



swift networks

Investor update July 2018 | ASX: SW1



swift

networks

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Swift Networks Group is a diversified telecommunications, advertising and content solutions provider.

We empower guests to watch, play, connect and interact and provide accommodation providers with meaningful insights and opportunities to drive new business.

Our 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.





swift

networks

*Delivering customised content,
communications and targeted advertising
across secure closed networks.*

Whether it's via satellite to isolated locations or via broadband to luxury accommodation in the city, Swift can deliver the solution.

From planning, installation and support through to bespoke communication requirements and premium content, Swift gives customers control over fixed and portable devices within a private network.

All interaction with the system provides Swift with data on user behaviour. This information is used to generate analytics for the delivery of targeted communications.

Swift's premium content from the world's leading studios plus the customised information systems provide an engagement platform between our clients and their guests.

Currently the Swift system is deployed on 3 continents in the Resources, Maritime, Aged Care, Retirement Living, Hospitality, Health and Government industries.

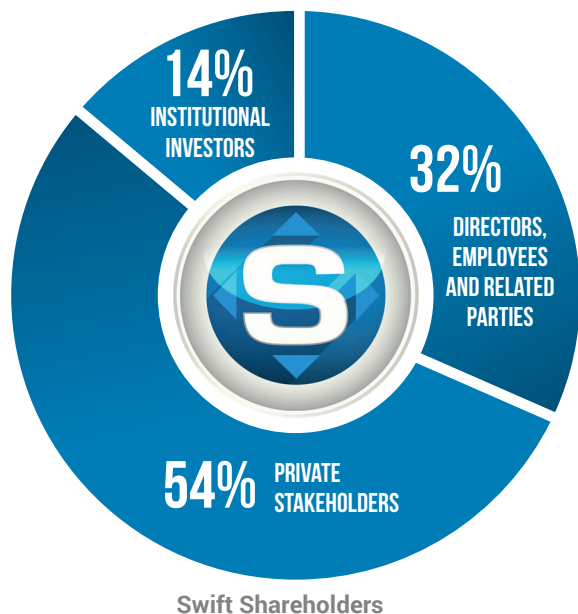


Connecting people to what they want.



swift Networks Group Limited (ASX: SW1)

Carl Clump	Non-Executive Chairman
Xavier Kris	Chief Executive Officer
Paul Doropoulos	Non-Executive Director
Ryan Sofoulis	Executive Director
Robert Sofoulis	Non-Executive Director



Trading Information	30 June 2017	30 June 2018
Share price	\$0.275	\$0.34
Shares quoted on the ASX	51.8m	118.3m
Market Cap (free float)	\$14.2m	\$40.2m
Escrowed Shares	38.4m	2.7m
Performance Shares/Rights	38.1m	35.6m
Options	18.4m	9.2m
Market Cap (fully diluted)	\$40.3m	\$56.4m

Share Price Performance vs Small Industrials Index (30 June 2017 to 30 June 2018)



Smart TV or Set Top Box



Hospitality



Resources



Aged Care

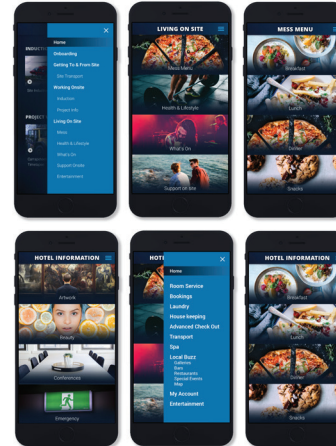
Proprietary remote designed for aged care.

Mobile applications.



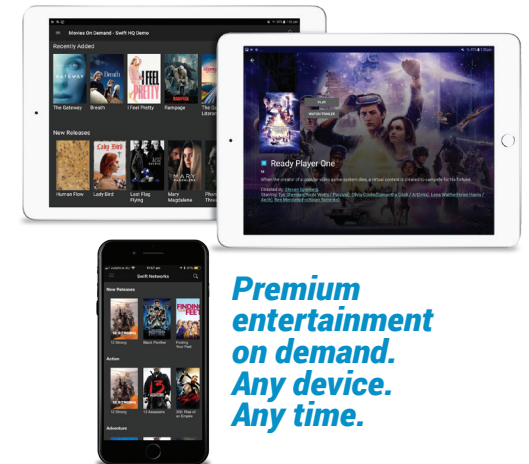
Welcome to **swiftville**

Check in to Swiftville for instant access to menus, location facilities, travel information, special offers, safety alerts and more. Make the most of your stay.



