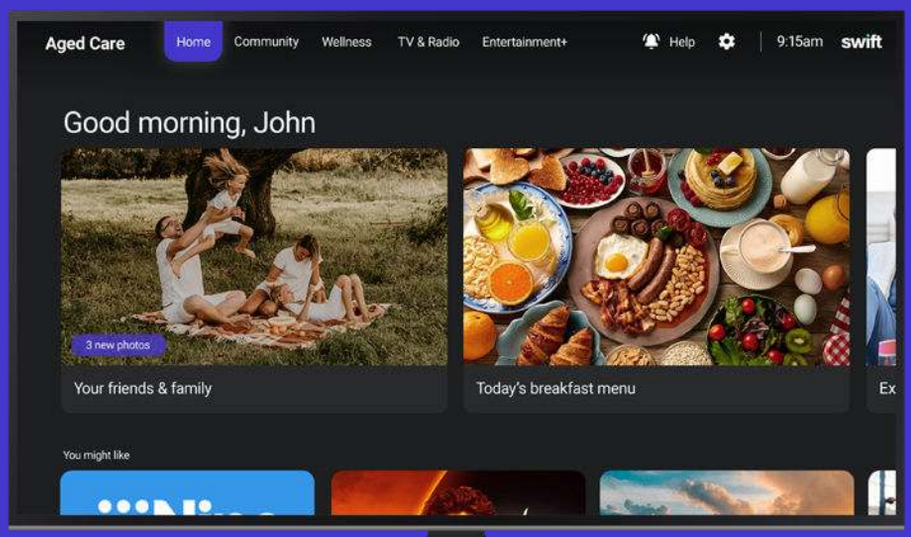
Annual Report 2024



Entertain. Engage. Enable.

swift

Corporate Directory.

Directors

Charles Fear
Chairman

Bradley Denison
Non-Executive Director

Philippa Leary
Non-Executive Director

Brian Mangano
Managing Director

Ryan Sofoulis
Chief Financial Officer

Suzie Foreman
Company Secretary

Corporate Details

Swift Networks Group Limited
ACN: 006 222 395
ABN: 54 006 222 395
www.swiftnetworks.com.au

Registered Office

1060 Hay Street
West Perth WA 6005
Telephone: +61 8 6103 7595

Auditor

BDO Audit Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
PERTH WA 6000

Share Registry

Automic Group
Level 5
191 St Georges Terrace
Perth WA 6000
T: 1300 288 664
W: automicgroup.com.au

Bankers

Commonwealth Bank
of Australia
300 Murray Street
PERTH WA 6000

Stock Exchange Listings

The ordinary shares of Swift Networks Group Limited are listed on the Australian Stock Exchange. (Code: SW1)

This Annual Report is a Summary of Swift Networks Group Limited's operations, activities and financial position as at 30 June 2024.

Key Highlights.

$15.0m
in Annualised subscription revenue

$14.5m
FY24 Subscription revenue increase 4% year on year

$1.4m
Group EBITDA for FY24

32%
increase in Group EBITDA

$2.4m
Enterprise EBITDA for FY24

$3.9m
Project revenue for FY24

$1.85m
cash balance at 30 June 2024 plus $235,000 on term deposit

New
Live Streaming and Subtitle technology into the Aged Care Sector

New
user interface Swift Access 2025 to be launched in Q2 FY25

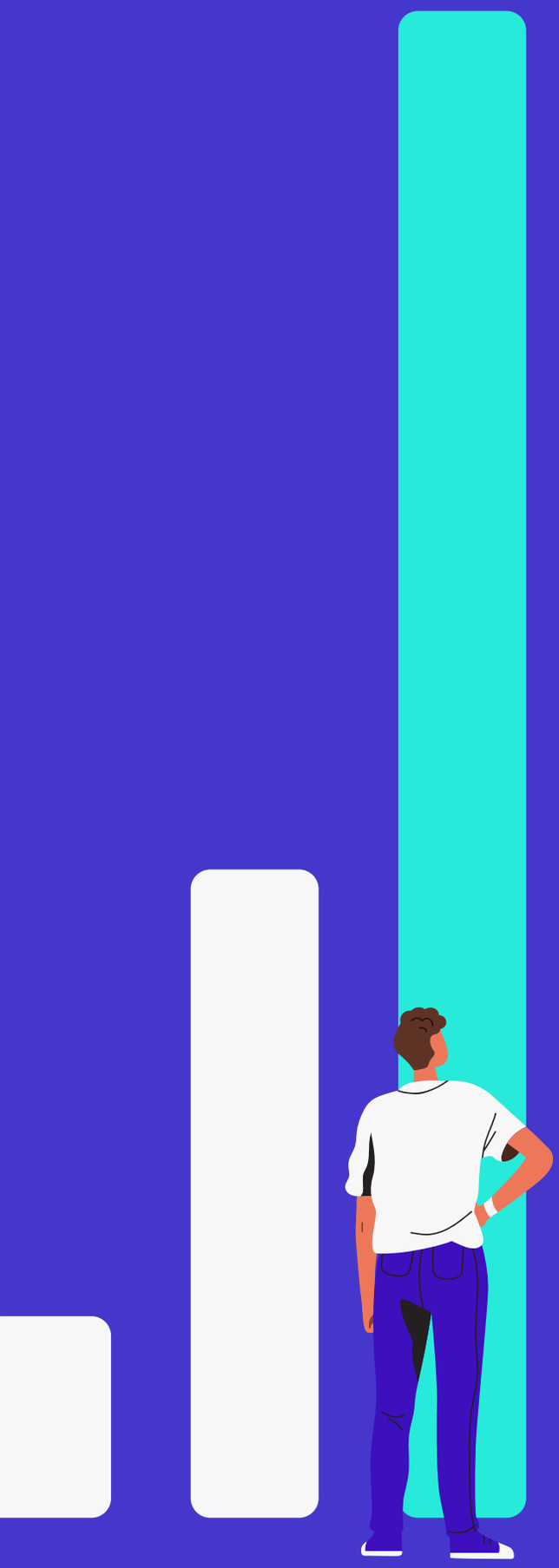
Chairman's Report.

Dear Shareholders

As we reflect on the past year, I am proud to report that Swift Networks has navigated challenges with resilience and has now positioned itself for long term future growth. Our commitment to delivering value to our shareholders remains our top priority, and we are excited about the opportunities that now lie ahead. Swift moved to a concerted growth phase in FY24 with investment in marketing and product development increasing to drive long term subscription revenues and broaden the markets for Swift's technology.

We achieved a strong financial performance this year, with a year-on-year EBITDA growth of 32% highlighting our effective cost management strategies, operational efficiencies, and improved margins. Our annualised Subscription revenue increased to $15 million per annum by the end of FY24. This has been driven primarily by increasing Swift Access subscriptions. Swift's current ASX market capitalisation is less than $10.0 million, to put this in context, it is only 66% of our annual subscription revenues. Growing Subscription revenue is the primary focus for Swift as we strive to become product of choice in our markets.

Swift also derives revenue from communication construction project activities which is averaging $4.5 million per annum over the last two years. Project revenue by its nature can materially vary due to construction cycles within the Mining industry so it's good to see a consistent baseload of work. The group's sales and marketing efforts continue to be focussed on the acquisition of new subscription sales across Aged Care and Mining and the installation of the Swift Access platform.



In FY24, Swift Networks continued to demonstrate resilience in an ever-evolving technology landscape. Our committed focus on delivering high-quality connected TV solutions has enabled us to expand our reach and enhance our support and service offerings. The demand for reliable and innovative communication and entertainment solutions has only increased, and we are proud to be at the forefront of meeting those needs.

This year, we launched several strategic initiatives aimed at strengthening our market position. Our investment in customer success, training and technology has allowed us to enhance our service delivery, support our technology and improve customer satisfaction. Additionally, we have successfully expanded our industry partnerships, enabling us to offer integrated services that deliver greater value to our customers.

Looking ahead, we are very optimistic about our growth prospects for FY25 and beyond. Swift's subscription base is poised for growth fuelled by increasing demand for seamless engagement and entertainment solutions in our core verticals of Mining and Aged Care. Our focus will remain on innovation, customer satisfaction, and operational excellence, ensuring we deliver sustainable value to our shareholders.

I would like to take this opportunity to thank our dedicated management team and staff, whose hard work and commitment have been instrumental in achieving our goals. I also express my gratitude to our customers for their trust and support, and to my fellow board members for their guidance and oversight.

In conclusion, I am confident that Swift Networks is well-positioned to seize the opportunities for growth ahead. Together, we will continue to build a strong and sustainable future for our company and our shareholders.

Thank you for your ongoing support.

Sincerely

Charles Fear
Chairman, Swift Networks Group Limited

Managing Director's Report.

Dear Swift Shareholders

I am pleased to present the Managing Director's report for Swift Networks Group Limited for the financial year ending 30 June 2024. This year has been pivotal for our company, marked by significant achievements, strategic advancements, and the resolution of historical challenges. This report summarizes our performance, key initiatives, and outlook for the future.

The Swift Access platform is an Entertainment and Engagement platform that provides communities with a range of TV based communications and content without the need for expensive high-volume internet connections. Being a business-to-business product means a longer sales cycle compared to consumer-based retail technology, the benefit of this is that once installed, activated and utilised on a customer site, Swift Access has a high longer-term customer retention rate. This often results in subscriptions increasing as customers increase their room numbers, allowing Swift to directly benefit from customer growth and success. Our goal is to see customers grow their reliance on our system as they discover the range of benefits that our solution, and integration with third party services, brings to their business, staff, residents and guests.

Financial Performance

Subscription Revenue Growth: In FY24, Swift Networks achieved Subscription revenues of $14.5 million, reflecting a 4% increase compared to the previous year. This growth is attributed to the successful implementation of the Swift Access platform and the beginning of an expansion of our customer base beyond existing customer updates. The Swift Access subscription offers considerable savings over traditional pay TV services in both Mining and Aged Care this is driving new customer enquiries as awareness of Swift increases.

Project Revenue: In FY24, Swift Networks achieved Project revenue of $3.9 million, this is a reduction over FY23 and reflects delays in large network upgrade projects in the Lithium sector and greenfield construction projects in the Iron Ore sector. In FY25, project revenue growth is expected from the Gold sector as higher commodity prices are allowing miners to invest in infrastructure and site communications and entertainment services.

Earnings Before Interest, Taxes, Depreciation, and Amortisation (EBITDA): $1.4 million EBITDA increased by 32%, underscoring our focus on profitability and sustainable financial practices through the sale of the Swift Access platform.

Customer Acquisition and Retention

Over the past year, we successfully added over 3,700 new customer subscriptions, contributing to an increase in our market share. Importantly, our customer retention rate remains above 85%, reflecting our investment in enhanced service delivery and customer engagement strategies. Swift has invested in customer success resources in both the Mining and Aged Care sectors to ensure customers get the most from their Swift Access subscription which provides a direct correlation to increased customer retention and value.

Product Innovation

Swift has embarked on a significant ramp up of product development with a new user interface for Swift Access 2025 being launched for the Mining and Aged Care markets in Q2 FY25. This new user interface will incorporate the latest developments in Artificial Intelligence (AI) to deliver tailored viewing experiences to users by enabling content and messaging to be automatically presented for the time of day, taste and viewing habits of the user, group of users or a specific community. The new Swift Access 2025 software also includes the ability to integrate with a wide range of Apps such as existing technologies like IOT functionality which can be presented on to the largest screen in the room. Swift has already partnered with App developers to bring mobile content and communications to the TV screen, and to enhance the level of customisation and integration with other essential services to deliver a better solution for business and customer retention Swift is fast tracking the development of its next generation TV device which will incorporate the latest chipsets bringing superfast speed to users along with the integration of the latest hardware technology. Swift's goal is for the Swift TV device to provide seamless integration with any content or App and display and interact with this conveniently on the TV. In addition, to lowering operational costs and enhancing scalability.

Aged Care (Australian Market size = 220,000 Screens)

Several of the largest Residential Aged Care providers in Australia are currently evaluating the Swift Access system to provide an entertainment and engagement solution for their residents. Swift has received customer enquiries for over 7,000 screens in Aged Care since 1 July 2024. During the year Swift launched an Engagement only subscription into Aged Care with the option of a separate subscription for premium Entertainment content. This has created a new opportunity for aged care providers to deliver the Swift solution to all residents within their community and allow the provision of entertainment content to those who choose that additional service.

Mining (Australian Market Size = 150,000 Screens)

Swift currently services circa 9,000 screens in the Mining sector with its Swift Access platform which provides a fast, low-bandwidth Entertainment and Engagement solutions to remote environments. Mining project construction work has softened in FY24 as a result of client project delays in the Lithium and Iron ore sectors. Demand in the gold sector has increased with pricing being sort across over 3,300 screens in recent weeks. Oil and Gas sector has seen the installation of Swift Access at a number of Oil rigs during the year. Swift also continues to see demand for additional screens from current clients as result of site expansion programs. As awareness of Swift Access grows in the Mining and Oil & Gas sectors we expect to see conversion from traditional entertainment systems and services to Swift Access a better solution for business.

