25 July 2025

Activities Report for Quarter Ended 30 June 2025

Openn Negotiation Limited (**Openn** or **Company**) (ASX: **OPN**) refers to its Appendix 4C and Activities Report for the three months ending 30 June 2025.

DOCA Background and Update Status

On 13 May 2024, the Board resolved that a voluntary administration was in the best interests of creditors and shareholders. The Company appointed Richard Tucker and John Bumbak of KordaMentha as Joint and Several Administrators of the Company (**Administrators)** pursuant to section 436A of the Corporations Act 2001 (*Cth*) (**Corporations Act**).

The appointment of the Administrators followed an assessment by the Board that the Company was insolvent or likely to become insolvent in the near future. The Board resolved that voluntary administration was in the best interests of creditors and shareholders. Consequently, the Directors no longer retained management powers, other than as permitted or directed by the Administrator under the Corporations Act.

On 11 June 2024, the Administrators issued a Report to Creditors pursuant to section 439A of the Corporations Act, convening a second meeting of creditors of the Company and its subsidiaries. An overview of the Openn Negotiation Ltd DOCA Proposal (**DOCA Proposal**) was provided in the Report to Creditors. The DOCA Proposal required all of the Company's assets (including its interest in the subsidiaries) to be dealt with before it could be tabled to creditors. Consequently, a resolution to accept the DOCA Proposal was not formally tabled due to the Subsidiaries DOCA needing to effectuate beforehand.

On 17 June 2024, the Supplementary Report, which included the Administrators' position in relation to the DOCA Proposal, was provided to creditors.

On 18 June 2024, the Subsidiaries DOCA was approved by the relevant creditors at the second creditors' meetings (Second Creditors Meeting). The Company's Second Creditors Meeting was adjourned for not more than 45 business days.

On 9 July 2024, the Subsidiaries DOCA was executed by the Subsidiaries, their administrators and the proponents and on 12 July 2024, the Subsidiaries DOCA was effectuated. The consequence of the effectuation of the Subsidiaries DOCA meant that the shares held by the Company in the Subsidiaries were transferred, and the DOCA Proposal could now be formally proposed to the Company's creditors.

The Administrators subsequently called a meeting of creditors pursuant to section 439A of the Corporations Act 2001 (Cth), recommending the proposal of Benelong Capital Partners Pty Ltd to re-capitalise the Company. Following a review of strategic options, a DOCA proposal was approved by creditors on 19 August 2024, and the DOCA was executed on 9 September 2024. The DOCA provides for a recapitalisation of the Company and settlement with creditors.

The DOCA and recapitalisation proposal required shareholder approval. The Resolutions put forward in the Notice of Meeting are to implement the Recapitalisation Proposal. The key terms of the DOCA are that a Recapitalisation will be created to pay creditors, and from which costs, charges and expenses of the Voluntary Administrators will then retire; the conditions precedent require shareholders to pass all resolutions of the recapitalisation proposal.

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On 2 December 2024, the Administrator convened a General Meeting of Shareholders through a Notice of Meeting announcement regarding the suspension from quotation on the official list of the Australian Securities Exchange ("ASX") due to its financial condition. The administrators were seeking approval for a proposed recapitalisation of the Company.

The recapitalisation was intended to facilitate the Company's financial restructuring, satisfy the requirements of the DOCA, and support its potential return to solvency and normal operations. Shareholder approval was being sought for resolutions relating to the consolidation of shares, the allotment and issue of 101.626 million shares to raise $211,000 and potential changes to board composition, and any other matters required to effect the proposed recapitalisation in accordance with the Corporations Act and relevant listing rules.

The Company engaged Hall Chadwick to prepare an Independent Expert's Report (IER) in accordance with ASIC Regulatory Guide 111, in relation to the proposed issue of new shares under the recapitalisation plan. The share issue, if approved and implemented, would result in ST Holding 2 Pty Ltd acquiring a relevant interest in more than 20% of the Company's voting shares. As such, shareholder approval was being sought under item 7 of section 611 of the Corporations Act.

The IER assessed whether the proposed transaction is fair and reasonable to non-associated shareholders. After evaluating the terms of the proposed share issue, including pricing, control implications, alternatives available to the Company, and potential dilution, the Independent Expert concluded that the transaction was fair and reasonable to non-associated shareholders.

The Independent Expert's Report is referred to in the Notice of Meeting.

Effectuation of the Deed of Company Arrangement

On 17 January 2025, it was advised that the conditions precedent had been satisfied and the DOCA was effectuated. The Company exited from external administration, and control was returned to the new Directors. In addition, a new Company Secretary was appointed.

Funding

During the quarter, the Company entered into Loan 1 (unsecured) with ST Holding 2 Pty Ltd (**ST2**) (major shareholder) towards the working capital needs of the Company. The terms of the loans are:

ST2 Loan 1

- The borrowed amount is $74,959.74.
- The loan agreement is dated 22 April 2025,
- Interest-free shareholder loan.

The Company's major shareholder will continue funding the Company through arm's-length loans.

Activities of the Company

The Company notes that pursuant to ASX Listing Rule 4.7C.1, no substantive business activities have occurred during the quarter.

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 $20,000 relate to directors' salaries, fees and superannuation payments.

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

ENDS

Further information:

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Forward-Looking Information

This announcement contains forward-looking information that is based on the Company'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 the Company'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 the Company'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 the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

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Appendix 4C

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

Name of entity

Openn Negotiation Limited

ABN	**Quarter ended ("current quarter")**
75 612 329 754	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	-	2
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	-	(2)
	(e) staff costs	-	(61)
	(f) administration and corporate costs	(71)	(229)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other – DOCA contribution	-	25
1.9	**Net cash from / (used in) operating activities**	**(71)**	**(265)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	15
	(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	-	(49)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**(34)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	211
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	-	-
3.5	Proceeds from borrowings	75	97
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**	**75**	**308**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	164	159
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(71)	(265)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(34)

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)	75	308
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**168**	**168**

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	168	164
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other - Restricted cash, Administrator Appointed	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**168**	**164**

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	20
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

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7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	75	75
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	75	75
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.

On 22 April 2025, the company entered into a deed of loan agreement with its major shareholder, ST Holding 2 Pty Ltd. The initial loan was for $74,959.74. The loan is interest free. The loan is to be repaid by 31 December 2025, or such date agreed by the parties in writing.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(71)
8.2	Cash and cash equivalents at quarter end (item 4.6)	168
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	168
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	2.37

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.

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?

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?

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?

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: 25 July 2025 .....

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.

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