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DX 10284 Sydney Stock Exchange

10 December 2024

Market Announcements Office  
ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

Dear Sir/Madam

**Off-market takeover offer by Swoop Telecommunications Pty Ltd to acquire up to 100% of the issued share capital that it does not own in Vonex Limited: Completion of dispatch of Bidder's Statement and Supplementary Bidder's Statement**

We act for Swoop Telecommunications Pty Ltd ACN 109 931 731 (**Swoop Telecommunications**), a wholly-owned subsidiary of Swoop Holdings Limited ACN 009 256 535, in relation to its off-market takeover offer (**Takeover Offer**) under Chapter 6 of the *Corporations Act 2001* (Cth) (**Corporations Act**) for all the shares in it does not already own in Vonex Limited ACN 063 074 635 (**Vonex**).

Pursuant to section 633(1), item 8 of the Corporations Act, Swoop Telecommunications hereby gives notice to ASX that the bidder's statement dated 22 November 2024, the supplementary bidder's statement dated 9 December 2024 and offers in relation to the Takeover Offer have been sent to each person who held securities in the bid class as at 7:00pm (Sydney Time) on 2 December 2024 (being the date set by Swoop Telecommunications in its notice to Vonex dated 22 November 2024 in accordance with section 633(2) of the Corporations Act), as required by item 6 of section 633(1) of the Corporations Act.

Yours faithfully

Catherine Merity  
Partner

Interstate offices  
Canberra Melbourne



# BIDDER'S STATEMENT

containing an 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 1 Swoop Share for every 3.9 Vonex Shares you hold

The Offer in this Bidder's Statement closes at 7.00 pm (Sydney time) on 17 January 2025, unless extended or withdrawn.

## ACCEPT NOW

**This is an important document 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).

Legal Adviser



**Maddocks**

Financial Adviser



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## Important Information

### Key dates

Event	Time and Date
Announcement Date	18 October 2024
Bidder's Statement lodged with ASIC, ASX and Vonex	22 November 2024
Offer opens	9 December 2024
Date that Swoop must give notice of the status of the Offer Conditions	9 January 2025
Closing date (unless extended or withdrawn) at 7.00 pm (Sydney time)	17 January 2025

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

### Key Contacts

Share Registry	Automic Pty Ltd Level 5, 126 Phillip Street Sydney NSW 2000
Offer Information Line*	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).  *Calls to these numbers may be recorded

## Important Notices

### Nature of this document

This document is a Bidder's Statement issued by Swoop Telecommunications Pty Ltd ACN 109 931 731 (**Swoop**) under Part 6.5 of the Corporations Act.

### Lodgement

This Bidder's Statement is dated 22 November 2024. It includes an Offer dated 9 December 2024.

A copy of this Bidder's Statement was lodged with ASIC, ASX and Vonex on 22 November 2024. None of ASIC, ASX nor any of their officers takes any responsibility for the content of this Bidder's Statement.

### Defined terms

A number of defined terms are used in this Bidder's Statement. These terms are explained in Section 11.1 of this Bidder's Statement. In addition, unless the contrary intention appears or the context requires otherwise, words and phrases used in this Bidder's Statement and defined in the Corporations Act have the same meaning and interpretation as in the Corporations Act.

Unless otherwise indicated, all references to Sections are references to Sections of this Bidder's Statement.

### No investment advice

The information in this document is not financial product advice. This Bidder's Statement does not take into account your individual investment objectives, financial situation or particular needs. You should obtain independent financial, investment, legal and taxation advice before deciding whether to reject or accept the Offer. Swoop is not licensed to provide financial product advice.

### Available Information on Swoop Holdings

This Bidder's Statement may not contain all of the information that may be important to you. Before deciding whether or not to accept the Offer, you should carefully read this Bidder's Statement together with Swoop Holdings' Annual Report for the financial year ended 30 June 2024 as published on the Australian Securities Exchange (**ASX**) on September 27, 2024 (the **2024 Annual Report**) and its other reports and announcements that have been published since the filing of the 2024 Annual Report.

### Forward looking statements

This Bidder's Statement contains forward looking statements, which include statements other than statements of historical fact. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those

risks and uncertainties include factors and risks specific to the Swoop Group and Vonex, general economic conditions and conditions in the financial markets and other risks that are set forth in the 2024 Annual Report and in other announcements that Swoop Holdings or Vonex has made and may make with the ASX in the future. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement.

None of Swoop, Swoop Holdings, any of their respective officers, employees, affiliates or any persons named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement and Swoop does not intend to update or revise forward looking statements or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Bidder's Statement, except to the extent required by law.

### Financial Data

Vonex Shareholders should be aware that certain financial measures included in this Bidder's Statement are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC and are not recognised under International Financial Reporting Standards (**IFRS**). The principal non-IFRS financial measures that are referred to in this Bidder's Statement 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.

Swoop 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. Swoop believes the non-IFRS financial information provides useful information to users in measuring the financial performance and conditions of the Swoop Group, the Vonex Group and the Merged Group.

The non-IFRS financial information does not have a standardised meaning prescribed by IFRS. Therefore, the non-IFRS financial information is not a measure of financial performance, liquidity or value under the IFRS and may not be comparable to similarly titled measures presented by other

entities, and should not be construed as an alternative to other financial measures determined in accordance with IFRS. Vonex Shareholders are cautioned, therefore, not to place undue reliance on any non-IFRS financial information included in this Bidder's Statement.

### Value of Swoop Shares

The implied value of the Offer will vary with the market price of Swoop Shares. Further information on the implied value of the Offer is contained in this Bidder's Statement.

Before accepting the Offer, Vonex Shareholders should obtain current quotes for Swoop Shares from their stockbroker or a financial adviser. Reference to the implied value of the Offer may be subject to the effects of rounding.

### Effects of Rounding

Numbers, figures, percentages, prices, estimates, amounts, calculations of value and fractions may be subject to the effect of rounding. The actual calculation of these numbers, figures, percentages, prices, estimates, amounts, calculations of value and fractions may differ from what has been set out in this Bidder's Statement. Discrepancies between totals, amounts in financial statements or calculations (including graphs or charts) may be due to rounding.

### Diagrams

Any diagrams which appear in this Bidder's Statement are for illustrative purposes only. Unless explicitly stated otherwise, all information and data included in charts, graphs and tables are based on information available to Swoop at the date of this Bidder's Statement.

### Estimates and Assumptions

Unless explicitly stated otherwise, all references to estimates, assumptions, and derivations of the same in this Bidder's Statement are references to estimates, assumptions and derivations of the same by Swoop's management. Swoop's management estimates are based on the views and information as at the date of this Bidder's Statement, and actual facts or outcomes may materially differ from these estimates or assumptions.

### Vonex and Merged Group information

The information on Vonex and Vonex Shares in this Bidder's Statement has been prepared by Swoop using publicly available information on Vonex and information provided by Vonex. This information has not been independently verified by Swoop. Accordingly, subject to the Corporations Act, none of Swoop Holdings, Swoop nor any of their respective officers, employees or affiliates make any representation or warranty (express or implied) as to the accuracy or completeness of this information.

The information on the Merged Group contained in this Bidder's Statement, to the extent that it incorporates or reflects information on Vonex and

the Vonex Group, has also been prepared using publicly available information. Accordingly, information in relation to the Merged Group is subject to the foregoing disclaimer to that extent.

Further information relating to Vonex's business may be included in Vonex's Target Statement which Vonex must provide to Vonex Shareholders in response to this Bidder's Statement.

### Foreign jurisdictions

The release, publication or distribution of this Bidder's Statement in jurisdictions other than Australia may be restricted by law or regulation and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations. This Bidder's Statement has been prepared in accordance with Australian law and the information contained in this Bidder's Statement may not be the same as that which would have been disclosed if this Bidder's Statement had been prepared in accordance with the laws and regulations outside Australia.

This Bidder's Statement does not constitute an offer to acquire Vonex Shares from or an offer of Swoop Shares to any Vonex Shareholder in any jurisdiction in which to do so would be illegal. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is permitted by applicable foreign laws.

No action has been taken to register or qualify Swoop or to otherwise permit a public offering of Swoop Shares outside of Australia. Swoop Shares have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, a US Person, except in a transaction exempt from the registration requirements of the US Securities Act and applicable United States securities law.

### Notice to Vonex Shareholders in New Zealand

This Offer is being extended to Vonex Shareholders in New Zealand in reliance on the *New Zealand Financial Markets Conduct (Incidental Offers) Exemption Notice 2021*.

### Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders

Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders who accept the Offer will not receive Swoop Shares, but will be paid a cash amount calculated in accordance with Section 8.6.7.

### Privacy

Swoop has collected your information from the Vonex register of shareholders for the purpose of providing you with this Bidder's Statement. The type of information Swoop has collected about you includes your name, contact details, email address

and information on your shareholding in Vonex. The Corporations Act requires the name and address of shareholders to be held in a public register.

Your information will be used when Swoop Holdings issues any Offer Consideration, or as the case requires for Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders, net sale proceeds from the sale of any Offer Consideration and be disclosed on a confidential basis to Swoop Holdings affiliates and external service providers and may be required to be disclosed to regulators such as ASIC.

### **Risks**

It is important that you read this Bidder's Statement carefully and in full before deciding whether to accept the Offer. In particular, in considering the Offer, you should consider the risk factors that could affect the financial and business performance of Swoop Holdings and Vonex. You should carefully consider these factors in light of your investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from your accountant, financial adviser, broker, lawyer or other professional adviser before deciding whether to accept the Offer. Some of the risk factors that should be considered by Vonex Shareholders are set out in Section 6. There may be risk factors in addition to these that should

be considered in light of your personal circumstances.

### **How to accept the Offer**

To accept the Offer you must follow the instructions set out in Section 8. Acceptances for the Offer must be received in sufficient time to be acted upon before the close of the Offer Period.

### **Websites**

Both Vonex and Swoop Holdings maintain internet sites. Swoop Holdings' website is at <https://www.swoop.com.au>. Vonex's website is at <https://vonex.com.au>.

Information contained on, or otherwise accessible through, these internet sites is not a part of this Bidder's Statement and references to these internet sites are for your information only.

### **Offer Information Line**

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).

## How to accept the Offer

You may accept the Offer in respect of all or any of your Vonex Shares. Acceptances must be received before the end of the Offer Period (subject to the terms of the Offer).

### ***For Issuer Sponsored Holdings of Vonex Shares (Securityholder Reference Number beginning with 'I')***

To accept the Offer:

- **Online acceptance:** To accept the offer online, go to <https://investor.automic.com.au/#/signup>, and follow the instructions below before the Offer closes:
  - Select 'Vonex Limited Takeover Offer' from the dropdown list in the Issuer Name Field;
  - Enter your Securityholder Reference Number (SRN) as shown on your holding statement;
  - Enter your postcode OR country of residence (only if outside Australia);
  - Tick the box "I'm not a robot" and then select "Next";
  - Complete the prompts to set up your username and password details; and
  - Once you are logged in, select "Offers" from the left-hand vertical menu and follow the prompts.
- **Acceptance Form:** To accept the Offer using a physical Acceptance Form, you must complete and sign the Acceptance Form enclosed with this Bidder's Statement in accordance with the instructions on it and return it to the address indicated on the Acceptance Form before the Offer closes.

### ***For CHESS Holdings of Vonex Shares (Holder Identification Number beginning with 'X')***

To accept the Offer:

- **Online acceptance:** To accept the offer online, go to <https://investor.automic.com.au/#/signup>, and follow the instructions below before the Offer closes:
  - Select 'Vonex Limited Takeover Offer' from the dropdown list in the Issuer Name Field;
  - Enter your Holder Identification Number (HIN) as shown on your holding statement;
  - Enter your postcode OR country of residence (only if outside Australia);
  - Tick the box "I'm not a robot" and then select "Next";
  - Complete the prompts to set up your username and password details; and
  - Once you are logged in, select "Offers" from the left-hand vertical menu and follow the prompts.
- **Contact your Controlling Participant:** Alternatively, you can accept the Offer by instructing your Controlling Participant (usually your broker) to accept the Offer on your behalf before the Offer closes.
- **Acceptance Form:** To accept the Offer using a physical Acceptance Form, you must complete and sign the Acceptance Form enclosed with this Bidder's Statement in accordance with the instructions on it and return it to the address indicated on the Acceptance Form so that it is received in sufficient time to be relayed to and acted on by your Controlling Participant before the Offer closes.

## Controlling Participants

If you are a Controlling Participant, acceptance of the Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the Offer closes.

Full details on how to accept the Offer are set out in Section 8.2 of this Bidder's Statement.



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## Chairman's Letter

22 November 2024

Dear fellow Vonex Shareholder,

On behalf of Swoop Telecommunications Pty Ltd (**Swoop**), I am pleased to present this Offer to acquire all of your shares in Vonex Limited in consideration for 1 ordinary share in Swoop Holdings Limited (**Swoop Holdings**) for every 3.9 of your Vonex Shares, subject to the satisfaction or waiver of certain Offer Conditions set out in this Bidder's Statement (**Offer**).

### Background to the Offer

As you will be aware, Maxo Telecommunications Pty Ltd (**MaxoTel**) is seeking to acquire Vonex firstly by way of a scheme of arrangement and subsequently by way of an on-market takeover offer initially for \$0.042 per Vonex Share, which has now been increased to \$0.044 per Vonex Share (**MaxoTel Offer**).

Following discussions with Vonex and a period of due diligence earlier in the year, we decided to submit a competing proposal to acquire Vonex. We also acquired and currently hold 72.0 million Vonex Shares, representing 19.9% of the share capital of Vonex.

### Details of the Offer

Swoop is offering to acquire all the Vonex Shares that we do not currently hold in exchange for 1 Swoop Share for every 3.9 Vonex Shares you hold (**Offer Consideration**). This Offer Consideration implies a price of \$0.050 per Vonex Share and represents:

- a premium of 14% to the MaxoTel Offer of \$0.044 announced on 23 October 2024;
- a premium of 178% to the closing price of Vonex Shares of \$0.018 on 24 June 2024, being the last closing price prior to the announcement of the MaxoTel Scheme (**Undisturbed Share Price Date**); and
- a premium of 178% to the 30-day VWAP of Vonex Shares to the Undisturbed Share Price Date of approximately \$0.018.

The Offer Consideration of 1 Swoop Share for every 3.9 Vonex Shares held has been based on Swoop Holding's 5-day VWAP to 21 November 2024 of approximately \$0.193.

### About Swoop, Swoop Holdings and the Merged Group

The Swoop Group is a leading fixed wireless and fibre infrastructure provider in Australia which also designs, builds and services its own residential infrastructure (including towers). The Swoop Group provides a variety of other solutions including mobile telephony, channel partner opportunities, reseller services, wholesale and national broadband network services for homes and businesses. Please refer to Sections 3 and 5 for more information on Swoop and Swoop Holdings and Swoop's strategy for the Merged Group.

### Rationale for the Offer

Swoop continues to see Vonex as a strong strategic fit with the Swoop business, providing the opportunity to realise significant commercial benefits under a business combination. Specifically, the Merged Group would benefit from the cross-selling of services across the combined customer base and operational benefits of being a more diverse and scaled business.

We believe that the potential combination would be an attractive proposition for both Swoop and accepting Vonex Shareholders and has the potential to create significant value for the shareholders of the Merged Group. Swoop is in a strong position to acquire the Vonex business, and is led by a management team that has a strong and demonstrable track record of integrating businesses and extracting material synergies. The scrip consideration allows Vonex

Shareholders<sup>1</sup> to share in the exposure and potential upside from the significant synergy opportunity, with the potential to realise over \$5.0 million of annualised EBITDA synergies over time.<sup>2</sup>

We remain excited about the opportunity and believe the Offer delivers compelling value to Vonex Shareholders, offering accepting shareholders<sup>1</sup> the opportunity to share in the ownership of a larger, more diversified business with enhanced scale and broader service offerings through their Swoop Shares.

As such, the Swoop Board continue to believe the Swoop Offer represents superior value to that of the MaxoTel Offer.

### **Benefits of the Offer**

As more fully described in Section 2 of this Bidder's Statement, Swoop believes that the Offer provides several key benefits to the Vonex Shareholders, including the following:

- (a) the Offer Consideration is higher than any closing price at which Vonex Shares have traded since March 2023;
- (b) the Offer Consideration delivers a significant premium to the MaxoTel Offer;
- (c) Vonex Shareholders<sup>1</sup> have the opportunity to exchange Vonex Shares for Swoop Shares, providing value upside opportunities in an ongoing enlarged and more diversified telecommunications company;
- (d) accepting the Offer removes your exposure to the risks associated with remaining a minority shareholder in Vonex;
- (e) no Australian stamp duty or brokerage is payable if you accept the Offer; and
- (f) there may be adverse consequences associated with not accepting the Offer.

### **Conclusion**


I encourage you to carefully read this Bidder's Statement. The Offer is open for your acceptance until 7.00 pm (Sydney time) on 17 January 2025, unless it is extended or withdrawn. To accept the Offer, please follow the instructions in this Bidder's Statement and the enclosed personalised Acceptance Form.

The Offer is subject to a number of Offer Conditions, including a 50.1% Minimum Acceptance Condition and some other usual takeover conditions. Section 9 sets out all of the Offer Conditions.

If you have any questions about the Offer, please call the Offer Information Line<sup>3</sup> 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), or contact your legal, financial or other professional adviser.

I urge you to seriously consider the Offer. I look forward to your acceptance and welcoming you as a shareholder of Swoop.

Yours sincerely,



James Spenceley  
Chair, Swoop Holdings Limited  
Director, Swoop Telecommunications Pty Ltd

<sup>1</sup> Other than Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders who will receive the proceeds of sale of Swoop Shares that they would otherwise be entitled to receive under the Offer (see Section 8.6.7).

<sup>2</sup> Assuming that Swoop obtains a Relevant Interest in at least 75% of Vonex Shares and delists Vonex. See section 5.2.4 for further details of synergies including the anticipated timing for realisation. Note that certain synergies are still expected to be achieved if Swoop acquires control of Vonex but does not reach 75% ownership.

<sup>3</sup> Calls to these numbers may be recorded

## 1. Overview of the Offer, Swoop and Swoop Holdings

The information set out in this Section is intended to provide you with an overview of Swoop, Swoop Holdings and the Offer.

The information in this Section 1 is not intended to be comprehensive and should be read in conjunction with the detailed information contained in the other Sections of this Bidder's Statement, including Sections 8 and 9, which contain the full terms and conditions of the Offer.

### PART A – SUMMARY OF THE OFFER

Question	Answer	Section
<b>Who is making the Offer?</b>	Swoop Telecommunications Pty Ltd, a wholly owned subsidiary of Swoop Holdings Limited, is making the Offer.	Page 1
<b>What is the Offer Consideration?</b>	<p>The Offer Consideration is 1 Swoop Share for every 3.9 Vonex Shares held.</p> <p>The Offer is an offer to acquire all Vonex Shares that exist, or will exist, other than those held by Swoop, on the Record Date and all Vonex Shares issued before the end of the Offer Period as a result of the vesting and exercise of any Vonex Performance Rights that are on issue at the Record Date.</p> <p>If you accept the Offer, you will receive 1 Swoop Share for every 3.9 Vonex Shares you hold unless you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder (see Section 8.6.7).</p>	Section 3.12
<b>What happens if I am an Ineligible Foreign Shareholder or would receive an Unmarketable Parcel of Swoop Shares</b>	If you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, you will not be provided with Swoop Shares. Instead, you will be paid the net proceeds of the sale (after deducting expenses) of the Swoop Shares you would have otherwise been entitled to.	Section 8.6.7
<b>What is the implied value of the Offer Consideration?</b>	<p><b>The implied value of the Offer Consideration is \$0.050 per Vonex Share<sup>4</sup>. This is superior to the MaxoTel Offer by \$0.006 per Vonex Share or 13.6%.</b></p> <p>It is important to note that the value of a Swoop Share and therefore the implied value of the Offer Consideration may move upwards and downwards with fluctuations in the market price of Swoop Shares on the ASX.</p>	Section 2.1
<b>When does the Offer close?</b>	The Offer is scheduled to close at 7.00pm (Sydney time) on 17 January 2025, unless extended or withdrawn.	Sections 8.1.8 and 8.1.9
<b>Can Swoop extend the time at which the Offer is to close?</b>	Yes, the Offer Period can be extended at Swoop's election or otherwise in accordance with the Corporations Act. Swoop will give written notice of any extension of the Offer Period in accordance with the Corporations Act.	Section 8.1.9

<sup>4</sup> Based on Swoop Holding's 5-day VWAP to 21 November 2024 of approximately \$0.193.

Question	Answer	Section
<b>What are the Offer Conditions?</b>	<p>The Offer is subject to the Offer Conditions, which are set out in full in Section 9. In summary, those conditions include:</p> <ul style="list-style-type: none"> <li>▪ <b>Minimum Acceptance Condition:</b> At or before the end of the Offer Period, Swoop and its Associates have a Relevant Interest in at least 50.1% of Vonex Shares (on a fully diluted basis);</li> <li>▪ <b>No Prescribed Occurrences Condition:</b> None of the events listed in section 652C of the Corporations Act occur;</li> <li>▪ <b>No action by a Regulatory Authority:</b> During the Condition Period, there is no action by a Regulatory Agency which restrains or prohibits or threatens to restrain or prohibit the making of the Offer and the completion of acceptances pursuant to the Offer or imposes any conditions on the Offer; and</li> <li>▪ <b>Lender consent for refinancing:</b> If Longreach does not provide consent to the change in control of Vonex under the Offer (see Section 5.5.4 and Section 5.6), before the end of the Offer Period, Westpac Banking Corporation provides approval, in accordance with the terms of Swoop's existing debt facilities (as amended from time to time), for the acquisition of the Vonex Shares by Swoop under the Offer including for the refinancing of Vonex's existing debt facilities.</li> </ul>	Section 9
<b>What happens if the Offer Conditions are not satisfied?</b>	<p>If the Offer Conditions are not satisfied or waived by the end of the Offer Period, then the Offer will lapse and your acceptance will be cancelled. In this event, you will continue to hold your Vonex Shares and be free to deal with your Vonex Shares as if the Offer had not been made.</p>	Section 10.1
<b>Why should I accept the Offer?</b>	<p>There are a number of reasons why Swoop recommends that you should accept the Offer, including that:</p> <ul style="list-style-type: none"> <li>▪ the implied value of the Offer Consideration is higher than any closing price at which Vonex Shares have traded since March 2023;</li> <li>▪ the Offer Consideration delivers a significant premium to the MaxoTel Offer;</li> <li>▪ Vonex Shareholders<sup>5</sup> have the opportunity to exchange Vonex</li> </ul>	Section 2

<sup>5</sup> Other than Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders (see Section 8.6.7 for further details).

Question	Answer	Section
	<p>Shares for Swoop Shares, providing value upside opportunities in an ongoing enlarged and more diversified telecommunications company;</p> <ul style="list-style-type: none"> <li>▪ accepting the Offer removes your exposure to the risks associated with remaining a minority shareholder in Vonex;</li> <li>▪ no Australian stamp duty or brokerage is payable if you accept the Offer; and</li> <li>▪ there may be adverse consequences associated with not accepting the Offer.</li> </ul>	
<b>What choices do I have as a Vonex Shareholder?</b>	<p>As a Vonex Shareholder, you have the following choices in respect of your Vonex Shares:</p> <ul style="list-style-type: none"> <li>▪ accept the Offer (for some or all of your Vonex Shares);</li> <li>▪ sell your Vonex Shares on the ASX (unless you have already accepted the Offer for your Vonex Shares); or</li> <li>▪ do nothing.</li> </ul>	-
<b>How do I accept the Offer?</b>	See Section 8.2 as well as the instructions on the enclosed personalised Acceptance Form.	Section 8.2
<b>What happens if I accept the Offer and then Swoop increases the Offer Consideration?</b>	If Swoop improves the Offer Consideration, all Vonex Shareholders who accept the Offer (whether they have accepted the Offer before or after improvement of the Offer Consideration) will be entitled to receive the benefit of the improved Offer Consideration, should the Offer become or be declared Unconditional.	-
<b>Can I accept the Offer for part of my shareholding?</b>	Yes. You may accept the Offer for all or some of your Vonex Shares. If you accept the Offer for some of your Vonex Shares, you may still accept the Offer for all or part of the balance of your Vonex Shares at any time during the Offer Period, as if an offer in the form of this Offer had been made to you in respect of the balance of your Vonex Shares.	Section 8.2.3
<b>Can I revoke my acceptance?</b>	You cannot withdraw your acceptance unless a withdrawal right arises under the Corporations Act. Such a withdrawal right will arise if, after you have accepted the Offer, Swoop varies the Offer in a way that postpones, for more than 1 month, the time when Swoop has to meet its obligations under the Offer (e.g. if Swoop extends the Offer for more than 1 month when the Offer is Unconditional).	Sections 6.3.1 and 6.3.6
<b>If I accept the Offer, when will I receive the Offer Consideration?</b>	Subject to Section 8.6 and the Corporations Act, if you accept the Offer and the Offer Conditions are satisfied or waived, Swoop will procure that	Section 8.6.3

Question	Answer	Section
	<p>Swoop Holdings issues the Swoop Shares on or before the earlier of:</p> <ul style="list-style-type: none"> <li>▪ one month after you accept the Offer or the Offer becomes Unconditional (whichever is the later); and</li> <li>▪ 21 days following the end of the Offer Period.</li> </ul>	
<b>Will my new Swoop Shares be listed on ASX?</b>	Swoop Holdings will apply for quotation of the Swoop Shares to be issued under the Offer within seven days of the start of the Offer Period.	Section 8.6.1
<b>What are the tax implications if I accept the Offer?</b>	Section 7 contains an overview of the Australian taxation implications of accepting this Offer. However, this information is general only and does not take account of your personal circumstances. Swoop recommends that you seek independent professional advice in relation to your own particular circumstances.	Section 7
<b>Will I pay brokerage or stamp duty if I accept the Offer?</b>	<p>No – you will not be obliged to pay any Australian stamp duty if you accept the Offer in accordance with the instructions contained in the Offer.</p> <p>If your Vonex Shares are registered in an Issuer Sponsored Holding, you will not incur any brokerage fees in accepting the Offer. If your Vonex Shares are registered in a CHES Holding, you will generally not incur any brokerage fees in accepting the Offer (although you should ask your Controlling Participant, normally your Broker, to confirm whether any transaction or other fees may apply).</p> <p>If you sell your Vonex Shares on ASX instead of accepting the Offer, you may incur brokerage fees.</p>	Section 2.5
<b>What are the consequences of accepting the Offer now?</b>	Once you have validly accepted the Offer you will not be able to sell your Vonex Shares on market, accept any other offer or otherwise deal with your Vonex Shares even if a superior proposal is subsequently made by a third party unless the Offer lapses or withdrawal rights arise under the Corporations Act.	Section 8.3.2
<b>Are there any risks in accepting the Offer?</b>	If you accept the Offer and the Offer becomes or is declared Unconditional, you will be issued with Swoop Shares (unless you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, see Section 8.6.7 for further details). As with any investment, there are a number of risk factors associated with an investment in Swoop Shares and with the Offer itself.	Section 6
<b>What happens if I do not accept the Offer?</b>	<p>If you do not accept the Offer and Swoop (together with its Associates) acquires a Relevant Interest in at least 90% of all Vonex Shares and the Offer Conditions are satisfied or waived, Swoop intends to proceed to compulsorily acquire any outstanding Vonex Shares.</p> <p>If the Offer becomes or is declared Unconditional but Swoop does not become entitled to compulsorily acquire your Vonex Shares, you will</p>	Section 5.5 Section 6.3

Question	Answer	Section
	<p>remain a shareholder of Vonex. In these circumstances and, depending on the number of Vonex Shares acquired by Swoop, as a result of the Offer you will be a minority shareholder in what may be a less liquid stock. Swoop may seek to have Vonex delisted from the ASX if relevant conditions required by ASX are met. If delisting occurs, Vonex Shares will no longer be quoted or able to be traded on the ASX.</p> <p>if you do not accept the Offer and the Offer does not become Unconditional, the Offer will lapse and you will retain your holding of Vonex Shares.</p>	
<b>Where do I go if I have any questions?</b>	If you have any questions in relation to 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). <sup>6</sup> This line will only be open from the date the Offer opens until one week after it closes.	-

## PART B – OVERVIEW OF THE SWOOP GROUP

Question	Answer	Section
<b>Who is the Swoop Group?</b>	The Swoop Group is a national provider of data, voice, and mobile services to channel, business and residential customers with a focus on its own fibre and fixed wireless infrastructure. The Swoop Group's network is designed and scaled to deliver ultra-reliable, high throughput, flexible telecom network services. The Swoop Group was established and has the goal to build its business to become Australia's best challenger internet and telecommunications provider.	Section 3
<b>What is the current holding of Swoop in Vonex?</b>	As at the date of this Bidder's Statement, Swoop has a Relevant Interest in 19.9% of Vonex.	Section 4.9
<b>What is Swoop's strategy for the Merged Group</b>	<p>Swoop will continue its strategy of growing organically and inorganically through strategic acquisitions.</p> <p>Swoop's intentions for the Merge Group will depend on the level of shareholding achieved and are described in Section 5.4 - 5.8.</p>	Section 3.5 and 5.8
<b>What is the financial profile and performance of the Swoop Group</b>	See the 2024 Annual Report and Section 3.6 for information on the Swoop Group's consolidated financial profile and performance.	Section 3.6 2024 Annual Report
<b>Who are the Swoop Directors?</b>	<p>The Swoop Directors are as follows:</p> <ul style="list-style-type: none"> <li>▪ James Spenceley – Chairman, Non-Executive Director;</li> <li>▪ Anthony Grist – Non-Executive Director;</li> <li>▪ Matthew Hollis – Non-Executive Director;</li> </ul>	Section 3.2

<sup>6</sup> Calls to these numbers may be recorded

Question	Answer	Section
	<ul style="list-style-type: none"> <li>▪ William (Paul) Reid – Non-Executive Director;</li> <li>▪ Alex West – Executive Director; and</li> <li>▪ Patricia Jones – Executive Director.</li> </ul>	
<b>Who are the Swoop Holdings Directors?</b>	<p>The Directors of Swoop Holdings are as follows:</p> <ul style="list-style-type: none"> <li>▪ James Spenceley – Chairman, Non-Executive Director;</li> <li>▪ Anthony Grist – Non-Executive Director;</li> <li>▪ Jonathan Pearce – Non-Executive Director;</li> <li>▪ Matthew Hollis – Non-Executive Director; and</li> <li>▪ William (Paul) Reid – Non-Executive Director.</li> </ul>	Section 3.2
<b>Who are the Officers of Swoop and Swoop Holdings?</b>	<p>The Officers of Swoop and Swoop Holdings are as follows:</p> <ul style="list-style-type: none"> <li>▪ Alex West – Chief Executive Officer;</li> <li>▪ Patricia Jones – Chief Financial Officer; and</li> <li>▪ Louise Bolger – General Counsel &amp; Company Secretary.</li> </ul>	Section 3.2
<b>Will my new Swoop Shares have the same rights and liabilities as all other Swoop Shares?</b>	<p>The Swoop Shares issued under this Offer will be issued fully paid and will from the time of issue rank equally with existing Swoop Shares.</p>	Section 3.11
<b>Do the Swoop Holdings' Directors or Officers or Swoop Directors or Officers have any interests in Vonex Shares?</b>	No.	Section 4.10
<b>Do the Swoop Holdings' Directors or Officers or Swoop Directors or Officers have any interests in Swoop Shares?</b>	<p>Yes. Each of the Swoop Holdings Directors and Officers and the Swoop Directors and Officers have an interest in Swoop Shares as described in Section 3.9.</p>	Section 3.9



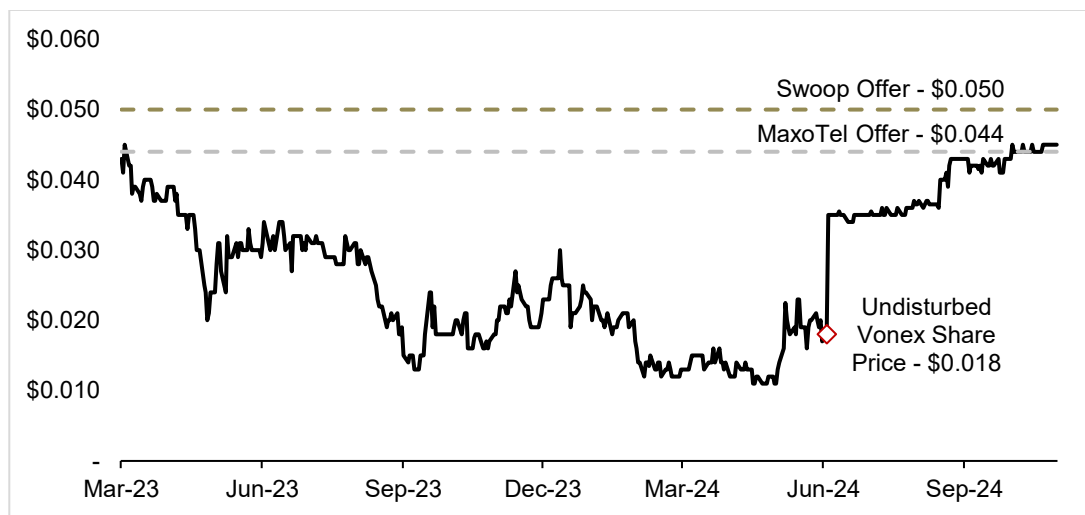
## 2. Why you should accept the Offer

Swoop believes that the Offer provides several key benefits to Vonex Shareholders, including the following:

### 2.1 The Offer Consideration is higher than any closing price at which Vonex has traded since 14 March 2023

The Offer implies a price of \$0.050 per Vonex Share and represents a significant premium to Vonex's Undisturbed Share Price as at 24 June 2024 (being the last trading day before the announcement of the MaxoTel Scheme) of 178% and represents an Offer Price superior to all trading prices since 14 March 2023, where Vonex's share price last traded at or above \$0.050. Given the longer-term trajectory of the share price since 14 March 2023, as seen in the chart below, there is no certainty that Vonex's share price will be able to trade back up to \$0.050 in the absence of the Offer.

