination date or was staff of the Company during that time,
- without the Company' s prior written consent.

Resignation from offices

Immediately upon Mr Kopetz' s employment ending or the Company directing Mr Kopetz to do so, Mr Kopetz must resign from all directorships, offices and other positions that he holds with the Company.

If Mr Kopetz does not immediately resign from all directorships, offices and positions, Mr Kopetz irrevocably authorises the Managing Director to do all things and execute all documents necessary on his behalf to give effect to these resignations.

The Kopetz Employment Agreements otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

ADDITIONAL INFORMATION

12.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

12.2 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

12.3 Terms and Conditions of Options currently on issue

Set out below are the terms and conditions of the Options currently on issue:

- (a) **Entitlement:** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **Exercise Price:** Subject to paragraph (a), the amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**).
- (c) **Expiry Date:** Each Option will expire three years from the date of the Company' s admission to the Official List of ASX (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Exercise Period:** The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) **Notice of Exercise:** The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) **Exercise Date:** A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise:**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options,

If a notice delivered under (g) (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than twenty (20) Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise:** Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital:** If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

- (j) **Participation in new issues:** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (k) **Change in exercise price:** An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (l) **Transferability:** The Options are not transferable.

12.4 Terms and Conditions of Lead Manager Options

Set out below are the terms and conditions of the Lead Manager Options:

- (a) **Entitlement:** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **Exercise Price:** Subject to paragraph (a), the amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**).
- (c) **Expiry Date:** Each Option will expire three years from the date of the Company' s admission to the Official List of ASX (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Exercise Period:** The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

- (e) **Notice of Exercise:** The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) **Exercise Date:** A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (g) **Timing of issue of Shares on exercise:**
Within five Business Days after the Exercise Date, the Company will:
- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options,

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than twenty (20) Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- (h) **Shares issued on exercise:** Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (i) **Reconstruction of capital:** If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (j) **Participation in new issues:** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (k) **Change in exercise price:** An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (l) **Transferability:** The Options are not transferable.

12.5 Employee Incentive Plan

The Company has adopted an Employee Incentive Plan (**Employee Incentive Plan**) to allow eligible participants to be granted Performance Rights and Options in the Company. The principle terms of the Employee Incentive Plan are summarised below:

- (a) **Eligibility:** Participants in the Employee Incentive Plan may be:
- (i) a Director (whether executive or non-executive) of the Company and any Associated Body Corporate of the Company (each, a **Group Company**);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company (**but, if the Class Order is being relied on, only** to the extent permitted by ASIC Class Order 14/1000) (**Class Order**); or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above.
- who is declared by the Board to be eligible to receive grants of Options or Performance Rights (**Awards**) under the Employee Incentive Plan (**Eligible Participant**).
- (b) **Offer:** The Board may, from time to time, in its discretion, make a written invitation to any Eligible Participant to apply for Awards, upon the terms set out in the Employee Incentive Plan and upon such additional terms and conditions as the Board determines.

- (c) **Plan limit:** Where the Company needs to rely on the Class Order in respect of an Offer, the Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Awards offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or nil cash under an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Issue price:** Performance Rights issued under the Employee Incentive Plan will be issued for nil cash consideration. Unless the Options are quoted on the ASX, Options issued under the Employee Incentive Plan will be issued for no more than nominal cash consideration.
- (e) **Exercise price:** The Board may determine the Option exercise price (if any) for an Option offered under that Offer in its discretion.
- (f) **Vesting conditions:** An Award may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Awards (**Vesting Conditions**). The Board may, in its discretion, in accordance with this Employee Incentive Plan, waive or reduce any Vesting Conditions in whole or in part. For clarity, the Board may in its discretion waive or reduce any Vesting Conditions after the time specified for satisfaction of those Vesting Conditions has passed.

- (g) **Vesting:** Notwithstanding paragraph (f):
- (i) The Board may, by written notice to a Participant (being an Eligible Participant to whom Awards have been granted under the Employee Incentive Plan or their nominee where the Awards have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive or reduce any of the Vesting Conditions applying to an Award, which the Board may do at any time, including after the time for satisfaction of the Vesting Condition has passed; and
 - (ii) in the event of a Change of Control, all Vesting Conditions are deemed to be automatically waived (except to the extent that an Offer provides otherwise).
- (h) **Lapse of an Award:** An Award will lapse upon the earlier to occur of:
- (i) the Board, in its discretion, resolving an Award lapses as a result of an unauthorised disposal of (directly or indirectly) a legal, beneficial or economic interest in Awards, or hedging of, the Awards, as governed by paragraph (i);
 - (ii) a Vesting Condition in relation to the Award is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board acting reasonably, unless the Board exercises its discretion to waive the Vesting Condition and vest the Award under paragraph (g) or paragraph (h)(iii)(A) applies;
 - (iii) in respect of unvested Awards only, a Relevant Person ceases to be an Eligible Participant, unless the Board:
 - (A) exercises its discretion to waive any Vesting Conditions that apply to the Award under paragraph (g); or

- (B) or the Board resolves, in its discretion, to allow the unvested Awards to remain subject to any Vesting Conditions after the Relevant Person ceases to be an Eligible Participant (which resolution may be made before or after the Relevant Person ceases to be an Eligible Participant;
 - (iv) the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (v) in respect of an unvested Award, a winding up resolution or order is made in respect of the Company and the Award does not vest in accordance with paragraph (g); and
 - (vi) the expiry date of the Award.
- (i) **Not transferrable:** Subject to the Listing Rules, and except as otherwise provided for by an offer, Awards may only be disposed in special circumstances with the prior written consent of the Board (which may be withheld in its discretion) or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
- (j) **Shares:** Shares resulting from the exercise of the Awards shall, subject to any Sale Restrictions (refer paragraph (k)) from the date of issue, rank on equal terms with all other Shares on issue.
- (k) **Sale restrictions:** The Board may, in its discretion, determine at any time up until an Award is exercised, that a restriction period will apply to some or all of the Shares issued or transferred to a Participant on exercise of those Awards to a maximum of 15 years from the acquisition date of the Awards

(Restriction Period). In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such Restriction Period.

