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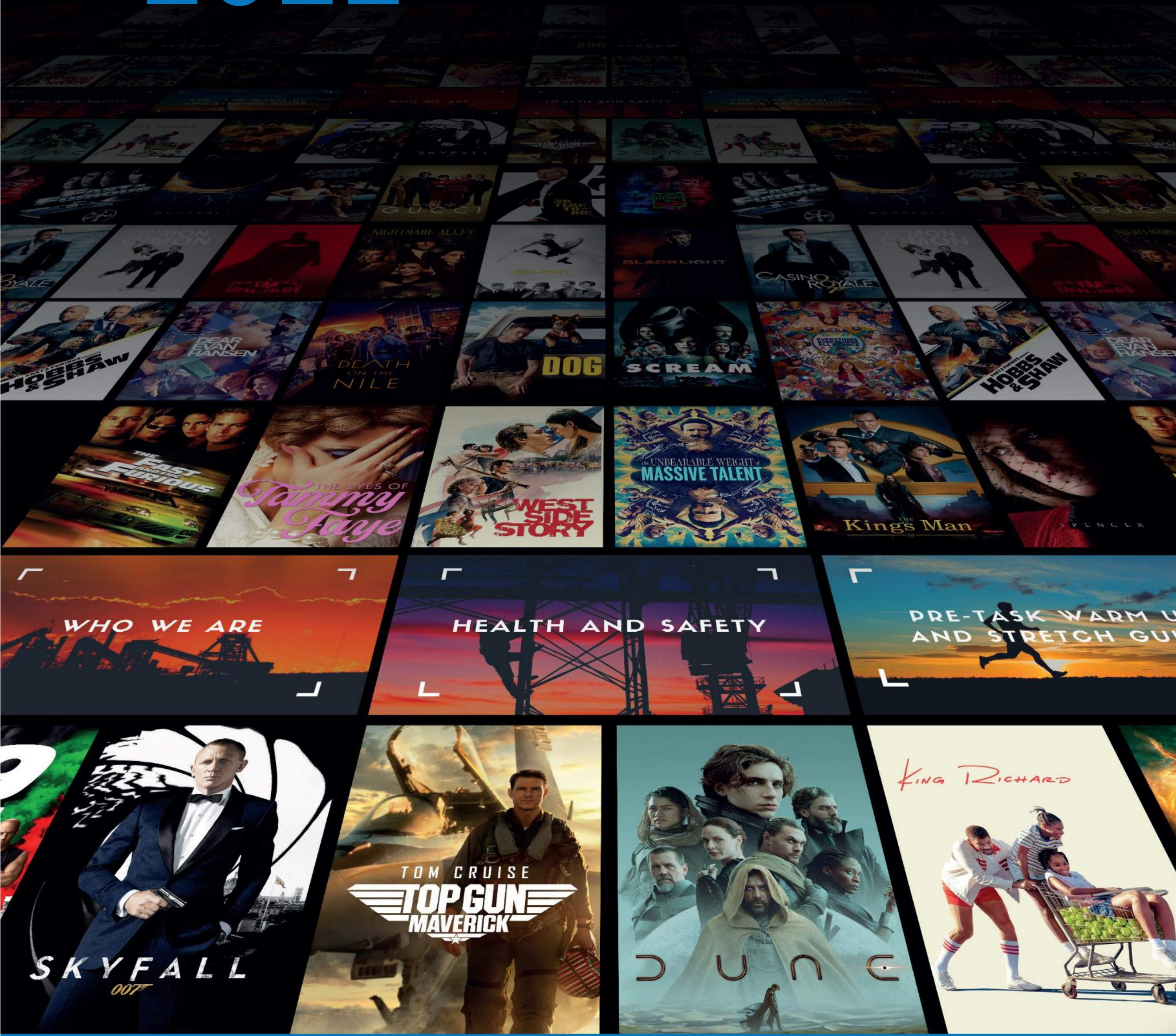
ANNUAL REPORT 2022



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CORPORATE DIRECTORY.

Directors

Charles Fear
Chairman

Darren Smorgon
Non-Executive Director

Peter Gibbons
Non-Executive Director

Robert Sofoulis
Non-Executive Director

Bradley Denison
Non-Executive Director

Philippa Leary
Non-Executive Director

Brian Mangano
Managing Director

Ryan Sofoulis
Chief Financial Officer

Company Secretary
Suzie Foreman

Corporate Details

Swift Networks Group Limited
ACN: 006 222 395
ABN: 54 006 222 395
www.swiftnetworks.com.au

Registered Office

1060 Hay Street
WEST PERTH WA 6005

Telephone: +61 8 6103 7595
Facsimile: +61 8 6103 7594

Auditor

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
PERTH WA 6000

Bankers

Bank West Ltd
300 Murray Street
PERTH WA 6000

Share Registry

Link Group
Level 12
QV1 Building
PERTH WA 6000
T: +61 8 9211 6650
F: +61 8 9211 6670
W : linkmarketservices.com.au

Stock Exchange Listings
The ordinary shares of Swift Networks Group Limited are listed on the Australian Stock Exchange. (Code: SW1)

This Annual Report is a Summary of Networks Group Limited's operations, activities and financial position as at 30 June 2022.

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HIGHLIGHTS.

- Revenue of **$18.5 million**, **5% increase** on FY21
- **$20.2 million** of customer receipts
- **$3.75 million** cash plus **$235,000** of term deposits
- **$13.5 million** Recurring Revenue
- Group **EBITDA Profit** of **$1.4 million** (including R&D income)
- Enterprise **EBITDA profit** of **$2.4 million** (including R&D income)
- In excess of **$15.0 million** in **new contracts** signed
- **$940,000** holding in ASX listed investment
- **Appointments** of New Chairman, Managing Director, Chief Financial Officer, and Company Secretary
- **Successful development**, launch, sales and installation of **Swift Access** and **Swift Broadcast**
- Secured **five-year expanded content licence** agreement
- Completed **sale of loss-making** Medical Media business
- Relocation of Perth and Sydney offices realising **annualised savings of $500,000**
- Swift **secures $7.7 million long-term finance** facility

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CHAIRMAN'S REPORT.

Dear Fellow Shareholders

Thank you for taking the time to read the first annual report since I became Chairman of Swift. FY22 has been turned into an exciting time to become part of the Swift journey.

I am very happy to have taken on the role of Chairman of Swift. Since initially joining the Board as a non-executive director in November 2021, I have been able to witness, first-hand, the dedication and depth of experience within the Swift team. I have also gained a deeper understanding of the potential for Swift's unique technological platform, whether that be in its current markets of Mining, Oil & Gas, and Aged Care or through the potential to apply Swift's platform across new markets in the future.

Swift imbues the essence of what makes a good business, a strong team spirit, an open culture, sound technology, a great reputation for service and a can-do attitude.

Swift's purpose is to connect and engage through entertainment and communications solutions, this has never been more relevant than over the past two years as Swift has continued to support our customers, their staff and residents, whether they reside in remote mine sites or aged care facilities both of which were isolated and impacted by COVID.

I believe that Swift has a unique product and service offering for the Mining, Oil & Gas and Aged Care sectors. Swift's capabilities have been created by combining long term industry experience in communications network installation, technology and support with the provision and creation of tailored content that Swift has sourced from across the globe. Swift's ability to provide the best solution for unique environments and provide market leading support capabilities can have only been gained through many years of installation experience and through the design and development of Swift's proprietary platform and systems developed to meet customers unique requirements. Swift's system is in demand and currently being utilised by some of the leading companies in Mining, Oil & Gas and Aged Care, these are companies that want the best for those on site or under their care.

Swift now has both the ingredients and focus to continue its journey and increase its rate of growth as its markets emerge from the restrictions bought on by COVID. The Board is confident and buoyant about the Company's prospects under the leadership of a strong and committed management team.

During the year, we announced several changes to the composition of Swift's Board. Apart from my appointment we welcomed Mr Brad Denison as an independent non-executive director and saw the departure of Kathy Ostin as an independent non-executive director. We also saw the transition of Pippa Leary to the role of non-executive director and the appointment of Brian Mangano to the role of CEO/MD. During the year Ryan Sofoulis was appointed as CFO and Suzie Foreman as Company Secretary.

I would like to thank the management team, staff, financiers and business associates for their support and hard work that has enabled us to come this far. I would also like to extend my gratitude to my fellow directors for their contributions to the Group and for their counsel. Last but not least, I would like to show appreciation to our shareholders for their constant support.

Charles Fear

MANAGING DIRECTOR'S REPORT.

Dear Swift Shareholders

I am pleased to present Swift's Annual Report for FY22, which outlines our progress and achievements over the past financial year. FY22 has been a good year for our company, successfully launching Swift Access and Swift Broadcast products into the Mining, Oil & Gas, and Aged Care markets. Swift has secured significant multi-year subscription sales of this new platform to key customers in all our target markets, effectively securing long-term contracts with high-quality recurring revenue.

The introduction of Swift Access has driven many new contract agreements with both new and existing customers. Swift Access allows the combination of site-based on-demand content to be paired with smart casting technology, which results in a platform that can be utilised across low bandwidth environments or sites with high bandwidth demand fluctuations.

Over the years that Swift has been servicing the Mining and Oil & Gas sectors, we have grown an extensive customer list that is the envy of many, with multiple industry leaders demanding the best system and experience on-site for their staff. We have continued to attract tier one customers with our entry into the Aged Care sector, where we first launched our platform just prior to the onset of COVID but are now experiencing renewed demand as the Aged Care industry re-emerges with a desire to improve residents' care and overcome isolation through streamlined communications and technology solutions that provide choice and support well-being.

Delivery and installation timing continues to be challenging in the Mining, Oil & Gas, and Aged Care sectors due to limited facility access, client shut-down scheduling and staff shortages. Swift has managed to avoid the worst of the supply chain issues that arose during the year, by securing extra set-top-box and computer server inventory to meet the forecast demand.

FY23 is the dawn of a new growth cycle for Swift; I believe Swift is well-positioned to seize new opportunities as they arise by leveraging our technological expertise, proprietary platform, installation experience, and comprehensive support to provide customers with one-stop solutions. We will continue to focus on executing our Mining, Oil & Gas, and Aged Care strategy and strive towards moving from a sustainable business strategy during COVID to a growth strategy in FY23 and beyond.

For those new to Swift, we are a technology company that offers a premium entertainment and engagement solution powered by our proprietary platform. The Swift platform is not a static solution. One of our key points of difference is that we design and implement solutions tailored to the specific needs of our customers that are reliable and scalable, supported with exceptional customer service, and continually developed to drive value throughout the customer lifecycle. Our end goal is to enhance residents' and staff's overall experience and well-being, whether on a remote mine site or living within an Aged Care facility. We strive to turn any facility into a community built around premium entertainment and industry-leading levels of engagement and accessibility.

While it would be great if one size did fit all, we know this isn't the case. For example, what works in Mining or Oil & Gas is quite different from what is required in Aged Care. When we talk about accessibility in Mining, we are most likely referring to overcoming geographical barriers. In contrast, Aged Care is more about physical and psychological challenges. We leverage our knowledge, understanding, and core proprietary technology / Intellectual Property as a base to build a solution that maximises value – for all stakeholders, whoever and wherever they are.

When we think about the current market trends, being flexible and being able to tailor specific solutions that maximise value for differing communities is a priority. Our customers appreciate this, and we have developed Swift's three E's to keep us focused on where and how we drive value.

Swift Entertains – through new release movies ahead of streaming services, secure casting your device and a 1,400+ feature movie library plus tailored TV, sport, and other entertainment content.

Swift Engages – through the use of Apps and the TV, a whole compendium experience is at hand, whether that be site/facility activities, training, health and safety notices, people & culture services, or even the menu for dinner.

Swift Enables –through in-house technology and communications expertise, that can design and construct a complete ICT solution, provide 24/7 support, and implement Swift's proprietary solution that manages bandwidth across a 3,000-room mining site in the most remote locations. Or a new technological innovation that allows an Aged Care resident restricted to their room to be included in common room activities. Swift enables businesses to provide entertainment and engagement solutions tailored to maximise value for all stakeholders.

Current market trends are beginning to provide tailwinds for Swift. Changes in consumer behaviour with Video On Demand (VOD) viewing during the pandemic drove unprecedented demand for content and uptake of VOD. This and the ubiquitous use of QR codes helped bring down barriers and broaden the market accessing content via digital platforms. While many streaming VOD options are available, exclusive content strategies mean that people are asked to sign up and pay for multiple services to access content from different producers and distributors. After only a few months, quality box office feature content is now being taken down from many streaming services. Swift retains an extensive catalogue of Box office feature movies from multiple studios plus the advantage of a release window ahead of streaming services. This surprises viewers and provides a better experience than home-at-home streaming; with Swift, the movies are on us. Swift can also focus on delivering highly targeted content curated specifically for its audiences based on data and analytics derived from actual viewership data. Swift gives access to great content and an early release window, providing more choice and a quality product for the end user.

Swift's proprietary technology that powers our entertainment and engagement platform has the potential to create opportunities across a broad range of commercial partnerships, leveraging our Intellectual Property. This is an area that could lead to future growth opportunities both within and outside of our current markets in Australia.

COVID increased the focus on every company's role and responsibility in supporting their staff's overall well-being and creating a better culture. Companies are now being held more publicly accountable, and risks to reputation are high when they fail to deliver these objectives. Swift's platform can help companies minimise these risks and support their staff by facilitating the delivery of information, education, training, cultural awareness, and safety, all known to help nurture and promote overall wellbeing.

Staff shortages combined with a focus on well-being and lifestyle have resulted in people looking for a broader range of benefits beyond the salary from their employer. Staff are looking for benefits such as an enhanced home-away-from-home experience when being asked to work extended periods away from family and friends, with things that might seem small, having a significant impact, i.e., providing a "better than expected" entertainment experience versus being expected to buy and bring your own entertainment with you. Pressure on resources is also forcing companies to be more focused and strategic. Combined with sustainability targets, a focus on People & Culture comes together to drive demand for Swift's platform. Companies want partners that can provide tailored solutions to overcome their challenges, anticipate their needs, and provide flexible solutions that can scale with them.

Swift will continue to benefit from the above tailwinds across all our current markets and will look for opportunities to expand the use of our technology platform across new markets and geographically through partnerships. Our primary focus for FY23 will continue to be to pursue growth in our existing markets; there is considerable scope for further earnings growth as Swift expands its market presence in Mining, Oil & Gas, and Aged Care. This will be achieved through increasing brand awareness and targeting sales strategies that showcase Swift's platform and support capabilities with key potential customers. While the B2B sales cycle can take six months to finalise, these installation and subscription agreements typically are for an initial term of three years, with most extending many years beyond. Earnings growth is also expected as our existing customers grow through workforce increases and facility scale, leading to an increase in room numbers. Our goal is to be the "go-to" entertainment and engagement solution in our existing markets. I look forward to when Swift is specified for every mine and aged care facility in Australia.