The Vonex share price will continue to be subject to market volatility and may fall in the short term if the Offer is not accepted and in the absence of a superior proposal.



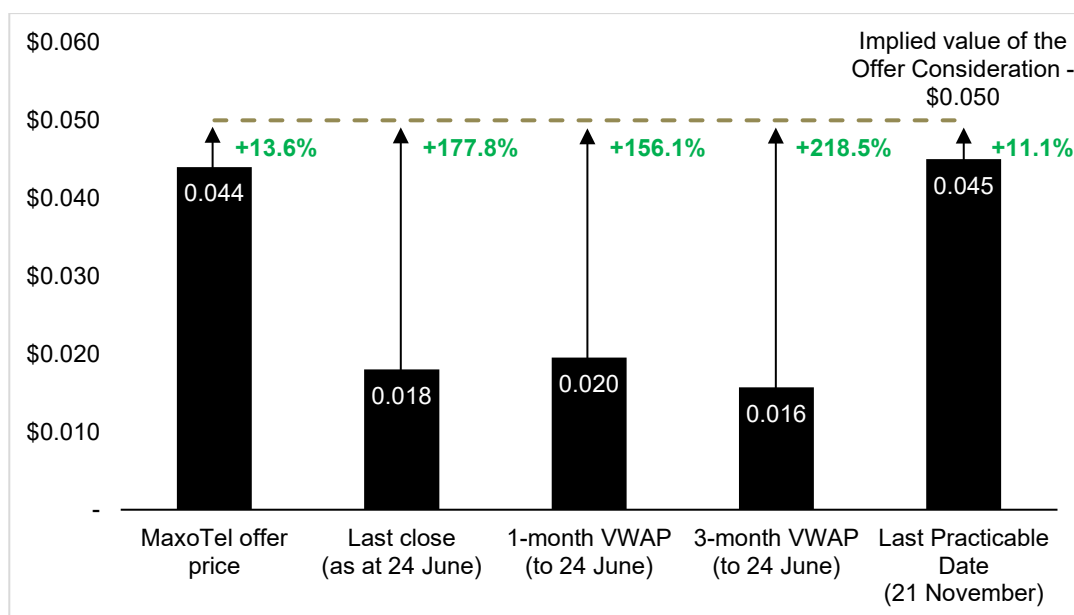
Source: IRESS market data as at 21 November 2024.

### 2.2 The Offer Consideration delivers a significant premium to the MaxoTel Offer

As illustrated in the chart below, the Offer Consideration offers Vonex Shareholders an attractive premium of:

- 14% over the MaxoTel Offer; and
- 178% over the Undisturbed Vonex Share Price on 24 June 2024 (being the Undisturbed Share Price Date).

The Offer Consideration provides the ability for Vonex Shareholders to benefit from any increase in the value of the Swoop Group over time. The combination should create value through synergies and through the Swoop Group becoming a larger and more competitive business.



Source: IRESS market data as at the Undisturbed Share Price Date, being 24 June 2024.

Note: Implied value of Offer Consideration has been calculated based on the 5-day VWAP of Swoop Shares of \$0.193 to 21 November 2024.

### 2.3 Vonex Shareholders have the opportunity to exchange Vonex Shares for Swoop Shares, providing value upside opportunities in an ongoing enlarged and more diversified telecommunications company

The Offer provides an opportunity for Vonex Shareholders<sup>7</sup> to share in any future upside and combination benefits with the Swoop Group. Together, Swoop and Vonex will be a larger and more liquid business with expected higher earnings.<sup>8</sup> Receiving Swoop Shares will provide Vonex Shareholders with ongoing exposure to the Vonex business as well as to the business of the Merged Group, which will provide diversification of revenue and the opportunity to benefit from economies of scale.

The expected benefits to the Vonex and Swoop businesses if the Offer is successful and for Vonex Shareholders who accept the Offer<sup>7</sup> include:

- an opportunity to enhance the value proposition for the customers of both businesses by delivering a greater range of product offerings for existing and new customers and delivering future revenue opportunities. More specifically, Vonex's strength in Voice services is a key growth area for Swoop and is complementary to providing stronger capabilities across Swoop's existing product suite of Mobile, NBN and Residential Infrastructure. The combination of these capabilities will entrench the Merged Group's position as a leading Australian Voice provider to both residential and business markets;
- an ability to leverage the enhanced scale, capabilities and product offerings and deliver meaningful cost and revenue synergies of the Merged Group. More specifically, this opportunity will enhance the financial profile of the Merged Group and its ability to cross-sell and grow organically and inorganically in the Australian market for Voice products, whilst significantly cutting down on potential time and delivering costs savings in the future development of products and services. With estimated incremental annualised EBITDA synergies of approximately \$5.0 million over time,<sup>9</sup> the Merged Group

<sup>7</sup> Other than Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders (see Section 8.6.7 for further details).

<sup>8</sup> See Section 5.2.4 for further details.

<sup>9</sup> Assuming that Swoop obtains a Relevant Interest in at least 75% of Vonex Shares and delists Vonex. See Section 5.2.4 for further details of synergies including the anticipated timing for realisation. Note that certain synergies are still expected to be achieved if Swoop acquires control of Vonex but does not reach 75% ownership.

will be able to reinvest in the creation of growth initiatives and continue to penetrate the telecommunications sector;

- an ability to leverage the consolidation of the sectors of the Merged Group. Vonex and Swoop have complementary customer bases, creating opportunities to sell data products to Vonex customers, thereby delivering value for the Merged Group;
- exposure to enhanced liquidity within the Merged Group through the issuance of new shares to an enlarged shareholder base, and through increased market coverage from being a larger capitalised company. This may present a more attractive capital markets opportunity, allowing for potential value re-rating; and
- liquidity benefits in circumstances where you may (depending on the size of your shareholding) presently face limited opportunities to achieve full liquidity in respect of your Vonex Shares, or may only do so at a discount to the applicable prevailing share price for Vonex Shares.

#### **2.4 Accepting the Offer removes your exposure to the risks associated with remaining a minority shareholder in Vonex**

If you do not accept the Offer and Swoop (in aggregate with its Associates) acquires a Relevant Interest of more than 50% but less than 90% of all Vonex Shares at the end of the Offer Period, you will be a minority shareholder in Vonex.

Being a minority shareholder in Vonex may have the following implications:

- the price at which Vonex Shares are traded on ASX may fall and trade at a material discount to the implied Offer Price;
- the market for Vonex Share may become less liquid;
- Vonex's distribution policy, capital structure and board configuration may change; and
- Vonex may be delisted from the official list of the ASX.

If Swoop becomes entitled to compulsorily acquire your Vonex Shares, in accordance with the compulsory acquisition provisions of the Corporations Act, it intends to exercise these rights.

If your Vonex Shares are compulsorily acquired, you will still receive the Offer Consideration (being new Swoop Shares unless you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder (see Section 8.6.7 for further details)), but at a later time than you would have received the Offer Consideration if you had accepted the Offer, which would have been paid on or before the earlier of:

- one month after the Offer is accepted or one month after the Offer has become or has been declared Unconditional (whichever is the later); and
- 21 days after the end of the Offer Period.

#### **2.5 No Australian stamp duty or brokerage is payable if you accept the Offer**

You will not be obliged to pay Australian stamp duty if you accept the Offer. If your Vonex Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Swoop, you will not incur any brokerage in connection with your acceptance of the Offer.

If your Vonex Shares are registered in a CHESS Holding, or if you are a beneficial owner whose Vonex Shares are registered in the name of a broker, bank, custodian, or other nominee, you should ask your Controlling Participant (usually your Broker) or that nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.

## **2.6 There may be adverse consequences associated with not accepting the Offer**

If you choose not to accept the Offer, you should be aware that:

- if Swoop receives acceptances under the Offer, which results in Swoop (in aggregate with its Associates) holding a 90% or more Relevant Interest in all Vonex Shares at the end of the Offer Period, Swoop will become entitled to compulsorily acquire your Vonex Shares in accordance with the compulsory acquisition provisions of the Corporations Act, which it intends to do. You will receive your Offer Consideration at a later date than you would have received it if you had accepted the Offer;
- if:
  - Swoop receives acceptances under the Offer, which results in Swoop (in aggregate with its Associates) holding less than a 90% Relevant Interest in all Vonex Shares at the end of the Offer Period;
  - Swoop acquires more than 50.1% but less than 90% and Swoop delists Vonex, Vonex Shareholders who did not accept the Offer will hold a minority shareholding in an unlisted company which will be highly illiquid;
  - Swoop decides to waive the 50.1% Minimum Acceptance Condition, then those Vonex Shareholders that did not accept the Offer will become minority shareholders in Vonex and the market for Vonex Shares may become less liquid or active, which may affect the ability of those Vonex Shareholders to sell their Vonex Shares if they wish to do so in future; and
  - Swoop acquires a minority interest in Vonex or more than 50.1% but not sufficient Vonex Shares to delist Vonex, not all of the anticipated synergies will be able to be achieved (see Section 5.2.4 for further details) and this may impact the value of your Vonex Shares; and
- if the Offer is unsuccessful and no other offers emerge for Vonex, Vonex Shareholders will be exposed to the ongoing risks associated with an investment in Vonex, including the risks associated with managing the destabilising effect on the Vonex business as a result of the proposed merger with Swoop not proceeding, and the ability to service the high level of debt in the business, including the transaction costs associated therewith. Further details in relation to the risks of being a Vonex Shareholder are set out in Section 6.4.

Swoop acknowledges that there are reasons why you may consider not accepting the Offer and other material considerations, including due to the risks outlined in Section 6 below.

### 3. Information on the Swoop Group

#### 3.1 Overview of the Swoop Group

For the purposes of this Section 3.1 and Section 3.5, references to “Swoop” shall refer to the Swoop Group.

Swoop is a leading fixed wireless and fibre infrastructure provider in Australia which also designs, builds and services its own residential infrastructure (including towers). Swoop provides a variety of other solutions including mobile telephony, channel partner opportunities, reseller services, wholesale and national broadband network services for homes and businesses.

Swoop aims to address the growing demand for faster and more accessible internet in Australia through providing reliable, scalable, and cost-effective connectivity solutions. Through its organic growth initiatives and historical and planned strategic acquisitions, Swoop continues to expand its network footprint and market presence, positioning itself as a key player in Australia's telecommunications industry.

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

Swoop offers a range of diversified core products and services, including:

- internet services through its own fixed wireless and fibre networks, focusing on residential customers in key regional areas;
- residential mobile telephony services aimed at price-conscious customers;
- wholesale and business voice and unified communications services across Australia; and
- operating services in respect of dark fibre networks that provide dedicated point-to-point connections between data centres and multi-fibre solutions for businesses.

Additionally, Swoop provides services over the national broadband network (**NBN**) fixed line and fixed wireless networks to residential and small to medium-sized enterprise (**SME**) customers.

Swoop's strategic focus includes:

- **Infrastructure growth:** Expanding its fixed wireless footprint into regions where it already has infrastructure, and rolling out co-built projects to support regional growth.
- **Customer growth:** Strengthening brand presence, increasing customer acquisition through targeted marketing, focusing on reducing churn in core products, and enhancing customer service.
- **Systems and integration:** Improving integration and automation of platforms across both existing and newly acquired businesses.
- **Synergy realisation:** Continuing to drive efficiencies in recently acquired businesses and scaling them for further expansion.
- **Product development:** Introducing new high-margin and in-demand products.
- **Industry leadership:** Leveraging Swoop's expertise to position itself as a significant player in the national telecommunications sector.

- **Product diversification:** Expanding its offerings to include fixed wireless, NBN resale, fibre, and voice services.
- **Fibre strategy:** Utilising its experience in building fibre assets to enhance profitability from fibre-related products.
- **Industry consolidation:** Seeking opportunities for industry consolidation to further Swoop Holdings' growth strategy.

## 3.2 Directors and Senior Management of Swoop and Swoop Holdings

### *Directors*

Details of the directors of Swoop and Swoop Holdings as at the date of this Bidder's Statement are set out below:

Director	Swoop Holdings	Swoop
James Spenceley	X	X
Anthony Grist	X	X
Matthew Hollis	X	X
William (Paul) Reid	X	X
Jonathan Pearce	X	
Alex West		X
Patricia Jones		X

Further information on each of the directors and officers of Swoop and Swoop Holdings is set out below:

### **James Spenceley – Chairman and Non-Executive Director of Swoop and Swoop Holdings**

Mr. James Spenceley is the Chairman of Swoop Holdings and is a well-known Australian entrepreneur and experienced company director. In 2007 he founded Vocus Communications Limited (now Vocus Group Limited) (previously ASX:VOC), one of Australia's largest telecommunications companies which he grew, both organically and through acquisitions, to a multi-billion dollar business.

Mr. Spenceley has twice won the Ernst & Young Australian Entrepreneur of the Year Award (in the young and listed categories) and in 2018 was inducted into the Telecommunications Hall of Fame.

In addition to his role at Swoop, Mr. Spenceley holds a directorship at Kogan (ASX: KGN).

James is a member of the Audit and Risk Committee and a member of the Remuneration and Nomination Committee of Swoop Holdings.

### **Anthony (Tony) Grist – Non-Executive Director of Swoop and Swoop Holdings**

Mr. Tony Grist has been involved in the management of publicly listed companies across a range of industries, both in Australia and overseas.

In 1990, Mr Grist founded Albion Capital Partners. He was the co-founder and Chairman of ASX Listed Amcom Telecommunications Ltd (Amcom) and led the merger with Vocus Communications helping create a major trans-Tasman fibre optic carrier business. Mr. Grist then went on to serve as Deputy Chairman of the

merged business. Mr. Grist represented Amcom on the iiNet Board, as a 27% shareholder, between 2006 and 2011.

In addition to his role at Swoop, Mr. Grist holds a directorship at The Minderoo Foundation, the Fremantle Football Club and is Chairman of the Purple Hands Foundation.

Tony is the Deputy Chairman of Swoop Holdings and the Chairman of the Audit and Risk Committee.

#### **Matthew Hollis – Non-Executive Director of Swoop and Swoop Holdings**

Mr. Matthew Hollis has over 25 years' experience in the Australian Telco industry that includes working at two very successful start-ups, PIPE Networks and Vocus Communications. At Vocus, Matt grew the sales team from 3 to 110 people, managed 550 staff and participated in 15+ acquisitions in a little over 6 years.

Currently Mr. Hollis is the CEO of Cloud Assess, a successful Australian SaaS company selling Learning Management Software to Registered Training Organisations (RTO) and businesses with frontline workers.

Mr. Hollis has previously served as an Executive Director at ASX-listed Superloop (resigned as a Director in November 2018) where he gained an in-depth insight into the telco landscape in Singapore and Hong Kong.

#### **William (Paul) Reid – Non-Executive Director of Swoop and Swoop Holdings**

Mr. Paul Reid became a Non-Executive Director of Swoop in 2021. Prior to that time, Mr. Reid managed network deployment for the Swoop Group across Australia along with the development of the Business Grade product and Wholesale Partner Channel.

Prior to joining Swoop in 2008, Mr. Reid was a management consultant with over 15 years of experience holding roles as Principal at A.T Kearney, and Senior Management Consultant at Andersen Consulting.

In addition to his role at Swoop, Mr. Reid holds a directorship at Highett Community Financial Services Limited, where he was appointed as Chair in January 2024.

Paul is a member of the Remuneration and Nomination Committee of Swoop Holdings.

#### **Jonathan Pearce – Non-Executive Director of Swoop Holdings**

Mr. Jonathan Pearce has worked in the finance industry for more than 15 years, focused primarily on funds management and corporate finance for small and mid-cap companies listed on the ASX. He is currently a Director and portfolio manager at 248 Growth Partners where he manages investments in growth companies primarily located in Australia.

Prior to joining 248 Growth Partners, Jonathan held senior roles at Blue Ocean Equities and Canaccord Genuity.

In addition to his role at 248 Growth Partners, Mr. Pearce currently sits on a number of private company boards.

Jonathan is the Chairman of the Remuneration and Nomination Committee of Swoop Holdings and a member of the Audit and Risk Committee.

#### **Alex West – Executive Director of Swoop and Chief Executive Officer of the Swoop Group**

Mr. Alex West brings over 20 years of industry experience in leading and integrating highly efficient teams within the telecommunications sector. Before becoming CEO of the Swoop Group, he served as Head of Integration and later

Group COO at Superloop (ASX: SLC), where he played a role in delivering key infrastructure networks both in Australia and internationally.

Prior to Superloop, Mr. West held a leadership role at Vocus Communications, where he built and led the infrastructure team, growing it organically and through acquisitions into one of the largest fibre infrastructure teams in Australia. Additionally, he has held senior positions at PIPE Networks, including Operations Manager and Major Projects Director, prior to its acquisition by TPG.

**Patricia Jones – Executive Director of Swoop and Chief Financial Officer of the Swoop Group**

Ms. Patricia Jones brings over 20 years of commercial experience in senior finance roles across prominent ASX-listed entities. She began her career with KPMG Sydney and has since held key positions at Stockland Group (ASX: SGP), GPT (ASX: GPT), CPB Contractors (a division of CIMIC), and the capital funds division of Macquarie Group (ASX: MQG).

**Senior Management**

**Alex West – Chief Executive Officer**

See above.

**Patricia Jones – Chief Financial Officer**

See above.

**Louise Bolger – General Counsel and Company Secretary**

Ms. Louise Bolger serves as General Counsel and Company Secretary at Swoop, where she leads the legal, risk and compliance functions. She brings over 20 years of experience as an in-house telecommunications, media, and technology lawyer, having held General Counsel and Company Secretary roles with several ASX-listed companies.

**3.3 Corporate Governance**

Swoop Holdings has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board of Swoop Holdings is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Swoop Group's needs.

To the extent that they are applicable to Swoop Holdings, the Board of Swoop Holdings has adopted the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. Swoop Holdings' corporate governance policies and procedures are available in the Investors section of Swoop Holdings' website at <https://www.swoop.com.au/corporate-governance/>.

**3.4 Recent price performance of Swoop Shares**

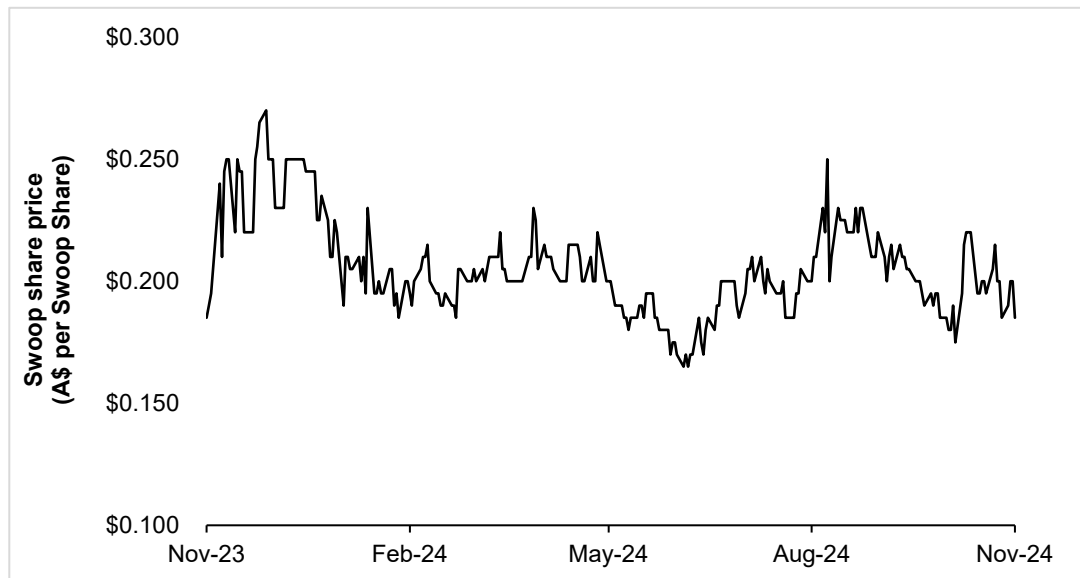
Swoop Shares are quoted on the ASX under the code SWP.

The closing price of Swoop Shares on the ASX on the last trading day before the Announcement Date was \$0.195. The closing price of Swoop Shares on the ASX on 21 November 2024, being the last trading day before the date of this Bidder's Statement, was \$0.185.

The **highest** recorded closing price of a Swoop Share on the ASX in the three months before 21 November 2024, being the last trading day before the date of this Bidder's Statement, was \$0.250. The **lowest** recorded closing price of a Swoop Share on the ASX in the three months before 21 November 2024, being the last trading day before the date of this Bidder's Statement, was \$0.175.



### Last twelve months of trading of Swoop Shares on the ASX



Source: IRESS market data as at 21 November 2024.

### 3.5 Strategy

With a strong purpose of connecting people and improving the lives of our customers, Swoop is fast positioning itself to become a key player in Australia's telecommunications industry. With a focus on 4 key products, Swoop has managed to remain a highly competitive reseller while simultaneously advancing the development of our own infrastructure, which will drive long-term gross margin and profitability. The significant progress in automation and the delivery of self-service options is reflected in the number of customer service awards that it has received and significant organic growth over the past 2 years.

Swoop will continue the strategy of growing organically with a focus on a diversified core product set including:

- Residential Infrastructure, both in fixed wireless focusing on residential customers in key regional areas; as well as expanding its fibre footprint to deliver high speed reliable internet to new developments and poorly served existing communities;
- Residential mobile telephony services aimed at price-conscious customers;
- Being a customer first provider of services over the NBN to residential and SME customers; and
- Increasing the value to customers by providing additional services such as Voice to both residential and business customers.

This go to market strategy is also aligned with Swoop's inorganic growth strategy, which is focused on acquisitions which would increase the scale and operating efficiencies of the existing business and deliver value to shareholders through improved operations and earnings growth. Swoop is open to, and currently exploring opportunities, to acquire the following business assets:

- NBN and mobile customer bases that it could bolt onto its existing network and sales engine;
- Strategic fibre based residential infrastructure, either as a key asset or existing operations to scale up our growing focus in this area; and

- Additional Voice focused business so that it can grow its product and service offering, delivering significant cross sell opportunities.

In pursuit of this strategy, Swoop has conducted due diligence and is currently in advanced discussions with respect to the acquisition of a business which would further significantly increase the scale and potential for operating efficiencies.

The Swoop Holdings Board believes that it is through this combined organic and inorganic growth strategy, led by one of Australia's most experienced industry management teams, that the Swoop Group will become a significant player in the national telecommunications sector.

### 3.6 Historical financial information

#### ***Basis of presentation of historical financial information***

The historical financial information below relates to the Swoop Group on a stand-alone basis and accordingly does not reflect any impacts of the Offer. It is a summary only and the full financial statements for Swoop Holdings for the financial periods described below, which include the notes to the accounts, can be found in Swoop Holdings' annual reports filed with the ASX for those periods.

The following information has been extracted from the audited financial statements of Swoop Holdings for the financial years ended 30 June 2022, 30 June 2023 and 30 June 2024. The financial information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the AASB and the Corporations Act.

All amounts disclosed in this Section 3.6 are presented in Australian Dollars and, unless otherwise noted, are rounded to the nearest thousand dollars. Any discrepancies between totals and sums of components in tables and figures contained in this Section 3.6 are due to rounding.

The financial information presented in the tables below does not represent complete financial statements and should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the notes to those financial statements. Where appropriate, adjustments have been made to headings and classifications of historical data to provide a consistent basis of presentation.

Swoop entered into a binding sale agreement to divest the entire issued share capital of Voicehub and Harbortel (the entities that owned and operated the voice call termination business) to Pivotal for \$9 million cash, which completed on 19 July 2024. \$1 million of the purchase price was retained by Pivotal and will be adjusted based on the performance of the business for 9 months post completion. The financial statements were prepared in accordance with AASB 5 "Non-current Assets Held for Sale and Discontinued Operations", as at 30 June 2024. The assets of the divested business have been classified as held for sale in the financial statements and the results classified as discontinued operations. As the sale was completed in July 2024 the results for the discontinued operations included in the financial statements for the year ended 30 June 2024 are the results of the divested operations for the full 12 month period. Where applicable the prior period results have been restated to comply with AASB 5 guidance. The expected gain on sale from this transaction will be recognised in the year ending 30 June 2025, based on the July 2024 completion date.

#### ***Historical financial information of the Swoop Group***

##### **3.6.1 Summarised statement of financial position**

The summarised historical consolidated statement of financial position of the Swoop Group as at 30 June 2022, 30 June 2023 and 30 June 2024 is

set out below and has been extracted from the audited consolidated statements of financial position of the Swoop Group.

As at 30 June \$'000	2022	2023	2024
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	32,021	19,044	10,898
Trade and other receivables	3,609	5,599	6,499
Inventories	1,934	2,297	2,024
Prepayments	1,823	1,675	1,527
Other assets	-	-	687
Other financial assets	39	456	144
Assets classified as held for sale	-	-	5,185
<b>Total current assets</b>	<b>39,426</b>	<b>29,071</b>	<b>26,964</b>
<b>Non-current assets</b>			
Financial assets at fair value through other comprehensive income	1,340	1,248	1,005
Property, plant and equipment	34,758	32,398	38,016
Right of use assets	9,297	8,134	7,971
Intangibles	45,528	51,193	47,236
Deferred tax	1,819	4,310	4,369
Other assets	196	-	-
Other financial assets	279	333	305
<b>Total non-current assets</b>	<b>93,217</b>	<b>97,616</b>	<b>98,902</b>
<b>Total assets</b>	<b>132,643</b>	<b>126,687</b>	<b>125,866</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables	10,097	15,433	17,021
Other payables	2,527	2,836	1,817
Contract liabilities	1,683	2,151	1,583
Borrowings	-	1,764	1,907
Lease liabilities	2,430	2,432	2,769
Current tax liabilities	-	318	-
Employee benefits	1,619	1,352	1,306
Deferred consideration	5,479	2,399	2,638
Liabilities directly associated with assets classified as held for sale	-	-	1,914
<b>Total current liabilities</b>	<b>23,835</b>	<b>28,685</b>	<b>30,955</b>

As at 30 June \$'000	2022	2023	2024
<b>Non-current liabilities</b>			
Borrowings	-	16,782	21,353
Lease liabilities	7,608	6,518	6,040
Deferred tax	4,282	9,980	7,866
Employee benefits	166	173	181
Deferred consideration	-	2,079	-
Provisions	168	168	-
<b>Total non-current liabilities</b>	<b>12,224</b>	<b>35,700</b>	<b>35,440</b>
<b>Total liabilities</b>	<b>36,059</b>	<b>64,385</b>	<b>66,395</b>
<b>Net assets</b>	<b>96,584</b>	<b>62,302</b>	<b>59,471</b>
<b>Equity</b>			
Issued capital	123,737	126,550	127,266
Reserves	3,366	3,862	4,348
Accumulated losses	(30,519)	(68,110)	(72,143)
<b>Total equity</b>	<b>96,584</b>	<b>62,302</b>	<b>59,471</b>

### 3.6.2 Statement of profit or loss and other comprehensive income

The summarised historical consolidated statements of profit or loss and other comprehensive income of Swoop Holdings for the periods ended 30 June 2022, 30 June 2023 and 30 June 2024 shown below have been extracted from the audited consolidated financial statements for the periods ended 30 June 2022, 30 June 2023 and 30 June 2024.

For the year ended 30 June \$'000	2022 (Restated) <sup>10</sup>	2023 (Restated) <sup>10</sup>	2024
<b>Continuing operations</b>			
Revenue	45,903	69,776	81,143
Other income	18	257	201
Cost of sales	(19,397)	(40,093)	(49,094)
Marketing and advertising	(1,214)	(2,557)	(3,121)
Finance costs	(813)	(2,051)	(2,498)
General and administrative	(3,147)	(2,180)	(3,461)
Depreciation and amortisation expense	(13,091)	(18,201)	(15,486)
Bad and doubtful debt expense	(172)	(59)	(532)
Employee benefit expense	(8,826)	(9,372)	(9,856)

<sup>10</sup> 2022 and 2023 has been restated to reflect discontinued operations as a result of divestments post 30 June 2024.

