

9 August 2021

Vonex Completes Acquisition of Part of MNF Group's Direct Business

Highlights:

- **Vonex completes its acquisition of part of the Direct Business from MNF Group Ltd (ASX: MNF)**
- **The Direct Business delivered FY21 pro forma revenue of \$15.0 million and pro forma EBITDA of \$5.5 million¹**
- **The combined business is forecast to provide \$33.7m of revenue and \$6.3m of EBITDA on a FY21 pro forma basis²**
- **Upfront consideration of \$20 million was paid in cash following a well-supported equity capital raising and the successful completion of a \$16 million debt facility from Longreach Credit Investors which was fully drawn down to fund the upfront consideration**

Telecommunications innovator Vonex Limited ("Vonex" or the "Company") (ASX: VN8) is pleased to advise that the Company has completed its transformational acquisition of part of MNF Group's Direct Business, which services small-to-medium enterprise ("SME") and Consumer customers across Australia ("Direct Business") ("Acquisition").

The Direct Business sells cloud phone, internet and mobile services to SME and residential customers in Australia. The Acquisition will materially expand Vonex's footprint of SME and residential customers and will see the Company migrate approximately 5,250 new business customers to its platform.

The Acquisition delivers Vonex a strong platform for organic growth in the Australian telecommunications market through cross-selling internet and mobility products to Direct Business customers. The acquired business is highly complementary to Vonex's existing operations, and with the announced Share Purchase Plan and second tranche placement raising up to \$11.525m before costs (refer to ASX announcement dated 23 July 2021), the Company is well-positioned for growth.

This announcement has been authorised for release by Matt Fahey, Managing Director of Vonex Ltd.

ENDS

¹ Comprises 12 months' consolidated preliminary management accounts for the Direct Business

² Comprises 9 months' preliminary consolidated management accounts and a 3-month forecast for Vonex and 12 months consolidated preliminary management accounts for the Direct Business. Vonex and the Direct Businesses' FY21 EBITDA includes certain pro forma adjustments as detailed in the Investor Presentation dated 23 July 2021

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ABOUT VONEX:

Vonex is a full service, award-winning telecommunications service provider selling mobile, internet, traditional fixed lines, and hosted PBX and VoIP services - predominately to the small to medium enterprise ("SME") customer under the Vonex brand. The Company also provides wholesale customers, such as internet service providers, access to the core Vonex PBX and call termination services at wholesale rates via a white label model. Vonex also develops new technologies in the telecommunications industry, including a feature-rich cloud-hosted PBX system.