

Satellite Solutions Worldwide Group plc

(“Satellite Solutions Worldwide Group”, “SSW” or the “Company”)

Unaudited Interim Financial Statements for the six month period ended 31 May 2015

Satellite Solutions Worldwide Group (AIM: SAT), the global communications company specialising in rural, last-mile satellite broadband announces its unaudited interim financial results for the six months ended 31 May 2015.

Period highlights

- Acquired the entire issued share capital of Satellite Solutions Worldwide Limited through the issue of 115m new ordinary shares on 12 May 2015
- Raised £2.25 million cash (gross) through the issue of 50m new ordinary shares on 12 May 2015

Post Period highlights

- Acquired base and related assets of SkiFi Denmark making Europasat the largest satellite broadband provider in Denmark with a base of 200 customers, providing a beach head to develop the Scandinavian market opportunity
- Acquired base and related assets of Onwave Ireland, making Europasat one of the largest satellite broadband providers in Ireland with a base of 3,200 customers
- Appointment of Brian Southward as Chief Commercial Officer to identify and realise acquisitions and strategic partnerships.
- Appointment of Chris Hunter as Chief Sales Officer with responsibility for UK and international sales and marketing, to drive organic growth of new customers and new products revenues
- Signed a strategic sales and marketing agreement with Gigaclear plc which will identify and serve households across the UK who cannot currently access fibre or fast broadband
- Signed RTE NewsSpotter contracts to strengthen the roster of international broadcasters using SSW for their mobile live uplink needs
- SSW commenced participation in the Broadband Delivery UK “BDUK” Pilot Scheme delivering high speed satellite broadband service for up to 1,000 rural homes and businesses in Aberdeenshire, Scottish Borders, Dumfries & Galloway, Antrim and Fermanagh
- July 2015 was a record month for the Company with 528 new customers

Andrew Walwyn, CEO of SSW, commented:

“The admission of SSW to AIM in May has given us the funding and profile to accelerate our roll up plans as we drive to become Europe’s largest satellite broadband provider.

“We now have a solid foundation for profitable, cash generative organic and acquisitive growth throughout our target markets in Europe.

“We are pleased that in addition to the progress we are making with our Acquisition strategy, our organic customer sign up numbers are continuing to grow at record pace.”

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About SSW

Established in 2008, SSW offers a broad range of satellite broadband services with customers across 31 countries. With solutions targeting B2C and B2B users, and with products developed specifically for the broadcasting/SNG, Police and Military markets, SSW's brand Europasat is a leading independent provider of satellite broadband internet services across Europe.

Listing on the London Stock Exchange as Satellite Solutions Worldwide Group plc (AIM:SAT) on 12 May 2015, and with a track record of strong organic growth in its subscriber base and recurring revenues, the directors of SSW believe there is a major opportunity to consolidate the businesses organic growth with acquisitions throughout the fragmented European satellite broadband market.

Working closely with satellite owners and operators, SSW targets customers in the 'digital divide' with solutions that deliver up to 30 Mbps satellite based broadband services to almost any premises, whether residential, commercial or industrial across Europe, irrespective of location or local infrastructure.

Introduction

I am pleased to present the unaudited interim results for the six month period ended 31 May 2015. During this period, the Group generated revenue of £3.2 million (up 27% on 2014) and a loss before exceptional items of £211k. Consolidated net assets at the period end were £4 million, including cash reserves of £5.5 million.

Due to the acquisition by SSW of Satellite Solutions Worldwide Limited ("SSWL"), which completed on 12 May 2015, being classed as a reverse acquisition, the comparative numbers in these accounts are those of SSWL only, which the Directors believe makes a more meaningful and useful comparison.

The year-end of Satellite Solutions Worldwide Group plc has been changed to 30 November. More details of these changes can be found in the Note 1 of these unaudited interim results.

Acquisition of Satellite Solutions Worldwide Limited

On 19 December 2014, the Company was successfully admitted to the Standard Segment of the Official List and to trading on the London Stock Exchange's Main Market, raising gross proceeds of £3,235,000 through a placing of 107,833,333 Ordinary Shares to professional investors and institutions. As set out in the Company's prospectus (which was published on 16 December 2014), the Company was formed to acquire a company within the TMT sector.