I want to thank the Swift Board and Executive team for their unwavering support throughout the year, and I look forward to a successful year ahead.

Brian Mangano

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DIRECTORS' REPORT

The Board of Directors of Swift Networks Group Limited ("the Group" or "the Company") submits its report in respect of the year ended 30 June 2022.

The Directors of the Company in office during the year and at the date of this report are:

Name	Position
Mr Charles Fear	Non-executive Chairman (appointed as Non-executive Director 19 November 2021, role changed 21 March 2022)
Mr Darren Smorgon	Non-executive Director (role changed 21 March 2022)
Mr Robert Sofoulis	Non-executive Director
Mr Ryan Sofoulis	Alternate Director and Chief Financial Officer, Finance Director (appointed 15 October 2021)
Ms Katherine Ostin	Independent Non-executive Director (resigned 19 November 2021)
Mr Peter Gibbons	Independent Non-executive Director
Ms Pippa Leary	Non-executive Director (role changed 1 October 2021)
Mr Brian Mangano	Managing Director and Chief Executive Officer (role changed 16 September 2021)
Mr Bradley Denison	Non-executive Director (appointed 19 November 2021)

The Company Secretary is Ms Suzie Foreman (appointed 1 April 2022)

PRINCIPAL ACTIVITIES

The principal activities of the Group during the year were the provision of content and communications on television screens for out of home environments.

REVIEW OF OPERATIONS AND FINANCIAL RESULTS

Operational review

Swift Access

FY22 has seen targeted sales and marketing initiatives put in place to sell Swift's latest product, Swift Access. Through the FY21 acquisition of streamvision's casting solution, Swift has introduced a product to market that amongst a large feature set includes, blockbuster movie content, casting and BYOD functionality as well as mental health and first nations content. Swift's proprietary system offers a low bandwidth management system that allows the deployment of the system in the most remote locations around Australia in as small or large a community as required.

During the year Swift has secured key customer contracts with large mining operators Roy Hill, Mineral Resources and Inpex with its Swift Access solution. Swift upgraded functionality within the Swift Access product has allowed the Company to not only target new customers but reengage with its current customer base to upgrade services to existing customers.

Aged Care

FY22 has seen the COVID landscape change within Australia. With the relaxing of government mandated restrictions we have begun to see the Aged Care Industry opening up for business. FY22 has seen the establishment of a Melbourne based sales team specifically targeting the Aged Care industry. Swift has regularly participated in industry events which have contributed significantly to the pipeline build of the business.

The first reward for the team is the announcement of a new partnership with ASX listed Hubify (ASX:HFY). Hubify services many customers in the Aged Care industry and in May 2022 Swift announced a deal for a 54 month, $1.5m contract at an initial 13 sites for one of Hubify's customers.

DIRECTORS' REPORT

Ongoing Response to COVID

The Mining and Resources sector has remained largely unaffected by COVID-19. Swift has seen some challenges in supply for some equipment used in the deployment of our systems, however, we have implemented an early purchase strategy that has allowed us to keep stock of potential long lead time items of equipment that is used regularly across deployments. This has allowed Swift to minimise any potential delivery delays of contracted work.

Swift continues to engage local approved contractors to assist in the deployment of sites across Australia in the Aged Care industry which allows flexibility around any lockdown or restrictions that may occur.

Financial Review

In FY22 the group achieved operating revenue of $18.5m (FY21: $17.6m), a 5% increase year on year, as it focussed on its core verticals of Mining and Resources, Aged Care and Government. During FY22 Swift secured a further $2.9m in project installation revenue to be delivered and recognised in FY23. This project work is expected to lead to increased recurring revenues for the business.

Swift focussed on working capital in FY22 and was able to maintain cash levels throughout the year. Swift closed the period with $3.75m in cash (FY21: $3.9m).

Subsequent to year end Swift announced the extension of its loan facility with Pure Asset Management Pty Ltd. The loan period has been extended to 30 September 2025 with covenants aligned to a discounted rate to the business' forecast. Under this agreement Swift has commenced its payback of this facility with a repayment of $0.5m made upon execution of the agreement, with the loan balance being reduced to $7.7m.

Swift's Financial Asset of 20 million shares in Motio (ASX:MXO) are removed from escrow in October 2022. The directors will explore options to realise this asset within the next 12 months.

Underpinned by the efforts mentioned above, in 2022, the group recorded an underlying Earnings Before Interest, Tax, Depreciation Amortisation ("EBITDA") of $1.4m (FY21: $1.5m).

A reconciliation of EBITDA to NPAT has been outlined in the Consolidated Statement of Profit and Loss with reference to Notes 2, 3 and 4.

Outlook

FY23 will see the company continue its stated strategy to:

- Upgrade its sales and marketing capabilities
- Drive revenue growth with project work that delivers recurring revenues over time
- Explore partnership opportunities
- Explore opportunities in synergistic verticals
- Evolve its product suite to meet customer expectations in each core vertical
- Maintain its current cost base
- Reduce its debt position

The directors look forward to updating you on our progress as the year unfolds.

SUBSEQUENT EVENTS

See Note 29 for events subsequent to reporting date.

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or recommended during the year (2021: nil).

INFORMATION ON THE DIRECTORS

Charles Fear – Non-executive Chairman

Charles Fear is an experienced Investment Banker and Non-Executive Director. He co-founded Argonaut Limited in 2002 and served as Chairman for 17 years during which time he was responsible for a significant number of Equity Market and Mergers and Acquisitions transactions. Prior to founding Argonaut he was an Executive Director of Hartley Poynton and Managing Director of global Canadian Investment Bank CIBC. He was also formerly a Senior Insolvency Partner of KPMG. He presently Chairman of Mayur Resources Limited and Director of RugbyWA. He has previously served as a Director of Atrum Coal Limited and as a Board Member and Chairman of the Western Australian Cricket Association. Charles is a Fellow of the Australian Institute of Company Directors and is a Fellow of Chartered Accountants.

Directorships held in other listed companies in the past 3 years: Mayur Resources Limited (ASX: MRL) and Atrum Coal Limited (ASX:ATU)

Bradley Denison – Non-executive Director

Bradley is an experienced Non-Executive Director and CEO with a strong financial background. He has particular experience in complex multi-party projects and business turnarounds. Extensive client relationships in the government, mining, aged care and commercial sectors.

Brad is immediate past CEO of Fleetwood Limited, a director of prefabAUS, and chairman of Providence Lifestyle Group.

Darren Smorgon – Non-executive Director (role changed 21 March 2022)
Darren has been a Non-executive Director of Swift since February 2019 after having previously served on the board of Medical Media for three years prior to its acquisition by Swift. He is Managing Director of Sandbar Investments, a Sydney based family office, and prior to that, spent 16 years at CHAMP Private Equity where he led several deals including the privatisation and subsequent re-listing of oOh!Media Limited (ASX: OML). He is also the Chairman of co-working facility provider Hub Australia Pty Ltd and a Non-Executive Director of Total Drain Cleaning Pty Ltd.

Directorships held in other listed companies in the past 3 years: oOh!Media Limited (ASX: OML)

Robert Sofoulis – Non-Executive Director
Robert is the founder of Swift Networks and Wizzie TV. Robert has an engineering background in instrumentation and worked in the mining and oil and gas industries for 20 years before becoming an entrepreneur in 1995.
Initially concentrating in the two-way radio rental business, Robert soon expanded the business to include sales, engineering services, distribution services of new communication technology and created ASTIB Group, consisting of various radio and communications subsidiaries. Most of the ASTIB Group was divested in January 2011 for approximately $50 million to CSE Global, a multinational organisation of the Singapore Exchange.

Directorships held in other listed companies in the past 3 years: None

DIRECTORS' REPORT

INFORMATION ON THE DIRECTORS (CONTINUED)

Kathy Ostin – Non-executive Director (resigned 19 November 2021)
Kathy has deep experience in the Aged Care and Healthcare sectors having established and led KPMG's NSW Health, Ageing and Human Services practice since 2006 until her departure in December 2018. Kathy was also an audit partner since 2005 where her responsibilities covered Aged Care, Media and Technology companies. She as broad international experience having worked in Asia, the USA and UK during her 24 years at KPMG. She is also a current Non-executive Director and Chair of the Audit and Risk Subcommittee of Capral Limited, Non-Executive Director and Chair of the Audit and Risk Subcommittee of dusk Group Limited, Non-executive Director of 3P Learning Limited, Non-executive Director and Chair of the Board Audit Committee of Alex Corporation and Alex Bank Pty Limited, and Non-executive Director, Chair of Finance and Financial Audit Committee, Chair of Risk and Internal Audit Committee and Member of the Rebate and Pricing Committee of eftpos Payments Australia Limited.

Directorships held in other listed companies in the past 3 years: Capral Limited (ASX: CAA), dusk Group Limited (ASX: DSK), 3P Learning (ASX: 3PL).

Peter Gibbons – Non-executive Director
Peter has a proven background in building growth businesses, deep experience and extensive networks in the Aged Care, Property and Mining & Resources sectors in Western Australia. Based in Perth, Peter is the co-founder and Managing Director of Openn Negotiations, one of Australia's leading online property auction platforms (ASX:OPN). Prior to Openn Peter has had an extensive investment banking career with Macquarie Bank, Bankers Trust and Deutsche Bank. Peter was the Chairman and is currently a Non-executive Director of Bethanie Group, Western Australia's largest not-for-profit Aged Care provider and was previously a Director of Silver Chain, Western Australia's largest provider of in-home residential aged care, Landcorp, and also served as a Commissioner of the Western Australian Football Commission.

Directorships held in other listed companies in the past 3 years: Openn Negotiation (ASX:OPN)

Pippa Leary – Non-executive Director (role changed 1 October 2021)
Pippa joined Swift in July 2019 following her tenure heading up Nine's digital sales team where she was responsible for the media company's key online properties including nine.com.au, 9Honey and their broadcast video on demand platform 9Now. Pippa was previously CEO of Fairfax-Nine programmatic exchange APEX, and prior to that held senior executive roles at Fairfax Media, including Managing Director of the publisher's Digital Media division. Pippa is also an experienced board director, and currently sits on the board of the RLPA.Past Board roles have included Equip Super, the IAB (Interactive Advertising Bureau) and Solstice Media. She is a Graduate of the Australian Institute of Superannuation Trustees (AIST).

Directorships held in other listed companies in the past 3 years: none

Brian Mangano – Managing Director and Chief Executive Officer (role changed 16 September 2021)
Brian is a Chartered Accountant with more than 25 years' executive experience in Australian Listed companies in the Engineering, Technology and Investment sectors. Brian was appointed Chief Financial Officer and a Director at Swift Media in April 2021. After qualifying with Ernst & Young, Brian travelled to the UK where he worked with Richard Branson's Virgin group as Financial Controller for Virgin Communications. Brian's last major role was as CFO of ASX listed Veris Group the largest surveying group in Australia with over 800 staff and revenues over $100 million. Brian is also a former Managing Director of listed companies AirBoss and Australian Growth. His experience spans a broad range of areas including strategic and business planning, mergers and acquisitions, capital raising, debt finance, information technology, risk management and company secretarial, Brian is a Fellow of the Governance Institute of Australia a Member of the AICD. Brian now brings his wide ranging experience to Swift Networks.

Directorships held in other listed companies in the past 3 years: none

DIRECTORS' REPORT

INFORMATION ON THE DIRECTORS (CONTINUED)

Ryan Sofoulis –Alternate Director, Chief Financial Officer and Finance Director (appointed 15 October 2021)
Ryan has spent the last 15 years working within the various companies owned by the Sofoulis family. Ryan worked in the accounts department with the ASTIB Group until it was sold in 2011, at which time he became the Company Secretary of Swift Networks. In 2012, Ryan became the Company Secretary of the newly created EITS Global Group and oversaw the establishment of an international structure spanning over the USA, UK, Ireland and Australia.

Directorships held in other listed companies in the past 3 years: None

Suzie Foreman – Company Secretary (appointed 1 April 2022)
Suzie is an experienced Chief Financial Officer and Company Secretary with a demonstrated history of working with a wide range of businesses from start-up enterprises to ASX top 300 corporates.

Suzie has worked with senior management and boards to advise on governance, enterprise risk management, audit and corporate compliance, company secretarial, and financial reporting responsibilities. Suzie has been involved in the listing of numerous entities on the Australian Securities Exchange over the past 20 years and facilitated and managed a large number of capital raisings and M&A transactions.

Suzie has held senior management roles across a range of businesses including industrial, mining production and public practice. Suzie is the Company Secretary of ASX listed entities NickelSearch Limited, (ASX:NIS), Spectur Limited (ASX:SP3) and The GO2 People Ltd (ASX:GO2).

Suzie holds a Batchelor of Business, a Certificate of Applied Corporate Governance and Risk Management, is a Chartered Accountant, and a Governance Institute Fellow member.

DIRECTORS' INTERESTS
The interests of each Director in the shares and options of the Group as notified by the Directors to the ASX in accordance with s205G(1) of the Corporations Act 2001 as at date of this report were as follows:

Director	Ordinary Shares	Options	Rights to deferred Shares[1]	Employee Incentive Scheme Rights
Mr Robert Sofoulis	97,374,768	-	-	-
Mr D Smorgon	8,210,800	-	-	-
Mr C Fear	7,000,000	-	600,000	-
Mr P Gibbons	1,201,858	-	-	-
Ms P Leary	4,629,438	1,000,000	-	1,583,311
Mr B Denison	2,300,000	-	600,000	-
Ms K Ostin	1,574,996	-	-	-
Mr B Mangano[2]	13,340,569	2,000,000	-	4,620,487
Mr Ryan Sofoulis[3]	5,209,024	-	-	1,557,728

1. The Rights to deferred Shares are subject to shareholder approval.
2. 4,620,487 STI is included in Ordinary shares which is subject to shareholder approval.
3. 1,202,593 STI is included in Ordinary shares which is subject to shareholder approval.

DIRECTORS' REPORT

DIRECTORS' MEETINGS

The number of meetings (including meetings of Board committees) of the Company's Board of Directors held during the year ended 30 June 2022 and the number of meetings attended by each Director was:

	Board		Remuneration Committee	
Director	**Number eligible to attend**	**Number Attended**	**Number eligible to attend**	**Number Attended**
Mr C Fear	8	8	-	-
Mr D Smorgon	12	12	-	-
Mr Robert Sofoulis	12	9	-	-
Mr P Gibbons	12	12	-	-
Ms K Ostin	4	4	-	-
Mr B Denison	8	8	-	-
Mr Ryan Sofoulis[1]	3	3	-	-
Ms P Leary	12	12	-	-
Mr B Mangano	11	11	-	-

[1] Ryan Sofoulis attended as alternate director to Robert Sofoulis

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Additional comments on expected results of operations of the Group are included in this report under the review of operations and significant changes in the state of affairs.

