

30 August 2016

Satellite Solutions Worldwide Group

plc

**("Satellite Solutions", "SSW" or the
"Company")**

Interim Results for the six months to

31 May 2016

Satellite Solutions Worldwide Group (AIM: SAT), the global communications company specialising in rural, last-mile satellite broadband announces its unaudited interim results for the six months ended 31 May 2016.

Period Highlights

- Turnover up 78% to £5.7m (H1 2015: £3.2m)
- Like for like organic recurring revenue increased by 17% to £2.7m (H1 2015: £2.3m)
- Average revenues per user ('ARPU') increased to £40.06 from £36.16
- Improving margins - gross margins increased to 29.5% (H1 2015: 23%)
- Operational gearing - overheads as a percentage of sales reduced from 39% to 33%
- Three acquisitions in the period:
 - Acquired 860 customers in Poland in December 2015 with acquisitions of Hetan Technologies S.A. and AVC Solutions Sp. Z.o.o
 - Acquired French operator IDHD in April 2016 and opened a new business and European logistics centre in Amiens, France, accelerating consolidation of French market
- Business Growth Fund ('BGF') provided a £2 million unsecured loan note in April 2016 to continue acquisitive growth

Post Period Highlights

- Consolidation continued with three acquisitions post period end:
 - £10m cash acquisition of UK based Avonline Satellite Services Holdings Limited ('Avonline') with 9,500 customers to consolidate the UK market position
 - £6.5m cash and equity acquisition of Breiband.no A.S. ("Breiband") which is based in Norway with 13,000 customers supplied through satellite and wireless radio
 - £5.1m cash and equity acquisition of SkyMesh Pty Ltd ("SkyMesh") which is based in Australia with 28,000 customers benefitting from NBN backed subsidised roll out of satellite broadband
- BGF provided £12m funding through an unsecured loan note and unsecured 9p convertible loan note to acquire Avonline
- Repaid £2 million loan note issued by BGF in April 2016

- Placing of 201,666,666 new ordinary shares at 6p raising gross proceeds of £12.1m to fund the acquisitions of Breiband and SkyMesh, of which £2.5m was BGF follow-on investment
- Directors subscribed for 2,083,335 ordinary shares, raising £125,000
- Customers increased to 74,500 post acquisitions of Avonline, Breiband and SkyMesh
- Company moved to EBITDA positive in July 2016
- Currently on track to achieve full year expectations
- Company remains on target to achieve 100,000 customers by the end of FY2017

Andrew Walwyn, CEO of SSW, commented:

"Following the recent funding and acquisition activity we now have a profitable, cash generative foundation for organic and acquisitive growth throughout our target markets in Europe and Australasia. The Company's global customer base now stands at 74,500, an increase of 680% since prior to listing, a reflection of the progress we have made in a short time with support from BGF and many of the UK's top institutional investors.

"The Company's strategy is clear; to continue growing customer numbers, both through organic means and through carefully selected cash generative acquisitions. With the investment in core systems, infrastructure and people to support this growth, the Company has become one of the largest satellite broadband providers in the world and is firmly on course to achieve its target of 100,000 customers by the end of 2017."

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About SSW

Established in 2008, SSW offers a broad range of satellite broadband services with customers across 32 countries. SSW's solutions target B2C and B2B users, and the Company has products developed specifically for the broadcasting, Police and Military markets. SSW operates a number of brands

Europasat (Europe), Breiband (Nordics) and SkyMesh (Australia) and is now the fourth largest independent provider of satellite broadband internet services in the world.

Last year's listing on the London Stock Exchange together with the support from Business Growth Fund and the investor community this year have put the Company in an excellent position to continue strong organic growth in its subscriber base and recurring revenues as well as execute on its preferred acquisition partners. The directors of SSW believe there is a major opportunity to continue this organic growth and as appropriate consider acquisitions throughout the fragmented European satellite broadband market and further afield.

