

**Vonex Limited: (VN8 \$0.13)** is an emerging junior telco with very significant growth potential. It has already reported its first full year result as an ASX-listed company, with recurring sales revenue (\$8.1m in FY18) & a market cap. (fully diluted) of ~\$28m. On 9<sup>th</sup> Oct. VONEX announced commencement of Beta testing on its Oper8tor App. Upon successful completion of the App, Oper8tor is reckoned to have the potential to disrupt the highly competitive global market for social media platforms and communications. The recently announced (but yet to be completed) agreement for MNF to purchase 100% of Inabox (which last year concluded a deal with VN8 after an intensive global review) is a potential stepping stone for much broader markets to open for VN8. This should mean even greater opportunities could open for VN8 and its cutting edge PABX technology. It has the potential to leverage off MNF's superior market reach. The recent agreement with Inabox, whereby VN8 became its only hosted global PABX supplier, is informative. The appeal of VN8 is highlighted by recent activity including: the Oper8tor Beta testing; the Inabox link and the Counterpath marketing & distribution agreement. This will not have gone unnoticed by others, including the significantly larger MNF (10 fold), which will become a client of VN8 upon completion of the proposed Inabox takeover. (For more detail, please see attached State One's research report, and the VN8 ASX release of 9<sup>th</sup> Oct. 2018.)

[https://www.stateone.com.au/Download/Download?file=VN8\\_20180926.pdf&downloadType=PUBLICATIONS](https://www.stateone.com.au/Download/Download?file=VN8_20180926.pdf&downloadType=PUBLICATIONS)

<https://www.asx.com.au/asxpdf/20181009/pdf/43z2rgcg6gg1k6.pdf>

We now await further specific feedback from the AGM on 24<sup>th</sup> October and subsequent developments.

#### Some Key Dates

Wednesday 24 <sup>th</sup> October 2018	AGM to be held in Perth 10 am, 99 St George's Tce' Perth WA 6000 (Level 8).
Thursday 25 <sup>th</sup> October 2018	Presentations to Perth Investors: Institutions, brokers & clients of State One *
Monday 29 <sup>th</sup> October 2018	Presentations to Institutional investors in Sydney **
Tuesday 30 <sup>th</sup> October 2018	TechKnow Roadshow, Sydney - held by Vertical Events – at Radisson Blue Hotel (Vonex presents @ 9:15 am)
Wednesday 31 <sup>st</sup> October 2018	Presentations to Institutional investors in Melbourne
Thursday 1 <sup>st</sup> November 2018	TechKnow Roadshow, Melbourne - held by Vertical Events at Grand Hyatt Hotel, Collins St, Melbourne. Vonex presents at 2:30 pm

\* Please call / email State One to book your spot: (08) 9288 3388 or email: [vonex@stateone.com.au](mailto:vonex@stateone.com.au)

\*\* The presentations will bring into focus:

- the significant elements of Vonex's traditional "telco" business, already generating sales revenues of +\$8M pa;
- the emerging attributes of "Vonex's world-first social media aggregator app, "Oper8tor". If Vonex can deliver on this, it will truly be globally unique.

With Vonex having already achieved audited FY16 revenues of \$5.5m; followed by \$7.0m in FY 17 and \$8.1m in FY18, we are expecting a further near-term acceleration in sales revenues, following the recent joint marketing and distribution agreement with CounterPath in September 2018. VN8 sales revenue is due to accelerate from FY18 as marketing spend increases, through the cash boost from the IPO capital raise, and new business through the deal with US-based CounterPath. State One forecasts suggest FY19 sales revenue of A\$10.8m (+33% on FY18) followed by FY20E revenue of A\$19.8m (+83% on FY19E).

VONEX is expecting to be largely self-funding for the foreseeable future. There is the possibility that a highly successful Oper8tor launch could boost VONEX's activities to a much higher level. Without guarantee, we are mindful that VONEX has the ingredients to permit it to ultimately match the performance of some of the leading stocks in the sector (see chart overleaf).

**The MNF chart below highlights the strong performance which can be achieved by a junior telco. MNF was listed on ASX on 18 May 2006 - issue price of \$0.20. It has enjoyed a 25 fold price increase since listing.**

FOR FURTHER INFORMATION PLEASE TALK TO YOUR STATE ONE ADVISOR



VONEX has seen 4 mths of share price stagnation post-IPO, as some long time holders chose to reduce their positions. We expect further statements regarding VN8's progress will soon put its share price into uptrend.



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