Other Markets

Swift is exploring a new vertical in delivering a video on demand solution for correctional facilities in Australia, with a pilot site expected to be activated in Q2 FY25. Swift is partnering with two content providers to utilise the Swift platform technology for this type of high security environment. Swift also maintains a presence in the hospitality market which has stabilised over the year.

International

Swift Access is a hardware enabled SaaS product that is evolving into a technology leader. Swift has already established relationships with a number of partners in Australia and will be looking to replicate this with international partners who have an established path to market. This could take the form of "white" labelling of the Swift TV device into international markets such as the United States or a market entry through customers that have a presence in other international markets.

Sustainability Initiatives

Swift Networks is committed to sustainability and reducing its environmental footprint. In 2024, we launched a sustainability program aimed at reducing energy consumption by 25% over the next five years. Initiatives include upgrading to energy-efficient equipment and promoting responsible practices across our operations.

Market Penetration

Swift has invested in a targeted Marketing program over the last 18 months which is now bearing fruit, with increased interest across both Mining and Aged Care sectors. In FY25, Swift is investing in a major marketing effort to launch Swift Access 2025 into the Aged Care sector in Q2 FY25. Swift Access 2025 utilises a new user interface with enhanced App and IOT integration capabilities. The launch of Swift Access 2025 at the ACCPA National conference is set to increase the brand profile of Swift in the Aged Care market.

Challenges

While we have made significant strides, the past year has not been without challenges:
Supply Chain Disruptions: Global supply chain issues resulted in the need to increase inventory levels to mitigate supply risks which could have affected our ability to deliver products on time. This also prompted us to explore alternative suppliers and diversify our sourcing strategies.

Historical Regulatory Issue: During the year Swift resolved an old historical regulatory issue which took considerable management time and attention away from the business. The resolution of this has allowed Swift to embarked on its aggressive new marketing and product development programs for our technology.

Future Outlook

Looking ahead, Swift Networks is now well-positioned to capitalize on the growth opportunities in the connected TV market. Our strategic priorities for the coming year include:

- Expanding our service and support offerings to meet the evolving needs of our customers.
- Continuing our marketing and product improvement efforts to drive subscription revenue growth.
- Strengthening our commitment to sustainability and corporate responsibility.

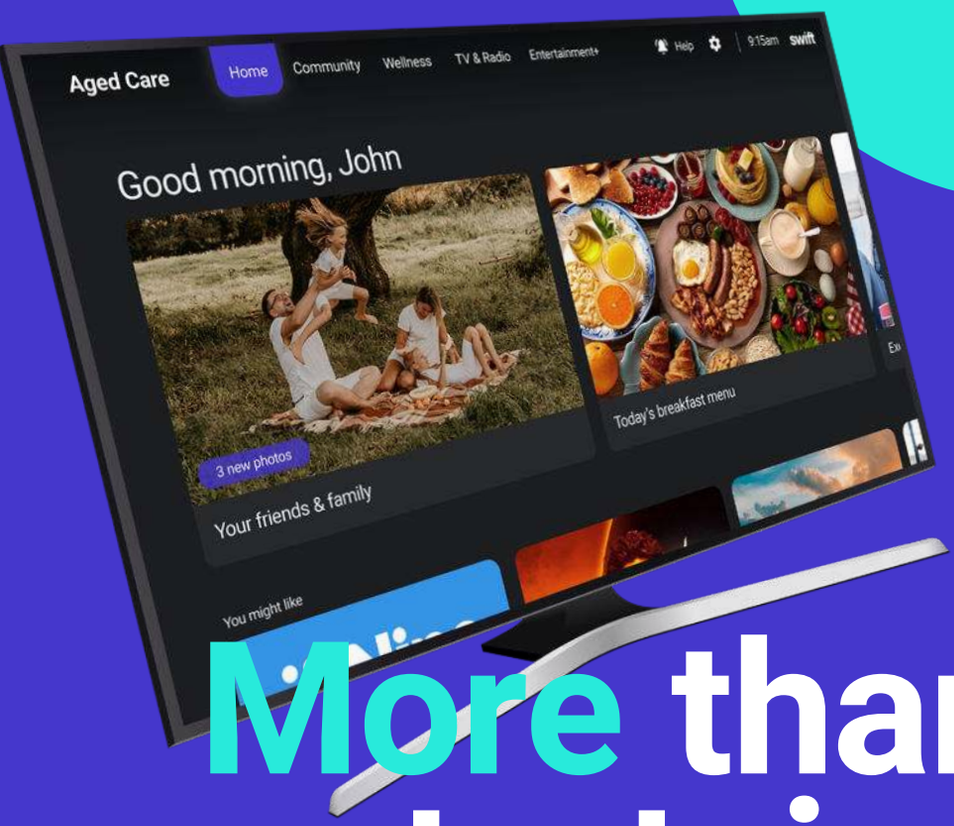
The board and I are optimistic about our prospects and confident that our strategies will lead to sustained growth and wider market acceptance of Swift Access.

Acknowledgments

I would like to take this opportunity to thank our dedicated employees, customers, partners, and shareholders for their unwavering support throughout this year. It is through our collective effort and commitment that we have achieved these milestones.

We look forward to another successful year ahead.

Best regards
Brian Mangano
Managing Director, Swift Networks Group Limited



More than entertainment.

SWIFT NETWORKS GROUP LIMITED
AND CONTROLLED ENTITIES

ABN 54 006 222 395

ANNUAL REPORT
FOR THE YEAR ENDED

30 JUNE 2024

SWIFT NETWORKS GROUP LIMITED AND CONTROLLED ENTITIES
ABN 54 006 222 395

DIRECTORS' REPORT

The Board of Directors of Swift Networks Group Limited ("the Group" or "the Company") submits its report in respect of the year ended 30 June 2024.

The Directors of the Company in office during the year and at the date of this report are:

Name	Position
Mr Charles Fear	Non-executive Chairman
Mr Bradley Denison	Non-executive Director
Ms Pippa Leary	Non-executive Director
Mr Brian Mangano	Managing Director and Chief Executive Officer

The Company Secretary is Ms Suzie Foreman.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the year were the provision of content and communications on television screens for out of home environments.

REVIEW OF OPERATIONS AND FINANCIAL RESULTS

Operational review

Mining and Resources

Swift currently services circa 9,000 screens in the Mining sector with its Swift Access platform which provides a fast, low-bandwidth Entertainment and Engagement solutions to remote environments. Mining project construction work has softened in FY24 as a result of client project delays in the Lithium and Iron ore sectors. Demand in the gold sector has increased with pricing being sought across over 3,300 screens in recent weeks. Oil and Gas sector has seen the installation of Swift Access at a number of Oil rigs during the year.

Swift also continues to see demand for additional screens from current clients as result of site expansion programs. As awareness of Swift Access grows in the Mining and Oil & Gas sectors we expect to see conversion from traditional entertainment systems and services to Swift Access a better solution for business. Swift provides a combination of support and subscriptions to circa 18,500 screens in this sector providing access to 12% of the market.

Aged Care

Swift currently services circa 3,000 screen subscriptions in the Aged Care sector with its Swift Access platform. Several of the largest Residential Aged Care providers in Australia are currently evaluating the Swift Access system to provide an entertainment and engagement solution for their residents. Swift has received customer enquiries for over 7,000 screen subscriptions in Aged Care since 1 July 2024.

During the year Swift launched an Engagement only platform into Aged Care with the option of a separate subscription of Entertainment content. This has created a new opportunity for aged care providers to deliver the Swift solution to all residents within their community and allow the provision of entertainment content to those who choose that additional service.

Swift has recently commissioned academic research to provide a study of how Swift Access can satisfy regulatory compliance, provider efficiency and improve quality of life for residents within Aged Care facilities. This academic research includes input from current and prospective customers in analysing how Swift Access currently addresses the needs of Aged Care providers and residents and will identify how Swift Access can be developed in the future to further address those needs.

Operational review (continued)

Other Markets
Swift is exploring a new vertical in delivering a video on demand solution for Correctional Facilities in Australia, with a pilot site expected to be activated in 2Q25. Swift is partnering with two content providers to utilise the Swift platform technology in a high security environment.

Market Penetration
Swift has invested in a targeted marketing program over the last 18 months which is now bearing fruit, with increased customer interest across both Mining and Aged Care sectors. Swift is investing in a major marketing effort for Swift Access into the Aged Care sector with the October 2024 launch of Swift Access 2025, a new user interface with enhanced integration capabilities. The launch of Swift Access 2025 at the National ACCPA (Aged & Community Care Providers Association) conference will increase the profile of Swift in the Australian Aged Care market.

Financial Review

In FY24 the group achieved operating revenue of $18.4m (FY23: $19.1m), a 4% decrease year on year, as it focussed on securing project revenues that secured long term subscriptions revenues. As a result, subscription revenues during the period grew by 3% to $14.5m (FY23: $14.0m), with subscription revenue now representing 79% of revenue. Market conditions and delays on planned infrastructure projects across Lithium and Iron Ore industries led to a decrease in project revenue to $3.9m (FY23: $5.0m). Subscription revenue only commences once project installation has been finalised and will therefore increase over time once all projects have been completed with revenue recognised for the full financial year.

Swift's lender, PURE Asset Management ('PURE') continued their support of the business by exercising its holding of 15.8 million warrants. Swift Board and Executive management purchased $100,000 of equity in Swift off-market from PURE as part of this transaction. The injection of $261,250 associated with the exercise of the warrants has been entirely applied to reduce Swift's debt position to $7,424,000. Swift focussed on working capital during the period and the cash balance remained stable during the period at $1.8m (FY23: $2.1m)

During the period Swift continued to sell its financial asset in Motio (ASX:MXO) with 12.4 million shares sold for a consideration of $380,431. At 30 June 2024, 7 million MXO shares were retained by Swift and have subsequently been sold by the business for $133,240 post reporting date.

Despite the decrease in revenue in FY24, costs control initiatives and a focus on higher margin subscription revenue , in FY24 the group recorded a 3% increase in Earnings Before Interest, Tax, Depreciation Amortisation from continuing operations ("EBITDA") of $1.4m (FY23: $1.1m). A reconciliation of EBITDA from continuing operations to NPAT has been outlined in the Consolidated Statement of Profit and Loss with reference to Notes 2 and 3.

Outlook

Swift Networks is now well-positioned to capitalize on the growth opportunities in the connected TV market. Our strategic priorities for the coming year include:

- Expanding our service and support offerings to meet the evolving needs of our customers.
- Continuing our marketing and product improvement efforts to drive subscription revenue growth.
- Strengthening our commitment to sustainability and corporate responsibility.
- Explore partnership opportunities and opportunities in synergistic verticals.
- Maintain the current cost base and reduce the debt position of the business.

The directors look forward to updating you on our progress as the year unfolds.

GOING CONCERN

See note 29 for assessment of going concern**.**

SUBSEQUENT EVENTS

See Note 30 for events subsequent to reporting date.

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or recommended during the year (2023: nil).

MATERIAL BUSINESS RISKS

The key risks factors affecting Swift are set out below. The occurrence of any of the risks below could adversely impact Swift's operating or financial performance. The company is committed to high standards of corporate governance designed to enable Swift to meet its performance objectives and better manage its risks. The Board, at least annually, satisfies itself that Swift's risk management framework continues to be sound, and that Swift is operating with due regard to the risk appetite set by the Board.

Company's current operations risks

Development and Commercialisation of Swift's products
Swift is in the business of developing and commercialising its own product suite. The success of the company is dependant on Swift identifying market trends and market leading technologies to ensure that its product suite, including feature set, user interface and user experience is market leading. Failure to do this may result in loss of market leading technology, allowing the ability for competitor products to enter market.

Swift is currently investing in its next generation product suite for its core verticals and is specifically creating a product for the Aged Care and Retirement Living verticals to address the needs of residents and facility operators. Even if Swift does successfully commercialise its technology, there is a risk that Swift will not achieve a commercial return and will not be able to sell products and services to clients at a rate which covers its operating and capital costs.

Competition and new technologies
Swift is a technology business focussing on industries that are subject to various competitor products, via entertainment providers or communication infrastructure providers. While Swift undertakes all reasonable due diligence in its business decisions and operations, Swift will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of the Swift's projects and business.

The size and financial strength of some of Swift's competitors may make it difficult for it to maintain a competitive position in the entertainment market. Swift may not be able to match the pricing levels of entertainment competitors to potential strategies or actions of competitors in market. Swift addresses this risk by the diversification of its product suite from that of its competitors, addressing a large array of requirements of providers in its target verticals that its competitors do not.

Staff Risk
There is a risk that knowledge will be lost if development staff who have knowledge of the business resign. This involves the risk that those staff will have information in respect of Swift's intellectual property which has commercial value to Swift as well as an opportunity cost for replacement of those staff and subsequent training.

MATERIAL BUSINESS RISKS (CONTINUED)

This risk is mitigated as Swift has historically had low levels of staff turnover in the development teams. In addition, all staff contracts contain express provisions with respect to ownership of intellectual property and restraints of trade to limit any potential loss suffered by Swift to maximum extent possible. Furthermore, Swift has taken measures to mitigate this risk by expanding its development staff so that technological intellectual property is not converged into one person but is disbursed among several people within Swift.

Supplier and Technology Risk
Swift relies upon contracts with key entertainment providers to provide content available on Swift's product suite. If the provision of these content sources is disturbed either through cease of contract or upstream issues, the quality of Swift's product suite may decline and lead to having a less competitive product in market.

