

BOARD & MANAGEMENT

Wayne Zekulich
Non-Executive Chairman

Peter Gibbons
Managing Director

Darren Bromley
Executive Director / CFO
Company Secretary

Andrew McCulloch
Non-executive Director

Sean Adomeit
Chief Executive Officer Au/NZ

CAPITAL STRUCTURE

| | |
|--------------------|-----------------|
| Ordinary Shares | 1,116.7 million |
| Quoted Options | 28.6 million |
| Unquoted Options | 19.4 million |
| Performance rights | 16.8 million |

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Commercial Collaboration with leading Southeast Asian Online Marketplace

HIGHLIGHTS:

- **Binding term sheet with Australian-headquartered Digital Classified Group, a leading property solutions provider and online property marketplace in Southeast Asia**
- **Openn's products will initially be integrated into the Bproperty.com platform – the largest online property platform in Bangladesh**
- **Immediate material revenue of \$180,000 in the first year plus 2.5% of gross revenue generated by DCG from the partnership**
- **Significant growth potential across further emerging markets where DCG operate**
- **The collaboration is consistent with Openn's strategy to work with established players in international markets for efficient, low-cost commercial roll-out**

Australian-listed property technology company, Openn Negotiation Limited (**ASX: OPN**) (**Openn** or **Company**) is pleased to announce the execution of a binding term sheet (**Term Sheet**) for the indicative material terms of a collaboration with Melbourne headquartered Digital Classified Group Pty Ltd (**DCG**) (**Collaboration**). The Collaboration will see Openn, through its wholly owned subsidiary, Openn World Pty Ltd, and DCG work to advance the development, deployment and integration of Openn's proprietary products in the Southeast Asian markets that DCG operates.

Established in 2013, DCG has built a portfolio of Asia Pacific's leading and fastest-growing online real estate and general classified marketplaces which now serve 600 million market participants across property markets in Indonesia, the Philippines, Bangladesh, Cambodia and Papua New Guinea. DCG is currently the largest online real estate business in Southeast Asia with 16 million website visitors annually, 13 million social media followers and 900 staff.

The Collaboration will commence on 1 January 2024, with Openn taking part in the development, integration, and deployment of their proprietary software for Bproperty.com Ltd, a wholly owned subsidiary of DCG (**Bproperty**) - the leading portal and comprehensive property solutions provider in Bangladesh.

The key commercial terms of the Term Sheet include:

- (i) The grant by Openn to DCG (and Bproperty) of a non-exclusive licence to use their proprietary software in consideration for a licence fee of \$45,000 per quarter in the first year (decreasing to \$30,000 per quarter in subsequent years), which will result in an immediate and material revenue outcome for the Company.

- (ii) In addition, upon completion of the development and integration of the software into Bproperty's portal, Openn will receive an ongoing success fee equal to 2.5% of gross revenue generating by DCG from the Collaboration, which is anticipated to yield additional revenue of approximately \$90,000 per annum.
- (iii) The initial term of the Collaboration is for 12 months and will automatically extend for further 12 month periods unless validly terminated in accordance with the terms of the Term Sheet.

Notwithstanding that the Term Sheet is legally binding, the parties intend that the transaction terms will be formalised in a commercial development and integration agreement to be executed by the parties in due course.

[Bproperty.com](https://www.bproperty.com), Bangladesh's first and largest online property marketplace was established in 2016 and acquired by DCG in 2022. The platform's vision is to ensure that all Bangladeshi citizens have access to a reliable, secure, and trusted real estate service provider and specialises in property searches and facilitating ancillary services such as legal assistance, mortgage advice and interior design.

Whilst the Collaboration initially aims to benefit Bproperty's in-house sales agents, if successful, both parties will work towards the potential for further expansion across DCG subsidiary businesses in other territories. DCG will actively promote the adoption of Openn's products within the DCG's online property platforms and through sales agents and back-office support staff. It is envisaged that the Bproperty integration will set the platform for a rollout of Openn's products in DCG's other key jurisdictions and markets.

This Term Sheet is consistent with Openn's strategic intention to collaborate with established players in global property markets to facilitate high impact and low cost commercialisation opportunities.

Openn notes that the collaboration with DCG in the Southeast Asian markets complements the Company's existing market penetration in the early adopting Australian and New Zealand markets, and also the highly advanced commercialisation strategy in the very deep North American markets.

The Company is particularly well advanced with a go-to-market strategy in Canada where the federal government is introducing the Trust in Real Estate Services Act (**TRESA**), legislating the requirement for transparency in property transactions. Openn is working in partnership with the Canadian Real Estate Association (**CREA**) – an industry body representing some 160,000 real estate agents across Canada. Openn's live offer feed are integrated into CREA's ubiquitous online real estate portal, REALTOR.ca.

Today's announcement is another step for Openn as the Company sets about achieving its goal of becoming a major global player within the real estate transaction and knowledge management universe, and positions itself at the forefront of promoting transparency and accountability to agents, vendors and purchasers in the evolving digitisation of the home purchase process.

Openn Negotiation Managing Director Mr Peter Gibbons commented: *"Openn's products address the global issue of transparency in the real estate sales process. Whilst we have developed the platform within the Australian and New Zealand markets and we are in the process of commercialisation in North America, the demand for transparency exists in every real estate market in the world.*

"By working with groups such as DCG, Openn is able to provide an efficient pathway to commercialise our products by leveraging the existing market power of leading real estate markets participants, as evidenced by the material and recurring revenue Openn expects to derive from this agreement.

"DCG are major players in other Southeast Asian markets and we anticipate that success in the integration with Bproperty will lead to opportunities in new territories."



Digital Classifieds Group Pty Ltd CEO Mark Nosworthy commented: *"In the ten years since our business was established, DCG has proudly built leading market positions in the several South East Asian markets in which we operate."*

In order to maintain our dominant market position, we continually seek to improve our systems. We anticipate that a rollout of Openn's products across our platforms will improve our internal operating efficiencies and enhance the user experience for visitors to our online marketplaces."

This announcement is authorised for market release by the Board of Openn Negotiation Ltd.

ENDS

Further information:

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About Openn Negotiation

Openn is an Australian property technology company offering a proprietary cloud-based software platform to support real estate agents in selling property online with greater transparency.

The Openn platform facilitates a negotiation process, featuring streamlined digital contracting and automated communication tools, which enhances a property transaction. The solution provides buyers with real-time feedback through their device on how much competition exists and where their price stands in the negotiation, resulting in an optimal sales outcome.

Forward-Looking Information

This announcement contains forward-looking information that is based on Openn's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to Openn's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, negotiations, and product/service development. Generally, this forward-looking information can be identified by the use of terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that Openn's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause Openn's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.