On 7 April 2015, the Company announced that it had agreed to acquire SSWL. The consideration for the acquisition was £5.19 million, through the issue of 115,384,615 new shares. The acquisition completed on 12 May 2015 when the company also raised £2.25 million (before expenses) through the issue of 50m new shares to be used in conjunction with the Company's existing cash resources of c.£3.0 million, for the furtherance of the Company's strategy of becoming Europe's largest satellite broadband provider.

Board Changes

As a result of the acquisition, I joined the Board as CEO and Frank Waters as CFO.

Outlook

Since the period end, the underlying business has continued to grow organically adding on average 450 gross new customers per month. The loss of customers, known as "churn", has started to fall and now represents approximately 15% of the base on an annualised basis (c25% lower than telecoms industry average).

Average Revenue Per User "ARPU" has continued to grow and with the forthcoming launch of a pan European VOIP offering we would expect this to grow further as our customer base adopts this value added service.

The enlarged group's strategy is very clear – to grow subscriber numbers, through organic means and through carefully selected acquisitions, in a controlled, low-risk manner with a focus on enhancing earnings and cash generation.

SSW was involved in talks with a number of potential acquisition targets prior to the AIM flotation and continues to do so. Indeed, the float itself has led to a lot of interest from within the industry which may lead to further acquisitions that we had not previously considered. The Company intends that these initial acquisitions will be part of a wider "roll-up" strategy, which was the principal reason behind the flotation. The Directors are confident in their ability to execute this "roll-up" strategy as a result of having completed a number of acquisitions prior to and subsequent to admission to AIM. In particular, SSW has invested in and developed

a customer support platform which it already operates across 30 European countries; this multi-lingual, multi-currency billing, provisioning and support systems platform facilitates and supports efficient growth in new customers, through both organic growth and the acquisition of entire customer bases and, importantly, is designed to work in any country served by the Group's satellite operating partners.

If we are successful in the execution of our strategy, the Company intends to become the largest satellite ISP in Europe by the end of 2017 with over 100,000 customers.

Andrew Walwyn

CEO

14 August 2015

Satellite Solutions Worldwide Group plc (formerly Cleeve Capital plc)

Condensed consolidated statement of comprehensive income

Six months ended 31 May 2015 (unaudited)

	Unaudited 6 months to 31st May 2015			Unaudited 6	Audited full	
	Note	before exceptional items £	exceptional items £	Final £	months to 31st May 2014 £	year to 30th Nov 2014 £
Continuing Operations						
Revenue		3,162,763		3,162,763	2,485,452	5,452,729
Cost of goods sold		(2,433,937)		(2,433,937)	(1,808,332)	(4,028,465)
Gross Profit		728,826		728,826	677,120	1,424,264
Administration expenses	3	(954,491)	(1,733,748)	(2,688,239)	(662,781)	(1,533,021)
Depreciation		(3,670)		(3,670)	(4,066)	(15,180)
Write off of premium on listing	2	0	(1,828,490)	(1,828,490)	(13)	(137)
Operating (Loss)/Profit		(229,335)	(3,562,238)	(3,791,573)	10,261	(124,074)
Interest Payable		(2,071)		(2,071)	0	0
(Loss)/Profit before Tax		(231,406)	(3,562,238)	(3,793,644)	10,261	(124,074)

Tax on continuing Operations		0		0		0		0
(Loss)/Profit for the year		(231,406)	(3,562,238)	(3,793,644)		10,261		(124,074)
Other comprehensive income								
Foreign currency translation difference		20,467		20,467		19,764		62,487
Total Comprehensive Income		(210,939)	(3,562,238)	(3,773,177)		30,025		(61,587)
Loss per share								
from continuing operations		pence	pence	pence		pence		pence
basic	4	(0.068)	(1.156)	(1.224)		15,012		(308)
diluted		(0.068)	(1.156)	(1.224)		15,012		(308)

Satellite Solutions Worldwide Group plc (formerly Cleeve Capital plc)

Condensed consolidated statement of financial position

As at 31 May 2015 (unaudited)

