



MEDIA STATEMENT

27 May 2013

Inabox Group announces IPO - Offer opens today

Inabox Group Limited (Inabox) has today announced the Company has opened its initial public offer of \$2.9 million.

Inabox was formed following the acquisition this month of the business and assets of telecommunications wholesale aggregator, Telco In A Box Pty Ltd (Telcoinabox).

The proceeds from the IPO will be used to fund the growth of the Telcoinabox business, expand into new markets and complete the acquisition of an additional telecommunications wholesale aggregator specialised in VoIP, iVox Pty Ltd.

After completion of this acquisition, Inabox will support over 200 telecommunications Retail Service Providers (RSPs) Australia-wide.

The Offer price per Share is \$1.20 with 2,416,667 Shares on offer with the right to accept oversubscriptions of up to \$500,000.

The listing on the Australian Stock Exchange (ASX) is anticipated for 26 June 2013 under the ASX trading symbol IAB.

Sydney Capital Partners are the Corporate Advisers to the IPO and Shaw Stockbroking is the Sponsoring Broker. The share registry is managed by Boardroom.

Siimon Reynolds has been appointed non-executive chairman of Inabox. A highly esteemed entrepreneur, businessman and mentor with over 25 years experience in media and marketing, Siimon will facilitate strategic marketing and the overall business' growth.

Investment highlights

- **10-year track record** in delivering recurring revenue, a profitable business with no long term debt. The business model generates 90% recurring revenue with Pro forma NPAT of \$1 million for the first half 2013.

Inabox Group Limited
ACN 161 873 187
www.inaboxgroup.com.au
Inabox Group Limited | Level 10, 9 Hunter Street | Sydney, NSW 2000
1300 7 TELCO



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- **Well positioned for growth through an expanding customer base of RSPs** with new market entrants, including large corporations and trusted retail brands adding telco to their existing businesses. Inabox is currently running a trial with an ASX listed electricity retailer. In addition, Inabox is currently expanding into new customer channels to include IT companies, dealers, resellers and international carriers. According to Inabox directors, NBN is a major driver of this demand.
- **Acquisition strategy** to acquire, where there is a business fit, smaller wholesalers and aggregators, or other complementary businesses.
- **Ongoing new product launches** as technology evolves new products are launched to RSPs. Priority products for 2013 include: NBN access services, call termination services, virtual private networks and cloud-based services such as remote back-up and storage.
- **Telco sector continues to perform well and consolidate**, over the last 12 months small-cap telcos have outperformed the ASX200 by capitalising on changes in technology and acquisition opportunities. Public demand for telecommunications services is stable and revenue for the providers recurring. Recently, a number of smaller telcos have been acquired by larger companies such as M2, AAPT, Amcom and My Net Fone.
- **Wholesale only** Unlike its competitors, Inabox is a purely wholesale only business. It does not have a retail brand competing with its clients for end customers.

About Inabox

Inabox is a non-carrier telecommunications wholesale aggregator providing Retail Service Providers (RSPs) with telecommunications products - voice, mobile, data - and back-office services including customer support, billing and provisioning. Inabox manages the purchasing relationships with major carriers, including Telstra, Optus, AAPT and NBNCo and the RSP resells to the consumer. Post-IPO Inabox will service over 200 RSPs through-out Australia.

For comment/information: Prospectus available on the ASX web site
<http://www.asx.com.au/asxpdf/20130523/pdf/42g26wpbm5nbc3.pdf>

Please call Inabox Group corporate communication manager, Andreina Amato on 0410 434 227 or email andreina@inaboxgroup.com.au to arrange an interview with Inabox Group CEO & Managing Director, Damian Kay or visit www.inaboxgroup.com.au