REMUNERATION REPORT - AUDITED

Introduction

This Remuneration Report ("The Report") has been prepared in accordance with section 300A of the Corporations Act and associated regulations. The Remuneration Report has been audited by the Group's Auditor.

The Report provides details of the remuneration arrangements for the following Key Management Personnel of the Group and the Company for the 2022 financial year:

Directors and Key Management Personnel

Name	*Position*
Directors	
Mr C Fear	Non-executive Chairman (appointed as Non-executive Director 19 November 2021, role changed 21 March 2022)
Mr D Smorgon	Non-executive Director (role changed 21 March 2022)
Mr Robert Sofoulis	Non-executive Director
Mr Ryan Sofoulis	Chief Financial Officer and Finance Director (appointed 15 October 2021), Alternate Director to Mr Robert Sofoulis
Ms K Ostin	Non-executive Director (resigned 19 November 2021)
Mr P Gibbons	Non-executive Director
Mr B Denison	Non-executive Director (appointed 19 November 2021)
Ms P Leary	Non-executive Director (role changed 1 October 2021)
Mr B Mangano	Managing Director and Chief Executive Officer (role changed 16 September 2021)

Key Management Personnel are those Directors and executives with authority and responsibility for planning, controlling and directing the affairs of Swift Networks Group Limited.

Remuneration Policy

Compensation levels for key management personnel of the Group are competitively set to attract and retain appropriately qualified and experienced Directors and executives.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

1. the capability and experience of the key management personnel
2. the key management personnel's ability to control the relevant segment's performance

There is direct relationship between key management personnel remuneration and performance. The Board did not engage an independent remuneration consultant during the reporting year.

Fixed compensation

Fixed compensation consists of base compensation (which is calculated on a total cost basis), as well as employer contributions to superannuation funds. Compensation levels are reviewed annually by the Board through a process that considers individual, segment and overall performance of the Group.

REMUNERATION REPORT – AUDITED (CONTINUED)

Remuneration governance

The full Board undertook the responsibilities of the Remuneration and Nomination Committee for the year.

Key Management Personnel Remuneration

The key management personnel of the Company are the executive directors. There are no other executives, other than Directors, who have the authority and responsibility for planning, directing and controlling the activities of the Company. The emoluments for each director and key management personnel of the Company for the year ended 30 June 2022 are as follows:

Director	Year	Salary &Fees (Cash)	Bonus	Annual Leave[1]	Share Based payments[2]	Super	Long Service Leave	Total	Perf. Related %
D Smorgon	2022	56,667		-	-	5,667	-	62,334	0%
	2021	60,000		-	48,082	5,700	-	113,782	42%
Robert Sofoulis	2022	48,000		-	-	4,800	-	52,800	0%
	2021	48,000		-	-	4,560	-	52,560	0%
Ryan Sofoulis[3]	2022	178,667		6,952	33,642	17,867	8,793	245,921	14%
	2021	153,375		9,293	17,402	14,571	12,857	207,498	8%
K Ostin[4]	2022	16,665		-	9,723	1,667	-	28,055	35%
	2021	40,000		-	39,000	3,800	-	82,800	47%
P Gibbons	2022	40,000		-	14,337	4,000	-	44,000	0%
	2021	40,000		-	14,700	3,800	-	58,500	25%
P Leary[5]	2022	134,139		4,024	2,051	10,181	-	164,732	10%
	2021	333,795		(3,059)	58,272	21,694	-	410,702	14%
B Mangano[6]	2022	347,111		14,194	133,477	23,568	-	518,350	26%
	2021	39,333		3,026	-	3,737	-	46,096	0%
C Fear[7]	2022	28,012		-	3,671	2,801	-	34,484	11%
B Denison[8]	2022	23,333		-	3,671	2,333	-	29,337	13%
Key Management									
G Greenberg	2021	203,205		-	52,375	17,576	-	273,156	19%
G Nicholls	2021	55,082	57,083	-	-	8,521	-	120,686	0%
Totals	**2022**	**872,594**	**-**	**25,170**	**200,572**	**72,884**	**8,793**	**1,180,013**	**17%**
Totals	**2021**	**972,790**	**57,083**	**9,260**	**229,831**	**83,959**	**12,857**	**1,365,780**	**17%**

DIRECTORS' REPORT

REMUNERATION REPORT – AUDITED (CONTINUED)

[1] Movement in annual leave provision.
[2] Refer to the below table and note 19 for further details.
[3] Ryan Sofoulis was appointed as the Chief Financial Officer ("CFO") and Finance Director on 15 October 2021. Prior to the appointment of CFO, he held a position as Head of Finance. Amounts shown above include all of Mr Ryan Sofoulis' remuneration during the reporting period, whether as an Alternate Director or in his roles as Head of Finance and CFO. Amounts received in his position as CFO amounted to $182,008. Amounts received prior to becoming CFO amounted to $63,913. He remained Alternate Director to Robert Sofoulis with nil remuneration.
[4] K Ostin resigned on 19 November 2021.
[5] P Leary's role changed from CEO, Executive and Non-Independent Director to Non-executive Director on 1 October 2021. Her remuneration represents amounts received in all her positions, of which $135,399 was received as CEO, Executive and Non-Independent Director. Amount received as Non-executive Director was $29,333.
[6] B Mangano's role changed from Chief Financial Officer to Managing Director and Chief Executive Officer on 16 September 2021. His remuneration represents the amounts received in all his positions.
[7] C Fear's remuneration represents the amounts received from his commencement 19 November 2021 in his positions as Non-executive Director and Non-executive Chairman.
[8] B Denison's remuneration represents the amounts received from his commencement 19 November 2021.

Details of Share Based Payments

					As at 30 June 2022	
	Remuneration Type	**Grant Date**	**Number Granted**	**Total P&L expense in the year**	**Number vested and exercisable**	**Number unvested**
Ms K Ostin	Ordinary Share Rights (B)	1 October 2019	600,000	9,723	-	-
Mr P Gibbons	Ordinary Share Rights (C)	22 June 2020	600,000	14,337	-	-
Ms P Leary	Incentive Options	26 June 2019	1,000,000	2,051	750,000	250,000
Mr Ryan Sofoulis	Performance Rights[1]	1July 2021[4]	2,405,186	33,642	1,202,593	1,202,593
Mr B Mangano	Options[2]	18 November 2021	2,000,000	4,220	-	2,000,000
Mr B Mangano	Performance Rights[1]	1July 2021[4]	9,240,974	129,257	4,620,487	4,620,487
C Fear	Ordinary Share Rights[3]	18 November 2021	600,000	3,671	-	600,000
B Denison	Ordinary Share Rights[3]	18 November 2021	600,000	3,671	-	600,000

[1-3] Refer to valuation in next page.
[3-4] The Ordinary Share Rights and Performance Rights are subject to shareholder approval.

REMUNERATION REPORT – AUDITED (CONTINUED)

Ms Kathy Ostin held 600,000 ordinary share rights which were granted in prior year ending 30 June 2021. These rights have passed the required vesting period of two years and met the criterion of completing her engagement as Non-executive Director for the two years. As such, these rights were vested on 10 November 2021. These rights are currently under escrow and will be quoted in the subsequent year. A share-based payment expense of $9,723 in relation to this arrangement was recorded in FY2022 (FY2021: $39,000).

Mr Peter Gibbons held 600,000 ordinary share rights which were granted in prior year ending 30 June 2021. These rights have passed the required vesting period of two years and met the criterion of completing his engagement as Non-executive Director for the two years, therefore, they have been vested on 23 June 2022. A share-based payment expense of $14,337 in FY2022 (FY2021: $14,700).

Ms Pippa Leary was granted 1,000,000 incentive options on 26 June 2019, which were subsequently approved by the shareholders at the Annual General Meeting ("AGM") of the Company held on 15 November 2019. The options have met the required vesting period of three years and the criterion of completing her engagement as Chief Executive Officer for the three years. As such, the 750,000 options were exercisable and vested as at 30 June 2022 with 250,000 options unvested as at 30 June 2022. A share-based payment amount of $2,051 was recorded in FY2022 (FY2021 aggregated expenses: $58,272).

In FY2022, Mr Ryan Sofoulis was granted 2,405,186 performance rights under FY2022 EIS, consisting of short-term incentive ("STI") rights of 1,202,593 and long-term incentive ("LTI") rights of 1,202,593. The 1,202,593 STI rights can be converted to ordinary shares upon shareholder approval, whilst the 1,202,593 LTI rights have vesting dates on 30 June 2023 (50%) and 30 June 2024 (remaining 50%). The condition attached to the LTI is continuous employment throughout the vesting periods. His performance rights were approved by the Board on 28 July 2022 and are subject to approval by the shareholders at the forthcoming AGM of the Company. A provisional share-based payment expense of $33,642 in relation to this new arrangement was recorded in FY2022 (FY2021: nil).

Mr Brian Mangano was issued 2,000,000 share options in accordance with his employment contract and subsequent approval by the shareholders on the AGM held on 18 November 2021. These options are exercisable at five cents per share with a minimum exercise period of three years. A share-based payment expense of $4,220 in relation to this arrangement was recorded in FY2022 (FY2021: nil).

In FY2022, Mr Brian Mangano was granted 9,240,974 performance rights under FY2022 EIS, consisting of STI rights of 4,620,487 and LTI rights of 4,620,487. The 4,620,487 STI rights can be converted to ordinary shares upon shareholder approval, whilst the 4,620,487 LTI rights have vesting dates on 30 June 2023 (50%) and 30 June 2024 (remaining 50%). The condition attached to the LTI is continuous employment throughout the vesting periods. His performance rights were approved by the Board on 28 July 2022 and are subject to approval by the shareholders at the forthcoming AGM of the Company. A provisional share-based payment expense of $129,257 in relation to this new arrangement was recorded in FY2022 (FY2021: nil).

Mr Charles Fear held 600,000 ordinary share rights as at 30 June 2022. The rights were granted on 18 November and subject to shareholder approval. These rights are subject to a vesting period of two years. These rights will be forfeited in full and lapse should he not complete his engagement as Non-executive Chairman for the two years. A provisional share-based payment of $3,671 in relation to this arrangement was recorded in FY2022 (FY2021:nil).

Mr Bradley Denison held 600,000 ordinary share rights as at 30 June 2022. The rights were granted on 18 November and subject to shareholder approval. These rights are subject to a vesting period of two years. These rights will be forfeited in full and lapse should he not complete his engagement as Non-executive Director for the two years. A provisional share-based payment of $3,671 in relation to this arrangement was recorded in FY2022 (FY2021:nil).

REMUNERATION REPORT – AUDITED (CONTINUED)

Apart from the grant of options and rights as part of the employment contracts commenced in FY2022 and the FY2022 EIS rights, Swift has not granted any options nor rights to other directors in FY2022.

Valuation
The fair value of these share-based instruments was calculated as follows:

	Share Options (FY2022)	Ordinary Share Rights (FY2022)	Performance Rights (FY2022 EIS)
Method	Black Scholes	Share price at grant date	Share price at grant date
Spot price	1.9 cents	2 cents	1.97 cents
Strike price	5 cents	nil	nil
Expiry date	6 February 2025	18 November 2023	30 June 2025
Volatility	100%	n/a	n/a
Risk free rate	0.97%	n/a	n/a
Fair value per unit (cents)	0.8	2.0	1.97

All other incentive plans previously in place have been cancelled or lapsed due to the vesting criteria not being achieved.

Statutory performance indicators
The table below shows measures of the Group's financial performance over the last four years as required by the Corporations Act 2001.

	2022	2021	2020	2019	2018
Loss after income tax[1]	(3,653)	(4,766)	(21,647)	(6,905)	(7,729)
Basic loss (cents per share)[1]	(0.6)	(0.8)	(6.3)	(2.0)	(6.9)
Increase/(decrease) share price (%)	(6)	(50)	(82)	(35)	24

1. Loss and basic loss relate to continuing operations.

Current service agreements

The current service agreements in place between the Company and its Directors and Key Management Personnel set out below:

(i) The Company has entered into Contract of Employment agreements for Director Fees as follows:

Current directors

Mr C Fear $60,000 per annum plus statutory superannuation
(appointed 19 November 2021 and role changed 21 March 2022)

Mr D Smorgon $40,000 per annum plus statutory superannuation (role changed 21 March 2022)

Ms K Ostin $40,000 per annum plus statutory superannuation (resigned 19 November 2021)

Mr P Gibbons $40,000 per annum plus statutory superannuation

Mr Robert Sofoulis $48,000 per annum plus statutory superannuation

REMUNERATION REPORT – AUDITED (CONTINUED)

Mr B Denison	$40,000 per annum plus statutory superannuation (appointed 19 November 2021)
Ms P Leary	$40,000 per annum plus statutory superannuation (role changed 1 October 2021)

(ii) Mr Darren Smorgon's role has changed from Non-executive Chairman to Non-executive Director and thus resulted in a change to his Director's fee. There is no change to his Chairman's fee of $60,000 per annum and share rights over 750,000 Swift shares prior to his role change. Upon the change of role, his Non-executive Director fees reduced to $40,000 per annum. The share rights have vested and converted to ordinary shares at no cost following the end of the vesting period.

(iii) There is no change to Ms Kathy Ostin's agreement for the role of Non-executive Director which included a Director's fee of $40,000 per annum and share rights over 600,000 Swift shares. The share rights have vested and converted to ordinary shares at no cost following the end of the vesting period. Kathy Ostin resigned as Non-executive Director on 19 November 2021.

(iv) There is no change to Mr Peter Gibbons' agreement for the role of Non-executive Director which included a Director's fee of $40,000 per annum and share rights over 600,000 Swift shares. The share rights have vested and converted to ordinary shares at no cost following the end of the vesting period.

(v) Ms Pippa Leary's role has changed from CEO, Executive Director to Non-executive Director, effective 1 October 2021. Prior to her role change, the Company had a service agreement with her for the role of CEO, Executive Director, which consisted of a base salary of $365k per annum, exclusive of superannuation and 1,000,000 incentive options in three tranches (Tranche 1: 500,000 at $0.30/share, Tranche 2: 250,000 at $0.45/share and Tranche 3: 250,000 at $0.60/share). Ms Leary was granted 1,583,311 performance rights in July 2020. Post the role change, her Director's fee is $40,000 per annum.

(vi) The Company has entered a service agreement with Mr Charles Fear for the role of Non-executive Director, effective 19 November 2021, which included a Director's fee of $40,000 per annum and 600,000 share rights over Swift ordinary shares subject to shareholder approval The rights will vest two year after the appointment and convert at no cost following the end of vesting period. Mr Charles Fear's role changed to Non-executive Chairman on 21 March 2022 and accordingly his Director's fee changed to $60,000 per annum.

(vii) The Company has entered a service agreement with Mr Bradley Denison for the role of Non-executive Director, effective 19 November 2021, which included a Director's fee of $40,000 per annum and 600,000 share rights over Swift ordinary shares subject to shareholder approval. The rights will vest two year after the appointment and convert at no cost following the end of vesting period.

