

Shearwater Group PLC

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Shearwater sales rise overshadowed by widening losses

Shearwater Group plc (LON:SWG) said first-half sales more than doubled but that losses widened due to increased investment across its portfolio.

The acquisitive data technology firm on Tuesday reported an underlying loss of £1.6 mln compared to a loss of £0.1mln in the six months to the end of September on sales 118% higher at £4.5mln, reflecting six months of trading from SecurEnvoy, Xcina, and GeoLang.

READ: Shearwater Group proposes transformational acquisition of cybersecurity firm

Shearwater bought cybersecurity firm Brookcourt for £30mln in October.

Portfolio companies generated an underlying loss of £0.7mln, down from a £0.9m profit in 2017, due to significant investment in new regions and product development, it said.

Despite the loss, the cybersecurity group expects to deliver solid organic growth, coupled with a strong performance from Brookcourt, in the second half which will enable the group to meet full-year expectations.

"We have continued to make good progress against our strategic aim of building a leading UK based digital resilience group. Our portfolio companies have shown good organic revenue growth, which we expect to continue into the second half and beyond," CEO David Williams said in a statement.

"Brookcourt's acquisition has significantly increased our presence in our sector - this should lead to a number of benefits for the whole Group including scaling and cross-selling opportunities," he added,

Shares in Shearwater were 3.4% down at 2.97p in early afternoon trade.

Price: 238.5

Market Cap: £52.72 m

1 Year Share Price Graph



November 2018 May 2019 November 20

Share Information

Code: SWG

Listing: AIM

52 week **High** **Low**
334 132

Sector: Gold & silver

Website www.theshearwatergroup.co.uk

Company Synopsis:

Shearwater Group is an AIM-listed company focused on building a UK based group providing digital resilience solutions.

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