- (l) **Quotation of Shares:** If Shares of the same class as those issued under the Employee Incentive Plan are quoted on the ASX, the Company will, subject to the Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends.
- (m) **No participation rights:** There are no participation rights or entitlements inherent in the Awards and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Awards without exercising the Award, except to the extent an Offer otherwise provides where permitted by the ASX Listing Rules.
- (n) **Change in exercise price of number of underlying securities:** An Award does not confer the right to a change in the number of underlying Shares over which the Award can be exercised, except to the extent this Plan or an Offer otherwise provides where permitted by the ASX Listing Rules.
- (o) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the Listing Rules (if applicable) at the time of the reorganisation.

- (p) **Amendments:** Subject to express restrictions set out in the Employee Incentive Plan and complying with the Corporations Act, Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Employee Incentive Plan, or the terms or conditions of any Award issued under the Employee Incentive Plan including giving any amendment retrospective effect.
- (q) **Maximum Number of Awards:** The maximum number of equity securities proposed to be issued under the Employee Incentive Plan is 12,279,346 (being 10% of the issued capital of the Company on a fully diluted basis assuming the Full Subscription is raised). It is not envisaged that the maximum number of equity securities will be issued immediately.

12.6 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
- (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer, and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:
- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
- (i) the formation or promotion of the Company; or
 - (ii) the Offer.

12.7 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

MNSA has acted as Investigating Accountant and has prepared the Investigating Accountant's Report, which is included in Annexure A. The Company estimates it will pay MNSA a total of \$20,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, MNSA has received \$12,958 (including GST) in fees from the Company for audit services.

CPS Capital will receive those fees set out in Section 4.6 following the successful completion of the Offer for its services as Lead Manager to the Offer. Further details in respect to the Lead Manager Mandate with CPS Capital are summarised in Section 11.1.1. During the 24 months preceding lodgement of this Prospectus with the ASIC, CPS Capital has not received fees from the Company for any other services.

Steinepreis Paganin has acted as the Australian legal advisers to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$150,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has received \$24,887.26 (excluding GST and disbursements) in fees from the Company for other legal services.

12.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offer or of the Shares), the Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;

- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

MNSA has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report in Annexure A in the form and context in which the information and report is included.

MNSA has given its written consent to being named as auditor of the Company in this Prospectus and the inclusion of the audited financial information of the Company contained in the Investigating Accountants Report included in Annexure A to this Prospectus in the form and context in which it appears.

Steinepreis Paganin has given its written consent to being named as the Australian legal advisers to the Company in relation to the Offer in this Prospectus.

CPS Capital has given its written consent to being named as the Lead Manager to the Company in this Prospectus.

Boardroom has given its written consent to being named as the share registry to the Company in this Prospectus.

12.9 Expenses of the Offer

The total expenses of the Offer (excluding GST) are estimated to be approximately \$521,000 for Minimum Subscription or \$566,000 for Full Subscription and are expected to be applied towards the items set out in the table below:

| Item of Expenditure ¹ | Minimum Subscription (\$4,500,000) | Full Subscription (\$5,500,000) |
|---|---------------------------------------|------------------------------------|
| ASIC fees | 3,206 | 3,206 |
| ASX fees | 97,051 | 98,177 |
| Lead Manager Fees ² | 180,000 | 220,000 |
| Legal Fees ³ | 150,000 | 150,000 |
| Investigating Accountant' s Fees ⁴ | 20,000 | 20,000 |
| Auditor' s Fees ⁵ | 30,000 | 30,000 |
| Printing and Distribution | 2,000 | 2,000 |
| Miscellaneous | 38,743 | 42,617 |
| TOTAL | 521,000 | 566,000 |


Notes:

1. Expenses may include GST to the extent that the GST component is not claimable by the Company.
2. Payable to CPS Capital, who will receive the fees set out in Section 4.6 and 11.1.1 in consideration for its services as Lead Manager.
3. Payable to Steinepreis Paganin who acted as the legal adviser in respect of the Offers.
4. Payable to MNSA Pty Ltd in consideration for its services as Investigating Accountant.
5. Payable to MNSA Pty Ltd in consideration for its services as Auditor.

DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Ben Loiterton

Non-Executive Chair

For and on behalf of

Equity Story Group Limited

GLOSSARY

Where the following terms are used in this Prospectus, they have the following meanings:

\$

means an Australian dollar.

AEDT

means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

AFSL or Australian Financial Service Licence

has the same meaning set out in the Corporations Act.

Andover

means Andover Corporate Finance Pty Ltd (ACN 103 815 505) (AFSL No. 238272).

Application Form

means the application form attached to or accompanying this Prospectus relating to the Offer.

ASIC

means Australian Securities & Investments Commission.

ASX

means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules

means the official listing rules of ASX.

Board

means the board of Directors as constituted from time to time.

Boutique Capital

means Boutique Capital Pty Ltd (ACN 621 697 621) (AFSL 508 011), being the trustee of the Equity Story Growth Fund.

Business Days

means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

CAR or Corporate Authorised Representative

has the same meaning set out in the Corporations Act.

CHESS

means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date

means the closing date of the Offer as set out in the indicative timetable in the Key Offer Information Section (subject to the Company reserving the right to extend the Closing Date or close the Offer early).

Company or EQS

means Equity Story Group Ltd (ACN 653 383 478).

Conditions

has the meaning set out in Section 4.7.

Constitution

means the constitution of the Company.

Convertible Note Holders

means the noteholders under the Convertible Note Subscription Agreement.

Convertible Note Holder Offer

means the offer of a total of 7,449,995 Shares to the Convertible Note Holders as set out in Section 4.11.

Convertible Note Subscription Agreement

means the various convertible note subscription agreements entered into between the Company and the Convertible Note Holders.

Corporations Act

means the Corporations Act 2001 (Cth).

Directors

means the directors of the Company at the date of this Prospectus.

Eligible EQS Subscribers

means Equity Story's Paying Subscribers as at Record Date.

Employee Incentive Plan

has the meaning section out in Section 12.5.