(viii) On 15 October 2021, the Company appointed Mr Ryan Sofoulis for the role of Chief Financial Officer and Finance Director whereby the base salary is $190,000 per annum, exclusive of superannuation. Prior to his appointment, he held a position as Head of Finance whereby the base remuneration was $156,000, exclusive of superannuation. The Company or Mr Sofoulis may terminate the employment agreement at any time by giving to the other not less than 5 months' written notice.

(viiii) On 16 September 2021, the Company appointed Mr Brian Mangano the role of Managing Director and Chief Executive Officer, which consists of a base remuneration of $365,000, exclusive of superannuation and 2,000,000 options exercisable at five cents per share with a minimum three years exercise period. The Company or Mr Mangano may terminate the employment agreement at any time by giving to the other not less than 6 months' written notice. Prior to this appointment, he held a position of Chief Financial Officer and Director with a base remuneration of $295,000, exclusive of superannuation.

REMUNERATION REPORT – AUDITED (CONTINUED)

Shareholdings of Key Management Personnel

The movement during the reporting period in the number of ordinary shares of Swift Networks Group Limited held directly, indirectly or beneficially, by each specified Director and Key Management Personnel, including their related entities, is as follows:

	Ordinary Shares Held at 30 June 2021 No.	Granted[1]	Held at Date of Appointment/ (Resignation)	Acquire/ (Sold) on Market	Exercise of Options	Net Change	Ordinary Shares Held at 30 June 2022 No.
Directors							
Mr D Smorgon	7,460,800	-	-	-	750,000	750,000	**8,210,800**
Mr Robert Sofoulis	96,374,768	-	-	1,000,000	-	1,000,000	**97,374,768**
Mr Ryan Sofoulis	4,006,431	1,202,593	-	-	-	1,202,593	**5,209,024**
Ms K Ostin[2]	974,996	-	-	-	600,000	600,000	**1,574,996**
Mr P Gibbons	601,858	-	-	-	600,000	600,000	**1,201,858**
Ms P Leary	4,129,438	-	-	500,000	-	500,000	**4,629,438**
Mr B Mangano	2,180,573	4,620,487	-	6,539,509	-	11,159,996	**13,340,569**
Mr C Fear	-	-	2,000,000	5,000,000	-	7,000,000	**7,000,000**
Mr B Denison	-	-	-	2,300,000	-	2,300,000	**2,300,000**

1. The granted securities are subject to shareholder approval.
2. Represents the shareholding up to the date of resignation as Non-executive Director (19 November 2021)

Rights to deferred shares of Directors and Key Management Personnel

The table below summarises the number of deferred shares of Swift Networks Group Limited held directly, indirectly or beneficially, by each specified Director and Key Management Personnel, including their related entities during the reporting year.

	Held at 30 June 2021 No.	Ordinary Share Rights granted during the year[1]	Ordinary Share Rights vested during the year	Held at 30 June 2022 No.	Vested & exercisable at year end
Directors					
Mr D Smorgon	750,000	-	(750,000)	**-**	**-**
Ms K Ostin	600,000	-	(600,000)	**-**	**-**
Mr P Gibbons	600,000	-	(600,000)	**-**	**-**
Mr C Fear	-	600,000	-	**600,000**	**-**
Mr B Denison	-	600,000	-	**600,000**	**-**

1. Ordinary Share Rights are subject to shareholder approval

REMUNERATION REPORT – AUDITED (CONTINUED)

Option holdings of Directors and Key Management Personnel

The movement during the reporting period in the number of issued options of Swift Networks Group Limited held directly, indirectly or beneficially, by each specified Director and Key Management Personnel, including their related entities, is as follows:

	Held at 30 June 2021 No.	Exercised during the year	Granted as compensation	Held at 30 June 2022 No.	Options vested & exercisable at year end
Directors					
Ms P Leary	1,000,000	-	-	**1,000,000**	**750,000**
Mr B Mangano	-	-	2,000,000	**2,000,000**	**-**

Performance right holdings of Directors and Key Management Personnel

The movement during the reporting period in the number of issued performance rights of Swift Networks Group Limited held directly, indirectly or beneficially, by each specified Director and Key Management Personnel, including their related entities, is as follows:

	Held at 30 June 2021 No.	Exercised during the year	Granted as compensation[1]	Held at 30 June 2022 No.	Performance rights vested & exercisable at year end
Directors					
Ms P Leary	1,583,311	**-**	-	**1,583,311**	**1,583,311**
Mr Ryan Sofoulis	355,135	**-**	1,202,593	**1,557,728**	**355,135**
Mr B Mangano	-	**-**	4,620,487	**4,620,487**	**-**

1. Performance Rights granted are subject to shareholder approval

Loans with Directors and Key Management Personnel

The Company has no other loans advanced by the Directors and their related parties as of 30 June 2022.

Other transactions with Directors and Key Management Personnel

Transactions with Directors and Key Management Personnel related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	2022 $	2021 $
Payments made to Wenro Holdings Pty Ltd, a company of which Robert Sofoulis is a Director and Ryan Sofoulis is associated with, for provision of premises, pursuant to lease.	161,536	630,881
<u>Amounts outstanding at reporting date</u>		
Aggregate amount payable to Key Management Personnel and their related entities at reporting date.	-	161,536

The FY2021 outstanding amounts were related to the provision and early termination charges of the office premises, which were settled in full in FY2022.

No other transactions existed during the year and as at reporting date between the Company and with Directors and or Key Management Personnel.

REMUNERATION REPORT – AUDITED (CONTINUED)

Voting and comments made at the Company's 2021 annual General Meeting

The approval of the remuneration report was passed as indicated in the results of the Annual General Meeting dated 18 November 2021, with 98.5 per cent voting in favour.

This is the end of the Audited Remuneration Report.

DIRECTORS' REPORT

SHARES UNDER ISSUE

Unissued ordinary shares of Swift Networks Group Limited under option at the date of this report are:

Grant date	Expiry date	Exercise Price	Number
30 April 2020	30 April 2025	$0.05	2,000,000
15 November 2019	31 December 2022	$0.30	500,000
15 November 2019	31 December 2022	$0.45	250,000
15 November 2019	31 December 2022	$0.60	250,000
18 November 2021	7 February 2025	$0.05	2,000,000
Total			**5,000,000**

INDEMNIFICATION AND INSURANCE OF DIRECTORS

During the financial year, Swift paid a premium to insure the Directors and Officers of the company and its wholly owned subsidiaries.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of any entity in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of the duty by the officers or the improper use by the officers of their position or of information to gain an advantage for themselves or someone else to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

NON-AUDIT SERVICES

BDO Audit (WA) Pty Ltd is the Group's auditor. During the year, BDO Corporate Tax provided other services in addition to their statutory duties. In the future the Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company is important.

Details of the amount paid to the auditors are disclosed in note 22 to the financial statements.

AUDITORS' INDEPENDENCE DECLARATION

A copy of the Auditors' Independence Declaration as required under Section 307C of the Corporations Act 2001 is set out on page 18.

ENVIRONMENTAL REGULATIONS

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report greenhouse gas emissions and energy use. For the measurement period 1 July 2021 to 30 June 2022 the directors have assessed that there are no current reporting requirements, but the Group may be required to do so in the future.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

ROUNDING OFF

The Company is of an entity to which Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Reports) Instruments 2016/91, dated 24 March 2016 applies. Amounts in the Directors' Report and the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated.

Dated at Perth this 31st day of August 2022

This report is made in accordance with a resolution of the Directors.

Mr Charles Fear
Chairman

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DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF SWIFT NETWORKS GROUP LIMITED

As lead auditor of Swift Networks Group Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Swift Networks Group Limited and the entities it controlled during the period.

Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth

31 August 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $000	2021 $000
Continuing Operations			
Revenue	2	18,518	17,607
Operating expenses	3 (a)	(17,098)	(16,119)
		1,420	**1,488**
Depreciation and amortisation	8,9	(1,275)	(2,065)
Amortisation of right-of- use assets	14	(182)	(344)
Impairment expenses		(234)	(1,294)
Share based payment	19	(431)	(440)
Business restructuring costs	3 (b)	(364)	(500)
Fair value gain on financial liabilities		-	250
Fair value loss on financial assets		(1,085)	(325)
Amortisation other		(44)	(105)
Results from operating activities		**(2,195)**	**(3,335)**
Finance income		63	139
Finance costs		(1,521)	(1,037)
Net finance costs		**(1,458)**	**(898)**
Loss before income tax		**(3,653)**	**(4,233)**
Income tax benefit/(expenses)	4	-	-
Loss from continuing operations		**(3,653)**	**(4,233)**
Loss from discontinued operations, net of tax		**-**	**(533)**
Loss for the year		**(3,653)**	**(4,766)**
Total comprehensive loss for the year		**(3,653)**	**(4,766)**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

Loss per share attributable to the members of Swift Networks Group Limited:		Cents	Cents
Basic loss per share			
Loss from continuing operations	26	(0.6)	(0.8)
Loss from discontinued operations		-	(0.1)
Diluted loss per share			
Loss from continuing operations	26	(0.6)	(0.8)
Loss from discontinued operations		-	(0.1)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	2022	2021
		$000	$000
Current Assets			
Cash and cash equivalents	5	3,750	3,877
Trade and other receivables	6	2,512	3,088
Inventory	7	856	829
Other current assets		637	647
Total Current Assets		**7,755**	**8,441**
Non-Current Assets			
Trade and other receivables	6	144	659
Property, plant and equipment	8	694	1,094
Right-of-use assets	14	737	35
Contract assets	15	16	61
Intangible assets	9	1,979	1,710
Financial assets at fair value through profit or loss	10	940	2,475
Total Non-Current Assets		**4,510**	**6,034**
Total Assets		**12,265**	**14,475**
Current Liabilities			
Trade and other payables	11	5,320	6,176
Contract liabilities	15	1,066	693
Provisions	12	537	581
Lease Liabilities	14	154	47
Borrowings	13	7,238	-
Total Current Liabilities		**14,315**	**7,497**
Non-Current Liabilities			
Provisions	12	33	28
Borrowings	13	-	6,567
Lease Liabilities	14	701	-
Contract Liabilities	15	102	47
Total Non-Current Liabilities		**836**	**6,642**
Total Liabilities		**15,151**	**14,139**
Net (Liabilities)/Assets		**(2,886)**	**336**
Equity			
Issued capital	16	61,627	61,627
Reserves	17	5,769	5,338
Accumulated losses	18	(70,282)	(66,629)
Total Equity		**(2,886)**	**336**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2022

	Note	Issued Capital	Reserves	Accumulated losses	Total
		$000	$000	$000	$000
For the year ended 30 June 2022					
At the beginning of the year		**61,627**	**5,338**	**(66,629)**	**336**
Total comprehensive loss for the year		-	-	(3,653)	**(3,653)**
Transactions with shareholders in their capacity as shareholders:					
Share based payments	19	-	431	-	**431**
At the end of the year		**61,627**	**5,769**	**(70,282)**	**(2,886)**

	Note	Issued Capital	Reserves	Accumulated losses	Total
		$000	$000	$000	$000
For the year ended 30 June 2021					
At the beginning of the year		**56,815**	**4,368**	**(61,863)**	**(680)**
Total comprehensive loss for the year		-	-	(4,766)	**(4,766)**
Transactions with shareholders in their capacity as shareholders:					
Capital raised from placements		5,079	-	-	**5,079**
Share issue costs net of tax		(267)	-	-	**(267)**
Share based payments & Warrants issued	19	-	970	-	**970**
At the end of the year		**61,627**	**5,338**	**(66,629)**	**336**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $000	2021 $000
Cash Flows from Operating Activities			
Cash receipts in the course of operations		20,188	22,193
Cash payments in the course of operations		(20,005)	(22,594)
Government grants received		100	382
Finance costs		(850)	(814)
Interest received		63	139
R&D tax refunds		1,512	-
Net cash inflows/ (outflows) from operating activities	20	**1,008**	**(694)**
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	8	(337)	(181)
Payment for development and new subscribers	9	(1,041)	(1,165)
Proceeds from sale of listed shares		450	494
Net cash outflows for investing activities		**(928)**	**(852)**
Cash Flows from Financing Activities			
Proceeds from issue of shares		-	5,027
Payment of share issue costs		-	(267)
Repayments of lease liabilities		(207)	(1,755)
Loan to KMP		-	(30)
Net cash (outflows)/inflows from financing activities		**(207)**	**2,975**
Net (decrease)/increase in cash and cash equivalents		(127)	1,429
Cash at the beginning of the year		3,877	2,448
Cash at the end of the year	5	**3,750**	**3,877**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Reporting entity

Swift Networks Group Limited (the 'Company') is a Company domiciled in Australia and a for-profit entity for the purpose of preparing financial statements. The consolidated financial statements and notes represent those of the Swift Networks Group Limited and controlled entities (the "consolidated Group" or "Group").

The separate financial statements of the parent entity, Swift Networks Group Limited, have not been presented within this financial report as permitted by the Corporations Act 2001.

Note 1 . Operating segments

In conjunction with AASB8 Operating Segments, the Company has identified its operating segment based on internal reports that are reviewed and used by the Chief Operating Decision Maker (CODM) in assessing performance and in determining the allocation of resources. The CODM has been identified as the Chief Executive Officer.

The CODM monitors the operating results of the consolidated group and organises its business activities and product lines in the digital entertainment and services sector. The performance of the consolidated group is evaluated based on Earnings before Interest, Taxes, Depreciate and Amortisation ("EBITDA") which are measured in accordance with the Company's accounting policy.

Consistent with the assessment in annual accounts ended 30 June 2021, the Group has identified only one reporting segment in the digital entertainment and service sector for which the Group earn revenue and allocate resources. As such, the reportable segment for the current period is represented by primary statements forming this financial report being one segment

Note 2. Revenue

	2022	2021
	$000	$000
Revenue from continuing operations	18,518	17,607
Total revenue	**18,518**	**17,607**

Disaggregation of revenue	2022	2021
	$000	$000
Revenue recognition at a point in time[1]	4,988	4,243
Revenue recognition over time[2]	13,530	13,364
	18,518	17,607

1. Relating to sale of equipment
2. Relating to content, support and services

Geographical information
All revenue is derived in Australia.

Revenue of approximately $2.2m (FY2021: $2.3m) is derived from a single external customer. The revenue is attributed to the content and support.

