



## ASX ANNOUNCEMENT

9 December 2024

### **SUPPLEMENTARY BIDDER'S STATEMENT AND NOTICE OF VARIATION RELATING TO SWOOP'S OFF-MARKET TAKEOVER OFFER FOR VONEX LIMITED**

Swoop Holdings Limited (ASX:SWP)(**Company**) is pleased to advise that it has today lodged the attached supplementary bidder's statement (**Supplementary Bidder's Statement**) in relation to the off-market takeover offer by its subsidiary, Swoop Telecommunications Pty Ltd (**Swoop**) (**Offer**) to acquire all of the ordinary shares in Vonex Limited (ACN 063 074 635) (**Vonex**) that it does not already own (**Vonex Shares**).

The primary purpose of the Supplementary Bidder's Statement is to provide Vonex Shareholders with new information relating to circumstances that have arisen since the date that Swoop lodged its Bidder's Statement with ASX (22 November 2024), and additional information and clarifications to certain information in the Bidder's Statement that Swoop considers may now be material from the point of view of Vonex Shareholders due to such new circumstances.

The Supplementary Bidder's Statement will be despatched to Vonex Shareholders with the Bidder's Statement.

**The Offer is now open for acceptance by Vonex Shareholders. Swoop recommends that Vonex Shareholders read the Bidder's Statement and the Supplementary Bidder's Statement in full and ACCEPT the Offer without delay.**

#### **Highlights**

##### **Updated Offer Consideration**

- Swoop has increased the Offer Consideration from 1 Swoop Share for every 3.9 Vonex Shares to **1 Swoop Share for every 3.8 Vonex Shares** in accordance with section 650D of the *Corporations Act 2001* (Cth) (**Corporations Act**).
- The implied value of the Offer remains unchanged at **\$0.05** per Vonex Share<sup>1</sup>.
- A Notice of Variation to the Offer is attached to this announcement together with an updated version of the acquisition presentation, which will be sent to Vonex Shareholders with the Bidder's Statement and Supplementary Bidder's Statement.

##### **Potential Cash Alternative**

- As announced on 6 December 2024, the Company has commenced a process to seek financing for a cash alternative under the Offer. If Swoop is able to obtain financing for such a cash alternative on commercially acceptable terms (as solely determined by the Company), Swoop intends to vary the Offer Consideration by also offering all cash and part cash consideration alternatives under the Offer.

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<sup>1</sup> Calculated based on the 2-day VWAP to 6 December of ~\$0.190 in accordance with ASIC Instrument 2015/1068

- Any such cash alternative would be offered at a price greater than the current MaxoTel Offer price (being \$0.044 per Vonex Share). However, there is no guarantee that Swoop will be able to secure financing for a cash alternative on commercially acceptable terms and in time to vary the Offer, or at all.
- If Swoop varies the Offer to include a cash alternative, it will provide a notice of variation together with details of the revised consideration under the Offer to Vonex Shareholders in accordance with the Corporations Act.
- Any shareholders who have already accepted the Offer prior to any such variation will be entitled to make a fresh election as to the form of consideration they wish to receive under the Offer in accordance with section 650B of the Corporations Act.

### Indicative timetable

The anticipated timetable for the Offer is set out below:

Event	Time and Date
<b>Original Bidder's Statement lodged with ASIC, ASX and Vonex</b>	22 November 2024
<b>Supplementary Bidder's Statement lodged with ASIC, ASX and Vonex</b>	9 December 2024
<b>Offer opens</b>	9 December 2024
<b>Date that Swoop must give notice of the status of the Offer Conditions</b>	9 January 2025
<b>Closing date (unless extended or withdrawn) at 7.00 pm (Sydney time)</b>	17 January 2025

*Note: The indicative timetable may change as permitted by the Corporations Act.*

<ENDS>

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

For further information, please contact:

Louise Bolger, Company Secretary  
Email: [investorrelations@swoop.com.au](mailto:investorrelations@swoop.com.au)  
Phone: 0438 441 594

### 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.

**ANNEXURE A**

**SUPPLEMENTARY BIDDER'S STATEMENT**



# **SUPPLEMENTARY BIDDER'S STATEMENT**

in respect of the Offer by

**Swoop Telecommunications Pty Ltd**

(ACN 109 931 731)

a wholly owned subsidiary of

**Swoop Holdings Limited**

(ACN 009 256 535)

to acquire all of your shares in

**Vonex Limited**

(ACN 063 074 635)

in consideration for revised Offer Consideration of 1 Swoop  
Share for every 3.8 Vonex Shares you hold

**This document contains important updates in relation to the Offer and requires  
your immediate attention.**

If you are in any doubt about how to deal with this document, you should contact your  
broker, financial adviser or legal adviser immediately.

If you have any questions about the Offer, please call the Offer Information Line on 1300 824 174  
(within Australia) or +61 2 8072 1480 (outside Australia) between 8:30 am and 7:00 pm (Sydney  
time), Monday to Friday (excluding public holidays).

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## 1. Important notices

- 1.1 This document is a supplementary bidder's statement (**Supplementary Bidder's Statement**) issued by Swoop Telecommunications Pty Ltd (ACN 109 931 731) (**Swoop**), a wholly owned subsidiary of Swoop Holdings Limited (ACN 009 256 535) (**Swoop Holdings**), in relation to Swoop's off-market takeover offer to acquire all of the ordinary shares in Vonex Limited (ACN 063 074 635) (**Vonex**) that it does not already own (**Offer**) announced to the ASX on 22 November 2024 and contained in Swoop's Bidder's Statement dated 22 November 2024 (**Original Bidder's Statement**).
- 1.2 This Supplementary Bidder's Statement supplements, and should be read together with, the Original Bidder's Statement. This Supplementary Bidder's Statement will prevail to the extent of any inconsistency with the Original Bidder's Statement.
- 1.3 This Supplementary Statement is given pursuant to Division 4 of Part 6.5 of the *Corporations Act 2001* (Cth) (**Corporations Act**) and in accordance with the requirements of section 643 of the Corporations Act. A copy of this Supplementary Bidder's Statement was lodged with ASIC, ASX and Vonex on 9 December 2024. None of ASIC, ASX nor any of their respective officers takes any responsibility for the content of this Supplementary Bidder's Statement.

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## 2. Supplementary information

The primary purpose of this Supplementary Bidder's Statement is to provide Vonex Shareholders with new information relating to circumstances that have arisen since the date of the Original Bidder's Statement and additional information and clarifications to certain information in the Original Bidder's Statement that Swoop considers may now be material from the point of view of Vonex Shareholders due to such new circumstances.

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## 3. Offer Consideration

### 3.1 Implied value of Offer Consideration

As set out in the Original Bidder's Statement, the Offer is a conditional, all scrip takeover offer. Swoop is offering to acquire the Vonex Shares it does not already hold in exchange for new ordinary shares in Swoop Holdings (**Swoop Shares**)<sup>1</sup>.

The Offer Consideration of 1 Swoop Share for every 3.9 Vonex Shares in the Original Bidder's Statement was calculated based on the 5 day VWAP of Swoop Shares ending on 21 November 2024, being approximately \$0.193, so as to give an implied value of \$0.05 per Vonex Share under the Offer as at the date of the Original Bidder's Statement.

Swoop notes that the Offer Consideration changed since it first announced its intention to make the Offer on 18 October 2024. Swoop changed the Offer Consideration from that which was first announced so as to preserve the implied value of \$0.05 per Vonex Share at the date of the Original Bidder's Statement.

### 3.2 Updated Offer Consideration

Under the Corporations Act, Swoop is required to value the Offer Consideration at the time that the Offer is made. For this purpose, Swoop may rely upon ASIC Instrument 2015/1068 to value the Offer Consideration up to 5 Business Days

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<sup>1</sup> Other than Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders (see Section 8.6.7 of the Original Bidder's Statement for further details).

before the date of the Offer, using the VWAP of Swoop Shares during two full trading days before the chosen valuation date.

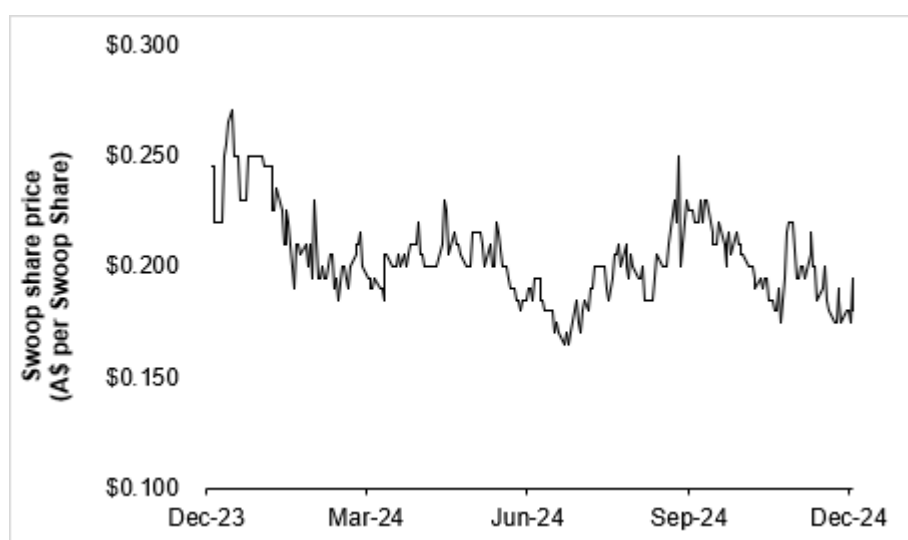
Accordingly, Swoop has chosen 6 December 2024 as the valuation date. The VWAP of Swoop Shares over the two Business Days prior to this chosen valuation date was \$0.190. Based on this valuation, Swoop has determined to change the Offer Consideration to:

### **1 Swoop Share for every 3.8 Vonex Shares**

Accordingly, the value of the Offer Consideration for the purpose of section 621 of the Corporations Act using the valuation methodology prescribed by ASIC Instrument 2015/1068 remains at \$0.05 per Vonex Share.

