



# OPENN QUARTERLY REPORT Q1 FY24



31 OCTOBER 2023

Openn Negotiation Limited (ASX: OPN)

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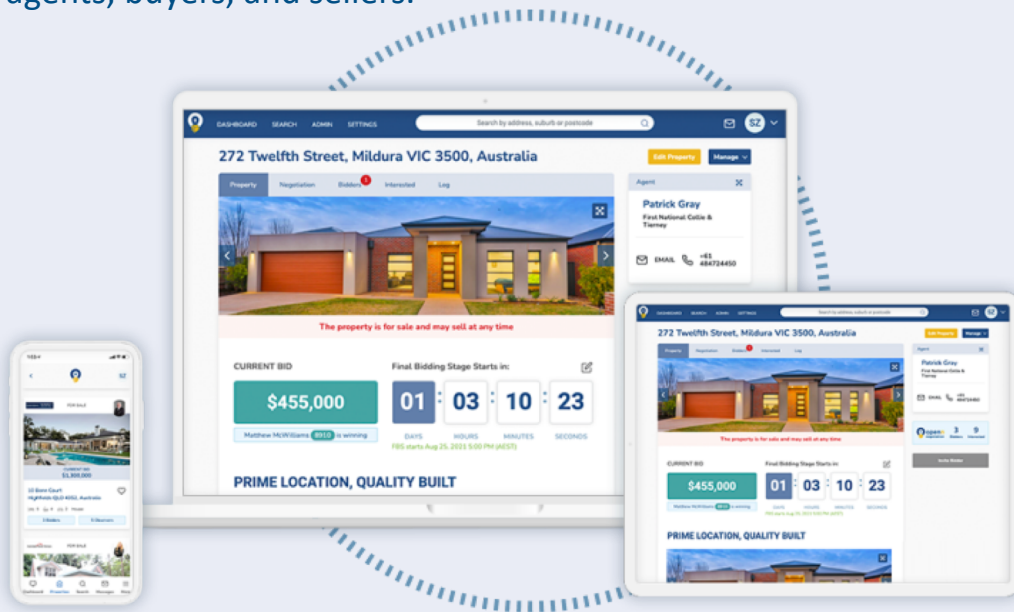
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# WHO ARE WE?



## VISION

To revolutionise real estate transactions globally by providing seamless and efficient offer management tools that simplify the process, foster transparency, and enhance success for agents, buyers, and sellers.



## OPENN EVOLUTION



### Launched transparent sales method

Openn launches in 2017 with unique selling method that builds competitive tension by allowing more buyers to compete through transparent price discovery



### Proven product market fit

Offers a consistent and trustworthy process that provides proof of a property's market value



### Complete workflow development

Global adoption of digital offer submission is on the rise. Openn advances its platform to enable comprehensive end-to-end offer management, complete with e-signature functionality, coinciding with its launch in Canada

# WHAT'S COVERED



**CORPORATE  
UPDATE &  
CASHFLOW  
COMMENTARY**



**MANAGING  
DIRECTOR  
COMMENTARY**



**HIGHLIGHTS**



**OPERATIONAL  
UPDATE &  
STRATEGY**



**OUTLOOK &  
MILESTONES**

# CORPORATE UPDATE & FUNDING



## CAPITAL STRUCTURE (as at 30 Oct 2023)

|  |                 |
|--|-----------------|
| ASX Code   | OPN             |
| Top 20 Shareholders (as at 30 Oct 2023)          | 64.43%          |
| Cash (as at 30 Oct 2023)                         | \$1.8 million   |
| Share Price (as at 30 Oct 2023)                  | \$0.008         |
| Shares on Issue (as at 30 Oct 2023)              | 1,116.7 million |
| Employee Performance Rights**                    | 16.8 million    |
| Unquoted Options***                              | 19.4 million    |
| Quoted Options****                               | 28.6 million    |
| Market Capitalisation (undiluted at 30 Oct 2023) | \$8.9 million   |