Equity Story

means Equity Story Pty Ltd (ACN 127 714 998), a wholly-owned subsidiary of the Company.

Equity Story Growth Fund

means the boutique wholesale fund managed by Equity Story Fund.

Equity Story Fund

means Equity Story Fund Pty Ltd (ACN 642 009 783), corporate authorised representative (AFS Representative Number 1282433) of Boutique Capital Pty Ltd (ACN 621 697 621) (AFSL 5078011) and the fund manager of the Equity Story Growth Fund.

Exercise Period

has the meaning given in Section 12.3 and 12.4.

Exercise Price

has the meaning given in Section 12.3 and 12.4.

Expiry Date

has the meaning given in Section 12.3 and 12.4.

Exposure Period

means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act.

Full Subscription

means the maximum amount to be raised under the Offer, being \$5,500,000.

IPO

means initial public offering of the Company's Shares under the Offer.

Investment Research Firms

means research firms that provide retail and institutional investors with data and reports used to evaluate the financial condition of corporations for the purpose of making investments in or exiting an investment position.

Lead Manager or CPS Capital

means CPS Capital Group Pty Ltd (ACN 088 055 636) (AFSL 294848).

Lead Manager Mandate

means the mandate between the Company and the Lead Manager summarised in Section 11.1.1.

Lead Manager Options

means Options, exercisable at \$0.25 each, on or before the date that is three years from the date of the Company's admission to the Official List of ASX.

Minimum Subscription

means the minimum amount to be raised under the Offer, being \$4,500,000.

Notice of Exercise

has the meaning given in Section 12.3 and 12.4.

Offer or Offers

means the Public Offer and Priority Offer pursuant to this Prospectus as set out in Section 4.1, as the context requires.

Official List

means the official list of ASX.

Official Quotation

means official quotation by ASX in accordance with the ASX Listing Rules.

Option

means an option to acquire a Share.

Optionholder

means a holder of an Option.

Paying Subscribers

means members who have an active paid membership with Equity Story.

Priority Offer

has the meaning given in Section 4.1(a) and 4.2.

Prospectus

means this prospectus.

Public Offer

has the meaning given in Section 4.1(b).

Recommendations

has the meaning set out in Section 10.3.

Record Date

means the date on which this Prospectus was lodged with ASIC.

Retail Investors

means investors who does not come within the definition of Wholesale Investors under the Corporations Act.

Section

means a Section of this Prospectus.

Securities

means Shares and Options.

Share

means a fully paid ordinary share in the capital of the Company.

Shareholder

means a holder of Shares.

Subscribers

means members who are on the Equity Story's database of members, who have opted-in to receive email communication and newsletter from Equity Story.

Wholesale Investors

means wholesale investors as defined under Section 761G and 761GA of the Corporations Act.

ANNEXURE A – INVESTIGATING ACCOUNTANT’S REPORT



4 February 2022

The Directors
Equity Story Group Limited
Level 1,357 Sydney Road
Balgowlah NSW 2093

Dear Directors,

INVESTIGATING ACCOUNTANTS REPORT ON THE HISTORICAL FINANCIAL INFORMATION, PRO-FORMA STATEMENT OF FINANCIAL POSITION

1. Introduction

We have prepared this Investigating Accountants Report (the "Report") on the historical and pro-forma financial information of Equity Story Group Limited ("Equity Story Group") for inclusion in the Prospectus ("Prospectus") to be dated on 30 June 2021, in connection with:

- Equity Story Group's proposed admission to the Australian Stock Exchange (ASX); and
- The proposed offer of fully paid ordinary shares to raise \$4,500,000 and oversubscriptions up to a further \$1,000,000 (the "Offer").

Mr Mark Schiliro is a Director of MNSA Pty Ltd ("MNSA") and represents MNSA Pty Ltd.

2. Scope of our Work

MNSA has been requested to prepare this report to cover the following financial information:

Historical Financial Information (the "Historical Financial Information")

The historical financial information, detailed in Section 8 of the Prospectus comprises:

- Equity Story Pty Limited
 - Audited statement of profit or loss and other comprehensive income for the year ended 30 June 2021, 30 June 2020 and 30 June 2019
 - Audited statement of financial position as at 30 June 2021, 30 June 2020 and 30 June 2019
 - Audited statement of cash flows for the year ended 30 June 2021, 30 June 2020 and 30 June 2019
- Equity Story Fund Pty Limited
 - Audited statement of profit or loss and other comprehensive income for the year ended 30 June 2021
 - Audited statement of financial position as at 30 June 2021
 - Audited statement of cash flows for the year ended 30 June 2021

The Historical Financial Information of Equity Story Pty Limited and Equity Story Fund Pty Limited has been extracted from the audited 30 June 2021 financial statements audited by Trignons Business Advisory Pty Ltd on which an unqualified audit opinion's were issued.

Pro-Forma Historical Financial Information

The pro-forma statement of financial position detailed in Section 8.5.7 of the Prospectus comprises:

- The pro-forma statement of financial position of Equity Story Group at 30 June 2021 adjusted to illustrate the effects of the completed business acquisitions and proposed share transactions.

The Pro-forma statement of financial position assumes the completion of the proposed transactions outlined in Section 8.6 of the Prospectus.

3. Directors' Responsibility for Financial Information

The Directors' of Equity Story Group are responsible for the preparation of the Financial Information. The Directors are also responsible for the determination of the assumptions, estimates and pro-forma adjustments as set out in Section 8.6 of the Prospectus.

4. Our Responsibility

Historical Financial Information and Pro-Forma Statement of Financial Position

Our responsibility is to express a conclusion on the Historical Financial Information and Pro-forma statement of financial position based on our review.

We have conducted our engagement in accordance with the Standard on Assurance Engagement *ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information* in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that:

- a. The Historical Financial Information does not present fairly,
- b. In accordance with the measurement and recognition requirements (but not all presentation and disclosure requirements) of Australian Accounting Standards or their equivalent International Financial Reporting Standards ("IFRS").
- c. The pro-forma transactions/assumptions do not provide a reasonable basis for the Pro-forma statement of financial position.
- d. The Pro-forma statement of financial position has not been prepared on the basis of transactions/assumptions set out in Sections 8.6 of the Prospectus.
- e. The Pro-forma statement of financial position is not fairly presented as at 30 June 2021.