As detailed in the Original Bidder's Statement, Vonex Shareholders who accept the Offer will receive a fixed number of Swoop Shares (1 Swoop Share for every 3.8 Vonex Shares), so the implied value of the Offer Consideration received may change (up or down) as a result of fluctuations in the market price of Swoop Shares on the ASX between the chosen valuation date above and the date that Swoop Shares are issued to Vonex Shareholders who accept the Offer (if the Offer becomes Unconditional).

The below price history chart shows the closing prices of Swoop Shares on the ASX during the 12 months up to the date before the date of this Supplementary Bidder's Statement.



Source: IRESS market data as at 6 December 2024.

### **3.3 Potential cash alternative**

Following lodgement of the Original Bidder's Statement on 22 November 2024, Vonex released an announcement stating the lack of a cash component or alternative (and the conditional nature) of the Offer makes it difficult for the Vonex Board to view the Offer as superior to the MaxoTel Offer.

Swoop does not currently have sufficient cash available to include a cash alternative or significant cash component to the Offer. However, the Swoop Holdings Board has commenced a process to seek financing for a cash alternative under the Offer. If Swoop Holdings is able to obtain financing for such a cash alternative on commercially acceptable terms (as solely determined by the Swoop Holdings Board), Swoop intends to vary the Offer Consideration by also offering all cash and part cash consideration alternatives under the Offer.

Any such cash alternative would be offered at a price greater than the current MaxoTel Offer price (being \$0.044 per Vonex Share).

Vonex Shareholders should note that there is no guarantee that Swoop Holdings will be able to secure financing for a cash alternative on commercially acceptable terms and in time to vary the Offer, or at all. Further, Swoop may change this intention at any time during the Offer Period.

If Swoop varies the Offer to include cash alternatives, any Vonex Shareholders who have already accepted the Offer in its current form will be entitled to make a fresh election as to the form of consideration to be taken under the Offer in accordance with section 650B of the Corporations Act. If such a variation occurs, Swoop will notify Vonex Shareholders who have already accepted the Offer as soon as practicable after the variation informing them about their right to make such election in accordance with the Corporations Act.

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## **4. MaxoTel's stated intentions and impact on opportunities for the Merged Group**

### **4.1 MaxoTel's announced intention**

Swoop understands that MaxoTel intends not to accept the Swoop Offer as contained in the Original Bidder's Statement<sup>2</sup>. Given MaxoTel's current holdings of Vonex Shares (which Swoop understands to be 28.50%)<sup>3</sup> unless MaxoTel changes its position, Swoop will be unable to acquire a Relevant Interest in at least 75% of Vonex Shares and therefore may be unable to procure that Vonex be delisted from the ASX.

The Original Bidder's Statement includes details of synergies that Swoop has identified may be able to be realised if the Offer is successful (that is, if Swoop acquires certain thresholds (represented as a percentage of the entire issued share capital of Vonex) of Vonex Shares under the Offer) including the potential for the Merged Group to realise over \$5.0 million of annualised EBITDA synergies over time if Swoop acquires a Relevant Interest in at least 75% of Vonex Shares and Vonex is delisted from the ASX (and subsequently converted into a private company), and other benefits that may be available to the Merged Group.

In light of MaxoTel's stated intentions, Swoop provides the following additional information around the expected synergies and other potential benefits the Merged Group may be able to access if the Offer is successful but MaxoTel retains or increases its holding of Vonex Shares.

#### **Scenario 1: Swoop acquires control of Vonex but Vonex remains listed on the ASX**

Swoop refers to its intentions set out in Section 5.6 of the Original Bidder's Statement. While Swoop will not have the sole capacity to determine the outcome of Vonex's decisions unless and until it is a wholly owned subsidiary of Swoop, Swoop intends to replace all of the members of the Vonex Board with nominees of Swoop if it acquires 50.1% or more of Vonex Shares. Such replacement board members will not be required to act at the direction of Swoop and must make decisions that are in the best interests of the shareholders of Vonex (which may be different to what is in the best interests of shareholders of Swoop Holdings). However, it is expected that at least the majority of such directors will comprise existing directors of Swoop. Swoop therefore considers that such a reconstituted board would be in a strong position to oversee management of the Vonex Group to take advantage of potential synergies and other advantages available to the Merged Group as outlined in the Original Bidder's Statement, including cross-selling opportunities and operational benefits.

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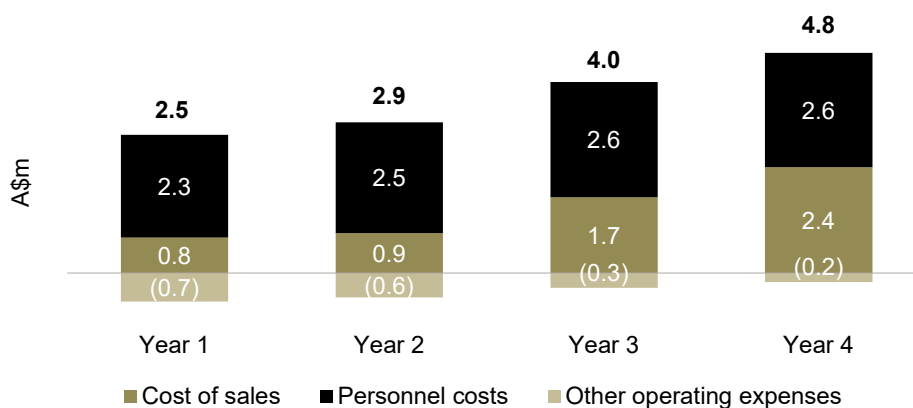
<sup>2</sup> As inferred from Vonex's announcement to the ASX on 3 December 2024.

<sup>3</sup> Based on the last ASIC Form 604 (Notice of change of interests of substantial holder) released to the ASX in respect of MaxoTel, being on 5 December 2024.



Swoop anticipates that if it obtains control such a reconstituted board would apply to the ASX for the delisting of Vonex if there were only a small number of remaining Vonex Shareholders and therefore there would not be sufficient spread or liquidity to justify a continued listing. If ASX were to agree to delisting in these circumstances, it is possible that the full \$5.0 million of annualised EBITDA synergies could still be realised over time.

If however Vonex was not able to be delisted in this scenario, Swoop estimates the annualised EBITDA synergies the Merged Group may be able to realise over time would be approximately \$4.8 million, the difference representing an allowance for listed public company costs, as set out below. Refer to Section 5.2.4 of the Original Bidder's Statement for further details of these categories of synergies.



### Scenario 2: Swoop acquires Vonex Shares under the Offer but does not acquire control of Vonex (which may occur if Swoop decides to waive the 50.1% Minimum Acceptance Condition)

In this scenario, as outlined in Sections 5.7 and 6.3.3 of the Original Bidder's Statement, it is possible that some or all of the anticipated synergies may not be achieved in the short term or at all. This is because, while Swoop would still seek representation on the Vonex Board, Swoop may not be in a position to determine the outcome of ordinary resolutions of Vonex (and therefore there is no certainty it would obtain board representation) and until such time that Vonex is controlled by Swoop, the Vonex Group and the Swoop Group would need to operate as independent groups.

## 5. Update on and clarification of Offer Conditions

### 5.1 Financier consent

As set out in the Original Bidder's Statement, the Offer is conditional upon a number of Offer Conditions, including a 50.1% Minimum Acceptance Condition and Swoop obtaining consent from its financier (Westpac Banking Corporation) for the Offer and associated refinancing of the Longreach Facility in the event that Longreach does not provide consent to the change of control of Vonex under the Offer (**Financier Consent Condition**).

Swoop wishes to confirm that it has consent from Westpac Banking Corporation to make and complete the Offer. However, as set out in Section 5.5.4 of the Original Bidder's Statement, if Vonex becomes controlled by Swoop (i.e. Swoop, together with its Associates, acquire 50.1% or more of Vonex) under the Offer without Longreach's prior written consent, Swoop understands that:

- Vonex will be deemed to have committed an event of default under the Longreach Facility;
- all outstanding amounts under the Longreach Facility will be repayable immediately; and
- the Longreach Fee (an exit fee of up to \$550,000 (excluding GST)) will be payable to Longreach.

