

## **VONEX Ltd - A Global Telecom Stock – At Last its Ready to Roll!**

**The VONEX IPO released this week should see this globally unique enterprise entering a most exciting growth phase.**

**As a measure of just how robust this company has been, VONEX managed to survive and grow through four cash-starved years to 30 June 2017.** During this difficult period, VONEX achieved revenue growth at a most healthy clip of ~24 % pa. This was achieved despite a period of stiff challenges imposed by the Australian regulator (ASIC) and ASX, as they both sought to bring the company's management team into line.

If the VONEX of the past was dogged by possibly justifiable claims of slack management, this is now certainly no longer the case. With a totally rejuvenated board, the company could scarcely be in better hands. VONEX's chairman, **Mr Nicholas Ong**, was previously Principal Advisor at the ASX in Perth. He has brought from the ASX more than 14 years' experience in listing rules compliance and corporate governance expertise. Importantly, Mr Ong has overseen the admission of more than 100 companies to the official list of the ASX.

**Mr Matt Fahey** is VONEX's CEO and MD, after joining the group in 2013 through the acquisition of iTrinity, a company co-founded by Mr Fahey which has since been renamed Vonex Telecom. In 2014 he increased the number of channel partners from 90 to over 230. Matt brought with him 20 years of experience in building and managing telecommunications companies. More recently, he has shifted the group's focus to the quality and the scale of its channel partners.

Non-Executive directors of this compact board are limited to lawyer **David Vilensky** and **Winnie Lai Hadad**, who is highly skilled in Legal and Accounting. VONEX founder and inventor, **Angus Parker**, reclaims his original role as Chief Technology Officer.

With a competent board, and past issues with the regulators having now been put well behind them, we believe that VONEX investors can face the future with confidence. Now the business has turned cash positive, the company's impending return to the boards of ASX should see VONEX firing on all cylinders.

This current raising of A\$7m on ASX, Australia's premium exchange, means it is well-placed to significantly accelerate its growth. Recently Mr Fahey was instrumental in leading VONEX's winning its largest ever customer deal. The contract is to supply ASX listed Inabox, which has more than 400 wholesale telecommunications customers. VONEX won this contract against stiff global competition, including from Broadsoft, the global leader in this space.

Inabox CEO Damian Kay told CRN (well-regarded providers of Australian IT news).

***"After an exhaustive search of the unified communications platforms both in Australia and internationally, Inabox is pleased to have partnered with Vonex Ltd to roll out our flagship UC product. Vonex Ltd delivered a market-leading user interface with drag-and-drop functionality for easy setup and management. This was a deciding factor in our partnering with them "***

**(ASX listed Inabox (ASX: IAB) supplies wholesale ICT (fixed, mobile, data) and cloud products and associated services, including billing and technical and customer support, to retail service providers around Australia through wholesale brands.)**

The Inabox contract is clearly a very significant step forward for VONEX.

**Also, note that VONEX's large existing register already meets the "spread" criteria of the ASX. This is frequently a major hurdle for new listings on ASX.** With VONEX's existing +2,300 shareholders, at least a further ~200-300 additional new fully paid shareholders, plus the new tradeable options, marketability of the VN8 stock post-listing is not expected to be an issue.

We believe that VONEX, with a fresh and vibrant approach to global media via its Oper8tor mobile app, now has the potential to build a significant position in the highly competitive global social media markets. It has a product that has the potential to attract tens of millions of users rapidly through its unique connectivity. We expect that this fresh injection of funds will soon see the company sitting confidently amidst a select group of global social media companies. So make no mistake, VONEX looks much like it could now be on the path to success. In our view, any detractors are based largely upon how VONEX once was, not on how it is today and promises to be in the future.

The VONEX Public offer opened on 20<sup>th</sup> March 2018, the Priority Offer closes on 04<sup>th</sup> June 2018.

The Downside: **Should VONEX'S social media company not be totally successful or enduring, VONEX will still have its core traditional telecom business to fall back on. State One values VONEX's telecom business at A\$105M (i.e. 48c per fully diluted share) versus the 20 cps issue price.**

To view the VONEX LTD prospectus please [Click Here](#).

To contact a State One advisor about the VONEX Offering, please [Click Here](#).

To view a demonstration of VONEX's social media product, please [Click Here](#).

An investor wishing to secure stock should confirm their interest to their State One advisor; to Alan Hill [ahill@stateone.com.au](mailto:ahill@stateone.com.au) or the State One Executive Assistant, Linda on [vonex@stateone.com.au](mailto:vonex@stateone.com.au).

PLEASE NOTE THAT THE STATE ONE OFFERING IS DUE TO CLOSE NO LATER THAN 04<sup>th</sup> JUNE 2017.

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