

ASX Announcement | 8 May 2025

OpenLearning Converts ECA Debt to Equity

Sydney, Australia, 8th May 2025: OpenLearning Limited, the AI powered Learning Management System ('OpenLearning' or 'the Company') (ASX: OLL) is pleased to announce it has reached an agreement to extinguish outstanding debt and convert this debt to equity with its largest shareholder Education Centre of Australia ('ECA').

The outstanding debt will convert to shares at a price of 1.74c which represents a 25% premium to the 30-day volume weighted average price (VWAP) on the ASX as at 6 May 2025. This will fully extinguish the Company's \$2.12m outstanding debt obligations to ECA. Following this conversion, \$1m of funds will be available for draw down in the Company's loan facility with ECA. No election has been made to draw down on those funds at this time.

Rupesh Singh, Managing Director of ECA and Director of OpenLearning, said:

"I remain firmly committed to OpenLearning's technological innovation and long-term vision. The Company has consistently increased its SaaS platform revenue, while simultaneously reducing costs and moving closer to break even. These achievements, combined with the vast potential in the global EdTech sector, give me strong confidence in the company's future and its value to all stakeholders."

OpenLearning Managing Director, Adam Brimo, added:

"We are pleased to reaffirm our longstanding partnership with ECA. Their decision to convert debt into equity at a 25% premium above market price underscores their trust in our long-term strategy of OpenLearning and their belief in the opportunities in the Edtech sector."

The Company has been informed that this agreement is conditional on shareholder approval under item 7 of section 611 of the Corporations Act, which will be put to a forthcoming shareholder meeting.

ECA is a company associated with OpenLearning Non-executive Director Mr Rupesh Singh. ECA currently holds 50.74% of the voting power in OpenLearning.

The Board of OpenLearning will form a subcommittee, which will exclude Mr Singh, for the purposes of engaging an independent expert and preparing the requisite notice of meeting.

Key Points of the Debt-to-Equity Conversion

The terms of the debt-to-equity conversion are as follows:

1. Price of the conversion is 1.74c. This represents a 25% premium to the 30day VWAP price of OLL shares on the ASX at the close of trading on 6/05/2025.
2. This conversion will fully extinguish the Company's circa \$2.12m outstanding debt obligations to ECA. ECA currently holds 50.74% of ordinary shares in OpenLearning. Following the conversion ECA will hold 60.67% of ordinary shares in OpenLearning.

3. Rupesh Singh is a director of both ECA and OpenLearning. He will be excluded from the subcommittee which will engage an independent expert who will evaluate this agreement.

The non-conflicted Directors of OpenLearning are of the view that the terms of the loan are more favourable than those the Company could secure from a third party and that a loan facility of this nature preserves share value and is in the best interests of all shareholders at this time.

This release has been approved by the Board of directors.

Ends.

Authorised by:

Adam Brimo

Group CEO & Managing Director

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We encourage shareholders to sign up for electronic news distribution with our share registry, Automic at:

automicgroup.com.au

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About OpenLearning

OpenLearning is an AI powered learning management system.

The platform provides a full suite of tools for online learning, course creation and delivery, for education institutions, corporations and government.

OpenLearning is a trusted partner to more than 230 leading education providers, who have delivered tens of thousands of courses to over 3 million learners through its platform.

With a strong position in the Australian and Malaysian higher education sectors, and a growing presence in the Philippines, Indonesia and India, OpenLearning is revolutionising the way education is accessed and delivered globally.

To learn more, please visit: solutions.openlearning.com