

Quarterly Activities Report – June 2025

31 July 2025

Sydney, 31 July 2025: **Equity Story Group Ltd (Equity Story or Company, ASX: EQS)** is pleased to present its **Quarterly Activities Report** and **Appendix 4C Cash Flow Report** for the June 2025 quarter.

Introduction

We are pleased to report that management's focus on expanding Wealth Advisory services was ultimately realised with the finalisation of a binding sale and purchase agreement to acquire the business and assets of Baker Young Limited, a premier full-service wealth advisory firm based in Adelaide. Whilst finalisation occurred post June quarter end, the transaction was many months in negotiation and followed Equity Story operating as an authorised representative of the Baker Young AFSL since December 2024.

In summary, the acquisition includes over \$700m in Funds Under Management across more than 6,000 client accounts; \$4.5m in audited revenue; and 40 years of premier wealth advisory services, including a range of discretionarily managed portfolios which over 10 years of index-beating performance. Whilst the Company announced on 21 July 2025 that it expected to take over operations on 1 August 2025, it is now expected that formal takeover will occur in later August 2025.

Revenue from the Equity Story Securities division was up over 100%, underpinned by leading a capital raise for another publicly listed company of \$2m; and raising approximately \$3m in litigation funding.

The Group also established a Litigation Fund during the quarter as another investment option for clients and members.

Equity Story Growth Fund Performance

Period	EQS Growth Fund	Benchmark*	Outperformance
June Month	+1.56%	+1.30%	+0.26%
June Quarter	+3.95%	+8.69%	-4.74%
Rolling 12 months	+13.62%	+9.68%	+3.94%

*Benchmark: XAO All Ords index

The Equity Story Growth Fund applies a proprietary blend of fundamental and technical analysis (CTM methodology) to achieve strong investment outcomes. The Fund took a conservative position earlier in the year with up to 75% cash given global uncertainties to remove potential downside risks. Throughout May and June, the Fund selectively deployed capital into high-conviction ideas, averaging a ~25% cash position in June. While that's still high in a positive market, we were comfortable holding cash given persistent macro risks. The Fund continues to outperform the benchmark over the 12 months, and has also achieved a 38.56% return net of fees since 1 January 2023, outperforming the benchmark by 17.53%.

Management fees for the Fund increased to \$50,280 which represented a substantial increase to the previous three quarters (\$52,600 for entire previous 3 quarters), excluding performance fees.

For more information on fund performance and how to invest in the fund please, visit: <https://equitystoryfund.com.au>.

Membership subscriptions and Wealth Advisory Division

Memberships and Subscriptions

Membership revenue for the quarter came in at \$74,531 down from \$89,000 in the previous quarter. Additional effort and attention was directed towards the finalisation of the acquisition of Baker Young during the quarter which detracted from time spent in revenue-generating activities.

Litigation Funding

During the quarter Equity Story raised circa \$3m from sophisticated and wholesale investors for litigation funding. Following the interest and success of the initial \$2m in funds raised, Equity Story established the Equity Story Litigation Fund as a special purpose vehicle to manage further litigation funding. The Litigation Fund, which returns investors 13.8% interest p.a. (paid quarterly in arrears) as well as a potential success coupon following the 12-month fixed term, is now actively receiving funds and operates under a similar structure and trustee to the Growth Fund.

Equity Story Securities (ESS)

- Equity Story remained active in the ECM space for the quarter, with revenue of \$247K, up significantly from \$92K and \$110K in the previous two quarters.
- Key drivers for the increase in Securities revenue was ESS acting as Lead Manager for a placement of \$2m for QEM Limited (ASX:QEM); and commissions received from funds raised for litigation funding.
- Qualified EQS members can get access to ECM deals by emailing corporate@equitystory.com.au

Portfolio Services (Wealth Management)

Equity Story clients and members have had access to Baker Young Wealth Management Services under the previous licencing agreement, however looks forward to being able to formally offer the long-established private client services more broadly as the Group expands. The Group expects to expand the existing services (below) offered through the Baker Young division to other capital cities:

- Full-Service Stockbroker in Australian & International listed securities execution and advice
- Portfolio Management and Wealth Advisory
- Capital Raising and Corporate Advisory
- Individually Managed Accounts with over 10 years proven performance record

Financial Summary

- **Cash receipts for the quarter were \$311K**, slightly up from the \$305K in the previous quarter, with adjusted revenue up from \$301K to \$374K.
- **Staff, corporate, and administrative expenses were higher than last quarter by 18%**, driven by costs of additional staff and activities for acquisition and expansion.