Note 2. Revenue (continued)

Revenue recognised in relation to contract liabilities	**2022**	**2021**
	$000	**$000**
Revenue recognised that was included in the contract liability balance at 1 July for Content and Technology revenue	157	411
	157	411

Unsatisfied long-term Content & Technology revenue	**2022**	**2021**
	$000	**$000**
Aggregate amount of the transaction price allocated to content and technology related contracts that are partially or fully unsatisfied as at 30 June 2022	17,933	15,184
	17,933	15,184

As at 30 June 2022, the Group expects that 68% of the transaction price allocated to the unsatisfied contracts for Content and Technology will be recognised as revenue in the 2023 financial year. The remaining 32% will be recognised from 2024 to 2027.
The Group applies the practical expedient in paragraph 121 of AASB 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

Note 3 (a) Operating expenses

	2022	**2021**
	$000	**$000**
Cost of sales	(11,220)	(10,591)
Employment costs[1]	(6,014)	(4,920)
Occupancy costs	(212)	(209)
Professional fees	(409)	(749)
Bad debts	-	(20)
General & administration expenses	(855)	(857)
Government grants	100	146
Other income[2]	1,512	1,081
	(17,098)	**(16,119)**

1. The company conducted a salary reduction in response to Covid-19 impact in FY2021 and have reverted back in FY2022.
2. Other income $1.5m is entirely related to R&D refunds received in FY2022, whilst the $1.1m was related to the net settlement of licensing agreement with DXC in prior year.

Note 3 (b) Business restructuring costs

Business restructuring costs of $364k (FY2021: $500k) are associated with the disposal of Medical Channel in prior year.

Note 4. Taxation

	2022 $000	2021 $000
(a) Income tax benefit		
Major components of income tax expense are:		
Current tax	-	-
Deferred tax	-	-
Under/Over		-
Income tax expense/ (benefit) reported in the income statement	-	-
(b) Numerical reconciliation		
The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:	(3,386)	(4,766)
Prima facie tax payable on loss from ordinary activities before income tax at 25% (2021: 26%)	(847)	(1,239)
- Non deductible share based payments	108	114
- Other permanents	332	426
Changes to income tax expense due to:		
- Deferred taxes not recognised	407	699
Income tax expenses attributable to entity	-	-
(c) Deferred tax asset balances		
Movement		
Opening balance	**-**	**1,527**
Charged/(credited) to the profit or loss	**-**	**(1,527)**
	-	**-**
(d) Deferred tax liabilities balances		
Movements		
Opening balance	-	1527
Charged/(credited) to the profit or loss	-	(1,527)
	-	**-**

Note 5. Cash and cash equivalents

	2022 $000	2021 $000
Cash at bank on hand	3,750	3,877
	3,750	**3,877**

Refer to note 21 on risk exposure analysis for cash and cash equivalents.

Note 6. Trade and other receivables

	2022 $000	2021 $000
Current		
Trade receivables[1]	2,133	2,514
Other receivables[2]	495	690
Loss allowance	(116)	(116)
	2,512	**3,088**
Non-Current		
Trade receivables[3]	144	659

[1.] Trade receivables are non-interest bearing and are generally on 30-60-day terms. Provision for loss of $116k was made according to the assessment of expected credit loss. Due to short term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

At 30 June 2022, a total of $1,080k was past due of which $746k has been received. The remaining overdue balance is $334k (FY2021: $304k). These relate to a number of independent customers for whom there is no recent history of default. Swift is confident that these receivables are collectable and are active in the management and reduction of these overdue amounts.

[2.] The restricted cash of $235k secured for issuance of bank guarantees is included in other receivables.

[3.] Customer on a deferred payment plan, remaining ranging up to 2 years, Revenue has been discounted using the applicable interest rates, $63k interest income was recognised at 30 June 2022 (FY2021: $136K).

Refer to Note 21 Financial Risk Management for risk exposure analysis for Trade and other receivables.

Note 7. Inventory

	2022 $000	2021 $000
Inventory:		
Finished goods	611	639
Provision for obsolescence	(53)	(73)
Work in progress	298	263
	856	**829**

Amounts recognised in profit or loss

1. Inventories recognised as an expense during the year ended 30 June 2022 amounted to $1,713k (FY2021: $1,158k). These were included in cost of sales of providing services in the statement of profit or loss.

2. Write-downs of inventories to net realisable value amounted to $21k (FY2021:$24k). These were recognised as an expense during the year ended 30 June 2022 and included in cost of sales in the statement of profit or loss.

Note. 8 Property, plant and equipment

	Motor Vehicles	Software	Office Fit-out & Equipment	Test Equipment	Rental Equipment	Leasehold Improvement	Total
	$000	$000	$000	$000	$000	$000	$000
Year ended 30 June 2022							
Opening net book amount	67	360	445	19	203	-	**1,094**
Additions	-	94	20	10	-	213	**337**
Depreciation expenses	(23)	(157)	(108)	(14)	(174)	(27)	**(503)**
Impairment changes	-	-	(234)	-	-	-	**(234)**
Closing net book amount	**44**	**297**	**123**	**15**	**29**	**186**	**694**
At 30 June 2022							
Cost	161	1,005	878	228	4,394	213	**6,879**
Accumulated depreciation and impairment	(117)	(708)	(755)	(213)	(4,365)	(27)	**(6,185)**
Net book amount	**44**	**297**	**123**	**15**	**29**	**186**	**694**
Year ended 30 June 2021							
Opening net book amount	90	2,172	646	31	628	-	**3,567**
Additions	-	92	5	4	80	-	**181**
Depreciation expense	(23)	(463)	(121)	(16)	(297)	-	**(920)**
Impairment charges	-	(1,293)	-	-	-	-	**(1,293)**
Disposals	-	(148)	(85)	-	(208)	-	**(441)**
Closing net book amount	**67**	**360**	**445**	**19**	**203**	**-**	**1,094**
At 30 June 2021							
Cost	161	911	1,479	218	4,394	-	**7,163**
Accumulated depreciation and impairment	(94)	(551)	(1,034)	(199)	(4,191)	-	**(6,069)**
Net book amount	**67**	**360**	**445**	**19**	**203**	**-**	**1,094**

Note 9. Intangible Assets

	Development Costs	Total
	$000	$000
Year ended 30 June 2022		
Opening net book amount	1,710	**1,710**
Additions	1,041	**1,041**
Amortisation charge	(772)	**(772)**
Closing net book amount	1,979	**1,979**
Cost	6,156	**6,156**
Accumulated amortisation and impairments	(4,177)	**(4,177)**
Closing net book amount	1,979	**1,979**

	Development Costs	Brand Loyalty / Customer Contracts	Practice Sites	Total
	$000	$000	$000	$000
Year ended 30 June 2021				
Opening net book amount	1,732	19	3,003	**4,754**
Additions	1,165	-	-	**1,165**
Amortisation charge	(1,145)	-	-	**(1,145)**
Disposals	(42)	(19)	(3,003)	**(3,064)**
Closing net book amount	1,710	-	-	**1,710**
Cost	5,115	2,370	-	**7,485**
Accumulated amortisation and impairments	(3,405)	(2,370)	-	**(5,775)**
Closing net book amount	1,710	-	-	**1,710**

The company has incurred additional development costs of new applications to meet its growth strategy and the market demand. Swift expects to recover the development costs through the sale and the use of these new applications.

The company has completed the development of key applications and launched them including casting solution related products to the market in FY2022.

The capitalised project development costs are amortised on a straight-line basis.

Note 9. Intangible Assets (continued)

Assessment of carrying value
The aggregate carrying amount of intangibles allocated to the Group's separably identifiable cash-generating units (CGU):

	2022 $000	2021 $000
Swift Networks – Intangibles	1,979	1,710
	1,979	**1,710**

The Company has assessed the relevant impairment indicators and does not expect impairment to the Company's intangibles in this reporting year. The Company has concluded that the carrying value of the intangibles are recoverable.

Note 10. Financial assets at fair value through profit or loss

Non-current	2022 $000	2021 $000
Listed ordinary shares	940	2,475
	940	**2,475**

The non-current asset represents the valuation of 20m shares in Motio Limited (ASX:MXO) at $0.047 cents per share as of 30 June 2022.

Reconciliation of the fair values at the beginning and the end of the current and previous financial year are set out below:	2022 $000	2021 $000
Opening fair value	2,475	3,300
Disposals	(450)	(500)
Net fair value loss on financial assets at fair value through profit or loss	(1,085)	(325)
Closing fair value	**940**	**2,475**

Refer to Note 21 for further information on fair value assessment.

Note 11. Trade and Other Payables

Current	2022 $000	2021 $000
Trade Payables[1]	3,063	2,799
Other payables and accruals	2,257	3,377
	5,320	**6,176**

1. Current trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts are considered to be the same as their fair values, due to their short-term nature.

Note 12. Provisions

	2022	2021
Current	**$000**	**$000**
Employee and FBT provisions	537	581
	537	**581**
Non-Current		
Employee provisions[1]	33	28
	33	**28**

[1.] Entitlement to Long Service leave is more than 12 months

Note 13. Borrowings

	2022	2021
	$000	**$000**
Current		
Pure Asset Management Loan	8,201	-
Less: transaction costs	(963)	-
Total non-current borrowings	**7,238**	**-**

Non-current		
Pure Asset Management Loan	-	8,000
Less: transaction costs	-	(1,433)
Total non-current borrowings	**-**	**6,567**

1. The Pure facility was a 4-year term with 9.5 per cent interest rate, interest payable every three months. Transaction costs are costs that are directly attributable to the loan and include loan originating fees, legal fees and warrants. 26.7m detached warrants were issued to pure on 29 January 2020 with exercise price of $0.0165 each. These have been included in transaction costs and have been valued using a Black-Scholes option pricing model. The additional 24m warrants have been valued by using Black-Scholes option pricing model and incurred a transaction cost of $582k in prior year. The balance of unamortised transaction cost of $963k is offset against the borrowings of $8.2m. Total capitalised transaction costs relating to the facility agreement are $1.9m. The security of the facility is a first-ranking general security over all assets of the Group and its subsidiaries. Cash covenants of minimum cash balance of $1m in any given month and $1.75m persisting for three consecutive months. The Company capitalised deferred interests of $0.2m in FY2022.

2. At 30 June 2022, the Company breached covenants relating to EBITDA in its facility agreement with Pure Asset Management Pty Ltd resulting in the need to obtain a waiver for this breach subsequent to the year end. The covenants have been redefined with the support of financiers as included within Note 29.

Note 14. Leases

	Right-of-Use Assets		
	Property	Equipment	Total
	$000	$000	$000
Year ended 30 June 2022			
Opening net book amount	35	-	**35**
Additions[1]	884	-	**884**
Amortisation expense	(182)	-	**(182)**
Closing net book amount	**737**	**-**	**737**
Year ended 30 June 2021			
Opening net book amount	1,027	763	**1,790**
Disposal	(113)	(763)	**(876)**
Early termination	(535)	-	**(535)**
Amortisation expense	(344)	-	**(344)**
Closing net book amount	**35**	**-**	**35**

	Consolidated Lease Liabilities	
	2022	2021
	$000	$000
Lease liabilities		
Properties Current	154	47
Total current lease liabilities	154	47
Properties Non-current	701	-
Total non-current lease liabilities	701	-
Total lease liabilities	**855**	**47**

	2022	2021
	$000	$000
Maturity analysis:		
Within one year	154	47
Later than one year but not later than five years	701	-
Total	**855**	**47**

[1.] The additions represent the new Perth office leases commenced 1 August 2021.

Amounts recognized in the consolidated statement of profit or loss

	Year ended	
Profit or (loss)	2022 $000	2021 $000
Interest expense (included in finance costs)	(44)	(54)
Amortisation charge of right-of-use assets	(182)	(675)

Cash outflow
The total cash outflow for leases in FY2022 was $207k (FY2021:1,755k).

Note 15. Contracts Assets and Liabilities

	2022	2021
	$000	$000
Non-Current Contract assets		
Contract assets relating to Content & technology Revenue	16	61
Total	**16**	**61**
Assets recognised from costs to fulfil a contract	515	515
Amortisation recognised as a cost of providing services during the year	(499)	(454)
Total	**16**	**61**

In Adopting AASB 15, the Group recognised an asset in relation to costs incurred in obtaining Advertising and Content & Technology contracts. The asset is amortised on a straight-line basis over the term of the specific contract it relates to, in line with recognition of the associated revenue.

Current Contract liabilities		
Content & technology revenue current	1,066	693
Total	**1,066**	**693**
Non-Current Contract liabilities		
Content & technology revenue non-current	102	47
Total	**102**	**47**

Note 16. Issued capital

	2022 $000	2021 $000
Issued capital	**61,627**	**61,627**

Movement in Ordinary Share Capital:	**30 June 2022 No.**	**30 June 2021 No.**	**30 June 2022 $000**	**31 June 2021 $000**
At the beginning of the period	578,630,471	440,502,918	61,627	56,815
Exercise of EIS share rights	917,429	573,267	-	-
Issue of shares as per Placement and Share Purchase Plan	-	137,554,286	-	5,079
Options vested during the year	1,950,000	-	-	-
Share issue costs (a)	-	-	-	(267)
	581,497,900	**578,630,471**	**61,627**	**61,627**

(a) Share Issue Costs

There is no share issue cost in the reporting period.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value.

Every holder of ordinary shares present at a meeting in person or by proxy, shall have one vote for each share.

Options

On 30 June 2022, there were 5,000,000 options (30 June 2021: 3,000,000) available for exercise.

Exercise price	**5 cents**	**30-60 cents**	**5 cents**	**Total**
Expiry date	**30 April 2024**	**31 December 2021**	**7 February 2025**	
Opening balance	2,000,000	1,000,000	-	**3,000,000**
Issued during the year	-	-	2,000,000	**2,000,000**
Closing balance	**2,000,000**	**1,000,000**	**2,000,000**	**5,000,000**

Note 16. Issued capital (continued)

Warrants

26,666,666 detached warrants were issued to Pure Asset Management on 29 January 2020 with an exercise price of \$0.0165 each and have been valued at \$614k using a Black-Scholes option pricing model. These costs have been included in capitalised transaction costs offset against the associated borrowings of \$8.2m (refer to Note13).

In addition, 24,000,000 detached warrants were issued to Pure Asset Management on 3 March 2021 with an exercise price of \$0.08 each and have been valued at \$582k using a Black-Scholes option pricing model. These costs have been included in capitalised transaction costs offset against the associated borrowings of \$8.2m (refer to Note13).

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell to reduce debt.

The Group will look to raise capital when an opportunity to make investments is seen as value adding relative to the current parent entity's share price at the time of the investment.

The Group is subject to certain financial arrangement covenants and meeting these is given priority in all capital risk management decisions.

The capital risk management policy remains unchanged from the 2021 Annual Financial Statement.

Note 17. Reserves

	2022 \$000	2021 \$000
Options & Warrant reserves		
Opening balance	5,338	4,369
Warrants issued	-	582
Options and Performance rights reserve	431	387
Closing balance	**5,769**	**5,338**

The reserve is used to recognise the fair value of options & warrants granted.

