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Swift Networks Group Ltd.
ASX : SW1

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25 March 2025

Swift launches $3.3 million entitlement offer 60% underwritten to fund growth and restructure of the PURE Loan Facility

KEY HIGHLIGHTS

- Swift to raise $3.3 million (before costs) via an Entitlement Offer partially underwritten to $2.0 million.
- The partially underwritten pro-rata non-renounceable entitlement offer is made on the basis of one Share for every two Shares held by Eligible Shareholders on the Record Date at an issue price of $0.01 per Share to raise up to $3,318,000 (before costs).
- PURE Asset Management Pty. Ltd. as trustee for The Income and Growth Fund will underwrite $2.0 million of the Entitlement Offer.
- Funds raised under the Entitlement Offer will be contributed towards the development, marketing and production costs for Swift Access 2025 and the reduction of debt owed under the PURE Facility.
- PURE intends to participate in the Entitlement Offer.
- The Non-Executive Directors of Swift intend to take up their full entitlements under the Entitlement Offer.
- Lynx Advisors Pty Ltd are sub-underwriting the Entitlement Offer for up to $300,000.
- The Company intends to shortly lodge with ASIC its Prospectus in respect of the Entitlement Offer and various additional offers.
- PURE Loan Facility restructured, with updated covenants, a reduction in the principal amount owing and repayment date extended to 31 March 2027.
- Net debt reduced to $3.0 million if Entitlement Offer is fully subscribed.

Swift Networks Group Limited (ASX: SW1) (Swift or the **Company)** is pleased to announce that it is undertaking a partially underwritten non-renounceable pro-rata entitlement offer on the basis of one new fully paid ordinary share (**Share**) for every two Shares held on the Record Date at an issue price of $0.01 per Share to raise up to $3,318,000 (before costs) (**Entitlement Offer**).

The Entitlement Offer is partially underwritten by PURE Asset Management Pty. Ltd. as trustee for The Income and Growth Fund (**PURE** or **Underwriter**) for up to a value of $2,000,000.

The Company has lodged a transaction specific prospectus (**Prospectus**) prepared in accordance with section 713 of the *Corporations Act 2001* (Cth) (**Corporations Act**) with ASIC on Monday, 24 March 2025 to undertake the Entitlement Offer.

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Swift's Managing Director, Brian Mangano commented:

"Swift is ideally positioned to take advantage of major changes to its initial target markets of Mining and Aged Care as the markets move away from traditional linear PayTV systems in Mining and as Aged Care providers adapt to the introduction of new legislation governing provider funding and compliance.

This is a pivotal time for the Company following the marketing launch of Swift Access 2025 in October 2024 and the scheduled commencement of initial customer site implementation with Roy Hill and Bethanie Aged Care in April 2025. Swift is now at the right place at the right time with its latest Swift Access platform. Swift can take advantage of changes in its current markets of Mining and Aged Care and with the future development of new hardware enter into new markets with an easy to install, price competitive product.

We appreciate the ongoing support of our existing shareholders and encourage all to review the offer documentation and participate in the Entitlement Offer."

Use of Funds

The partially underwritten Entitlement Offer will raise between $2.0 million and $3.3 million (before costs), with net proceeds to be contributed towards the development, marketing and production costs for the next generation of Swift Access and the partial repayment of the PURE Loan Facility.

Swift is entering a new growth phase with the introduction of Swift Access 2025. Swift's recent product development encompasses an entirely new user interface and experience combined with the ability to integrate into external Apps to create an ideal Connected TV entertainment and communications platform designed for business.

Swift intends to use funds raised for sales/marketing and working capital associated with increasing market awareness and penetration of Swift Access 2025 into the Mining and Aged Care markets. Funds with also be utilised for further product feature developments along with progressing the development of Swift Access 2026 which will see the introduction of a new hardware solution that will substantially reduce system installation costs.

