

## ASX ANNOUNCEMENT

28 January 2025

ASX:SW1



# Swift Q2 Activity Report and Appendix 4C

Swift is pleased to announce the Activities Report and Appendix 4C Cash flow Report for the quarter ended 31 December 2024.

## Q2 Highlights

- **\$2.0m cash balance at 31 December 2024 plus \$235,000 of term deposits.**
- **\$4.7m of customer receipts during the period leading to operational cashflows after interest of \$0.3m.**
- **\$740k in new Swift Access contracts announced with Iluka Resources.**
- **New Aged Care contracts with Christadelphian Aged Care and HammondCare.**
- **Swift commences development of new Swift Concierge feature for its Swift Access product in response to new Aged Care legislation.**
- **\$1.5m R&D tax refund received subsequent to end of quarter, in January 2025.**

## Cash Flow Summary

	Q1	Q2	YTD
	\$ million	\$ million	\$ million
<b>Opening Cash</b>	<b>1.8</b>	<b>2.0</b>	<b>1.8</b>
<b>Cash from operations</b>			
Cash from ongoing operations	0.6	<b>0.5</b>	1.1
Interest Payments	(0.2)	<b>(0.2)</b>	(0.4)
<b>Cash from investing</b>			
Product Enhancement - R&D	(0.3)	<b>(0.3)</b>	(0.6)
Property, Plant and Equipment Purchase	0.0	<b>0.0</b>	0.0
Proceeds from sale of MXO shares	0.1	<b>0.0</b>	0.1
<b>Cash from financing</b>			
Finance - lease payments	0.0	<b>0.0</b>	0.0
<b>Closing Cash</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>



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## Operations

### Contract Wins

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

- **Iluka Resources** – Swift announced during the period a \$740k contract award for an installation and subscription agreement to provide Swift Access to Iluka's Balranald site for 36 months. The contract includes the provision of product support by Swift's highly skilled 24/7 Technical Support teams. Swift remains the provider of choice with Iluka, with Balranald being the third Iluka site to receive Swift Access. Swift looks forward to supporting Iluka's future growth plans.
- **Christadelphian Aged Care** – Swift signed an agreement with Christadelphian Aged Care to bring our Swift Access solution to their Ashburn House Care facility. This agreement is for a 12-month term to showcase Swift Access to Christadelphian Aged Care Ashburn House team with a view to upgrading all four of Christadelphian's Residential Aged Care homes in Sydney and Brisbane at a later date.
- **HammondCare**– Through Swift's partners Hubify Limited (ASX:HFY), Swift signed an agreement for HammondCare's Sinclair Cottage facility. Swift now provides its Swift Access product across 15 HammondCare facilities.

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

Within the quarter Swift's delivery teams completed project works at Iluka's Cataby site, Atlas Iron's Abydos Camp, BHP's Carrapateena camp and in Aged Care at St Agnes – Emmaus facility and Hammondcare's Sinclair Cottage facility.

### Swift Concierge and Swifts response to new HELF in Aged Care

From 1 July 2025, Higher Everyday Living Fees (HELF) will replace the Extra Services (ESS) and Additional Services (AS) framework under the new Aged Care Act. Research by Pride Aged Living Consultancy indicates that this transition will impact at least 41% of providers, with 89% identifying revenue from Additional Services as critical to financial stability.

In response to these industry changes Swift has accelerated the development of ordering functionality feature for the Swift Access platform. Swift Concierge provides a strategic opportunity for Aged Care providers to drive revenue and enhance value under the HELF framework by:

- Expanding 'opt-in' service packages with Premium Entertainment offerings.
- Enabling residents to seamlessly purchase services via Swift Access TV, including food, drink, excursions, appointments (hairdressing, GP) etc.
- Facilitate families and friends in purchase goods and services for their loved ones in care via the connected Swift app, unlocking new revenue streams for providers.



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- Strengthen communication tool for families to not only share pictures and videos but added ability to access and update their loved one's calendar to manage free and paid activities plus appointments.

This innovative feature allows providers to capitalise on the evolving aged care landscape while maintaining competitive and sustainable revenue growth. Swift Access therefore becomes a means for revenue generation for Aged Care providers as opposed to an additional cost.

