

# Swoop Holdings Limited

## Appendix 4E Preliminary final report

### 1. Company details

|                   |                                 |
|-------------------|---------------------------------|
| Name of entity:   | Swoop Holdings Limited          |
| ABN:              | 20 009 256 535                  |
| Reporting period: | For the year ended 30 June 2022 |
| Previous period:  | For the year ended 30 June 2021 |

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### 2. Results for announcement to the market

#### Statutory results

|  |      |           | \$          |
|--|------|-----------|-------------|
| Revenues from ordinary activities  | up   | 130.5% to | 51,667,928  |
| Loss from ordinary activities after tax attributable to the owners of Swoop Holdings Limited | down | 64.5% to  | (4,882,810) |
| Loss for the year attributable to the owners of Swoop Holdings Limited                       | down | 64.5% to  | (4,882,810) |

#### Non-Statutory Results

|                                    |    | %      |    | \$         |
|------------------------------------|----|--------|----|------------|
| Gross margin *                     | up | 171.0% | to | 28,316,342 |
| Underlying EBITDA **               | up | 340.3% | to | 13,045,322 |
| Underlying Net Profit After Tax*** | up | 102.0% | to | 57,606     |

|                                   | <b>2022</b>  | <b>2021</b>  |
|-----------------------------------|--------------|--------------|
|                                   | <b>Cents</b> | <b>Cents</b> |
| Basic earnings per share          | (2.55)       | (14.01)      |
| Diluted earnings per share        | (2.55)       | (14.01)      |
| Underlying earnings per share**** | 0.03         | (2.92)       |

#### Dividends

There were no dividends paid, recommended or declared during the current financial period.

#### Comments

The loss for the Group after providing for income tax amounted to \$4,882,810 (30 June 2021: loss of \$13,788,750).

\*\*\*\* Underlying earnings per share is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and is calculated by dividing the Underlying Net Profit after Tax by the weighted average number of shares for the period.

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#### 3. Underlying results

Underlying results disclosed in section 2 above have been derived as follows:

##### \*Gross Margin

|                                   | Consolidated             |                          |
|-----------------------------------|--------------------------|--------------------------|
|                                   | 2022                     | 2021                     |
|                                   | \$                       | \$                       |
| Revenues from ordinary activities | 51,667,928               | 22,419,905               |
| Other income                      | 18,023                   | 655,167                  |
|                                   | <u>51,685,951</u>        | <u>23,075,072</u>        |
| Cost of sales                     | <u>(23,369,609)</u>      | <u>(12,627,351)</u>      |
| <b>Gross margin</b>               | <b><u>28,316,342</u></b> | <b><u>10,447,721</u></b> |

\* Gross Margin - is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents operating revenue, plus other income, less the direct cost of deriving revenue from operating activities. The Gross Margin calculation for 2022 has been presented on a basis consistent with 2021.

##### \*\*Underlying Earnings before interest, tax, depreciation and amortisation (Underlying EBITDA)

|                                 | Consolidated             |                         |
|---------------------------------|--------------------------|-------------------------|
|                                 | 2022                     | 2021                    |
|                                 | \$                       | \$                      |
| <b>Gross margin</b>             | <u>28,316,342</u>        | <u>10,447,721</u>       |
| <b>Operating expenses</b>       |                          |                         |
| Employee benefit expense        | (9,133,966)              | (2,842,356)             |
| Marketing and advertising       | (1,214,473)              | (1,563,686)             |
| General and administrative      | (3,197,138)              | (1,876,887)             |
| Other expenses                  | (1,553,925)              | (1,202,168)             |
| Bad and doubtful debt expense   | (171,518)                | -                       |
| <b>Total operating expenses</b> | <u>(15,271,020)</u>      | <u>(7,485,097)</u>      |
| <b>Underlying EBITDA</b>        | <b><u>13,045,322</u></b> | <b><u>2,962,624</u></b> |

\*\* Underlying EBITDA - Earnings before interest, tax, depreciation and amortisation (EBITDA) is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for non-cash (share based payments expense) and other one-off items (acquisition and integration costs, one-off legal costs) which are not considered to be reflective of underlying earnings. The underlying EBITDA calculation for 2022 has been presented on a basis consistent with 2021.