Note 18. Accumulated losses

	2022 \$000	2021 \$000
Accumulated losses at the beginning of the financial year	(66,629)	(61,863)
Loss after income tax expense for the year	(3,653)	(4,766)
Accumulated losses at the end of the financial year	**(70,282)**	**(66,629)**

Note 19. Share based payments

(i) Details of Share Based Payments

	Remuneration Type	Grant Date	Number Granted	Total P&L expense in the year	As at 30 June 2022	
					Number vested and exercisable	Number unvested
Mr D Smorgon	Ordinary Share Rights (A)	26 June 2019	750,000	-	-	-
Ms K Ostin	Ordinary Share Rights (B)	1 October 2019	600,000	9,723	-	-
Mr P Gibbons	Ordinary Share Rights (C)	22 June 2020	600,000	14,337	-	-
Ms P Leary	Incentive Options	26 June 2019	1,000,000	2,051	750,000	250,000
Ms P Leary	Performance Rights	24 July 2020	1,583,311	-	1,583,311	-
Mr Ryan Sofoulis	Performance Rights	19 November 2020	355,135	-	355,135	-
Mr Ryan Sofoulis	Performance Rights[1]	1 July 2021[4]	2,405,186	33,642	1,202,593	1,202,593
Mr B Mangano	Options[2]	18 November 2021	2,000,000	4,220	-	2,000,000
Mr B Mangano	Performance Rights[1]	1 July 2021[4]	9,240,974	129,257	4,620,487	4,620,487
C Fear	Ordinary Share Rights[3]	18 November 2021	600,000	3,671	-	600,000
B Denison	Ordinary Share Rights[3]	18 November 2021	600,000	3,671	-	600,000

[1-3] Refer to valuation in next page.
[3-4] The Ordinary Share Rights and Performance Rights are subject to shareholder approval.

Mr Darren Smorgon held 750,000 ordinary share rights which were granted in prior year ending 30 June 2021. The rights are subject to a vesting period of two years. The criterion of maintaining the position of Chairman for two years from grant date has been met. A share-based payment of $48k in relation to this arrangement was recorded in FY2021.

Ms Kathy Ostin held 600,000 ordinary share rights which were granted in prior year ending 30 June 2021. These rights have passed the required vesting period of two years and met the criterion of completing her engagement as Non-executive Director for the two years. As such, these rights were vested on 10 November 2021. These rights are currently under escrow and will be quoted in the subsequent year. A share-based payment expense of $9,723 in relation to this arrangement was recorded in FY2022 (FY2021: $39,000).

Mr Peter Gibbons held 600,000 ordinary share rights which were granted in prior year 30 June 2021. These rights have passed the required vesting period of two years and met the criterion of completing his engagement as Non-executive Director for the two years, therefore, they have been vested on 23 June 2022. A share-based payment expense of $14,337 in FY2022 (FY2021: $14,700).

Note 19. Share based payments (continued)

Ms Pippa Leary was granted 1,000,000 incentive options on 26 June 2019, which were subsequently approved by the shareholders at the Annual General Meeting ("AGM") of the Company held on 15 November 2019. The options have met the required vesting period of three years and the criterion of completing her engagement as Chief Executive Officer for the three years. As such, the 750,000 options were exercisable and vested as at 30 June 2022 with 250,000 options unvested as at 30 June 2022.

In FY2021, she was granted 1,583,311 performance rights under Employee Incentive Scheme ("EIS") with the vesting dates on 31 December 2020 (50%) and 30 June 2021 (remaining 50%). The condition of maintaining continuous employment throughout the vesting dates has been met and the performance rights were exercisable and vested as at 30 June 2022. The aggregate share-based payment amount of $2,051 was recorded in FY2022 (FY2021: $58,272).

On 19 November 2020, Mr Ryan Sofoulis was granted 355,135 performance rights with vesting dates on 31 December 2020 (50%) and 30 June 2021 (remaining 50%). The condition of maintaining continuous employment throughout the vesting periods has been met. A share-based payment expense of $17k was recorded in FY2021.

In FY2022, Mr Ryan Sofoulis was granted 2,405,186 performance rights under FY2022 EIS, consisting of short-term incentive ("STI") rights of 1,202,593 and long-term incentive ("LTI") rights of 1,202,593. The 1,202,593 STI rights can be converted to ordinary shares upon shareholder approval, whilst the 1,202,593 LTI rights have vesting dates on 30 June 2023 (50%) and 30 June 2024 (remaining 50%). The condition attached to the LTI is continuous employment throughout the vesting periods. His performance rights were approved by the Board on 28 July 2022 and are subject to approval by the shareholders at the forthcoming AGM of the Company. A provisional share-based payment expense of $33,642 in relation to this new arrangement was recorded in FY2022 (FY2021: nil).

Mr Brian Mangano was issued 2,000,000 share options in accordance with his employment contract and subsequent approval by the shareholders on the AGM held on 18 November 2021. These options are exercisable at five cents per share with a minimum exercise period of three years. A share-based payment expense of $4,220 in relation to this arrangement was recorded in FY2022 (FY2021: nil).

In FY2022, Mr Brian Mangano was granted 9,240,974 performance rights under FY2022 EIS, consisting of STI rights of 4,620,487 and LTI rights of 4,620,487. The 4,620,487 STI rights can be converted to ordinary shares upon shareholder approval, whilst the 4,620,487 LTI rights have vesting dates on 30 June 2023 (50%) and 30 June 2024 (remaining 50%). The condition attached to the LTI is continuous employment throughout the vesting periods. His performance rights were approved by the Board on 28 July 2022 and are subject to approval by the shareholders at the forthcoming AGM of the Company. A provisional share-based payment expense of $129,257 in relation to this new arrangement was recorded in FY2022 (FY2021: nil).

Mr Charles Fear held 600,000 ordinary share rights as at 30 June 2022. The rights were granted on 18 November and subject to shareholder approval. These rights are subject to a vesting period of two years. These rights will be forfeited in full and lapse should he not complete his engagement as Non-executive Chairman for the two years. A provisional share-based payment of $3,671 in relation to this arrangement was recorded in FY2022 (FY2021:nil).

Mr Bradley Denison held 600,000 ordinary share rights as at 30 June 2022. The rights were granted on 18 November and subject to shareholder approval. These rights are subject to a vesting period of two years. These rights will be forfeited in full and lapse should he not complete his engagement as Non-executive Director for the two years. A provisional share-based payment of $3,671 in relation to this arrangement was recorded in FY2022 (FY2021:nil).

Note 19. Share based payments (continued)

(i) Valuation
The fair value of these share-based instruments was calculated as follows:

	Share Options (FY2022)	**Ordinary Share Rights (FY2022)**	**Performance Rights (FY2022 EIS)**
Method	Black Scholes	Share price at grant date	Share price at grant date
Spot price	1.9 cents	2 cents	1.97 cents
Strike price	5 cents	nil	nil
Expiry date	6 February 2025	18 November 2023	30 June 2025
Volatility	100%	n/a	n/a
Risk free rate	0.97%	n/a	n/a
Fair value per unit (cents)	0.8	2.0	1.97

(ii) FY2022 Performance Rights Granted

During FY2022, 27,466,553 performance rights under Employee Incentive Scheme valued at $542k were issued to eligible employees. Of the 27,466,553 performance rights, 13,733,276 STI performance rights vested immediately and $271k recognised in FY22 with remaining 13,733,276 LTI vesting conditions were as follows:

(i) 50% of the award will vest on 30 June 2023; and

(ii) 50% of the Rights will vest on 30 June 2024

Continuous employment must be maintained throughout the vesting period. In the event that the employee resigns or is terminated by the Company, all the unvested Performance Rights at the time will be forfeited. Further, if the employees are placed on a formal performance management process, the Performance Rights will be forfeited.

Of the above 13,733,276 STI, 4,620,487 performance rights for Brian Mangano and 1,202,593 performance rights for Ryan Sofoulis are subject to shareholder approval.

Of the above 13,733,276 LTI, 4,620,487 performance rights for Brian Mangano and 1,202,593 performance rights for Ryan Sofoulis are subject to shareholder approval.

(iii) Warrants – refer to note 13

Summary of options and rights granted as a share-based payment:

	2022	**2021**
	$000	**$000**
Issue of options and rights to KMP	201	230
Issue of options and rights (Other)	230	210
Closing balance	**431**	**440**

Note 20. Cash flow information

	Consolidated	
	2022	2021
	$000	$000
(a) Reconciliation of net profit/(loss) after tax to net cash flows from operations:		
(Loss) after tax	(3,653)	(4,766)
(a) Non-cash flows in profit:		
Depreciation and amortisation expenses	1,457	3,572
Amortisation expense for debt establishment cost and cost to fulfil contract	716	611
Gain on disposal of discontinued operations	-	(232)
Impairment expenses	-	1,294
Bad debt expenses	-	20
Share based payments (settled in equity)	431	440
Fair value gain/ (loss) on financial liability	-	(250)
Loss on fair value on financial assets	1,085	325
Loss on disposal of property, plant and equipment	234	-
Gain on derecognition of right-of-use assets	-	(596)
Income tax expense/(benefit)	-	-
	270	**418**
(b) Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
Change in trade and other receivables	1,092	1,379
Change in inventories	(27)	165
Change in other current assets	10	306
Change in trade and other payables	(724)	(2,413)
Change in contract liabilities	427	(634)
Change in provisions	(40)	85
Cash flow provided from operations	**1,008**	**(694)**

Note 20. Cash flow information (continued)

Changes in liabilities from financing activities:	**Long term Borrowings $000**	**Lease liabilities $000**	**Total $000**
Balance as at 1 July 2020	**6,923**	**3,135**	**10,058**
Net cash used in financing activities		(1,755)	(1,755)
Derecognition of lease liabilities	-	(1,333)	(1,333)
Debt establishment costs capitalised	(452)	-	(452)
Gain on fair value on financial liabilities	96	-	96
Balance as at 30 June 2021	**6,567**	**47**	**6,614**
Net cash from financing activities	-	(207)	(207)
Lease liabilities capitalised	-	891	891
Lease repayment adjustment	-	124	124
Debt establishment costs capitalised	201	-	201
Other changes			
Interest expensed	1,260	-	1,260
Interest payments (presented as operating cash flows)	(790)	-	(790)
Balance as at 30 June 2022	**7,238**	**855**	**8,093**

Non-cash investing and financing activities disclosed in other notes are:

2022

- Acquisition of right-of-use assets – note 14
- Equity instruments issued to employees and Directors under employee incentive scheme for no cash consideration – note 19

2021

- Equity instruments issued to employees and Directors under employee incentive scheme for no cash consideration – note 19

Note 21. Financial risk management

Introduction and overview

The Group activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the Group is exposed are market risk, credit risk and liquidity risk.

Risk management framework

Market risk

Market risk is analysed as market price risk, interest rate risk and currency risk.

Market price risk

Market price risk is the risk that changes in market prices (other than changes due to currency or interest rate risk) will affect the Group's income or value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures.

The Motio share price fluctuations would affect the holding value of the listed shares. The loss on the valuation of Motio shares have been accounted for in this reporting period. Therefore, as at balance date the exposure to market price risk related to financial instruments was considered to be immaterial.

Note 21. Financial risk management (continued)

Interest rate risk

Interest rate risk consists of cash flow interest rate risk (the risk that future cash flows of a financial instrument will vary due to changes in market interest rates) and fair value interest rate risk (the risk that the value of a financial instrument will vary due to changes in market interest rates).

Management of interest rate risk

Interest rate risk is the risk of financial loss and / or increased costs due to adverse movements in the values of the financial assets and liabilities as a result of changes in interest rates.

Exposure to interest rate risk

As at the reporting date the interest rate risk was considered to be immaterial because the group borrowings were fixed rate instruments.

Currency risk

Currency risk is the risk that the value of assets and liabilities denominated in a foreign currency will fluctuate due to adverse movements in exchange rates. As at 30 June 2022, the Group has no exposure to currency risk relating to an operating lease and contractual commitments denominated in $US. A 10% movement in exchange rate would not have a material impact for the Group.

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Management of credit risk

The group limits its exposure to credit risk from trade receivables through regular review. At the reporting date there were no significant concentrations of credit risk.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	2022 $000	2021 $000
Carrying amount		
Cash and cash equivalents	3,750	3,877
Trade and other receivables	2,656	3,747
	6,406	**7,624**

The Group makes use of a simplified approach, under AASB 9, in accounting for short term trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group has used a general approach, under AASB 9, in accounting for long term trade receivables. Loss allowance for lifetime expected credit losses is recorded, if there is a significant increase in credit risk since initial recognition of the financial asset. At 30 June 2022, the Group has assessed that the long term debts are recoverable in full amount.

Note 21. Financial risk management (continued)

Loss Allowance

	2022	2021
	$000	$000
Opening loss allowance at 1 July (calculated under AASB 9)	116	2,899
Decrease in loss allowance recognised in profit or loss during the year	-	(2,783)
Closing loss allowance as at 30 June	**116**	**116**

For the loss provision, the management has segmented receivables into “Retention monies” and “Capex and monthly enterprise sales”. As a result of assessment, the management has concluded that the loss allowance has not changed.

The management also assessed the history of other debtors and concluded that there is little to nil likelihood of default and as such has not provided additional loss allowance in this reporting period.

Credit risk related to balances with banks and other financial institutions is managed in accordance with approved board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard & Poor’s rating of at least A-.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

Exposure to liquidity risk

As at reporting date the Group had sufficient cash reserves and access to facilities or arrangements for further funding or borrowings in place to meet its requirements (refer to note 28 Going concern for further details).

The financial liabilities the Group had at reporting date were trade payables incurred in the normal course of the business. These were non-interest bearing and were due within the normal 30-60 days terms of creditor payments. The Group also has borrowings (refer to note 13) and lease liabilities (refer to note 14).

The following table sets out the carrying amounts, by maturity, of the financial instruments including exposure to interest rate risk:

Exposure to liquidity risk

The following table sets out the carrying amounts, by maturity, of the financial instruments including exposure to interest rate risk:

Note 21. Financial risk management (continued)

			Maturity				
	Carrying amount	Weighted average interest rate	6 months or less	6-12 months	1-2 years	More than 2 years	Total Contractual cash flows
	$000	%	$000	$000	$000	$000	$000
Consolidated - 2022							
Financial liabilities							
Trade payables	3,063	-	3,066	-	-	(3)	3,063
Other payables	1,557	-	918	295	249	95	1,557
Loan	7,238	9.5	8,201	-	-	-	8,201
Lease liability	855	5.6	74	80	361	340	855
Closing net book amount	**12,713**	**-**	**12,259**	**375**	**610**	**432**	**13,676**

			Maturity				
	Carrying amount	Weighted average interest rate	6 months or less	6-12 months	1-2 years	More than 2 years	Total Contractual cash flows
	$000	%	$000	$000	$000	$000	$000
Consolidated - 2021							
Financial liabilities							
Trade payables	2,799	-	2,702	50	47	-	2,799
Other payables	2,407	-	2,407	-	-	-	2,407
Loan	6,567	9.5	-		-	8,067	8,067
Lease liability	47	-	47	-	-	-	47
Closing net book amount	**11,820**	**-**	**5,156**	**50**	**47**	**8,067**	**13,320**

The Group maintains cash flow forecasts for the next 12 months on a rolling basis. This takes into consideration all projected debt payments.