### Cash Flow Commentary

Cash receipts during the quarter totalled \$4.7 million, cash receipts were slightly lower than the prior period, relating to fluctuations in receipts for project work (Q1: \$4.9 million). During the quarter \$4.4 million was spent on operating costs including \$2.1 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 December quarter totalled \$0.3 million.

Net cash used in investing activities was \$0.3 million attributable to internal product development for the next generation UI/UX of Swift Access of \$0.3 million.

Net cash used in financing activities for the current quarter consisted of \$52,000 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.

### Q3 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 has moved quickly to respond to the new HELF Aged Care legislation to be implemented from 1<sup>st</sup> July 2025. Swift's new Concierge functionality is aimed at becoming a must have practical solution for Aged Care providers to generate revenues and enhance family communication and engagement of their loved ones in Aged Care. Product development will continue for Swift Concierge and the next generation of Swift Access as a priority to commercialise these new features as soon as possible. Swift has received a \$1.5m R&D tax refund in Q3 and utilised a portion of funds received via its R&D refund to reduce general and supplier liabilities.

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.



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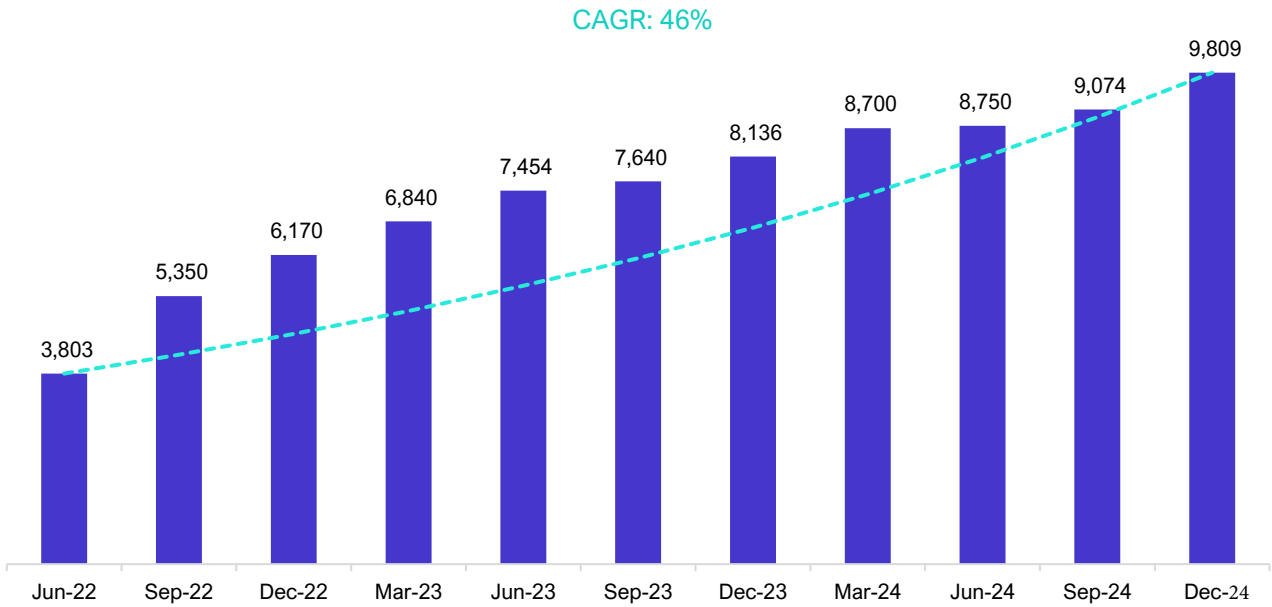
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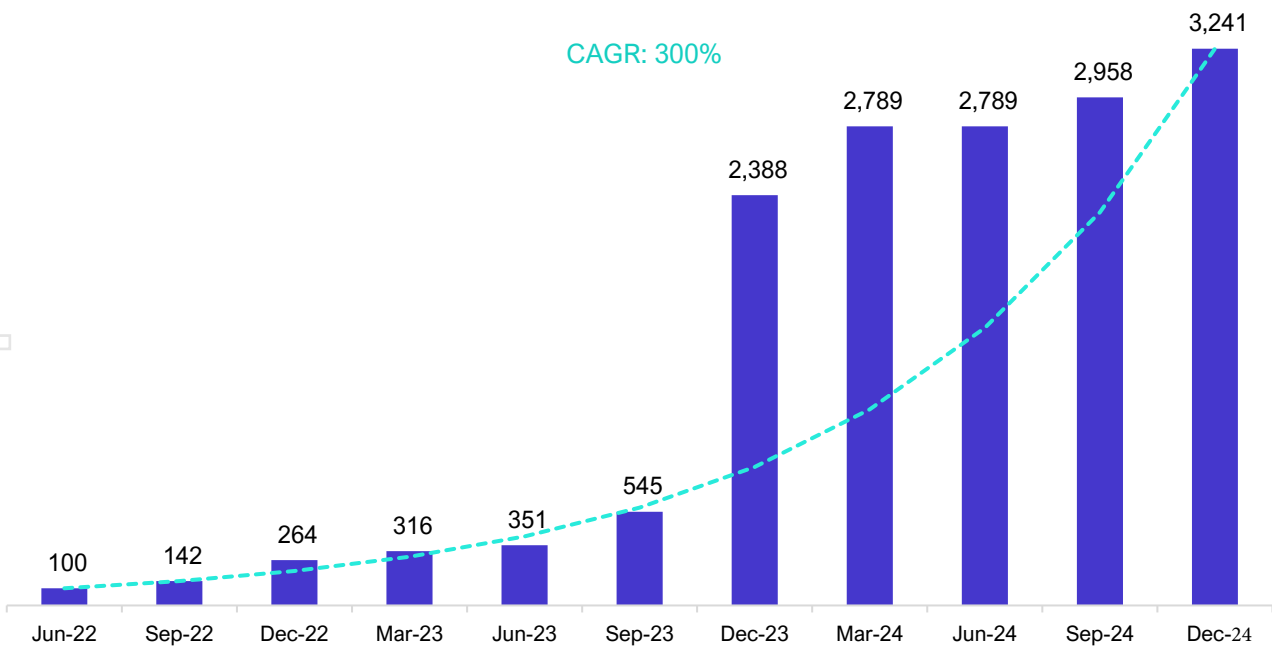


