

Monday, 26 February 2018

## Swift delivers strong growth in H1 FY18

### ASX: SW1

Leading telecommunications and content solutions provider Swift Networks Group Limited (ASX: SW1, "Swift" or "the Company") is pleased to present its Interim Financial Report for the half year ended 31 December 2017.

In line with the preliminary results announced to the market on 24 January 2018, Swift has delivered strong growth in the past half year, highlighted by:

**Accelerating revenue growth:** Swift achieved H1 FY18 operating revenues of \$10.4 million, representing growth of 32% compared to the six months ended 31 December 2016. The strong uplift in revenue reflects the traction the Company is gaining with new and existing clients across its target markets of resources, offshore energy, aged care, student accommodation and hospitality.

**Healthy cash generation:** Swift earned cash receipts from customers of \$9.8 million during the half year, representing year-on-year growth of 33%. A continued focus on cost control yielded net operating cash flow of \$1.3 million – a positive turnaround of nearly \$1.9 million compared to the six months ended 31 December 2016.

**Doubling underlying earnings:** Swift's business improvement has resulted in underlying earnings before interest, tax, depreciation and amortisation (EBITDA) for H1 FY18 of \$1.0 million. This achievement represents like-for-like year-on-year growth of more than 100%.

The Company's net loss after tax for the period of \$8.0 million flows primarily from one-off statutory adjustments, and associated non-cash settlement, to reflect revaluations of performance shares (\$6.0 million) and the provisioning of share-based payments which may be made to key management personnel as part of the Company's executive remuneration framework (\$1.2 million). The Company has made these revaluations based on independent expert advice that Swift's growth in room deployments and revenue has significantly increased the likelihood of achieving performance milestones.

**Strong cash position:** The Company's cash balance at 31 December 2017 was \$4.1 million, having increased by 58% year-on-year and leaving Swift well-positioned to accelerate further growth in 2018.

**Positive outlook:** Swift anticipates that its results for H2 FY18 will continue to show improvement, driven by new contract wins through reseller agreements including those recently signed with DXC and AST, revenue growth from additional content deployment and a continued expansion of the Company's presence across its target markets.

Appendix 4D follows.

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**About Swift Networks Group Limited**

**Swift Networks Group Limited (ASX: SW1)** is a diversified telecommunications and content solutions provider, entertaining guests and connecting them to the world.

Swift's connectivity and content delivery platform empowers guests to watch, play, connect and interact. Swift brings accommodation providers opportunities to generate additional revenue and offers meaningful data insights to retain existing and drive new business.

Swift sources premium multi-lingual content from around the world and curates, packages and distributes it to clients' guests through its cloud-based platform. The company's services include free-to-air television, pay television, telecommunications, Internet, data, wireless networks and streaming video on demand with content from some of Hollywood's largest studios.

Running in more than 300 sites across the mining, oil, gas, aged care, retirement village and hospitality sectors, Swift's fully integrated platform is deployed in some of the world's harshest regions, where reliability, flexibility and scalability are critical success factors.

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