

H1 FY24 Results Presentation.

The Swift logo is a circular emblem with a blue-to-purple gradient. The word "swift" is written in a white, lowercase, sans-serif font across the center of the circle. A thin, light blue arc is visible in the background, curving around the top and right sides of the logo.

swift

Brian Mangano CEO
Ryan Sofoulis CFO

28 February 2024



H1 FY24 Financial Highlights.



Revenue
\$9.5m

Enterprise
EBITDA
\$1.4m

Group
EBITDA
\$0.9m

Subscription
Revenue
\$7.0m

Swift
Access
sales
CAGR
85%

Cash
Position
\$2.5m

▲ 125%

Strong results driven by trend toward higher margin products

We deliver.

Swift delivers truly customer-centric end-to-end solutions by transforming the Television from a passive entertainment device into an interactive experience at the heart of any community.

The Swift Access device can take any TV beyond the “Smart” TV of today to the next level – “**Smarter than a Smart TV**”



Entertain Engage Enable

Better than at home. **Content** specifically curated for the **Mining** and **Aged Care** sectors.
[+ more](#)

Customisable **personalised** communications. Features and tools to improve inclusivity and belonging. Facility **integration**.
[+ more](#)

ICT services, network **infrastructure** and **support**. Product adaptations for accessibility and inclusivity. State of the art user interface.
[+ more](#)

Our products.

Swift's **Entertain-Engage-Enable** come to life with Swift Access across different managed communities

Mining.

Create a **resort style** experience

Powered by proprietary **low bandwidth** technology

Easy-to-use **content management** system for site and company information

Ability to interrupt viewing to **deliver alerts and messages**

Specialist content to support mental health and wellbeing in a physically isolated environment



Aged Care.

Create a **personalised** experience

Platform to **share** information and **build community** to reduce emotional isolation

Unique features and tools for **inclusivity** and communication

Specialist **content curated** for residential aged care



Results summary.



\$ millions	H1 FY24	H1 FY23	%
Subscription Revenue	7.0	6.9	1%
Project Revenue	2.5	2.7	(7%)
Total Revenue	9.5	9.6	(1%)
Operating Expenses (Enterprise)	(8.1)	(8.7)	7%
Corporate Expenses (Listing costs)	(0.5)	(0.5)	-
EBITDA	0.9	0.4	125%
Corporate Expenses (add back)	0.5	0.5	-
Enterprise EBITDA	1.4	0.9	56%

Key points.

- EBITDA up 125% against prior corresponding period.
- Subscription revenue is influenced by the following factors:
 - Movement in product mix balance from largely reselling Foxtel entertainment only package.
 - Increase in Swift Access screen sales which drives margin improvement due to lower direct cost of sales.
 - Lead time between Swift Access sale and Subscription revenue generation.
 - Client site scheduling for system installation work.
 - New SaaS Aged Care Engagement (ACE) Subscription will deliver significant margin improvement.
- FY24 H1 project revenue is down 7% due to client timing of installation activities and delays of general communications upgrade work within some sections of the Mining sector as a result of commodity pricing.
- Operating margins/costs improved by \$600,000 for the half.
- FY24 H1 Enterprise EBITDA \$1.4 million for the half continues to demonstrate the potential profitability of the underlying business.
- Operating overheads remained low, even with additional inflationary cost pressures on the business.

EBITDA (earnings before interest, income tax expense, depreciation and amortisation) is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit/(loss) under AAS which has been adjusted to eliminate the effects of tax, depreciation and amortisation, fair value adjustments, impairment expenses, loss on disposal of assets and other one-off items including restructuring costs. In the prior year.

Balance sheet.



\$ millions	31 December 2023	30 June 2023
Cash	2.5	2.1
Receivables	2.5	3.2
Inventory	0.7	1.5
Other current assets	0.7	0.6
Total current assets	6.4	7.4
Intangible assets	2.6	2.4
Other non-current assets	1.2	1.7
Total non-current assets	3.8	4.1
Total assets	10.2	11.5
Trade and other payables	5.7	6.2
Other current liabilities	2.3	2.9
Total current liabilities	8.0	9.1
Non-current borrowings	6.4	6.4
Other non-current liabilities	1.6	1.7
Total non-current liabilities	8.0	8.1
Total liabilities	16.0	17.2
Net assets	(5.8)	(5.7)
Total equity	(5.8)	(5.7)

Key points.

