EQUITY STORY GROUP

Equity Story Group Ltd

ABN 84 653 383 478

and Controlled Entities

Annual Report
30 June 2022

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The Company's Corporate Governance Statement can be found at https://equitystory.com.au/corporate-governance/

This financial report was authorised for issue by the Board of Directors on 30 August 2022.

DIRECTORS' REPORT

The Directors present their report together with the consolidated financial report of Equity Story Group Ltd ("the Company") and its controlled entities (together referred to as "the Group" or "Equity Story") for the financial year ended 30 June 2022.

Directors

The Directors of the Company at any time during or since the end of the financial year are:

Ben Loiterton	Non-Executive Chairman (appointed 3 September 2021)
Trent McGraw	Executive Director and Chief Executive Officer (appointed 3 September 2021)
David Tildesley	Executive Director (appointed 3 September 2021)
Mark Goes	Executive Director (appointed 3 September 2021)

Directors have been in office since their date of appointment. The particulars of the qualifications, experience and independence status of each Director as at the date of this report are set out below in this report. Elissa Hansen has been the Company Secretary since 3 September 2021 to the date of this report.

Principal Activities

The principal activities of the Group during the financial year continue to be stock market trading advice, research, investor education and fund management.

There were no significant changes in the nature of the Group's principal activities during the financial year.

Operating results

The net profit from continuing operations of the Group attributable to owners of the Group after providing for income tax amounted to a loss of $1,979,444 (2021: loss of $536,837).

Review of Operations

Equity Story Group Ltd listed on ASX on 3 May 2022, after raising $4.64 million following lodgement of a prospectus on 4 February 2022.

Following its successful initial public offering ("IPO") and admittance to ASX, Equity Story pursued various growth and expansion initiatives, particularly with marketing, sales, operational capabilities, financial licensing and a key acquisition.

Equity Story's Board and team are excited and confident about the planned growth pathway and the many opportunities which lie ahead for the Company in the stock market content, education and platform services marketplace.

Equity Story strives to empower investors by offering premium equities market advice, content, education, and financial market investment services.

Equity Story's key strategic focus includes:

- Growing the core subscriber base numbers and revenues by expanded direct sales, advertising and marketing efforts.
- Expansion of the range and depth of investment market content, by adding new podcasts and written media, and engaging additional talented market commentators.
- Increasing the frequency of webinar delivered share trading education courses and events.
- Expansion of the range of financial services available to members, such as funds management and access to investment opportunities with other services to be added in due course.
- Seeking to engage partners for distribution of content and services.
- Seeking acquisitions and joint ventures with new market commentators, podcast talent and adjacent financial services providers.

DIRECTORS' REPORT (CONTINUED)

The Company's financial performance during FY22 was substantially impacted by delays with the IPO process. Much of management's time and energies during FY22 was invested in the IPO process. The Company's IPO documentation and due diligence was completed in September 2021 however, for reasons out of the Company's control, the IPO was not completed until May 2022.

During this period sales growth and revenue was impacted. Also, substantial expenses were incurred from the costs of the IPO and the transition to a public listed company. However, the Company is now back on a solid growth path.

Financial outcomes for the financial year include:

- Revenues were down by 16% to $897,164.
- Receipts from customers was adversely impacted during the financial year as the Company focussed on its IPO and is now growing following increased spend on marketing and advertising.
- Operating overheads increased with the recruitment of new staff and investment in resources to enable future growth.
- Revenue from annual and multi-year subscription contracts are recognised straight line over the life of the subscription period.

Operational highlights during the financial year included:

- Equity Story Group Ltd was incorporated on 3 September 2022 to acquire Equity Story Pty and Equity Story Fund Pty Ltd.
- The Company entered into a Share Purchase Agreement to purchase Equity Story Pty Ltd on 5 October 2021 and issued 67,176,800 fully paid ordinary shares in the capital of the Company ("Shares") to the Vendors (shareholders of Equity Story Pty Ltd) to complete the acquisition.
- Equity Story Group Ltd entered into a Share Purchase Agreement to purchase Equity Story Fund Pty Ltd on 8 October 2021 and issued 4,000,000 Shares to the Vendors (shareholders of Equity Fund Pty Ltd) to complete the acquisition.
- The Company lodged a Prospectus with ASIC to raise $4,500,000 and submitted an Application for Admission to the ASX Official List (ASX Listing) on 4 February 2022.
- On 26 April 2022, the Company issued 23,200,001 Shares at an issue price of $0.20 raising $4,640,000 before costs together with 7,449,996 Shares on conversion of Convertible Notes and 4,000,000 options at an exercise price of $0.25 expiring on 10 August 2024 to nominees of CPS Capital Pty Ltd (the Lead Manager) in accordance with their Lead Manager Mandate for the IPO.
- Equity Story Group Ltd was admitted to the Official List of ASX on 2 May 2022 and commenced trading on ASX on 3 May 2022.
- Australian cricket legend Glenn McGrath was appointed as Equity Story Ambassador.
- The Company obtained registration as an Investment Adviser Firm with the United States Securities Exchange Commission (SEC) to operate its services in the USA on 15 June 2022.
- The Company expanded the Group's AFSL (financial services licensing) capability to provider a wider range of financial services in Australia, via a Corporate Authorised Representative Agreement on 22 June 2022.
- On 29 June 2022, the Company announced it had acquired subscriber-based online investing, news and arts media company *A Rich Life* from renowned equities commentator Claude Walker, and appointed Mr Walker as Editor in Chief of the outlet. Settlement occurred 1st July 2022.

Financial position

The net assets of the consolidated Group have increased to $3,383,891 as at 30 June 2022 (2021: $483,106). The Directors believe that the Group is in a strong and stable financial position to expand and grow its current operations.

Significant changes and state of affairs

Other than those events detailed above, there were no significant changes in the state of affairs of the Group during the year.

DIRECTORS' REPORT (CONTINUED)

COVID-19 Impact

There were no material impacts from COVID-19 on the Company during the period. The Company's expectation remains that COVID-19 will not materially impact the business.

Events subsequent to balance date

Equity Story acquired Blue Tree Equity Pty Ltd, trading as A Rich Life ("ARL") on 1 July 2022. ARL is an online investing, news and arts media company from renowned equities commentator Claude Walker. ARL brings around 400 new paying subscribers; a new website with a wider and younger audience; expanded and differentiated content, including financial media content; a pipeline of additional subscribers; and many operational synergies.

Total consideration payable for the acquisition of ARL is $500,000, payable in instalments. There was an upfront payment of $250,000 made on 1 July 2022; and additional payments of $150,000 are due on 1 July 2023 and $100,000 due on 1 July 2024.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect:

(a) the Group's operations in future financial years;

(b) the results of those operations in future financial years;

(c) the Group's state of affairs in future financial years.

Future developments, prospects and business strategies

The Group is unaware of any factors which are likely to affect results in the future other than those mentioned in the Review of Operations.

Dividends paid or recommended

No dividends were paid or declared for payment during the financial year or since the end of the financial year.

