

Strategic acquisition to expand into retail stockbroking

16 April 2025

Highlights

- Equity Story signs a binding heads of agreement to acquire leading financial advisory firm **Baker Young Limited**.
- The acquisition is expected to **be earnings-accretive** and marks a key milestone under EQS's strategic growth plan.
- Company presentation **Thursday 17th April 2025 11am** (link below)

Transaction Highlights

- **\$700 million** in funds under management (FUM)
- **\$180 million** under Managed Discretionary Accounts
- **\$4.5 million** audited FY24 revenue
- Wealth Management division expansion:
 - Access to full-service **retail and high-net-worth investment advice**
 - Stronger **corporate advisory** capabilities
 - National scale-up opportunities with **6,000+ client accounts**
- Consideration of **\$4.2 million** in cash is fully funded through debt, plus issue of 10 million escrowed EQS options. Cash consideration includes an earn-out of \$1.2 million for business performance conditions.
- The Transaction remains subject to EQS completing due diligence, execution of formal sale documentation, and satisfaction of customary conditions precedent.

Strategic Expansion into Full-Service Wealth Management

Equity Story Group Ltd (**Equity Story** or **Company**, ASX: EQS) is pleased to announce that the Company has entered into a binding heads of agreement (**HOA**) to acquire the business and assets of Adelaide-based full-service financial advisory firm Baker Young Limited (**Seller**).

Founded in 2014, Equity Story supports investors with expert research, education, and tools to make informed investment decisions. This acquisition significantly expands the Company's Wealth Management division and enhances its national footprint in the retail and high-net-worth (HNW) investment advice sector.

About Baker Young

Baker Young operates a well-established private client investment business with over 40 years of heritage, servicing a loyal client base of over 6,000 accounts. The business offers:

- Australian listed securities execution and advice;
- Portfolio Management and Wealth Advisory;
- Capital Raising and Corporate Advisory; and
- a robust Individually Managed Account (IMA) platform with \$180 million under discretionary management.

Equity Story sees strong synergies between its proprietary CTM (Chart, Timing, Momentum) trading system and Baker Young's fundamental research-driven approach, offering clients a unique blend of technical and fundamental insights.

Transaction Overview

Purchase Price

Under the terms of the Transaction, Equity Story will acquire Baker Young's business and specified assets (including intellectual property and branding) for A\$4.2 million, comprising an upfront payment of \$3 million (subject to adjustments) and an earn-out component of \$1.2 million, which will be payable subject to the Baker Young business satisfying certain conditions over a 10-month post-completion period. The Company intends to fund the acquisition through debt.

In addition, upon completion of the Transaction (**Completion**), Equity Story will issue 10 million options to the Seller's nominees. The options will be exercisable during a 3-year term at an exercise price of 5 cents each. Half of the options are escrowed for 6 months, with the remaining escrowed for 12 months from the date of Completion.

The Company intends to seek shareholder approval under Listing Rule 7.1 for the issue of the full 10 million options.

Financial Impact and Outlook

The Transaction is expected to be earnings-accretive and will meaningfully contribute to the Group's revenue and recurring income. The Transaction is expected to include a profit-share model for Baker Young advisers and staff, which will serve as a foundation to attract more advisers as the Equity Story Group expands. The Transaction is consistent with the Company's strategy of identifying and pursuing selective M&A

opportunities that align with its commitment to delivering accessible, high-quality wealth services to retail and high-net-worth investors across Australia.

Leadership Commentary

Shane White, CEO of Equity Story Group, said:

"Executing a strategic acquisition like Baker Young so early in my tenure as CEO signals a new phase of growth, ambition, and capability for Equity Story. This opportunity expands our wealth advisory platform, strengthens our corporate advisory reach, and delivers national scale — all while remaining deeply aligned with our mission to improve investment outcomes for Australians. I'm grateful for the efforts of our Founder, David Tildesley, Executive Chairman Brendan Gow, and the broader EQS team in bringing this milestone to life. Importantly, this significant acquisition and outstanding service offering would not have been possible without the exceptional business that Alan Young and David Baker have built over the past four decades as Master Stockbrokers with an acute focus on client wealth. Exciting times ahead for the Group."

Brendan Gow, Executive Chairman of Equity Story (and Founder of Capital Haus), said:

"Baker Young is an ideal strategic fit. This acquisition exemplifies our thesis of consolidating high-quality advisory practices under a forward-thinking brand. As the advisory sector faces generational change and regulatory pressures, we see a clear opportunity to partner with legacy firms ready for scalable, tech-enabled growth. We look forward to integrating Baker Young's excellent team and service model into the EQS family."

Alan Young & David Baker, Founders of Baker Young, added:

"We've spent four decades building Baker Young on a foundation of trust, personalised service, and consistent performance. Joining Equity Story allows us to continue that tradition while expanding our reach, resources, and digital capabilities. We're energised by the vision Shane, Brendan and the EQS team are pursuing, and we're proud to be a part of it."

Key terms of Transaction

As part of the Transaction:

- Baker Young's co-founders and joint managing directors, Alan Young and David Baker, have committed to remaining with the business and Group in key roles to ensure a seamless transition.
- The Baker Young brand will become a division of Equity Story and form part of the foundation of a national expansion strategy.

The Transaction will be subject to the parties executing a formal and more detailed asset sale and purchase agreement (**Formal Agreement**), which is expected to include

warranties and terms customary to an agreement of that nature, as well as the following conditions precedent:

- the Company obtaining, where applicable, all regulatory consents and approvals that may be required for it to complete the Transaction, including any required approvals under the ASX Listing Rules and shareholder approval under ASX Listing Rule 7.1 for the issue of the 10 million options;
- the Seller obtaining all regulatory approvals that may be required for it to complete the Transaction; and
- key Baker Young personnel remain with the business post-Completion on agreed employment terms.

The HOA will terminate if a Formal Agreement is not executed by 31 May 2025 (or such other date agreed by the parties). Although the parties have committed to using reasonable endeavours to do so, there is no guarantee that the parties will be able to agree on the terms of or execute a Formal Agreement.

Thomson Geer is advising Equity Story on the Transaction.

Webinar

[Company presentation](#) **Thursday 17th April 2025 11am**

<https://meet.vfairs.com/?session=f92c5b37-071a-4d70-8f13-ef1329fa4b42>

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About Equity Story Group Ltd

Equity Story Group Ltd (ASX: EQS) is an Australian investor media company that provides stock market trading information, wealth advice, research, investor education, funds management, and capital markets services.

The Company's subscribers pay annual membership fees for written content and podcast-based equities market advice and commentary through several subscription packages and regular paid live and digital investor education courses.

The Company offers other adjacent financial services to its members, including member access to corporate investment opportunities, funds management and additional financial services and content.

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