



MNF Group Limited (ASX: MNF)
ABN: 37 118 699 853
Level 4, 580 George St, Sydney NSW
2000 Australia

ASX Announcement
MNF Group Limited (ASX: MNF)

23rd November 2018

**MNF Group (ASX:MNF) improves agreement for acquisition of
Wholesale and Enablement Business from Inabox Group (ASX:IAB)**

On the 8th of October 2018, MNF Group Ltd announced that it had entered into an agreement to acquire the Wholesale and Enablement Business from Inabox Group Ltd (ASX: IAB).

On the 15th of November 2018, IAB advised MNF that it had received a notice from SB&G Consortium, that its subsidiary, SB&G (Telecoms) Pty Ltd, intended to make an all cash offer to acquire all of the shares in IAB Group, through a conditional off-market takeover bid at a price of 90 cents cash per IAB share.

Having reviewed and updated our analysis, the MNF Board are of the view that the MNF agreement announced on 8th October 2018 would ultimately still provide better value to IAB shareholders. However, as a result of the simplicity offered by SB&G's proposal, and to put matters beyond doubt for IAB shareholders, MNF has agreed to revise the terms of acquisition, as set out below.

MNF will now pay IAB \$34.5m in cash for the same business assets, subject to approval at an Extraordinary General Meeting (EGM) of IAB shareholders. MNF has simplified its terms by making completion payment conditional only on a majority of IAB shareholders voting in favour of the MNF transaction at IAB's adjourned EGM, which is scheduled to re-convene on the 7th of December 2018.

IAB have stated in their announcement "The Inabox board believes the Improved MNF Transaction provides shareholders with greater certainty and a higher return than the SB&G Offer. The Inabox board unanimously recommends shareholders vote in favour of the Improved MNF Transaction in the absence of a superior proposal, and take no action in respect to the proposed SB&G Offer when it is made."

IAB has announced that the improved MNF Transaction will allow IAB to return to its shareholders 90 cents per share, comprised of a capital sum and a fully franked dividend, delivering a superior financial outcome to IAB's shareholders. IAB indicated that grossed up to include the value of franking credits, the distribution increases to \$1.02 per share pre-tax. Many IAB shareholders may benefit from the franking credits and any capital losses incurred. IAB shareholders should discuss the tax implications of these distributions with their tax advisers.

/ENDS



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About MNF Group Limited

MNF Group Limited, (ASX: MNF) is an integrated telecommunications software and network provider, specialising in Internet communications. MNF Group was founded in 2004 and listed on the ASX in 2006. The company has 73.4 million shares on issue and has operated profitably since 2009 paying dividends to its shareholders every six months since September 2010.

The Group operates a global Smart Network carrying over 6 billion voice minutes per annum, with Points of Presence (POPs) in Los Angeles, New York, Hong Kong, Singapore, London, Frankfurt, Sydney and Auckland. Domestically, the Group operates the largest, fully interconnected IP Voice network in Australia.

MNF Group has a reputation for quality, value and innovation, being the recipient of numerous awards including the ACOMMS award for innovation (2017, 2016), Edison Award (2017), the Australian Growth Company Awards (2016), the iAwards for Innovation (2016), Forbes Asia's 200 Best Under a Billion (2014 & 2015), Deloitte Technology Fast 50 (2008, 2009, 2010, 2012, 2013, 2014) and CeBIT Outstanding Project Award (2013), and many more.

MNF Group companies includes retail brands: MyNetFone, Connexus, CallStream, PennyTel and The Buzz; conferencing brands Ozlink, Eureka, Express Virtual Meetings and wholesale brands TNZI, Symbio Networks and iBoss.

For further information about MNF Group Limited please visit: <http://mnfgroup.limited/>