Environmental Regulation

The Group's operations are not significantly affected by environmental regulations.

DIRECTORS' REPORT (CONTINUED)

Information on the Directors

Ben Loiterton (B. Com (Fin), LLB)

Non-Executive Chairman

Ben has nearly 30 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.

Ben holds 1,000,000 ordinary shares and 1,500,000 Options in Equity Story Group Ltd.

Trent McGraw

Director and Chief Executive Officer

Trent has over 15 years' 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. Trent is currently the Chief Executive Officer of Equity Story Fund. Trent is also a director of Equity Story and Equity Story Securities, a stock market research, recommendation and education firm since 2016. Prior to his directorship roles in Equity Story Fund and Equity Story, Trent founded EC Group, a family office venture and seed capital investment company in 2014. His previous experience also includes a directorship role in Fifo Capital Australia Pty Ltd, a business financing company. The Board considers that Trent is not an independent Director.

Trent holds 11,256,000 ordinary shares and 1,500,000 Options in Equity Story Group Ltd.

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. David holds a Degree in History and Sociology, a diploma in Financial Markets through the Securities Institute of Australia and maintains RG146 accreditations. The Board considers that David is not an independent Director.

David holds 28,563,001 ordinary shares and 1,500,000 Options in Equity Story Group Ltd.

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 RG146 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.

Mark holds 10,897,000 ordinary shares and 1,500,000 Options in Equity Story Group Ltd.

DIRECTORS' REPORT (CONTINUED)

Any directorships in other ASX listed entities, either current or in the past three years prior to 30 June 2022 are shown above.

Meetings of Directors

During the financial year, 4 Board meetings were held. No Audit and Risk Committee meetings were held and the full Board of Directors took responsibility for all matters that might have been addressed by the Committee. Attendances by each director during the year were as follows:

Directors	**Board Meetings**		**Audit & Risk Committee Meetings**	
	Number eligible to attend	Attended	Number eligible to attend	Attended
Ben Loiterton	4	4	-	-
Trent McGraw	4	4	-	-
David Tildesley	4	4	-	-
Mark Goes	4	4	-	-

Indemnifying Officers or Auditors

The Company has, during the financial year, agreed to indemnify officers of the Group or any related body against a liability incurred by such an officer.

No indemnity has been granted to the auditors of the Group.

Options

No shares were issued during or since the end of the year as a result of the exercise of an option over unissued shares or interests.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-audit Services

There were no non-audit services provided during the year to the Group by MNSA Pty Ltd or any related practices or related audit firms.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and a copy can be viewed on page 9 of the Annual Report.

Rounding of Amounts

The Company is an entity of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports). Instrument 2016/191 issued by the Australian Securities and Investments Commission ("ASIC") relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off in accordance with that ASIC Instrument to the nearest thousand dollars, unless otherwise indicated.

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (Audited)

This report outlines the remuneration arrangements in place for each director of Equity Story Group Ltd and other key management personnel ("KMP").

(1) Remuneration philosophy

The performance of Equity Story Group Ltd depends upon the quality of its directors and executives. To prosper, the Company must attract, motivate and retain highly skilled directors and executives.

To this end, Equity Story Group Ltd embodies the following principles in its remuneration framework:

- provide competitive rewards to attract high calibre executives;
- link executive rewards to shareholder value;
- establish appropriate, demanding performance hurdles in relation to variable executive remuneration.

While Equity Story Group Ltd does not have a remuneration committee, the Board of directors is responsible for determining and reviewing compensation arrangements for the directors, and the senior management team.

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive director and senior management remuneration is separate and distinct.

Non-executive director remuneration

The Board's policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability.

Senior executives and executive director remuneration

Objective

Equity Story Group Ltd aims to reward executives with a level and mix of remuneration which is commensurate with their position, their responsibilities within the Group, their length of service and the overall performance of the Group, and so as to:

- reward executives for Group and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of executives with those of shareholders;
- link rewards with the strategic goals and performance of the Group; and
- ensure that total remuneration is competitive by market standards.

Structure

Details of contracts with Directors and senior executives are shown below.

Remuneration for senior managers and the executive director consist of the following key elements:

- fixed remuneration;
- variable remuneration, being short and long term incentives.

Fixed Remuneration

Fixed remuneration is reviewed regularly. Senior managers are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits such as motor vehicle leases. The fixed remuneration component for directors and key management personnel is detailed below.

Variable Remuneration

The objectives of the short and long term incentive plans are:

- to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets; and
- to reward directors and senior executives in a manner which aligns this element of remuneration with the creation of shareholder wealth.

DIRECTORS' REPORT (CONTINUED)

(2) Employment contracts for director and senior executives

The employment conditions of the Chief Executive Officer and Managing Director, Trent McGraw, and other specified executives are formalised in contracts of employment. All executives are permanent employees of Equity Story Group Ltd or its controlled entities.

Under the terms of the present employment contracts, which have no fixed term, the executives may resign from their positions and thus terminate their contracts by giving one month's written notice. The Company may terminate these employment agreements by providing one to three month's written notice or by payment in lieu of the notice period based on the executive's fixed component of remuneration. There are no other termination payments included in the contracts. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct, the Company can terminate employment at any time.

(3) Remuneration of Key Management Personnel and Other Executives

The key management personnel of the Group and the specified executives of the Company and the Group are also executive directors of the Company as set out in the table below.

		Short-Term Benefits $			**Post Employment Benefits $**	**Long-Term Benefits $**			**Total $**
		Salary and fees	Bonus	Term-ination	Super-annuation	Long service leave	Options	Shares	
Non-Executive Directors									
Ben Loiterton	**2022**	**52,433**	**-**	**-**	**-**	**-**	**45,000**	**100,000**	**197,433**
	2021	-	-	-	-	-	-	-	-
Executive Directors/ Key Executives									
Trent McGraw	**2022**	**187,490**	**-**	**-**	**18,749**	**-**	**45,000**	**-**	**251,239**
	2021	150,401	-	-	14,288	-	-	-	164,689
David Tildesley	**2022**	**252,280**	**5,769**	**-**	**25,805**	**-**	**45,000**	**-**	**328,854**
	2021	212,786	115,602	-	31,197	-	-	-	359,585
Mark Goes (commenced 1 March 2021)	**2022**	**57,208**	**-**	**-**	**5,721**	**-**	**45,000**	**-**	**107,929**
	2021	12,353	-	-	1,173	-	-	-	13,526
Total Executive Directors	**2022**	**496,978**	**5,769**	**-**	**50,275**	**-**	**135,000**	**-**	**688,022**
	2021	375,540	115,602	-	46,658	-	-	-	537,800

The positions held by key management personnel are disclosed in Note 6 to the financial statements.

