

12 October 2015

New Brand “Wangle™” for NexGen’s Revolutionary Web Optimisation Product

Beta Launch to Commence Imminently

- NexGen’s web optimisation product to be released as new Global brand “Wangle™”
- Three distinct commercialisation opportunities for Wangle™ through:
 - Wangle™ app
 - Wangle™ Premium Services; and
 - The Wangle™ enterprise offering
- Wangle™ technology to significantly enhance privacy and security, increase internet speeds by up to 100% and lower data consumption by up to 50% , across popular applications including Facebook, Netflix and Instagram
- Beta launch to commence in November 2015, targeting 20,000 users exclusively within Australia and New Zealand over 3 months to use and stress test the platform
- Monetisation and roll-out strategy of the product across new markets expected to commence in early 2016 following beta phase
- Initial key target markets to include Latin America and the USA targeting over 250,000 users
- Wangle™ is positioned as a first mover in the video content market, with video content estimated to account for over 65% of mobile data traffic by 2019
- A strong contender to become a leading application to increase speed and data savings across video streaming sites, targeting a total of 2 million users by H1 2017

VTX Holdings Limited (ASX: VTX) (“VTX” or the “Company”) is pleased to announce that NexGen Networks Limited (“NexGen” or “NGN”) has now confirmed and protected the brand name of “Wangle™” for its revolutionary web optimisation product.

we’re introducing a
new brand.



Consumer Offering

Once launched, Wangle™ will be a free to download application (from Apple and Google Play stores). Wangle™ will provide consumers with access to data optimisation technologies offering substantial data savings and speed improvement, with added safety and privacy through enhanced network security measures.

Wangle’s™ enhanced user interface will allow users to subscribe to additional add on features as part of the premium services of the app. The subscription services are fully customisable and available either as single-feature add-ons or as innovative bundled packs designed to suit specific user types.

The bundled packages include:

1. **The Entertainment Pack** – Provides geo-masking and gaming features to improve access to content and improve the online gaming experience.
2. **The Parental Pack** - Access to features that manage web usage and activities including scheduling to control when children are allowed to access content, usage tracking and intelligent content blocking.
3. **The Business Pack** - designed for small business IT departments and support providers to help simplify mobile device management and includes features such as scheduling, content restriction and usage tracking.

Enterprise Offering

White Labelling

The enterprise offering will enable large enterprises to white label the application and provide their customers with access to the Wangle™ technology as a value-add or component of their existing product or service offerings.

Software Development Kit (SDK)

Also available to enterprises will be the iOS and Android Software Development Kit (SDK) allowing mobile software developers to integrate Wangle's™ technology directly into their apps and significantly improve the end user experience with increased speed and data efficiency.

As part of the white label and SDK offering an additional bulk user pricing and management feature, such as a white-labelled dashboard will be available as an add-on.

Monetisation and Roll-Out Strategy

NGN has a clear path to monetisation for the app, with a strong focus on growing the user base whilst also providing opportunities to refine the product ahead of its enterprise solution launch.

1. The first phase of the roll-out strategy will commence in November 2015. The Wangle™ iOS and Android app will be launched in a Beta phase exclusively to 20,000 users within Australia and New Zealand. Users will stress test the platform over a period of 3 months which will enable NGN to review and implement any changes or upgrades as required.
2. The second phase is expected to take place during February – May 2016 and will see a full launch of the app within key markets including expansion to Latin America and the USA and release of the add-on subscriptions adding the first revenue stream. This phase will target 250,000 users.
3. The third phase in June 2016 will see the app released to a global audience and targets an additional 2 million users by the end of H1 2017. This phase will also see the enterprise and developer offering released, which will initially target firms who require the capacity to manage increasing data loads, but cannot afford the high cost of upgrading hardware.

Optimally Positioned in a Growing Mobile Internet Market

The Wangle™ product is optimally positioned in a rapidly growing mobile Internet market, with smartphones to account for three-quarters of mobile data traffic by 2019¹. Video content is continuing to grow strongly and is expected to account for 69% of mobile data traffic by 2019².

The VPN market is also experiencing substantial growth as consumers demand higher security and access to content overseas. The built in VPN solution enables users to access video content within other geographic locations, through its geo-masking abilities and additional privacy features.

Keaton Wallace, Director of NexGen commented:

“We are delighted to have finalised a focused strategy for the commercialisation of this revolutionary application. The beta launch of Wangle™ is expected to commence imminently and we’re confident in the app’s capabilities to be able to progress a full global roll-out in February 2016.”

“The capabilities of Wangle™ to increase the privacy and safety of users, whilst enhancing the user experience with increased speeds and lower data consumption makes it a truly unique product in a massive and growing market. It is at the forefront of the industry and positioned to become a leading application as people demand access to higher speed and lower data as video content becomes increasingly prevalent.”

Competitor & Existing Market Landscape

						
Acceleration	YES	YES	YES	NO	NO	NO
Data Savings	YES	NO	YES	YES	NO	NO
Security & Privacy	YES	YES	NO	NO	YES	YES
4 x HD Quality (4K) Enablement	YES	NO	NO	NO	YES	NO
Total Device Acceleration	YES	NO	NO	NO	NO	NO
Browser/App acceleration	YES	YES	YES	NO	NO	YES
Geo-location masking	YES	YES	NO	NO	YES	YES

Transaction Update

VTX is in the process of acquiring NexGen, having executed a Binding Terms Sheet and completed due diligence. The acquisition is still subject to various conditions precedent including the receipt of shareholder approvals and the Company expects to lodge a Notice of Meeting in this regard in the coming weeks. For further details of the acquisition, please refer to the ASX announcement made by the Company on 16 June 2015.

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Sources:

1. Cisco Visual Networking Index: Global Mobile Data Traffic Forecast Update 2014–2019 White Paper - http://www.cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/white_paper_c11-520862.html
2. Cisco Visual Networking Index: Global Mobile Data Traffic Forecast Update 2014–2019 White Paper - http://www.cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/white_paper_c11-520862.html

ABOUT NEXGEN NETWORKS

NexGen is a New Zealand based software technology company founded in 2013, by experienced technology entrepreneurs and retail executives Jason Gitmans and Robert Pole.

NexGen has developed cutting edge software technology, which uses intelligent customised algorithms to optimise data flow between devices and facilitates faster speeds on existing hardware. The ability to deliver such optimal results is due to NexGen's customised virtual based technology, which re-directs data through to its own proprietary server, delivering faster and more efficient data usage to each user through existing infrastructure.

TECHNICAL ADVISOR – MR CAM WORTH

Technical information contained in the announcement has been prepared under the supervision of Mr Cam Worth of Simplisite Business Solutions - a specialist web, software & IT solutions provider. As announced on 2 July 2015, Mr Worth has been engaged as Technical and Commercial Advisor to the Board of VTX.

Mr Worth has led projects across multiple jurisdictions and successfully launched platforms and deployed large-scale business intelligence systems in multiple markets. He has extensive experience in the design and development of web-based software solutions and has consulted extensively in software development and cloud solutions. Mr Worth also acts as an Industry representative, in Communication and Cultural Studies for Curtin University, Western Australia. Mr Worth consents to the inclusion in this report of the information in the form and context in which it appears.