



**Vonex Ltd**

# Vonex ASX IPO Offer

Minimum Raise  
**\$6m AUD**

Maximum Raise  
**\$7m AUD**

Underwritten for  
\$5.5m  
by  
State One Stockbroking

List price  
**20c**

Shares pre IPO 117.6m

Shares post IPO (\$7m  
Raise) 152.6m

Indicative Market Cap on  
Listing \$30.5m AUD

Offer closes June 4<sup>th</sup>  
List date June 12<sup>th</sup>

Timetable is indicative only and is subject to change.

# Contents

1. **Company Overview**
2. Network
3. Telco Industry & Key Markets
4. Financials & Board of Directors
5. Oper8tor
6. Key People
7. IPO



# Vonex's Key Business

Vonex is a high-growth IT Telecommunication service provider, operating through three distinct business pillars

## Cloud PBX

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### Wholesale

Cloud PBX connections  
Billing services



### Retail

Cloud PBX connections  
VoIP business phones  
Internet packages  
Traditional telephony products  
Mobile packages  
National Broadband Network (NBN)

## Development

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### Software Engineering

The product development arm of Vonex  
Developed the Cloud PBX software  
Planning for launch of the first multi-platform voice, messaging and social media app, **Oper8tor**

# What is cloud PBX?

Cloud PBX is a better system because:

- 1) Reduce costs
- 2) Highly scalable
- 3) Advanced Features
- 4) Regular updates
- 5) 99.9999% availability
- 6) Users anywhere in the world



# Vonex technology wins against global giants



Inabox **Chief Executive Damian Kay** told CRN (Australian IT news channel):

*"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."*

See full news article – [click here](#)

# Selected Clients – Hosted PBX applications



# Where are we today?

\$8m in annual revenue

22,000 active users

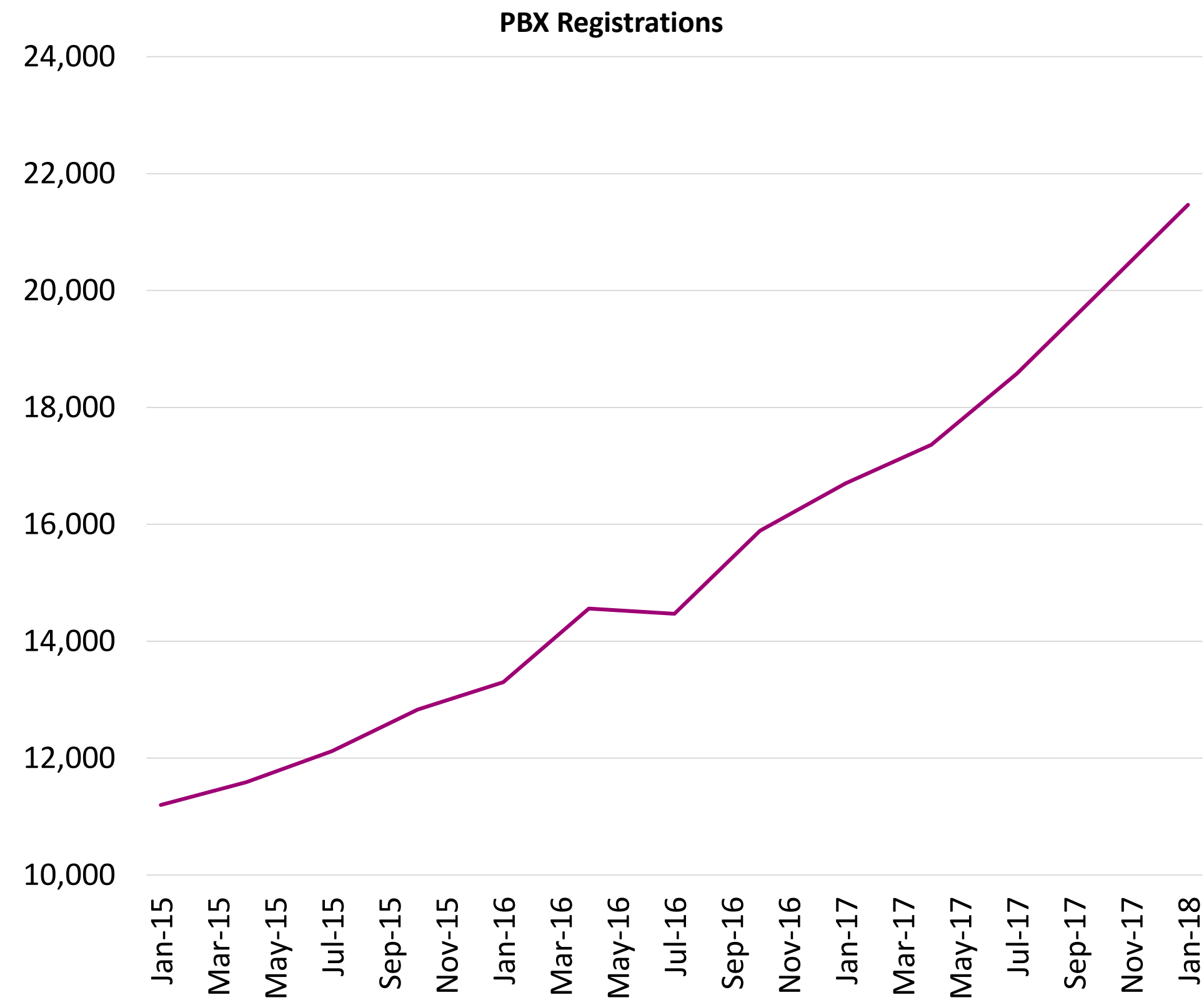
Several hundred channel reseller partners in all major capital cities and the majority of the east coast of Australia covering 90%+ of the population, key to reaching SME customers





