

24 October 2019

## **SHEARWATER GROUP PLC**

### **Half year trading update**

Shearwater Group plc (AIM: SWG, "Shearwater" or the "Group"), the organisational resilience group, today published a trading update for the six months to 30 September 2019, with the Group continuing to trade in line with the Board's expectations.

Group revenue saw significant growth to approximately £16.0 million (2018: £4.5 million), with approximately 10% of this growth from organic sources. This has resulted in an expected underlying EBITDA<sup>1</sup> profit of approximately £1.0 million (2018: loss £1.6 million).

During H1 2019, the Group secured a number of significant new contract wins, including multi-year managed service contracts, which underpin future revenue growth. A substantial number of live cross selling opportunities were generated of which 19 were converted into contract wins. Shearwater also secured 45 net new customer relationships since April 2019.

**David Williams, Chairman** of Shearwater, said:

***"We have seen good momentum in H1 with the execution of our strategy yielding a materially improved financial performance, resulting in our second consecutive quarter of profits and strong organic revenue growth."***

***"For the current financial year, we are trading in line with our expectations, with the business approximately two thirds second half weighted. With our developing forward visibility and improving cross selling opportunities, we are well positioned for long term sustainable growth."***

***"Operating in the cyber security sector, we are well positioned to benefit from one of the most certain growth areas; as for us, there are now three certainties in life – death, taxes and cyber-crime."***

The Group expects to publish its interim results for the six months ended 30 September 2019 during the week commencing 25 November 2019.

*Certain information contained in this announcement would have constituted inside information (as defined by Article 7 of Regulation (EU) No 596/2014 ("MAR") prior to its release as part of this announcement and is disclosed in accordance with the Company's obligations under Article 17 of those Regulations.*

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<sup>1</sup> Underlying EBITDA defined as profit before tax, before one off exceptional items, share based payment charges, finance charges, depreciation and amortisation



## **About Shearwater Group plc**

Shearwater Group plc is an award-winning organisational resilience group that provides cyber security and managed security services to help assure and secure businesses in a connected global economy.

The Group's comprehensive cyber security solutions and services maintain trust between users, provide assurance around the protection of information assets and critical infrastructure, and support organisations' operational effectiveness. Its capabilities include identity and access management and data security, cyber security solutions and managed security services, and security governance, risk and compliance.

The Group is headquartered in the UK with offices in the US, UK and Europe, serving customers across the globe who are active in a broad spectrum of industries.

Shearwater shares are listed on the London Stock Exchange's AIM under the ticker "SWG". For more information, please visit [www.shearwatergroup.com](http://www.shearwatergroup.com).