	Unaudited	Unaudited	Audited
	6 months ended	6 months ended	Full Year ended
	31st May 2015	31st May 2014	31st November 2014
Non Current Assets			
Goodwill	0	663	600
Intangible assets	0	0	0
Investments	0	15,494	8,192
Property Plant and Equipment	18,047	19,843	18,785
Total Fixed Assets	18,047	36,000	27,577
Current Assets			
Inventory	51,046	42,085	115,715
Trade receivables	754,072	648,172	837,700
Cash and Cash Equivalents	5,494,926	443,409	74,798

Total Current Assets	6,300,044	1,133,666	1,028,213
Current Liabilities			
Trade Payables	(1,658,713)	(930,637)	(670,552)
Other Creditors and Accruals	(656,664)	(497,618)	(738,282)
HMRC PAYE / NI	(34,643)	(11,850)	(18,464)
HMRC VAT	(87,879)	(140,222)	(130,765)
Total Current Liabilities	(2,437,899)	(1,580,327)	(1,558,063)
Net Current Assets/(Liabilities)	3,862,145	(446,661)	(529,850)
Net Assets	3,880,192	(410,662)	(502,273)
Equity			
Share Capital	3,081,462	200	200
Share Premium	8,452,621	0	0
Share Option Reserve	270,692	0	0
Retained Earnings	(4,275,647)	(410,862)	(502,473)
Reverse acquisition reserve	(3,429,500)	0	0
Listing costs reserve	(219,436)	0	0
Total Equity	3,880,192	(410,662)	(502,273)

Satellite Solutions Worldwide Group plc (formerly Cleeve Capital plc)

Condensed consolidated Cash Flow Statement

Six Months Ended 31 May 2015 (unaudited)

	Unaudited	Unaudited	Audited
	6 months ended	6 months ended	Full Year ended
	31st May 2015	31st May 2014	31st November 2014
Cash flows from operating activities			
(Loss) / profit before tax	(3,793,644)	10,261	(124,074)
Interest net	(2,071)	0	0
Forex variance	20,467	19,764	62,487
Depreciation Charge	612	4,079	6,988
Goodwill and share options	2,145,732	0	0
Other Non Cash Items	(324,474)	(914)	136
Operating Cash Flows before movements in working Capital	(1,953,377)	33,190	(54,463)
(Increase)/Decrease in trade and other receivables	83,628	(19,651)	(210,200)
Increase/(decrease) in trade and other payables	776,631	229,143	206,879

(Increase)/Decrease in inventories	64,668	42,012	(31,618)
Cash generated from Operations	(925,245)	284,693	(89,401)
Interest paid	2,071	0	0
Tax Paid	0	0	0
Net cash (used in)/ generated from Operating Activities	(923,174)	284,693	(89,401)
Cash flows from Investing Activities			
Purchase of Assets	1,527	(2,915)	(4,734)
Purchase of investments	(5,192,308)	(15,495)	(16,385)
Proceeds from disposal of investments	0	0	8,192
Net cash used in Investing Activities	(5,190,781)	(18,410)	(12,927)
Cash flows from Financial Activities			
Proceeds from issue of ordinary shares	11,534,083	0	0
Net cash generated from Financial Activities	11,534,083	0	0
Net cash generated from continuing operations	5,420,128	266,283	(102,328)
Net increase / (decrease) in cash	5,420,128	266,283	(102,328)
Cash at beginning of year	74,798	177,126	177,126
Cash at end of period	5,494,926	443,409	74,798

Satellite Solutions Worldwide Group plc (formerly Cleeve Capital plc)

Condensed consolidated Reserves Movement

Six Months Ended 31 May 2015 (unaudited)

	Share Capital	Share Premium	Other capital reserves	Retained earnings	Total
	£	£	£	£	£
			Note 5		
At 1st December 13	200	0	0	(440,886)	(440,686)
Profit / (Loss) for the period	0	0	0	30,025	30,025
At 1st June 2014	200	0	0	(410,861)	(410,661)
Profit / (Loss) for the period	0	0	0	(91,611)	(91,611)

At 1st December 2014	200	0	0	(502,472)	(502,272)
Profit / (Loss) for the period	0	0	0	(3,773,176)	(3,773,176)
Issue of shares	3,081,262	8,452,621	0	0	11,533,883
Acquisition of Subsidiary	0	0	(3,648,936)	0	(3,648,936)
Other	0	0	270,692	1	270,693
At 31st May 2015	3,081,462	8,452,621	(3,378,244)	(4,275,647)	3,880,192