# Growth of Vonex

Total PBX active users went from ~11000 to ~22000 in just 36 months



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# Global Infrastructure of Vonex

Network strategy enables us to deliver 99.9999% uptime guarantee (6 x 9's)



# What 6 x 9's guarantee really means



Uptime %



Outage Time Annually

Typical Service Level Agreement 97%

~ 11 days

99.9999%

32s

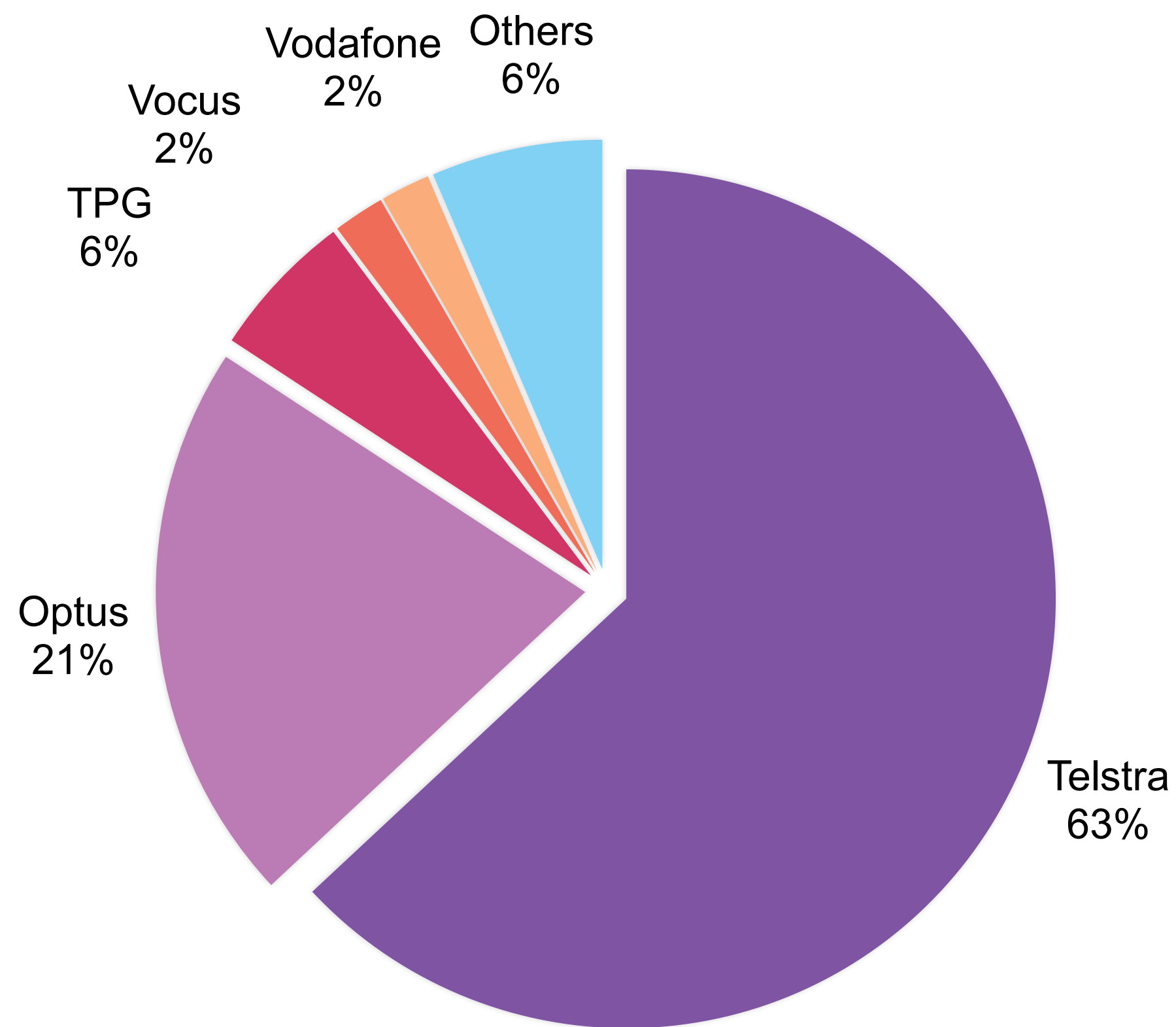
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# Market Share of Key Australian Telco Players (by revenue)