\*\* 16.8 million performance rights under Employee Incentive Plan

\*\*\* 2.9 million unquoted Lead Manager Options exercisable at \$0.24, expiring 20/01/25

\*\*\* 15.0 million unquoted Options exercisable at \$0.35 - \$0.65, expiring 14/04/24

\*\*\* 1.5 million unquoted Options exercisable at \$0.40, expiring 13/09/24

\*\*\*\* 28.6 million quoted options exercisable at \$0.10, expiring 2 years from the date of issue

## BOARD & MANAGEMENT



**WAYNE ZEKULICH**

NON-EXECUTIVE  
CHAIRPERSON



**PETER GIBBONS**

MANAGING DIRECTOR,  
FOUNDER



**DARREN BROMLEY**

EXECUTIVE DIRECTOR, COMPANY  
SECRETARY,  
CHIEF FINANCIAL OFFICER



**ANDREW MCCULLOCH**

NON-EXECUTIVE DIRECTOR



**SEAN ADOMEIT**

CHIEF EXECUTIVE OFFICER  
AUS/NZ

## Funding

On 19 July 2023, Openn announced the results of the oversubscribed Offer. Accordingly, upon completion of issuing the New Shares, the amount raised was \$3,190,513 (before costs).

Total cash at 30 September 2023 was \$1.849 million.

## Shareholder Analysis

As at 30 September 2023, the Company had 1,297 shareholders and 1,116,679,635 shares on issue. The top 20 shareholders held 63.89% of the total issued capital.

## Related Party Payments

In accordance with ASX listing Rule 4.7C.3, payments to related parties and their associates outlined in the Company's Appendix 4C for the quarter of approximately \$154k relate to directors' salaries, fees and superannuation payments.

# QUARTERLY CASHFLOW COMMENTARY



## Revenue

The Openn Board is pleased that the significant cost optimisation process undertaken as referred to in section 3.2, “**Estimated Runway**” of the Renounceable Entitlement Offer Supplementary Prospectus announced on 4 July 2023, has not had a material adverse affect on SaaS revenue. Cash receipts for the historically quiet September quarter was \$142k – up 8.4% compared to the prior 12-month quarterly average of \$131k.

The Company expects further material revenue opportunities to emerge in the current markets it is operating in and in additional markets as they emerge. Refer to the Company’s ASX announcement on 30 October 2023 “**Collaboration with Southeast Asian Online Marketplace**”.

## Costs

1. Rationalised staffing levels and operating expenses is estimated to reduce the Group’s average monthly net outflows to approximately \$300k for Q2 FY24.
2. Cash inflows from the fully underwritten Renounceable Entitlement Offer (**Offer**) were received by the Company mid-July 2023. Excess payables were carried over at 30 June 2023 and paid from the proceeds of the Offer.
3. Operating activity costs include one off and large annual costs: Legal Recapitalisation costs (\$73.7k), annual ASX listing and Escrow release fees (\$67.7k), annual insurance costs (\$160k) and annual NSW Payroll tax (\$39.6k) which is no longer applicable due to Openn’s cost optimisation process.
4. Cash outflows from investing activities included underwriting fees (\$191.4k) and share registry fees (\$36.6k).
5. Further revenue and cost optimisation processes are being considered and the Company will advise the market on these when they eventuate.

# MANAGING DIRECTOR COMMENTARY



Overall, the team and I are incredibly buoyed by the last quarter's operations, results, and opportunity ahead of us. Furthermore, our working relationship with Axiom Properties Ltd, our new substantial shareholder (20%) and capital partner, is positive and producing numerous compelling opportunities.

The first quarter of the new financial year has brought tremendous productivity and excitement to our company. As expected, July witnessed higher cash outflows, as highlighted in slide 6 with August and September showcasing the fruits of Openn's efforts to rationalise costs.

Pleasingly, we've achieved an increase in revenue and our subscription base is steadily growing while operating with a leaner cost structure. This validates our strategy's effectiveness in transitioning from one-off transactional fee's to recurring revenues and leveraging the scalable enhancements embedded in our platform. The platform has evolved substantially in recent months to better support offer management workflows, earning Openn a reputation as the best-in-class solution in this domain.