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## Swift Access - Mining



## Swift Access - Aged Care



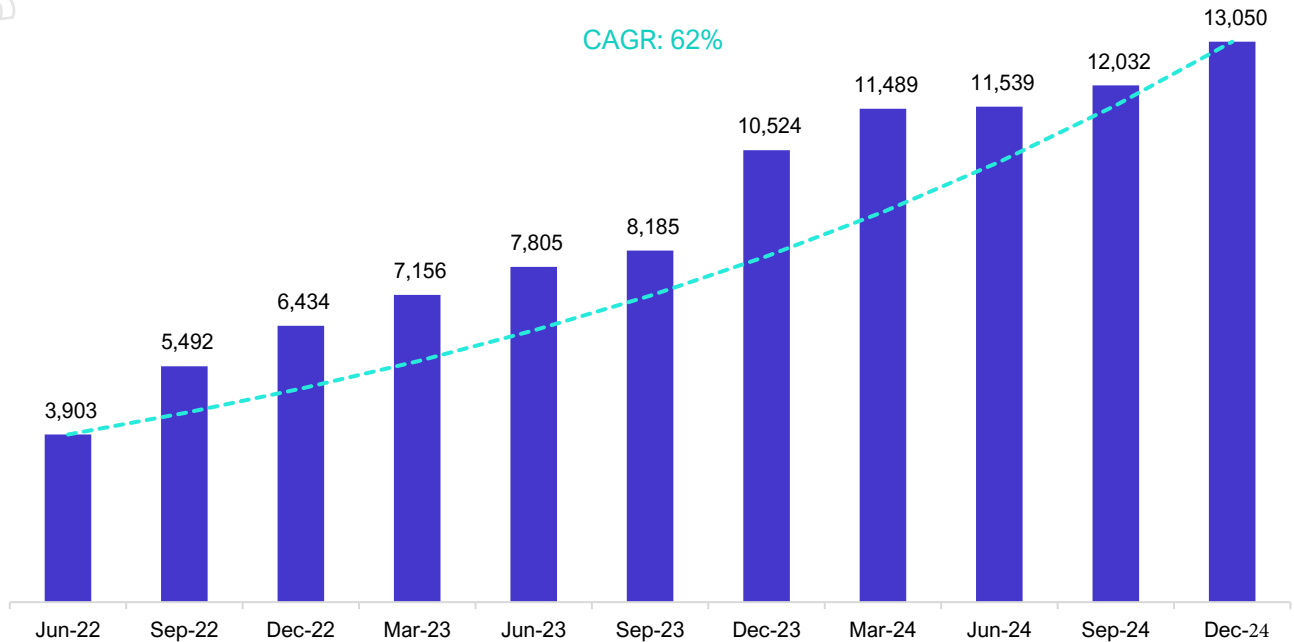
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Swift Access - Total



