

STORY-I LIMITED

and its controlled entities

(Formerly Pine Capital Limited)

ACN 163 916 989

Half Year Financial Report

For the half year ended 31 December 2015



CONTENTS

Corporate Particulars	1
Directors' Report	2
Auditor's Independence Declaration	4
Financial Report	
Consolidated Statement of Profit or Loss and Other Comprehensive Income	5
Consolidated Statement of Financial Position	6
Consolidated Statement of Changes in Equity	7
Consolidated Statement of Cash Flows	8
Condensed Notes to the Financial Statements	9
Directors' Declaration	14
Independent Auditor's Review Report	15

**CORPORATE PARTICULARS****Directors**

Mr Djohan Widodo
Mr Michael Chan
Mr Michael Pixley

Chairman
Executive Director
Non-Executive Director

Company Secretary

Mr Brett Crowley

Registered Office

Suite 904, 9F,
37 Bligh Street
SYDNEY, NSW, AUSTRALIA, 2000

Corporate Office

Suite 904, 9F,
37 Bligh Street
SYDNEY, NSW, AUSTRALIA, 2000

Share Registry

Boardroom Pty Ltd
Level 12, 225 George Street
SYDNEY, NSW, AUSTRALIA, 2000

Auditor

Bentleys NSW Audit Pty Ltd
Level 10, 10 Spring Street
SYDNEY, NSW, AUSTRALIA, 2000

DIRECTORS' REPORT

The Directors of Story-I Limited ("Story-I" or "the Company") present their financial report on the Company and its controlled entities PT Inetindo Infocom and Story-I Pte Ltd (the "Group") for the half year ended 31 December 2015.

Directors

The names of directors who held office during or since the end of the half year are:

- Djohan Widodo, Chairman
- Michael Chan, Executive Director
- Michael Pixley, Non-Executive Director

Directors were in office since the start of the financial year to the date of this report unless otherwise stated.

Review of Operations

The profit attributable to members of Story-I Limited (Company) for the half year ended 31 December 2015 (report period) was \$844,356 (2014: \$723,306). No dividends were paid or declared payable during or since the half year.

During the report period, the Company successfully raised \$1,080,000 via the following:

- Issue of 18,000,000 fully paid ordinary shares on 14 October 2015 at \$0.06 per share pursuant to a placement.

The Company's current operating position and other activities appear in announcements released to the Australian Securities Exchange and should be read in conjunction with this half yearly report.

DIRECTORS' REPORT (continued)

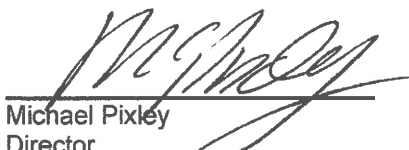
Events Subsequent to Reporting Date

There have been no other material items, transactions or events subsequent to 31 December 2015 which, although they do not relate to conditions existing at that date, have not been dealt with in this report and which would cause reliance on the information shown in this report to be misleading.

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration under Section 307C of the *Corporations Act 2001* is set out on page 4 and forms part of the Directors' Report for the half year ended 31 December 2015.

Signed in accordance with a resolution of the Directors.



Michael Pixley
Director
Dated at Perth this 29th day of February 2016.

Story-I Limited
ABN: 55 163 916 989

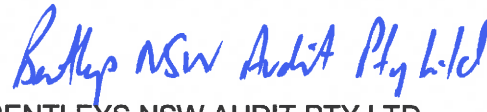
**Auditor's Independence Declaration under Section 307C of the Corporations Act 2001
to the Directors of Story-I Limited**

As lead audit director for the review of the financial statements of Story-I Ltd for the half year ended 31 December 2015 I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



Robert Evett
Director
Sydney



BENTLEYS NSW AUDIT PTY LTD
CHARTERED ACCOUNTANTS

Date: 29 February 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 For the half year ended 31 December 2015

	Consolidated Group	
	31 December 2015	31 December 2014
	\$	\$
Revenue from sale of goods	12,804,706	10,274,897
Cost of sales	(9,870,894)	(7,914,066)
Gross Profit	2,933,812	2,360,831
Marketing expenses	(508,643)	(207,518)
Other expenses	(896,103)	(917,313)
Interest expense	(150,783)	(81,260)
Depreciation expense	(118,739)	(78,406)
Foreign exchange gain / (loss)	8,673	(28,335)
Profit before income tax	1,268,217	1,047,999
Income tax expense	(368,575)	(282,342)
Profit after income tax	899,642	765,657
Profit attributable to:		
Equity holders of the parent entity	844,356	723,306
Non-controlling interests	55,286	42,351
Profit for the period	899,642	765,657
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations, net of tax	305,153	216,134
Total comprehensive income for the period	1,204,795	981,791
Total comprehensive income for the period attributable:		
Equity holders of the parent entity	1,149,509	939,440
Non-controlling interests	55,286	42,351
Total comprehensive income for the period	1,204,795	981,791
Basic and diluted earnings per share (cents)	0.66	0.65