In accordance with the measurement and recognition requirements (but not all presentation and disclosure requirements) of Australian Accounting Standards or their equivalent International Financial Reporting Standards ("IFRS") as if the pro-forma transactions set out in Section 8.6 of the Prospectus had occurred at 30 June 2021.

Our independent review of the Historical Financial Information and Pro-forma statement of financial position has been conducted in accordance with Australian Auditing Standards applicable to review engagements. Our procedures consisted of reading of relevant Board Minutes, reading relevant contracts and other legal documents, inquiries of management personnel and the Directors of Equity Story Group, and analytical and other procedures applied to Equity Story Group accounting records. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an opinion on the Historical Financial Information or the Pro-forma statement of financial position.

5. Conclusion

Review conclusion on Historical Financial Information and Pro-forma statement of financial position

Based on our independent review, which is not an audit, nothing has come to our attention which causes us to believe that:

- The Historical Financial Information does not present fairly:
 - The pro-forma statement of financial position of Equity Story Group at 30 June 2021. In accordance with the measurement and recognition requirements (but not all presentation and disclosure requirements) of Australian Accounting Standards or their equivalent International Financial Reporting Standards ("IFRS") set out in Sections 8.5.7 of the Prospectus.
 - The pro-forma transactions/assumptions do not provide a reasonable basis for the Pro-forma statement of financial position.
 - The Pro-forma statement of financial position has not been prepared on the basis of the transactions/assumptions set out in Section 8.6 of the Prospectus.
 - The Pro-forma statement of financial position is not presented fairly as at 30 June 2021.

In accordance with the measurement and recognition requirements (but not all presentation and disclosure requirements) of Australian Accounting Standards or their equivalent International Financial Reporting Standards ("IFRS") as if the pro-forma transactions set out in Section 8.6 of the Prospectus had occurred at 30 June 2021.

We disclaim any assumption of responsibility for any reliance on this Report or the Financial Information to which this Report relates for any purpose other than the purpose for which it was prepared. This Report should be read in conjunction with the Prospectus.

6. Subsequent Events

Apart from the matters dealt with in this report, and having regard to the scope of this report, to the best of our knowledge and belief no material items, transactions or events outside of the ordinary business of Equity Story Group have come to our attention which would require comment on, or adjustment to, the information referred to in our report or that would cause the information to be misleading or deceptive.

7. Independence and Disclosure of Interest

MNSA Pty Ltd and its staff do not have a pecuniary interest that could reasonably be regarded as being capable of affecting our ability to give an unbiased conclusion on the above matters. MNSA Pty Ltd provides audit services to Equity Story Group and will receive a professional fee for preparation of this Report.

8. Responsibility

MNSA Pty Ltd has consented to the inclusion of this Investigating Accountant's Report in the Prospectus in the form and context in which it is so included, but has not authorised the issue of the Prospectus. Accordingly, MNSA Pty Ltd makes no representation regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the Prospectus.

9. General advice warning

This report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to take the place of professional advice and investors should not make specific investment decisions in reliance on the information contained in this report. Before acting or relying on any information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

Yours faithfully,

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro

Mark Schiliro
Director

APPLICATION FORM

Equity Story Group Ltd

ACN 653 383 478

Offer Application Form

This is an Application Form for Shares in Equity Story Group Ltd (**Company**) on the terms set out in the prospectus dated 4 February 2022 (Prospectus). Defined terms in the Prospectus have the same meaning in this Application Form. You may apply for a minimum of 10,000 Shares and multiples of 2,500 Shares thereafter. This Application Form and your cheque or bank draft must be received by **5.00pm (Sydney Time) on the Closing Date**.

This Application Form is important. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Prospectus dated 4 February 2022 contains information relevant to a decision to invest in the Shares of the Company and you should read the entire Prospectus carefully before applying for Shares.

The Share Registry's Privacy Policy (**Privacy Policy**) also sets out important information relating to the collection, use and disclosure of all personal information that you provide to the Company. Please ensure that you and all relevant individuals have read the Privacy Policy carefully before submitting this Application Form. The Privacy Policy can be found on the website <https://boardroomlimited.com.au/corp/privacy-policy/>

To meet the requirements of the *Corporations Act 2001* (Cth), this Application Form must not be distributed to another person unless included in, or accompanied by the Prospectus. A person who gives another person access to this Application Form must, at the same time and by the same means, give the other person access to the Prospectus. During the Offer period the Company will send you a free paper copy of the Prospectus if you have received an electronic prospectus and you ask for a paper copy before the Offer closes on 4 February 2022.

PLEASE FOLLOW THE INSTRUCTIONS TO COMPLETE THIS APPLICATION FORM (SEE REVERSE) AND PRINT CLEARLY IN CAPITAL LETTERS USING BLACK OR BLUE PEN.

| | | | | |
|----------|--|-----------------------------|----------|-----------------------------|
| A | Number of Shares you are applying for | | B | Total amount payable |
| | <input type="text"/> | x \$0.20 per Share = | | <input type="text"/> |
| | Minimum of 10,000 Shares to be applied for and thereafter in multiples of 2,500 Shares | | | |

| | |
|----------|--|
| C | Write the name(s) you wish to register the Shares in (see reverse for instructions) |
| | Applicant #1 <input type="text"/> |
| | Name of Applicant #2 or <Account Designation> <input type="text"/> |
| | Name of Applicant #3 or <Account Designation> <input type="text"/> |

| | | | |
|----------|---------------------------------------|----------------------|----------------------|
| D | Write your postal address here | | |
| | Number/Street <input type="text"/> | | |
| | <input type="text"/> | | |
| | Suburb/Town | State | Postcode |
| | <input type="text"/> | <input type="text"/> | <input type="text"/> |