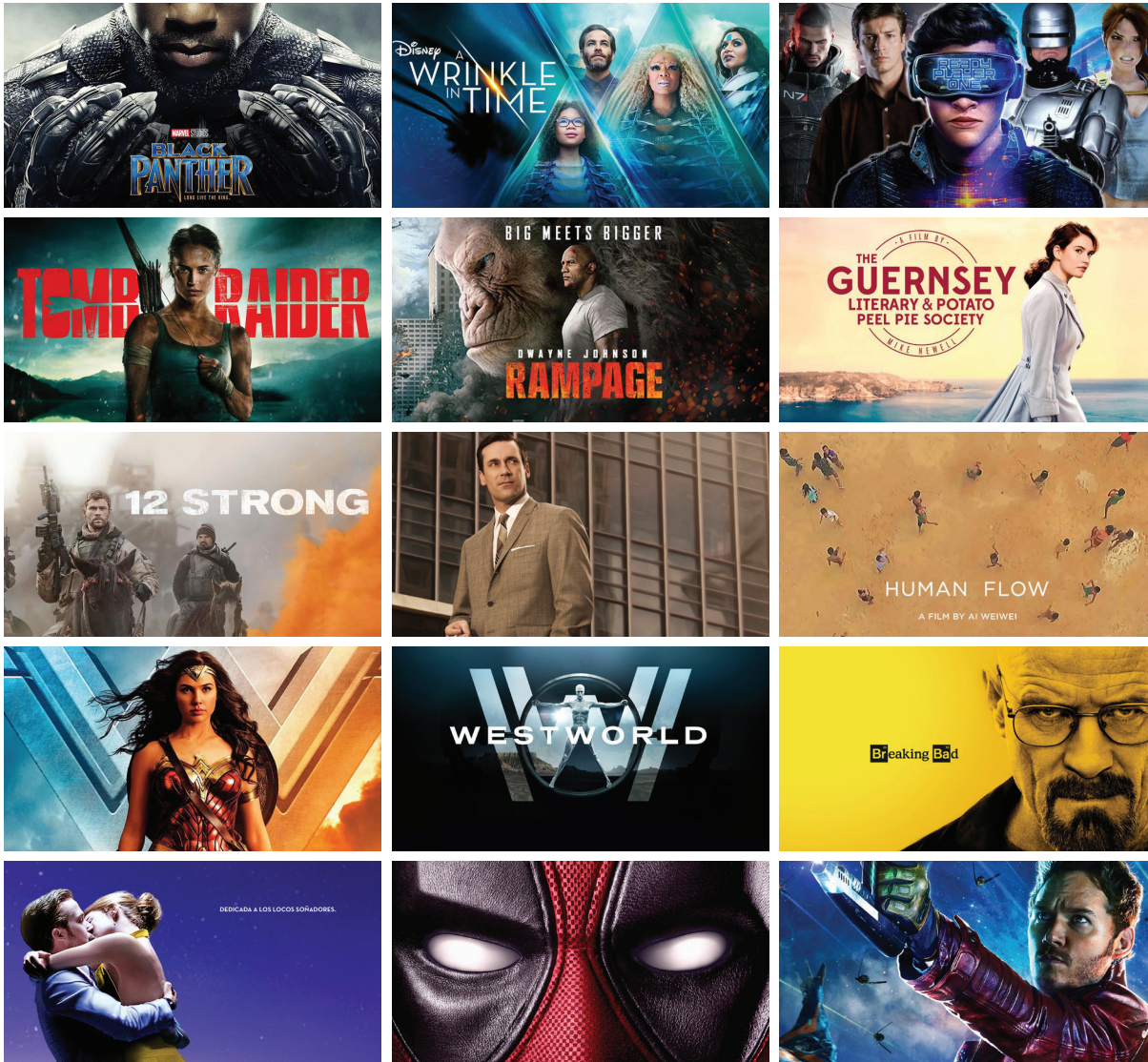
swiftentertainment

Premium entertainment on demand. Movies, TV shows and more are waiting for you in the Swift entertainment app. More to see, more to explore, you just got more!



Premium entertainment on demand. Any device. Any time.





Premium content. Global reach.

Partnerships with the worlds leading studios.