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2015

	Note	Consolidated Group	
		31 December 2015 \$	30 June 2015 \$
ASSETS			
Current Assets			
Cash and cash equivalents		147,942	80,596
Trade and other receivables	2	6,773,520	7,550,512
Inventories		2,271,646	1,596,885
Other		389,027	301,709
Total Current Assets		9,582,135	9,529,702
Non-Current Assets			
Plant and equipment		1,122,342	448,518
Intangibles		350,848	238,147
Deferred tax assets		27,299	20,822
Total Non-Current Assets		1,500,489	707,487
TOTAL ASSETS		11,082,624	10,237,189
LIABILITIES			
Current Liabilities			
Trade and other payables		1,980,673	3,282,719
Borrowings		843,570	1,264,024
Total Current Liabilities		2,824,243	4,546,743
Non-Current Liabilities			
Trade and other payables		1,014,490	726,645
Provisions		109,197	83,289
Total Non-Current Liabilities		1,123,687	809,934
TOTAL LIABILITIES		3,947,930	5,356,677
NET ASSETS		7,134,694	4,880,512
EQUITY			
Contributed equity		3,136,354	2,137,031
Retained earnings		3,537,704	2,693,348
Foreign currency translation reserve		168,612	(136,541)
Parent interests		6,842,670	4,693,838
Non-controlling interests		292,024	186,674
TOTAL EQUITY		7,134,694	4,880,512

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 For the half year ended 31 December 2015

	Contributed Equity	Retained Earnings	Foreign Currency Translation Reserve	Total	Non- Controlling Interests	Total Equity
	\$	\$	\$	\$	\$	\$
2014						
Balance at 1 July 2014	1,942,518	1,448,715	(87,350)	3,303,883	117,773	3,421,656
Total profit for the period after tax	-	723,306	-	723,306	42,351	765,657
Other comprehensive income						
Exchange differences on translation of foreign operation	-	-	216,134	216,134	-	216,134
Total other comprehensive income for the period	-	723,306	216,134	939,440	42,351	981,791
Total comprehensive income for the period	-	723,306	216,134	939,440	42,351	981,791
Additional paid in capital PT Inetindo Infocom	11,132	-	-	11,132	586	11,718
Issue of shares (less share issue costs)	(300,312)	-	-	(300,312)	-	(300,312)
Balance at 31 December 2014	1,653,338	2,172,021	128,784	3,954,143	160,710	4,114,853
2015						
Balance at 1 July 2015	2,137,031	2,693,348	(136,541)	4,693,838	186,674	4,880,512
Total profit for the period after tax	-	844,356	-	844,356	55,286	899,642
Other comprehensive income						
Exchange differences on translation of foreign operation	-	-	305,153	305,153	-	305,153
Total other comprehensive income for the period	-	844,356	305,153	1,149,509	55,286	1,204,795
Total comprehensive income for the period						
Additional paid in capital PT Inetindo Infocom	-	-	-	-	50,064	50,064
Issue of shares (less share issue costs)	999,323	-	-	999,323	-	999,323
Balance at 31 December 2015	3,136,354	3,537,704	168,612	6,842,670	292,024	7,134,694

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the half year ended 31 December 2015

	Consolidated Group	
	31 December	31 December
	2015	2014
	\$	\$
Cash flows from operating activities		
Receipts from customers	15,327,066	8,600,459
Payments to suppliers and employees	(14,607,730)	(9,005,581)
Interest paid	(150,783)	(81,260)
Net cash provided by / (used) in operating activities	568,553	(486,382)
Cash flows from investing activities		
Payments for plant and equipment and intangibles	(880,057)	(78,406)
Payments for security deposits	(87,318)	(173,116)
Payments for acquisition of intangible assets (software)	(112,701)	(24,420)
Net cash provided by / (used) in investing activities	(1,080,076)	(275,942)
Cash flows from financing activities		
Proceeds from issue of shares (net of share issue costs)	949,259	(300,312)
Proceeds from additional paid in capital for PT Inetindo Infocom	50,064	11,718
Proceeds from / (repayments of) bank loans	(420,454)	378,565
Proceeds from other loans	-	149,820
Provision of other loans	-	(82,152)
Net cash provided by financing activities	578,869	157,639
Net increase / (decrease) in cash held	67,346	(604,685)
Cash and cash equivalents at the beginning of the financial period	80,596	704,454
Cash and cash equivalents at the end of the financial period	147,942	99,769

The accompanying notes form an integral part of these financial statements.



