

ASX ANNOUNCEMENT

31 October 2024

ASX:SW1



Swift Q1 Activity Report and Appendix 4C

Swift is pleased to announce the Activities Report and Appendix 4C Cash flow Report for the quarter ended 30 September 2024.

Q1 Highlights

- **\$2.0m cash balance at 30 September 2024 plus \$235,000 of term deposits.**
- **\$4.9m of customer receipts during the period leading to operational cashflows after interest of \$0.4m.**
- **\$1.0m in new Swift Access contracts announced with Iluka Resources.**
- **New Aged Care contracts with St Agnes Catholic Parish and Rosewood Care Group.**
- **Swift launched its next generation of Swift Access.**

Cash Flow Summary

	Q1	YTD
	\$ million	\$ million
Opening Cash	1.8	1.8
Cash from operations		
Cash from ongoing operations	0.6	0.6
Interest Payments	(0.2)	(0.2)
Cash from investing		
Product Enhancement - R&D	(0.3)	(0.3)
Property, Plant and Equipment Purchase	0.0	0.0
Proceeds from sale of MXO shares	0.1	0.1
Cash from financing		
Finance - lease payments	0.0	0.0
Closing Cash	2.0	2.0



ASX ANNOUNCEMENT

31 October 2024

ASX:SW1



Operations

Contract Wins

Swift secured contracts across both Mining and Aged Care target markets during the period:

- **Iluka Resources** - \$1.0m in new contracts including an installation and subscription agreement to provide Swift Access to Iluka's Cataby site for 36 months. Swift also signed a Swift Access subscription contract for 36 months for Iluka's Eneabba mine site. The contract includes the provision of product support by Swift's highly skilled 24/7 Technical Support teams.
- **St Agnes Catholic Parish** – Swift signed an agreement with St Agnes Catholic Parish to bring our Swift Access solution to 120 resident and common area screens at their Emmaus Residential Care facility. This agreement for a 48-month term also includes the provision of Live Streaming services, allowing St Agnes to stream church services and communal events to residents in their rooms.
- **Rosewood Care Group** – Rosewood's recently upgraded its Leederville facility with Swift Access on a 36-month contract across its 124 resident rooms and common areas.

Swift continues to see increased engagement from potential customers in both its target markets of Mining and Aged Care on the back of increased sales and marketing presence within both sectors.

Within the period Swift's delivery teams completed project works at Atlas Iron's Sanjiv Ridge and Mt Webber sites, Iluka's Eneabba site, Pilbara Minerals Carlindi site, Mineral Resources Onslow Construction site and in Aged Care at St Andrews Byron Bay and Ballina facilities.

Swift Access 2025 Product Launch

Swift officially launched its next generation of Swift Access to its core sectors in Mining and Aged Care. Supported by a highly targeted B2B marketing campaign launched in late September across digital and trade publications, with an official launch to the Aged Care sector at the largest industry event, ACCPA National.

The new Swift Access for the Aged Care sector incorporates significant updates to the user experience to improve accessibility, support third-party integrations to align with the recently published government Aged Care Data and Digital strategy, align with the new strengthened Aged Care Quality Standards, and support Providers in governance and compliance. The updates incorporate unique features and tools that differentiate it from alternatives and position Swift as a product designed specifically for the needs of all stakeholders in the sector.



ASX ANNOUNCEMENT

31 October 2024

ASX:SW1



The new Swift Access for the Mining, Oil and Gas sector also incorporates significant updates to the user interface and experience, setting a new standard for B2B village entertainment solutions.

This next generation of Swift Access is also a key milestone within Swift's product roadmap, as it builds the foundation required to progress development towards the next-generation product that will support Swift's plans for growth through expansion into adjacent markets in sectors and entry into new markets.

Cash Flow Commentary

Cash receipts during the quarter totalled \$4.9 million, an increase of \$0.3 million over Q4 receipts (Q4: \$4.6 million). During the quarter \$4.5 million was spent on operating costs including \$2.3 million to deliver revenues during the quarter, staff costs of \$1.6 million, administration and corporate costs of \$0.4 million and net interest expenses of \$0.2 million. Net Cash gained from operating activities for the June quarter totalled \$0.4 million.