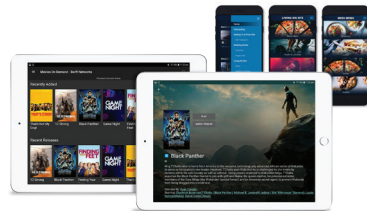
Swift delivers premium content with international distribution rights from major content providers globally. Each interaction with the Swift system will feature a non-skippable pre-roll advertising opportunity. When movies or content are being viewed via a mobile device, advertising has the capability to become even more sophisticated, including interactive content, surveys and real time targeted promotions. Content curated from a range of genres includes blockbuster movies, prime TV series, lifestyle, education, health and wellbeing. The system's ability to profile viewers allows for targeted advertising beyond simply the genre of content or time of day. Any interactions with the system via the TV or mobile devices develop a more accurate profile of our viewers interests.



Targeted advertising.

- Aged Care
- Mining/Resources
- Maritime
- Retirement Living
- Hospitality
- Hospitals

Swift Networks is expected to deliver over 190 Million individual user impressions in the next 12 months.



Intelligent analytics.

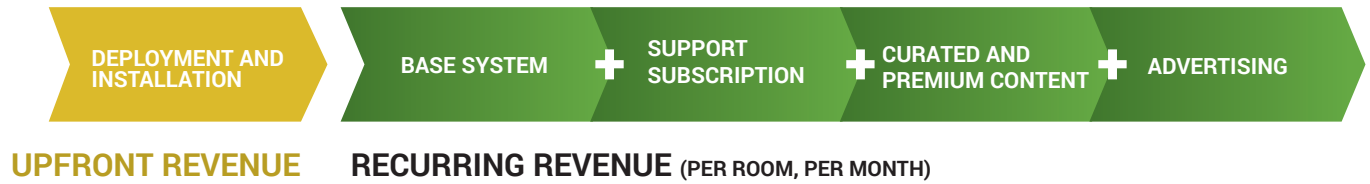
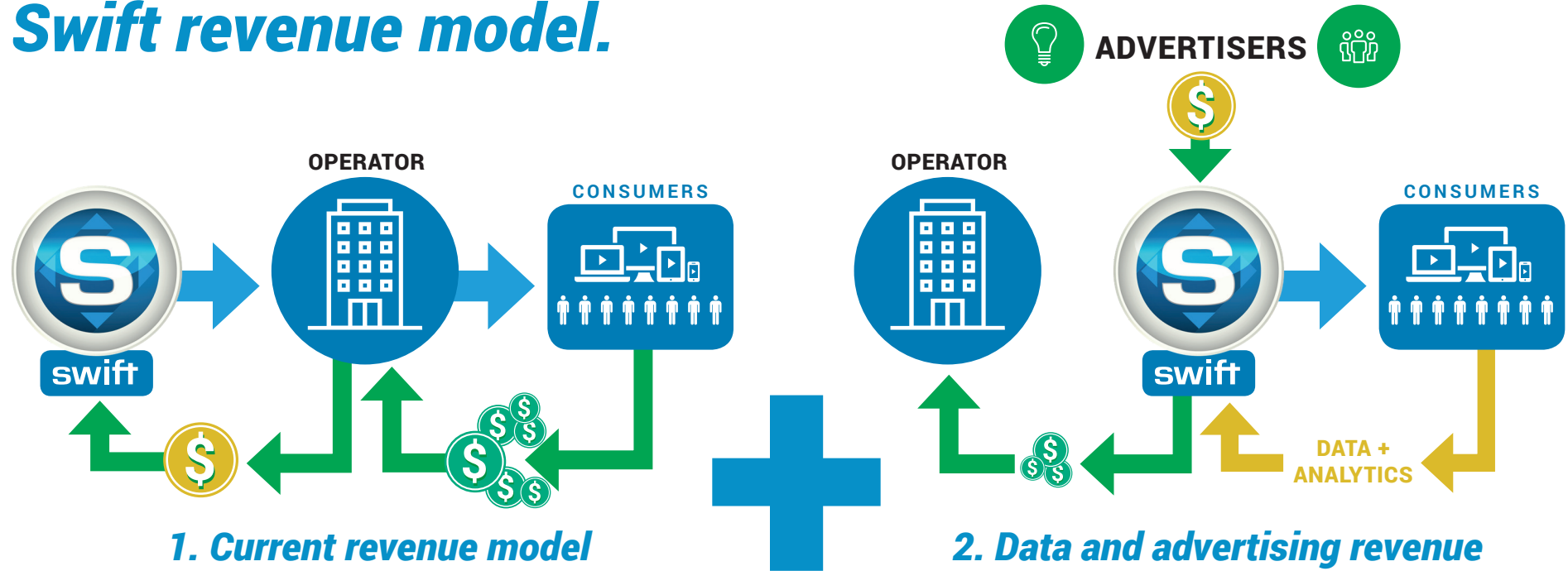
1 TV
The in room TV is integrated via a Set Top Box or Smart TV. The Swift system monitors all interaction and profiles viewers.