Fair value of financial assets and liabilities

The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Group approximates their carrying amounts.

Note 21. Financial risk management (continued)

The fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

Equity investments traded on organised markets have been valued by reference to market prices prevailing at balance date.

The carrying amounts of financial assets and liabilities equates to their fair values at balance date.

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset and liability

	Level 1 $000	**Level 2 $000**	**Level 3 $000**
Assets			
Financial assets at fair value through profit or loss	940	-	-
Total assets	**940**	-	**-**

Note 22. Auditors' Remuneration

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2022 $000	**2021 $000**
Auditors of the Company		
BDO Audit (WA) Pty Ltd		
Audit and review of financial statements	106	109
Non-audit services provided: Taxation advice and preparation of income tax returns	26	85
Total remuneration for audit and non-audit services	**132**	**194**

Note 23. Parent entity

	Parent entity	
	2022	**2021**
	$000	**$000**
(a) Statement of Profit or Loss and other comprehensive income		
The individual financial statements for the parent entity show the following aggregate amounts:		
Net loss attributable to equity holders of the Company	(1,350)	(4,144)
(b) Statement of financial position		
Assets		
Total current assets	2,812	2,074
Total non-current assets	1,959	3,494
Total assets	**4,771**	**5,568**
Liabilities		
Total current liabilities	(8,214)	(157)
Total non-current liabilities	(56)	(7,585)
Net assets	**(3,499)**	**(2,174)**
Shareholders' equity		
Share capital	61,626	61,626
Reserves	2,180	2,154
Accumulated losses	(67,305)	(65,955)
Total equity	**(3,499)**	**(2,174)**

The Parent has no Contingent Liabilities as at 30 June 2022 (FY2021: nil). The Parent has a secured debt facility amounting to $7,238k (30 June 2021: $6,567k) (Refer to details in Note 13).

The Parent has no Contingent assets and no other contractual obligations on behalf of the Group as at 30 June 2022 (FY2021: nil).

Note 24. Related party transactions

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Company's Key Management Personnel (KMP) for the year ended 30 June 2022.

	Consolidated	
	2022	**2021**
	$	**$**
Short term employee benefits	897,764	1,039,133
Share based payments (non-cash)	200,572	229,831
Post-employment benefits	81,677	96,816
	1,180,013	**1,365,780**

Disclosures relating to key management personnel are set out in the remuneration report of the Directors' report.

Loans with Directors and Key Management Personnel

No other transactions existed during the year and as at reporting date between the Company and with Directors and or Key Management Personnel.

The Company has no funds advanced by the Directors and their related parties as at 30 June 2022.

Other transactions with Directors and Key Management Personnel
Transactions with Directors and Key Management Personnel related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	2022	**2021**
	$	**$**
Payments made to Wenro Holdings Pty Ltd, a company of which Robert Sofoulis is a Director and Ryan Sofoulis is associated with, for provision of premises, pursuant to lease.	161,536	630,881
<u>Amounts outstanding at reporting date</u>		
Aggregate amount payable to Key Management Personnel and their related entities at reporting date.	-	161,536

The FY21 outstanding amounts were related to the provision and early termination charges of the office premises which were settled in full in FY2022.

Note 25. Group entity

Ultimate parent entity

The ultimate parent entity in the wholly owned Group is Swift Networks Group Limited.

Name of entity	Country of residence / establishment	Ownership interest 30 June 2022 %	30 June 2021 %
Parent entity			
Swift Networks Group Limited	Australia	nil	nil
Controlled entities			
Swift Networks Pty Ltd	Australia	100%	100%
VOD Pty Ltd	Australia	100%	100%
Medical Media Group Pty Ltd	Australia	100%	100%
Movie Source Pty Ltd	Australia	100%	100%
Wizzie Pty Ltd	Australia	100%	100%
Stanfield Funds Management Limited	Hong Kong	100%	100%

Of the controlled entities, Swift Networks Pty Ltd and VOD Pty Ltd were operating during the financial year.

Note 26. EPS

	2022 $000	2021 $000
Net loss from continuing operations for the year	**(3,653)**	**(4,233)**
	No.	**No.**
Weighted average number of ordinary shares for the purpose of basic earnings per share	580,116,723	520,018,041
Basic loss per share (cents)	(0.6)	(0.8)
Diluted loss per share (cents)	(0.6)	(0.8)

There are no instruments considered to be dilutive.

Note 27. Commitments

The Company only has a commitment in respect of a five-year payment plan for NetSuite ERP licence fees. Minimum commitments under the arrangement are as follows:

	Consolidated	
	2022	**2021**
	$000	**$000**
Not later than 1 year	140	142
Later than 1 year but not later than 2 years	163	140
Later than 2 years and not later than 5 years	-	163
	303	**445**

Note 28. Statement of Significant accounting policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Going Concern

The annual report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets after tax for the year ended 30 June 2022 of a loss of $3.6m (2021: loss of $4.7m) and net cash inflows from operating activities of $1m inclusive of 1.5m R&D tax refunds (2021: cash outflow of $0.7m).

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Board and Management believe there are sufficient funds to meet the Group's working capital requirements as at the date of the financial statements.

Note 28. Statement of Significant accounting policies (continued)

The financial statements have been prepared on the basis that the Group is a going concern which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Directors have assessed the cash flow requirements for the 12 month period from the date of approval of the financial statements and its impact on the Group and believe there will be sufficient funds to meet the Group's working capital requirement.
- The Group has entered into an amended facility agreement with Pure Asset Management Pty Ltd as a subsequent event on 17th August 2022 (refer to note 29). Under the terms of this amended agreement, the breach of covenant at 30 June 2022 has been extinguished and the expiry of the facility has been extended to 30 September 2025 under new covenants that are aligned at a discount to the Group's forecasts. The Directors also expect to comply with all future covenant requirements.
- The Directors of the Group have reason to believe that in addition to the cash flow currently available, additional funds from receipts are expected through commercialisation of the Group's products and services.
- $0.94m financial asset in listed entity MXO will be removed from escrow in October 2022. The Group will explore its options to realise this asset within the next 12 months.

Whilst the Directors are confident in the outlook of the Group, the ability of the Group to continue as a going concern is dependent upon executing the strategy that has been put in place. As a result of these matters, there is a material uncertainty that may cast significant doubt upon the Group's ability as a going concern and whether the group will realise its assets and settle it liabilities in the ordinary course of business at the amounts recorded in the financial statements.

The Directors have assessed the likely cash flow for the 12 months period from the date of signing this annual report and its impact on the Group and believe there will be sufficient funds to meet the Groups working capital requirements as at the date of this report, based on the belief that additional funds can be raised to finance the Group's activity.

The Group has historically demonstrated its ability to raise funds to satisfy its immediate cash requirements and will consider all funding options as required, for future capital requirements. The Directors of the Group have reason to believe that in addition to the cash flow currently available, additional funds from receipts are expected through commercialisation of the Group's products and services. Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

Noting all of the above, and in conjunction with the Group's historical ability to raise funds to satisfy its immediate cash requirements the Directors are satisfied the Group is a going concern and therefore have prepared the financial statements on the basis the Group will continue to meet its commitments and can therefore continue normal business activities and realise its assets and settle liabilities in the normal course of the business.

The accounting policies applied and methods of computation for the year ended 30 June 2022 are consistent with those of the annual financial report for the year ended 30 June 2021.

Note 28. Statement of Significant accounting policies (continued)

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by the Company at the end of the reporting period. A controlled entity is any entity over which the Company has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 25 to the financial statements.

In preparing the consolidated financial statements, all inter-Group balances and transactions between entities in the consolidated Group have been eliminated in full on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the Equity section of the Consolidated Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Investments in subsidiaries are carried at amortised cost in the Company's financial statements.

Transactions eliminated on consolidation

Intra-Group balances, and any unrealised gains and losses or income and expenses arising from intra-Group transactions are eliminated in preparing the consolidated financial statements.

(b) Income Tax

The income tax expense / (benefit) for the year comprises current income tax expense (income) and deferred tax expense / (benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities / (assets) are therefore measured at the amounts expected to be paid to / (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense / (benefit) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Note 28. Statement of Significant accounting policies (continued)

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(c) Financial Instruments

Accounting Policy

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Note 28. Statement of Significant accounting policies (continued)

Impairment of financial assets
The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

(d) Financing elements

The Group from time to time enter into contracts where the period between the transfer of the promised goods to the customer exceeds one year. Should the transactions price include the effect of time value of money as the timing of payment provides the customer with a significant financing benefit, the financing element will be recognised as finance income over time.

(e) Impairment of Assets

At the end of each reporting period, the Group assesses the internal and external indicators that an asset may be impaired. If such an indicator exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the Consolidated Statement of Profit or Loss and Other Comprehensive Income unless the asset is carried at a relevant amount in accordance with another statement. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit which the asset belongs.

Impairment testing is performed annually for intangible assets with indefinite lives.

(f) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company’s functional currency and the functional currency of the majority of the Group.

Note 28. Statement of Significant accounting policies (continued)

(g) Share based payments

The Group measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using Black Scholes valuation model after taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity settled share-based payments would have no impact on the carrying amounts of the assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

The fair value of options at grant date is determined using a Black-Scholes that takes into account the exercise price, term of option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon exercise of the options, the balance of the share-based payments reserve relating to those options is transferred to share capital and the proceeds received are credited to share capital.

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted with the recognition of the expense accounted for over the vesting period. The fair value is determined by an internal valuation using Black-Scholes option pricing model considering the terms and conditions upon which the instruments were granted.

The key inputs to the Black-Scholes options pricing model include the expected price volatility and risk-free interest rate. The expected price volatility is based on the historical volatility adjusted for any expected changes to future volatility due to publicly available information. The risk interest is the risk-free of securities with comparable terms to maturity.

(h) Employee Benefits

Wages, salaries and leave entitlements

Liabilities for wages, salaries and leave entitlements are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

Superannuation

Contributions to employee superannuation plans are charged as an expense as the contributions are paid or become payable.

(i) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(j) Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances only.

Note 28. Statement of Significant accounting policies (continued)

(k) Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30-60-days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. For long term trade receivables, the expected credit loss is based on either the 12 month or lifetime expected credit loss. To measure the expected credit losses, trade receivables have been grouped based on days overdue. Other receivables are recognised at amortised cost, less any allowance for expected credit loss.

(l) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

(m) Property, Plant & Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the Group commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

• Motor Vehicles	25%
• Software	25% - 66.66%
• Office Equipment, Fit Out & Furniture	10% - 100%
• Test Equipment & Tools	10% - 66.66%
• Rental Equipment – Digital Entertainment System	20% - 100%

(n) Discontinued operations

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Note 28. Statement of Significant accounting policies (continued)

(o) Intangibles

Intangible assets with finite lives are amortised over the useful life and assessed for impairment at least twice a year or whenever there is an indication that the intangible asset may be impaired. The amortisation period and amortisation method are reviewed at least each financial year end. Changes in the expected useful life or flow of economic benefits intrinsic in the asset are an accounting estimate. The amortisation charge on intangible assets with finite lives is recognised in the statement of profit or loss and other comprehensive income.

Customer contracts:

Customer contracts acquired as part of a business combination are recognised separately from goodwill. The customer contracts are carried at their fair value at the date of acquisition less accumulated amortization and any impairment losses. Where customer contracts useful lives are assessed as finite, the customer contracts are amortised over their estimated useful lives of 1 to 2 years. At the reporting date, the customer contracts have been fully amortised.

Research and development costs

Research costs are expensed as incurred. Costs incurred on development projects are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be reliably measured. Expenditure capitalised comprises all directly attributable costs including costs of materials, services and direct labour. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Amortisation is calculated using the straight-line method to allocate the cost of intangible over its estimated useful life (1-5 years) commencing when the intangible is available for use. The carrying value of an intangible asset arising from development expenditure is tested for impairment when an indication of impairment arises during the period.

(p) Contract Assets

Subscriber acquisition costs directly attributable to obtaining customer contracts, generating or enhancing resources and are expected to be on-charged to the customer, are recognised as an asset when it is probable that the future economic benefits arising as a result of the costs incurred will flow to the Group. Other subscriber acquisition costs that do not meet these criteria are recognised as an expense as incurred. Amortisation is calculated using the straight-line method to allocate the cost of intangible over its estimated useful life (contract life) commencing when the intangible is available for use. The carrying value of an intangible asset arising from subscriber acquisition costs is tested for impairment when an indication of impairment arises during the period.

(q) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

(r) Financing Costs

Finance costs attribute to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the profit or loss in the period in which they are incurred.

Note 28. Statement of Significant accounting policies (continued)

(s) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(t) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not incremental costs relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(u) Contract Liabilities

Contract Liabilities represent the fair value of consideration received from its customer in advance of the Group meeting its performance obligations to deliver goods or services.

(v) Fair value of assets and liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also considers a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share- based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available. other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Note 28. Statement of Significant accounting policies (continued)

(w) Current and non-current classification

Both assets and liabilities are classified as current if the Group expects to realise them within 12 months.

(x) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(y) Earnings Per Share

Basic earnings per share is calculated as a net profit attributable to members, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(z) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(aa) Leases

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses. The cost of right-of-use asses includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payment made on or before the commencement date less any lease incentives received.

Right-of-assets are depreciated on a straight-line basis over the lease term.

At the commencement date of lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

The lease transaction details are disclosed in note 14.

Note 28. Statement of Significant accounting policies (continued)

(ab) Revenue

The Company recognises revenue when it transfers control of a product or service to a customer and the cost incurred or to be incurred in respect of the transaction can be measured reliably.

The Company's revenue consists of sale of equipment and providing digital content and services.

- Revenue from sale of equipment is recognised at a point in time when the goods have been provided and the amount can be reliably estimated and is considered recoverable.
- Revenue from digital content is recognised over time as the customer is provided with the service.
- Revenue from licencing is recognised at a point in time on the transfer of the licence to the user.

(ac) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group satisfies all attached conditions.

The Company has received cash flow boost and Job Keeper grants which have been reported under other income on the consolidated statement of profit or loss.

(ad) Critical Accounting Estimates and Judgments

Revenue from contracts with customer

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Identifying performance obligations

The Group provides software licences and equipment which are either sold separately or bundled together with the provision of ongoing content. The Group determined that the licence and equipment are distinct performance obligations to the provision of content as other content can be used on Swift's software and equipment and there is no significant service of integration or interdependency. The fact that the Group regularly sells both the licence and/or equipment and the content on a standalone basis indicates that the customer can benefit from both products on their own.

Revenue in relation to sale of equipment is recognised at a point in time, whilst revenue in relation to providing services and content is recognised over time.