Relative proportion of remuneration linked to performance

	2022	**2021**
Trent McGraw	0%	0%
David Tildesley	2%	32%
Mark Goes	0%	0%

DIRECTORS' REPORT (CONTINUED)

KMP compensation options granted during the year

2022	Granted (No.)	Grant Date	Fair Value per option at grant date	Exercise price	Expiry Date
Non-Executive Directors					
Ben Loiterton	1,500,000	16-Nov-2021	$0.03	$0.25	4 May 2025
Executives					
Trent McGraw	1,500,000	16-Nov-2021	$0.03	$0.25	4 May 2025
David Tildesley	1,500,000	16-Nov-2021	$0.03	$0.25	4 May 2025
Mark Goes	1,500,000	16-Nov-2021	$0.03	$0.25	4 May 2025

KMP equity movements

	Instrument	Opening Balance	Granted as part of Remuneration	Additions (No.)	Disposals (No.)	Balance at End of Reporting Period
Non-Executive Directors						
Ben Loiterton	Shares	-	1,000,000	-	-	1,000,000
	Options	-	1,500,000	-	-	1,500,000
Executives						
Trent McGraw	Shares	-	-	11,256,000	-	11,256,000
	Options	-	1,500,000	-	-	1,500,000
David Tildesley	Shares	1	-	28,563,000	-	28,563,001
	Options	-	1,500,000	-	-	1,500,000
Mark Goes	Shares	-	-	10,897,000	-	10,897,000
	Options	-	1,500,000	-	-	1,500,000

(4) Changes in Directors and Executives Subsequent to Year End

There has been no change in directors or executives subsequent to year end.

(5) Options and Rights Granted and Exercised

During the financial year ended 30 June 2022 there were 7,500,000 options exercisable at $0.25 and expiring 4 May 2025 issued and 4,000,000 options exercisable at $0.25 and expiring 10 August 2024 issued.

This Directors' Report, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

Ben Loiterton
Chairman
30 August 2022

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF EQUITY STORY GROUP LIMITED AND CONTROLLED ENTITIES
ABN 84 653 383 478

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Equity Story Group Limited.

As the auditor for the audit of the financial report of Equity Story Group Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

i. the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

ii. any applicable code of professional conduct in relation to the audit.

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro
Director

Sydney
Dated this 30th August 2022

INDEPENDENT AUDITOR'S REPORT TO THE OWNERS OF
EQUITY STORY GROUP LIMITED AND CONTROLLED ENTITIES
ABN 84 653 383 478

Report on the Financial Report

Opinion

We have audited the financial report of Equity Story Group Limited (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
b. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

The financial report also complies with the International Financial Reporting Standards as disclosed in Note 1.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the year ended 30 June 2022. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key Audit Matter</th><th>How Our Audit Addressed the Key Audit Matter</th></tr>
<tr><td colspan="2">Revenue Recognition</td></tr>
<tr><td>Revenue represents a material balance and we have identified the following types of transactions and assertions related to revenue recognition which give rise to key risks:
• the completeness of revenue recorded as a result of the reliance on output of the subscription system.

Subscription income:
Subscription revenue for agreements are recognised on a straight line basis over the term of the subscription period.

Fund manager fees:
Fund manager fees are recognised over the period in which the services are rendered.</td><td>In responding to this area of focus, our audit approach included controls testing and substantive procedures covering, in particular:
• testing control procedures in place around systems that bill revenue streams;
• performing tests on the accuracy of customer bill generation on a sample basis and testing of a sample of the credits and discounts applied to enterprise customer bills;
• testing cash receipts for a sample of customers back to the customer invoice;
• testing the costs associated to the delivery of sales; and
• considering COVID-19 impacts to collection of trade receivables.
• considered the application of the Group's accounting policies to amounts billed.</td></tr>
</table>

Key Audit Matters (continued)

<table>
<tr><th>Key Audit Matter</th><th>How Our Audit Addressed the Key Audit Matter</th></tr>
<tr><td colspan="2">Equity Transactions</td></tr>
<tr><td>During the period, significant equity transactions occurred. This includes:
• reverse acquisition of Equity Story Pty Limited (refer Note 1(y))
• acquisition of Equity Story Fund Pty Ltd (refer Note 2)
• significant capital raise in relation to the Group’s IPO (refer Note 20)
• options issued to directors and brokers (refer Note 22)
The accounting treatment of the above transactions differs due to the nature of each.</td><td>In responding to this area of focus, our audit approach included assessing the accounting treatment of each transaction and substantive procedures, in particular:
• agreeing each transaction to supporting documentation, agreements and announcements;
• assessing the accounting treatment in reference to Australian Accounting Standards;
• testing the mathematical accuracy of calculations and considering assumptions applied within those calculations; and
• considering relevant disclosure within the financial report for each transaction.</td></tr>
<tr><td colspan="2">Cash at Bank</td></tr>
<tr><td>Cash and cash equivalents totalling $3,599,799 is a significant balance to the Group.

We do not consider cash and cash equivalents to be at a high risk of significant misstatement, or to be subject to significant level of judgement. However, due to the materiality in context to the financial statements as a whole, they are considered to be an area of risk in our overall audit strategy.</td><td>We have evaluated disclosure and assessed controls implemented by management during the process of our audit. This included:
• Documenting and assessing the processes and controls in place to record cash transactions;
• Testing and sampling payments to determine they were bona fide payments, were properly authorised and recorded in the general ledger; and
• Agreeing 100% of cash holdings to independent third-party confirmations.</td></tr>
</table>

There were no restrictions on our reporting of Key Audit Matters.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2022.

In our opinion, the remuneration report of Equity Story Group Limited for the year ended 30 June 2022 complies with s 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Group are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro
Director

Sydney
Dated this 30th August 2022

Directors' Declaration

1. In the Directors' opinion:

   (a) the financial statements and notes set out on pages 16 to 43 are in accordance with the *Corporations Act 2001*, including:

      (i) complying with Australian Accounting Standards and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

      (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The notes to the financial statements include a statement of compliance with International Financial Reporting Standards.

3. The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer for the year ended 30 June 2022 required by section 295A of the *Corporations Act 2001*.

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

Ben Loiterton
Chairman
30 August 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR END 30 JUNE 2022

	Note	2022 $	2021 $
Continuing operations			
Revenue from services	3	822,216	1,027,898
Other Income	3	74,948	42,294
Total revenue and other income		897,164	1,070,192
Expenses			
Advertising and marketing expense		371,056	377,573
Consulting fee		77,307	260,524
Depreciation and amortisation expense		13,404	11,536
Employee benefits expense		1,520,037	753,853
Finance costs		3,796	176
Impairment of investments	14	123,202	-
Other expenses	4	767,806	273,723
Total expenses		2,876,608	1,677,385
Loss before income tax		(1,979,444)	(607,193)
Income tax benefit	5	-	70,356
Net loss after tax		**(1,979,444)**	**(536,837)**
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		**(1,979,444)**	**(536,837)**
Loss for the year is attributable to:			
Non-controlling interests		-	-
Owners of Equity Story Group Ltd		**(1,979,444)**	**(536,837)**
		(1,979,444)	**(536,837)**
Total comprehensive loss for the year is attributable to:			
Non-controlling interests		-	-
Owners of Equity Story Group Ltd		**(1,979,444)**	**(536,837)**
		(1,979,444)	**(536,837)**