2 Mobile Devices
The mobile apps are connected to an individual user and provide deeper analytics to support advertising algorithms.

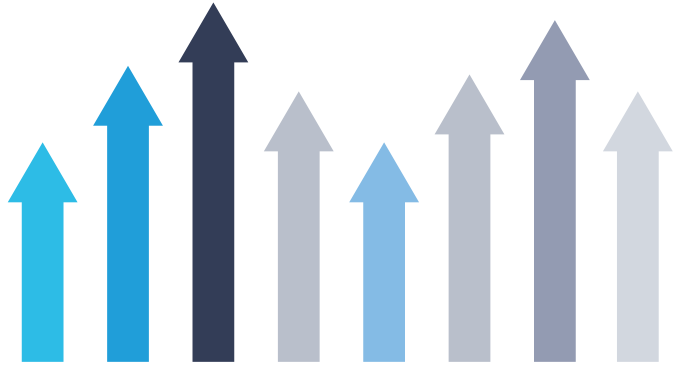


Swift revenue model.





Diversification of customer base continues...



In FY 2017, mining comprised 93% of our customer base. Despite continued growth in the resources sector that figure is currently 80%.

Aged care, hospitality, maritime, and government contracts are now a material portion of our recurring revenue as Swift continues to expand into new market verticals.

FY18, the numbers... Continued growth across all sectors.

93%

CUSTOMER RETENTION RATE

Swift has retained 93% of all contracted customers since 2008.

+84%

CONTRACTED SUBSCRIBER GROWTH

Swift's subscription base has increased 84% from June 2017 to over 63,000 rooms in June 2018.

18,000+

HOSPITALITY

Swift services are now deployed into over 18,000 hotel rooms in Australia and abroad.

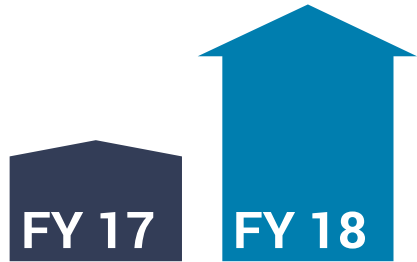
+62%

AGED CARE REVENUE GROWTH

Swift revenue in the Aged Care Sector has grown by 62% year on year. (FY 2017 vs FY 2018)



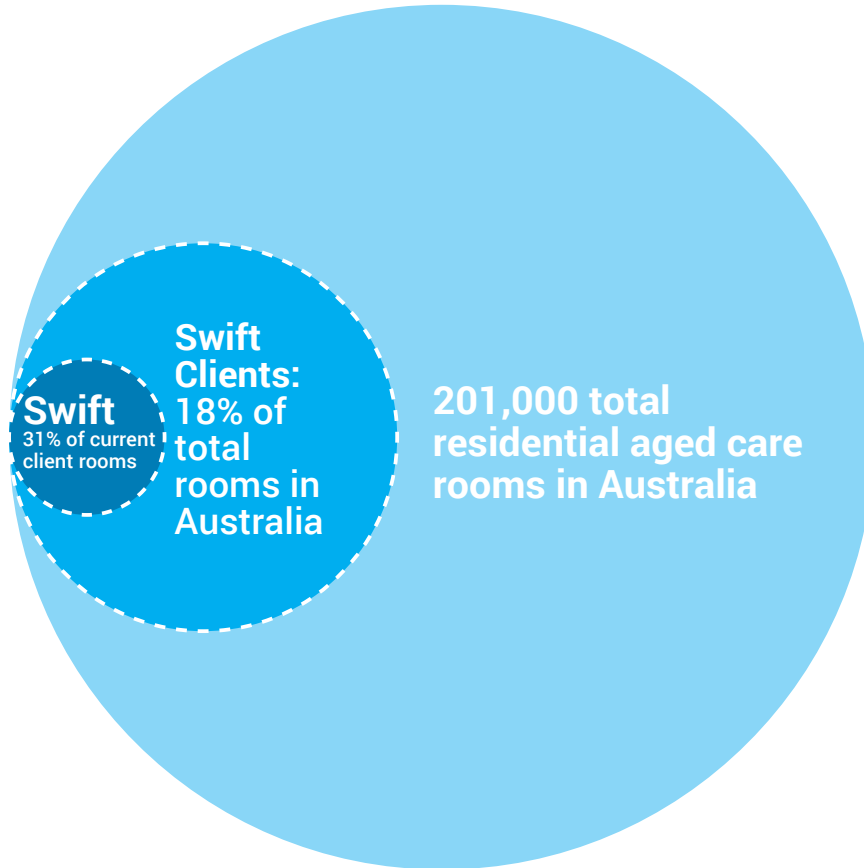
Rapid expansion into new target markets.