Swift mitigates this risk through signing long term contracts with its suppliers that it regularly looks to extend, ensuring longevity of content provision to continue offering subscription services to its customers. Swift also sources content from several providers, diversifying its content line up to ensure that the loss of a given contract is mitigated through the provision of various other content sources.

Swift also relies on third party providers of cloud hosting services to update subscription customer services to its customers. There is a risk that if these providers suffer a loss of service, this will impact the service Swift provides its customers and could lead to a loss in revenues to the business. The mitigate this risk, Swift only uses internationally recognised organisations to provide these services which are less likely to have extended periods of loss of service.

Customer Diversity
Swift provides services directly to business customers, with some of these customers having multiple sites and locations with Swift's products. Whilst Swift's product is historically retained by its customers, ensuring consistency of subscription revenue, there is risk that a customer with significant subscription revenues may seek an alternate product, cease operations or providing services. This could have a detrimental impact to Swift's financials and operations.

To mitigate this risk, upon customer renewals, Swift not only offers continuation of services but also other products or services that may suit a customer better financially or operationally. A change of product to a competitor's alternate product would usually require a heavy financial investment by the customer and is an impediment to change.

Covenant Compliance
Swift's loan facility agreement with PURE Asset Management ('PURE'), contains quarterly covenant conditions that Swift must comply with. If these covenant requirements are not met, this could lead to a Review or Default event under the loan facility. Under these circumstances PURE, at its option, would be able to charge penalty interest or call upon the debt as due which would give uncertainty around the going concern of Swift.

To mitigate this risk, Swift's Management work closely with PURE, Swift's second largest shareholder, to ensure that, if necessary, any future potential breaches are rectified prior to the event occurring, maintaining the going concern of the business.

General risks relating to Swift

Reliance on key management
The responsibility of overseeing the day-to-day operations and the strategic management of Swift depends substantially on its senior management and directors. There can be no assurance that there will be no detrimental impact on the performance of Swift or its growth potential if one or more of these employees cease their employment and suitable replacements are not identified and engaged in a timely manner.

Swift is focused on ensuring the Board is of an appropriate size and collectively has the skills, commitment and knowledge of Swift and the industry in which it operates to enable it to discharge its duties effectively and add value.

MATERIAL BUSINESS RISKS (CONTINUED)

Trading price of Shares
Swift's operating results, economic and financial prospects and other factors will affect the trading price of Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to general economic conditions, inflation rates, interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that Swift's market performance will not be adversely affected by any such market fluctuations or factors.

Litigation Risks
Swift is exposed to possible litigation risks including contract disputes, occupational health and safety claims, employee claims, shareholder claims and disputes in relation to regulatory matters.

Further, Swift may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute, if proven, may impact adversely on Swift's operations, financial performance and financial positions. As at the date of this Report, Swift is not involved in any current litigation proceedings regarding Swift.

Economic Risks
General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on Swift's activities, as well as on its ability to fund those activities.

Further share market conditions may affect the value of Swift's Securities regardless of Swift's operating performance. Share market conditions are affected by many factors such as: general economic outlook, interest rates and inflation rates, currency fluctuations, changes in investor sentiment toward market sectors, the demand for and supply of capital, and terrorism or other hostilities.

Force majeure
Swift, now or in the future, may be adversely affected by risks outside the control of Swift including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Infectious disease pandemics
Infectious disease pandemics such as the coronavirus, whilst opening up new opportunities in quarantine facilities and in the deployment of Swift's technology, have the potential to interrupt Swift's operations, impair deployment of its products to customers and prevent suppliers from honouring their contractual obligations. Such pandemics could also cause hospitalisation or death of Swift's existing and potential customers and staff.

Cyber risk and security breaches
Swift stores data in its own systems and networks and also with a variety of third-party service providers. A malicious attack on Swift's systems, processes or people, from external or internal sources, could put the integrity and privacy of customers' data and business systems at risk. It could prevent customers from using the products for a period of time and could also lead to unauthorised disclosure of data.

INFORMATION ON THE DIRECTORS

Charles Fear – Non-executive Chairman
Charles Fear is an experienced Investment Banker and Non-Executive Director. He co-founded Argonaut Limited in 2002 and served as Chairman for 17 years during which time he was responsible for a significant number of Equity Market and Mergers and Acquisitions transactions. Prior to founding Argonaut he was an Executive Director of Hartley Poynton and Managing Director of global Canadian Investment Bank CIBC. He was also formerly a Senior Insolvency Partner of KPMG. He has previously served as a Director of Atrum Coal Limited and as a Board Member and Chairman of the Western Australian Cricket Association and a Director of Rugby WA.

Charles is a Fellow of the Institute of Chartered Accountants (FCA) and a Fellow of the Australian Institute of Company Directors (FAICD).

Directorships held in other listed companies in the past 3 years: Mayur Resources Limited (ASX: MRL), Atrum Coal Limited (ASX:ATU).

Bradley Denison – Non-executive Director
Bradley is an experienced Non-Executive Director and CEO with a strong financial background. He has particular experience in complex multi-party projects and business turnarounds. Extensive client relationships in the government, mining, aged care and commercial sectors.

Bradley holds a Bachelor of Commerce (Accounting) and is a Fellow of CPA Australia and Australian Institute of Company Directors.

Bradley was the CEO of Fleetwood Limited, is a director of prefabAUS, and is chairman of Providence Lifestyle Group.

Directorships held in other listed companies in the past 3 years: none

Brian Mangano – Managing Director and Chief Executive Officer
Brian is an Accountant with more than 25 years' executive experience in Australian Listed companies in the Engineering, Technology and Investment sectors. Brian was appointed Managing Director and Chief Executive Officer in September 2021. After qualifying as a Chartered Accountant with Ernst & Young, Brian travelled to the UK where he worked with Richard Branson's Virgin group as Financial Controller for Virgin Communications. Brian's last major role was as CFO of ASX listed Veris Group the largest surveying group in Australia with over 800 staff and revenues over $100 million. Brian is also a former Managing Director of listed companies AirBoss and Australian Growth. His experience spans a broad range of areas including strategic and business planning, mergers and acquisitions, capital raising, debt finance, information technology, risk management and company secretarial. Brian now brings his wide ranging experience to the Group.

Directorships held in other listed companies in the past 3 years: none

Pippa Leary – Non-executive Director
Pippa joined the Company in July 2019 following her tenure heading up Nine's digital sales team where she was responsible for the media company's key online properties including nine.com.au, 9Honey and their broadcast video on demand platform 9Now. Pippa is currently the managing director (Client Product) of News Corp Australia and was previously CEO of Fairfax-Nine programmatic exchange APEX, and prior to that held senior executive roles at Fairfax Media, including Managing Director of the publisher's Digital Media division. Pippa is also an experienced board director, and past Board roles have included Equip Super, the IAB (Interactive Advertising Bureau), RLPA and Solstice Media. Pippa is a Graduate of the Australian Institute of Superannuation Trustees (GAIST).

Directorships held in other listed companies in the past 3 years: none

INFORMATION ON THE DIRECTORS (CONTINUED)

Suzie Foreman – Company Secretary
Suzie is an experienced Chief Financial Officer and Company Secretary with a demonstrated history of working with a wide range of businesses from start-up enterprises to ASX top 300 corporates. Suzie has worked with senior management and boards to advise on governance, enterprise risk management, audit and corporate compliance, company secretarial, and financial reporting responsibilities. Suzie has been involved in the listing of numerous entities on the Australian Securities Exchange over the past 20 years and facilitated and managed a large number of capital raisings and M&A transactions.

Suzie has held senior management roles across a range of businesses including industrial, mining production and public practice. Suzie is a Director and Company Secretary of ASX listed NickelSearch Limited, (ASX:NIS) and company secretary of Spectur Limited (ASX:SP3).

Suzie holds a Bachelor of Business, a Certificate of Applied Corporate Governance and Risk Management, is a Chartered Accountant, and a Governance Institute Fellow member.

DIRECTORS' INTERESTS

The interests of each Director in the shares and options of the Group as notified by the Directors to the ASX in accordance with s205G(1) of the Corporations Act 2001 as at date of this report were as follows:

Director	Ordinary Shares	Options	Rights to deferred Shares	Employee Incentive Scheme Rights ("EIS")
Mr C Fear	11,289,152	-	-	-
Ms P Leary	6,818,810	-	-	-
Mr B Denison	4,112,121	-	-	-
Mr B Mangano[1]	24,861,125	2,000,000	-	14,928,921

1. FY24 STI 1,862,489 share awards are included in ordinary shares and LTI 1,862,488 performance rights are included in EIS and both are subject to shareholder approval, to be sought at the 2024 AGM.

DIRECTORS' MEETINGS
There were no separate committee meetings. The number of meetings of the Company's Board of Directors held during the year ended 30 June 2024 and the number of meetings attended by each Director was:

	Board	
Director	**Number eligible to attend**	**Number Attended**
Mr C Fear	11	11
Mr B Denison	11	11
Mr B Mangano	11	11
Ms P Leary	11	11

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS
Additional comments on expected results of operations of the Group are included in this report under the review of operations and significant changes in the state of affairs.

REMUNERATION REPORT - AUDITED

Introduction

This Remuneration Report has been prepared in accordance with section 300A of the Corporations Act and associated regulations. The Remuneration Report has been audited by the Group's Auditor.

The Remuneration Report provides details of the remuneration arrangements for the following Key Management Personnel ("KMP") of the Group and the Company for the 2024 financial year:

Directors and Key Management Personnel

Name	*Position*
Mr C Fear	Non-executive Chairman
Mr B Denison	Non-executive Director
Ms P Leary	Non-executive Director
Mr B Mangano	Managing Director and Chief Executive Officer
Mr R Sofoulis	Chief Financial Officer

KMP are those Directors and executives with authority and responsibility for planning, controlling and directing the affairs of Swift Networks Group Limited.

Remuneration Policy

Compensation levels for KMP of the Group are competitively set to attract and retain appropriately qualified and experienced Directors and executives.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

1. the capability and experience of the key management personnel
2. the key management personnel's ability to control their relevant business unit's performance

There is direct relationship between KMP remuneration and performance. The Board did not engage an independent remuneration consultant during the reporting year.

Fixed compensation

Fixed compensation consists of base compensation (which is calculated on a total cost basis), as well as employer contributions to superannuation funds. Compensation levels are reviewed annually by the Board through a process that considers individual, business unit and overall performance of the Group.

Variable compensation

Variable compensation rewards are based upon achievement of targets aligned to the Company's business plans and longer-term strategy. Variable components (short and long term) are driven by challenging targets focused on external and internal measures of financial and non- financial performance to align with company success.

REMUNERATION REPORT – AUDITED (CONTINUED)

Short Term Incentives

Under the Company's Short-Term Incentive (STI) arrangements, the Board has determined that eligible participants may earn an STI award in the form of Shares for the achievement of pre-determined key performance measures (KPI's) each financial year. The KPI's are objectively set at the commencement of the year, measured, and STI's awarded at the end of the financial year based upon results. STI awards for executives are contractual, in accordance with their Executive Service Agreements.

Structure of STI Plan

Feature	Description
Maximum Opportunity	Managing Director: Up to 50% of fixed remuneration as STI
Performance Hurdle Metrics	Refer Performance Metrics table below
Delivery of STI	100% of the STI award is paid in Share awards (fully paid ordinary shares).
Board Discretion	The Board has discretion to adjust remuneration outcomes up or down to prevent any inappropriate award outcomes.

Long Term Incentives

Under the Company's Long-Term Incentive (LTI) arrangements, the Board has determined that eligible participants may earn an LTI award in the form of Performance Rights for the achievement of pre-determined key performance measures (KPI's) each financial year. The KPI's are objectively set at the commencement of the year, measured, and LTI's awarded at the end of the financial year based upon results. LTI awards for executives are contractual, in accordance with their Executive Service Agreements.

Structure of LTI Plan

Feature	Description
Maximum Opportunity	Managing Director: Up to 50% of fixed remuneration as LTI
Performance Hurdle Metrics	Refer Performance Metrics Table below
Delivery of LTI	100% of the LTI award is paid in Performance Rights. The value of the award is measured by reference to achieving of the KPI Performance Hurdle Metrics. The award is then divided by the value of the rights to determine the number of instruments granted to each participant.
Exercise Price	Nil
Vesting/Retention	Once the Performance Rights are awarded, they are subject to a 2 year retention period before fully vesting, (50% at the end of year 1 and 50% at the end of year 2). The award is subject to forfeiture on cessation of employment. This encourages retention and shareholder alignment.
Board Discretion	The Board has discretion to adjust remuneration outcomes up or down to prevent any inappropriate award outcomes.

