



Investor Presentation →

September 2022



→ Disclaimer

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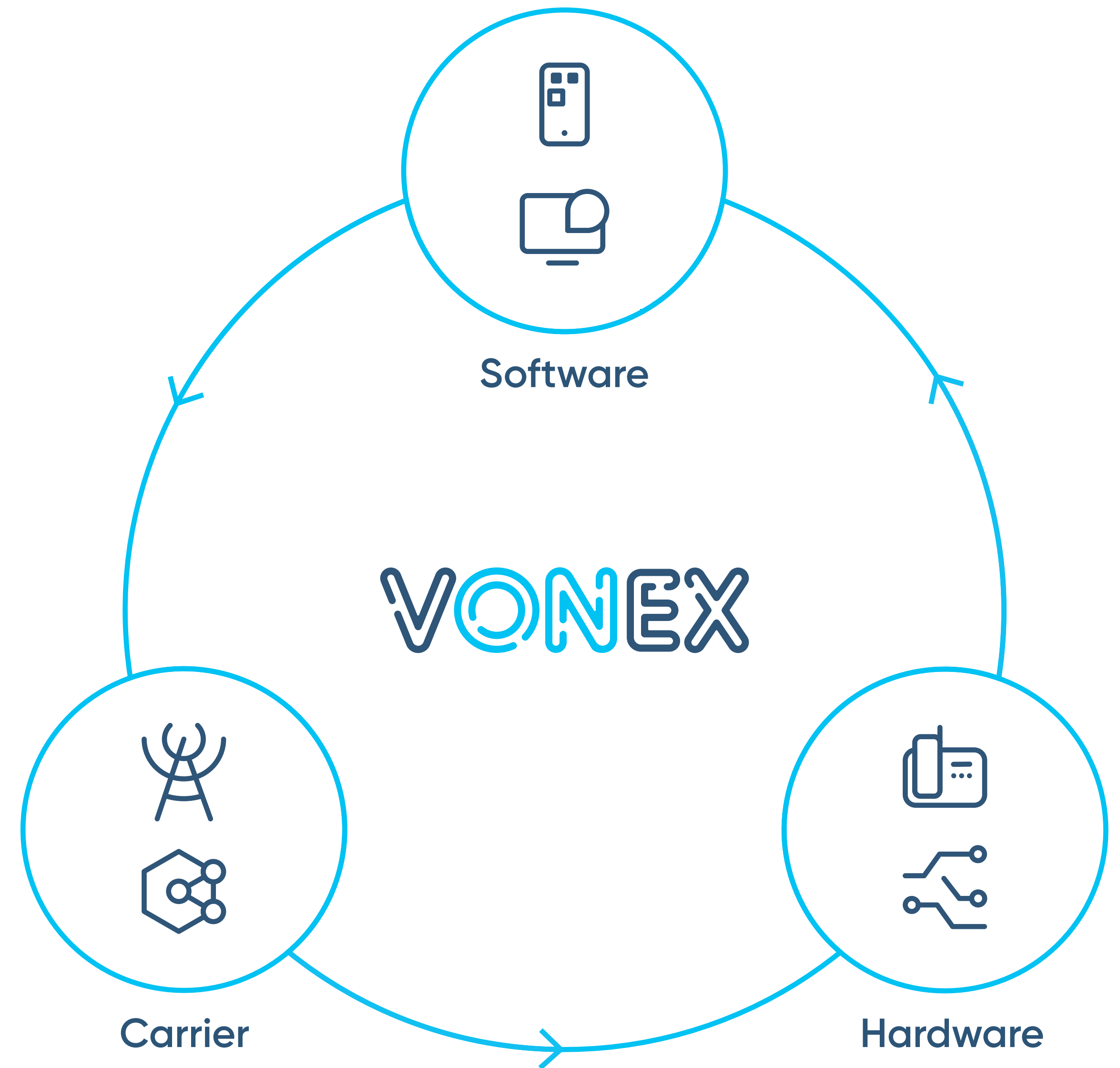
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Who We Are

Vonex Limited (ASX: VN8) provides breakthrough technology to keep business communications ahead of the game.