Our strategic partnership approach with established international players is beginning to yield results. Multiple revenue agreements originating from Canada have been executed and will kick off from December. These agreements are driven in part by the imminent implementation of the Trust in Real Estate Services Act, 2002 (**TRESA**) transparency legislation in Ontario, Canada's largest market on December 1st. With approximately 96,000 agents in need of compliance assistance, Openn is perfectly positioned to support the industry during this transformative period.

To strengthen our presence in Canada, we've announced a pivotal partnership with Lone Wolf, a North American residential real estate software provider, who service a large share of the Canadian market with a transaction management productivity suite. This integration will grant Openn access to Lone Wolf's API, facilitating seamless transaction data flow. When combined with our [REALTOR.ca](https://www.realtor.ca) integration, Canada is poised to become one of the world's most sophisticated, efficient, and transparent real estate markets.



# MANAGING DIRECTOR COMMENTARY CONTINUED...



Openn is well-positioned to seize the opportunity in Canada's evolving market, with recent insights from a three-week visit in October confirming that significant change is on the horizon. Openn's technology solves numerous problems and compliments compliance with the impending TRESA legislation as mentioned previously. How Openn assists in their "Open Offer" process is validated [HERE](#) on the Ontario Real Estate Association's website. Further details of TRESA are outlined [HERE](#).

Several high-profile legal suits and class actions are in process in Canada & the US, alleging price-fixing and anti-competitive practices. In North America, Openn's technology is built to assist in eliminating the problems leading to these actions. See [HERE](#) for details.

As announced on 30 October 2023, we've established a landmark partnership with Digital Classifieds Group (**DCG**), a leader in property solutions and online portals across Southeast Asia. Our platform will initially integrate with [Bproperty.com](#), DCG's Bangladeshi operation, with the potential to generate over \$270,000 in annual revenues in the near term (\$180k fixed, >\$90kpa variable). Successful delivery of milestones with Bproperty could lead to expansion across DCG's portfolio in Indonesia, the Philippines, Cambodia, and Papua New Guinea.

Lastly, I'm delighted to welcome Andrew McCulloch to the Openn Board as a non-executive and independent director. Andrew's extensive network and industry knowledge, as a Director of Ray White NSW/ACT and the networks Director of Growth, are valuable additions to our team.

Thanks as always to our team, customers and investors for your support.



**PETER GIBBONS**  
MANAGING DIRECTOR, FOUNDER



# HIGHLIGHTS SEPTEMBER QUARTER FY23



- ✓ Openn signs deal with DCG who has established first mover advantage as portal and real estate services player across Asian emerging markets. The deal drives immediate material revenues via the initial integration with B Property in Bangladesh and unlocks significant growth potential across the DCG portfolio
- ✓ Landmark partnership signed with Lone Wolf in Canada. As a market leading player in providing forms software, the integration significantly enhances the value proposition and distribution pathways for Openn
- ✓ First revenue deals secured in Canada ahead of the impending implementation of the Trust in Real Estate Act (TRESA) across Ontario.
- ✓ First revenue deals secured in Canada ahead of the impending implementation of the Trust in Real Estate Act (TRESA) across Ontario.
- ✓ Cost rationalisation project complete as evidenced by significantly reduced cash burn visible in September month and representative of new operating cost base
- ✓ Core Logic implementation of phase two integration with On the House to provide transparency across private treaty listings scheduled to be released early November 2023

*The past quarter has been a monumental period for Openn, showcasing our resilience and a strong commitment to fulfilling our promises.*

*Our inaugural revenue from Canada underscores the fruits of our dedicated work over the past 18 months. The prospect of becoming a significant player in the vast and evolving Canadian market is tangible and approaching rapidly.*

*In addition, our partnership with DCG stands as a clear and resounding endorsement of Openn's technology. This announcement marks another step in Openn's quest to establish itself as a substantial global presence in real estate transaction and knowledge management. It firmly positions Openn at the forefront of driving transparency and accountability for agents, sellers, and buyers in the evolving digitisation of the home purchasing process.*