+44%

INCREASING ANNUALISED CONTRACTED REVENUE

Swift's annualised contracted revenue has risen 44% to \$15.73m in FY 2018 vs FY 2017.



AGED CARE SECTOR EXPANSION

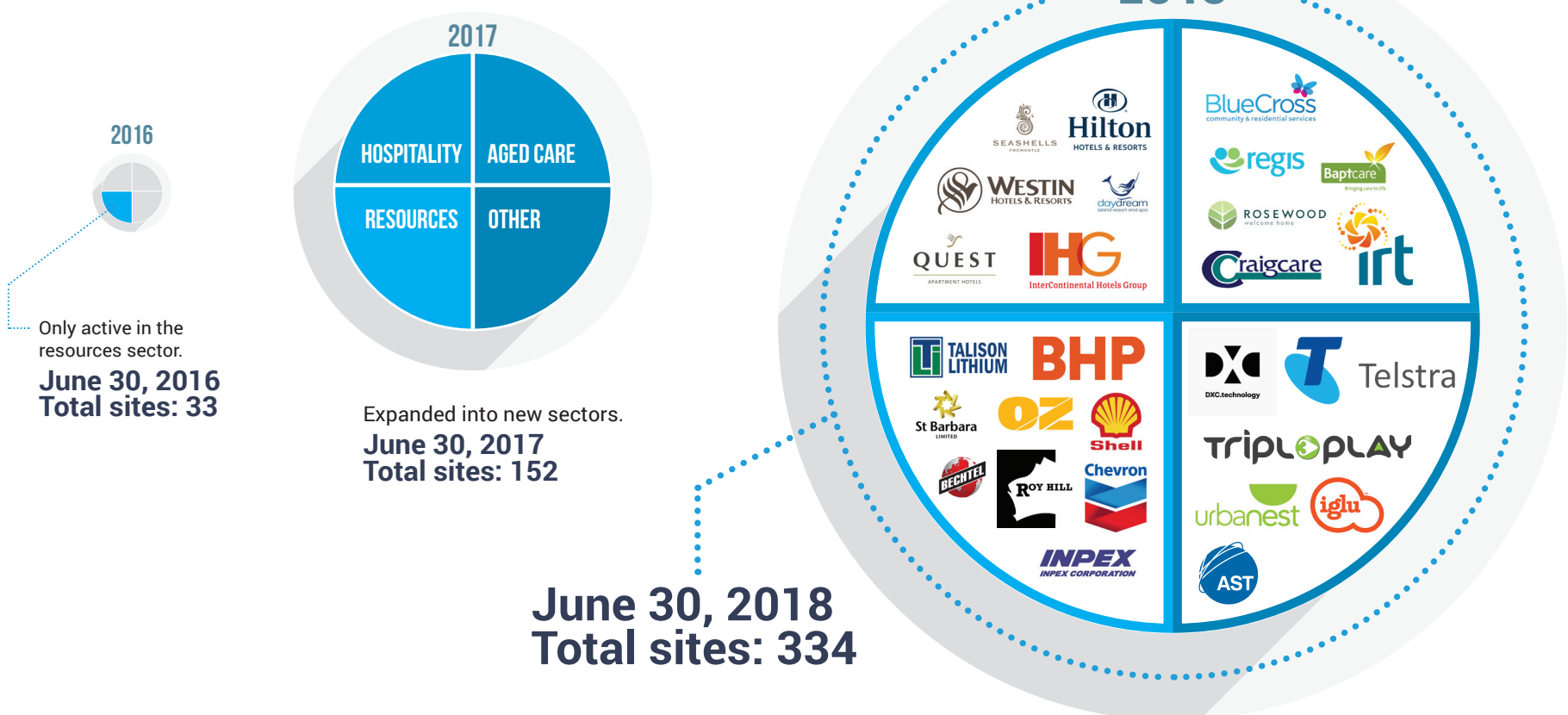
- There are 201,000 residential aged care rooms in Australia*
- Swift clients operate 18% of all residential aged care rooms in Australia.
- Swift currently service 31% of all the rooms operated by its clients with room for further expansion.