## 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:

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



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<b>Name of entity</b>		
Swift Networks Group Limited		
<b>ABN</b>		<b>Quarter ended ("current quarter")</b>
54 006 222 395		31-Dec-24

<b>Consolidated statement of cash flows</b>		<b>Current quarter</b>	<b>Year to date</b>
		<b>\$A'000</b>	<b>(6 months)</b>
			<b>\$A'000</b>
<b>1</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	4,705	9,610
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(2,119)	(4,447)
	(c) advertising and marketing	(46)	(67)
	(d) leased assets	-	-
	(e) staff costs	(1,643)	(3,214)
	(f) administration and corporate costs	(396)	(749)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	4	4
1.5	Interest and other costs of finance paid	(187)	(381)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (includes restructuring costs)	-	-
<b>1.9</b>	<b>Net cash from operating activities</b>	<b>318</b>	<b>756</b>

<b>2</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(12)	(17)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets (product enhancement)	(320)	(640)
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
<b>2.6</b>	<b>Net cash used in investing activities</b>	<b>(332)</b>	<b>(531)</b>

Consolidated statement of cash flows			Year to date (6 months) \$A'000
		\$A'000	\$A'000
<b>3</b>	<b>Cash flows from financing activities</b>		
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	(52)	(103)
<b>3.1</b>	<b>Net cash used in financing activities</b>	<b>(52)</b>	<b>(103)</b>

<b>4</b>	<b>Net increase in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	<b>2,034</b>	<b>1,846</b>
4.2	Net cash from operating activities (item 1.9 above)	<b>318</b>	<b>756</b>
4.3	Net cash used in investing activities (item 2.6 above)	<b>(332)</b>	<b>(531)</b>
4.4	Net cash used in financing activities (item 3.10 above)	<b>(52)</b>	<b>(103)</b>
4.5	Effect of movement in exchange rates on cash held		
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,968</b>	<b>1,968</b>

<b>5</b>	<b>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</b>	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,968	1,846
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,968</b>	<b>1,846</b>

<b>6</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
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	

*Payments to directors for wages and entitlements totaled \$135k*

Consolidated statement of cash flows			Year to date (6 months) \$A'000
<b>7</b>	<b>Financing facilities</b> Note: the term "facility" includes all forms of financing Add notes as necessary for an understanding of the sources	<b>Total facility amount \$A'000</b>	<b>Amount drawn at \$A'000</b>
7.1	Loan facilities	7,424	7,424
7.2	Credit standby arrangements		
7.3	Other (please specify)		
<b>7.4</b>	<b>Total financing facilities</b>	<b>7,424</b>	<b>7,424</b>
<b>7.5</b>	<b>Unused financing facilities available at quarter end</b>		
7.6	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.		
	Facility: \$7.4 million secured Lender: Pure Asset Management Maturing: September 2025 Interest rate: 9.5% per annum, payable quarterly		

<b>8</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from operating activities (item 1.9)	<b>318</b>
8.2	Cash and cash equivalents at quarter end (item 4.6)	<b>1,968</b>
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	<b>1,968</b>

8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	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.	

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## 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.

28-Jan-25

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.

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