CONDENSED NOTES TO THE FINANCIAL STATEMENTS
For the half year ended 31 December 2015

1. Basis of Preparation

These general purpose interim financial statements for the half year reporting period ended 31 December 2015 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Story-I Limited and its controlled entities (referred to as the "consolidated group" or "group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2015, together with any public announcements made during the following half year ended 31 December 2015.

a) New and Revised Accounting Requirements Applicable to the Current Half year Reporting Period

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The Group has considered the implications of new and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
For the half year ended 31 December 2015**1. Basis of Preparation (continued)****b) Principles of Consolidation**

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Story-I Limited) 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. A list of the subsidiaries is provided in Note 9.

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.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss and other comprehensive income.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
For the half year ended 31 December 2015**(c) Going Concern**

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

For the half year ended 31 December 2015, the Group earned a profit of \$844,356 and had net cash inflows of \$67,346.

The Directors believe that it is reasonably foreseeable that the Company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

2. Trade and Other Receivables Other

	31 December	30 June
	2015	2015
	\$	\$
Trade debtors	4,220,167	6,642,527
Prepayments	341,744	395,658
Prepaid tax	424,643	387,761
Other receivables	204,272	88,000
Advance payment	1,582,694	36,566
	<u>6,773,520</u>	<u>7,550,512</u>

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
For the half year ended 31 December 2015
3. Contributed equity

	31 December 2015 \$	30 June 2015 \$
Ordinary shares		
Issued and fully paid	3,136,354	2,137,031
Movement in fully paid ordinary shares:	No. of Shares	\$
At 1 July 2015	120,443,708	2,137,031
Issued at \$0.06 per share 14 October 2015	18,000,000	1,080,000
Less: costs associated with issue of shares	-	(80,677)
At 31 December 2015	138,443,708	3,136,354

4. Segment Information

The Company has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Company operates in the segments of corporate activity within Australia and Singapore, and operational activity in Indonesia. In the current financial period, the Company operated in the same segment.

The Company is domiciled in Australia. All revenue from external parties is generated from Indonesia only. Segment revenues are allocated based on the country in which the party is located.

All the assets are located in Australia, Singapore and Indonesia. Segment assets are allocated to countries based on where the assets are located.

Reportable segments:	Australia \$	Singapore \$	Indonesia \$	Consolidated \$
Segment revenue				
2015	-	-	12,804,706	12,804,706
2014	-	-	10,274,897	10,274,897
Segment result				
2015	(183,783)	(9,614)	1,093,039	899,642
2014	-	(81,372)	847,029	765,657
Segment assets				
2015	236,120	8,331	10,838,173	11,082,624
2014	121,200	4,809	10,111,180	10,237,189
Segment liabilities				
2015	(34,107)	-	(3,913,823)	(3,947,930)
2014	(49,542)	-	(5,307,135)	(5,356,677)
Depreciation and amortisation expense				
2015	-	-	(118,739)	(118,739)
2014	-	-	(78,406)	(78,406)



CONDENSED NOTES TO THE FINANCIAL STATEMENTS
For the half year ended 31 December 2015

5. Events Subsequent to Reporting Date

There have been no other material items, transactions or events subsequent to 31 December 2015 which, although they do not relate to conditions existing at that date, have not been dealt with in this report and which would cause reliance on the information shown in this report to be misleading.

6. Contingent Liabilities

There are no contingent liabilities at the reporting date.

7. Dividends

No dividends were paid or declared payable during or since the half year.

8. Expenditure Commitments

The Group has certain operating commitments pertaining to non-cancellable operating leases and other non-cancellable agreements contracted for but not recognised in the financial statements:

	Consolidated 31 December 2015	Consolidated 30 June 2015
	\$	\$
Not later than one year	9,608	266,865
Between one and five years	332,136	395,658
	<u>341,744</u>	<u>662,523</u>

9. Controlled Entities

	Country of Incorporation	Percentage Controlled (%)	
		31 December 2015	30 June 2015
Subsidiaries of Story-I Limited:			
Story-I Pte Ltd	Singapore	100	100
PT Inetindo Infocom	Indonesia	95	95

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (a) complying with Accounting Standard AASB 134 Interim Financial Reporting; and
 - (b) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the half year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Michael Pixley
Director

Dated at Perth this 29th day of February 2016.

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF STORY-I LIMITED AND ITS CONTROLLED ENTITIES

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year report of Story-I Limited ("the Company") and its controlled entities ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 31 December 2015, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration for the Consolidated Entity, comprising both the company and the entities it controlled during that half year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Company's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if provided to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Story-I Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134: *Interim Financial Reporting and the Corporations Regulations 2001*.



ROBERT EVETT
Director
Sydney



BENTLEYS NSW AUDIT PTY LTD
CHARTERED ACCOUNTANTS

Date: 29 February 2016