REMUNERATION REPORT – AUDITED (CONTINUED)

Performance Hurdle Metrics

The performance of KMP's during the year ended 30 June 2024 for both Short Term and Long Term incentives were assessed against key performance measures that covered the following areas:

Indicator		% Weighting	Reason for selection
Company Performance			*Shareholder value, operational excellence and growth.*
(a)	Achievement of the financial year's annual budgeted EBITDA	50%	Reflects improvements in revenue and cost control.
(b)	Exceeding a share price of 3 cents per share on a monthly basis during FY24.	25%	Focusing on shareholder value growth relative to peers.
Individual Performance			*Fostering talent, operational excellence and engaged personnel.*
(a)	Achievement of individual profit and loss measurement contribution (budget)	10%	Reflecting individual contribution to revenue and cost control.
(b)	Assessment of performance against individual set of KPI's	10%	Targeted metrics chosen to be critical to individual role and performance.
(c)	Achievement of cultural, safety and team indicators.	5%	Prioritising safety and teamwork and individual engagement.

Vesting

Following the year end, the KPI's were assessed, and no awards were achieved based upon Company Performance Indicators. Individual Performance KPI's were assessed based upon an individual's achievement against their own specified targets, and accordingly the vesting of STI and LTI awards as a proportion of total awards are between 0% and 25% and will be issued post the financial year end.

Remuneration governance

The full Board undertook the responsibilities of the Remuneration and Nomination Committee for the year.

REMUNERATION REPORT – AUDITED (CONTINUED)

Key Management Personnel Remuneration

The emoluments for each director and KMP of the Company for the year ended 30 June 2024 are as follows:

Directors and KMP	Year	Salary &Fees (Cash)	Cash Bonus	Annual Leave[1]	Share Based payments[2]	Super	Long Service Leave	Total	Perf. Related %
C Fear	2024	59,733	-	-	2,909	6,571	-	69,213	4%
	2023	56,274	-	-	6,170	5,909	-	68,353	9%
B Denison	2024	39,822	-	-	1,984	4,380	-	46,186	4%
	2023	37,516	-	-	4,545	3,939	-	46,000	10%
P Leary	2024	39,822	-	-	-	4,380	-	44,202	0%
	2023	37,516	-	-	6	3,939	-	41,461	0%
B Mangano	2024	343,667	-	890	160,409	27,399	-	532,365	30%
	2023	333,952	20,000	(3,169)	198,866	25,292	-	574,941	35%
Ryan Sofoulis	2024	219,112	-	(2,133)	32,767	25,000	4,526	279,272	12%
	2023	206,247	13,333	2,005	56,753	21,656	7,762	307,756	18%
D Smorgon[3]	2024	-	-	-	-	-	-	-	0%
	2023	8,333	-	-	-	875	-	9,208	0%
Robert Sofoulis[4]	2024	-	-	-	-	-	-	-	0%
	2023	18,816	-	-	-	1,976	-	20,792	0%
P Gibbons[5]	2024	-	-	-	-	-	-	-	0%
	2023	8,860	-	-	-	930	-	9,790	0%
Totals	**2024**	**702,156**	**-**	**(1,243)**	**198,069**	**67,730**	**4,526**	**971,238**	**20%**
Totals	**2023**	**707,514**	**33,333**	**(1,164)**	**266,340**	**64,516**	**7,762**	**1,078,301**	**25%**

[1] Movement in annual leave provision.
[2] Refer to note 19 for further details.
[3.] Resigned 1 September 2022.
[4.] Retired 17 November 2022.
[5.] Resigned 8 September 2022.

REMUNERATION REPORT – AUDITED (CONTINUED)

Current service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name	Title	Term of agreement	Details
Charles Fear	Non-executive Chairman	On going	$60,000 per annum plus superannuation.
Bradley Denison	Non-executive Director	On going	$40,000 per annum plus superannuation.
Pippa Leary	Non-executive Director	On going	$40,000 per annum plus superannuation
Brian Mangano	Managing Director and Chief Executive Officer	On going	Base salary for the year ending 30 June 2024 of $345,000 plus superannuation. Not less than 6 months termination notice by either party. Remuneration is subject to an annual review and at the Board's sole and absolute discretion.
Ryan Sofoulis	Chief Financial Officer	On going	Base salary for the year ending 30 June 2024 of $220,000 plus superannuation. Not less than 5 months termination notice by either party.

Share-based compensations

Issue of share awards and performance rights:

The following table provides details of the number of share awards and performance rights granted to KMP during the financial year ended 30 June 2024.

Name	Share Awards Granted No.	Performance Rights Granted No.	% Vested based upon Maximum Opportunity	Term and conditions
Mr B Mangano[1]	1,862,489	1,862,489	23.4%	Share Awards are immediately exercisable in the Company's ordinary shares Performance Rights are subject to continuous employment throughout the vesting period and vest on 30 June 2025 (50%) and 30 June 2026 (remaining 50%)
Mr R Sofoulis[2]	587,684	587,684	24.5%	

1. Mr B Mangano' share awards and performance rights are subject to shareholder approval.
1-2 Refer to note 19 for further details

In addition, the Company has granted share awards and performance rights under the Employee Incentive Scheme ("EIS") to the director and key management personnel as part of the compensation during the financial year ended 30 June 2022 and 30 June 2023, with the same performance criteria and conditions as disclosed under remuneration policy.

Details of share awards and performance rights issued to directors and other key management personnel as part of compensation are set out in the following table.

REMUNERATION REPORT – AUDITED (CONTINUED)

Details of Share Based Payments

Name	Remuneration type	Number granted	Grant date	Vesting/ exercisable date	Expiry date	Exercise Price	Fair value at grant date (cents)
C Fear	Ordinary Share Rights	600,000	18 November 2021	20 November 2023	18 November 2021	Nil	1.7
C Fear	Ordinary Share Rights	150,000	17 November 2022	25 March 2024	21 March 2024	Nil	1.7
B Denison	Ordinary Share Rights	600,000	18 November 2021	20 November 2023	18 November 2023	Nil	1.7
B Mangano	Performance Rights (FY22)[2]	4,620,487	1 July 2021	24 July 2023	30 June 2025	Nil	2.0
B Mangano	Performance Rights (FY23)	8,445,946	1 July 2022	30 June 2024 (50%) 30 June 2025 (remaining 50%	30 June 2026	Nil	1.6
B Mangano	Share Awards (FY23)	8,445,946	1 July 2022	24 November 2023	N/A	Nil	1.6
B Mangano	Ordinary Shares Options	2,000,000	18 November 2021	6 February 2025	N/A	5.0	8.0
B Mangano	Performance Rights (FY24)	1,862,489	1 July 2023	TBA[1]	30 June 2027	Nil	1.8
B Mangano	Share Awards (FY24)	1,862,489	1 July 2023	TBA[1]	TBA[1]	Nil	1.8
Ryan Sofoulis	Performance Rights(FY22)	1,202,593	1 July 2021	24 July 2023	N/A	Nil	2.0
Ryan Sofoulis	Performance Rights(FY23)	2,545,354	1 July 2022	30 June 2024 (50%) 30 June 2025 (remaining 50%	30 June 2026	Nil	1.3
Ryan Sofoulis	Performance Rights(FY24)	587,684	1 July 2023	30 June 2025 (50%) 30 June 2026 (remaining 50%)	30 June 2027	Nil	1.8
Ryan Sofoulis	Share Awards (FY24)	587,684	1 July 2023	30 June 2024	N/A	Nil	1.8

[1.] The Share awards and performance rights have been approved by the Board and are subject to shareholders approval.

REMUNERATION REPORT – AUDITED (CONTINUED)

Apart from the grant of the FY2024 EIS rights, the Company has not granted any rights to other directors in the financial year ended 30 June 2024.

Statutory performance indicators

The table below shows measures of the Group's financial performance over the last four years as required by the Corporations Act 2001.

	2024	2023	2022	2021	2020
Loss after income tax ($'000)	(1,676)	(3,978)	(3,653)	(4,766)	(21,647)
Basic loss (cents per share)	(0.3)	(0.7)	(0.6)	(0.8)	(6.3)
Increase/(decrease) share price (%)	29	(18)	(6)	(50)	(82)

Shareholdings of Key Management Personnel

The movement during the reporting period in the number of ordinary shares in Swift Networks Group Limited held directly, indirectly or beneficially, by each specified Director and KMP, including their related entities, is as follows:

	Ordinary Shares Held at 30 June 2023 No.	Granted	Acquired on market	Exercise of Rights	Net Change	Ordinary Shares Held at 30 June 2024 No.
Directors						
Mr C Fear	**9,024,000**	-	1,515,152	750,000	2,265,152	**11,289,152**
Mr B Denison	**2,300,000**	-	1,212,121	600,000	1,812,121	**4,112,121**
Ms P Leary	**6,212,749**	-	606,061	-	606,061	**6,818,810**
Mr B Mangano	**21,786,515**	1,862,489[1]	1,212,121	-	3,074,610	**24,861,125**
Mr Ryan Sofoulis	**7,754,378**	587,684	606,061	355,135	1,548,880	**9,303,258**

[1.] The securities granted to Mr B Mangano are subject to shareholder approval.

Rights to deferred shares of Directors and Key Management Personnel

The table below summarises the number of deferred shares in Swift Networks Group Limited held directly, indirectly or beneficially, by each specified Director and KMP, including their related entities during the reporting year.

	Held at 30 June 2023 No.	Ordinary Share Rights granted during the year	Ordinary Share Rights vested during the year	Held at 30 June 2024 No.	Vested & exercisable at year end
Directors					
Mr C Fear	750,000	-	(750,000)	-	-
Mr B Denison	600,000	-	(600,000)	-	-

REMUNERATION REPORT – AUDITED (CONTINUED)

Option holdings of Directors and Key Management Personnel

The movement during the reporting period in the number of issued options in Swift Networks Group Limited held directly, indirectly or beneficially, by each specified Director and KMP, including their related entities, is as follows:

	Held at 30 June 2023 No.	Exercised during the year	Lapsed During the year	Held at 30 June 2024 No.	Options vested & exercisable at year end
Directors					
Mr B Mangano	2,000,000	-	-	**2,000,000**	**-**

Performance right holdings of Directors and Key Management Personnel

The movement during the reporting period in the number of issued Performance Rights in Swift Networks Group Limited held directly, indirectly or beneficially, by each specified Director and KMP, including their related entities, is as follows:

	Held at 30 June 2023 No.	Exercised during the year	Granted as compensation	Held at 30 June 2024 No.	Performance rights vested & exercisable at year end[2]
Directors					
Mr B Mangano[1]	13,066,433	**-**	1,862,489	**14,928,922**	**6,085,462**
Mr R Sofoulis	4,103,082	(355,135)	587,684	**4,335,631**	**1,860,361**

1. Performance rights granted to B Mangano are subject to shareholder approval.
2. Full terms and conditions of the performance rights are disclosed in remuneration policy and share based payments.

Loans with Directors and Key Management Personnel

The Company has no other loans advanced by the Directors and their related parties as of 30 June 2024.

Other transactions with Directors and Key Management Personnel

No other transactions existed during the year and as at reporting date between the Company and with Directors and or KMP.

Voting and comments made at the Company's 2023 annual General Meeting

The approval of the Remuneration Report was passed as indicated in the results of the Annual General Meeting dated 16 November 2023, with 98.7 per cent voting in favour.

This is the end of the Audited Remuneration Report.

SHARES UNDER ISSUE

Unissued ordinary shares of Swift Networks Group Limited under option at the date of this report are:

Options

Grant date	Expiry date	Exercise price	Number
30 April 2020	30 April 2025	$0.05	2,000,000
18 November 2021	7 February 2025	$0.05	2,000,000
Total			**4,000,000**

INDEMNIFICATION AND INSURANCE OF DIRECTORS

During the reporting period, the Company paid a premium to insure the Directors and Officers of the Company and its wholly owned subsidiaries.

NON-AUDIT SERVICES

BDO Audit Pty Ltd is the Group's auditor. During the year, BDO Corporate Tax provided other services in addition to their statutory duties. In the future the Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company is important. The Board of Directors is satisfied that the provision of non-audit services during the year ended 30 June 2024 is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The total non-audit service amount paid to the auditors were $31k (FY23: $33k). Details of the amount paid to the auditors are disclosed in note 23 to the financial statements.

AUDITORS' INDEPENDENCE DECLARATION

A copy of the Auditors' Independence Declaration as required under Section 307C of the Corporations Act 2001 is set out on page 18.

ENVIORNMENTAL REGULATIONS

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report greenhouse gas emissions and energy use. For the measurement period 1 July 2023 to 30 June 2024 the directors have assessed that there are no current reporting requirements, but the Group may be required to do so in the future.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

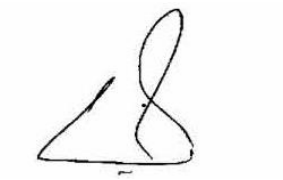
The Company was not a party to any such proceedings during the year.

ROUNDING OFF

The Company is of an entity to which Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Reports) Instruments 2016/191, dated 24 March 2016 applies. Amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated.

Dated at Perth this 30th day of August 2024.

This report is made in accordance with a resolution of the Directors.



Mr Charles Fear
Chairman

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF SWIFT NETWORKS GROUP LIMITED

As lead auditor of Swift Networks Group Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Swift Networks Group Limited and the entities it controlled during the period.