*This achievement reflects the dedication of the Openn team and the unwavering support of our shareholders, both new and long-standing, and our loyal agent customer base.*

*Together, we are realizing our original mission – to create a more efficient way to transact in the real estate industry*

**Sean Adomeit, CEO**

# TECH & PRODUCT UPDATE



## ✓ Design

continued evolution of the product style and function to make the product more beautiful and accessible to our users. This quarter focused on reach and stickiness by adding more options for agents to transact in the manner best suited to their campaign and market

## ✓ Observers

made it even easier for people to watch a negotiation and connect with a listing agent. The success of this tool for lead generation has been staggering.

## ✓ Event API

developed a new service to share offer and transparency information with select integration partners.

## ✓ Transparency

streamlined and expanded transparency options allowing a range of campaign styles ranging from full transparency for maximum competition and accountability, to a private campaign with no transparency where Openn provides offer management and contracting solutions.

The screenshot displays the 'Observers' tab in the Openn interface. At the top, there are tabs for 'Property', 'Timeline', 'Buyers', and 'Observers'. Below these are filters: 'All - 10', 'Interested in buying - 5', and 'Selling a property - 6', along with an 'Invite observer' button. The main table lists observers with columns for Name, Buying, Selling, Status, and Registration date. An 'Observer details' modal is open, showing details for 'Kualis Tod', including contact information, a status of 'Active', and registration details. The modal also contains a form to confirm interest in buying or selling a property.

| Name               | Buying | Selling | Status          | Registration date    |
|--------------------|--------|---------|-----------------|----------------------|
| Jacob Jones        | No     | No      | Withdrawn       | 15 May 2020 5:00 pm  |
| Annette Black      | Yes    | Yes     | Withdrawn       | 15 May 2020 10:00 pm |
| Leslie Alexander   | No     | No      | Converted buyer | 15 May 2020 7:00 pm  |
| Jenny Wilson       | Yes    | Yes     | Converted buyer | 15 May 2020 8:00 pm  |
| Cameron Williamson | No     | No      | Active          | 15 May 2020 9:00 pm  |
| Kathryn Murphy     | Yes    | Yes     | Active          | 15 May 2020 6:00 pm  |
| on                 | No     | No      | Withdrawn       | 15 May 2020 11:00 pm |

**Observer details**

**Kualis Tod**  
kuvalis.tod@gmail.com  
+61 0422137555  
Active

**Registration details**  
Aug 17, 2023 9:50 PM

Are you interested in buying this property?  
**Yes**

Do you have a property to sell?  
**Yes**

Invite

# DELIVERING REVENUE GROWTH



Five countries operational with significant TAM

(Australia, New Zealand, USA, Canada, Bangladesh)



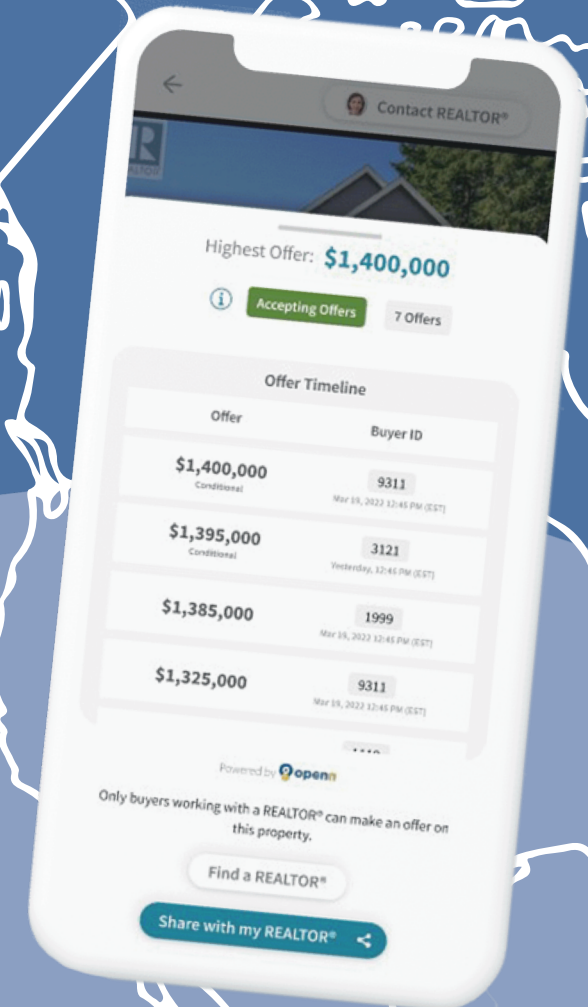
Upfront fees payable to Openn for securing license, development costs + ongoing support / maintenance