- Cash balance \$2.5 million up 19% from 30 June 2023.
- Reduction in Receivables and Inventory working capital lock up largely offset by reduction in current liability position.
- \$1.1 million improvement to current liability position.
- Intangible assets reflect continuing operations current technological investment.
- \$215,000 investment in ASX listed business.
- \$261,000 reduction in Borrowings and associated costs.
- Total Equity position of the company remains stable.

Cash flow summary.

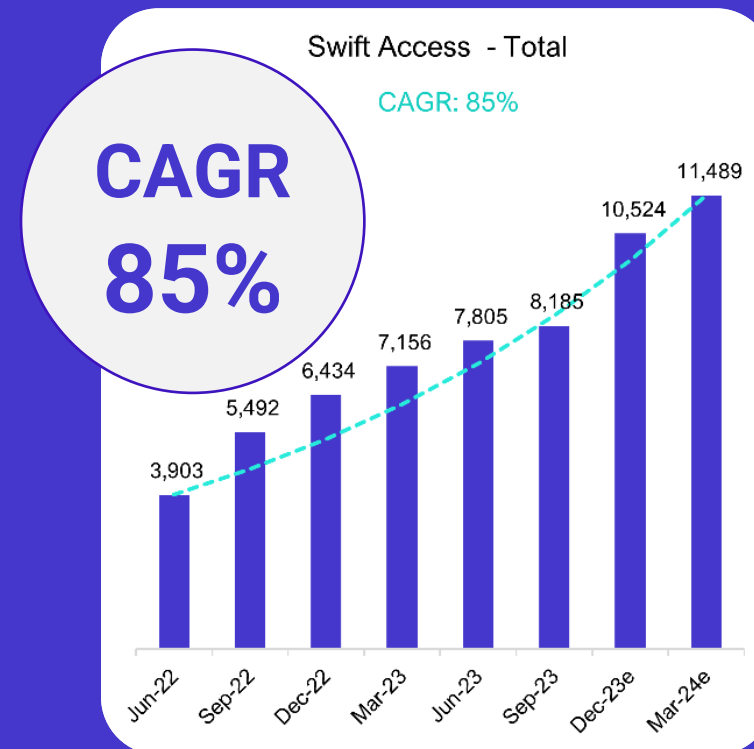
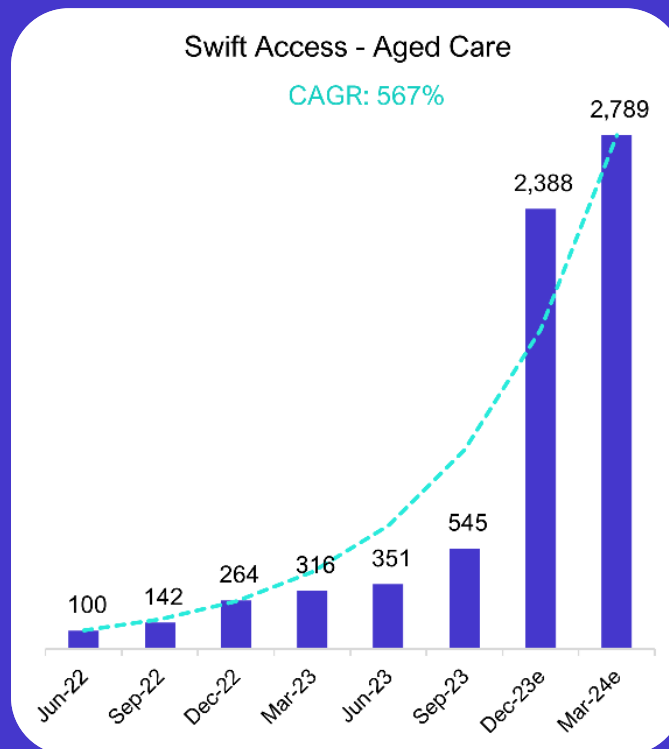
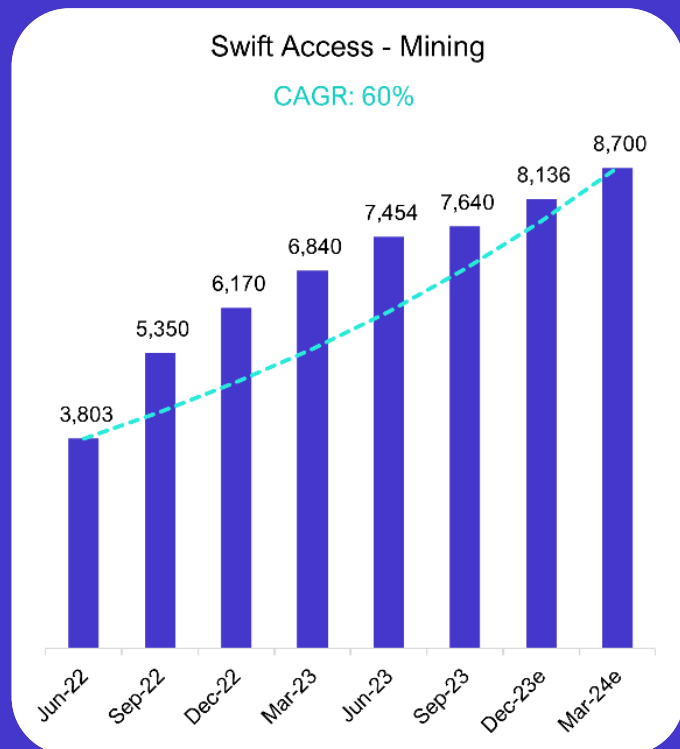