Earnings per share for loss from continuing operations attributable to the ordinary equity holders of Equity Story Group Ltd

	Note	2022	2021
Basic earnings per share (cents per share)	8	(0.03)	(1,050.56)
Diluted earnings per share (cents per share)	8	(0.03)	(1,050.56)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

		Consolidated Group	
		30 June 2022	30 June 2021
	Note	$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	3,599,799	229,348
Other assets	10	36,920	86,398
TOTAL CURRENT ASSSETS		**3,636,719**	**315,746**
NON-CURRENT ASSETS			
Right-of-use-assets	11	248,288	-
Goodwill and intangible assets	13	535,375	525,000
Investments	14	26,798	150,000
Other assets	10	47,918	-
TOTAL NON-CURRENT ASSSETS		**858,379**	**675,000**
TOTAL ASSETS		**4,495,098**	**990,746**
CURRENT LIABILITIES			
Trade and other payables	15	183,531	21,524
Contract liabilities	16	294,464	396,003
Lease liabilities	17	60,883	-
Other liabilities	18	183,494	73,675
TOTAL CURRENT LIABILITIES		**722,372**	**491,202**
NON-CURRENT LIABILITIES			
Borrowings	19	-	16,438
Contract liabilities	16	194,336	-
Lease liabilities	17	194,499	-
TOTAL NON-CURRENT LIABILITIES		**388,835**	**16,438**
TOTAL LIABILITIES		**1,111,207**	**507,640**
NET ASSETS		**3,383,891**	**483,106**
EQUITY			
Issued capital	20	5,227,628	940,399
Option reserve	21	593,000	-
Accumulated losses		(2,436,737)	(457,293)
Equity attributable to owners of Equity Story Group Ltd		**3,383,891**	**483,106**
Non-controlling interests		-	-
TOTAL EQUITY		**3,383,891**	**483,106**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Issued Capital	Retained profits / (accumulated Losses)	Option Reserve	Total Equity
	$	$	$	$
Consolidated				
Balance at 1 July 2020	940,399	79,544	-	1,019,943
Loss for the period	-	(536,837)	-	(536,837)
Balance at 30 June 2021	940,399	(457,293)	-	483,106
Balance at 1 July 2021	940,399	(457,293)	-	483,106
Loss for the period	-	(1,979,444)	-	(1,979,444)
Shares issued during the year	5,341,011	-	-	5,341,011
Cost of capital raising	(1,053,782)	-	-	(1,053,782)
Options issued during the period	-	-	593,000	593,000
Balance at 30 June 2022	5,227,628	(2,436,737)	593,000	3,383,891

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 $	2021 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,030,244	1,138,261
Payments to suppliers and employees		(2,035,601)	(1,531,974)
Interest received		8	-
Finance costs		(1,511)	(176)
Income tax paid		(11,243)	(36,807)
Net cash used in operating activities	24	(1,018,103)	(430,696)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of investment		-	(150,000)
Payment to acquire other non-current assets		(41,044)	-
Other		(107,853)	-
Net cash used in investing activities		(148,897)	(150,000)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from issued capital		4,469,758	-
Proceeds from / (repayment to) borrowings		67,693	(8,290)
Net cash from / (used in) financing activities		4,537,451	(8,290)
Net increase / (decrease) in cash held		3,370,451	(588,986)
Cash at beginning of period		229,348	818,334
Cash at end of period	9	3,599,799	229,348

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

This financial report includes the consolidated financial statements of Equity Story Group Ltd ('the Company') and controlled entities (collectively the 'Group' or 'consolidated entity').

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions.

The financial statements also comply with International Financial Reporting Standards.

Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Principles of Consolidation

Subsidiaries

A controlled entity is an entity that is controlled by Equity Story Group Ltd. Equity Story Group Ltd controls a company when it is exposed, or has rights, to variable returns from its involvement with the company and has the ability to affect those returns through its power over the company. The acquisition method of accounting is used to account for business combinations by the Group (Note 1(r)).

A list of controlled entities is contained in Note 12 to the financial statements.

The assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year.

All balances and transactions between entities in the consolidated Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

(b) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (credit) and deferred tax expense (credit).

Current income tax expense (credit) charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantively enacted, as at the reporting date. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (credit) are charged or credited directly to equity instead of profit or loss when the tax relates to items that are charged or credited directly to equity.

Deferred tax assets and liabilities are based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and unused tax losses. Deferred tax assets also result where amounts have been expensed but future tax deductions are available. No deferred income tax is recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Income Tax (continued)

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all plant and equipment including capitalised lease assets, is depreciated on a straight-line or diminishing value basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 1(g)).

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss.

(d) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(f) Financial Instruments

Classification

The Group classified its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss (“FVPL”) and;
- those to be measured at amortised cost.

The classification depends on the Group’s business model for managing the financial assets and the contractual terms of the cash flows.

Recognition and Derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset.

The Group subsequently measures all debt investments that do not qualify for measurement at amortised cost and all equity investments at fair value. Where the Group’s management has elected to present fair value gains and losses on debt and equity investments in profit or loss, interest and dividends from such investments continue to be recognised in profit or loss as other income when the Group’s right to receive payments is established.

Impairment losses (and reversal of impairment losses) on debt and equity investments measured at FVPL are not reported separately from other changes in fair value.

Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVPL and equity instruments carried at FVPL. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Impairment of Assets

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain. Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Impairment of non-financial assets other than Goodwill

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include considering both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(h) Intangibles

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill on consolidation is initially recorded at the amount by which the purchase price for a business combination exceeds the net fair value of identifiable assets, liabilities and contingent liabilities at date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Any gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Customer Contracts

Customer contracts acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Foreign Currency Transactions and Balances

Functional and Presentation Currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss.

Exchange differences arising on translation of foreign operations are recognised in other comprehensive income.

(j) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(k) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(l) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the consolidated statement of financial position.

(m) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days. The group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. Trade and other receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets.

(n) Contract liabilities

Contract liabilities represent the Group's obligation to transfer services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration, (whichever is earlier) before the consolidated entity has transferred services to the customer.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Revenue

The Group recognises revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Subscription income:

Subscription revenue for agreements are recognised on a straight line basis over the term of the subscription period.

Fund manager fees:

Fund manager fees are recognised over the period in which the services are rendered.

Interest:

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue:

Other revenue is recognised when it is received or when the right to receive payment is established.

(p) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(q) Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the tax authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(r) Business Combinations

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Business Combinations (Continued)

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquiree.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

(s) Comparative Figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(t) Rounding of Amounts

The Company is an entity of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission ("ASIC") relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off in accordance with that ASIC Instrument to the nearest thousand dollars, unless otherwise indicated.

(u) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates

(i) Impairment

The Group assesses impairment at each reporting date by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Where any impairment trigger exists, the recoverable amount of the asset is determined. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key Judgements

(i) Impairment of Goodwill and other intangible

The directors have assessed the value of goodwill and other intangible at balance date and have determined that the net book value at 30 June 2022 is recoverable. Further details are included in Note 13.

