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Market Announcements Platform

ASX Limited

Motio acquires Swift Media's Health & Wellbeing company, Medical Channel Pty. Ltd.

Highlights

- **Motio to acquire Swift's Digital Display network company, Medical Channel Pty Ltd**
- **Continuation of Motio's growth strategy, expanding its health & wellbeing footprint by 5x**
- **The deal demonstrates delivery on Motio's vision of leadership in the Digital Place-Based and Location Intelligence media business**

Motio Limited (ASX:MXO or "Motio") has today announced the formal acquisition of Medical Channel Pty Ltd, from Swift Media Limited (ASX:SW1 or "Swift") with the move set to transform Motio's Health network, increasing its existing footprint by over five times, significantly expanding its audience reach capabilities.

The acquisition is pivotal in Motio's strategy towards leadership in the Digital Place-Based & Location Intelligence media sector, specialising in the health & wellbeing category, leveraging scale, incumbency, and a focus on technological development. The acquisition highlights an impressive period of growth for the business, with Motio expanding into a strong competitive position in the Digital Place-Based market since acquiring Adline Media and oOh! Media's 'mega medical centre' display network in January and April last year (respectively).

Motio's growing Digital Place-Based media business is driven by a committed focus to media sales, content, utility-based enhancements, audience measurement and first party data. As part of the acquisition, the Swift Health & Wellbeing business (Medical Channel Pty Ltd) will be re-launched as Motio Health in combination with Motio's existing 'mega medical centre' display network. This will also incorporate a comprehensive refresh across the newly acquired business, upgrading key sites with the latest hardware and software components to improve and augment the value proposition for commercial partners and advertisers. Motio will also undertake an evolution of Medical Channel's content program through its content and creative company, Enormity.

The move also provides significant commercial scale for Motio's Health network, with Medical Channel providing an extension to Motio's programmatic pursuit that is already operating across its Motio Play and existing Motio Health display networks.

CEO of Motio Limited, Adam Cadwallader said "our focus on leadership in the Digital Place Based Media & Customer Location Intelligence sector will be significantly accelerated with the acquisition of Medical Channel – health & wellbeing is a strong sector for Motio to build and lead.

"This deal will provide further reach, scale and impact for our Motio Media business, as we continue to enhance our ownership position in the Digital Place Based sector." Cadwallader added.

Michael Johnstone, Chief Operating Officer, Motio said "The addition of Medical Channel to our already significant portfolio will drive stronger, brand-safe, content enhanced environments underpinned by technology and data."

CEO of Swift Media Limited, Pippa Leary commented "This deal is a natural extension of our existing sales representation partnership with Motio. Motio has recognised our vision and the hard work that the Swift team has already invested. The company has both the capability and experience to see the business through to the next stage of success. Swift is delighted to be able to maintain an indirect presence in this growth market, retaining a significant equity stake in Motio and looks forward to the business increasing value for Swift's shareholders."

The re-launch of the Motio Health network will perfectly complement Motio Play (indoor and online sporting environments) and Motio Go (retail-petro-convenience), while the wider business will continue to explore growth opportunities in the Digital Place-Based market.

Acquisition Key Terms

Motio has entered into a share sale agreement to acquire 100% of the issued capital of Medical Channel Pty Ltd (**Medical Channel**) from Swift Media Limited (**Swift**). Medical Channel owns the commercial and advertising contracts and associated equipment spanning Medical & Specialist locations Australia wide. Motio has agreed to acquire Medical Channel on a debt free, cash free basis for the following consideration:

- (a) 30,000,000 fully paid ordinary shares in Motio at a deemed issue price of \$0.10 per share (**Consideration Shares**).
- (b) The Consideration Shares will be issued in two tranches as follows:
 - i. 20,000,000 fully paid ordinary shares will be issued at Completion pursuant to ASX Listing Rule 7.1 (**Completion Shares**);
 - i. 15,000,000 Completion Shares will be escrowed for a period of eighteen months from Completion; and
 - ii. 5,000,000 Completion Shares will not be escrowed and may only be sold off-market.
 - ii. 10,000,000 fully paid ordinary shares will be issued subject to shareholder approval to be sought within 60 business days following Completion (**Post-Completion Shares**);
 - i. 5,000,000 Post-Completion Shares will be subject to an escrow period until the day which is 30 days from the shareholder meeting to approve the issue of the Post-Completion Shares (**Deferred Escrowed Shares**); and
 - ii. Swift may only sell up to 1,500,000 of the Deferred Escrowed Shares in any 30 day period following the end of the escrow period.
- (c) In the event shareholders do not approve the issue of the Post-Completion Shares Motio will pay \$1,000,000 cash to Swift within five business days of the shareholder meeting to approve the issue of the Post Completion Shares.
- (d) Completion is conditional upon:
 - i. All approvals of any Government and/or Regulatory agency which are necessary to implement the agreement.
 - ii. Motio receiving a copy of each consent required under any material contract relating to change of control provisions resulting from the agreement.
 - iii. Motio receiving evidence that all equipment leases have been satisfied and fully discharge and that all equipment in those contracts are owned by Motio and unencumbered.
- (e) Motio will make provisions of up to \$200,000 to ensure the continued operational requirements of iCon Digital Signage Software and the Medical Channel Network are met, as well as transitional and support services for the existing Medical Channel network.

This announcement has been authorised for release by the Board.

ENDS

Media & Investor relations

Adam Cadwallader
Managing Director
Motio Limited

ABOUT MOTIO LIMITED

Motio is a leading Digital Place-Based & Location Intelligence media company. It is focussed on creating memorable brand and customer experiences across its expansive digital marketing environments. Its networks leverage long dwell time locations, delivering powerful, contextual connections to audiences, underpinned with first party data and location intelligence technology.

ABOUT SWIFT MEDIA LIMITED

Swift Media is a specialist technology company delivering premium entertainment and communications to 60,000 rooms nationally across Mining and Resources, Residential Aged Care and Hospitality environments. We connect and engage communities