Total market size: \$44b – SME market size: \$6.6 – \$7.9b



Breakdown by Customer Type	%
 <b>Individuals</b>	<b>59 – 64%</b>
 <b>SME</b>	<b>15 – 18%</b>
 <b>Enterprise</b>	<b>21 – 24%</b>

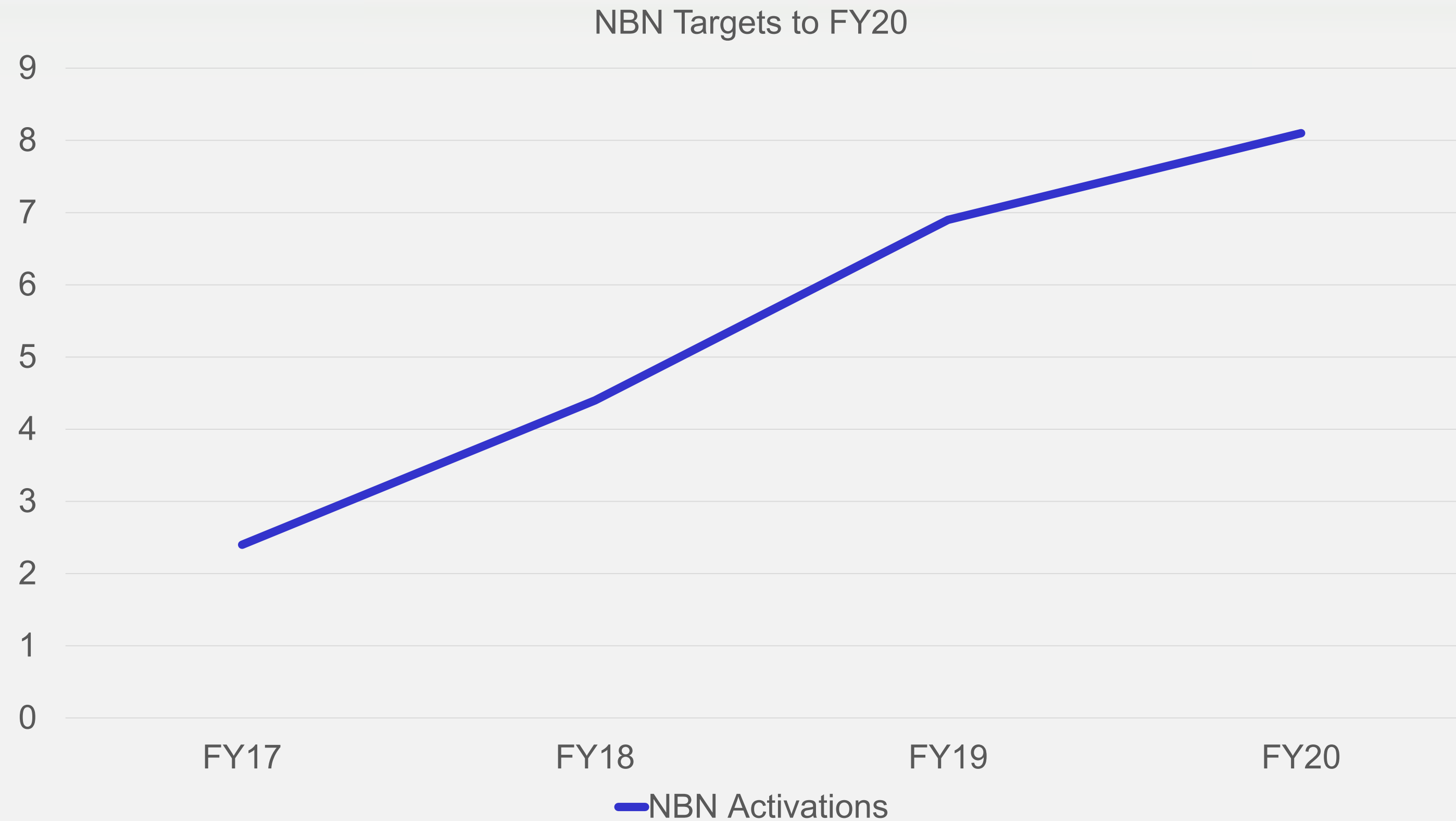
# National Broadband Network

- Forced disconnection from the Telstra network creating mass churn
- The copper infrastructure is being switched off
- Targeting 5.7 million new connections in the next 3 years
- Initial construction (11.6 million premises) complete by the end of 2020
- Vonex's hosted PBX platform is NBN compliant