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#### \*\*\*Underlying Net Loss after Tax

|   | Consolidated  |                    |
|---|---------------|--------------------|
|   | 2022          | 2021               |
|   | \$            | \$                 |
| <b>Net Loss after Tax</b>                                       | (4,882,810)   | (13,788,750)       |
| <b>Non-operating and other one-off expenses</b>                 |               |                    |
| Share based payments expense                                    | (799,596)     | (3,330,386)        |
| Corporate restructuring expenses                                | -             | (3,008,401)        |
| Acquisition and integration costs                               | (3,512,298)   | (4,574,064)        |
| One-off legal costs   | (1,034,649)   | -                  |
| Tax impact of non-operating and other one-off expenses          | 406,127       | -                  |
| <b>Total non-operating and other one-off expenses after tax</b> | (4,940,416)   | (10,912,851)       |
| <b>Underlying Net Profit/(Loss) after Tax</b>                   | <b>57,606</b> | <b>(2,875,899)</b> |

Underlying Net Profit/(Loss) after Tax is a financial measure which is not prescribed by the Australian Accounting Standards ('AAS') and represents Net Profit/(Loss) after Tax, adjusted for non-cash (share based payment expense) and other one-off items (acquisition and integration costs, one-off legal costs) which are not considered to be reflective of underlying earnings. The underlying Net Profit after Tax calculation for 2022 has been presented on a basis consistent with 2021.

#### 4. Net tangible assets

|   | Reporting period<br>Cents | Previous period<br>Cents |
|---|---------------------------|--------------------------|
| Net tangible assets per ordinary security | 26.93                     | 14.53                    |

#### 5. Commentary on Preliminary Financial Results

FY2022 was a significant year for Swoop, after a successful debut on the ASX in May 2021, the company announced and completed a number of accretive acquisitions during the year, being Speedweb, Countrytell, Voicehub, Luminet and iFibre (asset acquisition). This followed the successful acquisitions completed in the period to June 2021 of Beam Internet and Community Communications. These numerous successful acquisitions will facilitate the continued expansion of Swoop into new markets and new services.

The consolidated preliminary financial results for Swoop Holdings includes the results of the businesses it acquired during the financial year:

- Kallistrate Pty Ltd (trading as Speedweb) for the period from 1 July 2021 to 30 June 2022
- Countrytell for the period from 1 July 2021 to 30 June 2022
- Voicehub for the period from 1 November 2021 to 30 June 2022
- Luminet for the period from 1 April 2021 to 30 June 2022

During the year the company also:

- Undertook a successful capital raise of over \$45M via a placement and share purchase plan in October-November 2021
- Secured \$32.1M of Westpac financing facilities in June 2022

Subsequent to 30 June 2022 the company announced that it had entered into an agreement to acquire Queensland-based national mobile virtual network operator Moose Mobile for \$24M. Moose provides over 95,000 mobile services on the Optus network to customers across Australia, with strong cash generation. Completion of this significant acquisition is expected to take place in September 2022.

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#### 6. Control gained over entities

|   |   |
|---|---|
| Name of entities (or group of entities) | Kallistrate Pty Ltd<br>Countrytell Management Pty Ltd<br>Countrytell Holdings Pty Ltd |
| Date control gained                     | 1 July 2021   |
| Name of entities (or group of entities) | Voicehub Group Pty Ltd<br>Voicehub Pty Ltd<br>Harbourtel Pty Ltd                      |
| Date control gained                     | 1 November 2021   |
| Name of entities (or group of entities) | Luminet Pty Ltd<br>Luminet Fibre Pty Ltd  |
| Date control gained                     | 1 April 2022  |

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#### 7. Dividends

##### *Current period*

There were no dividends paid, recommended or declared during the current financial period.

##### *Previous period*

There were no dividends paid, recommended or declared during the previous financial period.

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#### 8. Dividend reinvestment plans

Not applicable.

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#### 9. Foreign entities

##### *Details of origin of accounting standards used in compiling the report:*

MyStemKits, Inc. is a company incorporated in the USA and applied International Financial Reporting Standards (IFRS).