| | | |
|----------|---|---|
| E | CHESS participant – Holder Identification Number (HIN) | <i>Important please note if the name and address details above in sections C and D do not match exactly with your registration details held at CHESS, any Shares issued as a result of your Application will be held on the Issuer Sponsored subregister.</i> |
| | <input type="checkbox"/> <input type="text"/> | |

| | | |
|----------|--|-----------------------------------|
| F | Enter your Tax File Number(s), ABN, or exemption category | |
| | Applicant #1 <input type="text"/> | Applicant #2 <input type="text"/> |
| | Applicant #3 <input type="text"/> | |

| | | | | | |
|----------|---|--|----------------------|----------------------|----------------------|
| G | Cheque payment details – PIN CHEQUE(S) HERE. Cheque to be made payable to "Equity Story Group Ltd" and crossed Not Negotiable. Enter cheque details below. | Alternatively you can apply online at www.equitystory.com.au and pay by BPAY. | | | |
| | Name of drawer of cheque | Cheque no. | BSB no. | Account no. | Cheque Amount A\$ |
| | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

| | | |
|----------|---|----------------------|
| H | Contact telephone number (daytime/work/mobile) | Contact Name |
| | <input type="text"/> | <input type="text"/> |
| | E-mail Address | <input type="text"/> |

Declaration By submitting this Application Form with your Application Monies, I/we declare that I/we:

- ✓ have read the Prospectus in full;
- ✓ have received a copy of the electronic Prospectus or a print out of it;
- ✓ have completed this Application Form in accordance with the instructions on the form and in the Prospectus.
- ✓ declare Form and declare that all details and statements made by me/us are complete and accurate;
- ✓ agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Prospectus;
- ✓ where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company;
- ✓ acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;
- ✓ apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus);
- ✓ acknowledge that my/our Application may be rejected by the Company in its absolute discretion;
- ✓ authorise the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated to me/us;
- ✓ am/are over 18 years of age;
- ✓ agree to be bound by the constitution of the Company;
- ✓ acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Shares, nor do they guarantee the repayment of capital;
- ✓ represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person; and
- ✓ represent, warrant and agree that I/we have not received this Prospectus outside Australia or New Zealand and am/are not acting on behalf of a person resident outside Australia or New Zealand.

Guide to the Application Form

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

Instructions

- A** If applying for Shares insert the **number** of Shares for which you wish to subscribe at Item **A** (not less than 10,000 Shares representing a minimum investment of \$2,000.00). Multiply by A\$0.20 to calculate the total Application Monies for Shares and enter the **A\$amount** at Item **B**.
- C** Write your **full name**. Initials are not acceptable for first names.
- D** Enter your **postal address** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- E** If you are sponsored in CHESS by a stockbroker or other CHESS participant you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. **NB: your registration details provided must match your CHESS account exactly.**
- F** Enter your Australian **tax file number** (TFN) or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ABN of each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of your TFN or ABN is not compulsory and will not affect your Application Form.
- G** Complete **cheque details** as requested. Make your cheque payable to "Equity Story Group Ltd". Cross it and mark it 'Not negotiable'. Cheques must be in Australian currency, and must be drawn on a bank or financial institution in Australia. **Alternatively you can apply online at www.equitystory.com.au and pay by BPAY. If you apply online, you do not need to complete a paper Application Form. See below.**
- H** Enter your **contact details**, including name, phone number and e-mail address, so we may contact you regarding your Application Form or Application Monies.
By providing an e-mail address you are electing to receive notices of meetings, annual reports and other communications from the Company electronically to the provided e-mail address.

Payment by BPAY

You may apply for Shares online and pay your Application Monies by BPAY. Applicants wishing to pay by BPAY should complete the online Application Form accompanying the electronic version of the prospectus available at www.equitystory.com.au and follow the instructions on the online Application Form. When completing your BPAY payment please ensure you use the specific Biller Code and Unique CRN provided in the online Application Form and confirmation e-mail. If you do not use the correct Biller Code and CRN your Application will not be recognised as valid. It is your responsibility to ensure payment is received by 5:00pm (Sydney Time) on the Closing Date. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and should therefore take this into consideration when making payment. Neither Boardroom Pty Limited nor Equity Story Group Ltd accepts any responsibility for loss incurred through incorrectly completed BPAY payments.

Correct Form of Registrable Title

Note that ONLY legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Examples of the correct form of registrable title are set out below.

| Type of Investor | Correct Form of Registrable Title | Incorrect Form of Registrable Title |
|-----------------------------|--|-------------------------------------|
| Individual | Mr John David Smith | J D Smith |
| Company | ABC Pty Ltd | ABC P/L or ABC Co |
| Joint Holdings | Mr John David Smith & Mrs Mary Jane Smith | John David & Mary Jane Smith |
| Trusts | Mr John David Smith <J D Smith Family A/C> | John Smith Family Trust |
| Deceased Estates | Mr Michael Peter Smith <Est Lte John Smith A/C> | John Smith (deceased) |
| Partnerships | Mr John David Smith & Mr Ian Lee Smith | John Smith & Son |
| Clubs/Unincorporated Bodies | Mr John David Smith <Smith Investment A/C> | Smith Investment Club |
| Superannuation Funds | John Smith Pty Limited <J Smith Super Fund A/C> | John Smith Superannuation Fund |

Lodgment

Mail or deliver your completed Application Form with your cheque(s) or bank draft attached to one of the following addresses:

Mailing address:

Equity Story Group Ltd
C/-Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Delivery address:

Equity Story Group Ltd
C/-Boardroom Pty Limited
Level 12, 225 George Street
SYDNEY NSW 2000

The Offer closes at 5:00 p.m. (Sydney Time) on 4 March 2022, unless varied in accordance with the Corporations Act and ASX Listing Rules.

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Boardroom Pty Limited on 1300 737 760 within Australia and +61 2 9290 9600 outside Australia.

Privacy Statement

Equity Story Group Ltd advises that Chapter 2C of the Corporations Act requires information about its shareholders (including names, addresses and details of Shares held) to be included in the Company's share register. Information is collected to administer your security holding and if some or all of the information is not collected then it might not be possible to administer your security holding. Your personal information may be disclosed to the Company. To obtain access to your personal information or more information on how the Company collects, stores, uses and discloses your information please contact the Company at the address or telephone number shown in the Prospectus.