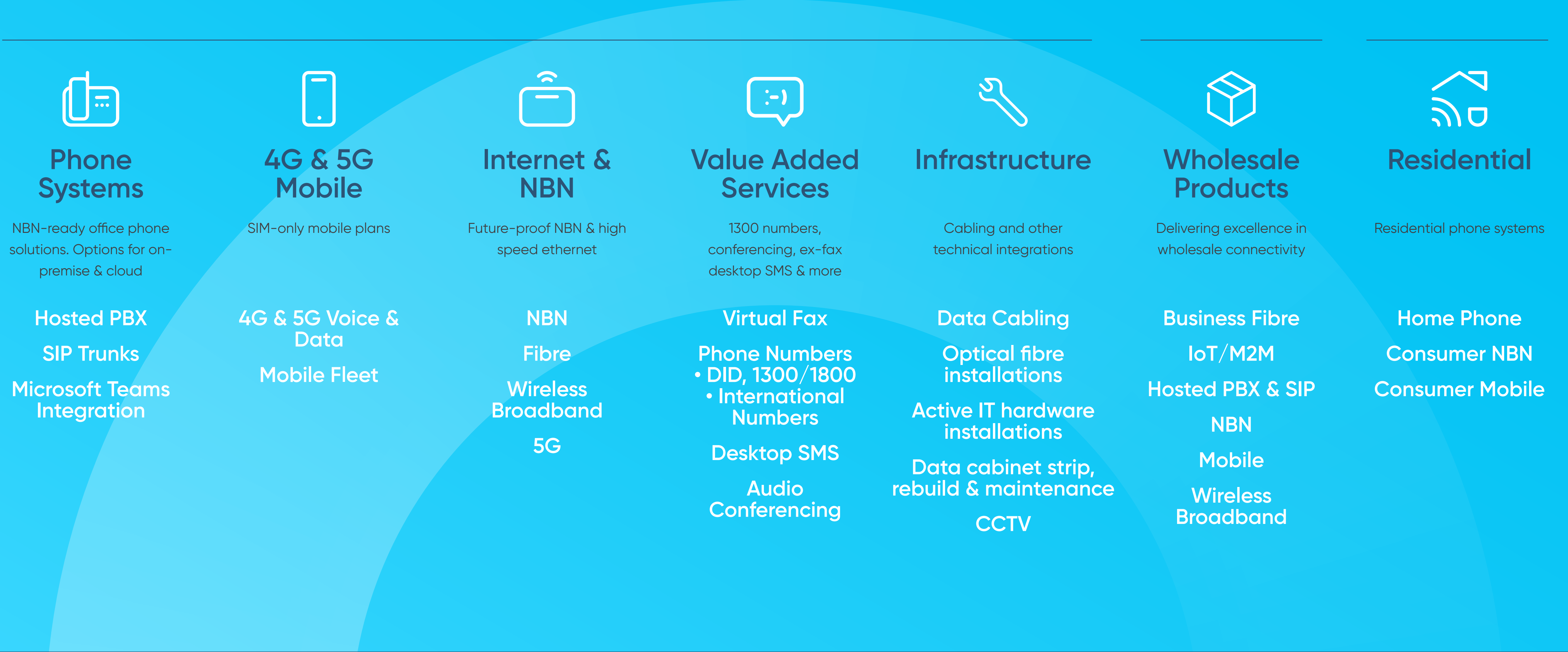
Our products are scalable and customisable to the thousands of Australian businesses we keep connected, wherever they go, however they grow.



What We Do

SME Business

Wholesale Residential



Vonex Corporate Snapshot

PBX Extensions	100,000+
Uptime	99.9999%
NPS Score July 22	63
Average Call Wait Time	~1 minute

Vonex is executing a disciplined M&A growth strategy, targeting profitable IT and telco businesses that offer potential to accelerate our growth through further product expansion, scale and cross-selling.

Key Metrics →

FY22 revenue	\$34.3m
Annualised recurring revenue ¹	\$36.2m
FY22 net operating cashflow	\$5.3m
FY22 underlying proforma EBITDA ²	\$6.6m
Market cap at \$0.08/share	\$26.7m
Net debt of ³	\$10.8m
Enterprise value of ³	\$37.5m

Note 1 → As at Q4 FY2022.

Note 2 → Underlying EBITDA excludes (i) non cash share based payment expenses and impairment expenses; (ii) acquisition, integration, migration and capital raising costs; and includes (iii) the results of the acquired MNF business and Voiteck business and associated synergies as if included for the whole of FY22 (based on vendor provided unaudited management accounts). Contributions to EBITDA may vary due to integration costs, accounting policy harmonisation and synergies.