Swoop further understands that Vonex does not have sufficient cash reserves to pay all of the above amounts.

In these circumstances, there would need to be a refinancing of the Longreach Facility upon the change of control occurring.

## 5.2 Swoop's intentions regarding Longreach

As set out in Section 5.5.4 of the Original Bidder's Statement, if Swoop together with its Associates, acquires a Relevant Interest of 90% or more of all Vonex Shares (being the level at which Swoop will become entitled to proceed with the compulsory acquisition of the remaining Vonex Shares following which Vonex will become a wholly owned subsidiary of Swoop), it intends to seek approval from Westpac Banking Corporation to repay or otherwise combine this financing alongside its existing debt facility in order to achieve cost savings.

Swoop is currently exploring options available to refinance the Longreach Facility and pay the Longreach Fee if the Offer is successful (that is, if Swoop acquires any Vonex Shares under the Offer), Vonex becomes controlled by Swoop, and Longreach does not consent to the change in control. While Swoop will not have the capacity to determine the outcome of Vonex's decision about how to refinance the Longreach Facility and pay the Longreach Fee if it acquires a Relevant Interest of less than 90% of all Vonex Shares (and therefore Vonex will not become a wholly owned subsidiary of Swoop), it intends to present any suitable options to the Vonex Board for consideration at the appropriate time. The consent of Westpac Banking Corporation would be required for such refinancing in accordance with Swoop's existing debt facility. The Offer is therefore conditional upon Westpac Banking Corporation providing such consent if required.

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## 6. MaxoTel offers

The Original Bidder's Statement contains comparisons between the implied value of the Offer (being a conditional, off-market all scrip takeover offer) and the MaxoTel Offer (being MaxoTel's unconditional, on-market cash takeover offer at \$0.044 per Vonex Share), including to show the premium that the implied value of the Offer Consideration represents over the cash price of the MaxoTel Offer.

As at the date of this Supplementary Bidder's Statement, the MaxoTel Offer is due to expire on 9 December 2024, being the date that the Offer opens, and MaxoTel has not announced any extension.

Swoop also understands that MaxoTel and Vonex remain parties to a scheme implementation deed pursuant to which MaxoTel has agreed to acquire all of the Vonex Shares not currently owned by it for \$0.0419 (**MaxoTel Scheme**) (which is lower than the MaxoTel Offer). On 6 December 2024, Vonex announced that it has adjourned the scheme meeting to 27 February 2025.

Swoop confirms that it has voted against the proposed resolution to approve the MaxoTel Scheme and, as at the date of this Supplementary Bidder's Statement has no intention to change that vote, irrespective of the outcome of its Offer.

Accordingly, statements in the Original Bidder's Statement regarding the limited ability for Vonex Shareholders to realise full liquidity for their Vonex Shares if they do not accept the Offer (including at Section 2.3 of the Original Bidder's Statement) should be considered in light of the:

- the upcoming expiry of the MaxoTel Offer; and
- the resolution to approve the MaxoTel Scheme will not pass unless Swoop changes its vote (or Maxotel sells shares in Vonex)<sup>4</sup>. This is because the resolution requires approval by 75% or more of the votes cast on the resolution and MaxoTel will be excluded from voting. As at the date of this Supplementary Bidder's Statement, Swoop controls more than 25% of the votes that can be cast on the resolution<sup>5</sup>.

## 7. Updated capital structure

As a result of the change to the Offer Consideration, the maximum number of Swoop Shares which Swoop Holdings will be required to issue under the Offer if acceptances are received for all Vonex Shares on issue as at the date of this Supplementary Bidder's Statement and not currently owned by Swoop is approximately 82,210,990 Swoop Shares<sup>6</sup> (excluding rounding adjustments).

The following tables set out the capital structure of Swoop Holdings based on different outcomes under the Offer.

### 7.1 Swoop acquires 100% of Vonex Shares

The table below sets out the capital structure of Swoop Holdings if Swoop acquires 100% of Vonex Shares on issue as at the date of this Supplementary Bidder's Statement.

Shareholder	Number of Swoop Shares (undiluted)	Percentage	Number of Swoop Shares (fully diluted)	Percentage on a fully diluted basis
Existing Swoop Shareholders	209,138,937	71.8%	226,849,364	73.4%
Vonex Shareholders	82,210,990	28.2%	82,210,990	26.6%

### 7.2 Swoop acquires 50.1% of Vonex Shares

The table below sets out the capital structure of Swoop Holdings if Swoop acquires 50.1% of Vonex Shares on issue as at the date of this Supplementary Bidder's Statement.

Shareholder	Number of Swoop Shares (undiluted)	Percentage	Number of Swoop Shares (fully diluted)	Percentage on a fully diluted basis
Existing Swoop Shareholders	209,138,937	86.8%	226,849,364	87.7%
Vonex Shareholders	31,732,969	13.2%	31,732,969	12.3%

<sup>4</sup> Based on the current holdings of Swoop and MaxoTel.

<sup>5</sup> Based on the last ASIC Form 604 (Notice of change of interests of substantial holder) released to the ASX in respect of MaxoTel, being on 5 December 2024.

<sup>6</sup> Calculated on the basis set out in Section 3.12 of the Original Bidder's Statement.

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## **8. Definitions and interpretation**

8.1 In this Supplementary Bidder's Statement, unless the context requires otherwise:

- terms defined in bold text in this Supplementary Bidder's Statement have the same meaning when used elsewhere in this Supplementary Bidder's Statement;
- other capitalised terms used in this Supplementary Bidder's Statement have the same meaning as in the Original Bidder's Statement; and
- the rules of interpretation set out in Section 11.2 of the Original Bidder's Statement apply to this Supplementary Bidder's Statement.

8.2 Unless otherwise indicated, all references to Sections are references to Sections of the Original Bidder's Statement.

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## **9. Approval of Supplementary Bidder's Statement**

The copy of this Supplementary Bidder's Statement that is to be lodged with ASIC has been approved by a unanimous resolution passed by the directors of Swoop Telecommunications Pty Ltd on 9 December 2024.

Signed for and on behalf of Swoop Telecommunications Pty Ltd

By



James Spenceley  
Director

**ANNEXURE B**

NOTICE OF VARIATION



## Notice of Variation – Increase to Offer Consideration under section 650D of the *Corporations Act 2001* (Cth)

### SWOOP'S OFF-MARKET TAKEOVER OFFER FOR VONEX LIMITED

To: Australian Securities and Investment Commission (**ASIC**)

Vonex Limited (ASX:VN8) (**Vonex**)

ASX Limited (**ASX**); and

each person shown on the Vonex share register as at 7pm (Sydney time) on 2 December 2024 and any other person who has accepted the Offer.

This is a notice dated 9 December 2024 given by Swoop Telecommunications Pty Ltd ACN 109 931 731 (**Swoop Telecommunications** or **Bidder**) in relation to the offer dated 9 December 2024 made under its off-market takeover bid to acquire up to 100% of the ordinary shares in Vonex that it does not already own (**Offer**) pursuant to its bidder's statement dated 22 November 2024 (**Bidder's Statement**) and supplementary bidder's statement dated 9 December 2024 (**Supplementary Bidder's Statement**). Swoop Telecommunications is a wholly owned subsidiary of Swoop Holdings Limited (ASX:SWP) (**Swoop Holdings**). Capitalised words referred to in this notice have the meaning given to them in the Bidder's Statement unless the context requires otherwise.

In accordance with section 650D of the *Corporations Act 2001* (Cth) (**Act**), Swoop Telecommunications gives notice that:

- Swoop Telecommunications varies the Offer by increasing the Offer Consideration from 1 Swoop Share for every 3.9 Vonex Shares to 1 Swoop Share for every 3.8 Vonex Shares; and
- all references in the Bidder's Statement to '3.9 Vonex Shares' are replaced with '3.8 Vonex Shares'.

The increased Offer Consideration will apply to all Vonex Shareholders who accept the Offer, including any Vonex Shareholders who have already accepted the Offer.

A copy of this notice was lodged with ASIC on 9 December 2024. ASIC takes no responsibility for the contents of this notice.

This notice has been approved by a unanimous resolution of the directors of Swoop Telecommunications.

A handwritten signature in black ink, appearing to read 'James Spenceley', is written over a horizontal line.

James Spenceley  
Director



**ANNEXURE C**

UPDATED INVESTOR PRESENTATION





# Proposed acquisition of Vonex Limited

Off-market takeover offer for all of the shares in Vonex

Updated Acquisition Presentation | December 2024





# Important Notice & Disclaimer

This presentation dated 9 December 2024 has been prepared by and is being issued by Swoop Holdings Limited ACN 009 256 535 (ASX: SWP) (**Company or Swoop**). It sets out summary information about the Offer, Swoop Telecommunications Pty Ltd (**Swoop Telecommunications**), Swoop, Vonex and the Merged Group. Further detailed information regarding the Offer is set out in Swoop's announcement to the ASX on 22 November 2024 titled "Swoop's Off-market Takeover Offer for Vonex Limited" (**Offer Announcement**) and in Swoop Telecommunications' Bidder's Statement in respect of the Offer (**Original Bidder's Statement**), which Swoop Telecommunications lodged with ASIC, and which was released to the ASX, on 22 November 2024 and Swoop Telecommunications' Supplementary Bidder's Statement (**Supplementary Bidder's Statement**) which Swoop Telecommunications lodged with ASIC, and which was released to the ASX, on the day of this presentation (9 December 2024). References in this presentation to the '**Bidder's Statement**' are references to the Original Bidder's Statement as amended and supplemented by the Supplementary Bidder's Statement. Unless otherwise defined in this presentation, capitalised terms have the meaning given in the Bidder's Statement. The principles of interpretation set out in Section 11.2 of the Bidder's Statement also apply to this presentation.