Net cash used in investing activities was \$0.2 million attributable to internal product development for the next generation of Swift Access of \$0.3 million, offset by \$0.1m received during the period for the sale of the last remaining MXO shares.

Net cash used in financing activities for the current quarter consisted of \$51,000 for office/facility leases.

Related party payments for the quarter were \$135,000, comprising director fees, wages and superannuation for Executive and Non-Executive directors.

Q2 Outlook

Swift will continue to deliver upon its contracted revenue in both Mining and Resources and Aged Care sectors to ensure subscription revenues can be recognised as soon as possible. As outlined above, Swift recently sponsored the National ACCPA conference in Adelaide. With significant interest in Swift Access, Q2 will see a concentrated follow up of potential customers by our sales and marketing teams. Product development work will continue to be a key focus of the business for the remainder of the Financial Year, as development of our next generation product suite is prioritised to commercialise these products as soon as possible.

The following graphs represent subscription growth of Swift Access since its launch. Swift continues to focus on project work which leads to increased subscription revenues.



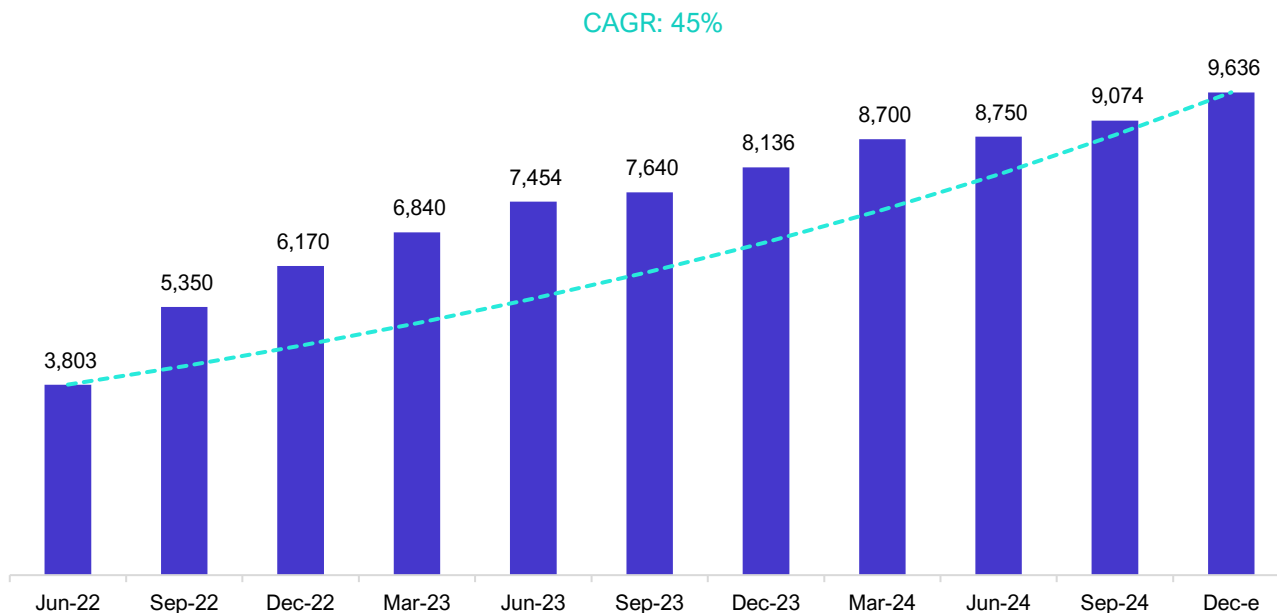
ASX ANNOUNCEMENT

31 October 2024

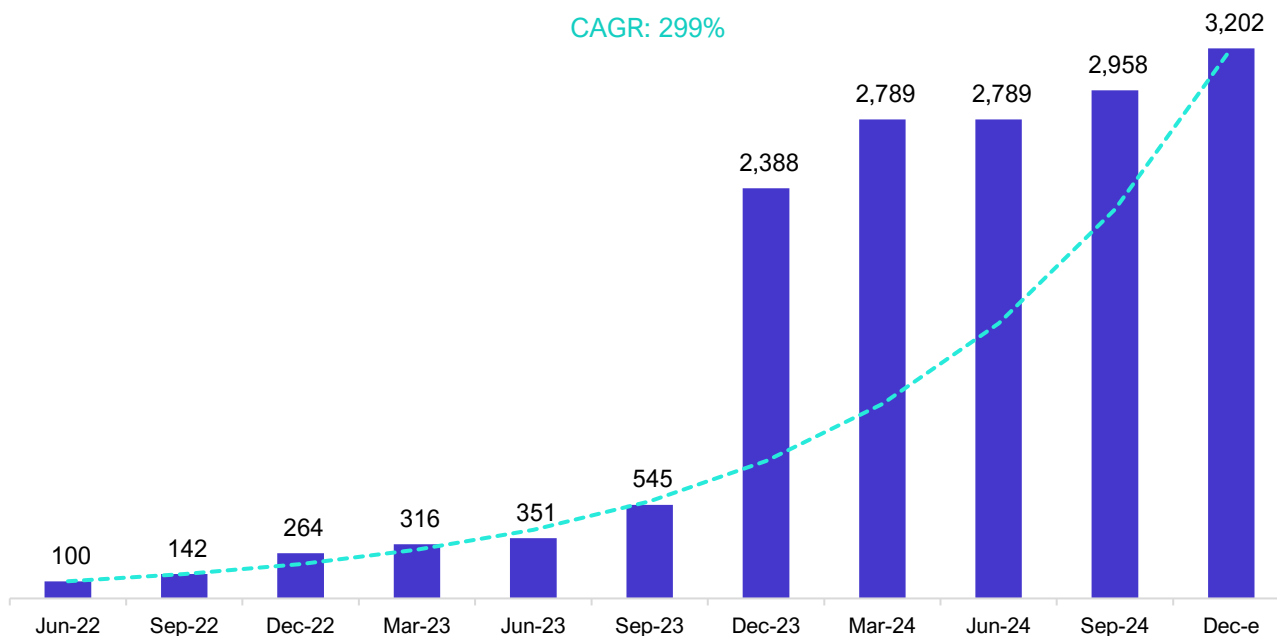
ASX:SW1



Swift Access - Mining



Swift Access - Aged Care



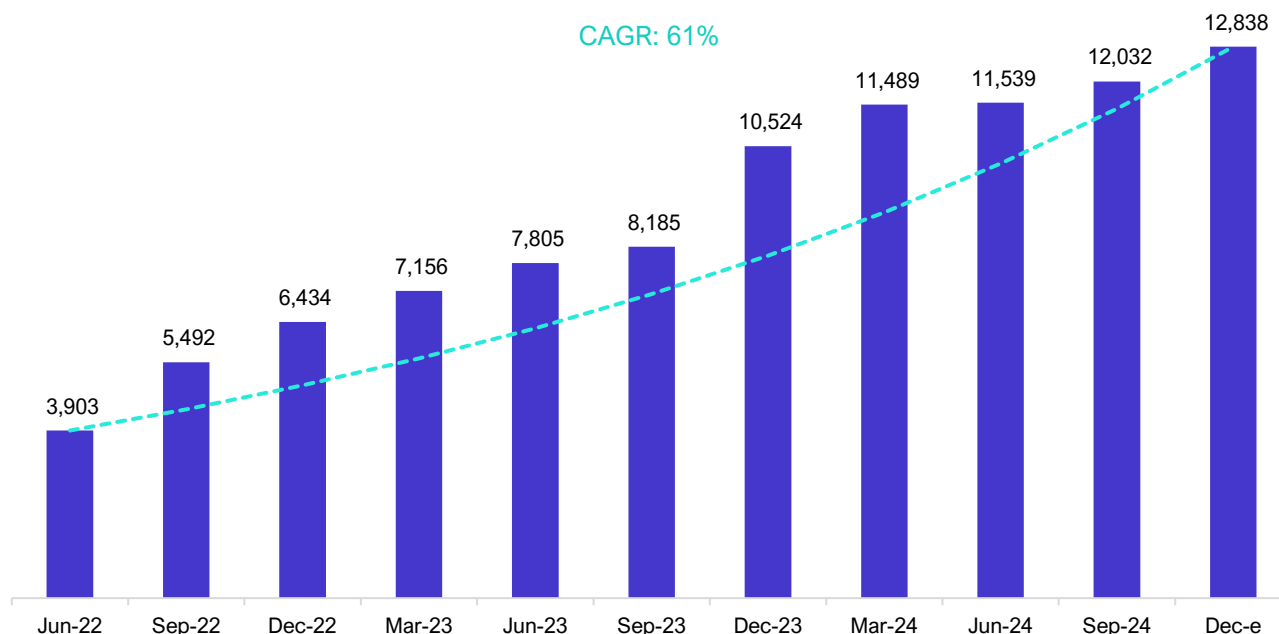
ASX ANNOUNCEMENT

31 October 2024

ASX:SW1



Swift Access - Total



About Swift

Swift is a specialist technology company delivering a premium entertainment and engagement platform powered by proprietary technology and network infrastructure. Swift provides an end-to-end solution, including consulting, design, and installation services. Swift's solution has been developed specifically for communities with significant benefits to be achieved by all stakeholders via offering tailored solutions, including Mining and Resources, Residential Aged Care, Retirement Living, Government, and other sectors. Swift entertains, engages, and enables the development of communities.