Australia's  
broadband  
network

# New NBN Activations through to 2020



Source: NBN Corporate Plan Aug 2017





# Vonex can compete to win market share

No. of End Users	SME customer with 10 users (Cost over 5 years)	
	On-premise PBX	Vonex
<i>One-Time Costs (AUD)</i>		
On-premise PBX	\$6,000	-
IP Telephones		\$2,000
Setup	\$1,500	-
Programming/ Training	\$1,500	\$1,000
Upgrades	\$2,000	-
<i>After- Sales Costs</i>		
Maintenance Contract	\$6,000	-
Hosted PBX Charge	-	\$6,000
Telco Costs (Lines & Toll Charges)	\$46,800	\$17,970
System Support	\$2,550	-
<b>Total Cost</b>	<b>\$66,350</b>	<b>\$26,970</b>
<b>Cost Saving (Vendor / Vonex %)</b>	<b>246%</b>	<b>100%</b>

*Note: Scenario analysis based on a 10-staff small business premise, factoring identical requirements over 5 years using publicly available pricing from other providers.*

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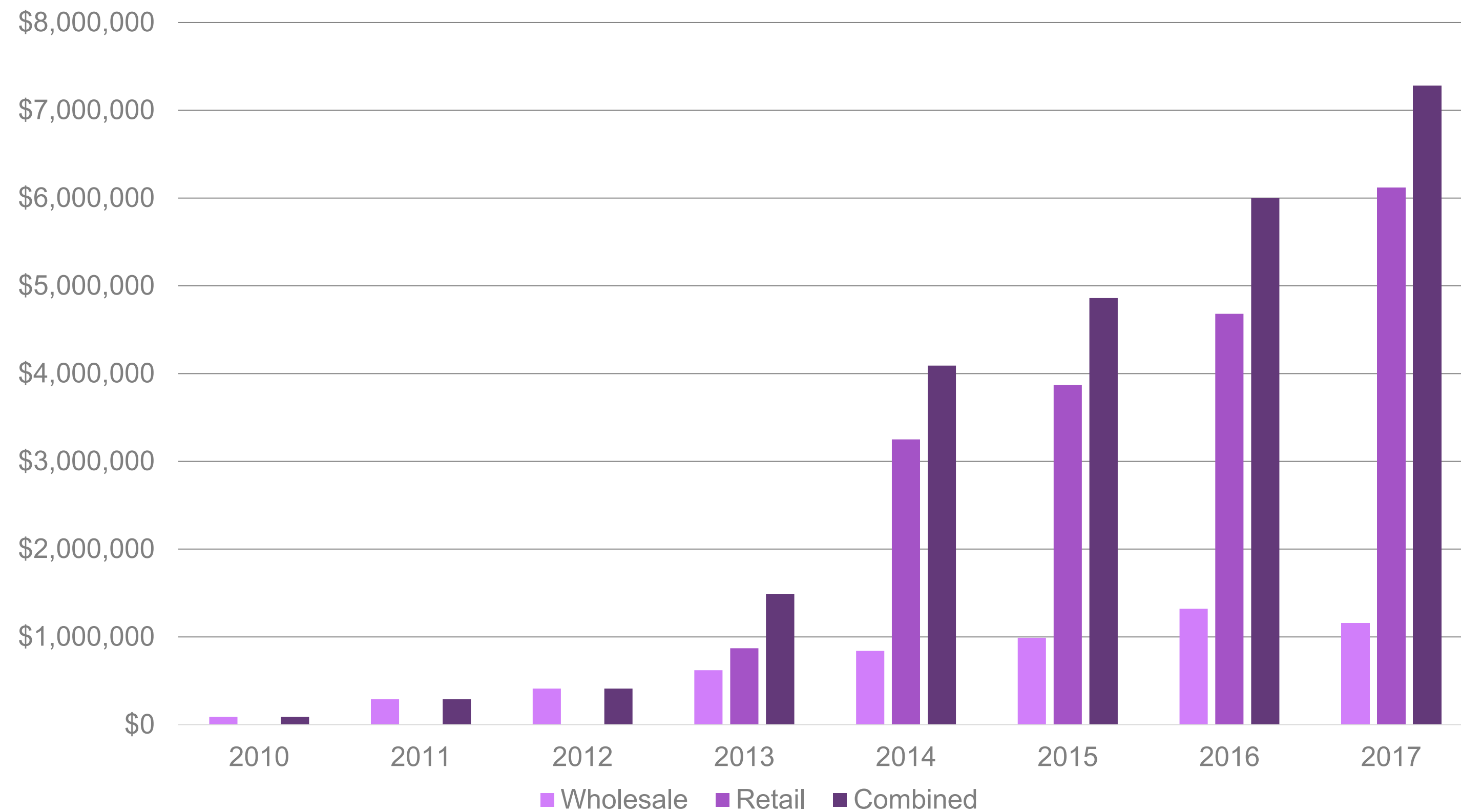
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# Growth of Vonex

Vonex has been able to grow rapidly on the back of its technology competencies, without marketing or the benefit of churn from the NBN.