The Bidder's Statement sets out important information for Vonex Shareholders, including the key reasons why Vonex Shareholders should accept the Offer and more detailed information in respect of the summary information in this presentation (including more detail on, and supporting information for, the summary information in this presentation). Vonex Shareholders should read the Offer Announcement and the Bidder's Statement in their entirety in conjunction with this presentation and should not read this presentation in substitution for the Offer Announcement and/or the Bidder's Statement.

Each recipient of this presentation is deemed to have agreed to accept the qualifications, limitations and disclaimers set out below.

The information in this presentation is an overview and does not contain all information necessary for investment decisions. The information in this presentation should be read together with the Company's annual report for the full year ended 30 June 2024 released on the ASX announcement platform on 27 September 2024, the Offer Announcement, the Bidder's Statement together with other announcements and information about the Company and Vonex released on its ASX announcement platform. The information in this presentation does not constitute investment or financial product advice (nor taxation or legal advice) or a recommendation to acquire securities in Swoop or sell Vonex Shares and is not intended to be used as the basis for making any investment decision. This presentation does not take into account your individual investment objectives, financial situation or particular needs. In making investment decisions in connection with any acquisition of securities, investors or potential investors should rely on their own examination of the assets and financial position of the Company and should consult their own legal, business and/or financial advisers before making any investment decision.

The information contained in this presentation has been prepared in good faith by Swoop, however no representation or warranty expressed or implied is made by Swoop, its directors, officers, employees, advisers and agents (Parties) as to the accuracy, correctness, completeness or adequacy of any statements, estimates, opinions or other information contained in this presentation, including any forecasts or prospective financial information. Nothing contained in this presentation nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or the future. To the extent permitted by law, none of the Parties takes any responsibility for any loss or damage suffered as a result of any inadequacy, incompleteness or inaccuracy in any such statement or information including, without limitation, any financial information, any estimates or projections and any other financial information.

To the maximum extent permitted by law, the Parties disclaim any liability to any person for any direct, indirect or consequential loss or damage which may be suffered by any person through the use or reliance on anything contained in or omitted in this presentation.

Future performance – Past performance information provided in this presentation may not be a reliable indication of future performance. Certain information in this presentation refers to the intentions of Swoop, forecasts, forward looking statements and comments about future events. The occurrence of events in the

future are subject to risks, uncertainties and other factors, many of which are outside the control of Swoop, that may cause Swoop's actual results, performance or achievements to differ from those referred to in this presentation. Such forward-looking statements speak only as of the date of this presentation. Forward looking statements should not be relied on as an indication or guarantee of future performance. Accordingly, the Parties do not give any assurance, representation or guarantee that the occurrence of the events or forward looking statements referred to in the presentation will actually occur or be achieved as contemplated, nor take any responsibility or duty to update or maintain these forward looking statements to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statement is based.

Financial data - All dollar values are in Australian dollars (AUD\$) unless as otherwise presented.

Non IFRS financial measures

Swoop uses certain measures to manage and report on its business that are not recognised under Australian Accounting Standards or IFRS. These measures are collectively referred to in this document as 'non-IFRS financial measures' under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by the Australian Securities and Investments Commission (ASIC). Management use these non-IFRS financial measures to evaluate the performance and profitability of the overall business. The principal non-IFRS financial measures that are referred to in this document are EBITDA and Underlying EBITDA. EBITDA is earnings before interest, tax depreciation and amortisation. Underlying EBITDA is earnings before interest, tax, depreciation and amortisation and significant items. Management uses EBITDA and Underlying EBITDA to evaluate the operating performance of the business prior to the impact of significant items, the non-cash impact of depreciation and amortisation and interest and tax charges.

Although Swoop believes that these measures provide useful information about the financial performance of Swoop, they should be considered as supplements to the income statement measures that have been presented in accordance with the Australian Accounting Standards and IFRS and not as a replacement for them.



# Acquisition Highlights

The takeover bid by Swoop Telecommunications Pty Ltd (**Swoop Telecommunications**) for Vonex Limited (**Vonex**) (**Offer**) is expected to materially enhance value for Swoop Shareholders and Vonex Shareholders who accept the Offer<sup>1</sup>



A Swoop and Vonex combination is highly strategic and complementary, providing significant scale and operational upside to both companies and to Vonex Shareholders who accept the Offer<sup>1</sup>



The scrip-based transaction provides the opportunity for Vonex shareholders who accept the Offer<sup>1</sup> to share in the value creation opportunity, with a meaningful ownership of approximately 28.2%<sup>2</sup> of the combined Swoop and Vonex combination (assuming Swoop acquires 100% of Vonex)



If successful, the transaction will allow both companies to benefit from unlocking material synergies and deliver cross-sell opportunities over time. Potential to unlock EBITDA synergies of up to \$5.0m per annum over time<sup>3</sup>



Swoop is led by a highly experienced Board and management team with a successful track record in the execution and integration of transactions in the telecommunications space to enhance shareholder value

Notes: (1) Excluding Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders, whose shares will be issued to a nominee and sold on-market for the benefit of the holders as described in the Bidder's Statement. (2) Based on 209.1 million Swoop shares outstanding and approximately 82.2 million shares issued to Vonex shareholders at a ratio of 1 Swoop Share for every 3.8 Vonex Shares held. (3) Assuming Swoop acquires a relevant interest in 75% or more of Vonex Shares and delists Vonex. EBITDA synergies that may be unlocked over time are expected to be up to \$4.8m per annum if Swoop acquires control of Vonex but Vonex remains listed. Refer to page 12 for further details of timeframe for anticipated EBITDA synergies to be realised.

# Reasons to Accept the Swoop Offer

Swoop believes there is compelling rationale to reject the MaxoTel Offer, in favour of the Swoop Offer



The Offer implies a price of \$0.050 per Vonex Share<sup>1</sup>, representing a 14% premium to the MaxoTel Offer price and a 178% premium to the undisturbed trading price of Vonex Shares on 24 June 2024 prior to the announcement of the first MaxoTel Scheme



The implied price under the Offer is higher than any closing price at which Vonex has traded since 14 March 2023



The consideration offered under the Swoop Offer enables Vonex Shareholders<sup>2</sup> the potential to gain exposure to Swoop Shares if the Offer is successful, providing value upside opportunities in an ongoing, enlarged and more diversified telecommunications company, including the ability to unlock significant synergies under a combination



No Australian stamp duty or brokerage is payable by Vonex Shareholders who choose to accept the Offer

Note: (1) Based on the Swoop 2-day VWAP of Swoop Shares of approximately \$0.190 to 6 December 2024. (2) Excluding Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders. Refer to the Bidder's Statement for further details.

# Transaction Summary

Offer	<ul style="list-style-type: none"> <li>Swoop Telecommunications is offering to acquire all of the Vonex Shares that it does not presently own by way of an off-market takeover (<b>Offer</b>)</li> <li>Consideration comprising 1 Swoop Share for every 3.8 Vonex Shares held. This is a variation to the ratio in the Original Bidder's Statement. The Board has made this change to maintain the implied value of Vonex Shares under the Offer based on the 2-day VWAP of Swoop Shares to 6 December 2024</li> <li>Implied offer price per Vonex Share of \$0.050<sup>1</sup>, represents a:             <ul style="list-style-type: none"> <li>14% premium to the revised MaxoTel Offer announced on 23 October 2024 of \$0.044;</li> <li>178% premium to the closing price of Vonex Shares on 24 June 2024 (Undisturbed Share Price Date) of \$0.018, representing the last closing price prior to the announcement of the first MaxoTel Scheme; and</li> <li>178% premium to the 30-day VWAP of Vonex Shares to the Undisturbed Share Price Date of \$0.018</li> </ul> </li> <li>Existing Vonex Shareholders are expected to own up to 28.2% of Swoop on completion of the Offer<sup>2</sup></li> <li>Swoop currently holds a 19.90% shareholding in Vonex</li> <li>Swoop is seeking financing for a cash alternative under the Offer. If such financing is able to be obtained on commercially acceptable terms, Swoop Telecommunications intends to vary the Offer to include all cash and part cash alternatives<sup>3</sup>. Any cash alternative would be offered at a price greater than the current MaxoTel Offer price. Any Vonex Shareholders who have already accepted the Offer would be entitled to make a fresh election to receive a cash option if this were to occur</li> </ul>
Strategic rationale	<ul style="list-style-type: none"> <li>Acquisition creates a larger scale and more diversified telecommunications business with strong strategic alignment</li> <li>Complementary product and service offering, strengthening Swoop's voice capability</li> <li>Opportunity to cross-sell services across the enlarged combined customer base</li> <li>Potential to unlock synergies of up to \$5.0m<sup>4</sup> in annualised EBITDA through supplier savings, and operating cost rationalisation over time</li> <li>Combined pro forma FY24 revenue of \$129.3m and underlying EBITDA of \$24.6m, reflecting the impact of synergies expected to be achieved over time<sup>4</sup></li> <li>Materially improved capital market story with improved liquidity and valuation re-rate opportunity</li> </ul>
Timing and conditions	<ul style="list-style-type: none"> <li>The Offer is subject to Offer Conditions set out in the Bidder's Statement (which Swoop has the right to waive), which, in summary, include a 50.1% Minimum Acceptance Condition, a No Prescribed Occurrences Condition, no action by a regulatory authority condition and lender consent including for the refinancing of the Longreach debt facility if Longreach do not consent to the change of control of Vonex under the Offer.</li> <li>Bidder's Statement and personalised acceptance forms expected to be despatched to Vonex Shareholders from 9 December 2024</li> <li>Offer period from 9 December 2024 to 17 January 2025 (subject to extension)</li> </ul>