(ii) Business combinations

As discussed in Note 1(r), business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Critical Accounting Estimates and Judgments (Continued)

(iii) Revenue

Reference to Note 1(o) for revenue relating to subscription packages greater than 1 year, income is recognised on a straight line basis.

(v) Fair Value Measurement

The fair value of financial assets and liabilities are estimated for disclosure purposes in accordance with AASB 13– Fair Value Measurement which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(i) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

(ii) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

(iii) Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(w) Going Concern

During the year ended 30 June 2022, the net equity increased by $2,900,785. This included a capital raise to fund Group initiatives which will grow revenue and operating cash flow.

Management have prepared cash flow forecasts which management considers demonstrates that the consolidated entity will generate sufficient cash flows to enable it to continue as a going concern and pay its debts as and when they fall due and payable. Accordingly, the financial statements have been prepared on a going concern basis.

(x) New, revised or amending Accounting Standards and Interpretations adopted

The Group has applied all new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. Previous financial information reported was from special purpose financial statements. The main new Accounting Standards and Interpretations that became effective during the current reporting period are as follows:

AASB 15 Revenue from Contracts with Customers

The Group has adopted AASB 15 which replaces AASB 118 Revenue, AASB 111 Construction Contracts and several revenue related Interpretations for the financial year ending 30 June 2022. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. Credit risk is presented separately as an expense rather than adjusted against revenue.

The adoption of AASB 15 has impacted the timing of revenue recognition for material revenue lines.

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) New, revised or amending Accounting Standards and Interpretations adopted (Continued)

The following table provides a summary of the amounts of the adjustments for each financial statement line item affected by the adoption of AASB15 for the annual report period ended 30 June 2022, the comparative period ended 30 June 2021 and as at 1 July 2020.

Adjustments made to consolidated statement of financial position

	Under Previous Accounting Policy $	Effect of change in accounting policy: AASB15 $	As presented $
As at 30 June 2022			
Contract liabilities – Current	-	294,464	294,464
Contract liabilities – Non-Current	-	194,336	194,336
Accumulated losses	1,947,937	488,800	2,436,737
As at 1 July 2021			
Contract liabilities – Current	-	396,003	396,003
Accumulated losses	61,290	396,003	457,293
As at 1 July 2020			
Contract liabilities – Current	-	279,128	279,128
Retained profits	358,672	(279,128)	79,544

Adjustments made to statement of profit or loss and other comprehensive income

	Under Previous Accounting Policy $	Effect of change in accounting policy: AASB15 $	As presented $
Year ended 30 June 2022			
Revenue from services	915,013	(92,797)	822,216
Year ended 30 June 2021			
Revenue from services	1,144,773	(116,875)	1,027,898

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) New, revised or amending Accounting Standards and Interpretations adopted (Continued)

Adjustments made to earnings per share

	Under Previous Accounting Policy $	Effect of change in accounting policy: AASB15 $	As presented $
Year ended 30 June 2022			
Basic earnings per share	(0.02)	(0.01)	(0.03)
Diluted earnings per share	(0.02)	(0.01)	(0.03)
Year ended 30 June 2021			
Basic earnings per share	(822.57)	(227.99)	(1,050.56)
Diluted earnings per share	(822.57)	(227.99)	(1,050.56)

There are no other Standards that have been issued that are not yet effective and that are expected to have a material impact on financial reports of the Group in the current or future reporting periods.

(y) Reverse Acquisition

On the 5th of October 2021, the company, Equity Story Group Ltd (EQS), completed the 100% acquisition of Equity Story Pty Ltd. The acquisition of Equity Story Pty Ltd resulted in the shareholders of Equity Story Pty Ltd obtaining control of the merged entity. In accordance with AASB 3: Business Combinations, the substance of the acquisition is a reverse acquisition as the shareholders of Equity Story Pty Ltd held majority of shares in Equity Story Group Ltd. However, the acquisition of Equity Story Group Ltd does not constitute a business combination as Equity Story Group Ltd does not meet the definition of a business under AASB 3. As a result, the acquisition is accounted for in accordance with AASB 2: Share based payments, with Equity Story Pty Ltd being identified as the acquirer and the net assets of Equity Story Group Ltd deemed acquired.

The consideration of the transaction is as follows:

	$
Fair value of shares transferred	500,000
Total consideration transferred	500,000

The fair value of the identifiable assets and liabilities of the Company at the date of acquisition was as follows:

Assets	$
Cash and cash equivalents	395,263
Prepayments	84,737
Loans to related parties	20,000
Total identifiable net assets as fair value	500,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Reverse Acquisition (continued)

Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

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

NOTE 2: BUSINESS ACQUISITION

Acquisition of Equity Story Fund Pty Ltd
On the 8th of October 2021, the company, Equity Story Group Ltd (EQS), completed the 100% acquisition of Equity Story Fund Pty Ltd. The acquisition of Equity Story Fund Pty Ltd resulted in the shareholders of Equity Story Group Ltd obtaining control of the merged entity.

In addition, the board of directors of the merged entity was restructured and the Equity Story Pty Ltd management team assumed responsibility for the management of the merged entity. Consequently, the acquisition has been accounted for with reference to the guidance for reverse acquisitions set out in AASB 3: Business Combinations.

The application of the reverse acquisition guidance contained in AASB 3: Business Combinations has resulted in Equity Story Group Ltd (the legal parent) being accounted for as the subsidiary and Equity Story Pty Ltd (the legal subsidiary) being accounted for as the parent entity.

The acquisition has been accounted for using the principles set out in AASB 3: Business Combinations whereby Equity Story Pty Ltd is deemed to have issued shares in exchange for the net assets and listing status of Equity Story Group Ltd.

In accordance with AASB 3, the difference between the fair value of the deemed consideration paid by Equity Story Pty Ltd and the fair value of the identifiable net assets of Equity Story Group Ltd, has been recognised as $10,375 in goodwill of as set out below.

Details of the fair value of the identifiable net assets acquired and the excess consideration are set out below:

Deemed purchase consideration:	$
Fair value of shares transferred	55,995
Less: fair value of net identifiable assets acquired	(45,620)
Goodwill	10,375

The fair value of the identifiable assets and liabilities of the Company at the date of acquisition was as follows:

Assets	
Cash and cash equivalents	63,399
Trade & other payables	(16,129)
Loans	(1,650)
Total identifiable net assets as fair value	45,620

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 3: REVENUE AND OTHER INCOME

	Consolidated Group	
	2022	2021
	$	$
Revenue and Other Income Revenue from ordinary activities		
Sales revenue		
Subscription income	822,216	1,027,898
	822,216	1,027,898
Other revenue		
Interest received	24	150
Other revenue	74,924	42,144
	74,948	42,294
Total Revenue	897,164	1,070,192

NOTE 4: OTHER EXPENSES

	Consolidated Group	
	2022	2021
	$	$
Other expenses from ordinary activities:		
Insurance	57,541	49,473
Merchant fees	14,180	24,239
Rent	23,333	21,006
Other operating expenses	672,752	179,005
	767,806	273,723