\$ millions	H1 FY24	H1 FY23
Cash receipts from operations	9.6	9.2
Cash payments for operations	(9.6)	(9.5)
Finance costs	(0.4)	(0.5)
Interest received	-	-
Government grants	-	-
R&D income	1.4	-
Cash generated from operations	1.0	(0.8)
Purchase of property, plant and equipment	(0.1)	(0.1)
Product development payments	(0.7)	(0.5)
Proceed from sale of listed shares	0.3	-
Cash used in investing activities	(0.5)	(0.6)
Net proceeds from issue of shares	-	-
Payments for borrowings and costs	-	(0.6)
Repayment of lease liabilities	(0.1)	(0.1)
Cash used for financing activities	(0.1)	(0.7)
Net increase/(decrease) in cash	0.4	(2.1)
Cash at beginning of the period	2.1	3.7
Cash at end of the period	2.5	1.6

Key points.

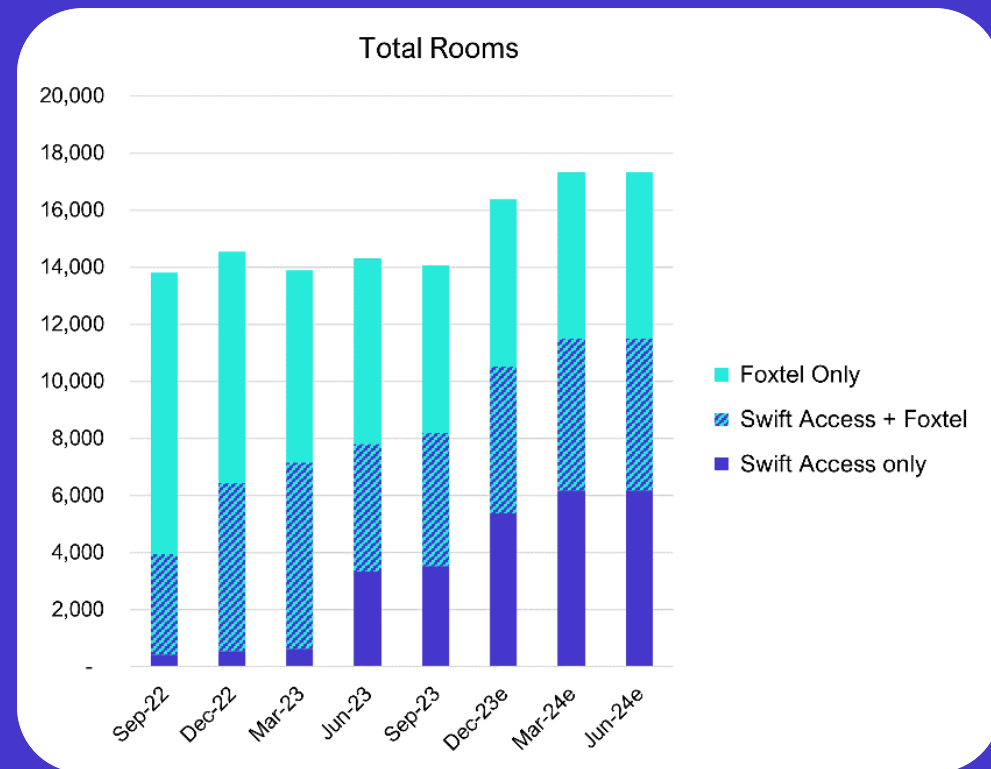
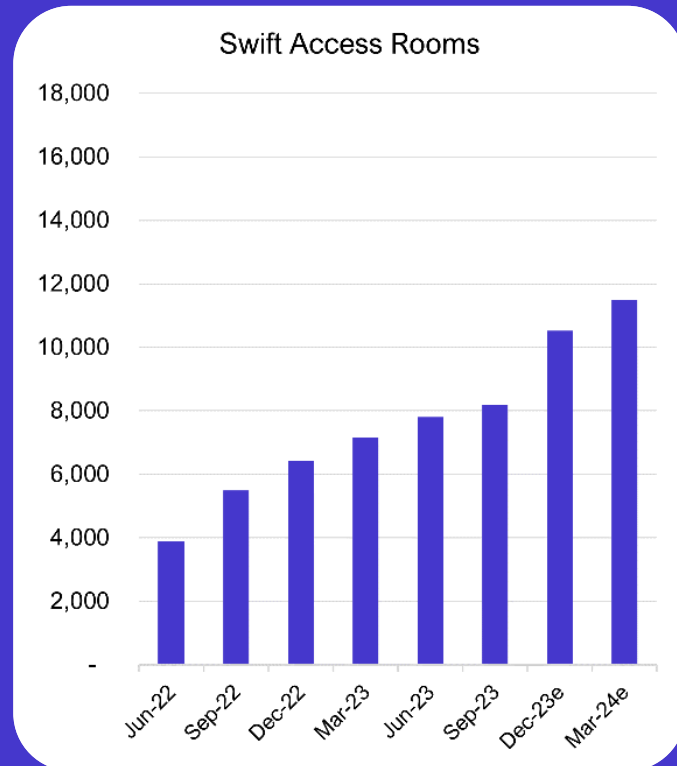
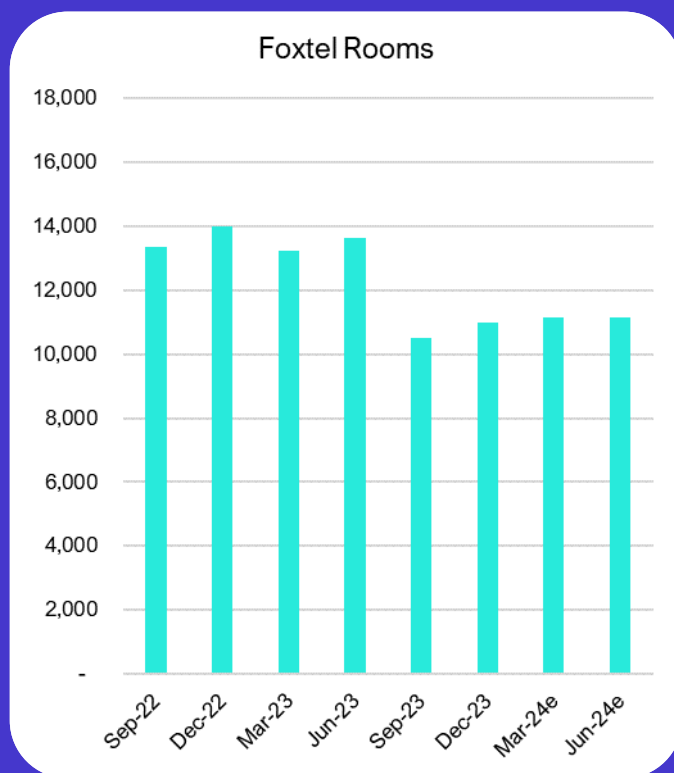
- \$1.0 million cash generated from operations.
- \$1.4 million cash generated from operations before interest.
- Receipts from operations increased by 4% between comparable periods.
- Operational payments remain stable against FY23 despite inflationary pressures.
- Finance costs reduced by 20% from previous corresponding period.
- R&D income of \$1.4 million received during the period.
- Borrowings reduced by \$261,000 through the exercise of warrants by the lender, Pure Asset Management.
- During H1 Swift sold \$300,000 worth of ASX listed Motio shares (MXO). 8.6 million shares currently held at a value of \$215,000.

Swift Access sales.



We are growing Swift Access sales in both our target markets, with Mining sales growing steadily to 7% of the market. Aged Care sales growth is accelerating following the Covid shutdowns as the market responds to new Aged Care Quality Standards/Regulations. Total room sales will continue to grow as new markets are introduced to Swift Access. (CAGR: Compound Annual Growth Rate)

Evolving Product mix.