<b>For the year ended 30 June \$'000</b>	<b>2022 (Restated)<sup>10</sup></b>	<b>2023 (Restated)<sup>10</sup></b>	<b>2024</b>
Share based payment expense	(800)	(1,219)	(1,206)
One-off legal costs	(1,035)	(323)	-
Gain/loss on disposal of asset	12	-	-
Impairment charges	-	(22,779)	-
Acquisition and integration costs	(3,512)	(2,210)	(3,202)
Corporate restructuring expenses	-	(343)	(72)
Other expenses	(1,610)	(1,326)	(886)
<b>Profit/(loss) before income tax from continuing operations</b>	<b>(7,684)</b>	<b>(32,680)</b>	<b>(8,070)</b>
Income tax benefit/(expense)	1,959	(2,587)	2,744
<b>Net profit/(loss) after tax from continuing operations</b>	<b>(5,725)</b>	<b>(35,267)</b>	<b>(5,326)</b>
<b>Discontinued operations</b>			
Net profit/(loss) after tax from discontinued operations	843	(2,247)	1,537
<b>Net profit/(loss) after tax</b>	<b>(4,882)</b>	<b>(37,514)</b>	<b>(3,789)</b>
Other comprehensive income for the year, net of tax	(124)	(77)	(243)
<b>Total comprehensive income for the year attributable to the owners of Swoop Holdings Limited</b>	<b>(5,006)</b>	<b>(37,590)</b>	<b>(4,032)</b>
Total comprehensive income for the year attributable to:			
Continuing operations	(5,849)	(35,343)	(5,569)
Discontinued operations	843	(2,247)	1,537

### 3.6.3 Statement of cash flows

The summarised historical consolidated statements of cash flows for the periods ended 30 June 2022, 30 June 2023 and 30 June 2024 shown below have been extracted from the audited consolidated financial statements for the periods ended 30 June 2022, 30 June 2023 and 30 June 2024.

<b>For the year ended 30 June \$'000</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Cash flows from operating activities</b>			
Receipts from customers	51,435	82,793	91,812
Payments to suppliers and employees	(43,124)	(69,445)	(81,671)
Interest received	-	77	172
Interest paid	(71)	(1,005)	(1,759)
Co-build income received	841	1,333	577
Income taxes paid	(221)	-	-
<b>Net cash provided by operating activities</b>	<b>8,861</b>	<b>13,753</b>	<b>9,131</b>
<b>Cash flows from investing activities</b>			
Payment for purchase of business, net of cash acquired	(1,319)	(330)	(490)
Payment of purchase of subsidiary, net of cash acquired	(17,774)	(22,867)	(3,314)
Payment of investments	(388)	(200)	-
Payments for property, plant and equipment	(17,941)	(16,713)	(16,399)
Divestment costs	-	-	(647)
Payments for intangibles	(418)	(1,179)	-
Proceeds from disposal of business	203	-	-
Proceeds from disposal of property, plant and equipment	-	30	23
<b>Net cash used in investing activities</b>	<b>(37,637)</b>	<b>(41,257)</b>	<b>(20,827)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	45,989	-	-
Transaction costs related to issue of shares	(1,772)	-	-
Proceeds from borrowings	-	19,560	6,557
Proceeds from exercise of options	175	-	-
On-market share buy-back, including transaction costs	-	(3,744)	(4)
Transaction costs related to borrowings	(520)	-	-
Repayment of borrowings	(644)	(1,300)	(2,052)
<b>Net cash provided by financing activities</b>	<b>43,228</b>	<b>14,516</b>	<b>4,501</b>
<b>Net increase in cash and cash equivalents</b>	<b>14,452</b>	<b>(12,989)</b>	<b>(7,195)</b>

For the year ended 30 June \$'000	2022	2023	2024
Cash and cash equivalents at beginning of the financial year	17,498	32,021	19,044
Effects of exchange rate changes on cash	69	12	(2)
<b>Cash and cash equivalents at the end of the financial year</b>	<b>32,021</b>	<b>19,044</b>	<b>11,846<sup>11</sup></b>

### 3.6.4 Management commentary on historical results

The 2024 financial year was a significant year for the Swoop Group. In its third full year of being listed on the ASX, the Swoop Group continued to integrate and source organic growth from its previous eight acquisitions, with the most recent being Moose in the 2023 financial year, delivering significant synergies and benefits from operating as a combined integrated entity.

Operational highlights for the 2024 financial year included:

- revenue (discontinued and continuing operations) of \$88.9 million, up 14%;
- total Services in Operation (**SIOs**) at the end of the year were 179,092:
  - mobile SIOs were 131,459, up 20,283 from 30 June 2023, representing 18% annual growth; and
  - non-mobile SIOs were 47,633 at the end of the year, up 6,575 from 30 June 2023, representing 16% annual growth;
- operating cash flows (excluding net interest payments) were strong with \$10.7 million delivered in the 2024 financial year;
- announcement of the divestment of the Swoop Group's wholesale voice business in June 2024 for \$9 million, with the transaction completing in July 2024; and
- \$17.3 million in available funding (including \$11.8 million of cash and \$5.4 million undrawn debt facilities) as at 30 June 2024. Together with the wholesale voice business divestment proceeds received in July 2024, the Swoop Group continues to have a significant runway for further investment in growth and strategic opportunities.

Since the acquisition of Moose in November 2022, the Swoop Group continued to grow its national mobile virtual network operator presence. At the time of announcement of the transaction, Moose provided just over 94,000 mobile services on the Optus network to customers across Australia. This has now grown to over 131,000 services at the end of the financial year. This coupled with significant cross-sell opportunities and strong cash generation from the revenue and cost synergies of the combined organisation, has demonstrated the success of the Swoop

11 Cash and cash equivalents – statement of financial position	\$10,898
Cash and cash equivalents – included in assets classified as held for sale	\$948
Total cash and cash equivalents – statement of cash flows	\$11,846

Group's growth strategy, through both acquisition and organic growth opportunities.

The Swoop Group achieved further record sales throughout the 2024 financial year across its key products of fixed wireless broadband, NBN, mobile and voice. The sustained increase in the group's revenue in the 2024 financial year, fuelled primarily by organic growth, demonstrates the strong demand for dependable internet and mobile services with one of the highest customer satisfaction ratings in Australia, that continues to withstand the impact of the rising cost of living.

Following a strategic review of operations and plan to focus on key markets, in June 2024 the Swoop Group announced the decision to divest its wholesale focused voice call termination business to Pivotel Group Pty Ltd (ACN 102 274 322) (**Pivotel**).

At the back end of the financial year, Swoop also announced its move into residential fibre infrastructure, alongside its fixed wireless products, delivering high margin services to its customers.

A summary of the financial results for the 2024 financial year, including both discontinued operations and continuing operations is as follows:

- revenue of the Swoop Group of \$88.9 million, including \$7.8 million from discontinued operations (2023: \$78.0 million, including \$8.2 million from discontinued operations);
- loss after income tax of \$3.8 million (2023: loss after income tax of \$37.5 million including impairment charges of \$27.0 million);
- included in the result are share based payment expenses of \$1.2 million (2023: \$1.2 million) and acquisition and integration costs of \$3.2 million (2023: \$2.2 million); and
- depreciation and amortisation expense of \$15.5 million (2023: \$18.6 million, including \$0.4 million from discontinued operations).

### 3.7 Issued Securities

As at the date of this Bidder's Statement, the following Swoop securities are on issue:

- 209,138,937 Swoop Shares; and
- 17,710,427 Swoop Performance Rights.

### 3.8 Long Term Incentive Plan

Swoop Holdings has adopted the Incentive Plan with the objective of attracting, motivating and retaining key employees. Directors, employees and any other persons who provide services to the Swoop Group and who are determined eligible by the board of Swoop Holdings in its absolute discretion are entitled to receive grants of awards under the Incentive Plan (**Eligible Participants**).

The board of Swoop Holdings may from time to time in its absolute discretion offer and issue to Eligible Participants any (or any combination) of the different types of awards provided under the Incentive Plan, being options to acquire Swoop Shares, performance rights (being rights to acquire Swoop Shares), Swoop Share awards and loan funded Swoop Shares (**Awards**). Swoop Holdings has also adopted a remuneration policy for non-executive directors which permits non-executive directors to elect not to receive their entitlement to be paid director fees (excluding superannuation) in cash, and instead receive performance rights of equivalent value under the Incentive Plan.



There is no limit to the number of Awards which may be issued under the Incentive Plan, other than as may be required by the ASX Listing Rules or the Corporations Act, including Division 1A in Part 7.12 of Chapter 7 of the Corporations Act. Subject to the ASX Listing Rules and the Corporations Act and limited other circumstances, the board of Swoop Holdings may amend the Incentive Plan at any time.

### 3.9 Substantial holders and Director holdings

As at the date of this Bidder's Statement, the Swoop Shareholders that hold voting power of more than 5% in Swoop Holdings based on lodged substantial holding notices are:

Substantial holder	Number of Swoop Shares	Percentage
Tattarang Ventures Pty Ltd and its associates <sup>12</sup>	36,811,557	17.60%
Lygon Way Pty Ltd and its associates <sup>13</sup>	14,980,418	7.16%
N & J Enterprises WA Pty Ltd <sup>14</sup>	13,072,894	6.25%
Oaktone Nominees Pty Ltd and its associates <sup>15</sup>	12,384,187	5.92%
Spenceley Management Pty Ltd <sup>16</sup>	11,211,350	5.36%

The actual number of Swoop Shares held or the voting power held by certain Swoop Shareholders may differ from the table above as there is no obligation for substantial shareholders to publicly disclose changes if the change in voting power is less than 1.00%.

As at the date of this Bidder's Statement, Swoop Holdings Directors and Swoop Directors held, whether directly or indirectly, in aggregate approximately 27.64% of Swoop Shares on a fully diluted basis:

Director	Role	Number of Swoop Shares	Percentage of Swoop Shares	Performance Rights	Percentage on a fully diluted basis
James Spenceley	Chairman	12,211,350	5.84%	Nil	5.38%
Paul Reid	Non-Executive Director	22,684,706	10.85%	Nil	10.00%
Anthony Grist	Non-Executive Director	14,150,000	6.77%	Nil	6.24%
Matthew Hollis	Non-Executive Director	3,791,412	1.81%	Nil	1.67%
Jonathan Pearce	Non-Executive Director	2,638,344	1.26%	Nil	1.16%
Alex West	Chief Executive Officer	2,154,748	1.03%	3,178,096	2.35%
Patricia Jones	Chief Financial Officer	250,000	0.12%	1,636,740	0.83%

### 3.10 Swoop Performance Rights

The table below provides key details of Swoop Performance Rights on issue as at the date of this Bidder's Statement:

<sup>12</sup> Tattarang Pty Ltd as trustee for The Peepingee Trust, Nicola Margaret Forrest and John Andrew Henry Forrest.

<sup>13</sup> William Paul Reid (Director) and Frilford Investments Pty Ltd

<sup>14</sup> As trustee for the van Namen Family Trust

<sup>15</sup> Denline Nominees Pty Ltd

<sup>16</sup> As trustee for the Spenceley Family Trust (Director James Spenceley's family trust)

Expiry Date	Conversion Terms	Number
Various expiry dates between 31 December 2024 and 31 December 2027	Subject to satisfying various performance conditions	17,710,427

### 3.11 Rights and liabilities attaching to the Swoop Shares offered

#### 3.11.1 Introduction

Each Swoop Share to be issued pursuant to the Offer will be fully paid and will rank equally for distribution and other rights in all respects with existing Swoop Shares on issue.

The rights and liabilities attaching to the Swoop Shares which will be issued as the Offer Consideration under the Offer are set out in the Swoop constitution (**Constitution**) and in the Corporations Act.

The following is a summary of the principal rights attaching to the Swoop Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Swoop Shareholders. To obtain such a statement, a Vonex Shareholder should seek independent legal advice.

#### 3.11.2 General meetings

Swoop Shareholders are entitled to be present in person, or by proxy, attorney or representative (either physically at the main place of a general meeting or, if available, using virtual meeting technology) to attend and vote at general meetings of Swoop Holdings.

Swoop Shareholders are entitled to receive notice of a general meeting in accordance with the requirements of the Corporations Act, clause 25 of the Constitution and the ASX Listing Rules. Directors may also requisition meetings in accordance with the Corporations Act and the Constitution.

#### 3.11.3 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of Shareholders or classes of Shareholders:

- (a) each Swoop Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- (c) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held by him / her or in respect of which he / she is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

#### 3.11.4 Dividend rights

Subject to the rights of any preference shareholders, and to the rights of the holders of any shares created or raised under any special arrangement

as to dividend, the directors may from time to time declare a dividend to be paid to the shareholders entitled to the dividend which shall be payable on all shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such shares. The Swoop Holdings Directors may rescind a decision to pay a dividend if they decide, before the payment date, that the Swoop Group's financial position no longer justifies the payment.

The Swoop Holdings Directors may from time to time pay to the shareholders any interim dividends as they may determine. No dividend shall carry interest as against Swoop Holdings. The Swoop Holdings Directors may set aside out of the profits of Swoop Holdings any amounts that they may determine as reserves, to be applied at the discretion of the directors, for any purpose for which the profits of Swoop Holdings may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, Swoop Holdings may, by resolution of the Swoop Holdings Directors, implement a dividend reinvestment plan on such terms and conditions as the Swoop Holdings Directors think fit.

### **3.11.5 Winding-up**

If Swoop Holdings is wound up, the liquidator may, with the authority of a special resolution of Swoop Holdings, divide among the shareholders in kind the whole or any part of the property of Swoop Holdings, and may for that purpose set such value as he / she considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the shareholders or different classes of shareholders.

The liquidator may, with the authority of a special resolution of Swoop Holdings, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

### **3.11.6 Swoop Shareholder liability**

As the Swoop Shares under the Offer are fully paid shares, they are not subject to any calls for money by the Swoop Holdings Directors and will therefore not become liable for forfeiture.

### **3.11.7 Transfer of Swoop Shares**

Generally, Swoop Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

### **3.11.8 Issue of further Swoop Shares**

Swoop Holdings may (subject to the restrictions on the issue of shares imposed by Swoop's Constitution, the Corporations Act and the ASX Listing Rules) issue or grant options over unissued Swoop Shares at the issue price that the Swoop Holdings Directors determine, and with such other special rights or restrictions as the Swoop Holdings Directors determine in their discretion. Swoop Holdings may also issue preference shares.

### 3.11.9 Variation of class rights

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not Swoop Holdings is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class. Any variations of share rights under the Constitution is subject to Part 2F.2 of the Corporations Act.

### 3.11.10 Conversion, reductions of capital and buy-backs

Subject to the Corporations Act and ASX Listing Rules, Swoop Holdings may by ordinary resolution of shareholders consolidate, divide or sub-divide all or any shares into a larger or smaller number of shares and cancel shares that, at the date of passing of the resolution, have not been taken or have been forfeited. Swoop Holdings, subject to the Corporations Act and ASX Listing Rules, may reduce its share capital and buy-back shares in itself on any terms and at any time as determined by the Swoop Holdings Directors.

## 3.12 Offer Consideration

The consideration for the acquisition of Vonex Shares under the Offer is to be satisfied by the issue of 1 Swoop Share for every 3.9 Vonex Shares.

The total number of Swoop Shares to be issued will depend on the number of Vonex Shares that Swoop acquires under the Offer.

The maximum number of Swoop Shares which are required to be issued under the Offer if acceptances are received for all the Vonex Shares on issue at the date of this Bidder's Statement not currently owned by Swoop is approximately 80,103,016 Swoop Shares (excluding rounding adjustments).

The calculations in this Section 3.12 of the maximum consideration to be paid by Swoop assume that, as advised by Vonex:

- (a) there are 361,828,620 Vonex Shares on issue at the date of this Bidder's Statement, of which Swoop holds 72,000,000 Vonex Shares; and
- (b) there are 22,473,143 Vonex Performance Rights, all of which may potentially be exercised into Vonex Shares prior to completion of the Offer.<sup>17</sup>

## 3.13 Publicly available information

Swoop Holdings is listed on the ASX and, as such, is subject to the continuous and periodic disclosure requirements of the ASX Listing Rules.

Swoop Holdings is a "disclosing entity" for the purposes of the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. Specifically, as a listed company Swoop Holdings is subject to the ASX Listing Rules which require continuous disclosure to the market of any information possessed by Swoop Holdings which a reasonable person would expect to have a material effect on the price or value of its shares.

<sup>17</sup> The maximum number of Swoop Shares which may be issued under the Offer may increase by 25,641, as Swoop understands that Vonex may have a contractual obligation to issue 100,000 Vonex Shares or Vonex Performance Rights to a third party on 31 December 2024.

The Swoop Directors have adopted a Continuous Disclosure Policy which sets out the obligations of the Swoop Holdings Directors, officers and employees of Swoop Holdings to ensure that it satisfies the continuous disclosure obligations imposed on it under the ASX Listing Rules and the Corporations Act. The Continuous Disclosure Policy provides information as to what a person should do when they become aware of information which could have a material effect on Swoop Holdings' securities and the consequences of non-compliance. The Continuous Disclosure Policy is available on Swoop Holdings' website at <https://www.swoop.com.au/corporate-governance/>.

Copies of announcements made by Swoop Holdings to the ASX are available on the ASX website at [www.asx.com.au](http://www.asx.com.au) and also on Swoop Holdings' website at <https://www.swoop.com.au/swoop-investor-centre/>. Further announcements concerning developments relating to Swoop Holdings will continue to be made available on ASX's website after the date of this Bidder's Statement pursuant to Swoop Holdings' continuous disclosure obligations. Certain disclosure documents, reports and other documents lodged with ASIC in relation to Swoop Holdings can also be obtained from, or inspected at, an ASIC office.

This Bidder's Statement is intended to be read in conjunction with the publicly available information in relation to Swoop Holdings which has been notified to ASX.

Appendix B sets out the list of ASX announcements since the release of the 2024 Annual Report. In addition, Vonex Shareholders may obtain copies of the 2024 Annual Report and continuous disclosure documents lodged with ASX or ASIC after the lodgement of the 2024 Annual Report but before lodgement of this Bidder's Statement free of charge by contacting 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).<sup>18</sup>

### **3.14 Further information**

Further information about Swoop Holdings can be found on Swoop Holdings' website: <https://www.swoop.com.au>. The information on or that can be accessed through Swoop Holdings' website is specifically not incorporated by reference into this Bidder's Statement, and is not a part of this Bidder's Statement.

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<sup>18</sup> Calls to these numbers may be recorded.

## 4. Information on Vonex

### 4.1 Important information

*The following information concerning Vonex has been prepared by Swoop using publicly available information, which has not been independently verified. Accordingly, Swoop does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of this information.*

The information on Vonex in this Bidder's Statement should not be considered comprehensive.

The Corporations Act requires the Vonex Directors to provide a Target's Statement to Vonex Shareholders in response to this Bidder's Statement, setting out certain material information concerning Vonex and Vonex's position with respect to the Offer.

### 4.2 Overview of Vonex

Vonex (ASX: VN8) is an Australian telecommunications service provider that offers a wide range of solutions, including mobile, internet, traditional fixed lines, infrastructure services, and hosted PBX and VoIP systems. Vonex primarily serves SMEs under the Vonex brand. In addition to its service offerings, Vonex develops advanced telecommunications technologies, such as a cloud-hosted PBX system, which provides feature-rich solutions to its customers.

Vonex also supports wholesale customers, including internet service providers, by offering access to its PBX system, 5G mobile broadband, and call termination services through a white-label model. Vonex is pursuing a disciplined M&A growth strategy, focusing on acquiring profitable IT and telecommunications businesses with the potential for expansion through product diversification, scaling, and cross-selling opportunities.

Vonex provides advanced technology as well as scalable and customisable products to thousands of Australian businesses and residential users, including providing the following services across three key markets:

- **Small & Medium Business:** Provides a full range of communications services including, hosted PBX, IP voice, mobile services, NBN and Fibre data networks (broadband and SD-WAN), inbound services and hosting.
- **Wholesale:** Provides access to core hosted PBX, call termination services, mobile and NBN layer 2&3 and internet at wholesale rates and via a white label model.
- **Residential:** Provides a full range of communications products including VoIP, NBN, mobile and home phone services.

### 4.3 Vonex Finance Facilities

As of 30 June 2024 (per Vonex's 2024 Annual Report), Vonex has \$22,804,719 in secured debt, \$107,775 in accrued interest expenses and \$235,131 in capitalised borrowing costs.

As announced to ASX on 8 February 2024, Vonex entered into a revised facility agreement with its financier, Longreach Credit Investors (**Longreach**) to extend the term of its existing debt facility to 1 October 2025 (**Longreach Facility**).

### 4.4 Vonex Directors & Senior Management

Details of the Vonex Directors and senior management of Vonex as at the date of this Bidder's Statement are set out below.

### **Stephe Wilks – Non-Executive Chair**

Mr. Stephe Wilks is an experienced company director who has headed several Australian and international telecommunications and technology companies.

Mr. Wilks' prior positions included Regional Director (Asia and Japan) Regulatory Affairs for BT Pacific, Managing Director of XYZed Pty Ltd (an Optus company), Chief Operating Officer of both Nextgen Networks and Personal Broadband Australia, and Consulting Director of NM Rothschild and Sons.

Mr. Wilks also has extensive technology leadership, strategic finance, M&A, and corporate governance expertise.

### **Jason Alan Gomersall – Non-Executive Director**

Mr. Jason Gomersall is an experienced company director, at the forefront of the telecommunications industry.

Mr. Gomersall was the Founder, CEO and Managing director of isseek Communications.

Mr. Gomersall's previous roles included co-founding 2SG Wholesale, and initially establishing himself as a foundation franchisee of the Optus World chain of retail stores in the 1990s.

### **Brent Paddon – Non-Executive Director**

Mr. Brent Paddon is an experienced company director with over 25 years experience in the telecommunications and IT sectors.

Mr. Paddon co-founded Brisbane Internet Technology (sold to Asia Online in 1999), held senior management roles at WebCentral and PIPE Networks and co-founded Over the Wire in 2007 (listed on the ASX in 2015 and was acquired in March 2022 by Aussie Broadband Limited).

Mr. Paddon has strong telecommunications industry experience including starting and scaling successful businesses.

### **Ian Porter – Chief Executive Officer**

Mr. Ian Porter joined Vonex in 2023 and has over 30 years of experience in various leadership roles.

Mr. Porter has been a director at isseek-KDC Services for the past 11 years.

Mr. Porter's previous roles included being the Chief Operating Officer at isseek and the General Manager positions in Optus Consumer & Optus Wholesale.

### **Samantha Francis – Chief Financial Officer**

Ms. Samantha Francis joined Vonex in 2024 as a Chief Financial Officer.

Ms. Francis has over 15 years of experience in senior finance roles in various sectors. Ms Francis' previous roles included senior roles in companies including AMS Group, Sojitz Coal Resources Pty Limited and EB Games Australia.

### **Paul Pyyvaara – Chief Operations Officer**

Mr Paul Pyyvaara has over 30 years in the telecommunications industry. Mr. Pyyvaara joined Vonex in 2022 as the Head of Operations of On The Net before being promoted to the current role in 2023.

### **Mike Stabb – Company Secretary**

Mr. Mike Stabb has over 30 years of Australian and international experience.

Mr. Stabb's previous roles included Deutsche Bank in London & Wall Street, and he held CFO and senior finance roles in the telecommunications and property sectors.

Most recently, he was the CFO, Head of M&A and Company Secretary of Over the Wire Holdings Limited.

#### 4.5 Financial profile of Vonex

##### ***Basis of preparation of historical financial information***

The historical financial information below relates to Vonex on a stand-alone basis and accordingly does not reflect any impact of the Offer. It is a summary only and the full financial statements for Vonex for the financial periods described below, which includes the notes to the financial statements, can be found in Vonex's annual reports for those periods.

The following information has been extracted from the audited financial statements of Vonex for the financial years ended 30 June 2022, 30 June 2023 and 30 June 2024.

The financial information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the AASB and the Corporations Act.

All amounts disclosed in this Section 4.5 are presented in Australian Dollars and, unless otherwise noted, are rounded to the nearest thousand dollars. Any discrepancies between totals and sums of components in tables and figures contained in this Section 4.5 are due to rounding.

The financial information presented in the tables below does not represent complete financial statements and should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the notes to those financial statements. Where appropriate, adjustments have been made to headings and classifications of historical data to provide a consistent basis of presentation.

##### ***Historical financial information of Vonex***

#### 4.5.1 Summarised statement of financial position

The summarised historical consolidated statement of financial position of Vonex as at 30 June 2022, 30 June 2023 and 30 June 2024 is set out below and has been extracted from the audited consolidated statements of financial position of Vonex.

As at 30 June \$'000	2022 (Restated) <sup>19</sup>	2023	2024
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3,195	1,793	2,928
Trade and other receivables	2,943	3,306	2,360
Contract assets	74	56	43
Other assets	695	740	751
<b>Total current assets</b>	<b>6,907</b>	<b>5,895</b>	<b>6,082</b>
<b>Non-current assets</b>			

<sup>19</sup> Vonex finalised its assessment of the assets and liabilities obtained upon the acquisition of Voiteck on 4 January 2022 which was provisionally accounted for as at 30 June 2022. The restated balances above reflect the final acquisition accounting reflected in the comparatives of the 30 June 2023 audited financial statements.



As at 30 June \$'000	2022 (Restated) <sup>19</sup>	2023	2024
Intangibles	39,423	27,277	25,141
Property, plant and equipment	436	1,264	1,110
Contract assets	4	21	22
Right-of-use assets	1,175	1,387	2,621
Other assets	504	587	344
<b>Total non-current assets</b>	<b>41,542</b>	<b>30,536</b>	<b>29,238</b>
<b>Total assets</b>	<b>48,449</b>	<b>36,431</b>	<b>35,320</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	9,098	10,346	9,016
Current tax liabilities	-	167	-
Borrowings	1,780	21,582	-
Provisions	1,064	1,538	1,336
Lease liabilities	497	485	742
<b>Total current liabilities</b>	<b>12,439</b>	<b>34,118</b>	<b>11,094</b>
<b>Non-current liabilities</b>			
Provisions	127	114	136
Borrowings	12,223	-	22,677
Deferred tax liabilities	3,291	3,759	2,928
Lease liabilities	1,162	1,367	2,163
<b>Total non-current liabilities</b>	<b>16,803</b>	<b>5,240</b>	<b>27,904</b>
<b>Total liabilities</b>	<b>29,242</b>	<b>39,358</b>	<b>38,998</b>
<b>Net assets/(liabilities)</b>	<b>19,207</b>	<b>(2,927)</b>	<b>(3,678)</b>
<b>Equity</b>			
Issued capital	65,912	66,045	66,587
Reserves	3,086	1,779	615
Accumulated losses	(49,791)	(70,751)	(70,880)
<b>Total equity</b>	<b>19,207</b>	<b>(2,927)</b>	<b>(3,678)</b>

#### 4.5.2 Statement of profit or loss and other comprehensive income

The summarised historical consolidated statements of profit or loss and other comprehensive income of Vonex for the periods ended 30 June 2022, 30 June 2023 and 30 June 2024 shown below have been extracted from the audited consolidated financial statements for the periods ended 30 June 2022, 30 June 2023 and 30 June 2024.

For the year ended 30 June \$'000	2022 (Restated) <sup>20</sup>	2023	2024
<b>Continuing operations</b>			
Revenue	33,616	45,454	48,191
Cost of sales	(17,062)	(25,223)	(26,773)
Other income	713	1,716	492
Administration expenses	(2,227)	(3,260)	(2,885)
Amortisation	(1,560)	(2,047)	(2,135)
Account and audit fees	(182)	(262)	(417)
Bad and doubtful debt expenses	(156)	1	(721)
Contractor expenses	(2,431)	(3,091)	(2,072)
Dealer commissions	(983)	(1,200)	(1,043)
Depreciation expense	(421)	(1,022)	(1,037)
Directors fees	(316)	(365)	(263)
Employee expenses	(6,800)	(9,639)	(8,404)
Fair value of contingent consideration	-	(1,081)	-
Finance costs	(1,593)	(2,394)	(4,235)
Insurance expenses	(209)	(275)	(350)
Impairment expense	(550)	(19,461)	-
Legal fees	(158)	(135)	(177)
(Loss)/gain on disposal of non-current assets	(7)	10	(7)
Occupancy costs	(151)	(261)	(85)
Repairs and maintenance	(7)	(50)	(57)
Share based payment expense	809	(550)	(47)
Stamp duty	(391)	-	-
Travel expenses	(100)	(245)	(48)
<b>Loss before income tax</b>	<b>(166)</b>	<b>(23,380)</b>	<b>(2,073)</b>
Income tax benefit/(expense)	418	564	733
<b>Net profit/(loss) after tax from continuing operations</b>	<b>252</b>	<b>(22,816)</b>	<b>(1,340)</b>
Other comprehensive loss for the year, net of tax	-	-	-
<b>Total comprehensive income/(loss) for the year</b>	<b>252</b>	<b>(22,816)</b>	<b>(1,340)</b>

<sup>20</sup> Vonex finalised its assessment of the assets and liabilities obtained upon the acquisition of Voiteck on 4 January 2022 which was provisionally accounted for as at 30 June 2022. The restated balances above reflect the final acquisition accounting reflected in the comparatives of the 30 June 2023 audited financial statements.

### 4.5.3 Statement of cash flows

The summarised historical consolidated statements of cash flows for the periods ended 30 June 2022, 30 June 2023 and 30 June 2024 shown below have been extracted from the audited consolidated financial statements for the periods ended 30 June 2022, 30 June 2023 and 30 June 2024.

For the year ended 30 June \$'000	2022	2023	2024
<b>Cash flows from operating activities</b>			
Receipts from customers	33,229	49,065	53,647
Payments to suppliers and employees	(28,319)	(46,748)	(48,579)
Research and development tax offset	486	-	-
Government grants	11	-	-
Other revenue – mining royalty	-	250	-
Interest received	-	5	16
Interest paid	(78)	(15)	(296)
<b>Net cash provided by operating activities</b>	<b>5,329</b>	<b>2,557</b>	<b>4,788</b>
<b>Cash flows from investing activities</b>			
Payments for physical non-current assets	(153)	(316)	(91)
Payments to acquire business	(30,356)	(8,125)	-
Payments of stamp duty for business acquisition	(284)	-	-
Transaction costs for business combinations	(570)	-	-
Proceeds from disposal of property, plant and equipment	-	43	-
Net movement in bonds	-	(123)	-
Other investing cash flow	-	-	(7)
<b>Net cash used in investing activities</b>	<b>(31,363)</b>	<b>(8,521)</b>	<b>(98)</b>
<b>Cash flows from financing activities</b>			
Proceeds from application funds held in trust, net of costs	14,000	-	-
Proceeds from borrowings	16,000	8,043	-
Payments for capital raising costs	(644)	-	-
Payment of transaction and finance costs	(2,015)	(2,343)	(2,705)
Repayment of borrowings	(1,500)	(500)	-
Leasing payments	(270)	(636)	(849)
Other financing cashflow	-	(2)	-
<b>Net cash (used in)/provided by financing activities</b>	<b>25,571</b>	<b>4,562</b>	<b>(3,554)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(463)</b>	<b>(1,402)</b>	<b>1,135</b>
Cash and cash equivalents at beginning of the financial year	3,658	3,195	1,793
<b>Cash and cash equivalents at the end of the financial year</b>	<b>3,195</b>	<b>1,793</b>	<b>2,928</b>

#### 4.6 Important note on sources of information

Swoop has relied on the information in financial reports issued by Vonex to prepare the financial information for Vonex contained in this Bidder's Statement.

Swoop does not, except as required by law, make any representation or warranty, express or implied, as to the accuracy or completeness of this information.