* Room numbers as at 30 June 2017 (source: <https://gen-agedcaredata.gov.au/Topics/Services-and-places-in-aged-care>)





900% increase in sites since listing in 2016.

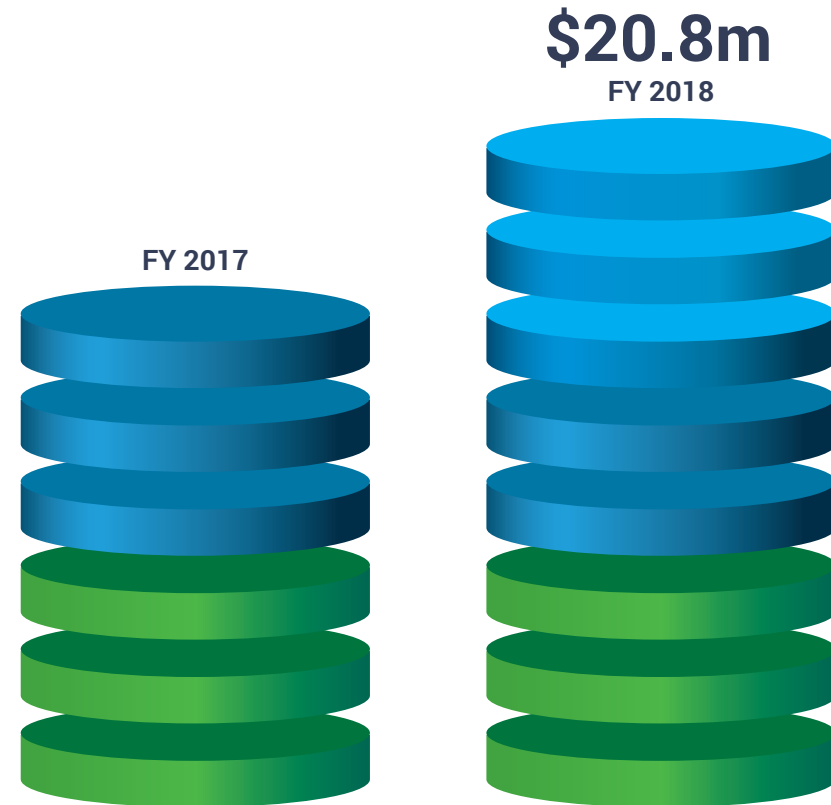




Cash Receipts

29% growth versus FY 2017

- FY 2018 Cash Receipts \$20.8m represents 29% growth versus FY 2017.
- 30 June 2018 cash position \$3.2m, up 43% from 30 June 2017.
- Bankwest \$3m debt facility fully repaid ahead of scheduled in Q4 2018
- Undrawn facilities of \$3m available for growth.





Continued high growth performance.

166% EBITDA increase

- Scaleable business model.
- Doubling of EBITDA margin year on year.
- Under AASB16 FY 2018 EBITDA is \$3,050,000

31% revenue growth year on year

- New clients
- New verticals
- New geographies

	FY2018 \$m	FY2017 \$m	Change
Total Revenue	22.28	17.00	31%
Gross Margin	9.26	5.34	72%
EBITDA*	2.67	1.01	166%
EBITDA margin	12.0%	5.9%	6.1%
Cash at bank	3.20	2.23	43%
Operating cash flows	2.97	(0.13)	\$3.1m
Cash receipts	20.8	16.2	29%
Annualised Contracted Revenue	15.73	10.92	44%
Share Price	0.340	0.275	24%
Market Capitalisation	56.37	40.34	40%

*EBITDA earnings exclude interest, depreciation, amortisation, finance costs, share based payments, fair valuation loss on financial liabilities (performance shares), unrealised FX losses and income tax benefit (loss)

