



## ASX ANNOUNCEMENT

28 February 2024

# FY24 Half Year Results – Swoop Delivers Strong Organic Revenue and Underlying EBITDA Growth

1H FY24 Highlights include:

- Revenue of \$43.5M up 17% half year-on-half year.
- Gross Margin of \$17.2M up 9% half year-on-half year.
- Underlying EBITDA<sup>1</sup> of \$8.2M, up 13% on half year-on-half year.
- A 16% half year-on-half year increase in subscriber numbers to 161,335, all from organic growth.
- Operating cashflow remains strong with \$7.2m delivered in 1H FY24.
- Free Cash Flow continues to improve up +\$1.3M from \$(2.4)M in H1FY23 to \$(1.1)M in H1FY24, as it heads towards cash generation from our core business.
- Remaining Westpac financing facilities of \$9.4M combined with our strong cash position of \$16.2M provides significant firepower.

After a successful second full year on the ASX in FY23, the company continued this half to integrate and grow the eight acquisitions it previously completed, with the most recent being Moose Mobile, delivering significant synergies and organic growth opportunities.

For 1H FY24, the business reported revenue growth from 1H FY23 of 17% to \$43.5M and corresponding underlying EBITDA growth of 13% to \$8.2M.

Since its acquisition in November 2022 the company has continued to grow the national mobile virtual network operator Moose Mobile. At the time of the transaction announcement Moose provided over 94,000 mobile services on the Optus network to customers across Australia, which has now grown to over 118,000 services at the end of the half. This coupled with amazing cross-sell potential and strong cash generation, shows that it remains a significant growth opportunity for Swoop.

We have \$9.4M remaining of our secured Westpac financing facilities to fund further growth and expansion, with the balance of the original \$32.1M facilities being utilised for the acquisition of Moose. The company closed the half-year with a strong cash position of \$16.2M.

Commenting on the results, Swoop Chief Executive Officer Alex West said “We have had another fantastic start to the year as we see the core business deliver organic growth and strong operating cash generation, with record sales across our key products of FW Broadband, NBN, Mobile and Voice.

The sustained increase in our revenue in this half-year, fuelled primarily by organic growth, demonstrates the strong demand for dependable internet and mobile services supported locally, which continues to withstand the impact of rising living costs.

Notes:

1. Underlying EBITDA excludes non-cash (share-based payment expenses) and other one-off items (acquisition and integration costs, corporate restructuring costs, one-off legal costs) that are not considered to be reflective of underlying earnings.

Whilst well progressed; our focus for the half was to continue to integrate and simplify our offerings to our customers, making us easy to deal with via increased automation and self-service options. And our continued focus on our people saw improvements in our employee engagement as we continue our journey to become one of Australia's employers of choice.

We will continue our strong focus on managing costs and improving operational efficiencies as we continue to see acquisition synergies flow through. We still have a strong cash balance of \$16.2M and a further \$9.4M remaining in our Westpac financing facilities, putting us in a strong position to continue to fund growth and capitalise on opportunities as they arise.

Along with the Board, the Executive and the entire Swoop team are looking forward to continued success in the remainder of FY24 and beyond."

<ENDS>

## **FY24 Half Year Results Investor Briefing**

CEO, Alex West and CFO, Patricia Jones, will host an investor call starting at 10.00 a.m. (AEST) on 28 February 2024. The call details are as follows:

### **Teleconference Conference ID: 60993**

**Participant numbers:** Participants must pre-register for the call at the link below. They will then receive a calendar invite and a unique code which is to be quoted when dialling into the call.

**Pre-registration Link:** <https://registrations.events/direct/OCP60993>

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 and voice services to wholesale, 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.