

Appendix 4E

Preliminary Final Report

Name of entity

Swift Networks Group Limited and its controlled entities ("the Group")

ACN

006 222 395

Reporting Period

Year ended 30 June 2018

Previous Corresponding Period

Year ended 30 June 2017

Results for announcement to the market

				\$A'000
Revenues from continuing operations	Up	31%	to	22,279
Loss from continuing operations after tax	Up	467%	to	(7,728)
Loss for the year attributable to members	Up	467%	to	(7,728)
Dividends (distributions)	Amount per security		Franked amount per security	
Final and interim dividend	None		- ¢	
Record date for determining entitlements to the dividend	N/A			

Commentary on the results for the year

The consolidated net loss after tax for the Group is \$7,728,812 (2017: loss of \$1,364,198).

In 2018 the Group achieved an operating revenue of \$22,279,804 (2017: \$17,005,143) which represents growth of 31% year on year. Swift's annualised contracted (recurring) revenue increased 44% year-on-year to \$15.7 million. The Group successfully implemented a reseller and partnership strategy in FY18 which delivered 43% of Swift's new sales during the year, with this expected to accelerate further in FY19.

In 2018 the Group continued to deliver strong earnings growth delivering underlying non IFRS Earnings Before Interest, Tax, Depreciation Amortisation (“EBITDA”) of \$2,694,814. A reconciliation of EBITDA is provided below:

	A\$	Description
Net loss after tax	(7,728,812)	Refer to accounts
Income tax expense	169,253	Refer to accounts
Interest costs (net)	81,382	Refer to accounts
Depreciation and amortisation	2,581,170	Refer to accounts
Fair valuation loss on financial liability	5,683,333	Non-cash year end adjustment to the fair value of financial liabilities in respect to various performance shares
Share based payments	1,715,492	Share based payments issued to the executive management team
Other expenses	192,996	Acquisition related integration and restructuring costs
Underlying EBITDA	2,694,814	

*EBITDA is non IFRS financial information

The Company’s cash balance at 30 June 2018 was \$3,201,819 with the Company recorded cash receipts of \$20,803,518, a 29% increase year on year. Cash receipts have now grown every quarter since listing on the ASX in June 2016.

The record cash generation allowed the Company to fully repaid ahead of schedule its Commercial Advance Facility held with Bankwest from existing cash reserves. Swift had taken out this facility in July 2017 to part-fund its acquisition of Video on Demand. Having repaid this, Swift is debt free and well-funded to support immediate growth plans.

In addition, Bankwest increased an existing multi-option working capital facility from \$865,000 to \$3,000,000. This undrawn facility will allow Swift to accelerate growth as opportunities arise.

Events Since the End of the Financial Year

There have been no significant events since the end of the financial year.

OTHER APPENDIX 4E INFORMATION

1. NTA backing

	30 June 2018	30 June 2017
Net tangible asset backing per ordinary share	(\$0.048)	(\$0.006)

2. Dividends

There were no dividends declared during the year and the directors do not recommend that any dividend be paid.

3. Dividend reinvestment plans

N/A.

4. Details of entities over which control has been gained or lost during the period

The following acquisitions was completed on 31 August 2017:

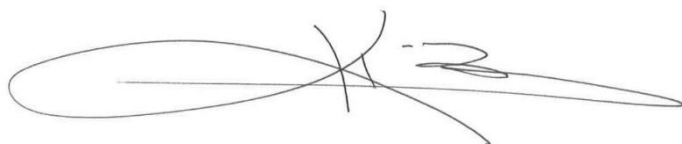
- Movie Source Pty Ltd and VOD Pty Ltd

5. Details of associates and joint ventures

The carrying value of interests in associated entities is nil.

6. Audit

The attached Annual Report has been prepared in accordance with the Australian Accounting Standards issued by the Australian Accounting Standards Board and has been based on accounts that have been audited. Please refer to the Independent Audit Report contained in the Annual Report.



Sign here:

Date: 31 August 2018

(Director)

Print name: Xavier Kris