Post IPO we expect significant exponential growth to occur.



# P&L's – Vonex Subs (Wholesale & Retail)

AUD	2014	2015	2016	2017	Q3
Sales Revenue	\$3.74m	\$4.57m	\$5.47m	\$7.02m	\$5.95m
Cost of goods	\$2.63m	\$3.04m	\$3.56m	\$4.70m	\$3.73m
Gross profit	\$1.11m	\$1.53m	\$1.91m	\$2.32m	\$2.22m
Gross profit %	30%	33%	35%	33%	37%
Other revenue	\$362,000	\$304,000	\$537,000	\$272,000	\$18,000
Cost of operations	\$2.39m	\$2.2m	\$2.15m	\$1.86m	\$1.28m
EBITDA	(\$685,000)	(\$80,000)	\$523,000	\$861,000	\$979,000

- The special purpose financial information reported within this presentation only reflects the operating Wholesale and Retail Telco segments of the Vonex Ltd group. It is recommended that reviewing parties should read this information in conjunction with the Company's audited annual financial report for the year ended 30 June 2017 to obtain the financial results of the Vonex Ltd group along with other statutory financial disclosures. The special purpose financial information within this presentation has not been independently audited.

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# BE THE OPER8TOR



oper8tor

# Social media v traditional communication users (millions)

	2015	2018	% Increase
 Google Hangouts	110	820	645%
	300	320	7%
 Connect. Freely.™	400	608	52%
	417	1200	188%
 The new way to connect	697	1400	101%
	700	1200	71%
	4500	3800	-18%

# Introducing a World First...

As each one answers on the platform of their choice, Oper8tor will connect everyone together.

Our Voice aggregation system is a world first and is protected by multiple Patents.

With the ability to also aggregate contacts, messaging, voice and with future plans for video, Oper8tor is the only communications app you will ever need. As new apps enter the market, Oper8tor will include them too.





# Oper8tor has unique “Call Blast” Technology

.....and can call the users on any platform they are connected to, simultaneously, across the globe.



To watch “Call Blast” demonstration please visit our table.