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 or fixed wireless to almost any premises, whether residential, commercial or industrial across Europe and Australia, irrespective of location or local infrastructure.

CHIEF EXECUTIVE OFFICER'S REPORT

Introduction

I am pleased to present the unaudited interim results for the six-month period ended 31 May 2016. The last nine months have been an incredibly busy period for the Company and I summarise achievements both during the six-month period and the three months since the period end.

Financial Results

During the period, the Company generated revenue of £5.7m (an increase of 78% on H1 2015) with a loss before depreciation and exceptional items of £495k (H1 2015: loss of £211k). The increased loss was a result of the Company's continued investment in systems and people to underpin the continuing growth trajectory and to ready the Company for the acquisitions post period end.

Consolidated net assets at the period end were £0.2m (H1 2015: £3.9m), including net debt of £0.5m (H1 2015 net cash: £1.5m). As outlined below, both the profit and loss and balance sheet have changed materially since the period end.

In terms of key trends against our key performance indicators we report that during the period recurring revenues continued to grow each month with net new customers added, gross margins improved to 29%, churn fell during the period to 19% and ARPU's improved from our year end as a result of improved customer base management with our systems.

Post Period End

BGF investment and Avonline acquisition

In early July 2016, the Company announced the acquisition of Avonline Broadband, the leading UK satellite broadband provider for an initial consideration of £10m. The acquisition of Avonline was transformational for the Company, increasing the customer base by approximately 9,500 and making SSW the UK's leading satellite broadband provider. Revenue per Avonline user is comparable with SSW's existing UK base, meaning anticipated turnover from Avonline of £5m in the first full year of ownership. Avonline's gross margins are approximately 33% higher than the Company's existing business, and we anticipate the first full year contribution to earnings before interest and tax from Avonline will be approximately £2.5m. The higher margin is due to a far greater proportion of Avonline's sales being direct to customer, rather than through re-sellers.

The acquisition was funded through an aggregate £12m investment from BGF via a £9.6m unsecured loan note and a further £2.4million unsecured convertible loan note, convertible at 9p per share. BGF was also granted an option to acquire 74,019,915 new Ordinary Shares at 7.5p per share. Of the £12m investment, £10m was used, in conjunction with the Company's existing cash resources, to satisfy the initial consideration for Avonline Broadband, while the balance of £2m was used to repay the £2m unsecured loan note entered into with BGF in April 2016.

Placing and acquisitions of Breiband and SkyMesh

In late July 2016, the Company also announced the acquisitions of Breiband and the operations and related assets of SkyMesh for a total consideration of £11.6 million. Both businesses provide rural

broadband solutions via satellite and fixed wireless to consumers and businesses in Norway and Australia, respectively.

The acquisitions were financed through a mix of cash and new shares being issued to the vendors and management of the companies. The Company raised £12.1m through a placing of new shares at a price of 6 pence per share in July 2016 to fund the cash element of these acquisitions and provided additional working capital to grow the business.

The consideration for Norwegian based Breiband was £6.5m. It generated £8.2m revenue and £1.1m EBITDA in 2015 from a customer base of 13,000 and continues to grow well in a high growth market. SSW proposes using Breiband as a platform to grow in the Nordics.

SkyMesh is based in Australia and was acquired for £5.1m. It generated £7.8m revenue and £0.6m EBITDA in 2015 from a customer base of 28,000. SkyMesh is benefitting from the Australian government's NBN (National Broadband Network) subsidising the roll out of satellite broadband. It is anticipated SkyMesh will deliver significant organic growth in the future and currently has a substantial waiting list of customers seeking connection.

In both instances we are delighted that management are remaining to develop the markets and expand the opportunity in each region.