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## Swoop Holdings Limited

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#### 10. Audit qualification or review

*Details of audit/review dispute or qualification (if any):*

The annual financial report is in the process of being audited by PKF. The annual report and financial statements are unlikely to be the subject of dispute or qualification.

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#### 11. Attachments

*Details of attachments (if any):*

The Preliminary Final Report of Swoop Holdings Limited for the year ended 30 June 2022 is attached.

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#### 12. Signed



Signed \_\_\_\_\_

Date: 29 August 2022

James Spenceley  
Chairman

# **Swoop Holdings Limited**

**ABN 20 009 256 535**

**Preliminary Final Report - 30 June 2022**

**Swoop Holdings Limited**  
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**30 June 2022**

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**Swoop Holdings Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2022**

|  | <b>Consolidated</b> |                     |
|--|---------------------|---------------------|
|  | <b>2022</b>         | <b>2021</b>         |
|  | <b>\$</b>           | <b>\$</b>           |
| <b>Revenue</b>   | 51,667,928          | 22,419,905          |
| Other income   | 18,023              | 655,167             |
| <b>Expenses</b>  |                     |                     |
| Cost of sales  | (23,369,609)        | (12,627,351)        |
| Marketing and advertising  | (1,214,473)         | (1,563,686)         |
| Finance costs  | (813,370)           | (464,051)           |
| General and administrative   | (3,197,138)         | (1,876,887)         |
| Depreciation and amortisation expense  | (13,377,658)        | (6,171,050)         |
| Bad and doubtful debt expense  | (171,518)           | -                   |
| Employee benefit expense   | (9,133,966)         | (2,842,356)         |
| Share based payments expense   | (799,596)           | (3,330,386)         |
| One-off legal costs  | (1,034,649)         | -                   |
| Gain/loss on disposal asset  | 11,838              | (44,566)            |
| Acquisition and integration costs  | (3,512,298)         | (4,574,064)         |
| Corporate restructuring expenses   | -                   | (3,008,401)         |
| Other expenses   | (1,553,925)         | (1,202,168)         |
| <b>Loss before income tax benefit</b>  | (6,480,411)         | (14,629,894)        |
| Income tax benefit   | 1,597,601           | 841,144             |
| <b>Loss after income tax benefit for the year attributable to the owners of Swoop Holdings Limited</b>   | (4,882,810)         | (13,788,750)        |
| <b>Other comprehensive income</b>  |                     |                     |
| <i>Items that may be reclassified subsequently to profit or loss</i>                                     |                     |                     |
| Loss on the revaluation of financial assets at fair value through other comprehensive income, net of tax | (124,487)           | -                   |
| Foreign currency translation   | -                   | 11,755              |
| Other comprehensive income for the year, net of tax  | (124,487)           | 11,755              |
| <b>Total comprehensive income for the year attributable to the owners of Swoop Holdings Limited</b>      | <u>(5,007,297)</u>  | <u>(13,776,995)</u> |
|  | <b>Cents</b>        | <b>Cents</b>        |
| Basic earnings per share   | (2.55)              | (14.01)             |
| Diluted earnings per share   | (2.55)              | (14.01)             |