# How Oper8tor makes money



Advertising



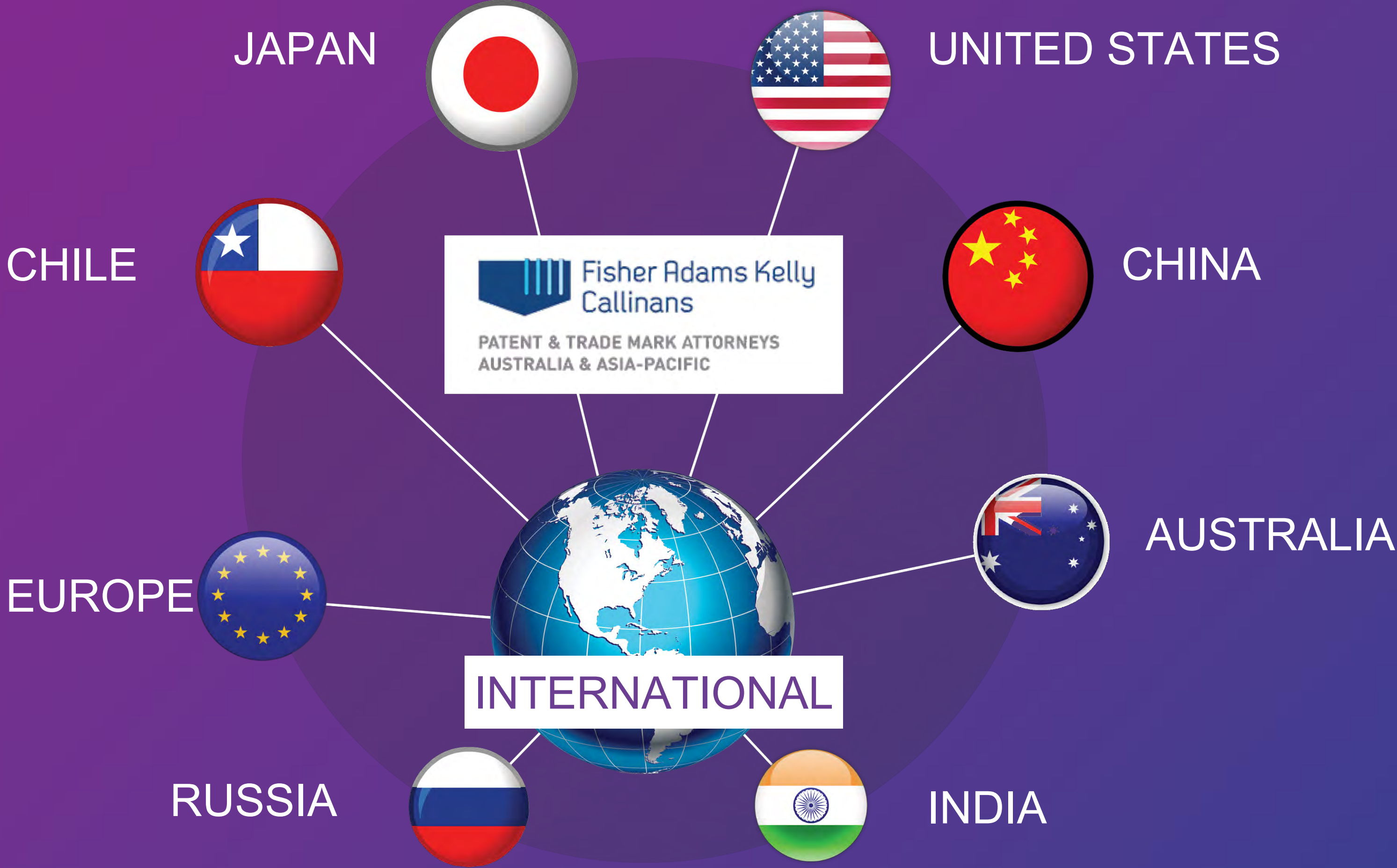
In-App Purchases



Voice minutes



# Patent Protection in these countries.



# Proposed Release Dates (subject to funding)



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# Key People

## Board of Directors



**Nicholas Ong**  
Non-Executive Chairman

- Former Principal Adviser in ASX Limited (7 years experience)



**Winnie Lai Hadad**  
Non-Executive Director

- Solicitor & Specialist Advisor for China business.



**David Vilensky**  
Non-Executive Director

- 30 years experience in commercial law



**Matt Fahey**  
Executive Director & CEO

- 20 years experience in building & managing telecommunications companies

## Key Executives



**Angus Parker**  
Chief Technical Officer

- World leading innovator, with an exceptional track record in advancing technology