Notes: (1) Based on the 2-day VWAP of Swoop Shares of approximately \$0.190 to 6 December 2024. (2) Based on 209.1 million Swoop Shares outstanding and up to 82.2 million new Swoop Shares (based on Vonex's fully diluted share capital not owned by Swoop) issued to Vonex Shareholders at a ratio of 1 Swoop Share for every 3.8 Vonex Shares held. (3) Whether or not financing is on commercially acceptable terms will be determined by the board of Swoop in its sole discretion. There is no guarantee that Swoop will be able to secure financing on commercially acceptable terms and in time to vary the Offer, or at all. Further, Swoop may change this intention at any time during the Offer Period. (4) Anticipated synergies assumes Swoop acquires a relevant interest in at least 75% of Vonex and delists Vonex and excludes integration costs. Refer to page 12 for further details of timeframe for anticipated EBITDA synergies to be realised. EBITDA synergies that may be unlocked over time are expected to be up to \$4.8m per annum if Swoop acquires control of Vonex but Vonex remains listed.



# Overview of Vonex



Vonex is an Australian telecommunications and internet service provider, offering communications solutions targeted towards medium-sized enterprises

## Overview

- Vonex is a full-service and award-winning telecommunications service provider, offering SME, residential, and wholesale customers access to mobile, internet, and infrastructure, hosted PBX and VoIP solutions on its own network
- Vonex operates through reselling services through bandwidth and capacity from other companies' networks
- Vonex is also differentiated by its commitment to innovation and customer service, having developed new telecommunications technology such as their cloud-hosted PBX system
- The business has historically focused on growing their customer base through acquiring other telecommunications and IT businesses in the industry

SME Business		
Phone systems	NBN-ready office phone solutions, with on-premise & cloud options	<ul style="list-style-type: none"> <li>▪ Hosted cloud phone systems</li> <li>▪ SIP Trunks</li> </ul>
4G & 5G Mobile	SIM-only mobile plans	<ul style="list-style-type: none"> <li>▪ 4G Voice &amp; Data</li> <li>▪ Mobile Fleet</li> </ul>
Fibre & NBN	Future-proof NBN & high speed ethernet	<ul style="list-style-type: none"> <li>▪ NBN and Fibre</li> <li>▪ 5G and Wireless Broadband</li> </ul>
Value Added Services	1300 numbers. Conferencing, ex-fax desktop SMS etc.	<ul style="list-style-type: none"> <li>▪ Phone numbers</li> <li>▪ Desktop SMS and Audio Conferencing</li> </ul>
Wholesale		
Wholesale Products	Delivering excellence in wholesale connectivity	<ul style="list-style-type: none"> <li>▪ Business Fibre, IoT/M2M</li> <li>▪ Hosted PBX &amp; SIP</li> <li>▪ NBN, Mobile, Broadband</li> </ul>
Consumer		
Consumer Products	Residential phone systems	<ul style="list-style-type: none"> <li>▪ Home Phone</li> <li>▪ Consumer NBN</li> <li>▪ Consumer Mobile</li> </ul>



# Overview of Vonex (continued)



Vonex is a highly trusted service provider to a diverse range of customer bases across SME, wholesale, and residential segments



## Capabilities

Deep expertise

- Building, managing and supporting voice and data networks and providing value-added services

Sophisticated and scalable networks

- Market-leading hosted PBX platform and full redundant core network
- 7 points of presence across Australia



## Team

Strong leadership

- Technical, support and operations teams

Highly experienced team

- Over 130 team members across Australia and the support and developer team in the Philippines



## Customers

22,000+ customer accounts

- Across SME, wholesale and residential segments

Low churn rate

- 1.2% per month across customer base



## Growth Strategies

Cross-sell

- Data services cross-selling to SMB and wholesale customers

Customer acquisition

- Additional sales through the channel partner network

Improve retention

- Proactive account management



## Market Drivers

Aligns to high-growth hosted PBX market

- Strong forecast market growth

Bundling of services

- SME customers seek a one-stop-shop in their communication needs

Remote working

- Drives adoption of cloud-based managed services



# Strategic Rationale

The potential acquisition of Vonex represents an opportunity to enable value creation for Swoop Shareholders and Vonex Shareholders who accept the Offer<sup>1</sup>, with the potential to deliver meaningful cost savings and value through cross-selling and enhanced operational scale

1

Strong strategic fit

- ✓ Vonex's strength in voice is a key growth area for Swoop and complementary to Swoop's existing product suite
- ✓ The Merged Group would entrench Swoop's position as a leading Australian voice provider

2

Operational diversification

- ✓ Broadens and deepens the combined product offering appealing to existing and new customers
- ✓ Complementary product suite which augments Swoop's existing platform capabilities and enhances scale

3

Financial and synergy value

- ✓ Enhances financial profile and ability to cross-sell and grow organically in the market
- ✓ Incremental run-rate synergies of \$5.0m over time<sup>2</sup>, allowing Swoop to reinvest in growth initiatives and continue to penetrate the sector

4

Incremental growth opportunities

- ✓ Strengthens Swoop's offering across core markets and aligns with Swoop's inorganic growth strategy
- ✓ Potential time and cost savings in future development of products and services
- ✓ Complementary customer base, providing a larger installed base to cross and up-sell

5

Enhances scale and liquidity

- ✓ Swoop Shareholders and Vonex Shareholders who accept the Offer<sup>1</sup> are expected to benefit from increased liquidity through the issuance of new shares to a larger, more diverse shareholder base, coupled with greater market coverage as a result of the enlarged market capitalisation

Notes: (1) Excluding Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders. Refer to the Bidder's Statement for further details. (2) Annualised EBITDA synergies of \$5.0m assumes Swoop acquires a relevant interest in at least 75% of Vonex Shares and delists Vonex. Refer to page 12 for further details of timeframe for anticipated EBITDA synergies to be realised. EBITDA synergies that may be unlocked over time are expected to be up to \$4.8m per annum if Swoop acquires control of Vonex but Vonex remains listed.



# Acquisition Strategy

The potential acquisition of Vonex accelerates Swoop's voice capabilities and is consistent with Swoop's stated M&A strategy



## Mobile

Acquired Moose Mobile

Potential further M&A in MVNO space



## Residential Infrastructure

Acquired Regional Infrastructure Beam, Speedweb, CountryTel, Community Communications, Seacrest Fibre Infrastructure

Potential further M&A in residential infrastructure



## nbn

No previous M&A in this space

Potential M&A for NBN customer bases



## Voice

Acquired channel and SMB Voice provider Seventeen

**VONEX**

+22,000 customers

M&A in direct and channel voice



## Other

Acquired wholesale fibre IFibre and Luminet

Acquired SMB regional infrastructure telco CountryTel

Divested wholesale voice provider Voicehub

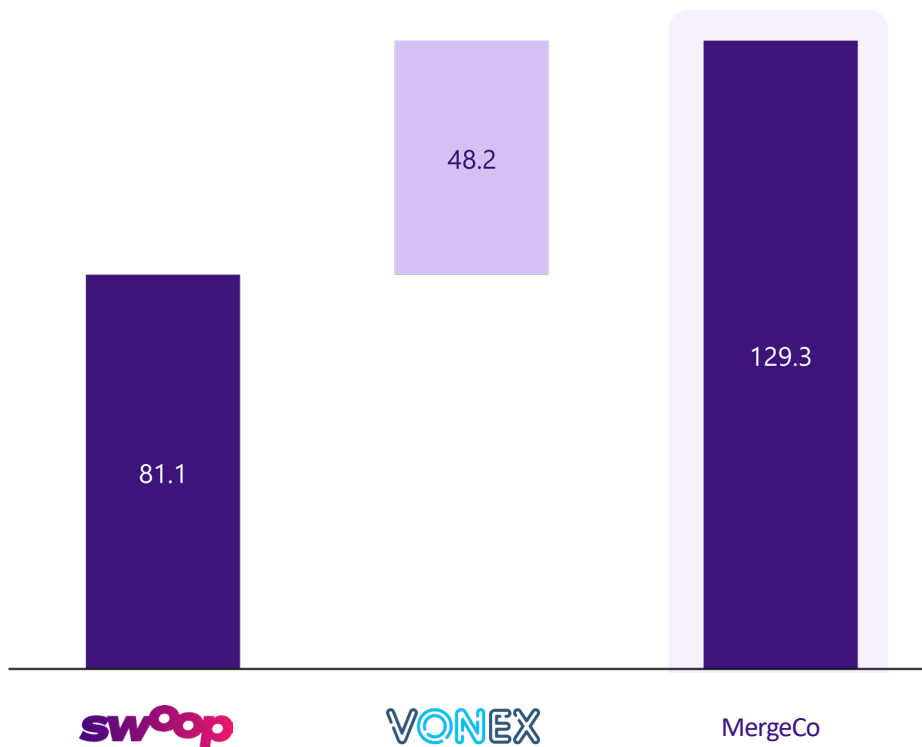
Conducted due diligence and in advanced discussions regarding an acquisition in SMB infrastructure