Funds are also intended to be utilised towards the reduction of debt owed under the PURE Loan Facility. Accordingly, the principal amount owing will reduce from the from $7.6 million to $6.2 million as at 28 February 2025 on a proforma basis. Net debt is expected to be approximately $3.0 million if the Entitlement Offer is fully subscribed.

Changes in both Mining and Aged Care markets are creating demand for better value flexible solutions to meet legislative changes and manage communications and entertainment needs. Swift believes it is ideally placed to take advantage of these long-awaited changes as these industries move away from linear PayTV.

The combination of significant market changes, the introduction of Swift Access 2025 along with suitable funding is expected to drive shareholder value.

Entitlement Offer

The Entitlement Offer is open to eligible shareholders who have a registered address within Australia and New Zealand who hold Shares on the Record Date. The Entitlement Offer is intended to close on Tuesday 22 April 2025 (unless extended), and eligible shareholders can apply for any shortfall in excess of their entitlement. As the Entitlement

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Offer is non-renounceable, eligible shareholders cannot trade their rights under the Entitlement Offer.

All Shares issued will rank equally with existing Shares on issue and the Company will apply for quotation of the Shares. The Company lodged the Prospectus with ASIC on Monday, 24 March 2025 and will be dispatching personalised entitlement acceptance forms to eligible shareholders shortly after the Record Date.

Eligible shareholders should consider the Prospectus in deciding whether to apply for Shares under the Entitlement Offer and will need to follow the instructions on the entitlement and acceptance form that will accompany the Prospectus.

Eligible shareholders will also be given the opportunity to apply in excess of their entitlement through a shortfall offer, which may be allocated by the Company in its sole discretion.

Underwriting and sub-underwriting arrangements

The Company and the Underwriter have entered into an underwriting agreement (**Underwriting Agreement**) pursuant to which the Underwriter has agreed to partially underwrite the Entitlement Offer up to a value of $2,000,000 (**Underwritten Amount**).

The material terms of the Underwriting Agreement have been summarised below:

- the Underwriter (or its nominee(s)) will be entitled to an underwriting fee of 3% of the Underwritten Amount;
- the Underwriting Agreement is conditional on the Underwriter entering into sub-underwriting arrangements for at least a value of $300,000 (**Sub-underwriting Condition**);
- the Underwriter may appoint sub-underwriters to sub-underwrite the Entitlement Offer, provided that no individual sub-underwriter (together with their Associated (as that term is defined in the Corporations Act)) acquires a relevant interest in more than 19.9% of the issued share capital in the Company.
- the Company has agreed, as a condition subsequent under the Underwriting Agreement, that it will repay $1.4 million of the principal amount owing on the PURE Loan Facility;
- the Underwriter may terminate the Underwriting Agreement if:
    - (**Material adverse change**): any material adverse event occurs affecting the Company or the market for the Shares under the Entitlement Offer (including, without limitation, matters likely to have a material adverse effect on a decision of a reasonable investor to participate in the Entitlement Offer);
    - (**Market disruption**): the S&P/ASX200 Index falls by more than 15% from its level as at the date the Entitlement Offer is announced to the ASX and remains at or below that level for a continuous period of three consecutive trading days;
    - (**Withdrawal of Entitlement Offer**): the Entitlement Offer is withdrawn or materially altered without the consent of the Underwriter;
    - (**Change in capital structure**): the Company alters its capital structure or its constitution without the prior consent of the Underwriter;

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- (**Insolvency**): the Company is or becomes insolvent, or a circumstance arises in consequence of which the Company may cease to be solvent;
- (**Regulatory investigations**): ASIC or another regulatory body issues, or threatens to issue, proceedings or commences any inquiry or investigation in relation to the Offers or the Company that is market sensitive information and is required to be disclosed by the Company under Listing Rule 3.1; or
- (**Untrue warranties**): Any warranty given by the Company to the Underwriter is found to be untrue in a material respect.

The Underwriting Agreement is otherwise on terms considered customary for an agreement of this nature, including in relation to representations and warranties.