**Greg King**  
Chief Financial Officer

- >25 years experience in the Australian financial services sector

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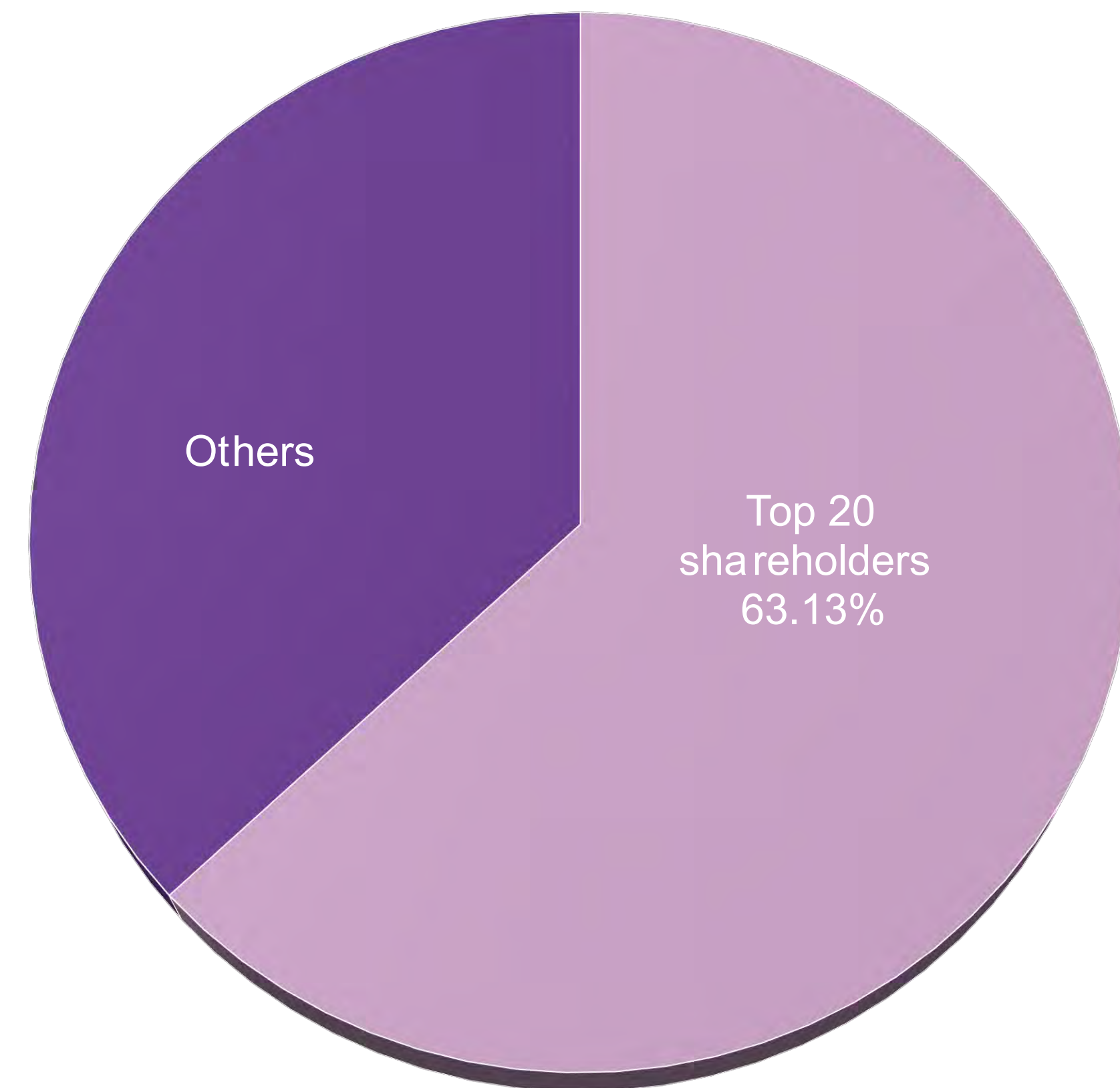
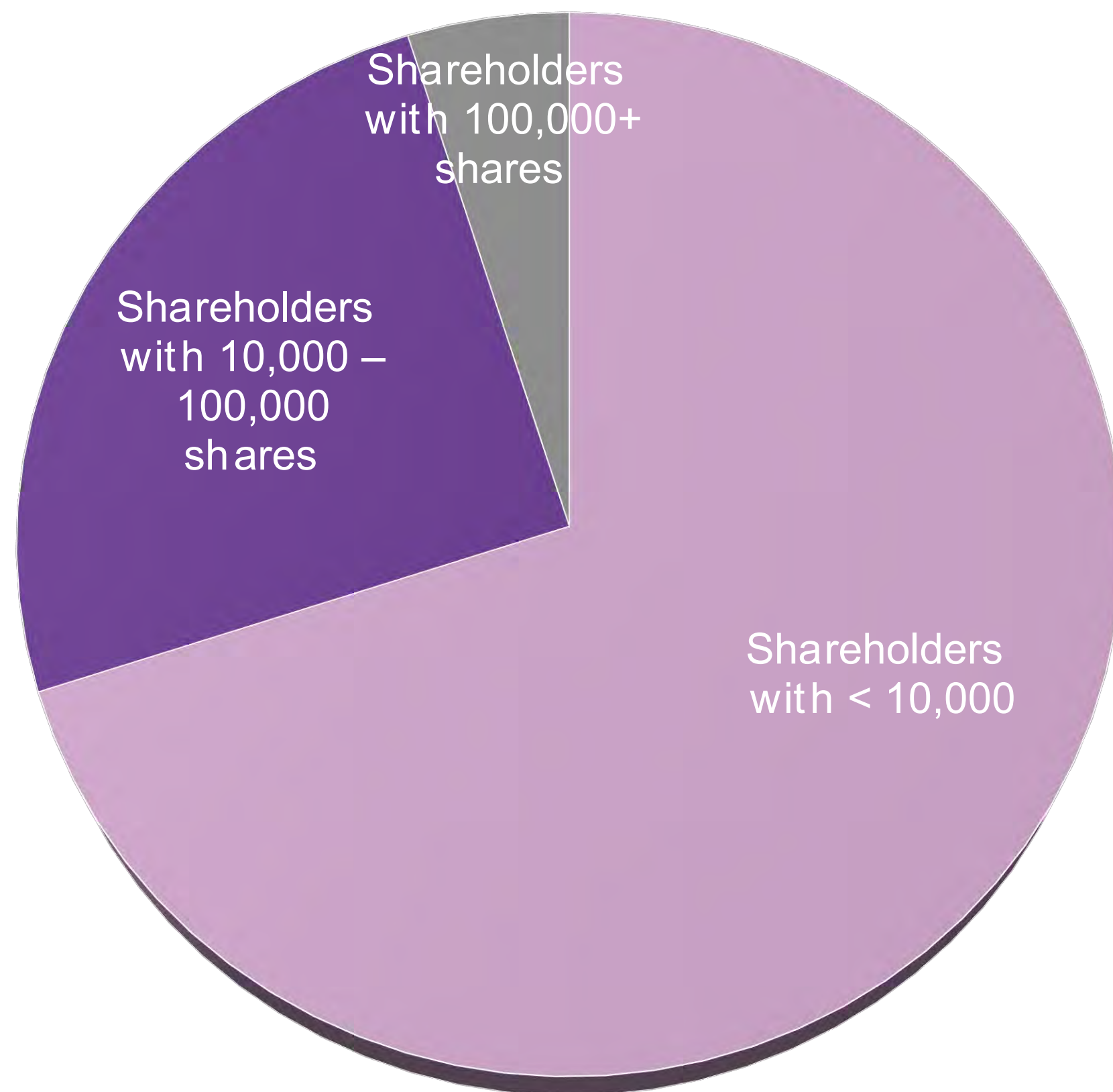
# Capital Structure