We are evolving the product portfolio from reselling only Foxtel to many clients, to a combined Swift/Foxtel offering and Swift Access as a stand-alone product.

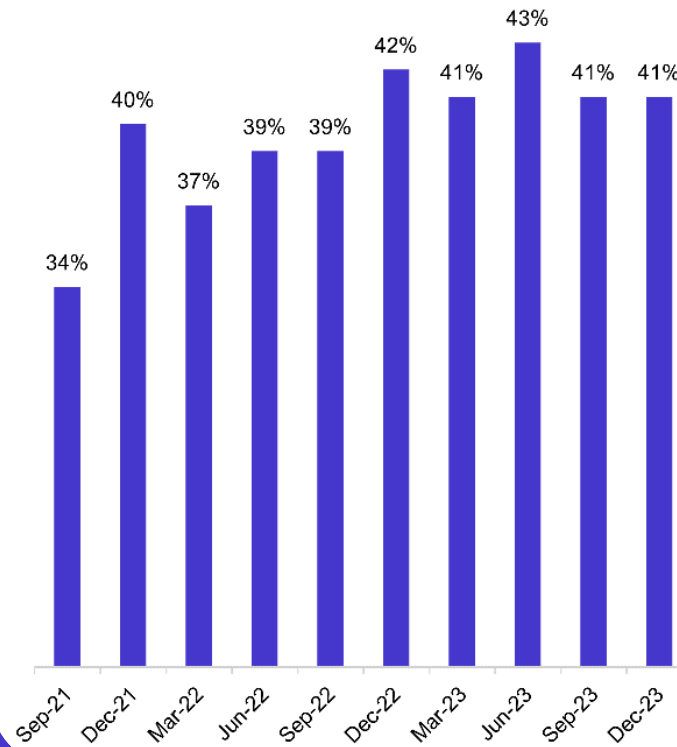
Note: The above room numbers only include new Swift Access rooms contracted since product launch in March 2022, and rooms with Foxtel content provisioned. Legacy Swift systems and content only provision rooms are not included.

Margin Improvement.

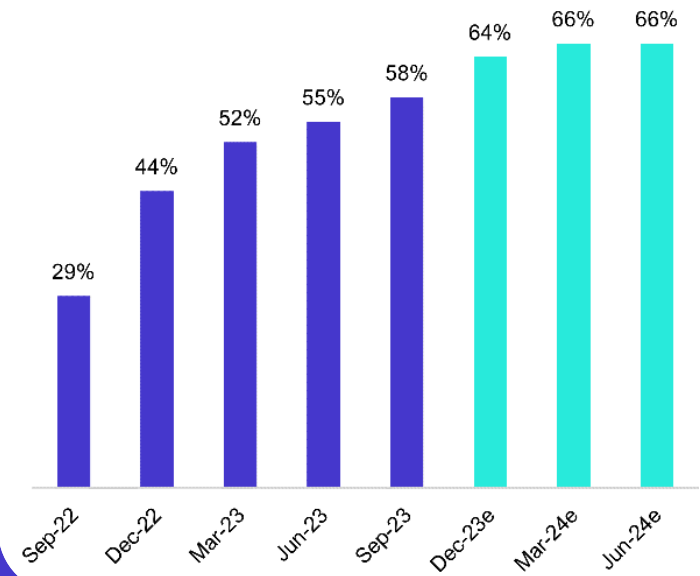


- As Swift Access sales increase to become a larger share of total room sales, Subscription Margin is trending higher.
- We expect the trend to Swift Access to continue.
- Continue to resell Foxtel in conjunction with Swift Access based on client requirements.

Subscription Gross Margin



Swift Access as % of All Rooms



Achievements & Outlook.

S.

H2



Large scale installation of Swift Access in Mining 7% of the market

Margin improved driven by installation of Swift Access

Pure Asset Management exercised warrants with funds applied to reducing debt

Growing Partnerships with Hubify and Checked In Care in Aged Care sector

Invested in brand recognition in Mining and Aged Care

Continued cost discipline throughout H1 FY24

Board and Executive team increase shareholdings through share purchases

Secured multiple new customers in Mining and Aged Care

Grow subscription earnings

Develop ACE platform and second-generation Swift Access platform

Seek further partnership opportunities in both Mining and Aged Care

Secure large provider Aged Care subscription contract for Engagement platform

Continue to secure new multi-year subscription contracts in Mining and Aged Care

Continue to pay down debt

Keep costs down and margins up

Launch Swift Access into new markets



Our clients.