Jarrad Prue

Director

BDO Audit Pty Ltd

Perth

30 August 2024

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

SWIFT NETWORKS GROUP LIMITED AND CONTROLLED ENTITIES
ABN 54 006 222 395

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		$000	$000
Continuing Operations			
Revenue	2	18,375	19,060
Operating expenses	3	(16,963)	(17,990)
		1,412	**1,070**
Depreciation and amortisation	8,9	(1,399)	(1,185)
Amortisation of right-of- use assets	14	(184)	(163)
Share based payment	19	(428)	(611)
Business restructuring costs		-	(49)
Fair value loss on financial assets	10	(116)	(290)
Amortisation other		-	(17)
Provisions for financial liabilities	11	106	(1,410)
Results from operating activities		**(609)**	**(2,655)**
Finance income		17	28
Finance costs		(1,084)	(1,351)
Net finance costs		**(1,067)**	**(1,323)**
Loss before income tax		**(1,676)**	**(3,978)**
Income tax benefit/(expenses)	4	-	-
Loss from continuing operations		**(1,676)**	**(3,978)**
Loss for the year		**(1,676)**	**(3,978)**
Total comprehensive loss for the year		**(1,676)**	**(3,978)**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

Loss per share attributable to the members of Swift Networks Group Limited:		Cents	Cents
Basic loss per share			
Loss from continuing operations	27	(0.3)	(0.7)
Diluted loss per share			
Loss from continuing operations	27	(0.3)	(0.7)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

SWIFT NETWORKS GROUP LIMITED AND CONTROLLED ENTITIES
ABN 54 006 222 395

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	2024 $000	2023 $000
Current Assets			
Cash and cash equivalents	5	1,846	2,073
Trade and other receivables	6	2,938	3,206
Inventory	7	1,022	1,475
Other current assets		567	520
Financial assets at fair value through profit or loss	10	126	-
Total Current Assets		**6,499**	**7,274**
Non-Current Assets			
Property, plant and equipment	8	362	480
Right-of-use assets	14	460	644
Intangible assets	9	2,723	2,370
Financial assets at fair value through profit or loss	10	-	622
Total Non-Current Assets		**3,545**	**4,116**
Total Assets		**10,044**	**11,390**
Current Liabilities			
Trade and other payables	11(a)	6,804	6,059
Contract liabilities	15	1,533	2,157
Provisions	12	607	585
Lease liabilities	14	213	192
Total Current Liabilities		**9,157**	**8,993**
Non-Current Liabilities			
Other payables	11(b)	758	1,036
Provisions	12	46	40
Borrowings	13	6,417	6,418
Lease liabilities	14	364	577
Contract liabilities	15	-	37
Total Non-Current Liabilities		**7,585**	**8,108**
Total Liabilities		**16,742**	**17,101**
Net Liabilities		**(6,698)**	**(5,711)**
Equity			
Issued capital	16	61,888	61,627
Reserves	17	7,350	6,922
Accumulated losses	18	(75,936)	(74,260)
Total Equity		**(6,698)**	**(5,711)**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

SWIFT NETWORKS GROUP LIMITED AND CONTROLLED ENTITIES
ABN 54 006 222 395

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2024

	Note	Issued Capital	Reserves	Accumulated losses	Total
		$000	$000	$000	$000
For the year ended 30 June 2024					
At the beginning of the year		**61,627**	**6,922**	**(74,260)**	**(5,711)**
Total comprehensive loss for the year		-	-	(1,676)	**(1,676)**
Transactions with shareholders in their capacity as shareholders:					
Capital raised from conversion of warrants	16	261	-	-	**261**
Share based payments	19	-	428	-	**428**
At the end of the year		**61,888**	**7,350**	**(75,936)**	**(6,698)**

	Note	Issued Capital	Reserves	Accumulated losses	Total
		$000	$000	$000	$000
For the year ended 30 June 2023					
At the beginning of the year		**61,627**	**5,769**	**(70,282)**	**(2,886)**
Total comprehensive loss for the year		-	-	(3,978)	**(3,978)**
Transactions with shareholders in their capacity as shareholders:					
Share based payments	19	-	1,153	-	**1,153**
At the end of the year		**61,627**	**6,922**	**(74,260)**	**(5,711)**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

SWIFT NETWORKS GROUP LIMITED AND CONTROLLED ENTITIES
ABN 54 006 222 395

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		$000	$000
Cash Flows from Operating Activities			
Cash receipts in the course of operations		18,269	19,144
Cash payments in the course of operations		(17,667)	(18,815)
Finance costs		(823)	(924)
Interest received		17	28
R&D tax refunds		1,423	970
Net cash inflows from operating activities	20	**1,219**	**403**
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	8	(143)	(172)
Payment for development	9	(1,491)	(1,190)
Proceeds from sale of listed shares	10	380	28
Net cash outflows for investing activities		**(1,254)**	**(1,334)**
Cash Flows from Financing Activities			
Repayments of lease liabilities		(192)	(154)
Repayment of borrowings		-	(516)
Payment of transactions costs		-	(76)
Net cash outflows from financing activities		**(192)**	**(746)**
Net decrease in cash and cash equivalents		(227)	(1,677)
Cash at the beginning of the year		2,073	3,750
Cash at the end of the year	5	**1,846**	**2,073**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Reporting entity

Swift Networks Group Limited (the 'Company') is a Company domiciled in Australia and a for-profit entity for the purpose of preparing financial statements. The consolidated financial statements and notes represent those of the Swift Networks Group Limited and controlled entities (the "consolidated Group" or "Group").

The separate financial statements of the parent entity, Swift Networks Group Limited, have not been presented within this financial report as permitted by the Corporations Act 2001.

Note 1 . Operating segments

In conjunction with AASB 8 Operating Segments, the Company has identified its operating segment based on internal reports that are reviewed and used by the Chief Operating Decision Maker (CODM) in assessing performance and in determining the allocation of resources. The CODM has been identified as the Chief Executive Officer.

The CODM monitors the operating results of the consolidated group and organises its business activities and product lines in the digital entertainment and services sector. The performance of the consolidated group is evaluated based on Earnings before Interest, Taxes, Depreciation and Amortisation ("EBITDA") which are measured in accordance with the Company's accounting policies.

Consistent with the assessment in annual accounts ended 30 June 2023, the Group has identified only one reporting segment in the digital entertainment and service sector for which the Group earn revenue and allocate resources. As such, the reportable segment for the current period is represented by primary statements forming this financial report being one segment.

Geographical information
All revenue and non-current assets are derived in Australia.

Note 2. Revenue

	2024	2023
	$000	$000
Revenue from continuing operations	18,375	19,060
Total revenue	**18,375**	**19,060**

Disaggregation of revenue	2024	2023
	$000	$000
Revenue recognition at a point in time[1]	3,913	5,040
Revenue recognition over time[2]	14,462	14,020
	18,375	19,060

1. Relating to sale of equipment
2. Relating to content, support and services

Revenue of approximately $4.4m (FY2023: $3.2m) is derived from a single external customer. The revenue is attributed to infrastructure, content and support.

Note 2. Revenue (continued)

Revenue recognised in relation to contract liabilities	2024	2023
	$000	$000
Revenue recognised that was included in the contract liability balance at 1 July for Content and Technology revenue	217	151
	217	151

Remaining performance obligations	2024	2023
	$000	$000
Unsatisfied transaction price from long-term Content and Technology contracts	18,042	18,548
	18,042	18,548

As at 30 June 2024, the Group expects that 74% of the transaction price allocated to the unsatisfied contracts for Content and Technology will be recognised as revenue in the 2025 financial year. The remaining 26% will be recognised from 2025 to 2029. The Group applies the practical expedient in paragraph 121 of AASB 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

Note 3. Operating expenses

	2024	2023
	$000	$000
Cost of sales	(10,892)	(11,372)
Employment costs[1]	(5,548)	(5,768)
Occupancy costs	(109)	(149)
Professional fees	(393)	(390)
General & administration expenses[2]	(1,280)	(923)
Other income[3]	1,259	612
	(16,963)	**(17,990)**

1. Employee costs included $672k defined contribution superannuation expenses.
2. The general expenses included provision for doubtful debt of $0.3m.
3. $905k was R&D income in the period and $181k was deferred income.

Note 4. Taxation

	2024	2023
	$000	$000
(a) Income tax benefit		
Major components of income tax expense are:		
Current tax	-	-
Deferred tax	-	-
Under/Over	-	-
Income tax expense/ (benefit) reported in the income statement	**-**	**-**

(b) Numerical reconciliation

The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:	(1,676)	(3,978)
Prima facie tax payable on loss from ordinary activities before income tax at 25% (2023: 25%)	(419)	(994)
- Non deductible share based payments	107	153
- Other permanents	(144)	(150)
Changes to income tax expense due to:		
- Deferred taxes not recognised	456	991
Income tax expenses attributable to entity	-	-

Note 5. Cash and cash equivalents

	2024	2023
	$000	$000
Cash at bank and on hand	1,846	2,073
	1,846	**2,073**

Refer to note 21 on risk exposure analysis for cash and cash equivalents.

Note 6. Trade and other receivables

	2024	2023
	$000	$000
Current		
Trade receivables[1]	3,005	2,902
Other receivables[2]	236	307
Loss allowance	(303)	(3)
	2,938	**3,206**

[1.] Trade receivables are non-interest bearing and are generally on 30-60-day terms. The Company has assessed the receivables and raised $0.3m provision for doubtful debt in relation to long-overdue receivable balances. Due to short term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

At 30 June 2024, a total of $904k was past due of which $257k has been received. The remaining overdue balance is $647k (FY2023: $327k). The Company has assessed the increased past due amount and provided $0.3m provision for potential losses. The Company is endeavouring to collect the overdue amounts and confident that the other debtors' amounts within the commercial term are collectable in full.

[2.] The restricted cash of $225k secured for issuance of bank guarantees is included in other receivables.

Refer to note 21 Financial Risk Management for risk exposure analysis for Trade and other receivables.

Note 7. Inventory

	2024	2023
	$000	$000
Inventory:		
Finished goods	955	691
Provision for obsolescence[1]	(55)	(55)
Work in progress	122	839
	1,022	**1,475**

[1.] Write-downs of inventories to net realisable value was nil (FY2023:$2k). The existing provision amount is sufficient to cover the potential obsolescence loss.

Note 8. Property, plant and equipment

	Motor Vehicles	Software	Office Fit-out & Equipment	Test Equipment	Rental Equipment	Leasehold Improvement	Total
	$000	$000	$000	$000	$000	$000	$000
Year ended 30 June 2024							
Opening net book amount	17	139	30	49	95	150	**480**
Additions	-	-	51	3	86	3	**143**
Depreciation expenses	(17)	(81)	(30)	(16)	(75)	(42)	**(261)**
Closing net book amount	**-**	**58**	**51**	**36**	**106**	**111**	**362**
At 30 June 2024							
Cost	161	1,007	938	277	4,589	222	**7,194**
Accumulated depreciation and impairment	(161)	(949)	(887)	(241)	(4,483)	(111)	**(6,832)**
Net book amount	**-**	**58**	**51**	**36**	**106**	**111**	**362**
Year ended 30 June 2023							
Opening net book amount	44	297	123	15	29	186	**694**
Additions	-	2	9	47	108	6	**172**
Depreciation expense	(27)	(160)	(102)	(13)	(42)	(42)	**(386)**
Closing net book amount	**17**	**139**	**30**	**49**	**95**	**150**	**480**
At 30 June 2023							
Cost	161	1,007	887	275	4,503	218	**7,051**
Accumulated depreciation and impairment	(144)	(868)	(857)	(226)	(4,408)	(68)	**(6,571)**
Net book amount	**17**	**139**	**30**	**49**	**95**	**150**	**480**

Note 9. Intangible Assets

Development Costs	2024	2023
	$000	$000
Year ended 30 June 2024		
Opening net book amount	2,370	1,979
Additions	1,491	1,190
Amortisation charge	(1,138)	(799)
Closing net book amount	**2,723**	**2,370**
Cost	8,709	7,346
Accumulated amortisation and impairments	(5,986)	(4,976)
Closing net book amount	**2,723**	**2,370**

The Company has incurred additional development costs of new applications in response to its growth strategy, advanced technology development and the market demand. Consistent with prior year, the Company expects to recover the development costs through the sale and the use of these new applications.

The Company has completed the development of key applications and launched them in the expanding market in FY2024 and expects market share increase in the target sectors.

The capitalised project development costs are amortised on a straight-line basis.

Assessment of carrying value

The aggregate carrying amount of intangibles allocated to the Group's separably identifiable cash-generating units (CGU):

	2024	2023
	$000	$000
Swift Networks – Intangibles	2,723	2,370
	2,723	**2,370**

The Company has assessed that there is no relevant impairment indicators in this reporting year. The Company has concluded that the carrying value of the intangibles are recoverable.

Note 10. Financial assets at fair value through profit or loss

	2024	2023
Current	$000	$000
Listed ordinary shares	126	-
	126	**-**

	2024	2023
Non-current	$000	$000
Listed ordinary shares	-	622
	-	**622**

The current asset represents the valuation of 7m shares in Motio Limited (ASX:MXO) at $0.018 cents per share as of 30 June 2024.

Note 10. Financial assets at fair value through profit or loss (continued)

Reconciliation of the fair values at the beginning and the end of the current and previous financial year are set out below:	2024	2023
	$000	$000
Opening fair value	622	940
Disposals	(380)	(28)
Net fair value loss on financial assets at fair value through profit or loss	(116)	(290)
Closing fair value	**126**	**622**

Refer to note 21 for further information on fair value assessment.