#### 4.7 Capital structure of Vonex

As at the date of this Bidder's Statement, the total number of securities on issue in each class in Vonex is as follows:

Class	Number
Vonex Shares	361,828,620
Vonex Performance Rights	22,473,143

The table below provides key details of Vonex Performance Rights on issue as at the date of this Bidder's Statement:

Expiry Date	Vesting Condition	Number
20 December 2025	15-day VWAP prices ranging between \$0.100 and \$0.140	8,000,000
11 December 2026	15-day VWAP prices ranging between \$0.040 and \$0.060	14,473,143

The Offer extends to Vonex Shares that are issued or otherwise come into existence during the period from the Record Date to the end of the Offer Period due to the conversion of, or exercise of rights attached to, other securities convertible into Vonex Shares (including Vonex Performance Rights) that are on issue at the Record Date.<sup>21</sup>

#### 4.8 Substantial holders

As at the date of this Bidder's Statement, the Vonex Shareholders that hold more than 5% of Vonex Shares based on lodged substantial holding notices are:

Shareholder	Number of Vonex Shares	Voting power
MaxoTel	98,371,012	27.19%
Swoop	72,000,000	19.90%

The actual number of Vonex Shares held or the voting power held by Vonex Shareholders may differ from the table above as there is no obligation for

<sup>21</sup> Swoop understands that Vonex may have a contractual obligation to issue 100,000 Vonex Shares or Vonex Performance Rights to a third party on 31 December 2024. Accordingly, the Offer will extend to any Vonex Shares that are issued before the end of the Offer Period including any that result from the exercise of such Vonex Performance Rights. Swoop further understands that the Offer may result in the vesting conditions attaching to the 22,473,143 Vonex Performance Rights that are on issue as at the date of this Bidder's Statement being removed and therefore the holders being entitled to exercise such Vonex Performance Rights prior to the end of the Offer Period, in which case the Offer will extend to any Vonex Shares issued following their exercise.

substantial shareholders to publicly disclose changes if the change in voting power is less than 1.00%.

#### 4.9 Details of Relevant Interests in Vonex securities

At the date of this Bidder's Statement, Swoop holds 72,000,000 Vonex Shares. As at the date of this Bidder's Statement, Swoop holds 19.90% voting power in Vonex.

Swoop reserves the right to purchase Vonex Shares outside the Offer at any time during the Offer Period, subject to the Corporations Act.

#### 4.10 Details of Swoop and Swoop Holdings Directors' Relevant Interests in Vonex securities

As at the date of this Bidder's Statement, Swoop Directors and Swoop Holdings Directors' do not hold any Relevant Interests in Vonex Shares.

#### 4.11 Dealings in Vonex securities

A summary of the acquisition of Swoop's interest in Vonex Shares is set out below:

Date of acquisition	Consideration	Vonex Shares acquired	Implied price	Vonex Shares (%)
6 September 2024	\$38,000	1,000,000	\$0.0380	0.3%
6 September 2024	\$331,500	8,500,000	\$0.0390	2.3%
6 September 2024	\$92,628	2,345,000	\$0.0395	0.6%
6 September 2024	\$1,712,053	42,801,320	\$0.0400	11.8%
9 September 2024	\$268,933	6,723,328	\$0.0400	1.9%
10 September 2024	\$4,800	120,000	\$0.0400	0.0%
11 September 2024	\$420,414	10,510,352	\$0.0400	2.9%

#### 4.12 No collateral benefits

During the 4 months before the date of this Bidder's Statement, neither Swoop, Swoop Holdings nor any Associate of Swoop gave, or agreed to give, a benefit to another person which was likely to induce the other person, or an Associate of the other person to:

- accept the Offer; or
- dispose of Vonex Shares, and

which is not offered to all Vonex Shareholders under the Offer.

#### 4.13 No escalation agreements

Neither Swoop, Swoop Holdings nor any Associate of Swoop has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

#### 4.14 Recent price performance of Vonex Shares

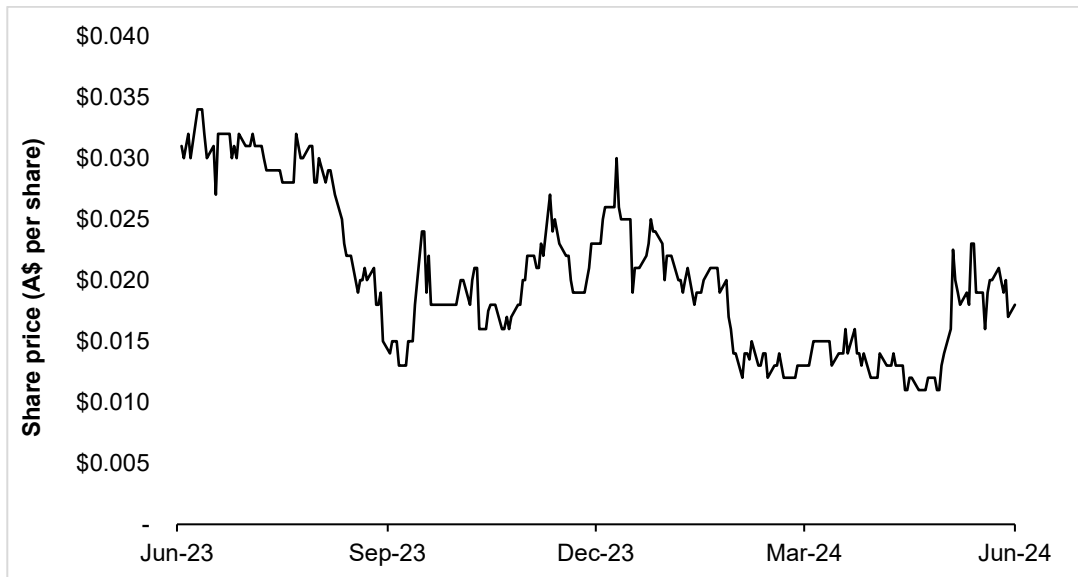
Vonex Shares are quoted on the ASX under the code VN8.

The closing price of Vonex Shares on the ASX on the Undisturbed Share Price Date was \$0.018.

The **highest** recorded closing price of a Vonex Share on the ASX in the three months up to and including the Undisturbed Share Price Date was \$0.023. The

**lowest** recorded closing price of a Vonex Share on the ASX in the three months up to and including the Undisturbed Share Price Date was \$0.011.

**Last twelve months of trading of Vonex Shares on the ASX (up to the Undisturbed Share Price Date)**



Source: IRESS market data as at the Undisturbed Share Price Date.

**4.15 Further information**

Further information about Vonex can be found on Vonex's website:

<https://vonex.com.au>.

## 5. Merged Group

*The following information concerning the Merged Group has been prepared by Swoop primarily using publicly available information concerning Vonex, which has not been independently verified.*

### 5.1 Overview of the Merged Group

Swoop is a national provider of data, mobile and voice services to channel, business and residential customers with a focus on its own fibre and fixed wireless infrastructure.

Late in 2023, Swoop entered into discussions with Vonex and subsequently carried out due diligence on the Vonex Group which culminated in Swoop presenting an indicative proposal to acquire Vonex by way of a scheme of arrangement under Part 5.1 of the Corporations Act. Based on the findings of this due diligence, Swoop identified Vonex as a strong strategic fit, with the Merged Group having the potential to accelerate the growth of the business through the combination of the respective companies' capabilities, customer base and complementary service offering, whilst ensuring the continuity of services for Vonex's customers.

Swoop also identified potential value creation opportunities from the realisation of synergies through customer cross-sell opportunities, savings from supplier services and rationalisation of duplicate operating costs which Swoop anticipates could represent over \$5.0m EBITDA on an annualised basis over time (and assuming Swoop acquires a Relevant Interest in at least 75% of shares in Vonex and delists Vonex (see Section 5.2.4 for further details). Note that certain synergies are still expected to be achieved if Swoop acquires control of Vonex but does not reach 75% ownership) as at the time of performing due diligence.

The Merged Group would form a larger telecommunications and internet service provider, offering a wider range of broadband, mobile, voice, and cloud solutions to residential and business customers across Australia. The Merged Group would have a highly complementary product and service mix, strengthening the voice and communications capabilities.

The Merged Group would enable the creation of strategic near-term commercial opportunities, in particular, the combination would benefit from:

- (a) an immediate opportunity to cross-sell services, leveraging Swoop and Vonex's enlarged combined customer base;
- (b) the creation of a new platform that could unlock significant synergies; and
- (c) the complementary infrastructure, particularly in fixed wireless and fibre, would not only enhance the scale of the Merged Group but also allow it to differentiate itself against its peers.

Additionally, completion of the Offer could position the Merged Group as a stronger competitor against larger telecommunications providers.

### 5.2 Pro forma financial information

#### ***Basis of Preparation***

The Merged Group Pro Forma Historical Financial Information has been prepared for illustrative purposes to provide Vonex Shareholders with an indication of the financial performance and financial position of the Merged Group. The Merged Group Pro Forma Historical Financial Information does not reflect the actual financial performance and financial position of the Merged Group at the time of completion of the acquisition by Swoop of your Vonex Shares. It has been prepared for illustrative purposes only for this Bidder's Statement. The financial information for the Merged Group only shows the impact of the acquisition of

Vonex and does not reflect any other developments in the Swoop business (including any other acquisitions).

The Merged Group Pro Forma Historical Financial Information presented in this Section 5.2 is based on:

- the Swoop Group's Historical Financial Information as at, and for the financial year ended, 30 June 2024;
- Vonex's Historical Financial Information as at, and for the financial year ended, 30 June 2024; and
- pro forma adjustments described in this Section 5.2.

The Merged Group Pro Forma Historical Financial Information has been prepared in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards, other than that it is presented on a pro forma basis as if the acquisition of a controlling interest of Vonex Shares has already occurred. The Merged Group Pro Forma Historical Financial Information is presented in abbreviated form and consequently does not contain all the presentation and disclosures that are usually provided in an annual report in accordance with the Corporations Act. In particular, it does not include the notes to and forming part of the financial statements of Swoop and Vonex. The information provided in this Section 5.2 is presented on a pro forma basis only and, as a result, it is likely that this information will differ from the actual financial information of the Merged Group.

In preparing the Merged Group Pro Forma Historical Financial Information, Swoop has undertaken a review to identify significant accounting policy differences where the impact to the Merged Group is potentially material and could be reliably estimated. No material accounting policy differences that are able to be reliably estimated have been identified.

Vonex Shareholders should be aware that certain financial measures included in this Bidder's Statement are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC and are not recognised under International Financial Reporting Standards (IFRS). The principal non-IFRS financial measures that are referred to in this Bidder's Statement 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.

Swoop 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. Swoop believes the non-IFRS financial information provides useful information to users in measuring the financial performance and conditions of the Swoop Group, the Vonex Group and the Merged Group.

The non-IFRS financial information does not have a standardised meaning prescribed by IFRS. Therefore, the non-IFRS financial information is not a measure of financial performance, liquidity or value under the IFRS and may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with IFRS. Vonex Shareholders are cautioned, therefore, not to place



undue reliance on any non-IFRS financial information included in this Bidder's Statement.

### 5.2.1 Merged Group pro forma summarised statement of financial performance<sup>22</sup>

For the year ended 30 June 2024 \$'000	Swoop	Vonex	Merged Group Total	Discontinued operations (Pro Forma adjustment 1)	Synergies (Pro Forma adjustment 2 – Year 1 Synergies)	Merged Group Pro Forma (Year 1 synergies)	Synergies \$'000 (Pro Forma adjustment 2 – Year 4 Synergies)	Merged Group Pro Forma (Year 4 synergies)
Revenue	88,895	48,191	137,086	(7,752)	-	129,334	-	129,334
Cost of sales	(54,138)	(26,773)	(80,910)	5,043	807	(75,060)	2,417	(73,450)
Other income	-	492	492	-	-	492	-	492
Operating expenses	(18,381)	(16,522)	(34,903)	542	1,765	(32,596)	2,574	(31,787)
<b>Underlying EBITDA<sup>23</sup></b>	<b>16,376</b>	<b>5,388</b>	<b>21,765</b>	<b>(2,166)</b>	<b>2,572</b>	<b>22,171</b>	<b>4,991</b>	<b>24,589</b>
Depreciation and amortisation	(15,486)	(3,179)	(18,665)	-	-	(18,665)	-	(18,665)
<b>EBIT</b>	<b>890</b>	<b>2,209</b>	<b>3,099</b>	<b>(2,166)</b>	<b>2,572</b>	<b>3,505</b>	<b>4,991</b>	<b>5,924</b>
Finance costs	(2,318)	(4,235)	(6,553)	2	-	(6,551)	-	(6,551)
<b>Underlying profit/(loss) before tax<sup>24</sup></b>	<b>(1,428)</b>	<b>(2,026)</b>	<b>(3,454)</b>	<b>(2,164)</b>	<b>2,572</b>	<b>(3,046)</b>	<b>4,991</b>	<b>(627)</b>
Non-operating and other one-off expenses								
Share based payments	(1,203)	(47)	(1,250)	-	-	(1,250)	-	(1,250)
Acquisition and integration costs	(3,202)	-	(3,202)	-	-	(3,202)	-	(3,202)
Corporate restructuring costs	(72)	-	(72)	-	-	(72)	-	(72)
<b>Net profit before tax</b>	<b>(5,905)</b>	<b>(2,073)</b>	<b>(7,978)</b>	<b>(2,164)</b>	<b>2,572</b>	<b>(7,570)</b>	<b>4,991</b>	<b>(5,151)</b>
Income tax	2,116	733	2,849	628	-	3,477	-	3,477
<b>Net profit after tax</b>	<b>(3,789)</b>	<b>(1,340)</b>	<b>(5,129)</b>	<b>(1,537)</b>	<b>2,572</b>	<b>(4,093)</b>	<b>4,991</b>	<b>(1,674)</b>

Note: The above Merged Group pro forma summarised statement of financial performance excludes any go forward transaction costs which are included in the pro forma statement of financial position in Section 5.2.3.

<sup>22</sup> Assuming that Swoop obtains a Relevant Interest in at least 75% of Vonex Shares and delists Vonex. See section 5.2.4 for further details of synergies including the anticipated timing for realisation. Note that certain synergies are still expected to be achieved if Swoop acquires control of Vonex but does not reach 75% ownership.

<sup>23</sup> Underlying EBITDA – 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.

<sup>24</sup> Underlying profit/(loss) before tax is a financial measure which is not prescribed by the Australian Accounting Standards ('AAS') and represents net loss before tax, 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.

**Pro forma adjustments**

Pro forma adjustments have been made to the Merged Group summarised statement of financial performance to record the following:

1. Removal of the financial performance impact of Voicehub and Harbournet which were divested on 19 July 2024; and
2. The impact of anticipated synergies for the Merged Group. The above assumes synergies generated in Year 1 and Year 4 and excludes integration costs. Refer to Section 5.2.4 for further details. The above synergies exclude the potential to realise revenue from cross-sell opportunities and benefits from savings in the cost of financing which present further upside to the Merged Group.

**5.2.2 Merged Group pro forma summarised statement of cash flows<sup>25</sup>**

For the year ended 30 June 2024 \$'000	Swoop	Vonex	Merged Group Total	Discontinued operations (Pro Forma adjustment 1)	Synergies (Pro Forma adjustment 2 – Year 1 Synergies)	Merged Group Pro Forma (Year 1 synergies)	Synergies \$'000 (Pro Forma adjustment 2 – Year 4 Synergies)	Merged Group Pro forma (Year 4 synergies)
<b>Cash flows from operating activities</b>								
Receipts from customers	91,812	53,647	145,459	(8,686)	-	136,773	-	136,773
Payments to suppliers and employees	(81,671)	(48,579)	(130,250)	5,708	2,572	(121,971)	4,991	(119,551)
Interest received	172	16	188	-	-	188	-	188
Interest paid	(1,759)	(296)	(2,055)	2	-	(2,053)	-	(2,053)
Co-build income received	577	-	577	-	-	577	-	577
<b>Net cash provided by operating activities</b>	<b>9,131</b>	<b>4,788</b>	<b>13,919</b>	<b>(2,976)</b>	<b>2,572</b>	<b>13,514</b>	<b>4,991</b>	<b>15,933</b>
<b>Cash flows from investing activities</b>								
Payment for purchase of business, net of cash acquired	(490)	-	(490)	-	-	(490)	-	(490)
Payment of purchase of subsidiary, net of cash acquired	(3,314)	-	(3,314)	-	-	(3,314)	-	(3,314)
Payments for property, plant and equipment	(16,399)	(91)	(16,490)	-	-	(16,490)	-	(16,490)
Divestment costs	(647)	-	(647)	-	-	(647)	-	(647)

<sup>25</sup> Assuming that Swoop obtains a Relevant Interest in at least 75% of Vonex Shares and delists Vonex. See section 5.2.4 for further details of synergies including the anticipated timing for realisation. Note that certain synergies are still expected to be achieved if Swoop acquires control of Vonex but does not reach 75% ownership.

For the year ended 30 June 2024 \$'000	Swoop	Vonex	Merged Group Total	Discontinued operations (Pro Forma adjustment 1)	Synergies (Pro Forma adjustment 2 – Year 1 Synergies)	Merged Group Pro Forma (Year 1 synergies)	Synergies \$'000 (Pro Forma adjustment 2 – Year 4 Synergies)	Merged Group Pro forma (Year 4 synergies)
Proceeds from disposal of property, plant and equipment	23	-	23	-	-	23	-	23
Other	-	(7)	(7)	-	-	(7)	-	(7)
<b>Net cash used in investing activities</b>	<b>(20,827)</b>	<b>(98)</b>	<b>(20,925)</b>	-	-	<b>(20,925)</b>	-	<b>(20,925)</b>
<b>Cash flows from financing activities</b>								
Payment of transaction and finance costs	-	(2,705)	(2,705)	-	-	(2,705)	-	(2,705)
Leasing payments	-	(849)	(849)	-	-	(849)	-	(849)
Proceeds from borrowings	6,557	-	6,557	-	-	6,557	-	6,557
On-market share buy-back, including transaction costs	(4)	-	(4)	-	-	(4)	-	(4)
Repayment of borrowings	(2,052)	-	(2,052)	-	-	(2,052)	-	(2,052)
<b>Net cash provided by/(used in) financing activities</b>	<b>4,501</b>	<b>(3,554)</b>	<b>947</b>	-	-	<b>947</b>	-	<b>947</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(7,195)</b>	<b>1,135</b>	<b>(6,059)</b>	<b>(2,976)</b>	<b>2,572</b>	<b>(6,464)</b>	<b>4,991</b>	<b>(4,045)</b>

Note: Vonex classifies lease repayments as financing activities in its audited cash flow statement whilst Swoop have these classified in payments to suppliers and employees.  
The above Merged Group pro forma summarised statement of cash flows excludes any go forward transaction costs which are included in the pro forma statement of financial position in Section 5.2.3.

### Pro forma adjustments

Pro forma adjustments have been made to the Merged Group summarised statement of cash flows to record the following:

1. Removal of the operating cash flow impact of Voicehub and Harbortel which were divested on 19 July 2024 (note, it does not include the impact of the divestment proceeds described in Section 3.6); and
2. The impact of anticipated synergies for the Merged Group (refer to Section 5.2.4). The above illustrates synergies generated in Year 1 and Year 4 and excludes integration costs. The above synergies exclude the potential to

realise revenue from cross-sell opportunities and benefits from savings in the cost of financing which present further upside to the Merged Group.

### 5.2.3 Merged Group pro forma summarised statement of financial position

As at 30 June 2024 \$'000	Swoop	Discontinued operations	Vonex acquisition (including goodwill)	Transaction Costs	Merged Group Pro forma
<b>Current assets</b>					
Cash and cash equivalents	10,898	7,345	2,928	(3,425)	17,746
Trade and other receivables	6,499	313	2,360	-	9,172
Inventories	2,024	-	-	-	2,024
Prepayments	1,527	-	-	-	1,527
Other assets	687	-	751	-	1,438
Other financial assets	144	-	-	-	144
Contract assets	-	-	43	-	43
Assets classified as held for sale	5,185	(5,185)	-	-	-
<b>Total current assets</b>	<b>26,964</b>	<b>2,473</b>	<b>6,082</b>	<b>(3,425)</b>	<b>32,094</b>
<b>Non-current assets</b>					
Financial assets at fair value through other comprehensive income	1,005	-	-	-	1,005
Property, plant and equipment	38,016	-	1,110	-	39,126
Contract assets	-	-	22	-	22
Right of use assets	7,971	-	2,621	-	10,592
Intangibles	47,236	-	46,910	-	94,146
Deferred tax	4,369	-	-	-	4,369
Other assets	-	-	344	-	344
Other financial assets	305	-	-	-	305
<b>Total non-current assets</b>	<b>98,902</b>	<b>-</b>	<b>51,007</b>	<b>-</b>	<b>149,909</b>
<b>Total assets</b>	<b>125,866</b>	<b>2,473</b>	<b>57,089</b>	<b>(3,425)</b>	<b>182,003</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade payables	17,021	-	9,016	-	26,037
Other payables	1,817	-	-	-	1,817
Contract liabilities	1,583	-	-	-	1,583
Borrowings	1,907	-	-	-	1,907
Lease liabilities	2,769	-	742	-	3,511

As at 30 June 2024 \$'000	Swoop	Discontinued operations	Vonex acquisition (including goodwill)	Transaction Costs	Merged Group Pro forma
Employee benefits	1,306	-	1,336	-	2,642
Deferred consideration	2,638	-	-	-	2,638
Liabilities directly associated with assets classified as held for sale	1,914	(1,914)	-	-	-
<b>Total current liabilities</b>	<b>30,955</b>	<b>(1,914)</b>	<b>11,094</b>	-	<b>40,135</b>
<b>Non-current liabilities</b>					
Borrowings	21,353	-	22,677	-	44,030
Lease liabilities	6,040	-	2,163	-	8,203
Deferred tax	7,866	-	2,928	-	10,794
Employee benefits	181	-	136	-	317
<b>Total non-current liabilities</b>	<b>35,440</b>	-	<b>27,904</b>	-	<b>63,344</b>
<b>Total liabilities</b>	<b>66,395</b>	<b>(1,914)</b>	<b>38,998</b>	-	<b>103,479</b>
<b>Net assets</b>	<b>59,471</b>	<b>4,387</b>	<b>18,091</b>	<b>(3,425)</b>	<b>78,524</b>

Pro forma adjustments have been made to the Merged Group summarised statement of financial position to record the following:

1. The business combination accounting of Vonex by Swoop. The transaction has been provisionally accounted for under AASB:3 Business Combinations.
2. Removal of Voicehub and Harbortel which were divested on 19 July 2024. The amounts disclosed as discontinued operations reflect the \$8 million paid on completion, the \$1 million retained by the Purchaser/in escrow, divestment costs and other transaction related adjustments; and
3. Unpaid transaction costs of \$3.4 million incurred by both Swoop and Vonex. The transaction costs includes the fee payable to Longreach as referred to in Section 5.5.4.

#### 5.2.4 Merged Group synergies overview

Swoop performed a review of potential synergies of the Merged Group (based on information provided by Vonex in March 2024) and has identified the following areas which collectively have the potential to create over \$5.0 million of annualised run-rate synergies over time.<sup>26</sup> The following synergies exclude the potential to realise revenue from cross-sell opportunities and benefits from savings in the cost of financing which present further upside to the Merged Group.

<sup>26</sup> Assuming that Swoop obtains a Relevant Interest in at least 75% of Vonex Shares and delists Vonex. Note that certain synergies are still expected to be achieved if Swoop acquires control of Vonex but does not reach 75% ownership.

## (a) Cost of sales

The opportunity to deliver cost savings from key supplier contracts to optimise the servicing of major voice, data and hosting supply arrangements, utilising Swoop's existing services and suppliers.

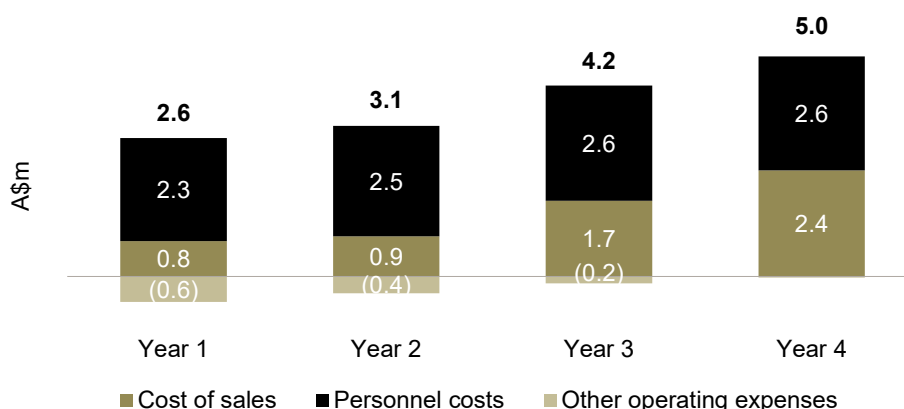
The potential cost savings Swoop has identified from existing Vonex vendors include network supply agreements, IP transit, existing Swoop data colocation spaces and voice termination services.

## (b) Personnel expenses

Potential net savings to optimise the resourcing requirements of the Merged Group, including personnel supporting teams across operations, sales and corporate functions, including duplicate roles and teams across the Merged Group.

## (c) Other operating expenses

Potential savings including ASX listing fees, public company costs, professional expenses and IT communications expenses, net of additional investment in costs including advertising and marketing to support the cross-sell and revenue growth across the Merged Group.



*Note: Synergies based on subsequent 12 month periods following completion of the acquisition and assuming Swoop acquires a Relevant Interest in at least 75% of Vonex Shares and delists Vonex. Certain synergies are still expected to be achieved if Swoop acquires control of Vonex but does not reach 75% ownership.*

### 5.3 Prospective financial information of the Merged Group

Swoop has given careful consideration as to whether a reasonable basis exists to produce reliable and meaningful forecast financial information on the Merged Group and has concluded that it does not have a reasonable basis for producing forecasts that would be sufficiently meaningful and reliable, particularly considering the effect that variations in key inputs may have on future earnings performance.

### 5.4 Swoop's intentions for the Merged Group

Sections 5.5 to 5.8 (inclusive) outlines the intentions of Swoop in relation to:

- (a) the continuation of the business of Vonex;
- (b) any major changes to the business of Vonex, including any redeployment of the fixed assets of Vonex; and

- (c) the future employment of the present employees of Vonex.

These intentions are based on the information concerning Vonex, its business and the general business environment which is known to Swoop at the time of preparation of this Bidder's Statement, which is limited to those documents and information disclosed to Swoop by Vonex up to March 2024 or based on publicly available information. The statements set out in Sections 5.5 – 5.8 (inclusive) are statements of current intention only, which may change as new information becomes available to Swoop or as circumstances change.

Accordingly, Swoop does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of this information.

## **5.5 Intentions upon acquisition of 90% or more of all Vonex Shares**

### **Overview**

This Section 5.5 sets out the current intentions of Swoop if it acquires 90% or more of all Vonex Shares and is entitled to exercise its rights under Division 1 of Part 6A.1 of the Corporations Act to compulsorily acquire all the Vonex Shares that it does not own at that time.

### **Post-bid compulsory acquisition**

Swoop may compulsorily acquire all remaining Vonex Shares under Division 1 of Part 6A.1 of the Corporations Act if, at any time during or at the end of the Offer Period, Swoop and its Associates:

- (a) have a Relevant Interest in at least 90% (by number) of all Vonex Shares; and
- (b) have acquired at least 75% of the Vonex Shares that Swoop offered to acquire under the Offer (whether the acquisitions happened under the Offer or otherwise).

If these thresholds are met, Swoop would have up to one month after the end of the Offer Period within which to lodge a compulsory acquisition notice with ASIC and send the compulsory acquisition notice to Vonex Shareholders who have not accepted the Offer.

### **Intentions of Swoop in relation to compulsory acquisition**

If Swoop becomes entitled to undertake a compulsory acquisition, Swoop currently intends, in accordance with the provisions of Part 6A.1 of the Corporations Act, to proceed with the compulsory acquisition of the outstanding Vonex Shares.

#### **5.5.1 Listing on ASX**

Upon acquiring a Relevant Interest of 90% or more of Vonex Shares, Swoop intends to:

- (a) arrange for Vonex to be removed from the Official List of ASX; and
- (b) replace the members of the Vonex Board with nominees of the Swoop Group.

As at the date of this Bidder's Statement, the replacement directors of Vonex are expected to be Alex West and Patricia Jones.

#### **5.5.2 General operational and strategic review**

Swoop intends to operate the Vonex business as a wholly-owned subsidiary of Swoop and intends to work with Vonex to identify and pursue

growth expansion opportunities, leveraging the complementary Swoop and Vonex businesses, product offerings and expertise.

At the end of the Offer Period, Swoop would also seek to perform a detailed review of Vonex's operations on both a strategic and financial level to evaluate Vonex's performance, profitability, business operations and strategy. Swoop intends to identify potential areas to deliver cost savings, including the review of supplier arrangements which would provide operational benefits and capital which could be deployed to deliver growth.

### 5.5.3 Employees

Swoop considers the employees of Vonex to be critical to the growth of the Merged Group.

Swoop intends to review the business operations and organisational structure of Vonex to ensure that the Merged Group has an appropriate mix and level of employees and skills to pursue its strategic growth objectives, but does expect there to be some redundancies as a result of operating efficiencies due to revised scale of the business.

Swoop expects there to be value and knowledge in the existing management team of Vonex. Swoop will seek to perform a detailed review of the senior management team of Vonex with the current intention of retaining some management to be involved in the business by assuming operating roles within the Merged Group

### 5.5.4 Financing

As per Vonex's 2024 Annual Report, Vonex has \$22,804,719 in secured debt (under the Longreach Facility), \$107,775 in accrued interest expenses and \$235,131 in capitalised borrowing costs.

As announced to ASX on 8 February 2024, Vonex entered into a revised facility agreement with Longreach to extend the term of the Longreach Facility to 1 October 2025.

Among other things, 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 from Vonex's announcements to the ASX that the following implications may arise in relation to the Longreach Facility:

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

Swoop has had initial discussions with Longreach with respect to the consent requirement under the Longreach Facility as well as with its existing financiers. Unfortunately, Vonex's reluctance to provide Swoop with up to date due diligence information has made it difficult for Swoop to conclude these discussions. As a result, the Offer is conditional on Swoop obtaining consent from its financiers 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.



If Swoop, together with its Associates, acquire a Relevant Interest of 90% or more of all Vonex Shares, it intends to seek approval from its financiers, to repay or otherwise combine financing alongside its existing debt facility with Westpac in order to achieve significant financing cost savings.

## **5.6 Intentions if Swoop acquires 50.1% or more of Vonex Shares**

This Section 5.6 sets out Swoop's intentions for the business in the event of acquiring a Relevant Interest in at least 50.1%, but less than 90% of all Vonex Shares, whereby Swoop is not entitled to proceed, in accordance with Division 1 of Part 6A.1 of the Corporations Act, to compulsorily acquire all the Vonex Shares that it does not own at that time.

In these circumstances, subject to Section 5.8, Swoop's intentions are as set out in this Section 5.6:

### **5.6.1 Listing on ASX**

Swoop intends, subject to the Corporations Act and the constitution of Vonex, to replace all of the members of the Vonex Board, with nominees of Swoop. Replacement board members have not yet been finalised by Swoop, but will likely include James Spenceley, Alex West, and Patricia Jones.

Subject to the ASX Listing Rules, Swoop intends to ask the Vonex Directors to review whether Vonex should remain listed on ASX or be removed from the Official List of ASX, having regard to considerations such as the costs associated with maintaining that listing, Swoop's final level of ownership, the number of remaining Vonex Shareholders and the level of trading in Vonex Shares.