Mining.

Market leaders with significant growth potential
– site expansions and new sites.



Aged Care.

A strong portfolio of Private and Not for Profit Providers.
Also, with potential expansion into Retirement Living portfolio.

Why Invest.



**Swift is a Tech
opportunity
without the
capital
requirements of
a new start-up**

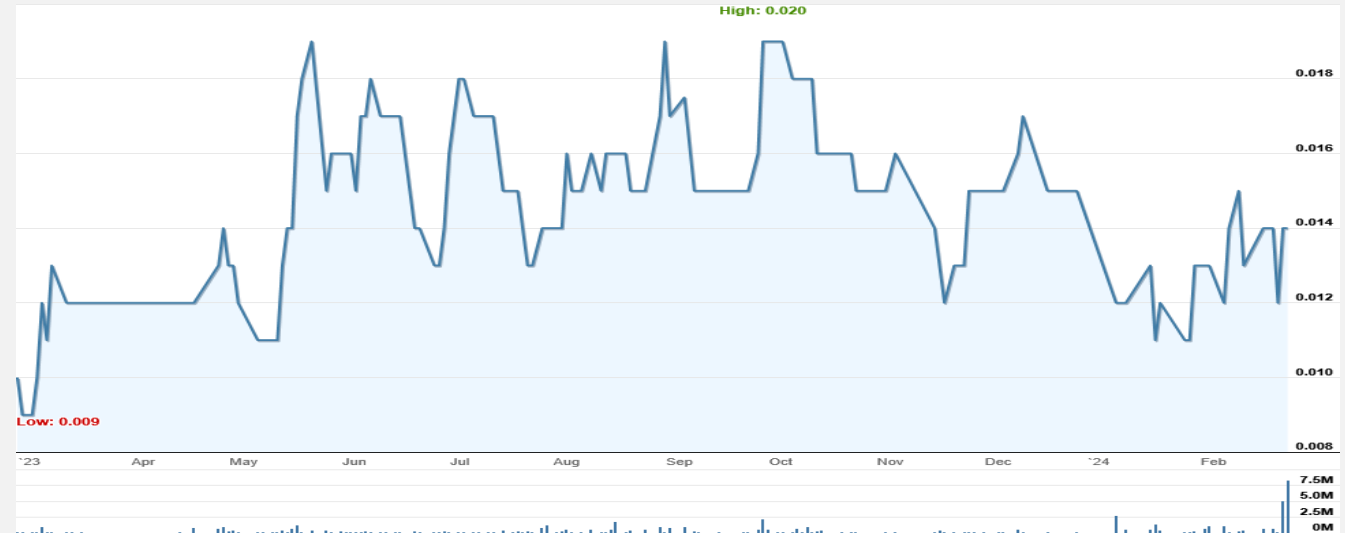
- ✓ Established annual Revenue circa \$20 million
- ✓ Subscription Revenue \$14 million annualised
- ✓ Generating cash from operations
- ✓ Low market cap – 50% of Revenue
- ✓ Turn-around story
- ✓ Swift Access sales compound annual growth rate of 85%
- ✓ Target markets have strong growth outlook
- ✓ Envable customer base (established path to market)
- ✓ Next-gen Swift Access product in development
- ✓ New ACE SaaS offer capturing market share
- ✓ Worldwide market opportunities for ACE SaaS



Corporate.



Capital Structure (ASX: SW1)	
Share price – 27 February 2024	1.4 cps
Shares on issue	647 million
Market Capitalisation	\$9.0 million
Cash - 31 December 2023	\$2.5 million
Debt - 31 December 2023	\$7.4 million
Enterprise Value	\$13.9 million



Board and Management	
Charles Fear	Chairman
Brian Mangano	Managing Director
Pippa Leary	Non-Executive Director
Bradley Dennison	Non-Executive Director
Ryan Sofoulis	Chief Financial Officer
Suzie Foreman	Company Secretary

Major Shareholders	millions
Sofoulis Holdings Pty Ltd	92.1 (14.2%)
JP Morgan Nominees Australia Pty Ltd	59.1 (9.1%)
Sandhurst Trustees Limited	38.8 (6.0%)
Medical Media Investments Pty Ltd	27.6 (4.3%)
Mr Brian Francis Mangano	21.8 (3.4%)
Suetone Pty Ltd	12.0 (1.9%)

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