Note 11. Trade and Other Payables

	2024	2023
11 (a) Current	**$000**	**$000**
Trade Payables[1]	3,164	3,154
Other payables and accruals[2]	3,640	2,905
	6,804	**6,059**
11 (b) Non-current		
Other payables and accruals[2]	758	1,036
	758	**1,036**

1. Current trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts are considered to be the same as their fair values, due to their short-term nature.

2. a) Other payables and accruals relate to provisional costs for increased licensing, insurance and employee costs, as well as $322k repayment in relation to ACCC matter (FY23: $526k). It also includes $354k RD claims to be released in 12 months.

   b) Other non-current payables and accruals consists of $586k payments to the government and $172k deferred income arising from R&D claims to be released in future periods.

Note 12. Provisions

	2024	2023
Current	**$000**	**$000**
Employee and FBT provisions	607	578
Provision for contractual liabilities	-	7
	607	**585**
Non-Current		
Employee provisions[1]	46	40
	46	**40**

1. Entitlement to Long Service Leave is more than 12 months.

Note 13. Borrowings

	2024 $000	2023 $000
Non-current		
Pure Asset Management Loan[1,4]	7,685	8,201
Less: reduction of loan principal[2]	(261)	-
Less: repayment of loan principal	-	(516)
Less: transaction costs[3]	(1,007)	(1,267)
Total non-current borrowings	**6,417**	**6,418**

1. Pure loan with maturity ending in September 2025 and 9.5 per cent interest rate, interest payable every three months.

2. Pure exercised its warrants in respect of 15,833,334 Warrants Shares at an exercise price of $0.0165 in December 2023 and converted to ordinary shares reducing the loan facility by $261k.

3. Transaction costs are costs that are directly attributable to the loan and include loan originating fees, legal fees and the aggregated valuation of 110.7m warrants. Of the 110.7m warrants, 15.8m has been converted to ordinary shares and a further 34.8m have expired in FY2024. Total capitalised transaction costs relating to the facility agreement are $2.5m. The balance of unamortised transaction cost of approximately $1.0m is to offset against the reduced borrowings of $7.4m. The security of the facility is a first ranking general security over all assets of the Group and its subsidiaries.

4. The facility is subject to quarterly EBITDA and cash covenant of minimum cash balance of $1m. The Group has complied with the loan covenants during the reporting year, except for the June 2024 quarter EBITDA. The Group has obtained a waiver letter for covenants up until 1 July 2024.

Note 14. Leases

	Consolidated Right-of-use Assets	
	2024 $000	2023 $000
Opening net book amount[1]	644	737
Additions	-	70
Amortisation expense	(184)	(163)
Closing net book amount	**460**	**644**

1. The leases related to office premises only.

Note 14. Leases (Continued)

	Consolidated Lease Liabilities	
	2024	**2023**
	$000	**$000**
Lease liabilities		
Properties Current	213	192
Total current lease liabilities	213	192
Properties Non-current	364	577
Total non-current lease liabilities	364	577
Total lease liabilities	**577**	**769**

	2024	**2023**
	$000	**$000**
Maturity analysis:		
Within one year	213	192
Later than one year but not later than five years	364	577
Total	**577**	**769**

Amounts recognized in the consolidated statement of profit or loss	**2024**	**2023**
	$000	**$000**
Interest expense (included in finance costs)	(37)	(48)
Amortisation charge of right-of-use assets	(184)	(163)

Cash outflow

In FY2024, the total cash outflow for leases including principal repayments and interest repayments was $230k (FY2023: $198k).

Note 15. Contracts Liabilities

Contract liability represents payments collected based on commercial terms and milestones, but the goods or services have not been transferred to a customer at the end of the reporting period. These payments are recognised as revenue when the performance obligations are satisfied. Where contract liabilities contain a significant financing component and if the period of time between the receipt of the upfront cash and the satisfaction of the future performance obligations is greater than 1 year, an interest charge of the upfront amount will be recognised.

Current Contract liabilities	**2024**	**2023**
	$000	**$000**
Content & technology revenue current	1,533	2,157
Total	**1,533**	**2,157**
Non-Current Contract liabilities		
Content & technology revenue non-current	-	37
Total	**-**	**37**

Note 16. Issued capital

	2024 $000	2023 $000
Issued capital	**61,888**	**61,627**

Movement in Ordinary Share Capital:	**30 June 2024 No.**	**30 June 2023 No.**	**30 June 2024 $000**	**30 June 2023 $000**
At the beginning of the year	593,995,258	581,497,900	61,627	61,627
Exercise of EIS rights	-	12,497,358	-	-
Issue of EIS share rights[1]	35,684,031	-	-	-
Exercise of EIS[2]	231,734	-	-	-
Exercise of ordinary share rights[3]	1,350,000	-	-	-
Warrants exercised during the year	15,833,334	-	261	-
	647,094,357	**593,995,258**	**61,888**	**61,627**

1. Issued in the financial year in relation to employee incentive scheme rights for KMP and employees.
2. Related to conversion of EIS rights granted in FY22.
3. Related to conversion of ordinary share rights in this financial year.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, shall have one vote and upon a poll each share shall have one vote.

Options

There were no options issued nor expired in this financial year. At 30 June 2024, the options balance was 4m (30 June 2023: 4m).

	5 cents 30 April 2025	**5 cents 7 February 2025**	**Total**
Opening balance	2,000,000	2,000,000	**4,000,000**
Closing balance	**2,000,000**	**2,000,000**	**4,000,000**

Warrants

The table below summarises the details of warrants.

Grant date	**Expiry date**	**Exercise price $**	**Opening balance**	**Exercised**	**Expired**	**Closing balance**	**Value $000**
29 January 2020	4 December 2023	0.0165	26,666,666	(15,833,334)	(10,833,332)	-	-
3 March 2021	22 January 2024	0.08	24,000,000	-	(24,000,000)	-	-
23 August 2022	30 September 2025	0.03	60,000,000	-	-	60,000,000	542
Total			**110,666,666**	**(15,833,334)**	**(34,833,332)**	**60,000,000**	**542**

Note 16. Issued capital (continued)

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group will look to raise capital when an opportunity to make investments is seen as value adding relative to the current parent entity's share price at the time of the investment.

The Group is subject to certain financial arrangement covenants and meeting these is given priority in all capital risk management decisions.

The capital risk management policy remains unchanged from the FY2023 Annual Financial Statement.

Note 17. Reserves

	2024 $000	2023 $000
Options & Warrant reserves		
Opening balance	6,922	5,769
Warrants issued	-	542
Options and Performance Rights reserve	428	611
Closing balance	**7,350**	**6,922**

Note 18. Accumulated losses

	2024 $000	2023 $000
Accumulated losses at the beginning of the financial year	(74,260)	(70,282)
Loss after income tax expense for the year	(1,676)	(3,978)
Accumulated losses at the end of the financial year	**(75,936)**	**(74,260)**

Note 19. Share based payments

Performance Rights

The below table provides the details of various performance rights.

EIS Share rights	Grant date	Expiry date	Exercise price $	Opening balance	Granted	Exercised	Closing balance
FY22 LTI	23 September 2022	30 June 2025	Nil	9,821,815	-	(231,734)	9,590,081
FY23 LTI	1 July 2022[1]	30 June 2026	Nil	21,045,073	-	-	21,045,073
FY23 LTI (KMP)	1 July 2022[2]	30 September 2025	Nil	8,445,946	-	-	8,445,946
Performance rights	29 August 2023	1 July 2025	Nil	500,000	-	-	500,000
Total				**39,812,834**	**-**	**(231,734)**	**39,581,100**

1. FY23 LTI were granted in FY23 and approved by the Board on 27 July 2023

2. Granted in FY23 and approved at AGM on 6 September 2023

(i) Reconciliation of the movement 2024

Remuneration Type	Balance at the start of the year	Granted	Exercised/ Vested	Balance at the end of the year	Exercisable at the end of the year
Ordinary Share Rights[1]	1,350,000	-	1,350,000	-	-
Ordinary Share Options[2]	4,000,000	-	-	4,000,000	-
Performance Rights (FY22)[3]	9,821,815	-	(231,734)[4]	9,590,081	9,590,081
Performance Rights[5]	500,000	-	-	500,000	-
Performance Rights (FY23)[6]	29,491,019	-	-	29,491,019	14,745,509
Share Awards (FY23)[6]	29,491,019	-	(29,491,019)	-	-
Performance Rights (FY24)[7]	-	7,014,538	-	7,014,538	-
Share Awards (FY24)[7]	-	7,014,538	-	7,014,538	5,152,049

1. Ordinary share rights are subject to a vesting period of two years following the date of appointment. The rights will be forfeited in full and lapse should the Directors not complete their respective engagement for the two year period.

2. Share options are exercisable at five cents per share with a minimum exercise period of three years. Share options subject to vesting outstanding at the end of the year which have nil exercise prices.

3. The Performance Rights (FY22) are subject to continuous employment and vest on 30 June 2023 (50%) and 30 June 2024 (remaining 50%).

Note 19. Share based payments (continued)

4. The exercise price of the Performance rights is nil.

5. The Performance rights are subject to two years' service term before vesting at nil exercise price, expiring 1 July 2025.

6. The performance rights (FY23) are subject to continuous employment and vest on 30 June 2024 (50%) and 30 June 2025 (remaining 50%). The Share awards (FY23) were awarded as ordinary shares.

7. Mr B Mangano was granted 1,862,489 STI Share Awards and 1,862,489 LTI Performance Rights under FY2024 EIS, which are all subject to shareholder approval. Refer to below (iii) for details.

(ii) Reconciliation of the movement 2023

Remuneration Type	Balance at the start of the year	Granted	Forfeited/ lapsed	Exercised/ Vested	Balance at the end of the year	Exercisable at the end of the year
Ordinary Share Rights	3,300,000	-	-	(1,950,000)	1,350,000	-
Ordinary Shares Options	5,000,000	-	(1,000,000)[8]	-	4,000,000	-
Performance Rights (FY22)	13,733,276	-	(3,911,461)	-	9,821,815	5,026,774
Share Awards (FY22)	13,733,276	-	-	(13,733,276)	-	-
Performance Rights	500,000	-	-	-	500,000	-
Performance Rights (FY23)	-	29,491,019	-	-	29,491,019	-
Share Awards (FY23)[9]	-	29,491,019	-	-	29,491,019	21,045,073

8. Ms Pippa Leary's full 1,000,000 options lapsed unexercised as at 30 June 2023.
9. Mr B Mangano was granted 8,445,946 STI Share Awards and 8,445,946 LTI Performance Rights under FY2023 EIS, which were subject to shareholder approval as at the reporting date 30 June 2023 and therefore not exercisable.

(ii) Valuation

The fair value of these share-based instruments was calculated as follows:

	Ordinary Share Rights (FY2024)	Performance Rights & Share Awards (FY2024 EIS)
Method	Share price at grant date	Share price at grant date
Spot price (cents)	1.5	1.8
Strike price	Nil	nil
Expiry date	1 Jul 2025	30 June 2027
Volatility	n/a	n/a
Risk free rate	n/a	n/a
Fair value per unit (cents)	1.5	1.8

Note 19. Share based payments (continued)

(iii) Performance Rights and Share Awards Granted

In FY2024, 7,014,538 STI Share Awards and 7,014,538 LTI Performance Rights under FY2024 EIS valued at $179k were granted to eligible employees and key management personnel. The 7,014,538 STI Share Awards are vested immediately, whilst the 7,014,538 LTI Performance Rights are subject to continuous employment being maintained throughout the vesting period. The vesting conditions were as follows:

(i) 50% of the award will vest on 30 June 2025; and

(ii) 50% of the Rights will vest on 30 June 2026

In the event that the employee resigns or is terminated by the Company, all the unvested Performance Rights at the time will be forfeited. Further, if the employees are placed on a formal performance management process, the Performance Rights will be forfeited.

(iv) Warrants – refer to note 13 and note 16

Summary of options and rights expensed as share-based payments:

	2024 $000	2023 $000
Issue of options and rights to KMP	198	266
Issue of EIS rights to employees	230	345
	428	**611**

Note 20. Cash flow information

	Consolidated	
	2024 **$000**	**2023** **$000**
(a) Reconciliation of net loss after tax to net cash flows from operations:		
Loss after tax	(1,676)	(3,978)
(a) Non-cash flows in profit:		
Depreciation and amortisation expenses	1,583	1,348
Amortisation expense for debt establishment cost and cost to fulfil contract	499	443
Share based payments (settled in equity)	428	611
Provision for proceeding costs and liabilities	-	1,410
Provision for bad debts	300	-
Loss on fair value on financial assets	116	290
Loss on write off loan to KMP	15	-
R&D deferred income	(181)	(362)
Adjustment of finance costs	(238)	115
	846	**(123)**

Note 20. Cash flow information (continued)

(b) Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries

Change in trade and other receivables	268	(497)
Change in inventories	453	(619)
Change in other current assets	(321)	(9)
Change in trade and other payables	662	645
Change in contract liabilities	(661)	1,027
Change in provisions	(28)	55
Change in borrowings	-	(76)
Cash flow provided from operations	**1,219**	**403**

Changes in liabilities from financing activities:	**Long term Borrowings $000**	**Lease liabilities $000**	**Total $000**
Balance as at 1 July 2022	**7,238**	**855**	**8,093**
Net cash used in financing activities	(516)	-	(516)
Lease liabilities capitalised	-	68	68
Lease repayment adjustment	-	(154)	(154)
Debt establishment costs capitalised	618	-	618
Other changes			
Interest expensed	(46)	-	(46)
Interest payments (presented as operating cash flows)	(876)	-	(876)
Balance as at 30 June 2023	**6,418**	**769**	**7,187**
Lease repayment	-	(192)	(192)
Other changes			
Interest expensed	759	-	759
Interest payments (presented as operating cash flows)	(760)	-	(760)
Balance as at 30 June 2024	**6,417**	**577**	**6,994**

Non-cash investing and financing activities disclosed in other notes are:

2024

- Equity instruments issued to employees and Directors under employee incentive scheme for no cash consideration – note 19

2023

- Acquisition of right-of-use assets – note 14
- Equity instruments issued to employees and Directors under employee incentive scheme for no cash consideration – note 19

Note 21. Financial risk management

Introduction and overview

The Group activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the Group is exposed are market risk, credit risk and liquidity risk.