Related Party Transactions

- Payments to related parties and associates totalled **\$183K**, covering directors' fees and salaries.
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Outlook

The acquisition of Baker Young, notified post quarter-end, is projected to be earnings-accretive and is expected to boost the Group's revenue and recurring income significantly. Based on FY24 results, the transaction boosts Group revenue by over 400%, underscoring its immediate impact and strategic value. (Based on audited FY24 revenue for Baker Young and Equity Story). The contract is expected to complete in mid-August 2025.

The acquisition includes a profit-share model for Baker Young advisers and staff, which will help attract more advisers as the Equity Story Group grows. The transaction aligns with the Company's strategy of targeting selective M&A opportunities that support its goal of providing accessible, high-quality wealth services to retail and high-net-worth investors across Australia.

The acquisition is also expected to boost the quality of services currently offered through the Group and the revenue from those services as integration progresses.

The formal takeover of operations is expected to occur in later in August 2025, and prior to the sunset clause of 31 August 2025.

This announcement has been authorised for release by the **Board of Directors of Equity Story Group Ltd**.

Corporate Enquiries

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About Equity Story Group Ltd (ASX: EQS)

Equity Story Group Ltd (ASX: EQS) is a diversified Australian financial services company that offers investor education, market research, trading insights, wealth management, stockbroking, funds management, and capital markets services.

The Company provides equities market advice, proprietary trading strategies, and educational content through a subscription-based model, including written publications, podcasts, live seminars, and online courses.

Equity Story also provides members with exclusive investment opportunities, capital raises, and managed funds.

Equity Story also operates a dedicated, full-service Wealth Management and Stockbroking division under the Baker Young brand, providing portfolio management, listed securities advice, corporate advisory services, and discretionary account services.

For more information, visit: www.equitystory.com.au.



Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Equity Story Group Limited

ABN

84 653 383 478

Quarter ended ("current quarter")

30 June 2025

Consolidated statement of cash flows	Current quarter A\$'000	Year to date (12 months) A\$'000
1. Cash flows from operating activities		
1.1 Receipts from customers	311	938
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(37)	(73)
(d) leased assets	-	-
(e) staff costs	(207)	(905)
(f) administration and corporate costs	(479)	(1,685)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	5
1.5 Interest and other costs of finance paid	-	(103)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(412)	(1,823)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(2)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter A\$'000	Year to date (12 months) A\$'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	(2)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,208
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	4
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(8)	(21)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(8)	1,191

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	595	809
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(412)	(1,823)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(2)

Consolidated statement of cash flows		Current quarter A\$'000	Year to date (12 months) A\$'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(8)	1,191
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	175	175

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter A\$'000	Previous quarter A\$'000
5.1	Bank balances	175	595
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	175	595

6.	Payments to related parties of the entity and their associates	Current quarter A\$'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	183
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end A\$'000	Amount drawn at quarter end A\$'000
7.1 Loan facilities	1,030	1,030
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	1,030	1,030
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p>On 1 August 2023, the Group announced that it had raised \$1,030,000 via the issue of 103 bonds. Each bond has a face value of \$10,000 each, at an interest rate of 10% per annum, paid semi-annually at 5% every 6 months. The bonds mature five years from issue.</p>		

8. Estimated cash available for future operating activities	A\$'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(412)
8.2 Cash and cash equivalents at quarter end (item 4.6)	175
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	175
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.43
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
<p>Answer: No. On 21 July 2025, the Group announced that it had finalised a binding sale and purchase agreement to acquire the business and assets of Baker Young Limited. The acquisition is expected to bring positive cash flow to this new division, however, will likely result in additional cash outflows in the first quarter, due to timing of cash payments and receipts of monthly revenue.</p>	

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes. A \$3 million debt facility has been entered into with Axiis Capital Pty Ltd, with funding expected to be received in mid-August 2025. This funding will be used to fund the acquisition noted in 8.6.1. It is expected that a part of this loan facility will be used for working capital.

The Company is also in discussions with strategic investors to raise additional capital to fund ongoing requirements in the business and will provide information to the market as and when this occurs.

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The Directors believe that if required, the Company has the ability to raise additional capital on a timely basis and had a proven capability of doing so.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2025

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.