EQUITY STORY GROUP LIMITED
ACN 653 383 478
SUPPLEMENTARY PROSPECTUS

1. IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) which supplements and is intended to be read with the prospectus dated 4 February 2022 (**Prospectus**) issued by Equity Story Group Limited (ACN 653 383 478) (**Company**).

This Supplementary Prospectus is dated 11 February 2022 and was lodged with ASIC on that date.

ASIC, the ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus, copies of which can be downloaded from the website of the Company at <https://equitystory.com.au/disclaimer/>. A paper copy of the Supplementary Prospectus is available upon request.

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

The Directors consider that the changes in this Supplementary Prospectus are not materially adverse from the point of view of an investor. Accordingly, no action needs to be taken if you have already subscribed for Shares under the Prospectus.

2. PURPOSE OF THIS DOCUMENT

The purpose of this Supplementary Prospectus is to provide additional information to investors.

This additional information is set out in the sections below.

3. EXPANSION INTO THE US MARKET

The following paragraph to be included under paragraph (e) of Section 7.8 (entitled "*Significant Dependencies*") of the Prospectus:

Equity Story is seeking to become an approved 'Investment Advisor' with the SEC. 'Investment Advisors' are financial professionals or firms that are approved to make investment recommendations or conduct security analysis for US residents in exchange for a fee.

The Company has engaged US legal advisers to assist with its application for the SEC licence.

Equity Story has completed and lodged the various forms required by the SEC (including the New Organisation Super Account Administrator (**SAA**) Form and the Financial Industry Regulatory Authority (**FINRA**) Entitlement Agreement (**FEA**)). The forms were filed with the SEC by the Company's US legal advisers and are currently under review by the SEC. The Company expects a response from the SEC within the next 4 to 6 weeks.

4. AFSL AUTHORISATION TO DEAL WITH RETAIL CLIENTS

The paragraphs under:

- (a) paragraph (e) Licensing Expansion on page 11, Part C Business Model under Section 3 (entitled "*Investment Overview*"); and
- (b) paragraph (e) Licensing Expansion under Section 7.5 (entitled "*Future Strategic Plans and Key Objectives*"),

of the Prospectus to be deleted and replaced with the following:

The Company is working with both Australian and US Financial services licensing advisors to explore licensing options to provide further potential services and revenue streams. This may include:

- (a) upgrade Equity Story's AFSL to include managed investment scheme products and to enable Equity Story's advisory business to discuss Equity Story Fund with its Paying Subscribers (subject to appropriate conflicts management procedures);
- (b) upgrade Equity Story's AFSL to include an authorisation to deal in securities in order to be able to distribute securities under the joint venture with Andover to its Paying Subscribers who are Retail Investors; and
- (c) secure US Securities and Exchange Commission (SEC) Investment Advisor licence or registration.

5. AFSL AUTHORISATION TO INCREASE FUM OF EQUITY STORY GROWTH FUND

The seventh paragraph of Section 7.3.3 (entitled "*Funds Management*") of the Prospectus to be deleted and replaced as follows:

The Company plans to significantly increase the total FUM of the Equity Story Growth Fund by implementing marketing strategies to obtain investment from the wider database of Subscribers and by advertising in the general private investor market. The Company also intends to launch additional funds with various investment strategies, that are complementary to the business in the future. Please note that a key factor in implementing such marketing strategies will require the Company to vary its AFSL to enable it to provide general financial product advice in respect of managed investment schemes. Please refer to paragraph (e) Licensing Expansion of Section 7.5 of the Prospectus (entitled *Future Strategic Plans and Key Objectives*) below for more information in relation to the Company's proposed licensing expansion.

6. CUSTOMER RETENTION AND PARTICIPANTS OF EDUCATION COURSE

The following table to be included in paragraph (b) under Section 7.7 (entitled "Historical Financial Summary") of the Prospectus:

| Average number of DAYS of membership per current Paying Subscriber | Average number of YEARS of membership per current Paying Subscriber |
|--|---|
| 940.87 | 2.58 |

The following paragraph and table to be included as paragraph (d) "Participants of Education Course" under Section 7.7 (entitled "Historical Financial Summary") of the Prospectus:

The table below shows the number of Paying Subscribers on the Equity Story database who have also been attending paid education course as provided by Equity Story:

| Time Period | Number of Paying Subscribers also attending paid education course |
|------------------------|---|
| January 2021 | 29 |
| February 2021 | 26 |
| March 2021 | 35 |
| April 2021 | 30 |
| May 2021 | 25 |
| June 2021 | 14 |
| July 2021 | 32 |
| August 2021 | 23 |
| September 2021 | 19 |
| October 2021 | 19 |
| November 2021 | 25 |
| December 2021 | NA (Did not hold an event) |
| Total Attendees | 277 |

7. CONTROL RISK

The following risk factor to be included under Section 9.2 (entitled "Company specific risks") of the Prospectus:

Control Risk – We note that following the completion of the Offer, assuming the Company raises the Minimum Subscription, David Tildesley's voting power in the Company could be as high as 25.93% on an undiluted basis. Accordingly, David Tildesley's significant interest in the capital of the Company means he will be in a position to potentially influence the election of directors and the financial

decisions of the Company, and his interests may not align with those of all other Shareholders.

David Tildesley has a voting power of more than 25% of the Company which means that he has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution). Special resolutions are required in relation to approve certain Company matters including potentially seeking the delisting of the Company, amending the Constitution, approving the voluntary winding up of the Company and, if at any time the share capital of the Company is divided into different classes of Shares, approving the variation of the rights attached to any such class.