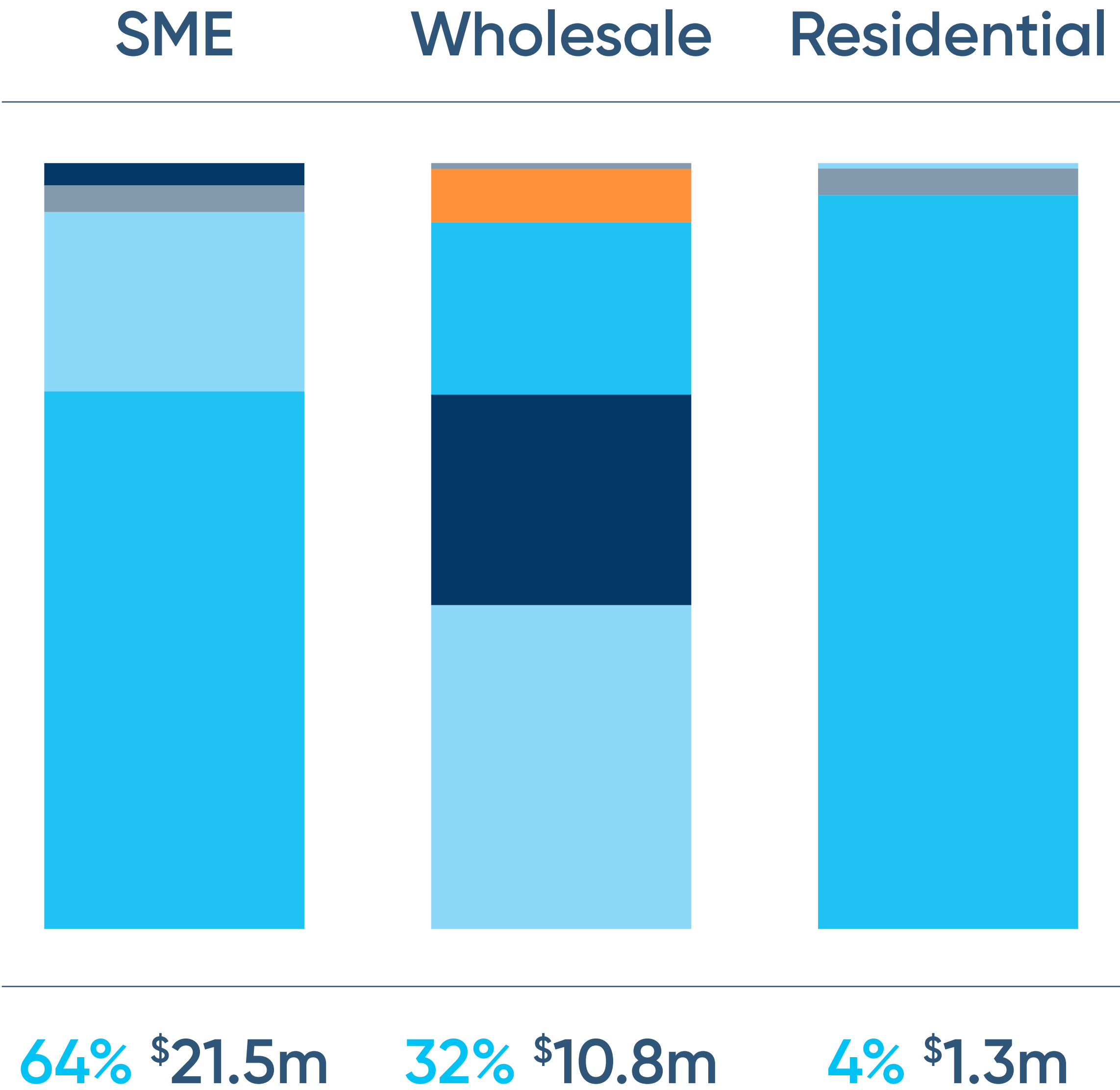
Note 3 → As at 31 August 2022.

Revenue Stacks

→ Financial Year 2022

- Voice
- Data
- Mobile (Voice & Data)
- Hardware
- Other

Figures are unaudited and don't represent accrued revenue for the period. Data supplied are extracts from customer billing reports and may include charges in advance.