NOTE 5: INCOME TAX CREDIT

	Consolidated Group	
	2022	2021
	$	$
(a) Continuing Operations		
The components of income tax credit comprise:		
Current tax relating to Continuing Operations	-	(70,356)
	-	(70,356)
(b) Income tax credit		
The prima facie tax on profit from continuing activities before income tax is reconciled to the income tax expense (credit) as follows:		
Prima facie tax payable on profit from continuing activities before income tax at 25% (2021:26%)	(494,861)	(139,578)
Add / (deduct) tax effect of:		
Temporary differences	-	42,498
Prior year adjustments	-	26,724
Carried forward tax losses not brought to account	494,861	-
Income tax credit	-	(70,356)
The applicable weighted average effective rates are	n/a	(13%)

(c) Other comprehensive income

There is no income tax on the items in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 6: INTERESTS OF KEY MANAGEMENT PERSONNEL

(a) Names and positions held of consolidated entity key management personnel in office at any time during the current and previous financial year are:

Ben Loiterton	Non-Executive Chair
Trent McGraw	Executive Director and Chief Executive Officer
David Tildesley	Executive Director
Mark Goes	Executive Director

(b) Key management personnel / executive directors

	Consolidated Group	
	2022	2021
	$	$
Short-term employee benefits	605,455	537,800
Long-term employee benefits	280,000	-
	885,455	537,800

(c) Option holdings
The options held in the Company by each director of the Company and other key management personnel of the Group, including their related parties, are set out below;

	2022 No.	2021 No.
Ben Loiterton	1,500,000	-
Trent McGraw	1,500,000	-
David Tildesley	1,500,000	-
Mark Goes	1,500,000	-

(d) Shareholdings

The numbers of share in the Company held during the year by each director of the Company and other key management personnel of the Group, including their personally related parties, are set out below:

	Balance 1.7.2021 Number	Sold Number	Additions Number	Balance 30.6.2022 Number
Directors				
Ben Loiterton	-	-	1,000,000	1,000,00
Trent McGraw	-	-	11,256,000	11,256,000
David Tildesley	1	-	28,563,000	28,563,001
Mark Goes	-	-	10,897,000	10,897,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 7: REMUNERATION OF AUDITORS

	Consolidated Group	
	2022	2021
Auditing and reviewing financial reports	$	$
MNSA		
- Audit and review of financial statements	40,000	-
- Independent export report for IPO	20,000	-
Trigons Business Advisory		
- Audit and review of financial statements	1,000	1,000
	61,000	1,000

NOTE 8: EARNINGS PER SHARE

	Consolidated Group	
	2022	2021
	Cents per share	Cents per share
Earnings per share after tax		
Basic earnings per share	(0.03)	(1,050.56)
Diluted earnings per share	(0.03)	(1,050.56)

	Consolidated Group	
	2022	2021
Net profit	$	$
Earnings used to calculate basic EPS	(1,979,444)	(536,837)
Earnings used to calculate diluted EPS	(1,979,444)	(536,837)
	No.	No.
(a) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	76,908,361	511
(b) Weighted average number of ordinary shares outstanding during the year used in calculating diluted EPS	78,825,027	511

NOTE 9: CASH AND CASH EQUIVALENTS

	Consolidated Group	
	2022	2021
	$	$
Cash at bank and in hand	3,599,799	229,348

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 10: OTHER ASSETS

	Consolidated Group	
	2022	2021
	$	$
CURRENT		
Loan, underlying fund managed	26,200	86,398
GST receivable	10,720	-
	36,920	86,398
NON-CURRENT		
Bank Guarantee	32,835	-
Rental Bond	15,083	-
	47,918	-
	84,838	86,398

NOTE 11: RIGHT OF USE ASSETS

	Consolidated Group	
	2022	2021
	$	$
Non-Current		
Land and building - right-of-use	255,382	-
Less: Accumulated Depreciation	(7,094)	-
Total	248,288	-
Movements in carrying amounts		
Opening Balance as at 1 July 2021	-	-
Additions	255,382	-
Finished the lease	-	-
Depreciation/amortisation expense	(7,094)	-
Closing balance	248,288	-

The Group leases building for its office under agreements of three years with no option to extend.

Details on interest expense and cashflows relating to lease liabilities are disclosed in Note 24.

NOTE 12: CONTROLLED ENTITIES

Name of entity	Country of Incorporation	Ownership Interest	
		2022	2021
Parent entity			
Equity Story Group Ltd	Australia		
Controlled entity			
Equity Story Pty Ltd	Australia	100%	n/a
Equity Story Fund Pty Ltd	Australia	100%	-
Equity Story Securities Pty Ltd	Australia	100%	-
Equity Story USA	USA	100%	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 13: GOODWILL AND INTANGIBLE ASSETS

	Consolidated Group	
	2022	2021
	$	$
Goodwill on acquisition		
Cost	535,375	525,000
Total goodwill and Intangible Assets	535,375	525,000

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

Opening balance	525,000	525,000
Acquisition of Equity Story Fund Pty Ltd	10,375	-
Total goodwill and intangible assets	535,375	525,000

NOTE 14: INVESTMENTS

	Consolidated Group	
	2022	2021
	$	$
Non-Current		
Edison Capital Fund	26,798	150,000

Reconciliations of the investment values at the beginning and end of the current financial period are set out below:

Opening balance	150,000	150,000
Impairment of investments	(123,202)	-
Total non-current investments	26,798	150,000

NOTE 15: TRADE AND OTHER PAYABLES

	Consolidated Group	
	2022	2021
	$	$
CURRENT		
Trade payables	8,250	-
Accrued expenses	175,281	-
GST payable	-	21,524
	183,531	21,524

NOTE 16: CONTRACT LIABILITIES

	Consolidated Group	
	2022	2021
	$	$
CURRENT		
Contract liabilities	294,464	396,003
NON-CURRENT		
Contract liabilities	194,336	-
	488,800	396,003

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 17: LEASE LIABILITIES

	Consolidated Group	
	2022	2021
	$	$
CURRENT		
Lease liabilities	60,883	-
NON-CURRENT		
Lease liabilities	194,499	-
	255,382	-

NOTE 18: OTHER LIABILITIES

	Consolidated Group	
	2022	2021
	$	$
CURRENT		
Employment	183,494	73,675

NOTE 19: BORROWINGS

	Consolidated Group	
	2022	2021
	$	$
NON-CURRENT		
Loan – David Tidesley	-	9,938
Loan – Edison Capital	-	6,500
	-	16,438

NOTE 20: ISSUED CAPITAL

	Consolidated Group			
	30 June 2022 No.	30 June 2021 No.	30 June 2022 $	30 June 2021 $
CURRENT				
Fully paid ordinary shares	106,993,464	1	5,820,628	940,399
Movements- Fully paid ordinary shares:				
At the beginning of the year	1	1	940,399	940,399
Capital raise	106,993,463	-	5,341,011	-
Cost of capital raise	-	-	(1,053,782)	-
At the end of the year	106,993,464	1	5,227,628	940,399

Capital Management

Management controls the capital of the Group in order to meet debt covenants, provide shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern. The Group’s debt and capital includes ordinary share capital and financial liabilities supported by financial assets.