This announcement was approved and authorised for release by the Swift Board.

For more information, please contact:

Brian Mangano

CEO & Managing Director

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

Swift Investor Hub <http://investor.swiftnetworks.com.au/>



Name of entity		
Swift Networks Group Limited		
ABN		Quarter ended ("current quarter")
54 006 222 395		30-Sep-24

Consolidated statement of cash flows		Current quarter	Year to date
		\$A'000	(3 months) \$A'000
1	Cash flows from operating activities		
1.1	Receipts from customers	4,905	4,905
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(2,328)	(2,328)
	(c) advertising and marketing	(21)	(21)
	(d) leased assets	-	-
	(e) staff costs	(1,571)	(1,571)
	(f) administration and corporate costs	(353)	(353)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(194)	(194)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (includes restructuring costs)	-	-
1.9	Net cash from operating activities	438	438

2	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(5)	(5)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets (product enhancement)	(320)	(320)
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (proceeds from sale of held-for-sale MXO shares)	126	126
2.6	Net cash used in investing activities	(199)	(199)

Consolidated statement of cash flows			Year to date (3 months) \$A'000
		\$A'000	
3	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Loan to key management personnel	-	-
3.9	Repayment of leases	(51)	(51)
3.1	Net cash used in financing activities	(51)	(51)

4	Net increase in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,846	1,846
4.2	Net cash from operating activities (item 1.9 above)	438	438
4.3	Net cash used in investing activities (item 2.6 above)	(199)	(199)
4.4	Net cash used in financing activities (item 3.10 above)	(51)	(51)
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	2,034	2,034

5	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,034	1,846
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,034	1,846

6	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	135
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Payments to directors for wages and entitlements totaled \$135k</i>		

Consolidated statement of cash flows			Year to date (3 months) \$A'000
7	Financing facilities Note: the term "facility" includes all forms of financing Add notes as necessary for an understanding of the sources of	Total facility amount \$A'000	Amount drawn at \$A'000
7.1	Loan facilities	7,424	7,424
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities	7,424	7,424
7.5	Unused financing facilities available at quarter end		
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>Facility: \$7.4 million secured Lender: Pure Asset Management Maturing: September 2025 Interest rate: 9.5% per annum, payable quarterly</p>		

8	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from operating activities (item 1.9)	438
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,034
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	2,034

8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
	8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
	8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	
	8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer:	
	Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply
- 2 This statement gives a true and fair view of the matters disclosed.

31-Oct-24

Date:

Board of Directors

Authorised by:

(Name of body or officer authorising release – see note 4)

Notes:

- 1 This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- 2 If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
- 3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
- 4 If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
- 5 If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.