Risk management framework

Market risk

Market risk is analysed as market price risk, interest rate risk and currency risk.

Market price risk

Market price risk is the risk that changes in market prices (other than changes due to currency or interest rate risk) will affect the Group's income or value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures.

The Motio share price fluctuations would affect the holding value of the listed shares. The loss on the valuation of Motio shares have been accounted for in this reporting period. Therefore, as at balance date the exposure to market price risk related to financial instruments was considered to be immaterial.

Interest rate risk

Interest rate risk consists of cash flow interest rate risk (the risk that future cash flows of a financial instrument will vary due to changes in market interest rates) and fair value interest rate risk (the risk that the value of a financial instrument will vary due to changes in market interest rates).

Management of interest rate risk

Interest rate risk is the risk of financial loss and / or increased costs due to adverse movements in the values of the financial assets and liabilities as a result of changes in interest rates.

Exposure to interest rate risk

As at the reporting date the interest rate risk was considered to be immaterial because the group borrowings were fixed rate instruments.

Currency risk

Currency risk is the risk that the value of assets and liabilities denominated in a foreign currency will fluctuate due to adverse movements in exchange rates. As at 30 June 2024, the Group has no exposure to currency risk relating to an operating lease and contractual commitments denominated in $US. A 10% movement in exchange rate would not have a material impact for the Group.

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Management of credit risk

The group limits its exposure to credit risk from trade receivables through regular review. At the reporting date the Company has increased provision for credit risk as a result of credit risk assessment.

Note 21. Financial risk management (continued)

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	2024	2023
	$000	$000
Carrying amount		
Cash and cash equivalents	1,846	2,073
Trade and other receivables	2,938	3,206
	4,784	**5,279**

The Group makes use of a simplified approach, under AASB 9, in accounting for short term trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group has used a general approach, under AASB 9, in accounting for long term trade receivables. Loss allowance for lifetime expected credit losses is recorded, if there is a significant increase in credit risk since initial recognition of the financial asset.

Loss Allowance

	2024	2023
	$000	$000
Opening loss allowance at 1 July (calculated under AASB 9)	3	116
Increase/(decrease) in loss allowance recognised in profit or loss during the year	300	(113)
Closing loss allowance as at 30 June	**303**	**3**

For the loss provision, management has segmented receivables into "Retention monies" and "Capex and monthly enterprise sales". Management also has assessed the history of debtors. As a result of the assessment, the Company has provided $0.3m loss allowance in relation to monthly enterprise sales in this financial year and expects to recover other debts for the full amount.

Credit risk related to balances with banks and other financial institutions is managed in accordance with approved board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard & Poor's rating of at least A-.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

Note 21. Financial risk management (continued)

Exposure to liquidity risk

As at reporting date the Group had sufficient cash reserves and access to facilities or arrangements for further funding or borrowings in place to meet its requirements (refer to note 29 Going concern for further details).

The financial liabilities the Group had at reporting date were trade payables incurred in the normal course of the business. These were non-interest bearing and were due within the normal 30-60 days terms of creditor payments.

The Group also has borrowings (refer to note 13) and lease liabilities (refer to note 14)

The following table sets out the carrying amounts, by maturity, of the financial instruments including exposure to interest rate risk:

The following table sets out the carrying amounts, by maturity, of the financial instruments including exposure to interest rate risk:

			Maturity				
	Carrying amount	**Weighted average interest rate**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**	**Total Contractual cash flows**
	$000	**%**	**$000**	**$000**	**$000**	**$000**	**$000**
Consolidated - 2024							
Financial liabilities							
Trade payables	3,164	-	2,266	895	3	-	3,164
Other payables	2,881	12	2,124	203	480	420	3,227
Loan	6,417	9.5	-	-	7,424	-	7,424
Lease liability	577	5.6	118	121	378	-	617
Closing net book amount	**13,039**	**-**	**4,508**	**1,219**	**8,285**	**420**	**14,432**

			Maturity				
	Carrying amount	**Weighted average interest rate**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**	**Total Contractual cash flows**
	$000	**%**	**$000**	**$000**	**$000**	**$000**	**$000**
Consolidated - 2023							
Financial liabilities							
Trade payables	3,154	-	3,152	3	-	(1)	3,154
Other payables	2,001	12	1,109	130	362	400	2,001
Loan	6,418	9.5	-	-	-	7,686	7,686
Lease liability	769	5.6	93	99	446	131	769
Closing net book amount	**12,342**	**-**	**4,354**	**232**	**808**	**8,216**	**13,610**

The Group maintains cash flow forecasts for the next 12 months on a rolling basis. This takes into consideration all projected debt payments.

Note 21. Financial risk management (continued)

Fair value of financial assets and liabilities

The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Group approximates their carrying amounts.

The fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

Equity investments traded on organised markets have been valued by reference to market prices prevailing at balance date.

The carrying amounts of financial assets and liabilities equates to their fair values at balance date.

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset and liability.

	Level 1	Level 2	Level 3
	$000	$000	$000
Financial assets at fair value through profit or loss	126	-	-
	126	**-**	**-**

Note 22. Supplier finance arrangement

The Company participates in an insurance funding arrangement. Under the arrangement, a financial institution agrees to pay the insurance premium to the insurance broker. The principal purpose is to make the cash outflows more predictable and facilitate monthly payment efficiently. The payment arrangement does not extend payment terms beyond the normal terms agreed with other suppliers, being 30 to 60 days.

The following table provides the details of the supplier finance arrangement.

	End of reporting period 30 Jun 2024 $000	Beginning of reporting period 1 Jul 2023 $000
Carrying amount of liabilities that are part of supplier financing arrangement		
Presented within trade and other payables	207	185
- of which suppliers have received payment from finance provider during the financial year	-	185

Note 23. Auditors' remuneration

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2024	2023
BDO Audit (WA) Pty Ltd and BDO Audit Pty Ltd[1]	$	$
Audit and review of financial statements	121,000	124,344
Non-audit services provided:		
Taxation advice and preparation of income tax returns	30,500	32,750
Total remuneration for audit and non-audit services	**151,500**	**157,094**

[1.] BDO Audit (WA) Pty Ltd transitioned to BDO Audit Pty Ltd on 11 April 2024.

Note 24. Parent entities

	Parent entity	
	2024	2023
	$000	$000
(a) Statement of Profit or Loss and other comprehensive income		
The individual financial statements for the parent entity show the following aggregate amounts:		
Net (loss)/profit attributable to equity holders of the Company	(319)	11
(b) Statement of financial position		
Assets		
Total current assets	3,517	2,551
Total non-current assets	1,145	1,640
Total assets	**4,662**	**4,191**
Liabilities		
Total current liabilities	(771)	(243)
Total non-current liabilities	(7,436)	(7,436)
Net assets	**(3,545)**	**(3,488)**
Shareholders' equity		
Share capital	61,888	61,626
Reserves	2,180	2,180
Accumulated losses	(67,613)	(67,294)
Total equity	**(3,545)**	**(3,488)**

The Parent has no Contingent Liabilities as at 30 June 2024 (FY2023: nil). The Parent has a secured debt facility amounting to $6,417k (30 June 2023: $6,418k) (Refer to details in note 13).

The Parent has no Contingent assets and no other contractual obligations on behalf of the Group as at 30 June 2024 (FY2023: nil).

Note 25. Related party transactions

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Company's KMP for the year ended 30 June 2024.

	Consolidated	
	2024	2023
	$	$
Short term employee benefits	700,913	739,683
Share based payments (non-cash)	198,069	266,340
Post-employment benefits	67,730	64,516
Long term employee benefits	4,526	7,762
	971,238	**1,078,301**

Disclosures relating to KMP are set out in the remuneration report of the Directors' report.

Loans with Directors and Key Management Personnel

The Company has no funds advanced by the Directors and their related parties as at 30 June 2024.

Other transactions with Directors and Key Management Personnel

No other transactions existed during the year and as at reporting date between the Company and with Directors and or KMP.

Note 26. Group entity

Ultimate parent entity

The ultimate parent entity in the wholly owned Group is Swift Networks Group Limited.

Name of entity	Country of residence / establishment	Ownership interest 30 June 2024 %	Ownership interest 30 June 2023 %
Parent entity			
Swift Networks Group Limited	Australia	nil	nil
Controlled entities			
Swift Networks Pty Ltd	Australia	100%	100%
VOD Pty Ltd	Australia	100%	100%
Swift Networks Australia Pty Ltd	Australia	100%	100%
Medical Media Group Pty Ltd	Australia	100%	100%
Movie Source Pty Ltd	Australia	100%	100%
Wizzie Pty Ltd	Australia	100%	100%
Stanfield Funds Management Limited	Hong Kong	100%	100%

Of the controlled entities, Swift Networks Pty Ltd and VOD Pty Ltd were operating during the reporting period.

Note 27. EPS

	2024	2023
	$000	$000
Net loss from continuing operations for the year	**(1,676)**	**(3,978)**
	No.	**No.**
Weighted average number of ordinary shares for the purpose of basic earnings per share	631,865,253	590,101,217
Basic loss per share (cents)	(0.3)	(0.7)
Diluted loss per share (cents)	(0.3)	(0.7)

There are no instruments considered to be dilutive. Options and performance rights have not been taken into account because they are antidilutive.

Note 28. Commitments

The Company only has a commitment in respect of a five-year payment plan for NetSuite ERP licence fees which will be fully settled within 12 months. Minimum commitments under the arrangement are as follows:

	Consolidated	
	2024	2023
	$000	$000
Not later than 1 year	23	140
Later than 1 year but not later than 2 years	-	23
	23	**163**

Note 29. Material Accounting Policy Information

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations AASB 108(30).

Note 29. Material Accounting Policy Information (continued)

Going Concern

The annual report has been prepared on a going concern basis, which contemplates the continuity of normal business activity for the year ended 30 June 2024 of a loss of $1,676k (2023: loss of $3,978k) and net cash inflows from operating activities of $1,219k (2023: cash inflow of $403k).

Whilst the conditions show a significant improvement year on year, they continue to indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Board and Management believe there are sufficient funds to meet the Group's working capital requirements as at the date of the financial statements.

The financial statements have been prepared on the basis that the Group is a going concern which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Directors have assessed the cash flow requirements for the 12 month period from the date of approval of the financial statements and its impact on the Group and believe there will be sufficient funds to meet the Group's working capital requirement.
- Whilst the current facility agreement with Pure Asset Management has an existing term to September 2025, the Group intends to enter negotiations with Pure Asset Management to extend the duration of the term of the loan, resetting future covenants aligned to a discount to the Group's forecasts.
- Based on prior years, the Directors of the Group have reason to believe that the Group is eligible for the R&D Tax Incentive, which will provide additional cash flow to the business in the next 12 months.
- The Directors of the Group have reason to believe that in addition to the cash flow currently available, additional funds from receipts are expected through commercialisation of the Group's products and services. Swift has increased investment on non-capitalisable items such as marketing and customer success resources to drive increased sales of its products and services in future periods.
- Swift has $18.0m in forward booked revenue that is yet to be recognised at 30 June 2024 (see Note 2).
- Swift maintains the ability to raise additional funds to finance the Group's activity if required.

Whilst the Directors are confident in the outlook of the Group, the ability of the Group to continue as a going concern is dependent upon executing the strategy that has been put in place. As a result of these matters, there is a material uncertainty that may cast significant doubt upon the Group's ability as a going concern and whether the Group will realise its assets and settle it liabilities in the ordinary course of business at the amounts recorded in the financial statements.

The Directors have assessed the likely cash flow for the 12 months period from the date of signing this annual report and its impact on the Group and believe there will be sufficient funds to meet the Group's working capital requirements as at the date of this report, based on the belief that additional funds can be raised to finance the Group's activity.

The Group has historically demonstrated its ability to raise funds to satisfy its immediate cash requirements and will consider all funding options as required, for future capital requirements. The Directors of the Group have reason to believe that in addition to the cash flow currently available, additional funds from receipts are expected through commercialisation of the Group's products and services. Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

Note 29. Material Accounting Policy Information (continued)

Noting all of the above, and in conjunction with the Group's historical ability to raise funds to satisfy its immediate cash requirements the Directors are satisfied the Group is a going concern and therefore have prepared the financial statements on the basis the Group will continue to meet its commitments and can therefore continue normal business activities and realise its assets and settle liabilities in the normal course of the business.