Satellite Solutions Worldwide Group plc (formerly Cleeve Capital plc)

Notes to the financial statements

Six months ended 31 May 2015 (unaudited)

1. Presentation of financial information and accounting policies

Basis of preparation

The condensed consolidated financial statements are for the six months to 31 May 2015. During the period under review Satellite Solutions Worldwide Group plc (formerly Cleeve Capital plc) completed the acquisition of Satellite Solutions Worldwide Limited. The directors determined that the transaction was akin to a reverse acquisition as per IFRS 3, Business Combinations. However, in order to fall under the category of a Business Combination under IFRS 3, the purchase needs to be of a business. The directors have determined that Cleeve Capital plc did not constitute a business. Therefore the transaction did not appear to fall under the scope of IFRS3.

In the absence of a Standard that specifically applies to this transaction the Interpretations Committee observed in their IFRIC of March 2013 that such transactions have some features of a reverse acquisition under IFRS 3. Consequently, it is appropriate to apply by analogy, in accordance with paragraphs 10–12 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and the guidance in paragraphs B19–B27 of IFRS 3 for reverse acquisitions. Application of the reverse acquisitions guidance by analogy results in the non-listed operating entity being identified as the accounting acquiror and the listed non-operating entity being identified as the accounting acquiree. The Interpretations Committee noted that in applying the reverse acquisition guidance in paragraph B20 of IFRS 3 by analogy, the accounting acquiror is deemed to have issued shares to obtain control of the acquiree. Therefore for accounting purposes SSWL should account as if it purchased SSW. However, as no business has been acquired, any difference between the fair value of the assets required and the fair value of the shares issued should not be recognised as goodwill, but should be written off to the income statement, in accordance with IFRS 3.

Therefore the results contained herein treat SSWL as the acquiring company. Therefore the historical comparatives are the comparatives of Satellite Solutions Worldwide Limited, rather than those of Cleeve Capital plc. Cleeve Capital had a 31 December year end. As part of the transaction it has changed its year end to 30 November. Therefore the year end results will be for the 14 months from 17th September 2014 to 30 November 2015. The directors have determined that the interims should be the 6 months to the 31 May 2015, as 31 May 2015 will be the interim date going forward. Therefore the current year interim contains 6 months of Satellite Solutions Worldwide Limited, and post-acquisition results of Satellite Solutions Worldwide Group (formerly Cleeve Capital plc).

The consolidated interim financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards as adopted by the European Union. Applicable Accounting Standards for these purposes are International Financial Reporting Standards (“IFRS”), as adopted by the European Union.

The interim financial information has been prepared in accordance with IAS 34 “Interim financial reporting” as adopted by the European Union.

Going concern

The directors have prepared and reviewed projected cash flows for the Group reflecting its current level of activity and anticipated future plan for the next 12 months. The Group is currently loss-making and will continue to be so for the foreseeable future, as

the Group continues to invest in the business growth strategy of rolling up similar businesses. The business continues to grow the number of users in a number of key target markets and continues to review the short-term business model of the company by which the company becomes profitable and delivers a return on the investments.

On 12th May 2015 the Group raised £2,250,000 (gross) through the issue of new ordinary shares in order to accelerate the growth strategy of SSW. Therefore The Board has concluded that no matters have come to their attention which suggest that the Group will not be able to maintain its current terms of trade with customers and suppliers. The Group's forecasts for the newly combined Group, including due consideration of the short term continued operating losses of the Group, taking account of possible changes in trading performance, indicate that the Group has sufficient cash available to continue in operational existence throughout the forecast period and beyond. As a consequence, the Board believes that the Group is well placed to manage its business risks and longer term strategic objectives, successfully. Accordingly, they continue to adopt the going concern basis in preparing these unaudited interim financial statements.

Estimates and judgments

The preparation of a condensed set of financial statements requires management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities at each period end. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

In preparing these condensed set of consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were principally the same as those applied to the Group's and Individual companies financial statements for the year ended 30th November 2014. The seasonality or cyclicity of the operations does not impact on the interim financial information.

