



Swoop Holdings Limited | ABN 20 009 256 535

Level 5, 126-130 Phillip Street, Sydney NSW 2000

## ASX ANNOUNCEMENT

### Appendix 4C Quarterly Cash Flow Report and Quarterly Activities Report

Swoop Holdings Limited (ASX: SWP) is pleased to release its quarterly activities report and Appendix 4C for the three-month period ended 31 December 2025 (Q2 FY25).

The quarterly cash flow report incorporates the operations of Swoop (and its subsidiaries) for the 3-month period from 1 October 2025 to 31 December 2025.

#### Highlights as at 31 December 2025

- Customer receipts continue to grow strongly, reaching \$72.9m in 1H FY26, up 53% on the pc. This was driven by accelerating growth in our NBN and Mobile products, as well as contributions from the Melbourne Fibre Project. Excluding one-off project revenues, customer receipts increased 37% on the pc.
- Operating Cash Flow (OCF) for the half declined by approximately \$9.1m, primarily due to a significant reduction in the accounts payable position at 31 December. OCF for 1H, FY26 was -\$4.1m.
- Free Cash Flow (FCF) declined by \$12.4m for the half compared to the pc, finishing at -\$14.9m, with only a minor impact from the Melbourne Fibre Project capex of ~\$1.5m. The decline is mainly attributable to the OCF movement (driven by substantial reductions in payables) and a one-off investment in Swoop's technology platforms of ~\$3.0m to support core consumer business growth and future margin expansion.
- Gross Margin for the core business was 25.2% in 1H FY26, slightly lower than the pc. We are targeting an improvement of 8-10% in Gross Margin over the next 18 months, supported by supplier contract renegotiations (including an industry wide deal on NBN commencing 1 July 2026), growth in the core consumer business and increased operating leverage across the network.
- Momentum in our core business remains strong, with monthly recurring sales up 198% and monthly revenue up 39% on 31 December 2025 compared to the pc. This reflects our continued focus on core NBN and Mobile products and our commitment to exceptional customer service.
- Swoop closed 1H FY26 with \$16.0m in available funding, including \$6.2m cash, providing a solid platform to complete the Melbourne Fibre Project and accelerate growth in the core NBN and Mobile business.

Swoop CEO Alex West comments "Swoop has delivered a strong 1H of growth in the consumer business with cash receipts growing more than 50% on the prior year. This was driven by strong organic growth in our core NBN and Mobile business. One-off investments in key technology growth platforms, combined with ongoing supplier contract renegotiations, are expected to increase gross margins in FY27 by up to 10%.

## **Acquisition and other highlights**

In October 2025, Swoop completed the divestment of its' Vonex shares, with proceeds of \$6.2m received.

Completion of the Entitlement Offer in December 2025, with total funds raised to date of \$9.3m. Net proceeds will be used to fund the Company's working capital and capex requirements associated with the construction and delivery of the Melbourne Fibre Project in the upcoming quarters.

The Board has responded to recent shareholder feedback by launching a "Focus. Divest. Grow" strategy to simplify the business and improve returns. As part of this transition, non-executive Chair James Spenceley and non-executive Director Matt Hollis, both resigned from the Board in December 2025.

## **Events subsequent to 31 December 2025**

There are no significant events subsequent to 31 December 2025 to report.

## **Payments to related parties of Swoop and their associates**

The amounts included in item 6 in the Appendix 4C relate to the Directors Fees for the quarter (\$106k).

<ENDS>

This announcement has been authorised 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 data, mobile and voice services to channel, business and residential customers with a focus on its own fibre and fixed wireless infrastructure. The Swoop network is designed and scaled to deliver ultra-reliable, high throughput, flexible telecom network services. Swoop is established and has the goal 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, for example product development, marketing position and technical advances.

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. The Company'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.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Swoop Holdings Limited

**ABN**

20 009 256 535

**Quarter ended ("current quarter")**

31 December 2025

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	40,495	72,885
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(33,840)	(63,851)
(c) advertising and marketing	(1,732)	(2,584)
(d) leased assets	-	-
(e) staff costs	(3,622)	(6,893)
(f) administration and corporate costs	(1,289)	(2,665)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	10	14
1.5 Interest and other costs of finance paid	(613)	(1,052)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(591)</b>	<b>(4,146)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	(50)	(54)
(b) businesses	-	-
(c) property, plant and equipment	(2,656)	(5,719)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	(2,870)	(4,996)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	35
	(d) investments	6,166	6,166
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>590</b>	<b>(4,568)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	9,308	9,308
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(347)	(347)
3.5	Proceeds from borrowings	-	7,000
3.6	Repayment of borrowings	(6,550)	(7,488)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Payments for lease liabilities	(701)	(1,530)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,710</b>	<b>6,943</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,544	8,034
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(591)	(4,146)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	590	(4,568)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,710	6,943
4.5	Effect of movement in exchange rates on cash held	(5)	(15)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>6,248</b>	<b>6,248</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,218	4,514
5.2	Call deposits	30	30
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>6,248</b>	<b>4,544</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	106
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	23,645	16,201
7.2	Credit standby arrangements	2,000	-
7.3	Other (please specify)	859	601
7.4	<b>Total financing facilities</b>	26,504	16,802
7.5	<b>Unused financing facilities available at quarter end</b>		9,702
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>In June 2022 the Company executed a facilities agreement (subsequently amended and restated in October 2022 and February 2025) with Westpac Banking Corporation which included the following facilities:</p> <ul style="list-style-type: none"> <li>a) At the time of the initial drawdown, a \$20.0 million Bank Bill Business Loan Facility which was available to fund permitted acquisitions, and subject to amortisation requirements, was available for a 5 year term. This facility, which is amortising, was drawn down to fund the acquisition of Telco Pay Pty Limited which completed in November 2022. The facility balance is now \$13.6 million;</li> <li>b) A \$10.0 million Bank Bill Business Loan Facility available to fund acquisitions and capex programmes and is available for a 5 year term;</li> <li>c) A \$2.0 million overdraft facility to fund working capital requirements;</li> <li>d) A \$300,000 corporate credit card facility; and</li> <li>e) A \$200,000 bank guarantee facility.</li> </ul> <p>Certain security agreements have also been entered into with Westpac to secure any debt incurred under these facilities.</p> <p>In addition to the above the Group also has an American Express business reward card facility, with a limit of \$559,000.</p> <p>The five year term of the existing Westpac facility ends in June 2027, however we are currently in discussions to both extend this term (for a further three year period) and expand the facility to provide additional capacity for capital expenditure.</p>		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(591)
8.2	Cash and cash equivalents at quarter end (item 4.6)	6,248
8.3	Unused finance facilities available at quarter end (item 7.5)	9,702
8.4	Total available funding (item 8.2 + item 8.3)	15,950
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	27.0
<p><i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i></p>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
<p><i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i></p>		

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30-January-2026

Authorised by: By the Board

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(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.