42% gross margin

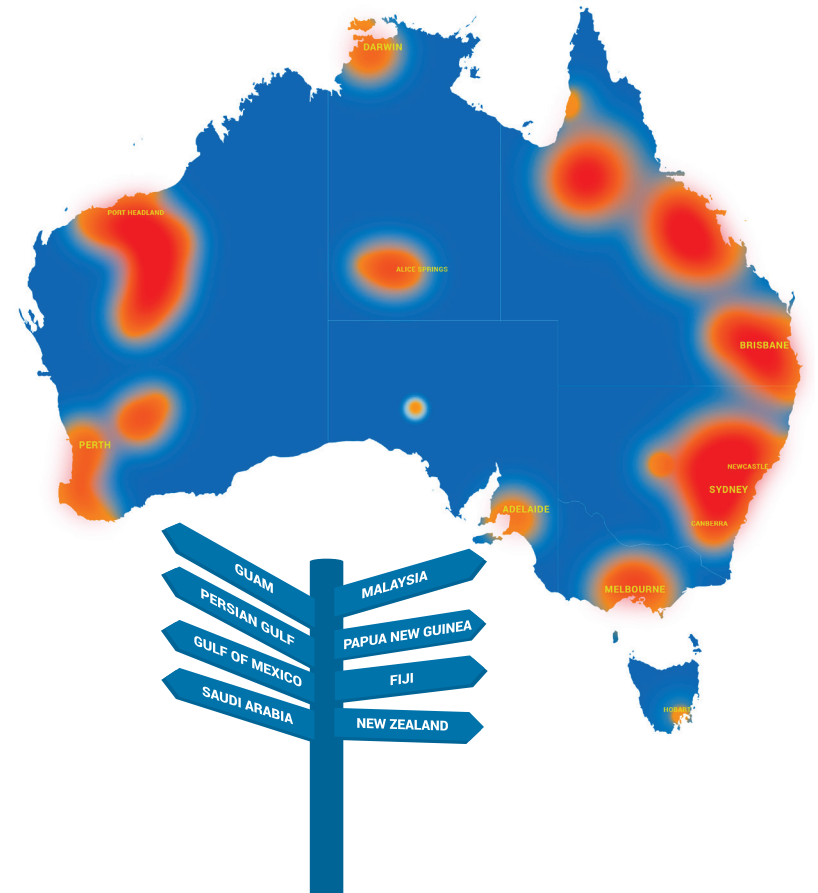
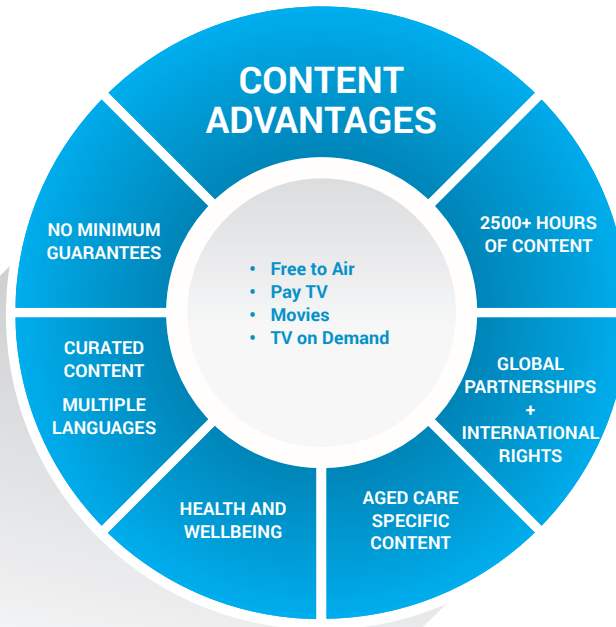
- New content relationships and cost control increase margins.
- Gross margin has increased by 72%





Superior Technology and Content.

SWIFT DEPLOYMENTS IN AUSTRALIA AND ABROAD



5,000,000 unique users access the Swift system annually.





Reseller strategy delivering results.



Partner Fundamentals:

- Infrastructure & personnel**
 - Across key markets in the region, particularly sales and technical sales support personnel.
- Cultural fit**
 - Strong cultural fit between executives, operational and technical teams.
- Business growth potential**
 - Resale of Swift services must add value to partner's core offering.
- Reputable organisation**
 - Strong reputation in chosen sectors.
- Business model**
 - Recurring revenue business model similar to Swift Networks to ensure pricing outcomes aligned.
- Established relationships**
 - With Swift target clients and vertical(s)



6,000+ Clients

DXC

- Swift's partnership with DXC Technology has delivered the company's largest revenue deal since listing.
- Over 6,000 clients
- 200+ Fortune 500 Companies.
- Presence in 70+ Countries.