Management effectively manages the Group’s capital by assessing the Group’s financial risks and adjusting its capital structure in response to changes in risks and in the market. These responses include the management of debt levels and share issues. There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 21: OPTION RESERVE

The option reserve records items recognised as expenses on valuation of options issued.

	Consolidated Group	
	2022	2021
	$	$
Options issued cost of capital raising	225,000	-
Options issued employment expenses	368,000	-
	593,000	-

NOTE 22: SHARE-BASED PAYMENTS

Granted (No.)	Grant Date	Fair Value per option at grant date	Exercise price	Expiry Date	2022 ($)
7,500,000	16 Nov 2021	$0.03	$0.25	4 May 2025	225,000
4,000,000	26 May 2022	$0.03	$0.25	10 August 2024	368,000

NOTE 23: SEGMENT REPORTING

	Equity Story Pty Ltd		Equity Story Fund Pty Limited		Unallocated		Elimination		Consolidated-Continuing Operations	
	30 Jun 2022 $'000	30 Jun 2021 $'000	30 Jun 2022 $'000	30 Jun 2021 $'000	30 Jun 2022 $'000	30 Jun 2021 $'000	30 Jun 2022 $'000	30 Jun 2021 $'000	30 Jun 2022 $'000	30 Jun 2021 $'000
Total revenue	822	1,070	158	-	-	-	(83)	-	897	1,070
Total (loss) after income tax	(1,071)	(537)	(94)	-	(772)	-	(42)	-	(1,979)	(537)
Total segment assets	915	991	41	-	4,557	-	(1,018)	-	4,495	991
Total segment liabilities	1,502	508	89	-	134	-	(614)	-	1,111	508
Income tax expense (credit)	-	(70)	-	-	-	-	-	-	-	(70)
Depreciation and amortisation	13	12	-	-	-	-	-	-	13	12
Interest Expense	4	-	-	-	-	-	-	-	4	-

Operating segments are reported in a manner consistent with the internal reporting provided by the chief operating decision maker. The chief operating decision maker who is responsible for allocating resources and assessing performance of operating segments has been identified as the board.

Accounting Policies

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of cash, receivables, inventories, intangibles, other financial assets and property, plant and equipment, net of allowances and accumulated depreciation and amortisation. While most assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of payables, employee benefits, accrued expenses, provisions and borrowings.

Business Segments

There were two operating segments during the period which were Equity Story Pty Ltd and Equity Story Fund Pty Limited.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 23: SEGMENT REPORTING (CONTINUED)

Geographical Segments
The Group operated in Australia only during the period.

Intersegment Transfers
There were no intersegment transfers.

NOTE 24: CASH FLOWS INFORMATION

	Note	2022 $	2021 $
Reconciliation of Cash Flows from Operations with Profit After Income Tax			
Operating loss after income Tax		(1,979,444)	(536,837)
Non-cash items in profit			
-Depreciation and amortisation		13,404	11,536
-Share based payments		225,000	-
-Employment provisions		109,819	-
-Accrued expenses		175,282	-
-Impairment of investments		123,202	-
-Amortisation of right-of-use assets		7,094	-
-Other		47,202	-
(Increase) / decrease in:			
- Right-of-use-assets		(248,288)	-
-Trade receivables		-	(3,468)
-Other assets		(1,560)	-
Increase/ (decrease) in:			
-Trade creditors and accruals		162,007	84,072
-Contract liabilities		92,797	116,502
-Lease liabilities		255,382	-
-Income tax payable		-	(102,501)
Cash flows from operating activities		(1,018,103)	(430,696)

NOTE 25: RELATED PARTY DISCLOSURES

(a) Equity interests in related parties
Details of the percentage of ordinary shares held in controlled entities are disclosed in Note 6 to the financial statements.

(b) Key management personnel
Details of key management personnel remuneration are disclosed in the Remuneration Report in the Directors' Report, and in Note 6.

(c) Directors' equity holdings
Details of directors' and other key management personnel's equity holdings are disclosed in the Directors' Report and in Note 6.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 25: RELATED PARTY DISCLOSURES (CONTINUED)

(d) Other transactions with key management personnel and related parties

	Consolidated Group	
	2022	**2021**
	$	**$**
Amount payable to key management personnel and other related parties		
- David Tidesley (Note 19)	-	9,938
Disclosed as:		
Non-Current liability (Note 19)	-	9,938
Payment for wages expense to Tanya Tidesley (wife of David Tidesley)	97,666	87,600

NOTE 26: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks:

1. Market risk – including:
   (i) Foreign exchange risk
   (ii) Interest rate risk
   (iii) Price risk
2. Credit risk, and
3. Liquidity risk

1 (i). Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

The Group does not hedge and therefore is exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services in currencies other than the Group's functional currency. The Group monitors movements in exchange rates.

There was no foreign currency exposure during the period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 26: FINANCIAL RISK MANAGEMENT (CONTINUED)

1 (ii). Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments. Interest rate risk is managed using a mix of fixed and floating rate debt as detailed below.

	Weighted Average Interest Rate %		Floating Interest Rate $ 000		Fixed Interest Rate Maturing: Less than 1 Year $ 000		Fixed Interest Rate Maturing: 1 to 5 Years $ 000		Non-Interest Bearing $ 000		Total $ 000	
Consolidated	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Financial assets:												
Cash	0.0%	0.0%	3,600	229	-	-	-	-	-	-	3,600	229
Other assets	0.0%	n/a	-	-	-	-	33	-	52	86	85	86
Investments			-	-	-	-	-	-	27	150	27	150
Right of use assets			-	-	-	-	-	-	248	-	248	-
Total financial assets			3,600	229	-	-	33	-	327	236	3,960	465
Financial liabilities:												
Lease liability	4.2%	n/a	-	-	61	-	194	-	-	-	255	-
Borrowings			-	-	-	-	-	-	-	16	-	16
Trade and other payables			-	-	-	-	-	-	184	22	184	22
Contract liabilities			-	-	-	-	-	-	489	396	489	396
Other liabilities			-	-	-	-	-	-	183	74	183	74
Total financial liabilities			-	-	61	-	194	-	856	508	1,111	508

1 (iii). Price risk

The Consolidated group has exposure to price risk via movements in the price of investments.

2. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the Group. The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

Credit risk is managed through the maintenance of procedures including the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counterparties, ensuring to the extent possible that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Within the Group, credit terms are generally up front before service is provided.

Risk is also minimised through investing any surplus funds in financial institutions that maintain a high credit rating.

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value of those financial assets as presented in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 26: FINANCIAL RISK MANAGEMENT (CONTINUED)

3. Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities
- monitoring undrawn credit facilities
- maintaining a reputable credit profile
- managing credit risk related to financial assets.

Financial liability maturity analysis is included in this Note above (part 1 (ii)).