**Swoop Holdings Limited**  
**Statement of financial position**  
**For the year ended 30 June 2022**

|   | <b>Consolidated</b> |                     |
|---|---------------------|---------------------|
|   | <b>2022</b>         | <b>2021</b>         |
|   | <b>\$</b>           | <b>\$</b>           |
| <b>Assets</b>   |                     |                     |
| <b>Current assets</b>   |                     |                     |
| Cash and cash equivalents   | 32,020,568          | 17,497,867          |
| Trade receivables   | 3,608,688           | 3,348,547           |
| Inventories   | 1,934,455           | 1,697,835           |
| Prepayments   | 1,822,830           | 1,960,833           |
| Other financial assets  | 38,986              | 78,179              |
| <b>Total current assets</b>                                       | <u>39,425,527</u>   | <u>24,583,261</u>   |
| <b>Non-current assets</b>   |                     |                     |
| Financial assets at fair value through other comprehensive income | 1,339,964           | 1,025,269           |
| Property, plant and equipment                                     | 36,067,212          | 17,103,153          |
| Right-of-use assets   | 9,297,183           | 6,712,788           |
| Intangibles   | 44,414,482          | 28,729,307          |
| Deferred tax  | 1,818,910           | 1,440,413           |
| Other financial assets  | 279,153             | -                   |
| <b>Total non-current assets</b>                                   | <u>93,216,904</u>   | <u>55,010,930</u>   |
| <b>Total assets</b>   | <u>132,642,431</u>  | <u>79,594,191</u>   |
| <b>Liabilities</b>  |                     |                     |
| <b>Current liabilities</b>  |                     |                     |
| Trade payables  | 10,097,195          | 6,267,203           |
| Other payables  | 2,526,553           | 716,881             |
| Contract liabilities  | 1,683,229           | 2,825,429           |
| Current tax liabilities   | -                   | 191,413             |
| Lease liabilities   | 2,430,064           | 2,567,918           |
| Deferred consideration  | 5,479,236           | 5,525,216           |
| Employee benefits   | 1,618,581           | 1,787,460           |
| <b>Total current liabilities</b>                                  | <u>23,834,858</u>   | <u>19,881,520</u>   |
| <b>Non-current liabilities</b>                                    |                     |                     |
| Lease liabilities   | 7,607,708           | 5,376,160           |
| Deferred tax  | 4,282,200           | 3,358,022           |
| Employee benefits   | 165,563             | 142,719             |
| Provisions  | 168,096             | -                   |
| Consideration payable   | -                   | 1,300,000           |
| <b>Total non-current liabilities</b>                              | <u>12,223,567</u>   | <u>10,176,901</u>   |
| <b>Total liabilities</b>  | <u>36,058,425</u>   | <u>30,058,421</u>   |
| <b>Net assets</b>   | <u>96,584,006</u>   | <u>49,535,770</u>   |
| <b>Equity</b>   |                     |                     |
| Issued capital  | 123,737,206         | 70,020,924          |
| Reserves  | 3,365,747           | 5,026,497           |
| Accumulated losses  | <u>(30,518,947)</u> | <u>(25,511,651)</u> |
| <b>Total equity</b>   | <u>96,584,006</u>   | <u>49,535,770</u>   |

**Swoop Holdings Limited**  
**Statement of changes in equity**  
**For the year ended 30 June 2022**

| <b>Consolidated</b>  | <b>Issued capital</b><br>\$ | <b>Redeemable preference shares</b><br>\$ | <b>Foreign exchange translation reserve</b><br>\$ | <b>Share-based payment reserve</b><br>\$ | <b>Accumulated losses</b><br>\$ | <b>Total equity</b><br>\$ |
|--|-----------------------------|---|---|--|---------------------------------|---------------------------|
| Balance at 1 July 2020                                       | 17,429,029                  | 7,150,000                                 | -   | 2,703,779                                | (12,780,567)                    | 14,502,241                |
| Loss after income tax benefit for the year                   | -                           | -   | -   | -  | (13,788,750)                    | (13,788,750)              |
| Other comprehensive income for the year, net of tax          | -                           | -   | 11,755  | -  | -                               | 11,755                    |
| Total comprehensive income for the year                      | -                           | -   | 11,755  | -  | (13,788,750)                    | (13,776,995)              |
| <i>Transactions with owners in their capacity as owners:</i> |                             |   |   |  |                                 |                           |
| Contributions of equity, net of transaction costs            | 52,591,894                  | (7,150,000)                               | -   | (1,019,423)                              | 1,057,667                       | 45,480,138                |
| Share-based payments   | -                           | -   | -   | 3,330,386                                | -                               | 3,330,386                 |
| Balance at 30 June 2021                                      | <u>70,020,923</u>           | <u>-</u>                                  | <u>11,755</u>                                     | <u>5,014,742</u>                         | <u>(25,511,650)</u>             | <u>49,535,770</u>         |