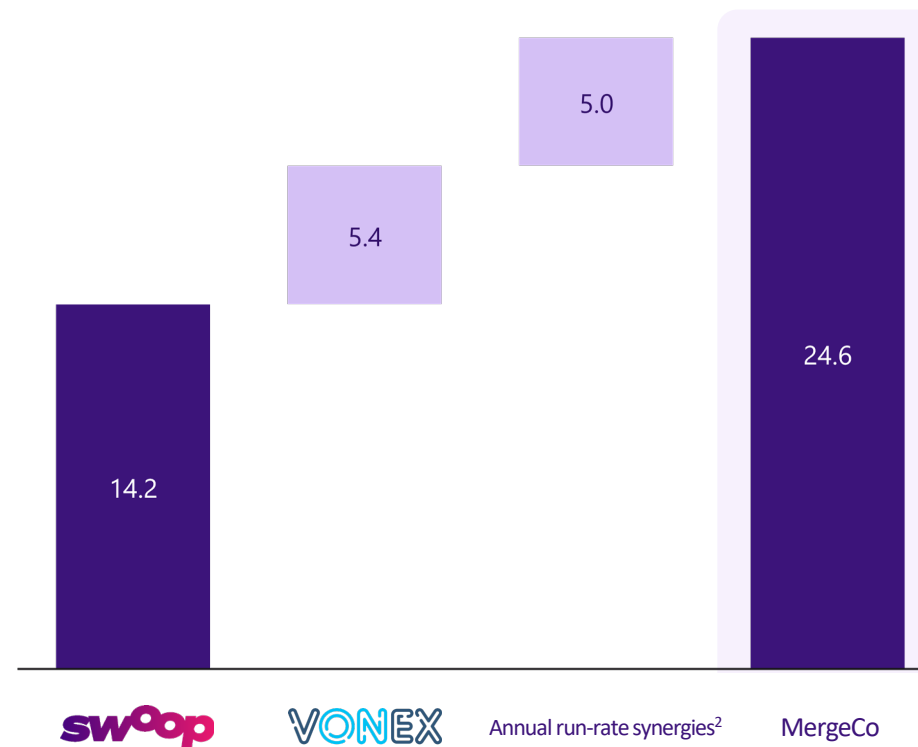
# Financial Combination Analysis

The combination of Swoop and Vonex creates a platform with significant scale, material synergies and a stronger financial profile

Revenue – FY24 (A\$m)<sup>1</sup>



Underlying EBITDA – FY24 (A\$m)<sup>1,2,3</sup>



Notes: (1) Revenue and Underlying EBITDA disclosed in the FY24 financial results for Swoop and Vonex for the year ended 30 June 2024 from continuing operations on a post-AASB 16 basis. (2) Anticipated EBITDA synergies assumes Swoop holds at least 75% of Vonex and delists Vonex, and excludes integration costs. EBITDA synergies that may be unlocked over time are expected to be up to \$4.8m per annum if Swoop acquires control of Vonex but Vonex remains listed. Refer to page 12 for further details of timeframe for anticipated EBITDA synergies to be realised. (3) Underlying earnings before interest, tax, depreciation and amortisation (EBITDA) is a financial measure which is not prescribed by the Australian Accounting Standards (AAS) and represents the profit under AAS adjusted for non-cash share-based payments expense, impairment charges and other one-off items (corporate restructuring expenses, acquisition and integration costs, one-off legal costs) which are not considered to be reflective of underlying earnings.

# Material Value Creation Opportunity Through Synergies

A combination between Swoop and Vonex would provide substantial value to both sets of shareholders through meaningful cost savings

Swoop have identified the following items which have the potential to create ~\$5m of annual EBITDA synergies over time<sup>1</sup>, unlocking material value for Swoop Shareholders and Vonex Shareholders who accept the Offer<sup>2</sup>



## Listed company costs

Cost savings from public listing and governance costs



## Cost to serve

Potential savings utilising Swoop's network and exit from select contracts



## Resourcing costs

Rationalisation of personnel costs from duplicate support and operational roles



## Technology costs

Internal billing and other operational technology costs



## Financing costs

Savings from potential reduction in financing costs utilising alternative lenders<sup>3</sup>



## Administrative costs

Other potential administrative and corporate costs

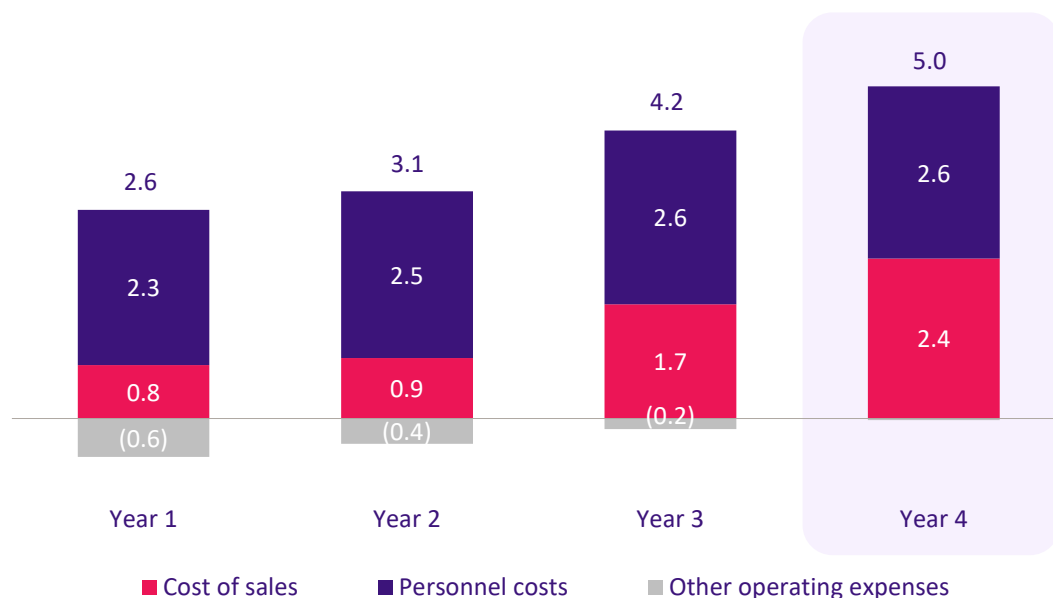
A combination between Swoop and Vonex provides potential further upside through realising cross-sell opportunities between the combined client base over time

Notes: (1) Annualised EBITDA synergies of \$5.0m assumes Swoop holds at least 75% of Vonex. EBITDA synergies that may be unlocked over time are expected to be up to \$4.8m per annum if Swoop acquires control of Vonex but Vonex remains listed. Refer to page 12 for further details of timeframe for anticipated EBITDA synergies to be realised. (2) Excluding Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders. Refer to the Bidder's Statement for further details. (3) Financing cost savings provides potential upside to the ~\$5.0 million of annualised run-rate pre-tax synergies.

# Material Value Creation Opportunity Through Synergies (continued)

Swoop has performed a detailed review of potential synergies to enable material value creation

Net synergies phasing by category (A\$m)<sup>1</sup>



Further upside via potential cross-sell opportunities and cost of funding benefits

## Cost of sales

- Opportunity to deliver savings through optimised supply arrangements between Swoop and Vonex
- Following a detailed review of key service contracts, Swoop has identified achievable savings from existing agreements from major voice, data and hosting suppliers

## Personnel expenses

- Material savings in personnel costs from day-one to support the combined platform
- Opportunity to optimise teams across operations, sales and corporate employees, net of investment required to support the combined platform based on resourcing requirements

## Other operating expenses

- ASX listing fees, public company costs, professional expenses and IT communications expenses
- Net negative synergies due to investment in advertising and marketing required to support combined revenue growth

Notes: (1) Approximate net synergies based on subsequent 12-month periods following the acquisition and assuming Swoop acquires a relevant interest in at least 75% of Vonex Shares and delists Vonex. EBITDA synergies that may be unlocked over time are expected to be up to \$4.8m per annum if Swoop acquires control of Vonex but Vonex remains listed. Approximate net synergies based on information provided by Vonex in March 2024 and to be updated should further due diligence access be provided by Vonex to Swoop. Excludes the impact of transaction and integration costs.