8. EQUITY STORY GROWTH FUND

The following paragraphs and table to be included under Section 7.3.3 (entitled "Funds Management") of the Prospectus:

Under an investment management agreement, Equity Story Fund was appointed as the investment manager of Equity Story Growth Fund. In consideration for Equity Story Fund providing services as the investment manager, Boutique Capital must pay Equity Story Fund a management fee of 1.75% plus GST per annum of the net asset value of the fund. Equity Story Fund is also entitled to be paid a performance fee of 17.5% of positive returns relative to a highwater mark. Performance fees will be paid quarterly, each 31 March, 30 June, 30 September and 31 December. Boutique Capital is responsible for implementing all investments in relation to the Equity Growth Fund under the sole instructions of Equity Story Fund.

EXAMPLE OF ANNUAL FEES ON A \$50,000 INVESTMENT IN THE EQUITY STORY GROWTH FUND

This table gives an example of the ongoing annual fees payable to Equity Story Fund Pty Ltd for this product:

| EXAMPLE – Equity Story Growth Fund | | BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR |
|--|--|--|
| Management fees and costs for Equity Story Growth Fund payable to Equity Story Fund Pty Ltd | Gross Management Fee of 1.75% (plus GST) (1.925% (incl GST)) \$962.50 | For every \$50,000 the investor has in the Equity Story Growth Fund the investor will be charged or have deducted from their investment \$962.50 each year |
| PLUS Performance fees for Equity Story Growth Fund payable to Equity Story Fund Pty Ltd | Gross Performance Fee of 17.5% (plus GST) (19.25% (incl GST)) \$0 to \$1,434.13 | AND the investor will be charged or have deducted from their investment between \$0 and \$1,434.13 in Performance Fees each year* |
| EQUALS Fees for investment in the Equity Story Growth Fund | | For an investment of \$50,000 at the beginning of the year and an additional \$5,000 during that year, |

This Supplementary Prospectus dated 11 February 2022 is intended to be read with the Prospectus issued Equity Story Group Ltd (ACN 653 383 478) dated 4 February 2022.

the investor would be charged fees ranging from:

\$1,141.25 to \$2,575.38**

*The performance fee estimated above is based on performance of 15% per annum.

**Additional fees may apply. All costs or general expenses incurred (or that will be incurred) by Boutique in connection with the management of the Equity Story Growth Fund are payable out of the Equity Story Growth Fund. Expenses are not capped in any way. The Performance Fee example is not a guarantee or an indication that an investor will receive a similar return and therefore pay a similar Performance Fee. The actual amount payable would also depend on the timing of the returns over the year, as the Performance Fee is calculated and accrued monthly whilst paid on a 6 monthly basis, being 30 June and 31 December.

9. CORPORATE AUTHORISED REPRESENTATIVE AGREEMENT WITH PRIMARY SECURITIES LIMITED

The sixth paragraph of Section 7.3.3 (entitled "*Funds Management*") of the Prospectus to be deleted and replaced as follows:

Equity Story Fund has also entered into a corporate authorised representative agreement with Primary Securities Ltd (**Primary**). Primary has established a retail feeder fund, the Primary Investment Board - Class E, to accept investments from Retail Investors.

The Primary Investment Board is a registered managed investment scheme which is open for investment by Retail Investors. Primary is the responsible entity for the Primary Investment Board Primary is a licensed responsible entity, which holds AFSL No. 224107 and is the responsible entity for a number of registered retail and unregistered wholesale management investment scheme.

The Primary Investment Board is a trust divided into separate classes and each class invests in a separate investment opportunity. Class E of the Primary Investment Board will only invest in the Equity Story Growth Fund.

The purpose of the CAR Agreement with Primary is to enable Equity Story Fund to provide general financial product advice to investors in the Primary Investment Board in respect of the Equity Story Growth Fund. Equity Story Fund pays Primary certain fees under the CAR Agreement. Please refer to Section 11.3.2 for further details of these fees.

10. CHAIRMAN'S LETTER

The Chairman's letter at page 1 of the Prospectus will be amended to include the following sentences:

"The Company's business is subject to a range of risks, which includes reliance on AFSL and other licensing and regulatory risks, loss of subscribers, and failure to attract and/or retain subscribers and/or investors in the Company's fund/s. Please read Section 9 of this Prospectus for a more detailed discussion of the risk factors associated with an investment in the Company."

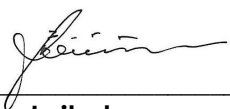
11. CONSENTS

The Company confirms that as at the date of this Supplementary Prospectus, each of the parties that have been named as having consented to being named in the Prospectus has not withdrawn that consent.

12. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.



Ben Loiteron
Non-Executive Chairman
For and on behalf of
Equity Story Group Limited

EQUITY STORY GROUP LIMITED
ACN 653 383 478

SECOND SUPPLEMENTARY PROSPECTUS

1. IMPORTANT INFORMATION

This is a supplementary prospectus (**Second Supplementary Prospectus**) which supplements the first supplementary prospectus dated 11 February 2022 (**First Supplementary Prospectus**) and the prospectus dated 4 February 2022 (**Prospectus**) issued by Equity Story Group Limited (ACN 653 383 478) (**Company**).

This Second Supplementary Prospectus is dated 11 April 2022 and was lodged with ASIC on that date. ASIC, the ASX and their respective officers take no responsibility for the content of this Second Supplementary Prospectus.

This Second Supplementary Prospectus should be read together with the First Supplementary Prospectus and the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Second Supplementary Prospectus. If there is a conflict between the Prospectus and this Second Supplementary Prospectus, this Second Supplementary Prospectus will prevail.

This Second Supplementary Prospectus will be issued with the First Supplementary Prospectus and the Prospectus as an electronic prospectus, copies of which can be downloaded from the website of the Company at <https://equitystory.com.au/investor-center/>. A paper copy of the Second Supplementary Prospectus is available upon request.

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

The Directors consider that the changes in this Second Supplementary Prospectus are not materially adverse from the point of view of an investor. Accordingly, no action needs to be taken if you have already subscribed for Shares under the Prospectus.

2. PURPOSE OF THIS DOCUMENT

The purpose of this Supplementary Prospectus is to provide additional information to investors.

3. UPDATES TO DISCLOSURES ON THE COMPANY'S WEBSITE

The Company confirms that it has received enquiries from ASIC concerning some disclosures on the Company's website.