In this regard, ASX guidance indicates that the usual conditions that ASX would expect to be satisfied in order for it to approve the removal of Vonex from the Official List in the context of a successful takeover bid include:

- (a) at the end of the Offer Period, Swoop has a Relevant Interest in at least 75% (by number) of all Vonex Shares that Swoop offered to acquire under the Offer and the Offer has remained open for at least two weeks after Swoop attained ownership or control of the Vonex Shares; and
- (b) the number of Vonex Shareholders (other than Swoop (together with its Associates)) having holdings with a value of at least \$500 is fewer than 150.

If Vonex is removed from the Official List of the ASX, there are risks with remaining a minority shareholder in Vonex as opposed to a Swoop Shareholder, including the then reduced or non-existent liquidity of Vonex Shares.

### **5.6.2 General operational and strategic review**

Swoop intends to propose the Vonex Board pursue the strategic review referred in Section 5.5.2 (to the extent appropriate) and allow Swoop to participate in that review.

### **5.6.3 Other intentions**

Swoop intends to implement the intentions set out in Section 5.5, which are consistent with Swoop obtaining control of Vonex where they are consistent with Vonex being a controlled entity of (but not wholly-owned by) Swoop and are considered to be in the best interests of Vonex

Shareholders as a whole. Swoop will also continue to engage with Longreach and Swoop's existing financiers to discuss ongoing financing for the Merged Group.

It is possible that, even if Swoop is not entitled to proceed to compulsory acquisition of minority holdings after the end of the Offer Period under Part 6A.1 of the Corporations Act, it may subsequently acquire further shares in Vonex Shares over time. For example, as a result of further acquisitions of Vonex Shares in reliance on the "3% creep" exception in item 9 of section 611 of the Corporations Act. Swoop will make an assessment at the relevant time based on the then current circumstances as to whether or not it will undertake any such further acquisitions of Vonex Shares.

## **5.7 Intentions if Swoop acquires a Relevant Interest of less than 50% of Vonex Shares**

Swoop reserves its right to waive the Minimum Acceptance Condition (and any other Offer Condition) to the Offer. However, Swoop has not yet decided whether it will waive the Minimum Acceptance Condition (or any other Offer Condition).

This Section 5.7 sets out Swoop's intentions if it does not obtain control of Vonex (i.e. where Swoop has elected to waive the Minimum Acceptance Condition and acquires less than 50.1% of all Vonex Shares).

Swoop's intention, if it does not acquire control of Vonex, is to seek to obtain representation on the Vonex Board. Swoop has not made any decision as to who would be nominated for appointment to the Vonex Board in that case.

If Swoop acquires a Relevant Interest of less than 50% of all Vonex Shares, it may not be in a position to determine the outcome of ordinary resolutions, and thus, it may not be in a position to control the composition of the Vonex Board with certainty. This means that Swoop's ability to undertake a detailed review of Vonex and its assets and liabilities may be limited, and (assuming it is able to undertake any such review) its ability to realise the proposed outcomes of that strategic review may be similarly constrained.

Swoop may acquire additional Vonex Shares, including under the "3% creep" provisions of the Corporations Act and by other means. Swoop has not decided whether it will acquire further Vonex Shares, as that will be dependent upon (among other things) the extent of the voting power of Swoop in Vonex and market conditions at the time.

## **5.8 Limitations to giving effect to intentions**

The ability of Swoop to implement the intentions set out in Sections 5.6 and 5.7 will be subject to the legal obligation of Vonex Directors to have regard to the interests of Vonex and all Vonex Shareholders and the requirements of the Corporations Act and the ASX Listing Rules, including in relation to transactions between related parties. These rules may limit or modify the implementation of the intentions outlined above.

Also, as a result of those requirements, the approval of minority Vonex Shareholders may be required for the implementation of some of the intentions outlined above.

Vonex Shareholders should be aware that if Vonex becomes a controlled entity of Swoop, but Swoop is not entitled to proceed to compulsory acquisition in accordance with Part 6A.1 of the Corporations Act, and Vonex continues to be listed on the ASX following the Offer, then the decrease in the number of Vonex Shares available for ASX trading may have a material adverse effect on their liquidity and market value.

## 5.9 Capital structure of the Merged Group

### 5.9.1 Capital structure of the Merged Group if Swoop acquires 100% of Vonex Shares

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

Shareholder	Number of Swoop Shares (undiluted)	Percentage	Number of Swoop Shares (fully diluted)	Percentage on a fully diluted basis
Swoop Shareholders	209,138,937	72.3%	226,849,364	73.9%
Vonex Shareholders	80,103,016	27.7%	80,103,016	26.1%

### 5.9.2 Capital structure of the Merged Group if Swoop acquires 50.1% of Vonex Shares

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

Shareholder	Number of Swoop Shares (undiluted)	Percentage	Number of Swoop Shares (fully diluted)	Percentage on a fully diluted basis
Swoop Shareholders	209,138,937	87.1%	226,849,364	88.0%
Vonex Shareholders	30,919,303	12.9%	30,919,303	12.0%

## **6. Risks**

### **6.1 General**

Before deciding whether to accept the Offer, you should read this entire Bidder's Statement carefully.

Subject to Sections 8.6 and 8.7, Vonex Shareholders will receive Swoop Shares as Offer Consideration. The value of Swoop Shares will depend, among other things, on the future performance of Swoop Holdings and the market price of Swoop Shares from time to time. The future performance of Swoop Holdings (and the Merged Group) would, following the consummation of the Offer by Swoop, also be substantially influenced by factors associated with the business and financial performance of Vonex. 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 issued as Offer Consideration.

You should read and consider the risks listed below before making a decision to accept the Offer. In addition to the risks set forth below, new risks may emerge from time to time and it is not possible to predict all risk factors, nor can Swoop assess the impact of all factors on the Offer and the Merged Group following the consummation of the Offer or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in or implied by any forward-looking statements. Where this Bidder's Statement uses the words describing either Swoop Holdings or Vonex, as the case may be, it is referring to such entity as a standalone company or to their respective lines of business and industry as they relate to the Merged Group.

*The following information concerning the risks related to Vonex, the Merged Group or the Offer has been prepared by Swoop using publicly available information disclosed by Vonex. Accordingly, Swoop does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of this information.*

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

#### **6.2.1 Integration and growth risks**

The Swoop Group 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 within the consolidated entity and the pursuit of new geographies and customers.

There is a risk that the implementation of the Swoop Group's growth and integration strategies will be subject to delays or cost overruns, and there is no guarantee that these strategies will be successful or generate growth.

#### **6.2.2 Network performance**

The Swoop Group 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, including damage, equipment faults, power failure, computer viruses, malicious interventions and natural disasters. Further, there is a risk that Swoop's operational processes, redundancy capacity and capability or disaster recovery plans may not adequately address every potential event.

Poor system performance could reduce the Swoop Group's ability to provide the level of customer service required and cause damage to the brand, leading to a reduction in customer retention and potentially a reduction in revenue.

### **6.2.3 Supplier risks**

The Swoop Group 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 resulting to the Swoop Group (with limited ability to recoup any such loss from the supplier). Increases in fees charged by suppliers could have an adverse impact on the Swoop Group's financial performance.

### **6.2.4 Customer contract risks**

Many customers, particularly residential customers of Swoop, are typically on short term or no contracts. As at 30 June 2024, these residential customers accounted for approximately 58% of the Swoop Group's revenue (per the 2024 Annual Report). Further, the industry is subject to price sensitivity and competition that can lead to regular 'churn' of customers. This gives the Swoop Group less security over future revenue levels.

### **6.2.5 Brands and reputation**

Swoop operates a number of brands and believes that the reputation of its brands are a key to its success. The Swoop Group's reputation, the value of its brands and its ability to retain and attract new customers 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.

### **6.2.6 Data security risks**

It is possible that the Swoop Group's procedures and systems may not stop or detect cyberattacks, data theft and hacking from obtaining unauthorised access to confidential data collected by the Swoop Group. If such activities were successful, any data security breaches or the Swoop Group's failure to protect confidential information could result in loss of information integrity, and breaches of the Swoop Group's obligations under applicable laws or customer agreements.

Failures or breaches of data protection systems can result in reputational damage, regulatory impositions (such as for breaches of the Privacy Act or Australian Privacy Principles) and financial loss, including claims for compensation by customers or penalties by telecommunications regulators or other authorities.

### **6.2.7 Future acquisitions**

As part of its growth strategy, the Swoop Group intends to make further acquisitions of complementary businesses should those opportunities arise. There is no guarantee that the Swoop Group will be able to identify and successfully implement future acquisitions opportunities. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies or assets, such as integrating cultures and systems of operations, relocation of operations, short term strain on working capital requirements and retaining key staff as well as failure to achieve the expected synergies from the acquired businesses.

### **6.2.8 Competition risk**

The Swoop Group faces competition for customers from a number of alternative suppliers of broadband internet connectivity services, including

resellers of NBN, and mobile operators. A number of these competitors are major telecommunications businesses with much greater resources than the Swoop Group.

The Swoop Group's fixed wireless operations are in direct competition with the NBN based services and would be directly impacted by changes in the NBN wholesale pricing. Further improvements in NBN or other network operator infrastructure or reach, could reduce the relative attractiveness of the Swoop Group's fixed wireless services and ability to compete on a profitable basis.

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

The Swoop Group holds a number of carrier licences under the *Telecommunications Act 1997* (Cth), which permit the companies within the Swoop Group to provide carrier services.

In conducting its operations, the Swoop Group is also required to comply with a range of laws and regulations applicable to the telecommunications, consumer privacy, privacy, competition, employment and workplace safety.

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 on the Swoop Group, or legal proceedings being commenced against the Swoop Group. These consequences would be likely to have a negative effect on the Swoop Group's reputation and profitability, and adversely affect its financial performance.

#### **6.2.10 Technology risk**

The telecommunications and communications industry continues to experience rapid technological change and development. The Swoop Group is at risk from major technological improvements in alternative services or 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 the Swoop Group's current infrastructure and business model. As such, the Swoop Group's success will be dependent upon its ability to develop, adopt and integrate the latest technologies into its existing infrastructure.

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

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

The Offer is subject to the satisfaction or waiver of a number of the Offer Conditions as set forth in Section 9 below, including the Prescribed Occurrences Condition that is related to the operations and conduct of Vonex. There can be no assurance that all of the Offer Conditions will be satisfied or waived.

If the Offer is not completed within the expected timeframe, such delay could result in additional transaction costs or other effects associated with uncertainty about the Offer. Furthermore, if the Offer is not completed, the ongoing business of Swoop, Swoop Holdings and Vonex could be adversely affected and each of Swoop, Swoop Holdings and Vonex will be subject to a variety of risks associated with the failure to complete the Offer, including:

- (a) certain costs related to the Offer, such as legal and accounting fees, must be paid even if the Offer is not completed;
- (b) the attention of management of Vonex, Swoop and Swoop Holdings may have been diverted to the Offer rather than to each company's own operations and the pursuit of other opportunities that could have been beneficial to each respective company; and
- (c) the price of Swoop Shares may decline and / or remain volatile.

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. If the Conditions remain unsatisfied at the end of the Offer Period and are not waived by Swoop, there is no obligation on Swoop to procure that Swoop Holdings issues the Offer Consideration to those Vonex Shareholders who have already accepted the Offer.

### **6.3.2 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 from time to time.

Further, if current Swoop Shareholders or current Vonex Shareholders who accept the Offer seek to sell Swoop Shares on market, there may be an adverse impact on the market price of Swoop Shares depending on the price at which those Swoop Shares are sold. The trading price of Swoop Shares could also be adversely affected as a result of the sale or issue of substantial numbers of Swoop Shares, or by the perception that this could occur, impacting Swoop's ability to further access public or private markets for fundraising purposes.

This means that the market value of Swoop Shares at the time they are issued to Vonex Shareholders who accept the Offer may vary significantly from their market value on the date of acceptance of the Offer. This could result in the value of the consideration to Vonex Shareholders increasing as well as decreasing.

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

It is possible that Swoop may not acquire all of the Vonex Shares under the Offer if, after the Offer Period, Swoop holds less than 90% of the Vonex Shares. If this occurs, Swoop will not be able to proceed to compulsorily acquire 100% of Vonex and will become a majority owner of Vonex. The existence of minority shareholders in Vonex could have an adverse impact on Swoop's future operations, including on its ability to conduct the Vonex operations in a flexible and cost-effective manner.

The Offer is subject to a Minimum Acceptance Condition of 50.1%. However, the Swoop Directors may elect to waive this condition and as a result, it is possible that Swoop would not acquire a controlling stake in Vonex. This could result in some of anticipated synergies not being achieved in the short term or at all and Swoop's holding in Vonex would likely be illiquid.

Furthermore, 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:

- (a) Vonex will be deemed to have committed an event of default under the Longreach Facility;
- (b) all outstanding amounts under the Longreach Facility (which is fully drawn) will be repayable immediately; and
- (c) the Longreach Fee will be payable to Longreach.

#### **6.3.4 Taxation risks**

Swoop cannot give advice on the tax consequences of the Offer, which will depend on the specific circumstances of each Vonex Shareholder. A criterion for the availability of CGT rollover relief is that Swoop increases its holding of Vonex Shares to at least 80% as a result of the Offer. There is a risk that Swoop will not receive sufficient acceptances under the Offer to meet this criterion and CGT rollover relief may not be available to Vonex Shareholders.

#### **6.3.5 Dilution risks**

As the Offer Consideration consists of Swoop Shares, the interests of Swoop Shareholders will be significantly diluted.

#### **6.3.6 Limited withdrawal rights**

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

#### **6.3.7 Assumed information for Vonex**

There is a risk that the publicly available financial information used by Swoop in formulating the Offer and preparing this Bidder's Statement is not materially correct.

#### **6.3.8 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 in the following ways, among others:

- (a) the attention of each company's officers may be directed towards the completion of the Offer and other transaction-related considerations and may be diverted from the day-to-day business operations, as matters related to the Offer may require commitments of time and resources that could have otherwise been devoted to other opportunities that might have been beneficial to each company;
- (b) each company has and will continue to incur significant expenses related to the Offer prior to its closing; and
- (c) each company may be unable to respond effectively to competitive pressures, industry developments and future opportunities.

Should they occur, any of these matters could adversely affect the business of, or harm the financial condition, results of operations or business prospects of Swoop, Swoop Holdings and Vonex.



## 6.4 Specific business risks associated with Vonex

The risk factors set out below with respect to Vonex have been prepared in reliance on the risk factors identified by Vonex in its scheme booklet with respect to the MaxoTel Scheme released to ASX on 25 June 2024 and its Replacement Bidders Statement released to ASX on 23 October 2024.

### 6.4.1 Funding and future capital requirements

Vonex has a \$22.8m debt facility (which is fully drawn) with Longreach. The Longreach Facility is due for repayment on 1 October 2025. The quantum of Vonex's debt is very high relative to Vonex's size and it creates substantial risks for the business and Vonex Shareholders. While Vonex's revenues and profitability have been growing, 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. Further, if Vonex's profitability was to fall materially it could trigger a breach of the loan agreement in respect of the Longreach Facility, resulting in higher interest charges and a requirement to immediately raise capital or refinance the debt.

Accordingly, there is a potential risk that Vonex may need to raise further funds to support the repayment of the Longreach Facility or refinance the Longreach Facility prior to the loan maturity date. There is no certainty that sufficient capital can be raised at a suitable price and on acceptable terms when required. There are also risks that:

- (a) debt financing arrangements may contain restrictive covenants and may, if there is a default, give the lender rights to some or all of Vonex's assets; and
- (b) since Vonex's ability to raise further equity would be dependent upon the market for Vonex Shares (and other securities) and the value of those securities at that time, any issue of securities may potentially dilute the interests of Vonex Shareholders.

An inability to access funding on terms acceptable to Vonex may have an adverse effect on Vonex's business and may:

- (a) restrict or delay Vonex's growth strategy;
- (b) prevent Vonex from paying dividends;
- (c) require Vonex to sell or further encumber some of its assets; and / or
- (d) reduce its operations.

### 6.4.2 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. Vonex is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is managed using a mix of fixed and floating rate debt. The net effective variable interest rate borrowings (i.e. unhedged debt) expose Vonex to interest rate risk which may impact future cash flows and interest charges.

### **6.4.3 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.

### **6.4.4 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. There may be relatively few potential buyers, or many sellers, of Vonex Shares on the ASX at any given time. This may affect the prevailing market price at which Vonex Shareholders are able to sell their Vonex Shares. This may result in Vonex Shareholders receiving a market price for their Vonex Shares which is less than the value of the Offer Consideration or the current market price at which Vonex Shares trade on the ASX.

### **6.4.5 Specific claims and litigation**

Swoop understands from announcements that Vonex has made to ASX that there is a dispute with 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. The vendors have expressed an intention to potentially take action to challenge Vonex's decision, but have not as at the date of this Bidder's Statement, initiated proceedings.

Whilst Vonex has expressed to Swoop that it is confident in its position that any such action, if commenced, would be successfully defended for all the reasons it originally concluded that no further earn out payments were due, Vonex may incur significant costs in defending such proceedings. Additional costs would be incurred in the event that judgement was made against Vonex.

Swoop understands that (subject to the above), as at the date of Vonex's Target Statement dated 23 October 2024, and Vonex's Supplementary Target Statement dated 28 October 2024, Vonex was not involved in any material legal or arbitration proceedings nor, so far as Swoop is aware, are any material proceedings pending or threatened against Vonex.

### **6.4.6 Compliance**

The industry in which Vonex operates is subject to extensive legislative and regulatory requirements and to supervision by state and federal regulatory organisations.

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.

Non-compliance is also likely to lead to higher levels of complaints and claims by clients, insurance not being available to meet the cost of settling those complaints and claims and adverse publicity.

### **6.4.7 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.

As Vonex's business continues to grow, the performance, reliability and availability of Vonex's website and software systems becomes more important. There is a risk that these systems may be adversely affected by disruption, failure, service outages, improper configuration, maintenance error, data corruption (as a result of computer viruses, "bugs" or "worms", malware, internal or external misuse by websites, cyber-attacks) or other disruptions including natural disasters and power outages. In part, some of these disruptions may be caused by events outside of Vonex's control and may lead to prolonged disruption to Vonex's website, or operational or business delays and damage to Vonex's reputation. This could potentially lead to a loss of customers, legal claims by customers, and an inability to attract new customers, any of which could adversely impact Vonex's operating and financial performance.

#### **6.4.8 Customer risk**

Vonex has a diverse customer base featuring wholesale and direct approaches, across residential, small and medium enterprise customers and local council and large enterprises. This diversity is a strength, but does require ongoing maintenance of both the channel and direct sales forces. Loss of key channel partners, or of internal direct sales capability will reduce Vonex's ability to continue to service existing customers, and to secure new revenues. In addition, Vonex cannot be complacent with delivery of network performance or overall service uptime, as customers are able to choose from competitive suppliers. Any damage to the Vonex brand of providing value and customer service at a high level would again risk the loss of existing customers, and a reduced ability to secure ongoing growth.

#### **6.4.9 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. Vonex manages ongoing credit risk by closely monitoring the performance of contracts, which are reviewed regularly by the board and senior executives.

#### **6.4.10 Brand**

The Vonex brand name and related intellectual property are key assets of Vonex. The reputation and value associated with the Vonex brand and related intellectual property could be adversely affected by a number of factors, including failing to provide customers with the quality of product they expect, disputes or litigation with third parties, employees, suppliers or customers, or adverse media coverage (including social media), or other circumstances including those beyond the direct control of Vonex. 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.

#### **6.4.11 Key personnel risk**

A critical component of Vonex's success is the ongoing retention of key personnel. There is a risk Vonex may not be able to attract and retain key personnel or be able to find effective replacements for those key personnel in a timely manner. The loss of such 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.

Vonex manages staff turnover in the ordinary course of business, but some individuals pose a larger risk in the short term if they were to leave. For example, where a particular member of the team had specialist skills which had not yet been backed up by another team member, or not yet fully captured in Vonex's records.

To mitigate against these risks, Vonex provides a level of flexibility and competitive remuneration to maintain all its valued staff. This, combined with ensuring an appropriate level of knowledge sharing, both helps to retain staff, and provide safeguards against loss.

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

Vonex has important relationships with product providers. 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.

The repackaging, enhancing and reselling of key components of supplier products is where Vonex has provided its value add to customers. Contracts limiting risk of failure in any of these components are essential to Vonex's future success. If these relationships fail, Vonex may be exposed to disruptions to its business operations, and potentially to customer services. Therefore, engaging and managing vendor agreements is an essential part of corporate governance at Vonex.

To further mitigate this risk, Vonex selects vendors with low risk of failure – including NBN, and tier 1 fibre and internet suppliers. These vendors ensure longevity of products and good lifecycle management providing mature contracting and liability arrangements, appropriate lead times for sunset of products, and measurable service level agreements.

#### **6.4.13 Failure to maintain sufficient growth**

There is a risk that Vonex will be unable to offer a sufficient number of successful new products which could potentially result in reduced or negative growth. There is a risk that new Vonex products developed and launched to the market may be unprofitable because they are not supported by sufficient market interest and purchases or otherwise not adequately marketed and fail to sell. There is also a risk that new products:

- (a) waste operating costs;
- (b) incur operating costs earlier than necessary or greater than forecast; and / or
- (c) impact revenues of existing products to a greater extent than predicted.

Vonex has experienced a period of growth and based on Vonex's projections, 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, which could adversely affect Vonex's operating and financial performance.

#### **6.4.14 Competition**

Competition and new technologies may pose a risk to the business. Vonex competes with many businesses. There is a risk that Vonex's earnings

could be adversely impacted by the need to compete in the marketplace – for example, if a competitor chose to price services inefficiently, or in a manner designed to capture market share even if economically irrational. New entrants into Vonex's market segments have the potential to cause market disruption, and increase churn or erode future sales. Vonex seeks to mitigate against this risk by maintaining a close watch on market movements, and continuing to provide customers a wide range of value, to minimise the effect of an irrational competitor on any one specific product line.

In addition, new technologies, such as increased capability of 5G services, may be seen in some cases to be a substitute for Vonex's existing products and services. Vonex seeks to be across all relevant technologies applicable to its markets, with a view to providing the appropriate technology to the customer when they need it, at a competitive price.

#### **6.4.15 Laws and regulations**

There is a risk that laws or regulations may be introduced or amended in Australia, or in foreign jurisdictions in which Vonex sells its products. Changes to the regulatory environment could have a material effect in a number of ways. For example, the financial effects resulting from changing requirements to telecommunications, privacy, franchising, data security and taxation. In particular 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. Vonex may also be affected by changes to industry regulation which impose new compliance obligations or prohibitions on either Vonex or its resellers, such as data retention obligations.

#### **6.4.16 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 including because of the customer's competitive position, a strategy by them to grow their product offerings, a change in demand from the end purchasers of Vonex's products or the actions of competitors (including increased supply, new and different products and lower prices) may affect Vonex's sales volumes and margins and may have a material and adverse effect on Vonex's revenue, profitability and growth.

#### **6.4.17 Dependence on market**

Vonex's current business and growth plans depend on there being an active market domestically for Vonex's products. Consequently, any decrease in demand for Vonex's products including due to changing consumer preferences, consumers substituting Vonex's products for competitors' products, product and price competition, performance and reliability, 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.

### **6.5 General risks relating to the Merged Group**

#### **6.5.1 Synergy risks**

Swoop undertook financial, tax, legal, commercial and other analysis on Vonex earlier in 2024. It is possible that, despite such analysis and the best estimate assumptions made by Swoop, 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. If Swoop acquires a lower stake, only some of the identified synergies would be able to be achieved. 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.

To the extent that the full anticipated synergies cannot be realised, this may have an adverse impact on the financial performance of the Merged Group.

#### **6.5.2 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. There is a risk that a potential issue disclosed to Swoop is more significant than was assessed, resulting in loss to the Merged Group. There is also a risk that the due diligence investigations have not identified all issues that would have been material to the decision by Swoop to make this Offer. The failure to identify these issues could have a detrimental impact on the financial performance of the Merged Group or its operations.

#### **6.5.3 Material contracts – change of control**

Swoop understands that 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.

#### **6.5.4 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. Failure to obtain capital on favourable terms may hinder the Merged Group's ability to expand and pursue growth opportunities, which may reduce competitiveness and have an adverse effect on the financial performance, position and growth prospects of the Merged Group.

#### **6.5.5 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, claims arising under customer 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 and, if not covered by insurance, that those claims could have an adverse effect on the financial performance of the Merged Group.

An associated risk is that the cost of insurance may increase and availability of insurance in the telecommunications industry may decline.

### **6.5.6 Government policy and regulation**

Changes in legislation, government policy or regulation could also adversely impact the performance of the business of the Merged Group. In addition, if the amount and complexity of applicable legislation, policy or regulation increases, so too may the cost of compliance and the risk of non-compliance by the Merged Group.

Swoop cannot predict the impact of future legislation and regulatory change on the Merged Group's business. However, as the amount and complexity of the regulation increases, so may the cost of compliance and the risk of non-compliance.

### **6.5.7 General economic risks**

Changes in economic conditions both in Australia and globally affect the financial performance of the Merged Group's business. No assurance can be made that the market performance of the Merged Group will not be adversely affected by these changes, which include changes in:

- (a) inflation and interest rates;
- (b) employment levels and labour costs which may affect the cost structures of the businesses;
- (c) household income, total investment and economic output;
- (d) investor sentiment and local and international stock market conditions; and
- (e) fiscal, monetary and regulatory policies.

### **6.5.8 Foreign currency risk**

Foreign currency risk arises from assets and liabilities that are denominated in a currency that is not the Merged Group's functional currency of Australian Dollars.

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. Even if the Merged Group sells or acquires goods in Australian Dollars, if those goods are sourced from or exported to overseas countries, the Merged Group will be exposed to potential adverse exchange rate movements. The Merged Group may not be able to successfully mitigate these risks by use of hedging instruments, such as forward sales or futures markets.

### **6.5.9 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 in Australia or overseas.

## **6.6 Not exhaustive**

The risks set out in this Section 6 are not exhaustive of all the risks faced or that may be faced by Swoop, Swoop Holdings, Vonex and / or the Merged Group. Accordingly, no assurances or guarantees of future performance or profitability are given by Swoop, Swoop Holdings, their respective subsidiaries or any of their respective officers or employees.

## 7. Taxation Considerations

### 7.1 Overview

The following is a general description of the Australian income tax and GST consequences for Vonex Shareholders who dispose of Vonex Shares under this Offer. The summary provided below is based on the current provisions of the *Income Tax Assessment Act 1936*, the *Income Tax Assessment Act 1997*, the *Taxation Administration Act 1953*, and other applicable tax laws and practice in effect as at the date of this Bidder's Statement. Vonex Shareholders should note that tax laws are subject to ongoing change, and this Section 7 does not consider any changes in administrative practice or interpretation by the relevant tax authorities, or any changes in law by judicial decision or legislation following the date of this Offer. To the extent that there are any changes in law after the date of this Offer, including those having retrospective effect, Vonex Shareholders should consider the tax consequences, taking into account their own individual circumstances, and should consider taking advice from a professional adviser before making a decision about an investment to acquire Swoop Shares under this Offer.

This summary does not constitute financial product advice as defined in the Corporations Act and is general in nature. This summary is confined to Australian taxation issues and is only one of the matters which need to be considered by Shareholders before making a decision about an investment in Swoop Shares. The consequences for Vonex Shareholders will depend on their individual circumstances. Vonex Shareholders should make their own enquiries and seek independent professional advice on their circumstances.

The following outline is not exhaustive of all possible Australian income tax considerations that could apply to particular Vonex Shareholders. The outline only applies to Vonex Shareholders who hold their Vonex Shares on capital account and does not apply to Vonex Shareholders who hold their Vonex Shares in the course of a business of trading or dealing in such securities.

### 7.2 Capital gains tax (CGT) implications

Generally, the CGT implications on the disposal of Vonex Shares pursuant to the Offer will depend on the type of Vonex Shareholder who owns the Vonex Shares. Specifically, the CGT implications will depend on whether:

- (a) a Vonex Shareholder is a resident or a non-resident of Australia for tax purposes;
- (b) a Vonex Shareholder is an individual, trustee, company or complying superannuation entity; or
- (c) a Vonex Shareholder holds the shares on capital or revenue account (note that this summary is only applicable to those Vonex Shareholders who hold their shares on capital account and is not applicable to those Vonex Shareholders who hold their shares on revenue account).

#### ***Taxation on the disposal of Vonex Shares – resident Vonex Shareholders***

Acceptance of the Offer will involve the disposal of shares by Vonex Shareholders by way of transfer to Swoop, which would give rise to CGT event A1.

Vonex Shareholders may make a capital gain or capital loss on the disposal of their Vonex Shares under the Offer. Generally, a Vonex Shareholder will make a capital gain if the proceeds from the disposal of the Vonex Shares exceed the cost base of the Vonex Shares. On the other hand, a Vonex Shareholder will make a capital loss in the event that the capital proceeds from the disposal of the Vonex



Shares are less than the reduced cost base of the Vonex Shares. As outlined in Section 7.4 below, Vonex Shareholders who make a capital gain may be eligible for a CGT rollover.

Capital gains and capital losses in an income year are aggregated to determine whether there is a net capital gain. If so, that net capital gain is included in assessable income and is subject to income tax. Capital losses may not be deducted against other income for income tax purposes, but may be offset against capital gains realised in the same income year or be carried forward to be offset against future capital gains. Specific capital loss recoupment rules apply to companies to restrict their ability to utilise capital losses in future years in some circumstances. Vonex Shareholders should obtain their own tax advice in relation to the operation of these rules.

### **7.2.1 Capital proceeds**

Capital proceeds from CGT event A1 includes money received, or entitled to be received, in respect of the event happening. In the event that property is provided as part of the consideration for the Vonex Shares, the capital proceeds received will include the market value of the Swoop Shares, worked out on the date of the event.

### **7.2.2 Cost base and reduced cost base**

With regards to the Vonex Shares, the cost base and reduced cost base is the amount the Vonex Shareholder paid for shares as well as certain incidental costs associated with the acquisition or disposal of the Vonex Shares.

If the Vonex Shares were acquired at or before 11:45am on 21 September 1999, the cost base of the shares may be eligible for indexation.

### **7.2.3 CGT discount**

Vonex Shareholders who are individuals, a complying superannuation entity or trustee of a trust that does not or cannot elect to adjust their cost base for indexation may choose to claim the CGT discount if the Vonex Shares being disposed of had been held for at least 12 months before the time of disposal. As a result of the CGT discount:

- (a) individuals and trustees of trusts will be taxed on 50% of the net capital gain; and
- (b) complying superannuation entities will be taxed on 66% of the net capital gain.

The CGT discount is not available to Vonex Shareholders that are companies.

## **Taxation on the disposal of Vonex Shares – non-resident Shareholders**

Generally, Vonex Shareholders who are non-residents of Australia for tax purposes will not be required to pay Australian tax on capital gains when they sell or dispose of their Vonex Shares unless the Vonex Shares are considered 'indirect Australian real property interests'. Broadly, the Vonex Shares will be indirect Australian real property interests if:

- (a) the Vonex Shareholder, together with its Associates, held a Relevant Interest of 10% or more in Vonex at the time of disposal or through a 12

month period that began no earlier than 24 months before that time and ended no later than that time; and

- (b) more than 50% of the market value of Vonex's assets is attributable to direct or indirect interests in 'taxable Australian real property'.