# Transaction Timetable

## Key dates

Event	Date
Original Bidder's Statement lodged with ASX, ASIC and Vonex	22 November 2024
Supplementary Bidder's Statement lodged with ASX, ASIC and Vonex	9 December 2024
Original Bidder's Statement, Supplementary Bidder's Statement and personalised Acceptance Forms despatched to Vonex Shareholders	9 December 2024
Offer open date	9 December 2024
Offer closing date (unless extended)	17 January 2025

Note: Indicative timetable which may be subject to change in accordance with the Corporations Act 2001 (Cth).



# Appendix 1

## Swoop Company Overview

# Swoop Connects People and Improves Lives

Swoop's purpose is connecting people and improving lives – we believe everyone deserves a better telco experience



Premium provider of residential and SME  
Broadband



Residential mobile telephony for price-  
conscious customers

Fixed Wireless and fibre  
infrastructure

NBN for  
national coverage

National MVNO on the  
Optus network

## FY24 Wins & Awards



▶ Winner  
Canstar Blue  
Outstanding Value



▶ Winner  
WhistleOut  
Best SIM-only Provider, Value Plans



▶ Winner  
WeMoney  
Postpaid Mobile Plan  
of the Year



▶ Winner  
CSIA Australian Service  
Excellence Award  
Service Champion



▶ Winner  
Mozo  
People's Choice Award &  
Experts Choice Award



▶ Winner  
Product Review  
Most Satisfied  
Customers



# Overview of Swoop

Swoop is a telecommunications and internet service provider company, servicing residential and SME broadband markets through their fixed wireless and fibre infrastructure assets

## Business overview

- Swoop (ASX:SWP) is a leading fixed wireless network provider in Australia which also designs, builds and services its own residential infrastructure (including towers)
- Swoop provides a variety of solutions including mobile telephony channel partner opportunities, reseller services, wholesale and national broadband network services for homes and businesses
- Swoop is also a provider of mobile services with the 2022 acquisition of Telco pay (Moose Mobile), a national MVNO on Optus network
- Swoop is building a business which aims to become Australia's best challenger internet and telecommunications provider



Strong organic growth



Focused on team building strong engagement and values



Expand brand in our regions and low churn



Grow services on high margin infrastructure



Scale and integrate acquisitions



Leverage experience and capabilities to build next large scale national telco

>500

Fixed wireless masts / towers

>160

Staff across Australia

~179k

Total subscribers

~131k

Mobile SIOs

>20k

nbn SIOs



# Q1 FY25 Financial Highlights

Swoop kicks off FY25 with double-digit growth in the first quarter

## Financial highlights

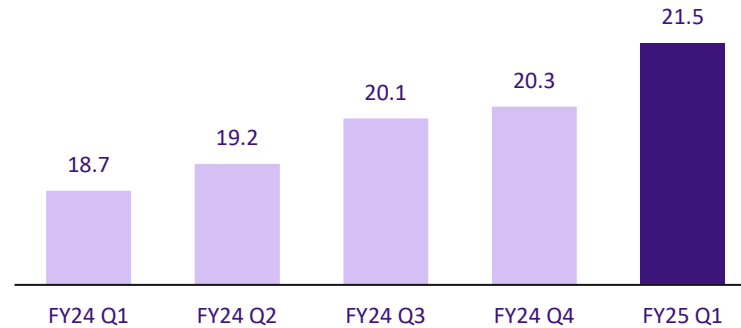
Revenue<sup>1</sup> **\$21.5m**  
+15% YoY

Organic SIO Growth **▲ 13%**  
YoY

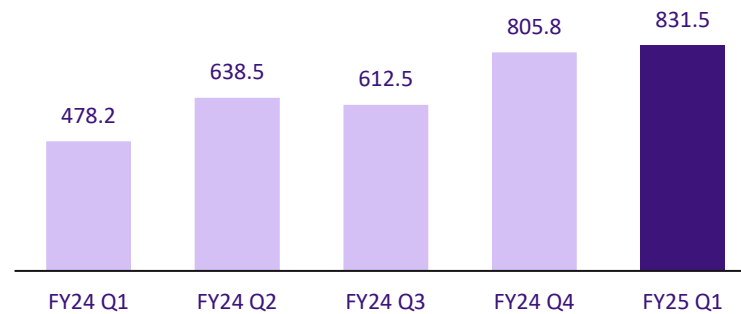
Sales Growth **\$831k**  
+74% YoY

New NBN connections **1,620<sup>+</sup>**  
8% of total

Core Business Recurring Revenue (A\$m)<sup>1</sup>



Recurring Revenue Sales (A\$000's)<sup>2</sup>



- Consistent YoY recurring revenue growth in the core business, with a 15% increase YoY
- Sales growth in the overall business with a 74% increase YoY
- Strong brand recognition with new NBN connections up to 8% of ~20,000 total nbn SIOs<sup>3</sup>
- Completion of divestment of wholesale voice business in July for \$9m<sup>4</sup> has also strengthened the cash balance
- Initiated build-out of 300km Swoop-owned fibre network, covering up to 42,000 businesses and around 450,000 residential premises supported by \$36m long-term contract with key NASDAQ-listed global technology company

Notes: (1) Revenue and other income excludes co-build projects and discontinued operations. (2) Revenue and other income from discontinued and continuing operations. (3) Combined Swoop & Moose nbn TC4 services. (4) \$8m was paid in cash on completion of the divestment. An additional sum of \$1m has been retained by the purchaser and will be adjusted based on performance of the business for 9 months post-completion.



# Board and Senior Management

Swoop has a highly experienced Board of Directors and senior management team with significant industry experience to execute its long-term growth strategy

James Spenceley  
Non-Executive Chairman



- Previously founder & CEO of Vocus Communications
- Director of Kogan

Anthony (Tony) Grist  
Non-Executive Director



- Extensive public markets and capital markets experience
- Previously co-founder and Chairman of Amcom

Matthew Hollis  
Non-Executive Director



- Served as an executive director at Superloop
- Previously at PIPE Networks prior to its acquisition by TPG, and Vocus

Jonathan Pearce  
Non-Executive Director



- Director and Portfolio Manager of 248 Growth Partners
- Multiple listed and unlisted company directorships

William (Paul) Reid  
Non-Executive Director



- Spearheaded Swoop's strategic direction model over the past 5 years
- Managed network deployment for Swoop across Australia

Alex West  
Chief Executive Officer



Patricia Jones  
Chief Financial Officer



Louise Bolger  
General Counsel



Simon Robson  
Chief Integration Officer



Tom Berryman  
Chief Technology Officer



Sherene Shridhar  
Chief People Officer





# Appendix 2

## Key Risks



# Key risks

Vonex Shareholders will receive Swoop Shares unless they are Ineligible Foreign Shareholders or Unmarketable Market Shareholders. The value of Swoop Shares will depend, among other things, on the future performance of Swoop and the market price of Swoop Shares. As such, Vonex Shareholders should be aware of the following key risks that may affect the performance of the Merged Group and the value of Swoop Shares.

Before deciding whether to accept the Offer, **you should read the entire Bidder's Statement carefully**. The risk factors set out below are in summary form only.

## **Specific business risks associated with the Swoop Group**

### **Integration and growth risks**

Swoop is exposed to risks associated with pursuing growth through the continued rollout of its fixed wireless network, the expansion of its fibre infrastructure network, the integration of acquired businesses and the pursuit of new geographies and customers.

### **Network performance**

Swoop depends on performance, reliability and availability of its own and third party technology platforms. There is a risk that these platforms and systems may be adversely affected by a number of factors.

### **Supplier risks**

Swoop relies on key supplier arrangements with respect to the NBN wholesale services, fibre optic network operators, mobile services, and international cable system operators. Any loss of access to, disruption to or performance failures of these services could cause harm to business operations and reputation and loss of revenue.

### **Customer contract risks**

Many customers are typically on short term or no contracts. The industry is subject to price sensitivity and competition that can lead to regular 'churn' of customers.

### **Brands and reputation**

Swoop operates a number of brands and believes that the reputation of its brands are a key to its success. This may be damaged as a result of negative customer or end-user experiences due to poor product performance or product failures, adverse media coverage or other publicity.

### **Data security risks**

Swoop's procedures and systems may not stop or detect cyberattacks, data theft and hacking from obtaining unauthorised access to confidential data

collected by Swoop. Failures or breaches of data protection systems can result in reputational damage, regulatory impositions and financial loss.

### **Future acquisitions**

As part of its growth strategy, the Swoop intends to make further acquisitions of complementary businesses. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions.

