



ASX ANNOUNCEMENT

26 October 2021

Swoop to Acquire Sydney-based Voice Service Provider VoiceHub

Transaction highlights

- Swoop has entered into an agreement to acquire Sydney-based wholesale voice service provider VoiceHub.
- Voicehub provides wholesale and business voice and unified communications services to customers across Australia.
- The Purchase Price payable at completion is \$6 million, comprising \$4 million in cash and \$2 million in Swoop shares to be issued at the 30-day VWAP prior to Completion
- An earn out of up to a maximum of \$2.5 million is payable based on VoiceHub's FY2022 EBITDA performance.
- The Purchase Price represents a 4 times multiple of VoiceHub's FY2021 normalised EBITDA.
- The Swoop shares' consideration will be subject to 12 months escrow
- The acquisition will be funded from existing cash reserves and Swoop is targeting completion on 31 October 2021.

Swoop Holdings Limited (ASX:SWP) (**Swoop**) is pleased to announce that it has agreed to acquire Voicehub Group Pty Ltd (ACN 623 008 891) and Harbortel Pty Ltd (ACN 143 193 711) (together, **Voicehub**). The purchase price for the acquisition comprises:

- \$4 million payable in cash on Completion (subject to customary net debt and working capital adjustments);
- \$2 million to be satisfied by the issue of fully paid ordinary shares of Swoop at completion at the 30 day VWAP of Swoop shares prior to Completion;
- Up to \$2.5 million based on the EBITDA of Voicehub (excluding extraordinary and one off items) for FY2022 (**Deferred Consideration**) to be satisfied as to two thirds in cash and (subject to shareholder approval being obtained as noted below) as to one third in Swoop shares at the 30 day VWAP of Swoop shares prior to Completion (**Deferred Consideration Shares**).

The acquisition is subject to customary conditions precedent including obtaining consent to change of control and VoiceHub employees entering into new employment agreements on terms satisfactory to Swoop.

The consideration shares to be issued at Completion will be issued from Swoop's existing placement capacity under Listing Rule 7.1. and will be escrowed for a period of 12 months from Completion.



Swoop will seek shareholder approval for the issue of the Deferred Consideration Shares. Swoop has also sought a waiver from ASX to permit the Deferred Consideration Shares to be issued more than three months after the general meeting at which shareholder approval is obtained. The Deferred Consideration Shares will be escrowed for a period of 12 months from their date of issue. If shareholder approval is not obtained, the Deferred Consideration will be paid all in cash.

Completion of the acquisition will occur on 31 October 2021 or on the later satisfaction (or waiver) of the conditions precedent.

VoiceHub provides wholesale voice services including traditional voice services, unified communications, virtual numbers, SMS messaging solutions and Advanced Intelligent Networking, and operates in Australia and New Zealand.

Swoop CEO, Alex West stated, “Acquiring VoiceHub’s network provides another opportunity for Swoop to further expand the range of services we can offer across our growing client base in Australia.

Voicehub has invested significantly in upgrading operations and automation technology; and gives us a strong springboard for continued growth in this market. We look forward to the opportunities this acquisition provides in establishing strong voice services capability across our business brand where unified voice and conference collaboration tools are becoming increasingly important to run any business, whilst also providing further infrastructure to support our large partner channel.”

Bonitz Advisory is acting as Swoop’s M&A adviser on this transaction, Maddocks is acting as legal adviser and PKF as tax adviser.

This announcement has been authorised for release by the Board of Swoop Holdings

Limited. For further information, please contact:

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About Swoop

Swoop is a national provider of fixed wireless internet services to wholesale, business and residential customers. The Swoop network is designed and scaled to deliver ultra-reliable, high throughput, flexible telecom network services. Swoop is established and has the goal to build its business to become Australia’s best challenger internet and telecommunications provider.

Forward looking statements

This announcement contains forward-looking statements, which address a variety of subjects including, for example product development, marketing position and technical



advances. Statements that are not historical facts, including statements about our beliefs, plans and expectations, are forward-looking statements. Such statements are based on our current expectations and information currently available to management and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those described in the forward-looking statements. The Company's management believes that these forward-looking statements are reasonable as and when made. However, you should not place undue reliance on any such forward-looking statements because such statements speak only as of the date when made. We do not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law or the ASX Listing Rules. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results, events, and developments to differ materially from our historical experience and our present expectations.