NOTE 27: PARENT ENTITY INFORMATION

	Consolidated Group	
	2022	**2021**
	Equity Story Group Ltd	**Equity Story Pty Ltd**
	$	**$**
Current assets	4,135,561	315,746
Total assets	5,182,381	990,746
Current liabilities	134,069	491,202
Total liabilities	134,069	507,640
Shareholders' equity:		
Issued capital	5,820,628	940,399
Retained earnings	(772,316)	(457,293)
	5,048,312	483,106
Loss for the year	(772,316)	(536,837)
Total comprehensive loss	(772,316)	(536,837)

NOTE 28: COMPANY DETAILS

The registered office of the Company is:
Equity Story Group Ltd
Level 1, 357 Sydney Road, Balgowlah NSW 2093

The principal place of business of the Company is:
Equity Story Group Ltd
Suite 501/70 Castlereagh St, Sydney NSW 2000

NOTE 29: IMPACT OF COVID-19 AND EVENTS SUBSEQUENT TO BALANCE DATE

There were no material impacts during the period due to COVID-19. Our expectation remains that COVID-19 will not materially impact our business.

Equity Story acquired Blue Tree Equity Pty Ltd, trading as A Rich Life (“ARL”) on 1 July 2022. ARL is an online investing, news and arts media company from renowned equities commentator Claude Walker. ARL brings around 400 new paying subscribers; a new website with a wider and younger audience; expanded and differentiated content, including financial media content; a pipeline of additional subscribers; and many operational synergies.

Total consideration payable for the acquisition of ARL is $500,000, payable in instalments. There was an up front of $250,000 made on 1 July 2022; and additional payments of $150,000 due on 1 July 2023 and $100,000 due on 1 July 2024.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 29: IMPACT OF COVID-19 AND EVENTS SUBSEQUENT TO BALANCE DATE (CONTINUED)

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect:

(a) the Group's operations in future financial years;

(b) the results of those operations in future financial years;

(c) the Group's state of affairs in future financial years.

Equity Story Group Ltd – Additional Information for ASX Listed Companies

In accordance with ASX Listing Rule 4.10, the Directors provide the following information as at 9 August 2022.

Stock Exchange Quotation
The Company's shares are quoted on the ASX under the code "EQS".

Classes of Securities
The Company has the following equity securities on issue:

- ASX quoted: 29,424,987 ordinary shares (**EQS**), each fully paid, held by 433 shareholders;
- Unlisted: 77,568,477 ordinary shares subject to ASX Escrow held by 56 shareholders; and
- Unlisted: 11,500,000 options exercisable at $0.25 and expiring 3 May 2025 held by 26 holders.

Distribution schedule of the number of holders of ordinary shares

Holdings Ranges	Holders	Total Units	%
1-1,000	4	1,584	0.000
1,001-5,000	9	29,939	0.030
5,001-10,000	88	857,624	0.800
10,001-100,000	265	10,604,670	9.910
100,001-9,999,999,999	93	95,499,647	89.260
Totals	**459**	**106,993,464**	**100.000**

Marketable Parcels
Equity Story Group has 15 shareholders holding less than a marketable parcel 6,666 shares each (i.e. less than $500 per parcel of shares) based on the closing price of $0.075 on 9 August 2022 representing a total of 43,385 shares.

Twenty largest shareholders

	Shareholder	Number of shares held	% of issued capital
1	TANYA TILDESLEY	27,563,000	25.761%
2	EDISON CAPITAL GROUP PTY LTD <THE MCGRAW FAMILY A/C>	11,256,000	10.520%
3	HAGO FUTURES PTY LTD <HARRISONGOES FAMILY A/C>	10,897,000	10.185%
4	MCGRAW ELECTRICAL PTY LTD <MCGRAW ELECTRICAL S/F A/C>	5,897,200	5.512%
5	ZOBEL INVESTMENTS PTY LTD <NAPIER PROPERTIES S/F A/C>	4,487,000	4.194%
6	THE DIGITAL CROWDS PTY LTD	3,333,200	3.115%
7	ALITIME NOMINEES PTY LTD <HONEYHAM FAMILY A/C>	3,076,800	2.876%
8	MR GARY STINGL	1,999,999	1.869%
9	BOUTIQUE CAPITAL PTY LTD	1,666,600	1.558%
10	VENTURASTAR PTY LIMITED	1,000,000	0.935%
11	PETER KOPETZ	1,000,000	0.935%
12	JETSMAN PTY LTD	1,000,000	0.935%
13	HORTH PURE ALPHA UNIT TRUST <A1121828>	1,000,000	0.935%
14	PAYNE SUPERANNUATION PTY LTD	1,000,000	0.935%
15	MRS JUDITH SUZANNE PIGGIN & MR DAMIEN JAYE PIGGIN & MR GLENN ADAM PIGGIN <PIGGIN FAMILY S/F A/C>	962,500	0.900%
16	WHITEHOUSE GROUP NOMINEES PTY LTD <S WHITE SUPER FUND A/C>	800,001	0.748%
17	EQUITY STORY PTY LTD	800,000	0.748%
18	MR NICHOLAS D'ESPEISSIS	707,864	0.662%
19	WHITEHOUSE GROUP NOMINEES PTY LTD <S WHITE SUPERFUND A/C>	669,999	0.626%
20	ANGKOR IMPERIAL RESOURCES PTY LTD <TURKISH BREAD S/F A/C>	641,667	0.600%
Total Securities of Top 20 Holdings		79,758,830	74.546%
Total Securities		**106,993,464**	

Equity Story Group Ltd – Additional Information for ASX Listed Companies (continued)

Substantial Shareholders
The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act are:

Name	Number of Shares	Voting Power
Tanya Tildesley	28,563,000	26.70%
Edison Capital Pty Ltd	11,256,000	10.52%
Hago Futures Pty Ltd	10,897,000	10.18%

Voting rights

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Restricted securities

Equity Story Group currently has the following restricted securities on issue:

Security	Restriction	Number of Securities	Number of Holders
Fully Paid Ordinary Shares	ASX Escrowed 12 months from Issue	11,189,809	36
Fully Paid Ordinary Shares	ASX Escrowed 24 months from Issue	66,378,668	20
Options Exercisable at $0.25 and expiring 3 May 2025	ASX Escrowed 12 months from Issue	1,500,000	1
Options Exercisable at $0.25 and expiring 3 May 2025	ASX Escrowed 24 months from Issue	10,000,000	25

On-market Buy-backs

There is no current on-market buy-back of any securities.

CORPORATE DIRECTORY

Directors
Ben Loiterton
Non-Executive Chair

Trent McGraw
Director and Chief Executive Officer

David John Tildesley
Executive Director

Mark Goes
Executive Director

Company Secretary
Elissa Hansen

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

Auditor
MNSA Pty Ltd
Level 1, 283 George Street,
SYDNEY NSW 2000

Share Registry
Boardroom Pty Limited
Level 12, 225 George St
The Rocks NSW 2000
Telephone:1300 737 760 (within Australia)
Telephone: +61 2 9290 9600

Stock Exchange Listing
Equity Story Group Ltd shares are listed on the Australian Securities Exchange

ASX Code: EQS