| <b>Consolidated</b>  | <b>Issued capital</b><br>\$ | <b>Redeemable preference shares</b><br>\$ | <b>Foreign exchange translation reserve</b><br>\$ | <b>Share-based payment reserve</b><br>\$ | <b>Accumulated losses</b><br>\$ | <b>Total equity</b><br>\$ |
|--|-----------------------------|---|---|--|---------------------------------|---------------------------|
| Balance at 1 July 2021   | 70,020,923                  | -   | 11,755  | 5,014,742                                | (25,511,650)                    | 49,535,770                |
| Loss after income tax benefit for the year                                   | -                           | -   | -   | -  | (4,882,810)                     | (4,882,810)               |
| Other comprehensive income for the year, net of tax                          | -                           | -   | -   | -  | (124,487)                       | (124,487)                 |
| Total comprehensive income for the year                                      | -                           | -   | -   | -  | (5,007,297)                     | (5,007,297)               |
| <i>Transactions with owners in their capacity as owners:</i>                 |                             |   |   |  |                                 |                           |
| Contributions of equity, net of transaction costs                            | 44,155,937                  | -   | -   | -  | -                               | 44,155,937                |
| Consideration shares issued to vendors of acquired entities                  | 6,925,000                   | -   | -   | -  | -                               | 6,925,000                 |
| Issue of shares to Directors on vesting and conversion of performance rights | 2,460,346                   | -   | -   | (2,460,346)                              | -                               | -                         |
| Share options exercised during the period                                    | 175,000                     | -   | -   | -  | -                               | 175,000                   |
| Share-based payments   | -                           | -   | -   | 799,596                                  | -                               | 799,596                   |
| Balance at 30 June 2022  | <u>123,737,206</u>          | <u>-</u>                                  | <u>11,755</u>                                     | <u>3,353,992</u>                         | <u>(30,518,947)</u>             | <u>96,584,006</u>         |

**Swoop Holdings Limited**  
**Statement of cash flows**  
**For the year ended 30 June 2022**

|  | <b>Consolidated</b>      |                          |
|--|--------------------------|--------------------------|
|  | <b>2022</b>              | <b>2021</b>              |
|  | <b>\$</b>                | <b>\$</b>                |
| <b>Cash flows from operating activities</b>                      |                          |                          |
| Receipts from customers (inclusive of GST)                       | 51,435,496               | 22,729,621               |
| Payments to suppliers (inclusive of GST)                         | <u>(43,123,577)</u>      | <u>(26,970,617)</u>      |
|  | 8,311,919                | (4,240,996)              |
| Interest received  | 412                      | 31                       |
| Interest and other finance costs paid                            | (70,831)                 | (16,233)                 |
| Government grants received                                       | 840,841                  | 2,559,500                |
| Income taxes paid  | (221,165)                | (359,382)                |
| Other  | <u>-</u>                 | <u>(144,022)</u>         |
| Net cash from/(used in) operating activities                     | <u>8,861,176</u>         | <u>(2,201,102)</u>       |
| <b>Cash flows from investing activities</b>                      |                          |                          |
| Payment for purchase of business, net of cash acquired           | (1,318,772)              | (239,432)                |
| Payment for purchase of subsidiary, net of cash acquired         | (17,773,750)             | 690,010                  |
| Payments for property, plant and equipment                       | (17,941,099)             | (5,914,541)              |
| Payments for investments   | (388,222)                | (1,054,859)              |
| Payments for intangibles   | (417,574)                | (22,525)                 |
| Proceeds from disposal of business                               | <u>203,245</u>           | <u>-</u>                 |
| Net cash used in investing activities                            | <u>(37,636,172)</u>      | <u>(6,541,347)</u>       |
| <b>Cash flows from financing activities</b>                      |                          |                          |
| Proceeds from issue of shares                                    | 45,989,160               | 25,499,999               |
| Repayment of borrowings  | (643,744)                | (880,774)                |
| Transaction costs related to issue of shares                     | (1,772,277)              | (1,005,708)              |
| Proceeds from the exercise of options                            | 175,000                  | -                        |
| Transaction costs related to borrowings                          | <u>(519,765)</u>         | <u>-</u>                 |
| Net cash from financing activities                               | <u>43,228,374</u>        | <u>23,613,517</u>        |
| Net increase in cash and cash equivalents                        | 14,453,378               | 14,871,068               |
| Cash and cash equivalents at the beginning of the financial year | 17,497,867               | 2,626,799                |
| Effects of exchange rate changes on cash and cash equivalents    | 69,323                   | -                        |
| Cash and cash equivalents at the end of the financial year       | <u><u>32,020,568</u></u> | <u><u>17,497,867</u></u> |