### **Competition risk**

Swoop faces competition for customers from alternative suppliers of broadband internet connectivity services, including resellers of NBN, and mobile operators. Further improvements in NBN or other network operator infrastructure or reach, could reduce the relative attractiveness of Swoop's fixed wireless services and ability to compete on a profitable basis.

### **Regulatory and licensing compliance risk**

Swoop holds a number of carrier licences. A failure to comply with a licence condition could result in the cancellation of a carrier licence or fines, and a failure to comply with applicable laws and regulations could result in restrictions or fines being imposed or legal proceedings being commenced against Swoop.

### **Technology risk**

Swoop is at risk from major technological improvements in alternative services or on its ability to access and adapt to technological changes in a cost-effective manner. The introduction of new practices and technology may have significant implications for current infrastructure and business model.

## **Specific risks associated with the Offer and the Swoop Shares**

### **Offer Conditions and uncertainty of completion**

The Offer is subject to the satisfaction or waiver of a number of Offer Conditions. There can be no assurance that all of the Offer Conditions will be satisfied or waived. Subject to any statutory rights of withdrawal, Vonex Shareholders who accept the Offer while it still remains conditional will not be able to sell their Vonex Shares or withdraw their acceptance of the Offer.

### **Value of Offer Consideration**

The Offer comprises a specified number of Swoop Shares in consideration for each Vonex Share, rather than a specified value of Swoop Shares. Accordingly, the value of the consideration may fluctuate depending on the market price (and implied value) of the Swoop Shares on the ASX.

### **Less than 100% ownership, breach of Longreach Facility and implementation risk**

If after the Offer Period, Swoop holds less than 90% of the Vonex Shares Swoop will not be able to proceed to compulsorily acquire 100% of Vonex and will become a majority owner of Vonex. If Swoop acquires a Relevant Interest of 50.1% or more in Vonex and Vonex does not seek Longreach's prior consent to the change of control under the Longreach Facility, among other things, the Longreach Facility may be called in and the Longreach Fee will be payable to Longreach.

### **Taxation risks**

Swoop cannot give advice on the tax consequences of the Offer, which will depend on the specific circumstances of each Vonex Shareholder.

### **Dilution risks**

The interests of existing Swoop Shareholders will be significantly diluted by the issue of Swoop Shares under the Offer.

### **Limited withdrawal rights**

Vonex Shareholders who accept the Offer are able to withdraw those acceptances in limited circumstances only.

### **Assumed information for Vonex**

There is a risk that the publicly available financial information used by Swoop in formulating the Offer is not materially correct.

### **The Offer could have an adverse effect on the business, financial condition, results of operations or business prospects of each of Swoop, Swoop Holdings and Vonex**

The announcement of the Offer could disrupt the business of Swoop Holdings, Swoop and Vonex due to the attention of company officers being directed elsewhere, additional expenses being incurred and a potential inability to respond to competitive pressures.

## **Specific business risks associated with Vonex**

### **Funding and future capital requirements**

The Longreach Facility is due for repayment on 1 October 2025., Vonex's cash flows (and cash reserves) are insufficient to materially reduce the level of that debt. This restricts Vonex's ability to invest for growth and to pay dividends.

### **Interest rate risk**

Vonex has exposure to interest rate risk on financial assets and financial liabilities that are recognised at a reporting date. Any future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

### **Liquidity risk**

Liquidity risk arises from the possibility that Vonex might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

### **Market for shares in Vonex**

There can be no guarantee that a liquid market in Vonex Shares will exist if the Offer does not proceed.

### **Specific claims and litigation**

There is a dispute between the vendors from one of Vonex's earlier acquisitions, Voiteck, in relation to additional earn out payments under the terms of the applicable sale agreement.

# Key risks (continued)

## Compliance

The industry in which Vonex operates is subject to extensive legislative and regulatory requirements. If Vonex does not comply with relevant laws and regulations, there is a risk that Vonex may be subject to investigations and enforcement action by regulators, suffer penalties such as fines, obligations to pay compensation or the cancellation or suspension of authorisations or licences under which its business is conducted.

## Operational risk

Vonex's business is exposed to a variety of generalised risks arising from process error, fraud, systems failure, security and physical protection, customer service and staff skills and performance. A failure to adequately manage these risks may adversely impact the performance of the business of Vonex.

## Customer risk

Vonex has a diverse customer base. This diversity requires ongoing maintenance of both the channel and direct sales forces. Any damage to the Vonex brand would risk the loss of existing customers, and a reduced ability to secure ongoing growth.

## Credit risk

Vonex is exposed to credit risk if a counterparty does not meet its contractual obligations in a manner that could lead to a financial loss to Vonex.

## Brand

Significant erosion in the reputation of, or value associated with the Vonex brand, could have an adverse effect on customer loyalty, relationships with key suppliers, employee retention rates, and overall demand for Vonex products.

## Key personnel risk

There is a risk Vonex may not be able to attract and retain key personnel or be able to find effective replacements in a timely manner. The loss of personnel, or any delay in their replacement, could have a significant negative impact on Vonex's ability to operate the business and achieve financial performance targets and strategic growth objectives.

## Dependence on suppliers, as a reseller of many critical services

If a significant number of key product providers fail to meet their obligations, or if the contractual relationships between these product providers and

Vonex are terminated or not renewed, it could have an adverse impact on the business operations and performance of Vonex.

## Failure to maintain sufficient growth

Vonex's future growth could place additional pressure on current management, operational and finance resources and on the infrastructure supporting Vonex. Failure to appropriately manage this growth could result in failure to retain existing customers and attract new customers.

## Competition

Vonex competes with many businesses and there is a risk that Vonex's earnings could be adversely impacted by the need to compete in the marketplace. New technologies, such as increased capability of 5G services, may be seen as a substitute for Vonex's existing products and services.

## Laws and regulations

Vonex may be affected by regulatory changes to pricing of key products such as fixed wire or mobile telephony, which may advantage either Vonex or its competitors disproportionately.

## Change in demand

Vonex sells its products to a range of customers including retail and wholesale. A significant change in demand for, or the prices paid for, Vonex's products by Vonex's key customers may affect Vonex's sales volumes and margins and may have a material and adverse effect on Vonex's revenue, profitability and growth.

## Dependence on market

Vonex's current business and growth plans depend on there being an active market domestically for Vonex's products. Vonex's reputation, changes in law or regulation or economic and market conditions, will adversely affect sales of Vonex's products and may have a material and adverse effect on Vonex's revenue, profitability and growth.

## General risks relating to the Merged Group

### Synergy risks

Swoop undertook financial, tax, legal commercial and other analysis on Vonex earlier in 2024. It is possible that, despite such analysis, the conclusions drawn are inaccurate or are not realised (including assumptions as to synergies from the increased scale of the Merged Group). The quantum of identified synergies will only be available if Swoop reaches 75% ownership of Vonex and

Vonex is delisted. If Swoop acquires a lower controlling stake and Vonex is not delisted, a lower quantum of synergies will be available. If Swoop was to waive the Minimum Acceptance Condition and therefore acquire a non-controlling stake in Vonex, there would be no guarantee that any synergies will be able to be realised.

## Unforeseen liabilities

Swoop has conducted due diligence enquiries on the Vonex business. However, if any of the information that was provided is incomplete, inaccurate or misleading (including in respect of the financial information provided by Vonex) or new circumstances have arisen since the date of such due diligence, the benefits expected to be derived from this Offer may not be delivered.

## Material contracts – change of control

Vonex is party to a number of contracts that are material to its business with customers and suppliers that contain change of control provisions which may be triggered if Swoop acquires a controlling interest in Vonex. If counterparty consent is not provided (or the counterparty otherwise terminates the relevant agreement) then this could adversely affect the Merged Group's operations.

## Funding and capital

The continued growth of the Merged Group relies on customer acquisition and the acquisition of businesses to continue to scale the Merged Group's existing business. The Merged Group will require sufficient access to capital to fund this expenditure and a failure to obtain capital on favourable terms may hinder the Merged Group's ability to expand and pursue growth opportunities.

## General claims and litigation

Both Swoop Holdings and Vonex's businesses are exposed to a variety of claims and litigation for professional negligence, statutory duties, investment losses, claims arising under client contracts or other litigation. It is possible that claims might arise which could have an adverse effect on the Merged Group's performance and reputation.

## Government policy and regulation

Changes in legislation, government policy or regulation could adversely impact the performance of the business of the Merged Group.

## General economic risks

Changes in economic conditions both in Australia and globally affect the financial performance of the Merged Group's business.

## Foreign currency risk

To the extent that the Merged Group sells or acquires goods in a denomination other than the Australia Dollar, movements in currency exchange rates may have an adverse impact on the future financial performance of the Merged Group.

## Force majeure risks

Circumstances or events beyond the Merged Group's control (such as terrorist activities, outbreak of hostilities and natural disasters) may adversely affect the performance of the Merged Group's business operations.

## Not exhaustive

The risks set out are not exhaustive of all the risks faced or that may be faced by Swoop, Vonex and / or the Merged Group. Accordingly, no assurances or guarantees of future performance or profitability are given by Swoop or its subsidiaries or any officers or employees.



**swoop**

Thank you

[swoop.com.au](http://swoop.com.au)