Vonex Shareholders who are non-residents of Australia for tax purposes should seek their own independent tax advice as to the tax implications of the Offer, including tax implications in their country of residence.

### 7.3 Foreign resident capital gains withholding

Swoop may have an obligation to withhold and pay to the ATO an amount equal to 12.5% of the purchase price of each Vonex Share if the Vonex Shares qualify as 'indirect real property interests' and Swoop:

- (a) knows or has reasonable grounds to believe that the Vonex Shareholder is a non-resident of Australia for tax purposes; or
- (b) does not reasonably believe that the Vonex Shareholder is an Australian resident and either:
  - (i) has records that the Vonex Shareholder's address is outside of Australia; or
  - (ii) is authorised to provide payment for the Vonex Shares to a place outside of Australia (whether to the Vonex Shareholder or to anyone else in respect of the Vonex Shares).

A Vonex Shareholder may complete a 'foreign resident capital gains withholding declaration – vendor declaration' form (**Declaration Form**) to declare that it is an Australian tax resident or that their Vonex Shares are not an 'indirect Australian real property interest'. If the Vonex Shareholder does not provide a Declaration Form, or if Swoop has reasonable grounds to believe that the information in the Declaration Form is false, Swoop may withhold CGT withholding tax from the amount payable to the Vonex Shareholder.

### 7.4 CGT roll-over relief

Vonex Shareholders who make a capital gain from the disposal of their Vonex Shares may be eligible to obtain a scrip for scrip roll-over if:

- (a) in exchange for their shareholding in Vonex, they receive shares in Swoop Holdings;
- (b) the exchange is in consequence of a single arrangement;
- (c) as a consequence of the exchange, Swoop ends up with at least 80% of the voting shares in Vonex; and;
- (d) the arrangement is:
  - (i) one where all Vonex Shareholders could participate on the same terms;
  - (ii) one that is part of a takeover bid within the meaning of the Corporations Act which isn't carried out in contravention of the provision in paragraph 612(a) to (g) of the Corporations Act; or

- (iii) one that is entered into under Part 5.1 of the Corporations Act, approved by order of a court made for the purposes of paragraph 411(4)(B) of the Corporations Act.

The consequence of the roll-over is that any capital gain that would otherwise arise on the transfer of the Vonex Shares would be deferred.

It is advised that Vonex Shareholders obtain their own tax advice in relation to their eligibility for the roll-over relief.

## **7.5 Taxation of dividends**

### **7.5.1 Resident Vonex Shareholders**

Dividends paid to Vonex Shareholders from the accounting profits of Swoop Holdings should constitute assessable income of an Australian tax resident Shareholder. Dividends received should be included in the Vonex Shareholder's assessable income in the year the dividend is paid. If the Vonex Shareholder satisfies the 'qualified person' rule, the Vonex Shareholder can also include any imputation credits (franking credits) attached to that dividend in their assessable income.

Generally, a 'qualified person' is a person who has held shares 'at risk' for a continuous period of 45 days (excluding the dates of acquisition and disposal) and no related payment is made in respect of the franked distribution. Shares are considered to be held at risk if the Shareholder has a materially diminished risk of loss or opportunity for gain in relation to the shares. An example of where shares are not held at risk is where the Shareholder has entered into an agreement to dispose of the shares.

In addition, Vonex Shareholders must not have made a related payment in respect of the dividend. Broadly, a Vonex Shareholder will be considered to have made a related payment if they have done, or are under an obligation to do, anything that has the effect of passing on the benefit of a dividend or distribution to another person.

In respect of dividends paid to Vonex Shareholders by Swoop Holdings, the dividend may be franked to the extent that Australian corporate income tax has been paid by Swoop Holdings on the income distributed. Where a dividend is partly franked, the franked portion is treated as fully franked and the remainder as unfranked.

For a Vonex Shareholder who is a 'qualified person', the franking credits attached to the dividend are required to be included in the Vonex Shareholder's assessable income. In the same regard, the Vonex Shareholder should be entitled to a tax offset equal to the franking credits attached to the dividend whereby the tax offset may be applied to reduce the tax payable on the Vonex Shareholder's taxable income. Any excess franking credits are refundable.

With regards to the unfranked portion of the dividend, the Vonex Shareholder will generally be taxed at the Vonex Shareholder's marginal tax rate.

### **7.5.2 Non-resident Vonex Shareholders**

With regards to non-resident Vonex Shareholders, dividend withholding tax will only apply to the extent that the dividends are unfranked and will apply at a rate of 30%, unless an applicable double tax agreement applies to reduce the withholding rate. It is advised that non-resident Vonex

Shareholders obtain tax advice for their specific circumstances in their country of residence.

#### **7.6 Quotation of Tax File Number (TFN)**

Australian tax resident Vonex Shareholders may, if they choose, notify Swoop Holdings of their TFN, Australian Business Number (ABN) or a relevant exemption from withholding tax with respect to dividends. It is not compulsory for Vonex Shareholders to provide this information. In the event that Swoop Holdings is not so notified, Australian tax will be deducted by Swoop Holdings from unfranked distributions and/or dividends at the highest marginal tax rate plus the Medicare Levy.

However, resident Vonex Shareholders may be able to claim a tax credit in respect of the tax withheld on dividends in their income tax returns.

#### **7.7 GST**

No GST should be payable on the transfer of the Vonex Shares from the Vonex Shareholders to Swoop.

## **8. Terms of the Offer**

### **8.1 Offer**

#### **8.1.1 The Offer**

Swoop offers to acquire 100% of your Vonex Shares, together with all Rights attaching to them, subject to the Offer Conditions, on the following terms and conditions.

You may accept the Offer for all or some of your Vonex Shares. If you accept this Offer for some of your Vonex Shares by specifying that number on your Acceptance Form or online acceptance (the **Accepted Shares**), you may still accept the Offer for all or part of the balance of your Vonex Shares at any time during the Offer Period, as if an offer in the form of this Offer had been made to you in respect of the balance of your Vonex Shares.

By accepting this Offer, you undertake to transfer to Swoop not only the Accepted Shares, but also all Rights attached to those Accepted Shares.

#### **8.1.2 Persons to whom offers are made**

This Offer is made to:

- (a) each holder of Vonex Shares registered in the Register at 7:00 pm (Sydney time) on the Record Date; and
- (b) each person who, during the period from the Record Date to the end of the Offer Period, becomes registered as the holder of additional Vonex Shares (whether or not they are registered as the holder of other Vonex Shares) due to the conversion of, or exercise of rights attached to, other securities convertible into Vonex Shares (including Vonex Performance Rights) that are on issue at the Record Date.

#### **8.1.3 Offer Consideration**

Subject to Section 8.1.4, the consideration offered is 1 Swoop Share for each 3.9 Vonex Shares held.

#### **8.1.4 Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders**

If you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, you are not entitled to be offered or to receive Swoop Shares as consideration under the Offer. The Swoop Shares which would otherwise be issued to Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders who accept the Offer will instead be issued to a Nominee as outlined in Section 8.6.7 below.

#### **8.1.5 Fractional entitlements**

If you accept the Offer and are entitled to receive a fraction of a Swoop Share, the number of Swoop Shares you are entitled to under this Offer will be rounded up to the next whole number of Swoop Shares if it is 0.5 or more, and rounded down to the nearest whole number if it is less than 0.5. If you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder and are entitled to a fraction of a cent, that fraction will be rounded to the nearest cent on the same basis.

Notwithstanding the foregoing, if Swoop reasonably believes that you have manipulated your holding of Vonex Shares to take advantage of rounding up, then any fractional entitlement will be aggregated or rounded down to the next whole number of Swoop Shares.

#### **8.1.6 Ranking of Swoop Shares**

The Swoop Shares to be issued under the Offer will be issued fully paid and will have the rights summarised at Section 3.11 of this Bidder's Statement.

#### **8.1.7 Entitlements to Vonex Shares**

If, at the time the Offer is made to you, or at any time during the Offer Period, another person is registered as the holder of all or some of your Vonex Shares, then:

- (a) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to that other person in respect of those Vonex Shares;
- (b) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to you in respect of any other Vonex Shares you hold to which the Offer relates; and
- (c) this Offer will be deemed to have been withdrawn immediately at that time.

If, at any time during the Offer Period, you are registered as the holder of one or more parcels of Vonex Shares as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate and distinct offer on the same terms and conditions as this Offer had been made in relation to each of those distinct parcels and any distinct parcel you hold in your own right. To validly accept the Offer for each parcel, you must comply with the procedure in section 653B(3) of the Corporations Act. If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement or the Acceptance Form, please call the Offer Information Line on 1300 824 174 (within Australia) or +61 2 8072 1480 (outside Australia) to request those additional copies.

If the Accepted Shares are registered in the name of a broker, investment dealer, bank, trust company or another nominee you should contact that nominee for assistance in accepting the Offer.

If at any time during the Offer Period some of your Vonex Shares are subject to transfer restrictions imposed by Vonex (for example, because you hold some of your Vonex Shares under an employee incentive plan), then you may accept as if a separate offer in the form of this Offer had been made in relation to the balance of your Vonex Shares.

This Offer is dated 9 December 2024.

#### **8.1.8 Offer Period**

The Offer will remain open for a period:

- (a) starting on the Offer Date; and
- (b) ending at 7.00 pm (Sydney time) on 17 January 2025,

unless this period is extended or the Offer is withdrawn in accordance with the Corporations Act.

### 8.1.9 Extension of the Offer Period

Swoop may, in its sole discretion, extend the Offer Period in accordance with the Corporations Act.

If, within the last 7 days of the Offer Period:

- (a) the Offer is varied to improve the consideration offered; or
- (b) Swoop (together with its Associates') voting power in Vonex increases to more than 50%,

the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

## 8.2 How to accept this Offer

### 8.2.1 General

You may accept this Offer for all or some of your Vonex Shares. You may accept this Offer at any time during the Offer Period.

### 8.2.2 Method of acceptance

How you accept this Offer depends on whether your Vonex Shares are held in a CHESS Holding or an Issuer Sponsored Holding (your personalised Acceptance Form outlines which type of holding you have):

#### **Issuer Sponsored Holdings**

To accept the Offer for Vonex Shares held in your name in an Issuer Sponsored Holding (in which case your SRN will commence with an 'I'), you may accept this Offer online or by using a physical Acceptance Form.

#### **I. Online Acceptance**

- (a) To accept this Offer online, you must login to <https://investor.automic.com.au/#/signup> and follow the instructions below before the Offer closes:
  - (i) Select 'Vonex Limited Takeover Offer' from the dropdown list in the Issuer Name Field;
  - (ii) Enter your Securityholder Reference Number (SRN) as shown on your holding statement;
  - (iii) Enter your postcode OR country of residence (only if outside Australia);
  - (iv) Tick the box "I'm not a robot" and then select "Next";
  - (v) Complete the prompts to set up your username and password details; and
  - (vi) Once you are logged in, select "Offers" from the left-hand vertical menu and follow the prompts.
- (b) Where your Vonex Shares are held in more than one name, a holder must have the authority of all other joint holders to act on

their behalf in order to submit an online acceptance of the Offer in respect of the jointly held Vonex Shares.

- (c) If you do not receive a confirmation message after attempting to accept this Offer online, please contact 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).
- (d) Your online acceptance of this Offer must be made before the end of the Offer Period.

## **II. Physical Acceptance Form:**

To accept this Offer using a physical Acceptance Form, you must:

- (a) complete and sign the enclosed Acceptance Form in accordance with the terms of the Offer and the instructions on the Acceptance Form; and
- (b) ensure that the Acceptance Form (including any documents required by the terms of the Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at the address shown on the Acceptance Form.

### **CHESS Holdings**

If your Vonex Shares are held in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), you may accept this Offer in respect of all or some of your Vonex Shares online, by using a physical Acceptance Form, online, or by instructing your Controlling Participant:

#### **I. Online:**

To accept the Offer online:

- (a) If your Vonex Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X') and you are not a Participant, to accept this Offer online, you must login to <https://investor.automic.com.au/#/signup>, and follow the instructions below before the Offer closes:
  - (i) Select 'Vonex Limited Takeover Offer' from the dropdown list in the Issuer Name Field;
  - (ii) Enter your Holder Identification Number (HIN) as shown on your holding statement;
  - (iii) Enter your postcode OR country of residence (only if outside Australia);
  - (iv) Tick the box "I'm not a robot" and then select "Next";
  - (v) Complete the prompts to set up your username and password details; and



- (vi) Once you are logged in, select “Offers” from the left-hand vertical menu and follow the prompts.
- (b) Where your Vonex Shares are held in more than one name, a holder must have the authority of all other joint holders to act on their behalf in order to submit an online acceptance of the Offer in respect of all or any of the jointly held Vonex Shares.
- (c) If you do not receive a confirmation message after attempting to accept this Offer online, please contact 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).
- (d) If you are a CHESSE Holder, Swoop strongly recommends that you submit your online acceptance of this Offer within a reasonable period before the end of the Offer Period. This is because the Registry will need to request acceptance by your Controlling Participant of any online submission of your acceptance of this Offer before it can be taken as validly submitted. There may not be sufficient time to do so for any online acceptance submitted by CHESSE holders too close to the end of the Offer Period.

## II. Controlling Participant:

You may instruct your Controlling Participant (for Vonex Shareholders who are not institutions, this is normally the stockbroker either through whom you bought your Vonex Shares or through whom you ordinarily acquire shares on the ASX), to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules, so as to be effective before the end of the Offer Period (if you do this and your Controlling Participant follows those instructions, you do not need to complete and return the Acceptance Form to Swoop). Neither Swoop nor the Registry will be responsible if your Controlling Participant does not acknowledge your online acceptance in sufficient time.

## III. Physical Acceptance Form:

To accept the Offer using the physical Acceptance Form, please complete, sign and return the enclosed Acceptance Form in accordance with the instructions on the Acceptance Form, together with all other documents required by those instructions by post, so that they are received in sufficient time to request acceptance by your Controlling Participant before the end of the Offer Period, to the address indicated on the Acceptance Form. This will authorise Swoop to initiate, or alternatively to request your Controlling Participant to initiate, acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period. You must ensure that the Acceptance Form (and the other required documents) are received in sufficient time for Swoop to make the request to your Controlling Participant, and for your Controlling Participant to carry out those instructions, before the end of the Offer Period.

However, if you are the Controlling Participant in respect of your Vonex Shares, to accept this Offer you must yourself initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.

### 8.2.3 Partial acceptance permitted

As noted above, you have the option of accepting this Offer for all or some of your Vonex Shares, as chosen by you. Those of your Vonex Shares that

are subject to your acceptance will constitute the Accepted Shares, and will comprise:

- (a) if you specify all of your Vonex Shares as being subject to acceptance – all of your Vonex Shares at the date of your acceptance is processed (even if the number of Vonex Shares specified on the Acceptance Form or online acceptance differs from the number of your Vonex Shares);
- (b) if you specify a number of Vonex Shares that is less than the number of your Vonex Shares at the date your acceptance is processed – that number of Vonex Shares;
- (c) if you specify a number of Vonex Shares that is greater than the number of your Vonex Shares at the date your acceptance is processed – all of your Vonex Shares at the date your acceptance is processed; or
- (d) if you do not specify the number of your Vonex Shares being subject to acceptance, or if you provide conflicting instructions on your Acceptance Form or online acceptance regarding the number of your Vonex Shares being subject to acceptance – all of your Vonex Shares at the date your acceptance is processed (even if the number of Vonex Shares specified on the Acceptance Form or online acceptance differs from the number of your Vonex Shares).

For this purpose, specification of the number of your Vonex Shares being subject to acceptance must be in the Acceptance Form, online acceptance or in a valid originating message transmitted in accordance with Rule 14.14 of the ASX Settlement Operating Rules.

### **8.3 Status and effect of the acceptance**

#### **8.3.1 Acceptance Form and other documents**

The Acceptance Form that accompanies this Bidder's Statement forms part of this Offer, and subject to this Section 8.3 the instructions on the Acceptance Form must be followed in using it to accept this Offer.

Swoop will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Swoop is not required to communicate with you prior to or after making this determination. The determination of Swoop will be final and binding on all parties.

Notwithstanding Section 8.2.2, Swoop may (except in relation to Vonex Shares in a CHESS Holding) treat the receipt by it of a signed Acceptance Form before the end of the Offer Period as valid even though it does not receive the other documents required by the instructions on the Acceptance Form or there is not compliance with any one or more of the other requirements for acceptance.

If Swoop does treat such an Acceptance Form as valid, subject to Section 8.6, Swoop will not be obliged to procure the issuance of the Swoop Shares until Swoop receives all those documents and all of the requirements for acceptance referred to in Section 8.2 and in the Acceptance Form have been met (other than the requirement of your Acceptance Form to be received before the end of the Offer Period).

When using the Acceptance Form to accept this Offer in respect of Vonex Shares in a CHESS Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer and the instruction

on the Acceptance Form) are received by Swoop in time for Swoop to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.

### 8.3.2 Effect of acceptance

By accepting the Offer (including by accepting online or signing and returning the Acceptance Form) in accordance with Section 8.2, you irrevocably authorise Swoop and its nominees:

- (a) to rectify any errors in, or omissions from, the Acceptance Form or online acceptance that are necessary to make it an effective acceptance of this Offer or to enable registration of the transfer of all of your Accepted Shares to Swoop; and
- (b) in respect of any of your Accepted Shares in a CHESS Holding, to:
  - (i) initiate, or alternatively instruct your Controlling Participant to initiate, acceptance of this Offer in respect of all such Accepted Shares in accordance with Rule 14.14 of the ASX Settlement Operating Rules; and
  - (ii) give any other instructions concerning those Accepted Shares to your Controlling Participant on your behalf under the sponsorship agreement between you and the Controlling Participant, as determined by Swoop (or its nominee) acting in its own interests as a beneficial owner and intended registered holder of your Accepted Shares,

and acknowledge that:

  - (iii) with respect to sub-paragraph (i) above, Swoop (or its agents or nominees) will merely forward your Acceptance Form or online acceptance to your Controlling Participant (being the only person who can accept this Offer on your behalf) and that it is your responsibility to allow sufficient time for your Controlling Participant to initiate acceptance of this Offer;
  - (iv) Swoop (or its agents or nominees) is not responsible for any delays incurred in the process described in sub-paragraph (i) and (ii) above or any losses whatsoever you incur by the fact that your acceptance is not processed before the end of the Offer Period; and
  - (v) you must promptly give any further instructions or take any further actions necessary concerning your Accepted Shares to your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules prior to the end of the Offer Period.

### 8.3.3 Risk in acceptance

**Acceptance Form:** The transmission by you of the Acceptance Form and any other documents in accordance with Section 8.2 is at your own risk. No acknowledgement of receipt of any such documents will be given to you by or on behalf of Swoop.

**Online Acceptance:** In respect of acceptance online:

- (a) When using the online facility available at <https://investor.automic.com.au/#/signup> to accept this Offer, for your acceptance to be valid you must ensure that your acceptance is submitted before the end of the Offer Period. Neither Swoop nor the Registry accepts any responsibility or liability for any website downtime, delays or access failure that may occur due to circumstances beyond its reasonable control, and which may delay or impede your ability to access <https://investor.automic.com.au/#/signup> or submit an acceptance online.
- (b) When using the online facility available at <https://investor.automic.com.au/#/signup> to accept this Offer in respect of Vonex Shares in a CHESS Holding, you must ensure that the acceptance is submitted in time for Swoop to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period. There may not be sufficient time to do so for any online acceptances submitted by you if you accept too close to the end of the Offer Period.
- (c) The use of <https://investor.automic.com.au/#/signup> to accept this Offer is at your own risk.

#### **8.3.4 Revocation of acceptance**

Once you have accepted the Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you and you will be unable to withdraw your Accepted Shares from the Offer, or otherwise dispose of your Vonex Shares, except as follows:

- (a) if, by the times specified in Section 8.5, the Offer Conditions have not all been fulfilled or waived, then this Offer will automatically terminate and your Accepted Shares will be returned to you; or
- (b) if the Offer Period is varied in a way that postpones for more than one month the time when Swoop has to meet its obligations under the Offer and, at that time, this Offer is subject to one or more of the Offer Conditions, then you may be able to withdraw your acceptance in accordance with section 650E of the Corporations Act.

#### **8.3.5 Power of attorney, deceased estate**

When accepting this Offer, you should also forward for inspection:

- (a) if your Acceptance Form is executed by an attorney, an original certified copy of the power of attorney; and
- (b) if your Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased Vonex Shareholder, an original certified copy of relevant grant of probate or letters of administration.

#### 8.4 Agreement resulting from acceptance

By accepting this Offer in accordance with Section 8.2, you will be deemed to have:

- (a) irrevocably accepted this Offer (and any variation of it) in respect of all of your Accepted Shares at the date your acceptance is processed and agreed to the terms and conditions of this Offer;
- (b) subject to all of the Offer Conditions being fulfilled or waived, transferred, and consented to the transfer in accordance with the ASX Settlement Operating Rules of, all of your Accepted Shares to Swoop in accordance with this Offer and subject to the conditions of the constitution of Vonex on which they were held immediately before your acceptance of this Offer (and Swoop agrees to take those Accepted Shares subject to those conditions);
- (c) represented and warranted to Swoop, as a fundamental condition which goes to the root of the contract resulting from your acceptance of this Offer, that at the time of acceptance and at the time of transfer of your Accepted Shares to Swoop is registered, that:
  - (i) all of your Accepted Shares are and will be fully paid;
  - (ii) Swoop will acquire good title to them and full beneficial ownership of them free from all Encumbrances or any restriction on transfer of any nature;
  - (iii) you have full power and capacity to accept the Offer and to sell and transfer the legal and beneficial ownership of your Accepted Shares (including any Rights) to Swoop; and
  - (iv) you have paid to Vonex all amounts which at the time of acceptance have fallen due for payment to Vonex in respect of your Accepted Shares;
- (d) on this Offer or any takeover contract becoming Unconditional:
  - (i) irrevocably appointed Swoop and each of its directors from time to time individually as your agent and attorney on your behalf to:
    - (A) attend and vote in respect of your Accepted Shares at all general meetings of Vonex;
    - (B) sign all documents (including an instrument appointing one of Swoop's directors as a proxy in respect of any or all of your Accepted Shares and any application to Vonex for a replacement certificate in respect of any share certificate which has been lost or destroyed) and resolutions relating to your Accepted Shares, and generally to exercise all powers and rights which you may have as a Vonex Shareholder and perform such actions as may be appropriate in order to vest good title in your Accepted Shares in Swoop, and to have agreed that, in exercising such powers, any such director is entitled to act in Swoop's interests as

the beneficial owner and intended registered holder of your Accepted Shares;

- (e) agreed not to vote in person at any general meeting of Vonex or to exercise (or purport to exercise) in person, by proxy or otherwise, any of the powers conferred on the directors of Swoop by Section 8.4(d);
- (f) unless you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, irrevocably authorised Swoop to apply for the issue to your account of that number of Swoop Shares corresponding to your entitlement under this Offer at the date of application;
- (g) unless you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, agreed to accept the Swoop Shares to which you have become entitled by acceptance of this Offer subject to the terms of this Offer and the Swoop Holdings Constitution, agreed that you will be bound by the Swoop Holdings Constitution, and authorised Swoop to place your name on Swoop Holdings' share register in respect of those Swoop Shares;
- (h) irrevocably authorised and directed Swoop to direct Vonex to pay to Swoop, or to account to Swoop for, all Rights in respect of your Vonex Shares, subject to Swoop accounting to you for any such Rights received by Swoop if this Offer is withdrawn or any contract resulting from your acceptance of this Offer is rescinded or rendered void;
- (i) in accordance with Section 8.6.5, irrevocably authorised Swoop to adjust the Offer Consideration payable to you by the amount (or value, as reasonably assessed by Swoop) of all Rights in respect of your Vonex Shares;
- (j) irrevocably authorised Swoop to notify Vonex on your behalf that your place of address for the purposes of serving notices upon you in respect of your Vonex Shares is the address specified by Swoop in the notification;
- (k) acknowledged and agreed that, except as permitted by and in accordance with applicable law, you will not knowingly offer or resell in, or to persons in, the United States any Swoop Shares which you acquire at any time;
- (l) if you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder (or if Swoop believes that you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder);
  - (A) acknowledged and agreed to Swoop undertaking the process set out in Section 8.6.7, in respect of any Swoop Shares which you would have become entitled to receive under Section 8.1.3, but for Section 8.1.4; and
  - (B) irrevocably authorised Swoop to apply for the issue to the account of the Nominee of that number of Swoop Shares which you would have become entitled to receive under Section 8.1.3, but for Section 8.1.4;
- (m) if at the time of acceptance of this Offer, your Vonex Shares are in a CHESS Holding, authorised, with effect from the date that this Offer or any contract resulting from acceptance of this Offer is declared free from all Offer Conditions or those Offer Conditions

are satisfied, Swoop to cause a message to be transmitted to ASX Settlement in accordance with Rule 14.17.1 of the ASX Settlement Operating Rules so as to transfer any or all of your Vonex Shares to Swoop's Takeover Transferee Holding. Swoop will be so authorised even though at the time of such transfer, it had not provided the Offer Consideration due to you;

- (n) if at the time of acceptance of this Offer, your Vonex Shares are in an Issuer Sponsored Holding, authorised, with effect from the date that this Offer or any contract resulting from acceptance of this Offer is declared free from all Offer Conditions or those Offer Conditions are satisfied, Swoop to lodge and cause Vonex to register a transfer of ownership so as to transfer any or all of your Vonex Shares to Swoop's name. Swoop will be so authorised even though at the time of such transfer, it had not provided the Offer Consideration due to you.

The representations, warranties, authorities and indemnities referred to in this Section 8.4 will (unless otherwise stated) remain in force after you receive the Offer Consideration for your Accepted Shares and after Swoop becomes the registered holder of them.

## **8.5 Offer Conditions**

### **8.5.1 Offer Conditions**

This Offer and each contract resulting from acceptance of this Offer is subject to the Offer Conditions set out in Section 9.

### **8.5.2 Declaration of Offer being free from Offer Conditions**

- (a) Swoop may, subject to the Corporations Act, declare the Offer and all contracts resulting from the acceptance of the Offer, free from the Offer Conditions (or any one or more or any part of them) in Section 9.
- (b) Subject to compliance with sections 630 and 650F of the Corporations Act, a declaration made under Section 8.5.2(a) must be made by Swoop by notice in writing to Vonex:
- (A) in the case of Offer Condition relating to the happening of a Prescribed Occurrence, not later than 3 Business Days after the end of the Offer Period; and
- (B) in any other case, not less than 7 days before the end of the Offer Period.

### **8.5.3 Breach of Offer Conditions**

Each of the Offer Conditions in each paragraph and sub-paragraph of Section 9 is a separate Offer Condition.

Each of the Offer Conditions in Section 9 is a condition precedent to Swoop's obligation to provide the Offer Consideration but does not prevent a contract to sell your Vonex Shares resulting from an acceptance of the Offer. However, if an Offer Condition in Section 9 is breached or not fulfilled, Swoop may by notice in writing to you, rescind that contract as if that contract had not been formed.

### **8.5.4 Benefit of Offer Conditions**

Subject to the Corporations Act:

- (a) Swoop alone has the benefit of the Offer Conditions in Section 9;
- (b) a breach or non-fulfilment of any of those Offer Conditions may be relied on only by Swoop; and
- (c) Swoop may, at its sole discretion, waive the breach or non-fulfilment of all or any of those Offer Conditions.

#### **8.5.5 Void Contracts**

If at the end of the Offer Period (or in the case of the Prescribed Occurrences Condition, at the end of the third Business Day after the end of the Offer Period), the Offer Conditions in Section 9 have not been fulfilled and Swoop has not declared the Offer (or it has not become) free from those Offer Conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

All Offers which are unaccepted by Vonex Shareholders will automatically lapse at the end of the Offer Period.

#### **8.5.6 Status Notice**

The date for giving the notice referred to in section 630(3) of the Corporations Act relating to the status of the Offer Conditions in Section 9 is 9 January 2025.

This date may be extended in accordance with section 630(2) of the Corporations Act if the Offer Period is extended.

#### **8.5.7 Official quotation of Swoop Shares**

Swoop has been admitted to the Official List of ASX. Shares of the same class as those to be issued as consideration have been granted official quotation.

An application will be made within 7 days after the date of this Bidder's Statement to ASX for granting of official quotation of Swoop Shares to be issued in accordance with the Offer. However, official quotation is not granted automatically on application.

Pursuant to the Corporations Act, this Offer and any contract that results from your acceptance of it are subject to a condition that:

- (a) permission for admission to official quotation by ASX of the Swoop Shares to be issued pursuant to the Offer; and
- (b) this permission is to be granted no later than 7 days after the end of the Offer Period.

If this condition is not fulfilled, all contracts resulting from the acceptance of the Offer will be automatically void.

### **8.6 Provision of Offer Consideration**

#### **8.6.1 Swoop Shares**

Payment for Vonex Shares under the Offer (other than to Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders) will be satisfied by Swoop:



- (a) issuing such number of new Swoop Shares you are entitled to and entering, or procuring the entry of, your name on the register of members of Swoop Holdings; and
- (b) dispatching or procuring the dispatch to you by pre-paid post to your address recorded in Swoop's last copy of Vonex's Register, a transaction confirmation statement in your name. If the Vonex Shares are held in a joint name, an uncertificated holding statement will be issued in the name of, and forwarded to, the holder whose name appears first in Swoop's last copy of Vonex's Register.

#### **8.6.2 Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders**

If you have accepted the Offer and you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, you will be paid your share of the net proceeds from the sale of the Vonex Shares in accordance with Section 8.6.7.

#### **8.6.3 When the Offer Consideration will be provided**

Subject to this Section 8.6 and the Corporations Act, if you accept the Offer, provided that all relevant documents have been received by Swoop and correctly completed and the Offer becomes Unconditional, Swoop will provide, or procure the provision of, the Offer Consideration for your Accepted Shares under this Offer on or before the earlier of:

- (a) one month after this Offer is accepted or one month after the Offer has become or has been declared Unconditional (whichever is the later); and
- (b) 21 days after the end of the Offer Period.

Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders will be provided with the net proceeds of sale of the Swoop Shares to which they would otherwise have been entitled under the Offer at a different time as noted in Section 8.6.7.

#### **8.6.4 Provision of Offer Consideration where additional documents are required**

Where the Acceptance Form or any subsequent request from Swoop requires additional documents to be given with your acceptance (such as a certified copy of a power of attorney, grant of probate or letters of administration, or any other document requested by Swoop to give better effect to your acceptance of the Offer):

- (a) if the documents are given with your acceptance, Swoop will procure that Swoop Holdings provides the Offer Consideration in accordance with Section 8.6.3;
- (b) if the documents are given after acceptance and before the end of the Offer Period, Swoop will procure that Swoop Holdings provides the Offer Consideration on or before 10 Business Days after the contract resulting from your acceptance of this offer becomes Unconditional;
- (c) if the documents are given after acceptance and before the end of the Offer Period and this Offer is Unconditional at the time that Swoop is given the documents Swoop will procure that Swoop Holdings provides the Offer Consideration, on or before 10

Business Days after the contract resulting from your acceptance of this Offer becomes Unconditional; or

- (d) if the documents are given after the end of the Offer Period, Swoop will procure that Swoop Holdings provides the Offer Consideration within 10 Business Days after the documents are given; but if at the time Swoop is given the documents the contract resulting from your acceptance of this Offer is still subject to one or more of the Offer Conditions, Swoop will procure that Swoop Holdings provides the Offer Consideration within 10 Business Days after that contract becomes Unconditional.