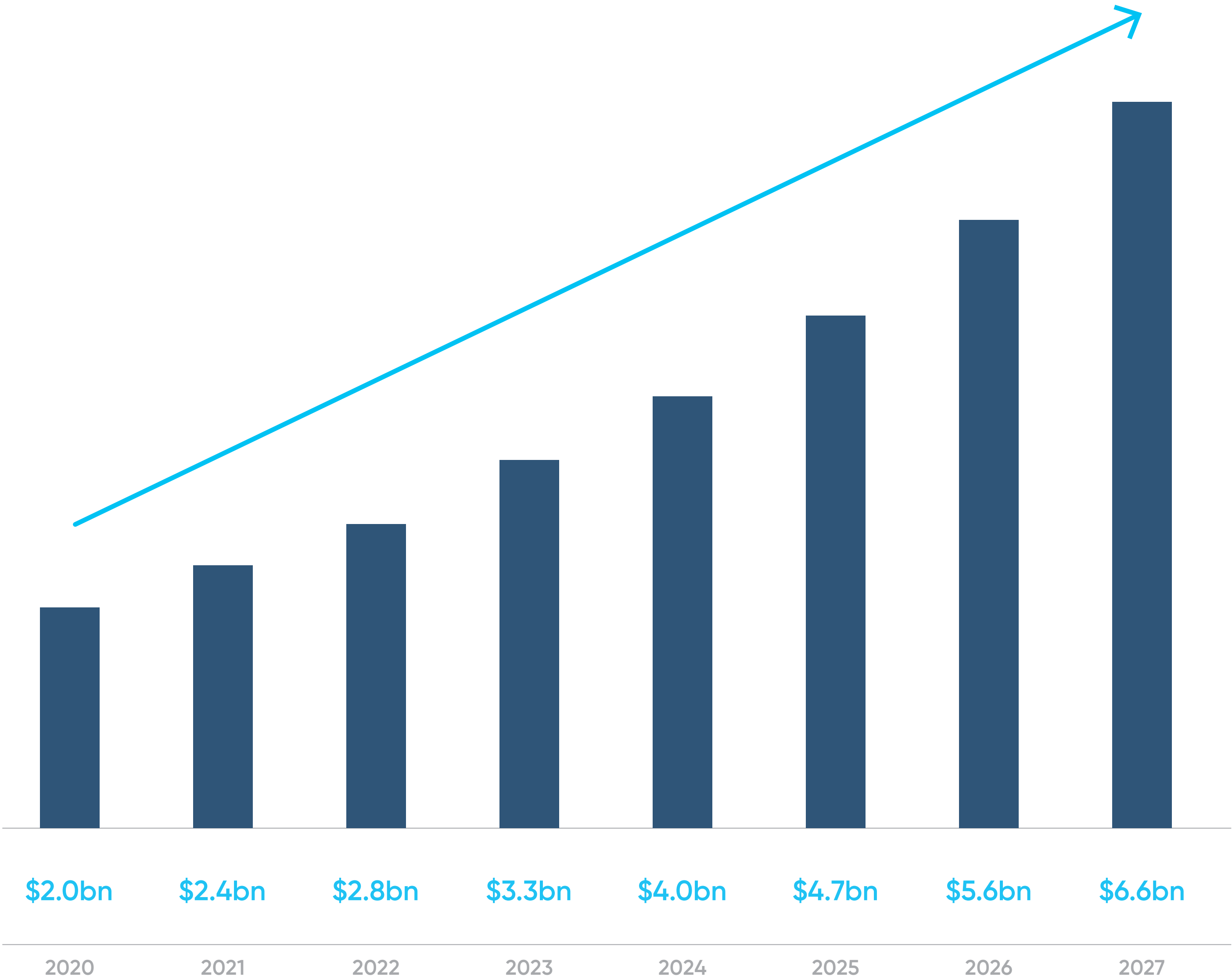


Growing Customer Demand in the Cloud PBX Market

18.6%
CAGR
2020-27

The APAC Virtual PBX market is set to grow substantially between 2022 and 2027.