Australia's most valuable brand

TELSTRA

- International presence spanning over 20 countries.
- Partnership delivering results across multiple market verticals.
- Telstra is Australia's leading telecommunications and technology company, offering a full range of communications services and competing in all telecommunications markets.
- Recent wins include Craigcare and St Barbara

Over 20 Countries

AST

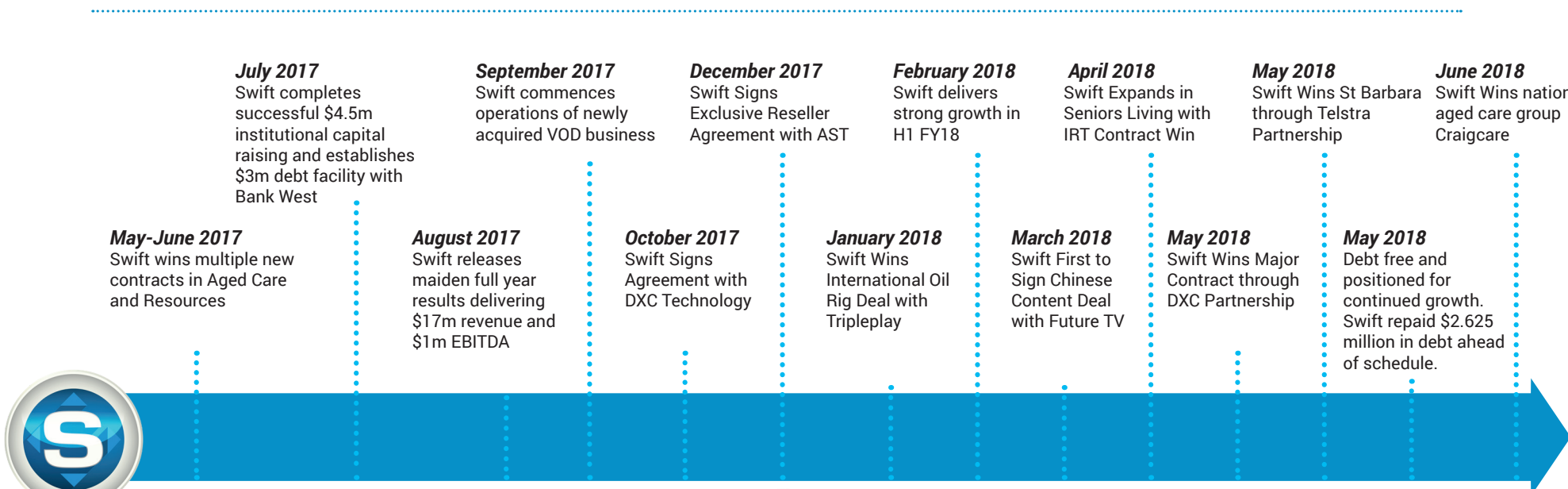
- Exclusive reseller agreement signed with AST Australia in December 2017.
- AST provide satellite services to over 2,000 maritime clients.
- Established international presence.





Key Highlights

Strong, steady news flow since listing as management delivers on implementing the key objectives identified in its business strategy



July 2017
Swift completes successful \$4.5m institutional capital raising and establishes \$3m debt facility with Bank West

September 2017
Swift commences operations of newly acquired VOD business

December 2017
Swift Signs Exclusive Reseller Agreement with AST

February 2018
Swift delivers strong growth in H1 FY18

April 2018
Swift Expands in Seniors Living with IRT Contract Win

May 2018
Swift Wins St Barbara through Telstra Partnership

June 2018
Swift Wins national aged care group Craigcare

May-June 2017
Swift wins multiple new contracts in Aged Care and Resources

August 2017
Swift releases maiden full year results delivering \$17m revenue and \$1m EBITDA

October 2017
Swift Signs Agreement with DXC Technology

January 2018
Swift Wins International Oil Rig Deal with Tripleplay

March 2018
Swift First to Sign Chinese Content Deal with Future TV

May 2018
Swift Wins Major Contract through DXC Partnership

May 2018
Debt free and positioned for continued growth. Swift repaid \$2.625 million in debt ahead of schedule.



Swift's partnership with DXC Technology has delivered the company's largest revenue deal since listing.





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