If you do not provide Swoop with the required additional documents within one month after the end of the Offer Period, Swoop may, in its sole discretion, rescind the contract resulting from your acceptance of this Offer.

#### **8.6.5 Rights**

If Swoop becomes entitled to any Rights as a result of your acceptance of this Offer, it may require you to give Swoop all documents necessary to vest those Rights in Swoop or otherwise to give Swoop the benefit or value of those Rights. If you do not give those documents to Swoop, or if you have received the benefit of those Rights, then Swoop may deduct from the Offer Consideration otherwise due to you the amount (or value, as reasonably assessed by Swoop) of those Rights. If Swoop does not, or cannot make such a deduction, you must pay that amount to Swoop, except to the extent that Swoop elects to waive its entitlement to those Rights.

#### **8.6.6 Clearances for offshore residents**

If, at the time you accept the Offer, any consent, authority or clearance is required for you to receive any consideration under this Offer including, but not limited to consent, authority or clearance:

- (a) of the Reserve Bank of Australia (whether under the Banking (Foreign) Exchange Regulations 1959 (Cth) or otherwise);
- (b) of the Minister for Foreign Affairs whether under the Charter of the United Nations Act 1945 (Cth), the Charter of the United Nations (Dealing with Assets) Regulations 2008 or any other regulations made thereunder, or otherwise;
- (c) of the ATO; or
- (d) of any other person as required by any other law of Australia that would make it unlawful for any consideration to be provided for your Vonex Shares,

then your acceptance of the Offer does not create or transfer to you any right (including any contractual or contingent right) to receive (and you will not be entitled to receive) any consideration under this Offer unless and until all requisite consents, authorities or clearances have been obtained and satisfactory evidence is provided to Swoop.

#### **8.6.7 Payments to Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders**

If you accept the Offer and you are an Ineligible Foreign Shareholder or Unmarketable Parcel Shareholder, in respect of any Swoop Shares which you would have become entitled to receive under Section 8.1.3, but for Section 8.1.4, Swoop will:

- (a) arrange for the issue to a nominee approved by ASIC (**Nominee**) of the number of Swoop Shares to which you and all other Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders would have become entitled to receive as part of the Offer Consideration as a result of acceptance of the Offer but for Section 8.1.4, Swoop may arrange for the Swoop Shares to be issued to the Nominee in tranches, and to be sold in tranches. Swoop has the sole and complete discretion as to when and in how many tranches to aggregate the Swoop Shares to be issued as a result of acceptances;
- (b) cause the Nominee to offer for sale the Swoop Shares (in one or more tranches, at the discretion of the Nominee) on the ASX as soon as practicable, or otherwise in the manner, at the price and on terms as are determined by the Nominee;
- (c) pay, or procure the payment, to you of the amount calculated in accordance with the following formula:

$$\frac{\text{Net Proceeds of Sale x Your Swoop Shares}}{\text{Total Nominee Shares}}$$

where:

**“Net Proceeds of Sale”** means the amount which is received by the Nominee upon the sale of all Swoop Shares in the relevant tranche under Section 8.6.7(a), less brokerage and other sale expenses;

**“Your Swoop Shares”** means the number of Swoop Shares which Swoop would otherwise be required to issue to you as part of the Offer Consideration but for Section 8.1.4 and which were sold in the relevant tranche; and

**“Total Nominee Shares”** means the total number of Swoop Shares being sold by the Nominee in the relevant tranche under Section 8.6.7(a);

- (d) you will be paid your share of the proceeds of this sale in Australian currency;
- (e) payment will be made by cheque posted to you at your risk by ordinary mail at the address recorded on Swoop's last copy of Vonex's Register and the payment will be considered paid at the time when the cheque is posted (or when the payment is otherwise processed) by Automic. If your Vonex Shares are held in a joint name, the cheque will be issued in the name of the joint holders and forwarded to the address that appears first in Swoop's last copy of Vonex's Register;
- (f) payment will be made as soon as practicable after settlement of the last sale by the Nominee of the Total Nominee Shares for that relevant tranche, and
- (g) under no circumstances will interest be paid on your share of the proceeds of this sale, regardless of any delay in remitting these proceeds to you.

As the market price of Swoop Shares will be subject to change from time to time, the sale price of the Swoop Shares sold by the Nominee and the proceeds of those sales cannot be guaranteed. Neither Swoop, Swoop

Holdings, nor the Nominee gives any assurance as to the price that will be achieved for the sale of the Swoop Shares by the Nominee.

The Nominee will be appointed by, and will provide the nominee services to, Swoop. In acting as Nominee, the Nominee will not be acting as agent or sub-agent of any Ineligible Foreign Shareholder or Unmarketable Parcel Shareholder, does not have duties or obligations (fiduciary or otherwise) to any Ineligible Foreign Shareholder or Unmarketable Parcel Shareholder and does not underwrite the sale of the Swoop Shares.

Notwithstanding anything else in this Bidder's Statement, neither Swoop nor Swoop Holdings is under any obligation to spend any money, or undertake any action, in order to satisfy themselves of the eligibility of Ineligible Foreign Shareholders or Unmarketable Parcel Shareholders to receive Swoop Shares as set out in this Section 8.6.7.

## 8.7 Withholding of consideration by Swoop

If any amount (the **Withholding Amount**) is required, under Australian law or by any Regulatory Authority, to be:

- (a) withheld from any consideration otherwise payable to you under this Offer and paid to a Regulatory Authority; or
- (b) retained by Swoop out of any consideration otherwise payable to you under this Offer,

the payment or retention by Swoop of the Withholding Amount (as applicable) will constitute full discharge of Swoop's obligation to pay the consideration to you to the extent of the Withholding Amount.

## 8.8 Withdrawal of Offer

Swoop may withdraw the Offer at any time with the written consent of ASIC and subject to the conditions (if any) specified in such consent. If ASIC gives such consent, Swoop will give notice of the withdrawal to ASX and to Vonex and will comply with any other conditions imposed by ASIC.

If, at the time this Offer is withdrawn, all of the Offer Conditions have been satisfied or waived, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.

If, at the time this Offer is withdrawn, the Offer remains subject to one or more Offer Conditions, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant conditions have occurred).

A withdrawal pursuant to this Section 8.8 will be deemed to take effect:

- (a) if the withdrawal is not subject to conditions imposed by ASIC, on and after the date on which that consent in writing is given by ASIC; or
- (b) if the withdrawal is subject to conditions imposed by ASIC, on and after the date on which those conditions are satisfied.

## 8.9 Variation of Offer

### 8.9.1 Swoop's entitlement

Swoop may at any time before the end of the Offer Period vary the Offer in accordance with the Corporations Act:

- (a) by extending the Offer Period;
- (b) by increasing the consideration payable under the Offer; and / or
- (c) with the written consent of ASIC, and subject to any conditions specified by ASIC in that consent, in the manner that ASIC permits.

#### **8.9.2 Extension of Offer**

If Swoop extends the Offer Period, you will receive notice of the extension, unless, at the date of the extension, you have already accepted the Offer and the Offer has become free from the Offer Conditions in Section 9 or those Offer Conditions have been fulfilled.

#### **8.10 Additional copies of Offer documents**

If, for the purpose of accepting the Offer, you require additional copies of this Bidder's Statement and the Acceptance Form, 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) to request those additional copies. Calls to this number may be recorded.

#### **8.11 Costs and stamp duty**

Swoop will pay all costs and expenses of the preparation and circulation of this Offer and any Australian stamp duty payable on the transfer of any Vonex Shares to it under this Offer.

#### **8.12 Foreign laws**

This Offer is not registered in any jurisdiction outside Australia (unless an applicable foreign law treats it as registered as a result of this Bidder's Statement being lodged with ASIC). It is your sole responsibility to satisfy yourself that you are permitted by any foreign law applicable to you to accept this Offer and receive Swoop Shares (if any) as Offer Consideration.

#### **8.13 Governing law and jurisdiction**

This Offer and any contract resulting from your acceptance of this Offer are governed by the laws in force in New South Wales. In relation to them and related non-contractual matters each party irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any grounds.

## 9. Offer Conditions

The Offer and any contract resulting from acceptance of the Offer is subject to fulfilment of the following conditions (**Offer Conditions**):

### 9.1 Minimum Acceptance Condition

At or before the end of the Offer Period, Swoop and its Associates have a Relevant Interest in at least 50.1% (by number) of Vonex Shares (on a fully diluted basis).

### 9.2 No Prescribed Occurrences

None of the following events happen during the Condition Period (each a **Prescribed Occurrence**):

- (a) Vonex converts all or any of its shares into a larger or smaller number of shares (see section 254H of the Corporations Act);
- (b) Vonex or any Vonex Subsidiary resolves to reduce its share capital in any way;
- (c) Vonex or any Vonex Subsidiary:
  - (i) enters into a buy back agreement; or
  - (ii) resolves to approve the terms of a buy back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (d) Vonex or any Vonex Subsidiary issues shares or grants an option over its shares or agrees to make such an issue or grant such an option;
- (e) Vonex or any Vonex Subsidiary issues, or agrees to issue, convertible notes;
- (f) Vonex or any Vonex Subsidiary disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (g) Vonex or any Vonex Subsidiary grants, or agrees to grant, a security interest in the whole, or a substantial part, of its business or property;
- (h) Vonex or any Vonex Subsidiary resolves to be wound up;
- (i) a liquidator or provisional liquidator of Vonex or a Vonex Subsidiary is appointed;
- (j) a court makes an order for the winding up of Vonex or any Vonex Subsidiary;
- (k) an administrator of Vonex or a Vonex Subsidiary is appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) Vonex or a Vonex Subsidiary executes a deed of company arrangement;
- (m) a restructuring practitioner for Vonex or for a Vonex Subsidiary is appointed under section 453B of the Corporations Act;
- (n) Vonex or a Vonex Subsidiary makes a restructuring plan under Division 3 of Part 5.3B of the Corporations Act; or
- (o) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Vonex or a Vonex Subsidiary.

**9.3 No action by Regulatory Agency materially adversely affecting the Offer**

That during the Condition Period there is not any final decision, order or decree issued by a Regulatory Authority which restrains or prohibits or threatens to restrain or prohibit the making of the Offer and the completion of acceptances pursuant to the Offer or imposes any conditions upon the Offer.

**9.4 Lender consent for refinancing**

If Longreach does not provide consent to the change in control of Vonex under the Offer (see Section 5.5.4 and Section 5.6), before the end of the Offer Period, Westpac Banking Corporation provides approval, in accordance with the terms of Swoop's existing debt facilities (as amended from time to time), for the acquisition of the Vonex Shares by Swoop under the Offer including for the refinancing of Vonex's existing debt facilities.

## **10. Additional material information**

### **10.1 Status and effect of Offer Conditions**

The Offer is subject to the Offer Conditions set out in Section 9. Swoop will provide updates on any material developments relating to the status of these Conditions through announcements to ASX.

The date for giving the notice on the status of the Conditions required by section 630(1) of the Corporations Act is 9 January 2025 (subject to extension in accordance with section 630(2)) of the Corporations Act if the Offer Period is extended).

As at the date of this Bidder's Statement, Swoop is not aware of any events or circumstances which would result in the non-fulfilment of any of the Conditions.

Any or some of the Conditions may be waived by Swoop. If Swoop decides to waive a Condition, it will announce that decision to ASX in accordance with section 650F of the Corporations Act.

If, at the end of the Offer Period (or in the case of the Prescribed Occurrences Condition, at the end of the third Business Day after the end of the Offer Period), the Conditions have not been fulfilled and Swoop has not declared the Offer (or it has become) free from those Offer Conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

### **10.2 Date for determining holders of Vonex Shares**

The Record Date, being the date for determining the recipients of the information regarding the Offer, in accordance with section 633(2) of the Corporations Act is 2 December 2024.

### **10.3 Vonex Performance Rights**

Swoop is not making a separate offer to holders of Vonex Performance Rights. However, holders of Vonex Performance Rights on issue at the Record Date whose Vonex Performance Rights vest and are converted into Vonex Shares during the Offer Period will be able to accept the Offer in respect of the Vonex Shares which they are issued. To the extent there are any Vonex Performance Rights on issue at the end of the Offer Period, Swoop may seek to acquire any remaining Vonex Performance Rights if it becomes entitled to do so under Part 6A.1 of the Corporations Act.

### **10.4 Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders**

Vonex Shareholders who are Ineligible Foreign Shareholders or Unmarketable Parcel Shareholders will not be entitled to receive Swoop Shares as consideration for their Vonex Shares pursuant to the Offer, unless Swoop otherwise determines in its absolute discretion.

A Vonex Shareholder is an Ineligible Foreign Shareholder for the purposes of the Offer if their address as shown in the Register is in a jurisdiction other than Australia or its external territories or New Zealand. However, such a Vonex Shareholder will not be an Ineligible Foreign Shareholder if Swoop otherwise determines (in its absolute discretion) that it is:

- (a) not unlawful, onerous or impracticable to make the Offer to a Vonex Shareholder in the relevant jurisdiction and to issue Swoop Shares to such a Vonex Shareholder on acceptance of the Offer; and



- (b) not unlawful for such Vonex Shareholder to accept the Offer in such circumstances in the relevant jurisdiction.

Despite anything else in this Bidder's Statement, Swoop is not under any obligation to spend any money, or undertake any action, in order to satisfy itself concerning any of these matters.

A Vonex Shareholder is an Unmarketable Parcel Shareholder for the purposes of the Offer if, were they to accept the Offer, Swoop Shares would be issued to them which would not constitute a "Marketable Parcel". A Marketable Parcel is a parcel of securities that (among other things) has a value of not less than \$500.

The Swoop Shares which would otherwise have been issued to any such Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders will instead be issued to a Nominee approved by ASIC, who will sell these Swoop Shares. The net proceeds of the sale of such securities will then be remitted to the relevant Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders.

Where Swoop determines that a withholding amount arises under Section 7.3 in respect of your Vonex Shares, Swoop will arrange for a sufficient number of Swoop Shares that you would have been entitled to but for Section 8.1.4 to be issued to the Nominee and sold so as to allow Swoop to fund that withholding amount.

See Section 8.6.7 for further details.

## 10.5 Consents

Each of the following parties has given and has not, before the lodgement of this Bidder's Statement with ASIC, withdrawn its consent to be named in this Bidder's Statement in the form and context in which it is named:

- (a) Swoop Holdings, as the holding company of the Swoop Group and issuer of the Swoop Shares under the Offer;
- (b) Maddocks, as legal adviser to Swoop Holdings and Swoop;
- (c) MA Moelis Australia Advisory Pty Ltd, as financial adviser to Swoop Holdings and Swoop;
- (d) PKF as tax adviser to Swoop Holdings and Swoop;
- (e) Grant Thornton as accounting adviser to Swoop Holdings and Swoop; and
- (f) Automic as share registry to Swoop Holdings.

Other than as specifically outlined above, each party referred to in this Section 10 has not caused or authorised the issue of this Bidder's Statement and does not make or purport to make any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement is based and takes no responsibility for any part of this Bidder's Statement other than any reference to its name.

In addition, this Bidder's Statement includes statements which are made in, or based on, statements made in, documents lodged with ASIC or given to ASX. Under the terms of *ASIC Corporations (Takeover Bids) Instrument 2023/683*, the persons making those statements are not required to consent to, and have not consented to, the inclusion of those statements, or of statements based on those statements, in this Bidder's Statement. If you would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements, free of charge, during the Offer Period, and within 2 Business Days of the request, please contact 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). This line will only be open from the date the Offer opens until one week after it closes.

In addition, as permitted by *ASIC Corporations (Consents to Statements) Instrument 2016/72 (Corporations Instrument 2016/72)*, this Bidder's Statement may include, or be accompanied by, certain statements that fairly represent a statement by an official person or are a correct and fair copy of, or extract from, a public official document or a published book, journal or comparable publication, where the statement was not made, or published, in connection with the Offer or Swoop or Vonex or any business, property or person the subject of this Bidder's Statement or the Target's Statement.

As permitted by Corporations Instrument 2016/72, this Bidder's Statement contains trading data sourced from IRESS and the ASX official website.

#### 10.6 Disclosure of interests of certain persons

Other than as set out below or elsewhere in this Bidder's Statement, no:

- (a) director of Swoop;
- (b) person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement; or
- (c) promoter of Swoop,

(together, the **Interested Persons**) has, or had within two years before the date of this Bidder's Statement, any interest in:

- (d) the formation or promotion of Swoop;
- (e) any property acquired or proposed to be acquired by Swoop in connection with its formation or promotion or in connection with the issue of Swoop Shares under the Offer; or
- (f) the offer of Swoop Shares under the Offer.

#### 10.7 Fees, interests of advisers and other payments associated with the Offer

Other than as set out below or elsewhere in this Bidder's Statement, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- (a) to a director of Swoop to induce them to become, or to qualify as, a director of Swoop; or
- (b) for services provided by an Interested Person in connection with the formation or promotion of Swoop or the offer of Swoop Shares under the Offer.

MA Moelis Australia Advisory Pty Ltd has acted as Australian financial adviser to Swoop in connection with the Offer and is entitled to receive approximately \$1,075,000 (excluding GST) together with ongoing fees on a normal commercial basis.

Maddocks has acted as Australian legal adviser to Swoop in relation to the Offer and is entitled to receive approximately \$200,000 (excluding GST) in respect of professional fees together with ongoing fees on a normal commercial basis.

PKF has acted as Australian tax adviser to Swoop in relation to the Offer and is entitled to receive \$5,000 (excluding GST) together with ongoing fees on a normal commercial basis.

Grant Thornton has acted as Australian accounting adviser to Swoop in relation to the Offer and is entitled to receive \$40,000 (excluding GST) together with ongoing fees on a normal commercial basis.

#### **10.8 Expiry date**

No Swoop Shares will be issued on the basis of the Offer contained in this Bidder's Statement after the date that is 13 months after the date of this Bidder's Statement.

#### **10.9 Foreign jurisdiction**

The Offer is being proposed and will be conducted in accordance with the laws in force in Australia. No action has been taken to register or qualify the Swoop Shares or otherwise permit a public offer of Swoop Shares in any jurisdiction outside Australia.

Please refer to the "Important Notices" section for notice to foreign Vonex Shareholders.

#### **10.10 Withholding of consideration**

Swoop is not currently aware of any other amounts that are or would be treated as withholding amounts under Section 7.3. However, it is possible that Swoop may become aware of an obligation in this regard after the date of this Bidder's Statement.

For example, under section 255 of the *Income Tax Assessment Act 1936* (Cth), the ATO may notify Swoop that all or part of the consideration otherwise payable under the Offer to Vonex Shareholders who are non-residents of Australia is to be retained by Swoop, or paid to the ATO, instead of being paid to the relevant Vonex Shareholder.

Similarly, under section 260-5 of Schedule 1 to the *Taxation Administration Act 1953* (Cth), the ATO may require Swoop to pay the ATO all or part of the consideration otherwise payable under the Offer to Vonex Shareholders who owe tax-related debts to the Australian Government to the extent that the relevant Vonex Shareholder owes tax-related debts to the Australian Government. Furthermore, under Subdivision 14-D of Schedule 1 to the *Taxation Administration Act 1953* (Cth), the ATO may require Swoop to pay to the ATO an amount in respect of the disposal of your Vonex Shares on account of foreign resident CGT withholding tax.

#### **10.11 No other material information**

Except as disclosed in this Bidder's Statement, there is no other information that:

- is material to the making of the decision by a Vonex Shareholder whether or not to accept the Offer; and
- is known to Swoop,

which has not previously been disclosed to Vonex Shareholders.

## 11. Definitions and Interpretation

### 11.1 Definitions

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

**2024 Annual Report** means Swoop Holdings' annual report for the financial year ended 30 June 2024 as published on the ASX on 27 September 2024.

**Acceptance Form** means the form of acceptance and transfer enclosed with this Bidder's Statement, or as the context requires, any replacement or substitute acceptance form provided by or on behalf of Swoop, and which forms part of the Offer (and includes, for the avoidance of doubt, both the Issuer Acceptance Form and the CHESS Acceptance Form).

**Accepted Shares** has the meaning given in Section 8.1.1.

**Announcement Date** means the date on which Swoop Holdings made a public announcement concerning its intention to make the Offer, being 18 October 2024.

**APP** means the Australian Privacy Principles contained in Schedule 1 of the Privacy Act.

**ASIC** means the Australian Securities and Investments Commission.

**Associates** has the meaning set out in Division 2 of Part 1.2 of the Corporations Act.

**ASX** means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market operated by it.

**ASX Listing Rules** means the Listing Rules of ASX as amended or waived from time to time.

**ASX Settlement** means ASX Settlement Pty Limited (ABN 49 008 504 532).

**ASX Settlement Operating Rules** means the operating rules of the settlement facility provided by ASX Settlement, such rules being known as the 'ASX Settlement Operating Rules' as at the date of this Bidder's Statement.

**ATO** means the Australian Taxation Office.

**Bidder's Statement** means this document, being a bidder's statement issued by Swoop under Part 6.5 of the Corporations Act relating to the Offer and includes any replacement or supplementary bidder's statement.

**Broker** means a person who is a share broker and a participant in CHESS.

**Business Day** means any day that is each of the following:

- (a) a 'Trading Day' within the meaning given in the ASX Listing Rules; and
- (b) a day that is not a Saturday, Sunday, public holiday or bank holiday in Sydney, New South Wales.

**CGT** means capital gains tax.

**CHESS** means the Clearing House Electronic Subregister System, which provides for the electronic transfer, settlement and registration of securities in Australia.

**CHES Acceptance Form** means the Acceptance Form accompanying the Offer and this Bidder's Statement for Vonex Shareholders with a CHES Holding.

**CHES Holding** means a holding of Shares on the CHES Subregister of Vonex.

**CHES Subregister** has the meaning given in the ASX Settlement Operating Rules.

**Condition Period** means the period beginning on the Announcement Date and ending at the end of the Offer Period.

**Constitution** means the constitution of Swoop Holdings as amended from time to time.

**Controlling Participant** has the meaning given in the ASX Settlement Operating Rules. Usually, your Controlling Participant is a person, such as a broker, with whom you have a sponsorship agreement (within the meaning of the ASX Settlement Operating Rules).

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Encumbrance** means:

- (a) a Security Interest;
- (b) an easement, restrictive covenant, caveat or similar restriction over property;
- (c) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation, or that gives a creditor priority over unsecured creditors in relation to any property (including a right to set off or withhold payment of a deposit or other money);
- (d) a right of any person to purchase, occupy or use an asset (including under an option, agreement to purchase, licence, lease or hire purchase);
- (e) any other thing that prevents, restricts or delays the exercise of a right over property, the use of property or the registration of an interest in or dealing with property; or
- (f) an agreement to create anything referred to in paragraphs (a) to (e) above or to allow any of them to exist.

**GST** means the goods and services tax imposed under the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and the related imposition acts of the Commonwealth of Australia.

**Harbourtel** means Harbourtel Pty Ltd (ACN 143 193 711)

**HIN** or **Holder Identification Number** means a Holder Identification Number, which is the number that starts with an 'X', managed by your Controlling Participant, to identify a Vonex Shareholder with a CHES Holding.

**Incentive Plan** means the Swoop Holdings Long Term Incentive Plan.

**Ineligible Foreign Shareholder** has the meaning given in Section 10.4.

**Interested Person** has the meaning given in Section 10.6.

**IRESS** means Iress Limited (ACN 060 313 359), being a technology company providing software and services to the financial services industry.

**Issuer Acceptance Form** means the Acceptance Form accompanying the Offer and this Bidder's Statement for Vonex Shareholders with an Issuer Sponsored Holding.

**Issuer Sponsored Holding** means a holding of Vonex Shares on Vonex's issuer sponsored sub-register.

**Last Practicable Date** means the date that was the last trading day prior to the date of this Bidder's Statement, being 21 November 2024.

**Longreach** has the meaning given in Section 4.3.

**Longreach Facility** has the meaning given in Section 4.3.

**Luminet** means Luminet Pty Ltd (ACN 131 318 646) and Luminet Fibre Pty Ltd (ACN 600 756 116).

**MaxoTel** means Maxo Telecommunications Pty. Ltd. (ACN 129 852 526).

**MaxoTel Offer** has the meaning given in the Chairman's letter.

**MaxoTel Scheme** means the proposed acquisition of the Vonex Shares by MaxoTel by way of scheme of arrangement under Part 5.1 of the Corporations Act, as initially announced on ASX on 25 June 2024.

**Merged Group** means the Swoop Group and the Vonex Group, if the Offer is successful.

**Minimum Acceptance Condition** means the Offer Condition set out in Section 9.1.

**Moose** means Telco Pay Pty Ltd (ACN 610 525 856).

**NBN** means the national broadband network.

**Nominee** means the nominee approved by ASIC for the purposes of Section 615 of the Corporations Act.

**Offer** means, as the context requires, the offer for Vonex Shares contained in Section 8, or the off-market takeover bid constituted by that offer and each other offer by Swoop for Vonex Shares in the form of that offer, including in each case as varied in accordance with the Corporations Act.

**Offer Conditions** means the conditions of the Offer set out in Section 9 of this Bidder's Statement.

**Offer Consideration** means 1 Swoop Share for every 3.9 Vonex Shares.

**Offer Date** means the date on which the Offer opens, being 9 December 2024.

**Offer Period** means the period from the Offer Date to the date on which the Offer closes being 7.00 pm (Sydney time) on 17 January 2025, unless the Offer is extended or withdrawn by Swoop in accordance with the Corporations Act.

**Officer** has the meaning set out in s9AD of the Corporations Act.

**Participant** means a participant under the ASX Settlement Operating Rules.

**Prescribed Occurrences** has the meaning given at Section 9.2 of this Bidder's Statement.

**Prescribed Occurrences Condition** means the Offer Condition set out at Section 9.2 of this Bidder's Statement.

**Privacy Act** means the *Privacy Act 1988* (Cth).

**Record Date** means 7:00 pm (Sydney time) on 2 December 2024, being the date set by Swoop for the purposes of the Offer under section 633(2) of the Corporations Act.

**Register** means the register of Vonex Shareholders maintained by Computershare Investor Services Pty Ltd on behalf of Vonex in accordance with the Corporations Act.

**Registry** means the share registry service provider appointed by Swoop in connection with the Offer, being Automic Pty Ltd (ACN 152 260 814).

**Regulatory Authority** means a government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity whether foreign, federal, state, territorial or local and for these purposes shall include the ATO and ASIC.

**Related Entity** means in relation to a party, an entity that is controlled by that party, an entity that is controlling such party or is under common control with such party.

**Relevant Interest** has the meaning given in sections 608 and 609 of the Corporations Act.

**Rights** means all accretions, rights or benefits that accrue to or arise from Vonex Shares after the date this Bidder's Statement is lodged with ASIC, including all rights to receive dividends, to receive or subscribe for Vonex Shares, notes, options or other securities and all other distributions or entitlements declared, paid, made or issued by Vonex after that date.

**Security Interest** has the meaning given in section 51A of the Corporations Act.

**SME** means small to medium sized enterprise.

**SRN** or **Securityholder Reference Number** means a securityholder reference number, which is the number which starts with an 'I', allocated by Vonex to identify a Vonex Shareholder with an Issuer Sponsored Holding.

**Subsidiaries** has the meaning given to that term by section 9 Corporations Act.

**Swoop** means Swoop Telecommunications Pty Ltd (ACN 109 931 731).

**Swoop Directors** means the directors of Swoop as set out in Section 3.2.

**Swoop Group** means Swoop Holdings and each of its Subsidiaries, including Swoop.

**Swoop Holdings** means Swoop Holdings Limited (ACN 009 256 535).

**Swoop Holdings Directors** means the directors of Swoop Holdings as set out in Section 3.2.

**Swoop Share** means a fully paid ordinary share in the capital of Swoop Holdings.

**Swoop Shareholders** means a person or entity that holds a Swoop Share(s).

**Takeover Transferee Holding** has the meaning given in the ASX Settlement Operating Rules being the CHESS Holding to which Vonex Shares are to be transferred pursuant to acceptances of the Offer.

**Target's Statement** means the target's statement to be prepared by Vonex in respect of the Offer and includes any supplementary target's statement.

**Tax** means any tax, levy, charge, impost, fee, deduction, goods and services tax, compulsory loan or withholding, stamp, landholder, transaction or registration duty or similar charge that is assessed, levied, imposed or collected by any Regulatory Authority and includes any interest, fine, penalty, charge, fee or any other amount imposed on, or in respect of, any of the above.

**Tax Law** means the *Income Tax Assessment Act 1936* (Cth), the *Income Tax Assessment Act 1997* (Cth) and the *Taxation Administration Act 1953* (Cth), whether individually or collectively.

**Unconditional** means Swoop issuing one or more notices in accordance with either or both of section 630(3) and section 650F(1)(a) of the Corporations Act, declaring that the Offer Conditions have been fulfilled and the Offer is free or freed (as the case may be) from all Offer Conditions that have not otherwise been fulfilled.

**Undisturbed Share Price Date** means the date that was the last trading day prior to the announcement of the MaxoTel Scheme, being 24 June 2024.

**Undisturbed Vonex Share Price** means \$0.018.

**Unmarketable Parcel Shareholder** has the meaning given in Section 10.4.

**US or United States** means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

**US Person** has the meaning given in Rule 902 of the US Securities Act. Without limiting the foregoing, it generally includes, without limitation: (i) any natural person resident in the United States; (ii) any partnership or corporation organised or incorporated under the laws of the United States; (iii) any estate or trust of which any executor, administrator or trustee is a US Person; (iv) any agency or branch of a foreign entity located in the United States; (v) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; (vi) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (vii) any partnership or corporation organised or incorporated under the laws of any non-US jurisdiction if formed by a US Person principally for the purpose of investing in securities not registered under the US Securities Act, unless it is organised or incorporated, and owned, by accredited investors who are not natural persons, estates or trusts.

**US Purchaser** means any Vonex Shareholder who (i) received the Offer in the United States; (ii) was in the United States at the time of accepting the Offer; (iii) is a US Person; (iv) is accepting the Offer or acquiring any consideration payable pursuant to the Offer for the account or benefit of a US Person in the United States; or (v) is otherwise unable to accept the Offer in compliance with Rule 903 of Regulation S under the US Securities Act.

**US Securities Act** means the United States Securities Act of 1933, as amended, and the rules and regulations thereunder.

**Voicehub** means Voicehub Group Pty Ltd (ACN 623 008 891) and Voicehub Pty Ltd (ACN 623 205 854).



**Vonex** means Vonex Limited (ACN 063 074 635).

**Vonex's 2024 Annual Report** means Vonex's annual report for the financial year ended 30 June 2024 as published on the ASX on 25 October 2024.

**Vonex Board** means the board of directors of Vonex.

**Vonex Directors** means the directors of Vonex.

**Vonex Group** means Vonex and each of its Subsidiaries.

**Vonex Performance Rights** means all performance rights, options or other entitlements for the grant of Vonex Shares which have been issued under an incentive plan or similar by Vonex.

**Vonex Share** means a fully paid ordinary share in Vonex.

**Vonex Shareholder** or **Shareholder** means a person or entity that holds a Vonex Share(s).

**VWAP** means, in respect of a security, the volume weighted average price of trading in those securities on the ASX trading platform during normal trading in the relevant period or on the relevant days, excluding block trades, large portfolio trades, permitted trades during the pre-trading hours period, permitted trades during the post-trading hours period, out of hours trades and exchange traded option exercises.