Allocating the transaction price

Where contracts include multiple deliverables that are separate performance obligations, judgement is required in determining the allocation of the transaction price to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

Consideration of significant financing component in a contract

Certain contracts allow for deferred payment terms. The Group concluded that there is a significant financing component for these contracts in accordance with AASB 15. In determining the financing component to be applied to the amount of consideration, the Group has made judgements with respect to the interest rate used in this calculation and concluded that the interest rate implicit in the contract is appropriate because this is commensurate with the rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception.

Note 28. Statement of Significant accounting policies (continued)

Assessing the reversal constraint

Certain contracts with deferred payments terms have a risk of payment forfeiture if the contract is terminated. The Directors have determined that it is highly improbable that these contracts would be terminated, or that the parties to these contracts would become insolvent, and accordingly have rebutted this possibility in recognising revenue.

Fair value measurement hierarchy

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

Share based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuation using a Monte Carlo performance rights model, taking into account the terms and conditions upon which the instruments were granted. Refer to note 19 on Share based expenses for the financial year.

Impairment of intangible assets

The consolidated entity assesses impairment intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Capitalised product development costs

Product development costs have been capitalised as intangible assets in accordance with the accounting policy as detailed in note 28(o). Management has assessed that all capitalised development expenditure carried forward, comprises all directly attributable costs, including costs of materials, services and direct labour.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Note 28. Statement of Significant accounting policies (continued)

(ad) New, revised or amending Accounting Standards and Interpretations not yet adopted

The Group has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (the 'AASB') that are relevant to their operations and are mandatorily effective for the current reporting period.

The adoption of these amendments has not resulted in any changes to the Company's accounting policies and has no significant effect on the disclosures or the amounts reported for the current or prior periods.

The following new/amended accounting standards and interpretations have been issued but are not mandatory for financial years ended 30 June 2022. They have not been adopted in preparing the financial statements for the year ended 30 June 2022 and are expected to impact the entity in the period of initial application. In all cases the entity intends to apply these standards from application date as indicated in the table below.

Standards likely to have a financial impact – All entities.

AASB Reference	Title and Affected Standard(s):	Nature of Change	Application date:	Impact on Initial Application
AASB 2020-1 (issued March 2020)	Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current	There are four main changes to the classification requirements: 1. The requirement for an 'unconditional' right has been deleted from paragraph 69(d) because covenants in banking agreements would rarely result in unconditional rights. 2. The right to defer settlement must exist at the end of the reporting period. If the right to defer settlement is dependent upon the entity complying with specified conditions (covenants), the right to defer only exists at reporting date if the Classification is based on the right to defer settlement, and not intention (paragraph 73), and 3. If a liability could be settled by an entity transferring its own equity instruments prior to maturity (e.g. a convertible bond), classification is determined without considering the possibility of earlier settlement by conversion to equity, but only if the conversion feature is classified as equity under IAS 32. 4. The entity complies with those conditions at reporting date.	Annual reporting periods beginning on or after 1 January 2023	As these amendments only apply for the first time to the 30 June 2024 balance sheet (and 30 June 2023 comparative balance sheet), the entity is not yet able to make an assessment of the impacts regarding the right to defer settlement, compliance with bank covenants, and intention to settle.

AASB 2021-2 (issued March 2021)	Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	Introduces a definition of 'accounting estimate', i.e. monetary amounts in financial statements that are subject to estimation uncertainty, such as estimating expected credit losses for receivables, or estimating the fair value of an item recognised in the financial statements at fair value. Accounting estimates are developed using measurement techniques and inputs. Measurement techniques comprise *estimation techniques* (such as used to determine expected credit losses or value in use) and *valuation techniques* (such as the income approach to determine fair value). The amendments clarify that a change in an estimate occurs when there is either a change in a measurement technique or a change in an input.	Annual reporting periods beginning on or after 1 January 2023	There will be no impact on the financial statements when these amendments are first adopted because they apply prospectively to changes in accounting estimates that occur on or after the beginning of the first annual reporting period to which these amendments apply, i.e. annual periods beginning on or after 1 July 2023.[1]
AASB 2021-5 (issued June 2021)	Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	The amendments clarify that the 'initial recognition exemption' does not apply to transactions where an entity recognises an asset and a liability which give rise to equal taxable and deductible temporary differences. This could occur, for example, where lessees recognise a right-of-use asset and lease liability for lease transactions, or where an entity recognises decommissioning, restoration and other similar obligations, which form part of a related asset.	Annual reporting periods beginning on or after 1 January 2023.	When these amendments are first adopted for the year ended 30 June 2024, they apply prospectively to all transactions that occur on or after the beginning of the earliest comparative period, i.e. from 1 July 2022. In addition, at the beginning of the earliest comparative period, i.e. 1 July 2022, deferred tax assets (to the extent it is probable that taxable profits will be available against which the deductible temporary differences can be utilised) and deferred tax liabilities will be recognised for all deductible and temporary differences associated with:

[1] AASB 2021-2 also contains an amendment that may have a disclosure impact on the financial statements. It clarifies that only material accounting policies need to be disclosed. Refer to AASB 2021-2 below for more information.

				• Right-of-use assets and lease liabilities, and • Decommissioning, restoration and other similar liabilities and the corresponding amounts recognised as part of the cost of the related asset. The cumulative effect of initially applying these amendments will result in an increase in deferred tax assets of $Amount, an increase in deferred tax liabilities of $Amount, and an increase/decrease in retained earnings of $Amount on 1 July 2022.

Standards likely to have a disclosure impact only – All entities

AASB Reference	Title and Affected Standard(s):	Nature of Change	Application date:	Impact on Initial Application
AASB 2021-2 (issued March 2021)	Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	Only 'material' accounting policy information must be disclosed in the financial statements, i.e. if it relates to material transactions, other events or conditions and: • The entity has changed its accounting policy during the period • There are one or more accounting policy options in Accounting Standards • The accounting policy was developed applying the hierarchy in AASB 108 because there is no specific IFRS dealing with the transaction • Significant judgement was required in applying the accounting policy • The accounting is complex, e.g. more than one IFRS applies to the transaction.	Annual reporting periods beginning on or after 1 January 2023	Disclosure impact only. [2]

[2] AASB 2021-2 also contains an amendment that may have a financial impact on the financial statements. It introduces a definition of 'accounting estimate' and clarifies that a change in an estimate occurs when there is either a change in a measurement technique or a change in an input. Refer to AASB 2021-2 above for more information

Note 29. Events subsequent to reporting date

On 17 August 2022, the Company has negotiated its existing financing facility with Pure Asset Management ("Pure") and agreed the following material new terms:

(i) $7.7m refinanced
(ii) Reduced borrowing by repaying over $500k
(iii) Three-year facility term
(iv) Expiry extended to 30 September 2025
(v) Issue 60m warrants to Pure which are exercisable at $0.03 with expiry date 30 September 2025
(vi) The Company's option to early repayment of $1.03m before 30 June 2023 without incurring early repayment fees
(vii) The facility is subject to quarterly EBITDA and minimum cash requirement covenants
(viii) Interest rate remains unchanged at 9.5% pa

There are no other matters or circumstances that have arisen since 30 June 2022 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial periods.

DIRECTORS' DECLARATION

The Directors of the Company declare that the financial statements and notes, as set out on pages 19 to 65 are in accordance with the *Corporations Act 2001* and:

a. comply with Accounting Standards, which as stated in accounting policy Note 28 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

b. give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the consolidated Group;

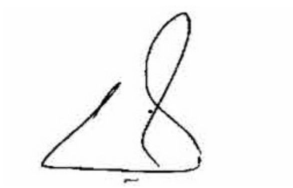
c. the financial records of the Company for the financial year have been properly maintained in accordance with s 286 of the *Corporations Act 2001*;

d. the financial statements and notes for the financial year comply with the Accounting Standards; and

e. the financial statements and notes for the financial year give a true and fair view;

in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable as disclosed in Note 29 to the financial statements.

This declaration is made in accordance with a resolution of the Board of Directors.



Chairman
Charles Fear

Dated this 31st day of August 2022

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INDEPENDENT AUDITOR'S REPORT

To the members of Swift Networks Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Swift Networks Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 28 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue recognition

Key audit matter	*How the matter was addressed in our audit*
Revenue recognition was determined to be a key audit matter as this area involves judgements and estimates made by management including whether contracts may contain multiple performance obligations which should be accounted for separately and determining the most appropriate methods of recognition of revenue for the identified performance obligations. This comprises allocation of consideration to the individual performance obligations based on standalone pricing and whether the performance obligation is satisfied at a point in time or overtime. Refer to Note 2 and Note 28 in the financial report for disclosures relating to the Group's revenue accounting policy and judgements applied in revenue recognition.	Our procedures included, but were not limited to the following: • Understanding and documenting the processes and controls used by the group in recording revenue; • Selecting a sample of contracts, considering the terms and conditions, performance obligations of these arrangements, its stand-alone pricing and assessing the accounting treatment under AASB 15 *Revenue from Contracts with Customers*; • Checking a sample of revenue transactions to evaluate whether they were appropriately recorded as revenue ensuring the amounts recorded agrees to supporting evidence; • Testing a sample of outstanding customer contracts at year end and agreed to supporting records to ensure that contract assets and contract liabilities have been recognised in accordance with the accounting standard and the group's accounting policy; • Performing analytical procedures to understand movements and trends in revenue from comparison against expectations; • Performing cut-off procedures to ensure that all revenue was captured in the appropriate financial year; and • Assessing the adequacy of the related disclosures in the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 15 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Swift Networks Group Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

Dean Just

Director

Perth, 31 August 2022

SHAREHOLDER INFORMATION

A. Substantial Shareholders

The following have a relevant interest (>5%) in the capital of Swift Networks Group Limited as at 26th August 2022.

Substantial ordinary shareholders	No. of ordinary shares held	Percentage held of Issued Ordinary Capital
Mr Robert Sofoulis and related entities	97,374,768	16.78%
Pure Asset Management Pty Ltd ATF The Income and Growth Fund	48,561,741	8.37%
Cyan Investment Management	38,848,798	6.70%

B. Distribution of Equity Securities

Analysis of numbers of equity security holders by size of holding as at 26th August 2022.

Category (Size of Holdings)			Ordinary Share Number of Holders	Ordinary Share – Unlisted Options	Unlisted Warrants	Unlisted Ordinary Share Rights Conversion	Unlisted Performance Rights
1	-	1,000	78	-	-	-	-
1,001	-	5,000	202	-	-	-	-
5,001	-	10,000	91	-	-	-	-
10,001	-	100,000	397	-	-	2	-
100,001	-	and over	345	3	8	14	1
Total			**1,113**	**3**	**8**	**16**	**1**

SHAREHOLDER INFORMATION (CONTINUED)

C. Equity Security Holders

Twenty largest quoted equity security holders (26th August 2022).

Top 20 shareholder table

		Ordinary Shares	
		Number Held	Percentage of issued shares
1	SOFOULIS HOLDINGS PTY LTD	92,142,246	15.88
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	48,561,741	8.37
3	SANDHURST TRUSTEES LTD	38,848,798	6.70
4	MEDICAL MEDIA INVESTMENTS PTY LTD	27,616,833	4.76
5	SUETONE PTY LTD	11,074,526	1.91
6	LAXIA CAPITAL PTY LTD	10,003,000	1.72
7	ELTON PROPERTY PTY LTD	9,328,368	1.61
8	SWEET AS DEVELOPMENTS PTY LTD	7,898,479	1.36
9	MR BRIAN FRANCIS MANGANO	7,720,082	1.33
10	10 BOLIVIANOS PTY LTD	7,328,116	1.26
11	BOTSIS SUPER PTY LTD	7,180,178	1.24
12	ARELEY KINGS PTY LTD	7,000,000	1.21
13	CINTELL PTY LTD	6,759,060	1.17
14	MR RUSSELL NEIL CREAGH	6,707,366	1.16
15	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	6,460,408	1.11
16	MR TONY LE FEVRE	6,000,000	1.03
16	MR STEPHEN JAMES PRICE	6,000,000	1.03
18	SHADSUPER PTY LTD	5,800,000	1.00
19	TRI-NATION HOLDINGS PTY LTD	5,565,785	0.96
20	KRISAMI INVESTMENTS PTY LTD	5,288,850	0.91
	Total	**323,283,836**	**55.72**
	Balance of register	256,864,064	44.28
	Grand total	**580,147,900**	**100.00**

SHAREHOLDER INFORMATION (CONTINUED)

D. Voting Rights

The voting rights, upon a poll, are one vote for each share held.

E. Unquoted securities

Securities	Number of Options	Number of Holders	Holders with more than 20%
Options exercisable at $0.30 on or before 31 December 2022	500,000	1	1
Options exercisable at $0.45 on or before 31 December 2022	250,000	1	1
Options exercisable at $0.60 on or before 31 December 2022	250,000	1	1
Options exercisable at $0.05 on or before 30 April 2025	2,000,000	1	1
Ordinary share rights (conversion to 1 ordinary share for 1 right) exercisable after 20 June 2021	750,000	1	1
Ordinary share rights (conversion to 1 ordinary share for 1 right) exercisable after 1 October 2021.	600,000	1	1
2018 Short Term Incentive conversion to 1 ordinary share for 1 right exercisable on or before 1 October 2021.	458,747	4	1
Warrants exercisable at $0.00165 on or before 4 December 2023.	26,666,666	8	1
Warrants exercisable at $0.08 on or before 22 January 2024	24,000,000	8	1
Options exercisable at $0.05 on or before 7 September 2025	2,000,000	1	1
Employee Share Rights (conversion to 1 ordinary share for 1 right) exercisable to June 2024	7,143,394	13	1
Performance Shares Class C – Medical Channel Performance by Feb 2023	18,272,425	1	1
Performance Shares Class D – Medical Channel Performance by Feb 2023	16,611,296	1	1
Performance Shares Class E – Medical Channel Performance by Feb 2023	8,305,648	1	1
Performance Shares Class F – Medical Channel Performance by Feb 2023	8,305,648	1	1
Performance Shares Class G – Medical Channel Performance by Feb 2023	8,305,648	1	1
Performance Shares Class H – Medical Channel Performance by Feb 2023	8,305,468	1	1

F. On-market buyback

There is no current on-market buy-back

G. Stock Exchange listing

Quotation has been granted for the Company's Ordinary Shares.

H. Securities subject to escrow

There are no securities currently subject to escrow

I. Statement in relation to Listing Rule 4.10.19

The Directors of Swift Networks Group Limited confirm in accordance with ASX Listing Rule 4.10.19 that during the period from reinstatement to official quotation to 30 June 2022, the Company has used its cash, and assets that are readily convertible to cash, in a way consistent with its business objectives.

CORPORATE GOVERNANCE STATEMENT

The Company's Security Trading Policy is available on the Company's website at https://www.swiftnetworks.com.au/corporate-governance/