Upside retained with a share of revenue via transactional success fees



Additional income generated through bespoke and downstream services (data, adjacent services lead gen)



# INVESTMENT HIGHLIGHTS



World-class, transparent offer management technology with proven product market fit



First mover advantage in North American market resulting in substantial global partnerships



Fully funded and supported by a strong cornerstone capital partner (ASX: AXI) seeking PropTech portfolio growth



Adaptable and scalable tech-stack with identified opportunities in new geographies



Robust IP securing a competitive edge across key markets with significant global scale opportunity

# OUTLOOK Q2FY24



## ✓ TRESA Implementation in Ontario

The Openn platform is available to support brokers with compliance for this new legislation being introduced 1 Dec 2023. Over the coming weeks, our product and development teams will work closely with associations and regulators to ensure perfect alignment with proposed documentation, allowing agents to comply easily with Openn

## ✓ Strong Sales Pipeline

Openn are in the process of appointing an experienced account executive resource to join the team in Canada to support the development and conversion of a growing sales pipeline

## ✓ Rework and enhance the make an offer flow

Work has commenced on revising the offer workflow. Openn is consistently improving the experience of users and has already begun the process to engage key users for testing and feedback

## ✓ Continued negotiations on licensing opportunities

Numerous conversations across Australian, Canadian and other markets are afoot and well progressed to explore symbiotic partnerships that align with Openn's stated objective

## ✓ Core Logic Onthefirst.com.au phase 2 integration

Scheduled to launch in early November, this next phase of our integration will provide consumers with unprecedented insights into the current highest offer. Agents, working with their vendor can elect to toggle on or off this feature to aggregate greater visibility for a listing

## ✓ AGM

Scheduled for 16th November. Investors can attend in person or via Zoom. All information and registration is available via the investor link on the Openn website or via the ASX.

## ✓ Commence initial discovery for launch of MVP with B Property

Scheduled for 16th November. Investors can attend in person or via Zoom. All information and registration is available via the investor link on the Openn website or via the ASX.

# DELIVERING AGAINST MILESTONES



|               |  |  |  |
|---------------|--|--|--|
| <b>STEP 1</b> | Recapitalisation process to raise \$3.19m (before costs)   |  | <b>Complete &amp; oversubscribed</b>             |
| <b>STEP 2</b> | Finalise alignment of organisation to operating and licensing model.<br>Reducing burn significantly targeting >12 months runway. |  | <b>Complete</b>                                  |
| <b>STEP 3</b> | Finalise negotiations to secure two license agreements in the 2023 calendar year.  |  | <b>One of two complete (DCG)</b>                 |
| <b>STEP 4</b> | Progress discussions with identified partners deeply embedded in the North American market .                                     |  | <b>Lone Wolf Complete, numerous others afoot</b> |
| <b>STEP 5</b> | Target breakeven by December 2024 or accelerate investment for growth through justifiable business case & upside potential       |  | <b>On track</b>                                  |
| <b>STEP 6</b> | Identify new real estate market partners in Asia, Europe, South America, South Africa.   |  | <b>On track</b>                                  |
| <b>STEP 7</b> | Identify and begin market research on new verticals, AI integrations and other synergistic M&A opportunities                     |  |  |