## 11.2 Interpretation

In this Bidder's Statement, the following rules of interpretation apply unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes every other gender;
- (c) a reference to a person includes a reference to that person, its successors, substitutes, executors, administrators and assigns;
- (d) a reference to a thing or matter is a reference to the whole and a part of it;
- (e) the word "person", or an expression importing a person, includes a company, firm, partnership, body corporate, incorporated or unincorporated association, joint venture or government authority and vice versa;
- (f) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them;
- (g) a reference to a part, section, annexure or attachment is a reference to a part of, section of, an annexure or attachment to this Bidder's Statement and a reference to this Bidder's Statement includes the cover sheet, an annexure, and attachment;
- (h) where a section contains sub-sections, paragraphs or sub-paragraphs, each sub-section, paragraph and sub-paragraph however called will be read and construed separately and independently of each other;
- (i) headings and bold or enlarged type are for convenience and guidance only and do not affect the interpretation of this Bidder's Statement;

- (j) a reference to time is a reference to Sydney time;
- (k) a reference to \$ and cents is a reference to the lawful currency of the Commonwealth of Australia; and
- (l) a reference to you is a person to whom the Offer under Section 8 is (or is deemed to be) made.

**Terms defined in the Corporations Act or ASX Settlement Operating Rules**

Unless the contrary intention appears, a term which has a defined meaning in the Corporations Act or ASX Settlement Operating Rules has the same meaning when used in this document.

## 12. Approval of Bidder's Statement

The copy of this 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 22 November 2024.

Signed for and on behalf of Swoop Telecommunications Pty Ltd

By



James Spenceley  
Director

## Corporate directory

### Swoop and Swoop Holdings

Swoop Telecommunications Pty Ltd and  
Swoop Holdings Limited  
Level 5, 126 Philip Street  
Sydney NSW 2000

### Registry for the Offer

Automic Pty Limited  
Level 5, 126 Phillip Street  
Sydney NSW 2000

### Financial Adviser

MA Moelis Australia Advisory Pty Limited  
Level 27, Brookfield Place  
10 Carrington Street  
Sydney NSW 2000

### Legal Adviser

Maddocks  
Level 27, Angel Place  
123 Pitt Street  
Sydney NSW 2000

### Accounting Adviser

Grant Thornton Australia  
Grosvenor Place  
Level 26, 225 George Street  
Sydney NSW 2000

### Tax Adviser

PKF Australia Limited  
Level 8, 1 O'Connell Street  
Sydney NSW 2000

### Offer Information Line

1300 824 174 (within Australia)  
+61 2 8072 1480 (outside Australia)

The Offer Information Line opens between  
8:30 am and 7:00 pm (Sydney time)  
Monday to Friday, excluding public holidays  
in Sydney.

This line will only be open from the date the  
Offer opens until one week after it closes.

### Swoop's Auditor

PKF (NS) Audit & Assurance Limited  
Partnership  
Level 8, 1 O'Connell Street  
Sydney NSW 2000

## **Appendix A - Acceptance Forms**

See over page.



**Swoop Telecommunications Pty Ltd**  
ACN 109 931 731

«Registration\_Details\_Line\_1»  
«Registration\_Details\_Line\_2»  
«Registration\_Details\_Line\_3»  
«Registration\_Details\_Line\_4»  
«Registration\_Details\_Line\_5»  
«Registration\_Details\_Line\_6»

**Return your Form:**  
✉ **By Mail**  
Automic Group  
GPO Box 5193  
Sydney NSW 2001

📞 **For all enquiries:**  
Phone:  
(within Australia) 1300 824 174  
(outside Australia) +61 2 8072 1480  
  
Email: hello@automic.com.au

## Acceptance Form – Issuer Sponsored Holders

 **Your acceptance must be received by no later than 7:00pm (Sydney time) on the last day of the Offer Period, being 17 January 2024 (unless the Offer is otherwise extended or withdrawn by Swoop).**

This Acceptance Form and the Bidder's Statement are important documents that require your immediate attention. This Acceptance Form relates to an offer (**Offer**) by Swoop Telecommunications Pty Ltd ACN 109 931 731 (**Swoop**), a wholly owned subsidiary of Swoop Holdings Limited ACN 009 256 535 to acquire all of your fully paid ordinary shares (**Vonex Shares**) in Vonex Limited ACN 063 074 635 (Vonex), the terms of which are set out in the Bidder's Statement dated 22 November 2024 as replaced or supplemented (**Bidder's Statement**). Capitalised terms used in this Acceptance Form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer, please contact your financial or other professional adviser.

Note this Acceptance Form can only be used in relation to the Vonex Shares represented by the details printed above and overleaf.

### Registration name and Offer details

The Swoop Shares to be issued as consideration for your Vonex Shares will be issued to the name(s) as they appear on the Vonex Share Register, as provided to the Registry. The current address recorded on the Registry's copy of the Vonex Share Register is printed above and overleaf. If you have recently bought or sold Vonex Shares your holding may differ from that shown. If you have already sold all your Vonex Shares, do not complete or return this Acceptance Form.

### Step 1: Accept the Offer

Only sign and return this Acceptance Form if you wish to accept the Offer for all or any of your Vonex Shares.

By signing this Acceptance Form, you represent and warrant to Swoop, among other things (as set out in Section 8.4 of the Bidder's Statement, that both at the time of acceptance and at the time the transfer to the Swoop of your Accepted Shares is registered:

- all of your Accepted Shares are and will be fully paid;
- Swoop will acquire good title to them and full beneficial ownership of them free from all Encumbrances or any restriction on transfer of any nature;
- you have full power and capacity to accept the Offer and to sell and transfer the legal and beneficial ownership of your Accepted Shares (including any Rights) to Swoop; and
- you have paid to Vonex all amounts which at the time of acceptance have fallen due for payment to Vonex in respect of your Accepted Shares.

### Step 2: Signing instructions

**Individual:** Where your Vonex Shares are in one name, the Vonex Shareholder must sign.

**Joint holding:** Where your Vonex Shares are in more than one name, all of the Vonex Shareholders must sign.

**Power of Attorney:** Where signing under a Power of Attorney (POA), you must attach an original certified copy of the POA to this Acceptance Form.

**Companies:** Where your Vonex Shares are in the name of a company, this Acceptance Form must be signed in accordance with the Corporations Act, either as:

- a sole director and a company secretary OR a sole director (if no company secretary exists), OR
- two directors, OR
- a director and a company secretary.

**Overseas companies:** Where your Vonex Shares are in the name of an overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

**Deceased estate:** All executors must sign and a certified copy of Probate or Letters of Administration must accompany this Acceptance Form.

### Step 3: Contact Details

Entering contact details is not compulsory but will assist us if we need to contact you.

**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).**

**Turn over to complete this Acceptance Form**

# Acceptance Form

TAKEOVER OFFER FOR VONEX LIMITED

## Registered Holder Details

«Registration\_Details\_Line\_1»  
«Registration\_Details\_Line\_2»  
«Registration\_Details\_Line\_3»  
«Registration\_Details\_Line\_4»  
«Registration\_Details\_Line\_5»  
«Registration\_Details\_Line\_6»

## Your Holding

[BARCODE 3 of 9]

Securityholder Reference Number (SRN):  
«SRN»

For your security keep your SRN confidential.

Number of Vonex Shares held as at 7:00pm (Sydney time) on 2 December 2024 (Record Date)

«XXX»

By accepting the Offer for all or any of your Vonex Shares, you are accepting the Offer for all or any of your Vonex Shares as recorded by Swoop as being held by you at the date your acceptance is processed (even if different to the number stated above).

## STEP 1 - Accept the Offer

### Option A: Online acceptance (recommended)

To accept the Offer online, simply scan the barcode to the right with your tablet or visit <https://investor.automic.com.au/> on your browser and register.



#### Please follow these instructions:

1. Select "Vonex Limited Takeover Offer" from the dropdown list in the Company Name field;
2. Enter your Securityholder Reference Number (SRN) as shown on the top of this letter;
3. Enter your postcode OR country of residence (only if outside Australia);
4. Tick the box "I'm not a robot" and then select "Next";
5. Complete the prompts to set up your username and password details; and
6. Once you are logged in, select "Offers" from the left-hand vertical menu and follow the prompts.

### Option B: Paper acceptance

*This section must be completed if you are NOT accepting the Offer online.*

If you correctly sign and return this Acceptance Form you will be deemed to have accepted the Offer in respect of all or some of your Vonex Shares. Your form must be received before the Offer closes. **Please ensure you select one option below.**

**Accept for ALL Vonex Shares** – 1 Swoop Share for every 3.9 Vonex Shares you hold, subject to the terms and conditions of the Offer, as set out in the Bidder's Statement. **Mark this box if you wish to accept the Offer for all of your Vonex Shares.**

OR

**Accept for SOME Vonex Shares** – 1 Swoop Share for every 3.9 Vonex Shares you hold, subject to the terms and conditions of the Offer, as set out in the Bidder's Statement. **Mark this box if you wish to accept the Offer for some of your Vonex Shares (as specified by you below).**

Number of Vonex Shares accepted:

## STEP 2 - Signatory of Vonex Shareholder(s)

I/We accept the Offer made by Swoop for the number of my/our Vonex Shares (as stated above) and I/we agree to be bound by the terms and conditions of the Offer as contained in the Bidder's Statement and transfer the accepted number of my/our Vonex Shares as per the above instruction.

Individual or Vonex Shareholder 1

Sole Director and Sole Company Secretary/  
Sole Director (cross out titles as applicable)

Individual or Vonex Shareholder 2

Director

Individual or Vonex Shareholder 3

Director/Company Secretary (cross out titles as applicable)

## STEP 3 - Contact Details

Contact Name:

Contact Daytime Telephone:

Date

/ /

### Privacy Notice

Automic Pty Ltd (ACN 152 260 814) trading as Automic Group advises that Chapter 2C of the Corporation Act 2001 requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Primarily, your personal information is used in order to provide a service to you. We may also disclose the information that is related to the primary purpose and it is reasonable for you to expect the information to be disclosed. You have a right to access your personal information, subject to certain exceptions allowed by law and we ask that you provide your request for access in writing (for security reasons). Our privacy policy is available on our website – [www.automic.com.au](http://www.automic.com.au)



**Swoop Telecommunications Pty Ltd**  
ACN 109 931 731

«Registration\_Details\_Line\_1»  
«Registration\_Details\_Line\_2»  
«Registration\_Details\_Line\_3»  
«Registration\_Details\_Line\_4»  
«Registration\_Details\_Line\_5»  
«Registration\_Details\_Line\_6»



**Return your Form:**  
**To Your Controlling Participant:**  
Return this from directly to your stockbroker



**By Mail:**  
Automic Group  
GPO Box 5193  
Sydney NSW 2001



**For all enquiries:**  
Phone:  
(within Australia) 1300 824 174  
(outside Australia) +61 2 8072 1480

Email: [hello@automic.com.au](mailto:hello@automic.com.au)

## Acceptance Form – CHESSE Subregister



**Your acceptance must be received by no later than 7:00pm (Sydney time) on the last day of the Offer Period, being 17 January 2024 (unless the Offer is otherwise extended or withdrawn by Swoop).**

This Acceptance Form and the Bidder's Statement are important documents that require your immediate attention. This Acceptance Form relates to an offer (**Offer**) by Swoop Telecommunications Pty Ltd ACN 109 931 731 (**Swoop**), a wholly owned subsidiary of Swoop Holdings Limited ACN 009 256 535 to acquire all of your fully paid ordinary shares (**Vonex Shares**) in Vonex Limited ACN 063 074 635 (**Vonex**), the terms of which are set out in the Bidder's Statement dated 22 November 2024 as replaced or supplemented (**Bidder's Statement**). Capitalised terms used in this Acceptance Form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer, please contact your financial or other professional adviser.

Note this Acceptance Form can only be used in relation to the Vonex Shares represented by the details printed above and overleaf.

### Registration name and Offer details

The Swoop Shares to be issued as consideration for your Vonex Shares will be issued to the name(s) as they appear on the Vonex Share Register, as provided to the Registry. The current address recorded on the Registry's copy of the Vonex Share Register is printed above and overleaf. If you have recently bought or sold Vonex Shares your holding may differ from that shown. If you have already sold all your Vonex Shares, do not complete or return this Acceptance Form.

### Step 1: Accept the Offer

Only sign and return this Acceptance Form if you wish to accept the Offer for all or any of your Vonex Shares.

As your Vonex Shares are in a CHESSE Holding, you may contact your Controlling Participant directly (normally your stockbroker) with instructions to accept the Offer. If you do this, your Controlling Participant will provide you with details as to what they require in order to accept the Offer on your behalf. If you would like Swoop to contact your Controlling Participant on your behalf, please sign and return this Acceptance Form to the address above so that it is received in sufficient time to allow your instruction to be acted upon by the close of the Offer Period. This will authorise Swoop to request your Controlling Participant to initiate acceptance of the Offer on your behalf.

By signing this Acceptance Form, you represent and warrant to Swoop, among other things (as set out in Section 8.4 of the Bidder's Statement), that both at the time of acceptance and at the time the transfer to Swoop of your Accepted Shares is registered:

- all of your Accepted Shares are and will be fully paid;
- Swoop will acquire good title to them and full beneficial ownership of them free from all Encumbrances or any restriction on transfer of any nature;

- you have full power and capacity to accept the Offer and to sell and transfer the legal and beneficial ownership of your Accepted Shares (including any Rights) to Swoop; and
- you have paid to Vonex all amounts which at the time of acceptance have fallen due for payment to Vonex in respect of your Accepted Shares.

You should allow sufficient time for your Controlling Participant or Swoop to initiate the acceptance of the Offer on your behalf. Neither Swoop nor the Registry will be responsible for any delays incurred by the process of requesting your Controlling Participant to accept the Offer.

### Step 2: Signing instructions

**Individual:** Where your Vonex Shares are in one name, the Vonex Shareholder must sign.

**Joint holding:** Where your Vonex Shares are in more than one name, all of the Vonex Shareholders must sign.

**Power of Attorney:** Where signing under a Power of Attorney (**POA**), you must attach an original certified copy of the POA to this Acceptance Form.

**Companies:** Where your Vonex Shares are in the name of a company, this Acceptance Form must be signed in accordance with the Corporations Act, either as:

- a sole director and a company secretary OR a sole director (if no company secretary exists), OR
- two directors, OR
- a director and a company secretary.

**Overseas companies:** Where your Vonex Shares are in the name of an overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

**Deceased estate:** All executors must sign and a certified copy of Probate or Letters of Administration must accompany this Acceptance Form.

### Step 3: Contact Details

Entering contact details is not compulsory but will assist us if we need to contact you.

**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).**

**Turn over to complete this Acceptance Form**



# Acceptance Form

TAKEOVER OFFER FOR VONEX LIMITED

## Registered Holder Details

«Registration\_Details\_Line\_1»  
«Registration\_Details\_Line\_2»  
«Registration\_Details\_Line\_3»  
«Registration\_Details\_Line\_4»  
«Registration\_Details\_Line\_5»  
«Registration\_Details\_Line\_6»

## Your Holding

[BARCODE 3 of 9]

**Holder Identification Number (HIN):**  
«HIN»

For your security keep your HIN confidential.

**Number of Vonex Shares held as at 7:00pm (Sydney time) on 2 December 2024 (Record Date)**

«XXX»

By accepting the Offer for all or any of your Vonex Shares, you are accepting the Offer for all or any of your Vonex Shares as recorded by Swoop as being held by you at the date your acceptance is processed (even if different to the number stated above).

## STEP 1 - Accept the Offer

### Option A: Online acceptance (recommended)

To accept the Offer online, simply scan the barcode to the right with your tablet or visit <https://investor.automic.com.au/> on your browser and register.



**Please follow these instructions:**

1. Select "Vonex Limited Takeover Offer" from the dropdown list in the Company Name field;
2. Enter your Holder Identification Number (HIN) as shown on the top of this letter;
3. Enter your postcode OR country of residence (only if outside Australia);
4. Tick the box "I'm not a robot" and then select "Next";
5. Complete the prompts to set up your username and password details; and
6. Once you are logged in, select "Offers" from the left-hand vertical menu and follow the prompts.

### Option B: Paper acceptance

*This section must be completed if you are NOT accepting the Offer online.*

If you correctly sign and return this Acceptance Form you will be deemed to have accepted the Offer in respect of all or some of your Vonex Shares. Your form must be received before the Offer closes. **Please ensure you select one option below.**

**Accept for ALL Vonex Shares** – 1 Swoop Share for every 3.9 Vonex Shares you hold, subject to the terms and conditions of the Offer, as set out in the Bidder's Statement. **Mark this box if you wish to accept the Offer for all of your Vonex Shares.**

**OR**

**Accept for SOME Vonex Shares** – 1 Swoop Share for every 3.9 Vonex Shares you hold, subject to the terms and conditions of the Offer, as set out in the Bidder's Statement. **Mark this box if you wish to accept the Offer for some of your Vonex Shares (as specified by you below).**

Number of Vonex Shares accepted:

## STEP 2 - Signatory of Vonex Shareholder(s)

I/We accept the Offer made by Swoop for the number of my/our Vonex Shares (as stated above) and I/we agree to be bound by the terms and conditions of the Offer as contained in the Bidder's Statement and transfer the accepted number of my/our Vonex Shares as per the above instruction.

Individual or Vonex Shareholder 1

Sole Director and Sole Company Secretary/ Sole Director (cross out titles as applicable)

Individual or Vonex Shareholder 2

Director

Individual or Vonex Shareholder 3

Director/Company Secretary (cross out titles as applicable)

## STEP 3 - Contact Details

Contact Name:

Contact Daytime Telephone:

Date

 / 

### Privacy Notice

Automic Pty Ltd (ACN 152 260 814) trading as Automic Group advises that Chapter 2C of the Corporation Act 2001 requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Primarily, your personal information is used in order to provide a service to you. We may also disclose the information that is related to the primary purpose and it is reasonable for you to expect the information to be disclosed. You have a right to access your personal information, subject to certain exceptions allowed by law and we ask that you provide your request for access in writing (for security reasons). Our privacy policy is available on our website – [www.automic.com.au](http://www.automic.com.au)

**Appendix B – ASX Announcements**

<b>Number</b>	<b>Date</b>	<b>Announcement Title</b>
1.	27 September 2024	Appendix 4G and Corporate Governance Statement
2.	4 October 2024	Swoop Update on Vonex Proposed Acquisition
3.	10 October 2024	Date of 2024 AGM
4.	17 October 2024	VN8: Receipt of unconditional takeover offer from MaxoTel
5.	17 October 2024	VN8: Receipt of unconditional takeover offer from MaxoTel
6.	18 October 2024	Swoop Announces Off-Market Takeover Offer for Vonex
7.	18 October 2024	VN8: Swoop Takeover Offer
8.	25 October 2024	Letter to Shareholders - Annual General Meeting
9.	25 October 2024	Notice of Annual General Meeting/Proxy Form
10.	28 October 2024	Swoop Quarterly Results Update
11.	29 October 2024	Application for quotation of securities - SWP
12.	29 October 2024	Notification regarding unquoted securities - SWP
13.	11 November 2024	Change in substantial holding
14.	14 November 2024	VN8: Absence of a formal proposal or meaningful update-Swoop
15.	19 November 2024	Swoop Confirms Off-Market Takeover Offer for Vonex
16.	20 November 2024	VN8: Response to another intention of Swoop Takeover Offer
17.	22 November 2024	Notification of cessation of securities - SWP



# **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.

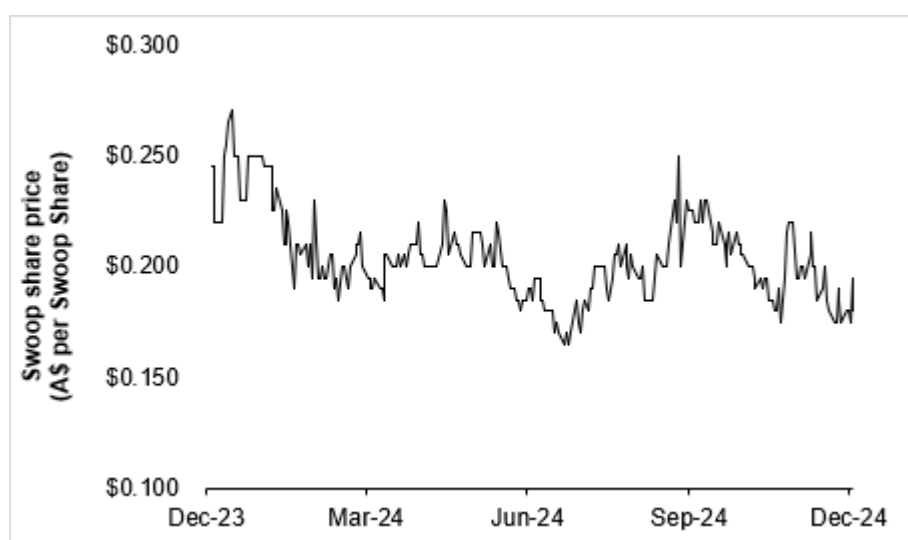
Accordingly, Swoop has chosen 6 December 2024 as the valuation date. The VWAP of Swoop Shares over the two Business Days prior to this chosen valuation date was \$0.190. Based on this valuation, Swoop has determined to change the Offer Consideration to:

### **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.

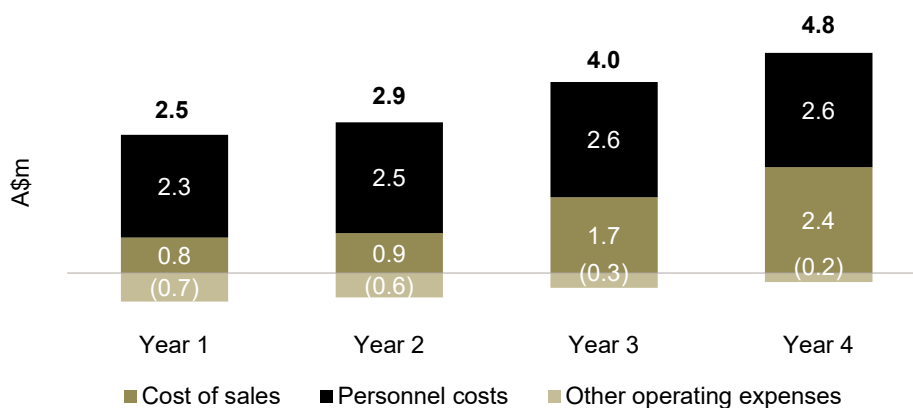
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<sup>2</sup> As inferred from Vonex's announcement to the ASX on 3 December 2024.

<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



# 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



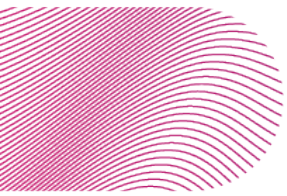
No Australian stamp duty or brokerage is payable by Vonex Shareholders who choose to accept the Offer

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



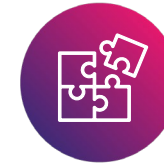
## Customers

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

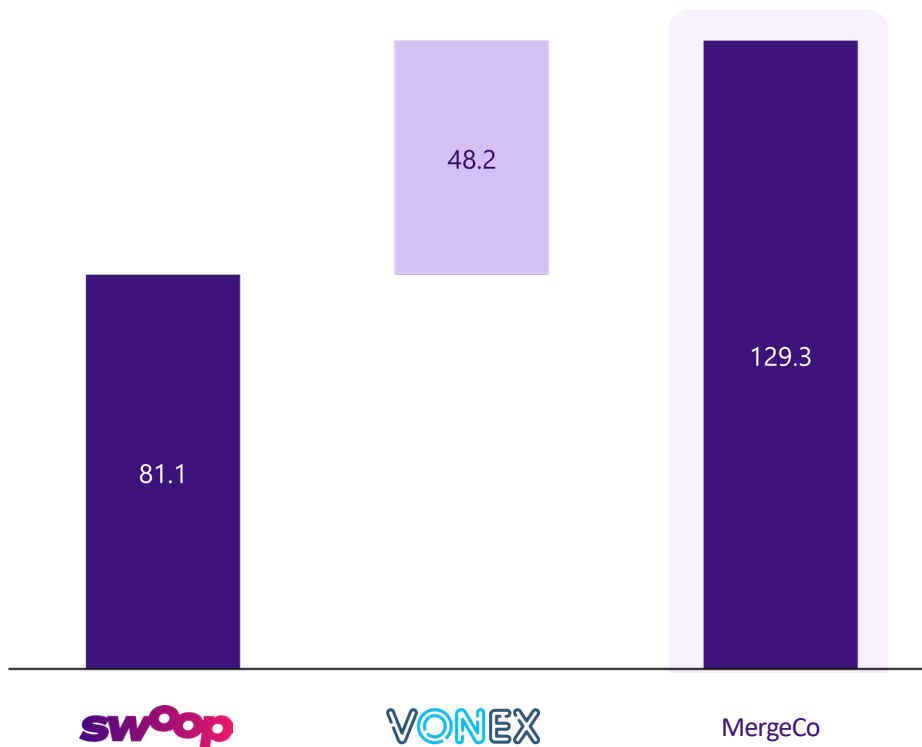
Divested wholesale voice provider Voicehub

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

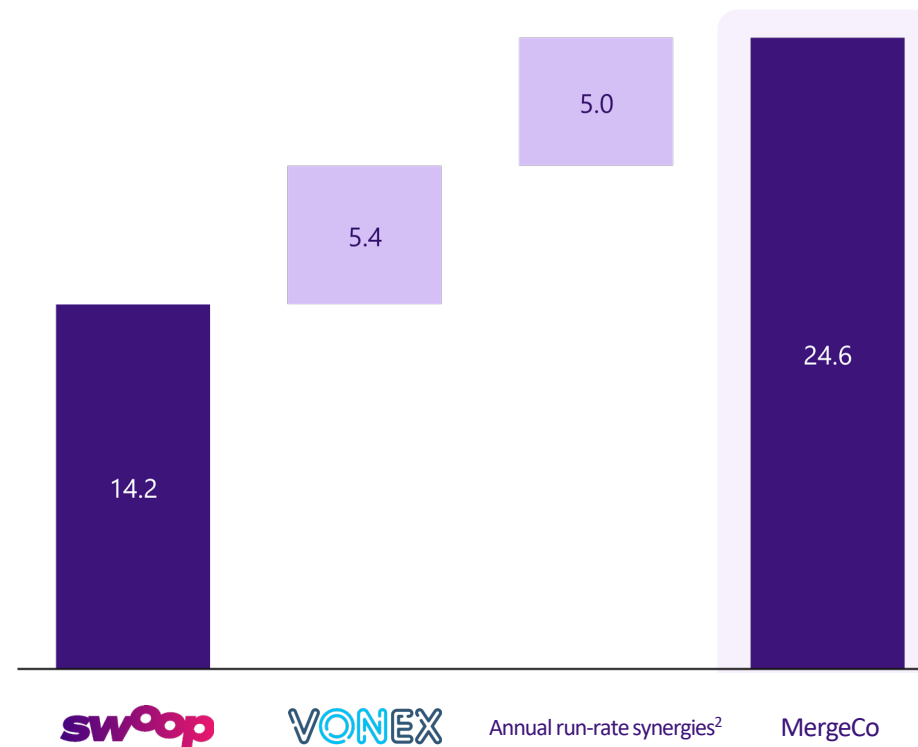
# Financial Combination Analysis

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

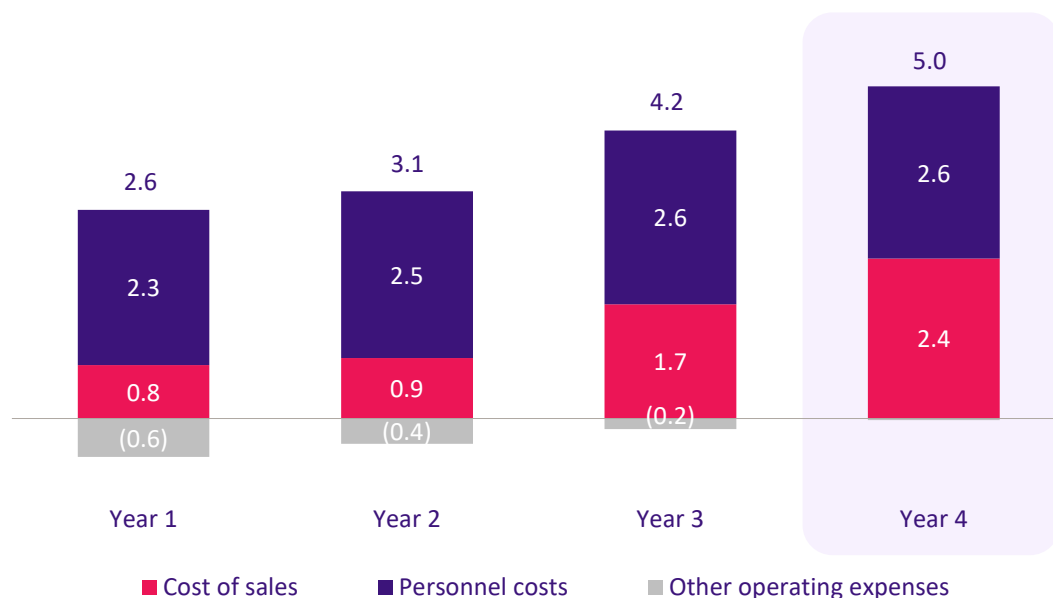
A combination between Swoop and Vonex provides potential further upside through realising cross-sell opportunities between the combined client base over time

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

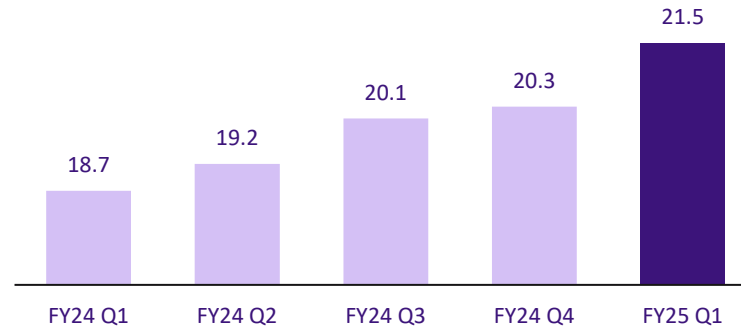
Revenue<sup>1</sup> **\$21.5m**  
+15% YoY

Organic SIO Growth **▲ 13%**  
YoY

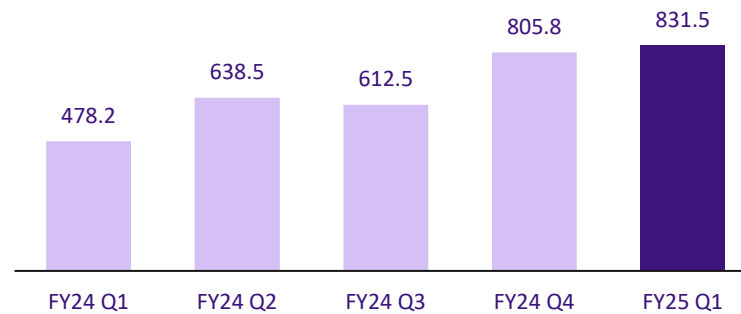
Sales Growth **\$831k**  
+74% YoY

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)





## 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 positioned above the printed name and title.

James Spenceley  
Director