

Tuesday 17<sup>th</sup> July 2018

## Swift FY18 Preliminary Results

ASX: SW1

### 166% INCREASE IN EBITDA

Leading telecommunications and content solutions provider Swift Networks Group Limited (ASX: SW1, “Swift” or “the Company”) is pleased to present its preliminary (unaudited) results for the year to 30 June 2018.

**Exceptional earnings growth:** Swift has outperformed expectations, leading to an expected EBITDA for FY18 of \$2.7 million compared to \$1 million in FY17. This achievement represents EBITDA growth of 166% year-on-year and \$4.2 million over the last 2 years.

**Record cash generation:** At 30 June 2018 the Company had a cash position of \$3.2 million, a 43% increase when compared with 30 June 2017. During the last quarter of FY18 Swift also repaid its \$3 million Bankwest debt facility ahead of schedule and has \$3 million in undrawn facilities at its disposal to accelerate growth.

Swift enters FY19 having achieved its eighth consecutive quarter of record cash receipts. Swift achieved annual cash receipts in FY18 of \$20.8 million - 29% higher than FY17.

**Rapid revenue growth:** Swift’s FY18 revenue was \$22.3 million, having delivered annual revenue growth of 31%.

Significantly, as at June 2018, Swift’s annualised contracted revenue increased 44% year-on-year to \$15.7 million. The successful roll-out of the Company’s reseller and partnership strategy delivered 43% of all new sales in FY18, with further acceleration expected in FY19.

**Accelerated profitability:** Swift’s successful expansion into new market verticals has been accompanied by an increase in its gross margin in FY18 to 41.6% (FY17: 31.7%). This further demonstrates that the Company is delivering on its strategy to grow diverse and scalable sources of profitable revenue with 72% being recurring in nature.

The result is that the Company’s earnings before interest, tax, depreciation and amortisation (EBITDA) margin has doubled to 12.0% (FY17: 5.9%) as the business gains scale.

**Swift Networks Group Limited ABN 54 006 222 395**

1 Watts Place, Bentley WA 6069

W: [www.swiftnetworks.com.au](http://www.swiftnetworks.com.au) E: [investor@swiftnetworks.com.au](mailto:investor@swiftnetworks.com.au)

P: +61 (8) 6103 7595

Swift Chief Executive Officer, Xavier Kris, said:

*“By any measure, FY18 has been a successful year for Swift. We have made excellent progress in expanding our customer base beyond our established strength in the resources sector.”*

*“The blue-chip clients Swift has secured in all target markets – resources, offshore energy, aged care, student accommodation and hospitality – have yielded exceptional growth in diverse, scalable, recurring earnings.”*

*“Our balance sheet is now debt-free and the Company is equipped with the flexibility to continue to deliver profitable growth. We look forward to delivering Swift’s service both directly and through our partner network to an ever-increasing customer base in FY19.”*

**For more information, please contact:**

**Xavier Kris**

Chief Executive Officer

+61 8 6103 7595 / investor@swiftnetworks.com.au

**Tim Dohrmann**

Investor and Media Relations

+61 468 420 846 / tim@nwrcommunications.com.au

**About Swift Networks Group Limited**

**Swift Networks Group Limited (ASX: SW1)** Swift Networks Group is a diversified telecommunications, content and advertising solutions provider. Swift empowers guests to watch, play, connect and interact and provides accommodation providers with meaningful insights and opportunities to drive new business.

Swift delivers customised content, communications and targeted advertising across secure closed networks. Swift’s services include free-to-air television, pay television, telecommunications, video on demand with content from some of Hollywood’s largest studios, integrated advertising and analytics.

Running in more than 330 sites (approximately 65,000 rooms) 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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