Material accounting policies

The Group's material accounting policies are as follows:

(a) Financial Instruments

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Impairment of financial assets
The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Note 29. Material Accounting Policy Information (continued)

(b) Impairment of Assets

At the end of each reporting period, the Group assesses the internal and external indicators that an asset may be impaired. If such an indicator exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Consolidated Statement of Profit or Loss and Other Comprehensive Income unless the asset is carried at a relevant amount in accordance with another statement. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit which the asset belongs.

Impairment testing is performed annually for intangible assets with indefinite lives.

(c) Share based payments

The Group measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using Black Scholes valuation model after taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity settled share-based payments would have no impact on the carrying amounts of the assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

The fair value of options at grant date is determined using a Black-Scholes that takes into account the exercise price, term of option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon exercise of the options, the balance of the share-based payments reserve relating to those options is transferred to share capital and the proceeds received are credited to share capital.

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted with the recognition of the expense accounted for over the vesting period. The fair value is determined by an internal valuation using Black-Scholes option pricing model considering the terms and conditions upon which the instruments were granted.

The key inputs to the Black-Scholes options pricing model include the expected price volatility and risk-free interest rate. The expected price volatility is based on the historical volatility adjusted for any expected changes to future volatility due to publicly available information. The risk interest is the risk-free of securities with comparable terms to maturity.

Note 29. Material Accounting Policy Information (continued)

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

(e) Intangibles

Intangible assets with finite lives are amortised over the useful life and assessed for impairment at least twice a year or whenever there is an indication that the intangible asset may be impaired. The amortisation period and amortisation method are reviewed at least each reporting period end. Changes in the expected useful life or flow of economic benefits intrinsic in the asset are an accounting estimate. The amortisation charge on intangible assets with finite lives is recognised in the statement of profit or loss and other comprehensive income.

Research and development costs

Research costs are expensed as incurred. Costs incurred on development projects are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be reliably measured. Expenditure capitalised comprises all directly attributable costs including costs of materials, services and direct labour. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Amortisation is calculated using the straight-line method to allocate the cost of intangible over its estimated useful life (3-5 years) commencing when the intangible is available for use. The carrying value of an intangible asset arising from development expenditure is tested for impairment when an indication of impairment arises during the period.

(f) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not incremental costs relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are classified as non-current liabilities at the reporting date.

(g) Contract Liabilities

Contract Liabilities represent the fair value of consideration received from its customer in advance of the Group meeting its performance obligations to deliver goods or services.

(h) Fair value of assets and liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

Note 29. Material Accounting Policy Information (continued)

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also considers a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share- based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available. other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(i) Leases

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses. The cost of right-of-use asses includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payment made on or before the commencement date less any lease incentives received.

Right-of-assets are depreciated on a straight-line basis over the lease terms.

At the commencement date of lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

The lease transaction details are disclosed in note 14.

(j) Revenue

The Company recognises revenue when it transfers control of a product or service to a customer and the cost incurred or to be incurred in respect of the transaction can be measured reliably.

The Company’s revenue consists of sale of equipment and providing digital content and services.

- Revenue from sale of equipment is recognised at a point in time when the goods have been provided and the amount can be reliably estimated and is considered recoverable.
- Revenue from digital content is recognised over time as the customer is provided with the service.
- Revenue from licencing is recognised at a point in time on the transfer of the licence to the user.

Note 29. Material Accounting Policy Information (continued)

(k) Critical Accounting Estimates and Judgments

Revenue from contracts with customer

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Identifying performance obligations

The Group provides software licences and equipment which are either sold separately or bundled together with the provision of ongoing content. The Group determined that the licence and equipment are distinct performance obligations to the provision of content as other content can be used on the Company's software and equipment and there is no significant service of integration or interdependency. The fact that the Company regularly sells both the licence and/or equipment and the content on a standalone basis indicates that the customer can benefit from both products on their own.

Revenue in relation to sale of equipment is recognised at a point in time, whilst revenue in relation to providing services and content is recognised over time.

Allocating the transaction price

Where contracts include multiple deliverables that are separate performance obligations, judgement is required in determining the allocation of the transaction price to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

Consideration of significant financing component in a contract

Certain contracts allow for deferred payment terms. The Group concluded that there is a significant financing component for these contracts in accordance with AASB 15. In determining the financing component to be applied to the amount of consideration, the Group has made judgements with respect to the interest rate used in this calculation and concluded that the interest rate implicit in the contract is appropriate because this is commensurate with the rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception.

Share based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuation using a Black-Scholes performance rights model, taking into account the terms and conditions upon which the instruments were granted. Refer to note 19 on Share based expenses for the reporting period.

Impairment of intangible assets

The consolidated Group assesses impairment intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Note 29. Material Accounting Policy Information (continued)

Capitalised product development costs

Product development costs have been capitalised as intangible assets in accordance with the accounting policy as detailed in note 29(d). Management has assessed that all capitalised development expenditure carried forward, comprises all directly attributable costs, including costs of materials, services and direct labour.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Government grants

Government grants (such as Research and Development Government grant) are not recognised until there is a reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

Note 30. Events subsequent to reporting date

There are no other matters or circumstances that have arisen since 30 June 2024 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial periods.

SWIFT NETWORKS GROUP LIMITED AND CONTROLLED ENTITIES
ABN 54 006 222 395

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

The following table provides details of consolidated entity information.

Name of entity	Type of entity	% of share capital held	Country of incorporation	Australian resident or foreign resident (for tax purpose)	Foreign tax jurisdictions of foreign residents
Swift Networks Group Limited	Body corporate	100%	Australia	Australian	Australia
Swift Networks Pty Ltd	Body corporate	100%	Australia	Australian	Australia
VOD Pty Ltd	Body corporate	100%	Australia	Australian	Australia
Swift Networks Australia Pty Ltd	Body corporate	100%	Australia	Australian	Australia
Movie Source Pty Ltd	Body corporate	100%	Australia	Australian	Australia
Wizzie Pty Ltd	Body corporate	100%	Australia	Australian	Australia
Stanfield Funds Management Limited	Body corporate	100%	Hong Kong	Foreign	Hong Kong
At the end of the financial year, no entity within the consolidated entity was a trustee of a trust, a partner in a partnership, or a participant in a joint venture within the consolidated entity.					

SWIFT NETWORKS GROUP LIMITED AND CONTROLLED ENTITIES
ABN 54 006 222 395

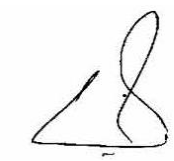
DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 29 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.
Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Chairman
Charles Fear

Dated this 30th day of August 2024

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Swift Networks Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Swift Networks Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 29 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue Recognition

Key audit matter	How the matter was addressed in our audit
Revenue recognition was determined to be a key audit matter as this area involves judgements and estimates made by management including whether contracts may contain multiple performance obligations which should be accounted for separately and determining the most appropriate methods of recognition of revenue for the identified performance obligations. This comprises allocation of consideration to the individual performance obligations based on standalone pricing and whether the performance obligation is satisfied at a point in time or overtime. Refer to Note 2 and Note 29 in the financial report for disclosures relating to the Group's revenue accounting policy and judgements applied in revenue recognition.	Our procedures included, but were not limited to the following: • Understanding and documenting the processes and controls used by the group in recording revenue; • Selecting a sample of contracts, considering the terms and conditions, performance obligations of these arrangements, their stand-alone pricing and assessing the accounting treatment under AASB 15 Revenue from Contracts with Customers ('AASB 15'); • Checking a sample of revenue transactions to evaluate whether they were appropriately recorded as revenue and agreeing amounts recorded to supporting evidence; • Testing a sample of outstanding customer contracts at year end and agreeing to supporting records to confirm that contract assets and contract liabilities have been recognised in accordance with the AASB 15; • Performing analytical procedures to understand movements and trends in revenue in comparison to expectations; • Performing cut-off procedures to evaluate that revenue was captured in the appropriate financial year; and • Assessing the adequacy of the related disclosures in the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 15 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Swift Networks Group Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

Jarrad Prue

Director

Perth 30 August 2024

SHAREHOLDER INFORMATION

A. Substantial Shareholders

The following have a relevant interest (>5%) in the capital of Swift Networks Group Limited as at 28th August 2024.

Substantial ordinary shareholders	No. of ordinary shares held	Percentage held of Issued Ordinary Capital
Mr Robert Sofoulis and related entities	97,374,768	15.00%
Pure Asset Management Pty Ltd ATF The Income and Growth Fund	58,334,469	8.99%
Joshua Leigh Sweetman	34,538,272	5.32%

B. Distribution of Equity Securities

Analysis of numbers of equity security holders by size of holding as at 28th August 2024.

Category (Size of Holdings)			Ordinary Share Number of Holders	Ordinary Share – Unlisted Options	Unlisted Warrants	Unlisted Ordinary Share Rights Conversion	Unlisted Performance Rights
1	-	1,000	75	-	-	-	-
1,001	-	5,000	177	-	-	-	-
5,001	-	10,000	74	-	-	-	-
10,001	-	100,000	302	-	-	-	-
100,001	-	and over	328	2	5	1	19
Total			**956**	**2**	**5**	**1**	**19**

SHAREHOLDER INFORMATION (CONTINUED)

C. Equity Security Holders

Twenty largest quoted equity security holders (28th August 2024).

Top 20 shareholder table

		Ordinary Shares	
		Number Held	**Percentage of issued shares**
1	SOFOULIS HOLDINGS PTY LTD <THE SOFOULIS FAMILY A/C>	92,142,246	14.20%
2	J P MORGAN NOMINEES AUSTRALIA PTY LTD	59,084,469	9.10%
3	MEDICAL MEDIA INVESTMENTS PTY LTD	27,616,833	4.26%
4	SANDHURST TRUSTEES LTD <CYAN C3G FUND A/C>	25,215,464	3.89%
5	MR BRIAN FRANCIS MANGANO	21,786,515	3.36%
6	KRISAMI INVESTMENTS PTY LTD	17,000,000	2.62%
7	SUETONE PTY LTD <THE AK SHADFORTH FAMILY A/C>	13,050,000	2.01%
8	LIGHTVIEW ASSET PTY LTD	12,790,584	1.97%
9	ARELEY KINGS PTY LTD <RAEF A/C>	11,289,152	1.74%
10	LAXIA CAPITAL PTY LTD <JF PEARSON SUPER FUND A/C>	9,755,037	1.50%
11	ELTON PROPERTY PTY LTD <ELTON CONSULTING S/F A/C>	8,128,768	1.25%
12	SWEET AS DEVELOPMENTS PTY LTD <SWEETMAN MCKNICKLE FAM A/C>	7,898,479	1.22%
13	10 BOLIVIANOS PTY LTD	7,358,116	1.13%
14	MR JOSHUA LEIGH SWEETMAN	7,000,000	1.08%
15	MILDREN INVESTMENTS PTY LTD	6,900,000	1.06%
15	CINTELL PTY LTD	6,759,060	1.04%
15	MR RUSSELL NEIL CREAGH	6,707,366	1.03%
18	MR STEPHEN JAMES PRICE	6,000,000	0.92%
19	SHADSUPER PTY LTD <SHAD SUPER FUND A/C>	6,000,000	0.92%
20	TRI-NATION HOLDINGS PTY LTD <KRIS FAMILY A/C>	5,565,785	0.86%
	Total	**358,047,874**	**55.17%**
	Balance of register	290,966,432	44.83%
	Grand total	**649,014,306**	**100.00%**

SHAREHOLDER INFORMATION (CONTINUED)

D. Voting Rights

The voting rights, upon a poll, are one vote for each share held.

E. Unquoted securities

Securities	Number of Options	Number of Holders	Holders with more than 20%
Options exercisable at $0.05 on or before 30 April 2025	2,000,000	1	1
Options exercisable at $0.05 on or before 1 January 2025	2,000,000	1	1
Warrants exercisable at $0.03 on or before 30 September 2025	60,000,000	5	1
2022 Long Term Incentive conversion to 1 ordinary share for 1 right exercisable to 30 June 2025	9,590,081	8	0
2023 Long Term Incentive conversion to 1 ordinary share for 1 right exercisable to 30 June 2026	29,491,019	15	0
Ordinary share rights conversion to 1 ordinary share for 1 right exercisable to 1 July 2025	500,000	1	0

F. On-market buyback

There is no current on-market buy-back

G. Stock Exchange listing

Quotation has been granted for the Company's Ordinary Shares.

H. Securities subject to escrow

There are no securities currently subject to escrow

I. Statement in relation to Listing Rule 4.10.19

The Directors of Swift Networks Group Limited confirm in accordance with ASX Listing Rule 4.10.19 that during the period from reinstatement to official quotation to 30 June 2024, the Company has used its cash, and assets that are readily convertible to cash, in a way consistent with its business objectives.

CORPORATE GOVERNANCE STATEMENT

The Company's Security Trading Policy is available on the Company's website at https://www.swiftnetworks.com.au/corporate-governance/