Source → Business Market Insights, Asia Pacific Cloud Pacific Market to 2027

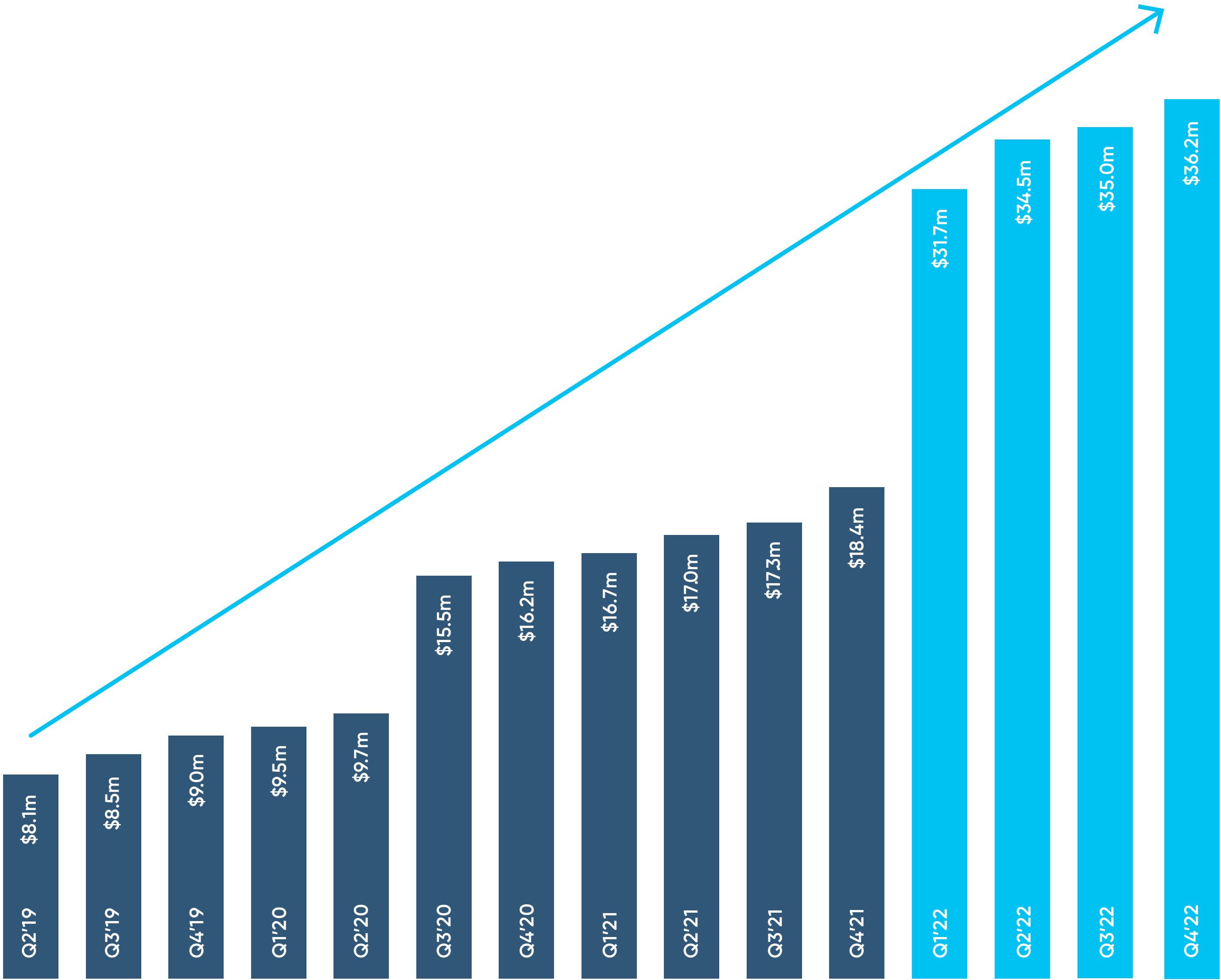


Strong Growth in Annualised Recurring Revenue (ARR)

59.0%
CAGR¹
2019-22

- Prior Financial Years
- Current Financial Year

Note 1 → Compound Annual Growth Rate (CAGR) calculated using Q4 of each respective financial year



Accelerating Growth

Through selective acquisitions of
Nextel, Voiteck & MNF Direct Business

Through completing these acquisitions and delivering organic growth, in FY22 the Company doubled Vonex's base of annualised recurring revenue, on a full year basis, to \$36.2 million.

PBX Subscriptions

↑122%

SME Customer Growth

↑135%

Total Contract Value

↑27%

Nextel
Acquired
Feb 2021

46,274

Active PBX Users

~3,300

SME Customers

MNF DB
Acquired
Aug 2021

90,000+

↑94%

~8,500

↑157%

Voiteck
Acquired
Jan 2022

96,000+

↑7%

~9,500

↑12%










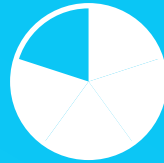










Acquisition synergies driving ARPU growth

- In FY23, Vonex is commencing the strategy to cross sell and increase product ratio per customer to drive ARPU across the existing customer base.
- Direct Sales team will facilitate this cross sell activity which is a new capability of the Vonex group driven by the recently appointed COO.
- This provides a strong platform for organic growth and further development of ARR

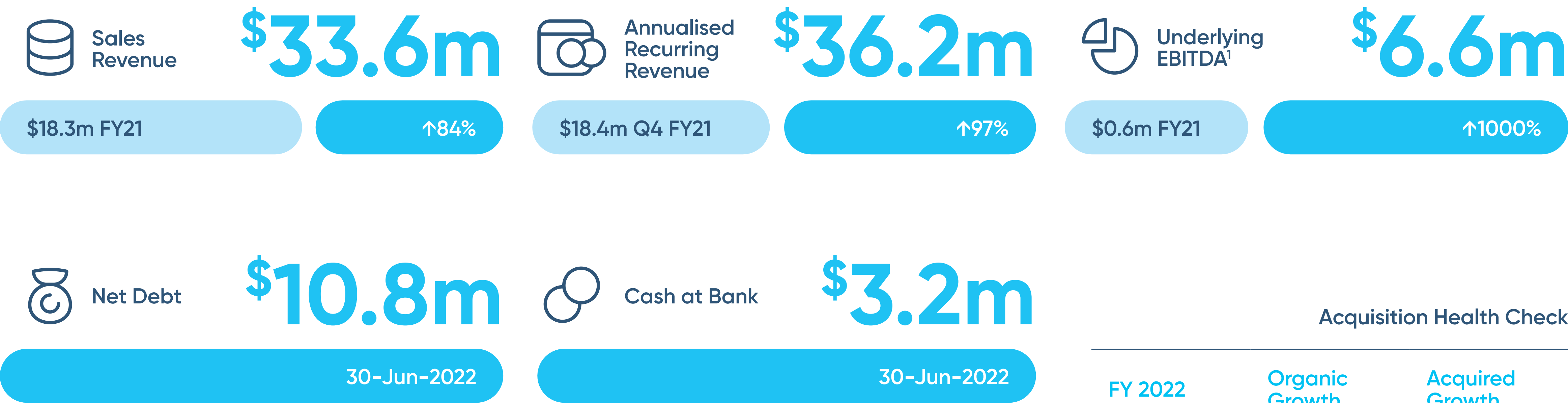
Our M&A strategy cross-pollinates our organic growth. We proactively cross-sell incoming customers to Vonex's wider range of products and services to grow wallet share and ARPU.