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ('IAS') 34 - Interim Financial Reporting as adopted by the European Union. Accordingly the interim financial statements do not include all of the information or disclosures required in the annual financial statements.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Satellite Solutions Worldwide Group Plc and its controlled entities. The financial statements of controlled entities are included in the consolidated financial statements from the date control commences until the date control ceases.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All inter-company balances and transactions have been eliminated in full.

2. Acquisition

On 12 May 2015, Cleeve Capital plc acquired Satellite Solutions Worldwide Limited and subsequently changed its name to Satellite Solutions Worldwide Group plc. On a legal basis the transaction was an acquisition by SSW of SSWL. However, from an accounting and AIM Rules basis, the transaction was a reverse acquisition.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out in the table below:

	Book value	Fair value adjustments	Fair value
	£	£	£
Cash	3,364,818	0	3,364,818
Accounts Payable	-1,000	0	-1,000

	3,363,818	0	3,363,818
Equity attributable to shareholders			3,363,818
Adjustment on Acquisition			1,828,490
Total consideration			5,192,308

The transaction consideration for the acquisition was satisfied by the issue and allotment of 115,384,615 ordinary shares at 4.5p each. The difference between the total consideration and the fair value of the assets purchased was taken to the income statement and has been classified as an exceptional item. The directors believe that this value, if it had been allowable to be capitalised as a goodwill balance under IFRS, would have represented the goodwill relating to the AIM Listing of Satellite Solutions Worldwide Group plc.

Under the terms of the acquisition, the Directors entered into an agreement not to dispose of any shares for a period of 12 months following completion of the acquisition and admission of the company's shares to trading on AIM, which took place on 12 May 2015.

The acquisition of subsidiary recognised in the cash flow is in respect to the cash acquired.

3. Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount. In this regard the items included in the Condensed consolidated statement of comprehensive income relate primarily to the costs incurred in the process of the reverse takeover.

4. Loss per share

Basic loss per share is calculated by dividing the loss attributable to shareholders by the weighted average number of ordinary shares in issue during the period.

IAS 33 requires presentation of diluted EPS when a company could be called upon to issue shares that would decrease earnings per share, or increase the loss per share. For a loss-making company with outstanding share options, net loss per share would be decreased by the exercise of options. Therefore, as per IAS33:36, the antidilutive potential ordinary shares are disregarded in the calculation of diluted EPS.

Reconciliation of the profit and weighted average number of shares used in the calculation are set out below

		Weighted average	
	Loss	number of shares	Per share amount
At 31st May 2015			
Basic and Diluted EPS	£	units	Pence

Loss attributable to shareholders:

- Continuing operations -3,793,644 308,146,282 -1.23

	Loss	Weighted average Number of Shares	Per share amount
At 30th November 2014			

	£	units	Pence
Basic and Diluted EPS			

Loss attributable to shareholders:

- Continuing operations -61,587 20,000 -307.94

	Profit	Weighted average number of shares	Per share amount
At 31st May 2014			

	£	units	Pence
Basic and Diluted EPS			

Profit attributable to shareholders:

- Continuing operations 30,025 200 15012.25

5. Other capital reserves

Other Capital Reserves

	Issue Cost Reserve	Share Option	Reverse Acquisition reserve	Total
	£	£	£	£
At 1st December 13	0	0	0	0
Profit / (Loss) for the period	0	0	0	0
At 1st June 2014	0	0	0	0

Profit / (Loss) for the period	0	0	0	0
At 1st December 2014	0	0	0	0
Acquisition of Subsidiary	0	0	(3,429,500)	(3,429,500)
Issue Cost Reserve	(219,436)	0	0	(219,436)
Credit to equity for equity settled share based transactions		270,692	0	270,692
At 31st May 2015	(219,436)	270,692	(3,429,500)	(3,378,244)

6. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed within the financial statements or related notes.

7. Availability of the Half Yearly Report

A copy of these results will be made available for inspection at the Company's registered office during normal business hours on any week day. The Company's registered office is at Satellite House, 108 Churchill Road, Bicester OX26 4XD. The Company is registered in England No. 6759661.

A copy can also be downloaded from the Company's website at <https://www.satellitesolutionsworldwide.com>.