

Receipt of unconditional on-market takeover offer from MaxoTel at 4.2c cash per share

17 October 2024

Telecommunications innovator Vonex Limited (ASX: VN8) today received a bidder's statement from Maxo Telecommunications Pty Ltd ACN 129 852 526 (MaxoTel) in respect of an on-market takeover offer to acquire all of the ordinary shares in Vonex for \$0.042 cash per Vonex Share.

Background to the Takeover Offer

A meeting of Vonex shareholders is scheduled to be held at 11:00am Brisbane time on Wednesday, 23 October 2024 to consider a scheme of arrangement proposed by MaxoTel to acquire all of the Vonex Shares at \$0.0419 cash per Vonex Share¹.

Since the release by Vonex of a supplementary scheme booklet on 1 October 2024, the following developments have occurred:

- Swoop Holdings Limited (ASX:SWP) announced on 4 October 2024 that it has voted its Vonex Shares (representing 19.9% of the Vonex Shares on issue) against the Scheme; and
- MaxoTel (including its associates) lodged a substantial holder notice on 4 October 2024 advising that they together hold 18.44% of the Vonex Shares on issue.

Due to the voting power in Vonex held by Swoop and the fact that MaxoTel (together with its associates) are not permitted to vote on the Scheme, unless Swoop withdraws its vote or revises its vote in favour of the Scheme (or Swoop's or MaxoTel's shareholdings change) the Scheme is unlikely to be approved at the upcoming meeting on 23 October 2024.

Should it secure a majority of the shares in the Company, MaxoTel has indicated its intention to complete the acquisition by way of a Scheme, assuming its on-market takeover offer resolves the current impasse with Swoop. The Company will therefore ask the Court for permission to defer the Scheme meeting to shortly after the close of the takeover offer, to ensure shareholders have had a chance to respond to the takeover offer, prior to any Scheme meeting.

¹ MaxoTel has previously confirmed, in the context of the Scheme, that \$0.0419 cash per Vonex Share is its best and highest price and will not be increased, unless a third party makes or proposes a higher or superior proposal or offer or the Vonex Directors recommend to shareholders any third-party proposal or offer. A copy of the correspondence received from MaxoTel is attached to Vonex's ASX announcement dated 1 October 2024. We anticipate that MaxoTel will continue to seek to finalise the Scheme at \$0.0419, should it proceed, following the takeover offer.

Key terms of Takeover Offer

As the Offer is an on-market bid, it is unconditional and payment of the consideration will be by way of cash.

The key features of the Offer are:

- it is an on-market, unconditional cash offer of \$0.042 per Vonex Share (an on-market offer cannot be made at \$0.0419 without regulatory relief, but the slight premium to the existing MaxoTel Scheme offer also reflects the marginal increased optionality in the Scheme);
- Morgans Stockbroking will purchase, on behalf of MaxoTel, all Vonex Shares offered to it on-market at the Offer Price until the conclusion of the offer period on 2 December 2024; and
- the Offer Period may be extended, the Offer Price may be increased or the Offer withdrawn in accordance with the Corporations Act.

Response to MaxoTel's Takeover Offer

Vonex will prepare a target's statement in response to MaxoTel's Takeover Offer. Under the *Corporations Act 2001* (Cth), Vonex has 14 days from today's announcement of the Takeover Offer to give its target's statement to Vonex shareholders.

Vonex notes that the Offer Price under the Takeover Offer is marginally higher than the consideration offered by MaxoTel under the Scheme. The Vonex Directors continue to believe, in the absence of a superior proposal, that the consideration offered by MaxoTel represents fair value for Vonex shareholders and provides an attractive opportunity for Vonex shareholders to realise certain and immediate cash proceeds for their Vonex Shares. Further, the Independent Expert (in relation to the Scheme) has previously concluded that the consideration offered by MaxoTel was fair and reasonable and in the best interests of Vonex shareholders, in the absence of a superior proposal.

Despite this, the Vonex Directors believe that Vonex shareholders should wait to receive and consider Vonex's target's statement before deciding whether to accept the Takeover Offer. For this reason, the Vonex Directors currently recommend that Vonex shareholders take no action in relation to MaxoTel's Takeover Offer.

Vonex shareholders that accept the Takeover Offer will be unable to withdraw their acceptance as they will have sold their Vonex shares to MaxoTel. Vonex shareholders that choose to accept the Takeover Offer:

- will be unable to accept any competing (including superior) proposal that may be made by a third party for Vonex Shares; and
- will not be entitled to the benefit of any increased consideration should MaxoTel decide to increase the Offer Price under the Takeover Offer.

There is no guarantee that a competing (including superior) proposal will materialise or MaxoTel will increase the Offer Price.

Swoop Competing Non-Binding Indicative Proposal

Swoop stated on 4 October 2024 that it is contemplating submitting an improved non-binding indicative offer to acquire Vonex. At the date of this announcement, Vonex is yet to receive any further offer (binding or non-binding) from Swoop.

Vonex has advised Swoop that a non-binding indicative offer is completely inappropriate. If Swoop wishes to make an offer for Vonex it will need to submit a binding offer, capable of acceptance, with no conditions that are subject to Swoop's discretion. Among other critical requirements, that offer would need to have confirmed financing. As previously indicated to Swoop, any such offer will need to be superior to the MaxoTel offer (and a partial cash offer, at or below the MaxoTel price, will not be considered superior).

Unfortunately, Vonex has had no indication that such an offer is likely to materialise.

This announcement has been authorised for release by the Board of Vonex Ltd.

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ABOUT VONEX

Vonex is a full service, award-winning telecommunications service provider selling mobile, internet, traditional fixed lines, infrastructure solutions and hosted PBX and VoIP services - predominantly to small to medium enterprise ("SME") customers under the Vonex brand. Vonex also develops new technologies in the telecommunications industry, including a feature-rich cloud-hosted PBX system.

Vonex also provides wholesale customers, such as internet service providers, access to the core Vonex PBX, 5G mobile broadband and call termination services at wholesale rates via a white label model. Vonex is pursuing a disciplined M&A growth strategy, targeting profitable IT and telco businesses that offer potential for growth through further product expansion, scale and cross-selling.