	Vonex	Direct Business	Difference
Customers who purchase Voice Services	90%	82%	8%
Customers who purchase Mobile Services	18%	4%	14%
Customers who purchase Internet Services	56%	27%	29%

Acquisition Integration Update

	Branding	Products	Team	Finance	Systems	Integration Date
Voiteck						Feb 2023
MNF Direct Business						Dec 2022
Nextel						Jun 2021
2SG						Sep 2021

FY22 Financial Highlights



Acquisition Health Check

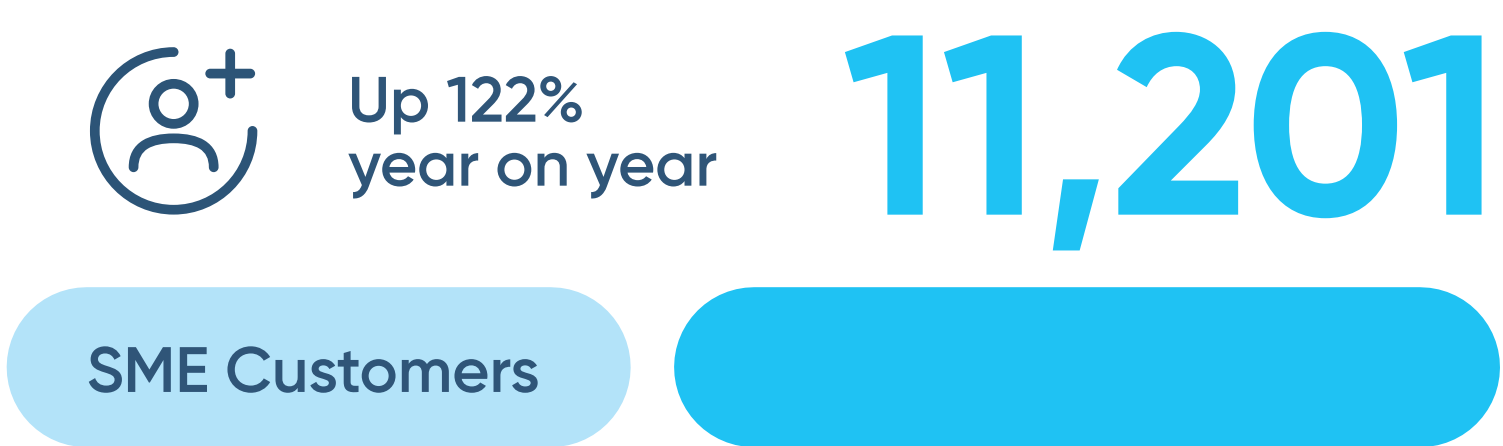
FY 2022	Organic Growth	Acquired Growth
Retail & Wholesale	21% ²	67%
Total	88%	

Note 1 → Underlying EBITDA excludes (i) non cash share based payment expenses and impairment expenses; (ii) acquisition, integration, migration and capital raising costs; and includes (iii) the results of the acquired MNF business and Voiteck business and associated synergies as if included for the whole of FY22 (based on vendor provided unaudited management accounts). Contributions to EBITDA may vary due to integration costs, accounting policy harmonisation and synergies.

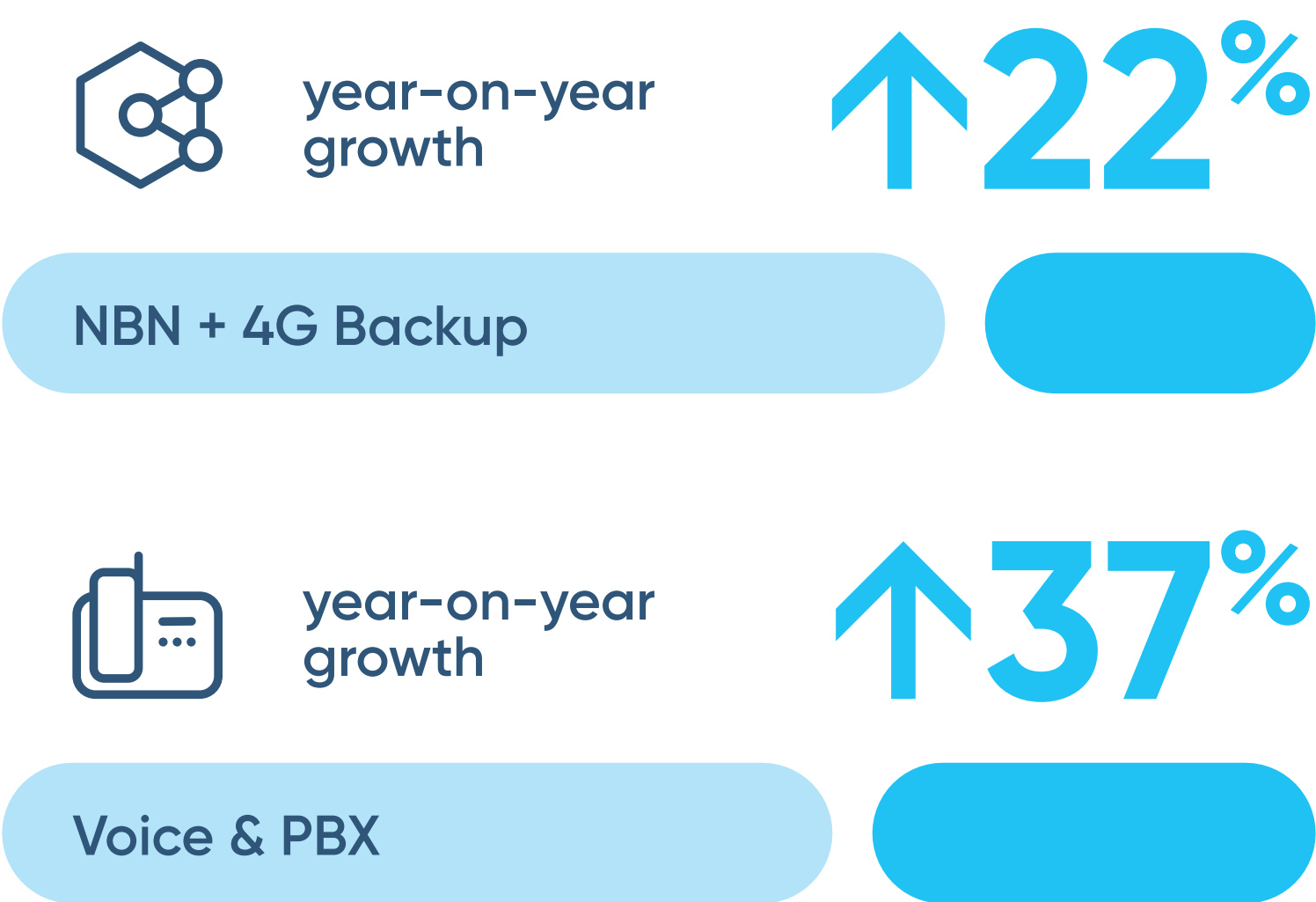
Note 2 → Includes intercompany sales and excludes any organic growth from the MNF direct business, Nextel, and Voiteck.