Capital Structure	Shares (million)	A\$m	%
Existing shares on issue	66.0	13.2	30%
Convertible notes conversion	17.5	3.5	8%
Conversion of Performance Rights	34.1	6.8	15%
<b>Number of shares (pre-IPO)</b>	<b>117.6</b>	<b>23.5</b>	<b>53%</b>
IPO shares (assuming \$7m raise)	35.0	7.0	16%
<b>Undiluted number of shares post IPO</b>	<b>152.6</b>	<b>30.5</b>	<b>69%</b>
Performance Rights and Options	68.2	13.6	31%
<b>Fully diluted shares</b>	<b>220.8</b>	<b>44.2</b>	<b>100%</b>

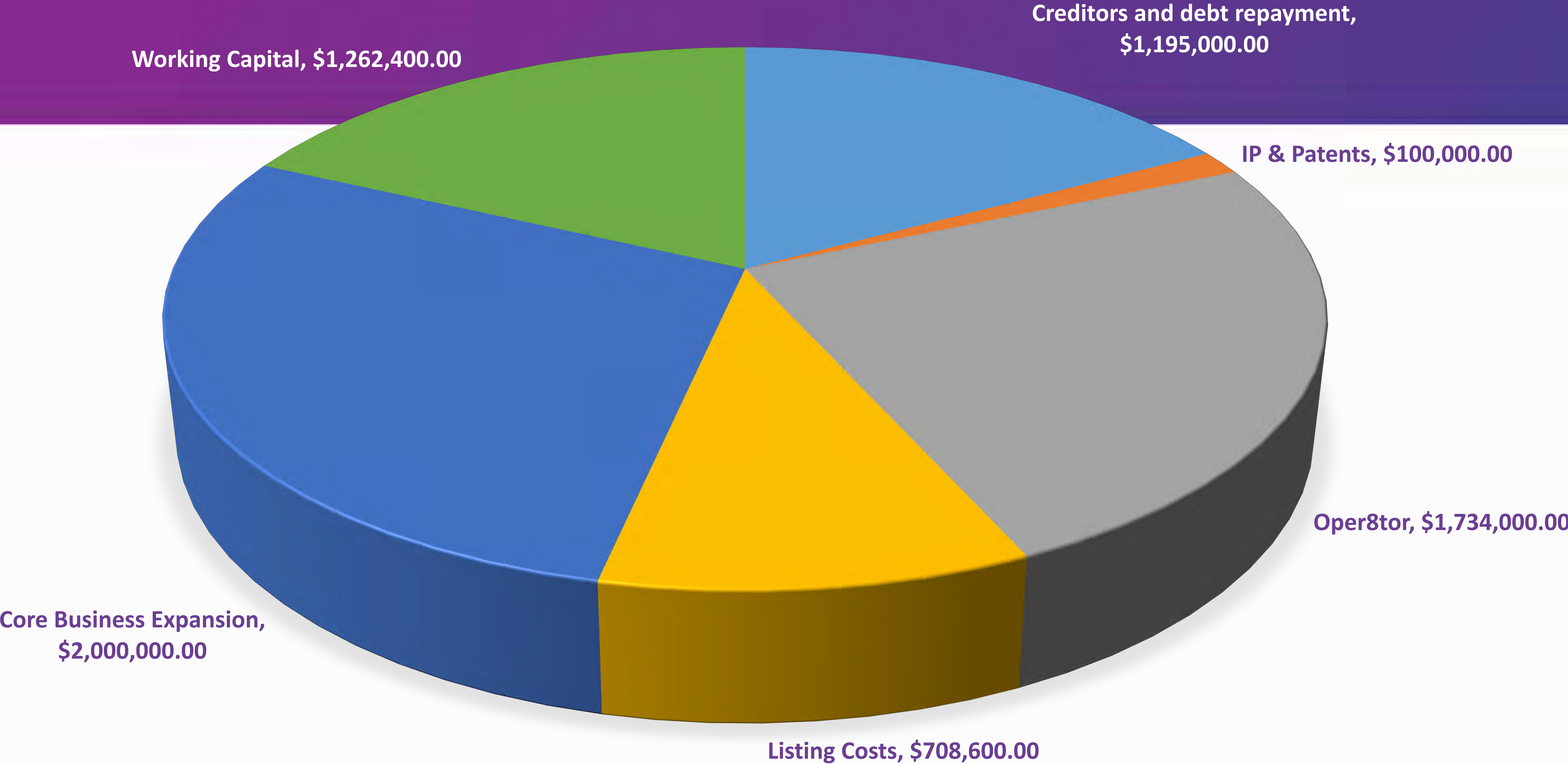


# Top 20 shareholders 63% ownership

## Vonex Shareholder spread



# Use of funds raised IPO:ASX



# Important information

- This document contains summary background information about Vonex Limited (VN8) and its activities as at its release date.
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