



ASX ANNOUNCEMENT

14 October 2021

SWOOP TO RAISE \$41 MILLION VIA FULLY UNDERWRITTEN PLACEMENT

Highlights:

- Swoop to raise \$41m via fully underwritten institutional placement to fund acquisition pipeline
- Up to an additional \$5m to be raised via a Share Purchase Plan
- Pipeline of potential acquisitions with aggregate FY21 EBITDA in excess of \$14m¹
- Increased FY22 guidance to \$43m – \$45m Revenue and \$10.5m – \$11.0m EBITDA

Swoop Holdings Limited (ASX:SWP) (**Swoop**) is pleased to announce it has launched a \$41 million capital raise via an underwritten placement to institutional, professional and sophisticated investors. The Placement is at an issue price of \$1.85 per share and will result in the issue of approximately 22 million new Shares in Swoop.

Swoop will also offer a Share Purchase Plan (**SPP**) to eligible existing shareholders to raise up to \$5 million at the same issue price.

The proceeds of the capital raise will be used to fund the acquisition of Countrytell (which was announced on 6 October 2021) plus other identified future acquisitions across fixed wireless, voice, fibre infrastructure and resale providers, in addition to the cost of the offer and working capital.

Swoop's near-term pipeline of potential acquisitions consists of:

- Targets which have signed non-binding offer letters with Swoop and are under exclusivity arrangements including indicative acquisition terms, with aggregate FY21 EBITDA¹ of between \$4m - \$6m;² and
- Targets actively engaged in sale discussions with Swoop with aggregate FY21 EBITDA³ of between \$10m – \$13m. Swoop is in discussions with these targets and the terms of any potential acquisition have not yet been agreed. Accordingly, there is no guarantee these opportunities will be pursued or proceed.

Along with the capital raise, Swoop has increased its FY22 guidance to between \$43m – \$45m FY22 Revenue and between \$10.5m – \$11m FY22 EBITDA. This is based on existing announced acquisitions, and any future acquisitions are expected to result in increased FY22 Revenue and EBITDA.⁴

¹ Based on vendor provided unaudited management accounts of the relevant targets for FY21; note contribution to Swoop EBITDA will vary due to integration costs, accounting policy harmonisation and potential synergies.

² This remains subject to the completion of due diligence and agreement of binding documentation. Accordingly, there is no certainty that these acquisitions will proceed.

³ Based on combination of vendor provided unaudited management accounts and audited accounts of the relevant targets for FY21; note contribution to Swoop EBITDA will vary due to integration costs, accounting policy harmonisation and potential synergies.

⁴ Subject to, among other things, the timing and associated costs of each acquisition.

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Swoop has been in discussions with ASX regarding its pipeline of acquisition opportunities. Swoop will notify ASX of any acquisitions prior to signing binding agreements and ASX will consider in each case whether Listing Rules 11.1.2 (shareholder approval) or 11.1.3 (re-compliance) will be required if it determines that the acquisitions may result in a significant change to the nature or scale of Swoop's business.

The Placement, managed and underwritten by Morgans Corporate Limited with Maddocks acting as legal advisor will be issued using Swoop's existing capacity under ASX Listing Rule 7.1 with the expected timetable set out below.

In addition to this capital raise, Swoop is in advanced negotiations with several banks for a debt facility which may also be used for acquisition capital as well as the SPP of up to \$5m.

Under the SPP, eligible shareholders with a registered address in Australia or New Zealand (each an **Eligible Shareholder**) who held Shares in Swoop at the record date of 7.00pm (AEDT) on 13 October 2021 will be entitled to acquire up to \$10,000 of new Shares in Swoop at the Issue Price without brokerage or transaction costs.

The SPP is capped at \$5 million, is not underwritten and Swoop reserves the right to scale back applications at its discretion in the event applications are in excess of that amount are received.

The SPP is expected to open on 19 October 2021 and will close at 5:00pm AEDT on 8 November 2021. Full details of the SPP, including how to apply, will be set out in the SPP offer booklet, which is expected to be released to ASX and dispatched to Eligible Shareholders on or around 19 October 2021. Shareholders should consider the SPP Booklet in full, including the Plan Terms and Conditions, before deciding whether to participate in the SPP. Shareholder approval is not required for the issue of Shares under the SPP.

The Shares issued under the Placement and SPP represent approximately 12.9% and 1.6% of Swoop's pre-offer issued share capital, respectively (assuming the SPP is fully subscribed) and will rank equally with Swoop's existing ordinary shares.

Further details about the capital raise are set out in the investor presentation also lodged with the ASX today.

Equity raising indicative timetable

Placement	
Trading halt and announcement of Placement and SPP	Thursday, 14 October 2021
Trading halt lifted and Swoop Shares recommence trading on ASX	Monday, 18 October 2021
Settlement of Placement	Thursday, 21 October 2021
Allotment and quotation of new Shares issued under the Placement	Friday, 22 October



	2021
Annual General Meeting	26 November 2021
Share Purchase Plan	
Record date for determining participation in the SPP	7:00pm Wednesday, 13 October 2021
SPP Booklet dispatched to Eligible Shareholders	Tuesday, 19 October 2021
SPP opens	Tuesday, 19 October 2021
SPP closes	Monday, 8 November 2021
SPP New Shares allotted	Thursday, 11 November 2021
Expected quotation of SPP New Shares	Thursday, 11 November 2021

The dates in the table above are indicative only and Swoop may amend this timetable. Swoop may also withdraw the offer of SPP Shares under the Plan at any time before the allotment date in its absolute discretion.

This announcement was approved for release by the Board of Swoop Holdings Limited.

For further information, please contact:

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About Swoop

Swoop is a national provider of fixed wireless internet services to wholesale, business and residential customers. The Swoop network is designed and scaled to deliver ultra-reliable, high throughput, flexible telecom network services. Swoop is well established and will aim to build its business to become Australia's best challenger internet and telecommunications provider.

Forward looking statements

This announcement contains forward-looking statements, which address a variety of subjects including, including financial guidance and potential acquisitions,. Statements that are not historical facts, including statements about our beliefs, plans and expectations, are forward-looking statements. Such statements are based on our current expectations and information currently available to management and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those described in the forward-looking statements. Swoop's management believes that these forward-looking statements are reasonable as and when made. However, you should not place undue reliance on any such forward-looking statements



because such statements speak only as of the date when made. We do not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law or the ASX Listing Rules. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results, events, and developments to differ materially from our historical experience and our present expectations.