FY22 Operational Highlights

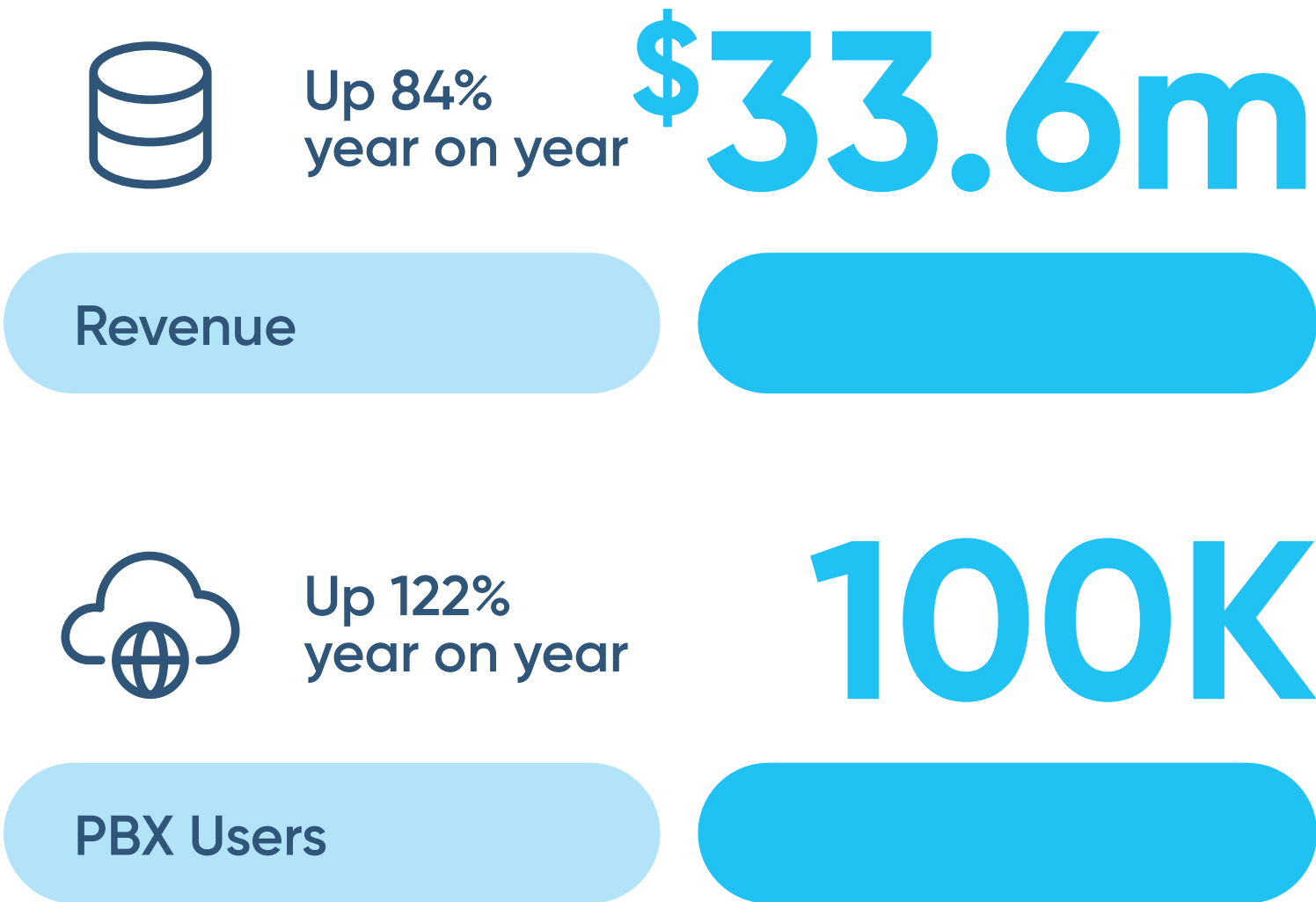
→ Retail Business



→ Wholesale Business



→ Group Performance



Improvement in Cash Flow Dynamics

	FY22	FY21
Net cash from operations	5.3	(0.3)
Net proceeds from capital raisings	14.0	–
Net proceeds from borrowing ¹	14.5	–
Payment to acquire MNF/Voiteck	(31.2)	–
Less other investing and financing activities	(3.1)	(0.8)
Net cash inflows	(0.5)	(1.1)
Opening cash	3.7	4.8
Closing cash	3.2	3.7

\$5.6m increase in net cash from operating activities compared to prior corresponding period

Note 1 → Proceeds from borrowings are net of borrowing repayments.

Outlook



Vonex continues to see a positive outlook for growth as the Company's customer base expands driven by strong market tailwinds.

- Complementary acquisitions are delivering high quality earnings, readily addressable synergies and improved scale in ARR, channel partners and profile.
- Vonex has built a strong platform to gain scale organically, targeting further growth in lead generation, brand awareness and average revenue per user (ARPU).
- Vonex is well placed to capitalise on its increased market presence, lower marginal cost base and capacity to realise cross-selling opportunities.
- Vonex continues to execute a disciplined M&A growth strategy for FY23, targeting telco businesses that offer potential for growth in revenue, profit and earnings per share through further product expansion, scale and cross-selling.

Board of Directors



Nicholas Ong / Non-Executive Chairman

Mr Ong was a Principal Adviser at the Australian Securities Exchange (ASX) and brings 15 years' experience in IPO, listing rules compliance and corporate governance. Mr Ong has developed a wide network of clients in Asia-Pacific region and provides corporate and transactional advisory services through boutique firm Minerva Corporate Pty Ltd. He is a member of the Governance Institute of Australia and holds a Bachelor of Commerce and a Master of Business Administration from the University of Western Australia.



David Vilensky / Non-Executive Director

Mr Vilensky is a practicing corporate lawyer and the managing director of Perth law firm Bowen Buchbinder Vilensky. He has more than 30 years' experience in the areas of corporate and business law and in commercial and corporate management.

