

25 March 2020

SHEARWATER GROUP PLC

Statement re COVID-19

Contract wins

Shearwater Group plc (AIM: SWG, "Shearwater", the "Company" or the "Group"), the organisational resilience group, provides the following update in relation to measures taken by the Company in response to COVID-19 and on trading during March 2020.

The welfare of the Company's employees and customers is of the utmost importance and the significant majority of Shearwater's employees and customers are now working remotely. Following extensive stress-testing of its network access, everyday business tools and applications, the Group confirms that it is operating effectively and providing its services to its customers without interruption.

During March 2020, the universally substantial increase in remote working has resulted in group company SecurEnvoy experiencing an increase in demand for its security software products and this increased level of interest has resulted in a number of new contract wins and existing contract upgrades for its *SecurIdentity MFA* multi-factor authentication ("MFA") software solution.

Shearwater's *SecurIdentity MFA* has enabled existing and new clients to promptly disseminate crisis and emergency information to their employees and also ensures that the customer's employee base can securely authenticate when accessing organisations' systems and networks via tokenless MFA, without the need for costly incremental infrastructure and hardware tokens.

The Company is greatly encouraged by the increased interest in its software products and has yet to see any significant impact on profitability or cash flow as a result of COVID-19. The Group looks forward to updating shareholders in a planned trading update during April 2020.

Phil Higgins, Group Chief Executive Officer of Shearwater, commented:

"Whilst the Coronavirus pandemic is a rapidly developing situation, we remain confident that we can continue to provide our customers with continuity of service and support at a time when their organisations are particularly susceptible to network penetration and data loss through both intentional and unintentional actions."

"The seismic shift towards remote working has driven increased demand in SecurEnvoy's multi-factor authentication solutions, which provides secure access across a range of platforms and apps."

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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.