The enquiries from ASIC relate to the following:

- (a) Certain statements on the Company's website regarding performance results based on the results of a members survey conducted by the Company in 2021.
- (b) The Company's policies and practices in relation to investment recommendations.

This Second Supplementary Prospectus dated 11 April 2022 is intended to be read with the first supplementary prospectus dated 11 February 2022 and the prospectus dated 4 February 2022 issued Equity Story Group Ltd (ACN 653 383 478).

3.2 Performance Results

The Company has removed from its website certain statements regarding investment performance returns (**Performance Results**) based on the results of a members' insight and satisfaction survey conducted in 2021 (**Survey**). A total of 226 responses to the Survey were received from members who completed the Survey on a voluntary basis.

The Performance Results were calculated based on averages from the responses to the Survey on questions relating to capital invested and estimated returns based on general advice recommendations. The Company launched a new public website in late December 2021 and presented the results of the Survey as a typical client experience.

ASIC has advised that it does not agree with the methodology used to compile the statistics and considers that the manner in which they are presented is not appropriate. The Company has made the decision to remove the relevant statistics from its website and will refrain from publishing them further.

3.3 Investment recommendations policy

ASIC recommended that the Company publish on its website a policy setting out the way investment recommendations are made and communicated to Paying Subscribers. This is further detailed in section 4 below.

4. IMPLEMENTATION OF AN INVESTMENT RECOMMENDATIONS POLICY

The Company has implemented a new "Investment Recommendations Policy" in relation to investment recommendations.

The Investment Recommendations Policy has been added as a one-time notification to the member login portal, which will include the complete policy and will require every Paying Subscriber and every Subscriber who has been provided with a member login upon commencing a trial (each, a **Member**) to confirm that they have read and understood the policy before they are able to enter the members portal on the Company's website.

The Investment Recommendations Policy will be accessible by Members at any time at the '**About**' page of the Company's website.

If any changes are made to the Investment Recommendations Policy, Members will be notified of these changes by:

- (a) email notification; and
- (b) a one-time 'Investment Recommendations Policy Change / Update' notification upon login at the member login portal, which will include a copy of the complete updated Investment Recommendations Policy and will require every Member to confirm that they have read and understood the updated policy before they are able to proceed and enter the website.

The Investment Recommendations Policy sets out the Company's policies in relation to investment recommendations and includes the following:

- (a) The Company's general advice recommendations are primarily provided in video format (via the Trade Watch Podcasts) and the Company maintains a recorded list of all recommendations on its website.
- (b) A table of recorded ASX general advice recommendations and the information provided at the time of recommendation is found on the '**Dashboard**' page and a table of recorded US market general advice recommendations and the information provided at the time of recommendation can be found on the '**US Market**' page of the website (each, a **Table**).
- (c) The record of the Company's recommendations contains information provided at the time of recommendation only and will not be updated following the date of its recommendation, except on occasions where the fundamental view of the Equity story team changes in relation to a prior recommendation. In such circumstances:
 - (i) Members will be notified promptly by email that a Trade Watch Podcast is available to view on the Company website, where the Equity Story team will provide their updated view on the prior recommendation based on current technical and/or fundamental factors; and
 - (ii) the Company will insert a date to the '**Trade Watch Update**' column of the Tables, which will hyperlink to the specific Trade Watch Podcast containing the updated views of the Company in relation to the particular recommendation.
- (d) Each of the recommendations listed is dated and the following information is provided in the Tables:
 - (i) ticker code of the stock;
 - (ii) date of the recommendation;
 - (iii) buy under price, being the price the Company considers to be fair value at the time of recommendation;
 - (iv) market capitalisation of the company (i.e. large/mid/small/micro cap);
 - (v) investment versus trade – investment (i.e. 2 years investment timeframe) / trade (i.e. 3-6 months investment timeframe);
 - (vi) target length of investment/trade, being the fair exit price when considering all other information provided at the time of the original recommendation;
 - (vii) stop loss levels (with (W) indicating weekly and (M) indicating monthly);

- (viii) target price, being the Company's guide on how long it estimates the position should be moved from buy under price to its target price;
 - (ix) risk profile (high/medium/low);
 - (x) type (e.g. trending/1 year growth/3 year growth); and
 - (xi) Trade Watch update, as discussed above (if applicable).
- (e) The information provided in the Tables should not be solely relied upon by Members for investment recommendations and Members should watch the Trade Watch Podcasts in addition to referring to the Tables to ensure that a Members' understanding of a particular stock recommendation is up to date.
- (f) Weekly/monthly stop-loss levels may be provided based on what the Company considers to be some key trading levels over a weekly/monthly period for a Paying Subscriber to monitor themselves.
- (g) Paying Subscribers are required to take into account their personal objectives, financial situation and needs, and Paying Subscribers are responsible to conduct their own due diligence, make their own investment decisions and monitor their own investments based on the Company's recommendations.

The Company has also undertaken a detailed review of the record of all of its historical recommendations on its website and confirmed that as at the date of this Second Supplementary Prospectus, it is not aware of any missing recommendations.

5. RECRUITMENT OF CHIEF FINANCIAL OFFICER AND CHIEF TECHNOLOGY OFFICER

The Company is in the process of recruiting a Chief Financial Officer (**CFO**) with an appropriate level of skills, qualifications and experience to assist the Directors in relation to its financial reporting obligations.

Further, the Company is proposing to engage the services of a Chief Technology Officer (**CTO**) following the completion of its initial public offering and official listing on ASX.

The Company confirms that there are no amendments to be made to its Use of Funds table as stated in Section 7.11 of the Prospectus as the funds allocated to administration costs are sufficient to cover the salaries of the proposed recruitment of a CFO and CTO.

The Company will make an announcement regarding the appointment of a CFO and CTO at the relevant time.

6. CONSENTS

The Company confirms that as at the date of this Second Supplementary Prospectus, each of the parties that have been named as having consented to being named in the Prospectus has not withdrawn that consent.

7. DIRECTORS' AUTHORISATION

This Second Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.



Ben Loiterton
Non-Executive Chairman
For and on behalf of
Equity Story Group Limited