Mr Vilensky practices mainly in the areas of corporate and commercial law, mergers and acquisitions, mining and resources, trade practices and competition law and complex dispute resolution.



Winnie Lai Hadad / Non-Executive Director

Ms Lai Hadad has expertise in change management, corporate governance, business process improvement and has been involved in listings on the Australian Securities Exchange. Ms Lai Hadad has been involved with both investments into China and out-bound investment from China. Her past roles include implementing Coca-Cola bottling strategies into Greater China and administering the first Chinese direct investment in an iron ore mine in the Pilbara Region of Western Australia.



Matthew Fahey / Managing Director & CEO

Mr Fahey is Vonex Telecom's Chief Executive Officer and joined the Board as Managing Director. Mr Fahey joined Vonex Ltd in 2013, through the Vonex Group's acquisition of iTrinity (IP Voice & Data) where he had served as Sales Director. Mr Fahey brings with him 20 years' extensive experience in building and managing telco companies having built a well-regarded reputation in the industry for channel partner programs as well as excellence in VoIP and Telco.



Jason Gomersall / Non-Executive Director

Mr Gomersall is a former Director of 2SG Wholesale and is the Founder, CEO and Managing Director of isek Communications. Mr Gomersall has long been at the forefront of the telecommunications industry and the mobile phone market since being one of the foundation franchisees of the Optus World chain of retail stores in the 1990s.



Daniel Smith / Company Secretary

Mr Smith is a member of the Australian Institute of Company Directors, a Fellow of the Governance Institute of Australia and has over 11 years' primary and secondary capital markets expertise. As a director of Minerva Corporate, he has advised on, and been involved in, a significant number of IPOs, RTOs and capital raisings on both the ASX and NSX. His key focus is on corporate governance and compliance, commercial due diligence and transaction structuring, as well as ongoing investor and stakeholder engagement.



Contact Us →

Matthew Fahey

Managing Director | Vonex Limited

6/303 Coronation Dr, Milton QLD 4064

📞 13 VONEX

✉️ matt@vonex.com.au

ASX:VN8