**THANK YOU**

**FOR MORE INFORMATION:**

Peter Gibbons  
Managing Director  
T: 1800 667 366  
[investors@openn.com.au](mailto:investors@openn.com.au)



## Appendix 4C

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

**Name of entity**

Openn Negotiation Limited

**ABN**

75 612 329 754

**Quarter ended ("current quarter")**

30 September 2023

| <b>Consolidated statement of cash flows</b>               |  | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(3 months)<br/>\$A'000</b> |
|---|--|------------------------------------|--|
| <b>1. Cash flows from operating activities</b>            |  |                                    |  |
| 1.1 Receipts from customers                               |  | 142                                | 142  |
| 1.2 Payments for  |  |                                    |  |
| (a) research and development                              |  | -                                  | -  |
| (b) product manufacturing and operating costs             |  | (242)                              | (242)  |
| (c) advertising and marketing                             |  | (5)                                | (5)  |
| (d) leased assets   |  | -                                  | -  |
| (e) staff costs   |  | (479)                              | (479)  |
| (f) administration and corporate costs                    |  | (482)                              | (482)  |
| 1.3 Dividends received (see note 3)                       |  | -                                  | -  |
| 1.4 Interest received                                     |  | 1                                  | 1  |
| 1.5 Interest and other costs of finance paid              |  | (5)                                | (5)  |
| 1.6 Income taxes paid                                     |  | -                                  | -  |
| 1.7 Government grants and tax incentives                  |  | 5                                  | 5  |
| 1.8 Other (provide details if material)                   |  | -                                  | -  |
| <b>1.9 Net cash from / (used in) operating activities</b> |  | <b>(1,070)</b>                     | <b>(1,070)</b>                                 |
| <b>2. Cash flows from investing activities</b>            |  |                                    |  |
| 2.1 Payments to acquire or for:                           |  |                                    |  |
| (a) entities  |  | -                                  | -  |
| (b) businesses  |  | -                                  | -  |
| (c) property, plant and equipment                         |  | (1)                                | (1)  |
| (d) investments   |  | -                                  | -  |
| (e) intellectual property                                 |  | (138)                              | (138)  |
| (f) other non-current assets                              |  | -                                  | -  |

| Consolidated statement of cash flows |   | Current quarter<br>\$A'000 | Year to date<br>(3 months)<br>\$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)                   | -                          | -                                     |
| <b>2.6</b>                           | <b>Net cash from / (used in) investing activities</b> | <b>(139)</b>               | <b>(139)</b>                          |

|             |   |              |              |
|-------------|---|--------------|--------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>   |              |              |
| 3.1         | Proceeds from issues of equity securities (excluding convertible debt securities)       | 3,191        | 3,191        |
| 3.2         | Proceeds from issue of convertible debt securities                                      | -            | -            |
| 3.3         | Proceeds from exercise of options   | -            | -            |
| 3.4         | Transaction costs related to issues of equity securities or convertible debt securities | (228)        | (228)        |
| 3.5         | Proceeds from borrowings  | -            | -            |
| 3.6         | Repayment of borrowings   | (29)         | (29)         |
| 3.7         | Transaction costs related to loans and borrowings                                       | -            | -            |
| 3.8         | Dividends paid  | -            | -            |
| 3.9         | Other (provide details if material)   | -            | -            |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                                   | <b>2,934</b> | <b>2,934</b> |

|           |  |         |         |
|-----------|--|---------|---------|
| <b>4.</b> | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |         |         |
| 4.1       | Cash and cash equivalents at beginning of period                             | 124     | 124     |
| 4.2       | Net cash from / (used in) operating activities (item 1.9 above)              | (1,070) | (1,070) |
| 4.3       | Net cash from / (used in) investing activities (item 2.6 above)              | (139)   | (139)   |