Furthermore, in relation to the Sub-underwriting Condition, Lynx Advisors Pty Ltd (**Corporate Adviser**) has agreed to sub-underwrite the Entitlement Offer up to a value of $300,000. The Company and the Corporate Adviser are parties to a corporate advisory mandate agreement (**Corporate Adviser Mandate**) for general corporate advisory services to be provided to the Company by the Corporate Adviser.

Under the Corporate Adviser Mandate, if the Corporate Adviser agreed to underwrite or sub-underwrite a capital raising of the Company for a value of at least $300,000, the Corporate Adviser would be entitled to be issued 22,500,000 unquoted options to acquire Shares in the Company, consisting of the following two tranches of options:

- 10,000,000 unquoted options, with an issue price of $0.00001 each, exercise price of $0.02 each and expiry date of 3 years from their issue date; and
- 12,500,000 unquoted options, with an issue price of $0.00001 each, exercise price of $0.03 each and expiry date of 3 years from their issue date,

(together, the **New Options**).

The New Options will be issued pursuant to the Prospectus under a separate offer to the Corporate Adviser and are intended to be issued at the same time as the Shares under the Entitlement Offer and Shortfall Offer. The Company intends to issue the New Options under its existing placement capacity.

PURE Loan Facility restructure

The Company and PURE have entered into an amendment and restatement deed (**Amendment and Restatement Deed**) to revise the terms of the PURE Loan Facility.

The material terms of the Amendment and Restatement Deed and revised terms of the PURE Loan Facility have been summarised below:

- the Company is required to undertake the Entitlement Offer to raise at least $2,000,000 (before costs), with PURE agreeing to underwrite the Entitlement Offer up to a value of $2,000,000;
- PURE's underwriting obligation is conditional on PURE entering into arrangements with sub-underwriters for at least $300,000 to be contributed towards the PURE's underwriting obligations;
- the Company has agreed to make payment of:

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- penalty interest to Pure of $0.15 million to be capitalised to the existing PURE Loan Facility;
- $1.4 million from the proceeds of the Entitlement Offer to PURE to pay down a portion of the PURE Loan Facility, reducing the principal amount owing by the Company will reduce from $7.6 million to $6.2 million;

- the loan repayment date has been extended to 31 March 2027;
- the following covenants have been incorporated in relation to the PURE Loan Facility:
  - a minimum maintenance cash balance of $1,000,000 at the end of each calendar month; and
  - capex expenditure of no more than $350,000 per quarter.

The terms of the Amendment and Restatement Deed and revised PURE Loan Facility are otherwise considered customary for a document of this nature, including in relation to representations, warranties and indemnities.

Indicative Timetable

The indicative timetable of the Capital Raising is set out below:

Key Events[1]	Date
Announcement of the Offers and release of Appendix 3B	Prior to market open on Tuesday, 25 March 2025
Shares quoted on an "Ex" basis	Thursday, 27 March 2025
Record Date	**7:00pm (AEDT) on Friday, 28 March 2025**
Opening Date and Prospectus (together with Application Form) sent to Eligible Shareholders	**Tuesday, 1 April 2025**
Last date to extend Closing Date	Before 12:00pm (AEST) on Tuesday, 15 April 2025
Closing Date	**5:00pm (AEST) on Tuesday, 22 April 2025**
Shares quoted on a deferred settlement basis	Wednesday, 23 April 2025
Shortfall announced to ASX	Thursday, 24 April 2025
Issue of Shares under the Entitlement Offer and Shortfall Offer and the New Options Despatch of holding statements Lodgement of Appendix 2A	Tuesday, 29 April 2025
Quotation of Shares issued under the Entitlement Offer and Shortfall Offer	**Wednesday, 30 April 2025**

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[1] The above timetable is indicative only and may be subject to change (in compliance with the Corporations Act and Listing Rules).

This announcement has been approved for release by the Board of Swift Networks Group Limited.
Enquiries:

For further information please contact:

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For information on the entitlement offer, and to stay up to date on company news and announcements, refer to the Swift **Investorhub**.

About Swift

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