| Consolidated statement of cash flows |   | Current quarter<br>\$A'000 | Year to date<br>(3 months)<br>\$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 4.4                                  | Net cash from / (used in) financing activities<br>(item 3.10 above) | 2,934                      | 2,934                                 |
| 4.5                                  | Effect of movement in exchange rates on<br>cash held                | -                          | -                                     |
| 4.6                                  | <b>Cash and cash equivalents at end of<br/>period</b>               | <b>1,849</b>               | <b>1,849</b>                          |

| 5.  | Reconciliation of cash and cash<br>equivalents<br>at the end of the quarter (as shown in the<br>consolidated statement of cash flows) to the<br>related items in the accounts | Current quarter<br>\$A'000 | Previous quarter<br>\$A'000 |
|-----|---|----------------------------|-----------------------------|
| 5.1 | Bank balances   | 1,849                      | 124                         |
| 5.2 | Call deposits   | -                          | -                           |
| 5.3 | Bank overdrafts   | -                          | -                           |
| 5.4 | Other (provide details)   | -                          | -                           |
| 5.5 | <b>Cash and cash equivalents at end of<br/>quarter (should equal item 4.6 above)</b>  | <b>1,849</b>               | <b>124</b>                  |

| 6.  | Payments to related parties of the entity and their<br>associates                          | Current quarter<br>\$A'000 |
|---|--|----------------------------|
| 6.1   | Aggregate amount of payments to related parties and their<br>associates included in item 1 | (154)                      |
| 6.2   | Aggregate amount of payments to related parties and their<br>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> |  |                            |

|   |   |  |
|---|---|--|
| <b>7. Financing facilities</b><br><i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i><br><i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>   | <b>Total facility<br/>amount at quarter<br/>end<br/>\$A'000</b> | <b>Amount drawn at<br/>quarter end<br/>\$A'000</b> |
| 7.1 Loan facilities   | -   | -  |
| 7.2 Credit standby arrangements   | -   | -  |
| 7.3 Other (please specify)  | -   | -  |
| 7.4 <b>Total financing facilities</b>   | -   | -  |
| 7.5 <b>Unused financing facilities available at quarter end</b>   |   | -  |
| 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. |   |  |
|   |   |  |

|  |                |
|--|----------------|
| <b>8. Estimated cash available for future operating activities</b>   | <b>\$A'000</b> |
| 8.1 Net cash from / (used in) operating activities (item 1.9)  | (1,070)        |
| 8.2 Cash and cash equivalents at quarter end (item 4.6)  | 1,849          |
| 8.3 Unused finance facilities available at quarter end (item 7.5)  | -              |
| 8.4 Total available funding (item 8.2 + item 8.3)  | 1,849          |
| 8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>  | 1.73           |
| <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?

Answer: No.

1. The Company has undertaken a cost optimisation process and reduced operating expenses. Refer to section 3.2, “**Estimated Runway**” of the Renounceable Entitlement Offer Supplementary Prospectus announced on 4 July 2023. The Group’s cost optimisation process referred to in Section 2.2 of the Prospectus, announced on 16 June 2023, is estimated to reduce the average monthly Group cash outflows to approximately \$300,000, **commencing from August 2023**.

2. Additionally, cash inflows from the fully underwritten Renounceable Entitlement Offer were received by the Company mid-July 2023. Excess payables were carried over at 30 June 2023 to be paid in July 2023.

3. Operating activity costs include one off and large annual costs: Legal Recapitalisation costs (\$73.7), annual ASX listing fees and Escrow release fees (\$67.7), annual insurance costs (\$160) and annual NSW Payroll tax (\$39.6) which is no longer applicable due to Openn’s cost optimisation process.

4. Cash outflows from investing activities included underwriting fees (\$191.4) and share registry fees (\$36.6).

5. Further revenue and cost optimisation processes are being considered and the Company will advise the market on these if they eventuate.

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: No. Refer to the Company’s ASX announcement on 30 October 2023 “**Collaboration with Southeast Asian Online Marketplace**”. The Company expects further material revenue opportunities to emerge in the current operating markets and in additional markets.

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: Yes, for the reasons outlined above.

*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 October 2023  
.....

Authorised by: 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.