BT Contract

The Company announced in January 2016 that it had signed a contract with BT to become one of the satellite broadband retail service providers for the UK Government scheme to offer subsidised satellite broadband to homes and businesses with internet connections of less than 2 Mb. This subsidised roll out is in addition to the Government's Broadband Delivery UK ("BDUK") initiative in England, Scotland and Northern Ireland, which is focused on delivering superfast broadband coverage to 95 per cent of the UK by 2017. Independent of its relationship with BT, SSW is involved in a similar scheme in Wales, organised by the Welsh Government, where a variety of satellite tariffs are available, allowing users that opts for the Company's 30 Mb service to claim subsidies of up to £800 to cover the cost of the equipment, installation and connection. There have been some well publicised challenges when the BDUK grant scheme was first launched. Feedback from the customer was that the process was difficult and confusing. All the stakeholders involved took this on board and the process is now clearer, more streamlined and better publicised and we're starting to really see some traction.

Outlook

Since the period end, the underlying business has continued to grow organically, adding on average 550 gross new customers per month. The loss of existing customers, known as 'churn', is now falling in line with expectations and represents around 19% of the customer base on an annualised basis. This equates to approximately 320 customers per month. The Company is therefore currently adding net new customers monthly, averaging 200 plus per month since period end. ARPU has continued to grow and, following the forthcoming launch of our pan European VOIP offering, we would expect this to grow further as our customer base adopts this value added service.

The Company's global customer base now stands at 74,500, an increase of 680% since prior to being admitted to trading on AIM, a reflection of the progress we have made in a short time. SSW moved to EBITDA positive in July 2016 and is currently on track to achieve full year expectations.

The Company's strategy is clear; to grow customer numbers, through organic means and through carefully selected acquisitions, with a focus on enhancing earnings and cash generation. Following the recent fundraises and acquisitions of Avonline, Breiband, SkyMesh the Company is now in a very strong position financially and logistically to take advantage of predicted organic growth in these markets. With the investment in core systems, infrastructure and people to support this growth, the Company has become one of the largest satellite broadband providers in the world and is firmly on target to achieve its target of 100,000 customers by the end of 2017."

Andrew Walwyn CEO
30 August 2016

Satellite Solutions Worldwide

Group plc

Condensed consolidated statement of

comprehensive income

Six months ended 31 May 2016 (unaudited)

	Unaudited 6 months to 31st May 2016			Unaudited 6 months to 31st May 2015			Audited 15 months to 30th November 2015		
	Before Except ional Items	Except ional Items	Final	Before Except ional Items	Except ional Items	Final	Before Except ional Items	Except ional Items	Final
	Note	£	£	£	£	£	£	£	£
Continuing Operations									
Revenue	5,708,956	0	5,708,956	3,162,763	0	3,162,763	7,439,554	0	7,439,554
Cost of goods sold	-4,022,384	0	-4,022,384	-2,433,937	0	-2,433,937	-5,621,998	0	-5,621,998
Gross Profit	1,686,572	0	1,686,572	728,826	0	728,826	1,817,556	0	1,817,556
Administration expenses	-2,182,492	0	-2,182,492	-954,491	0	-954,491	-2,588,252	0	-2,588,252
Earnings Before DA and Exceptionals	-495,920	0	-495,920	-225,665	0	-225,665	-770,696	0	-770,696
Depreciation and amortisation	-708,661	0	-708,661	-3,670	0	-3,670	-	0	-

tion								253,519		253,519
Write off of premium on listing	2	0	0	0	0	1,828,490	1,828,490	0	2,138,529	2,138,529
Acquisition and Funding costs	2	0	438,029	438,029	0	1,733,748	1,733,748	0	2,569,337	2,569,337
Share Based Payments	2	0	252,746	252,746	0	0	0	0	278,692	278,692
Operating (Loss)/Profit		1,204,581	690,775	1,895,356	229,335	3,562,238	3,791,573	1,024,215	4,986,558	6,010,773
Interest Payable		-16,827	0	-16,827	-2,071	0	-2,071	-526	0	-526
(Loss)/Profit before Tax		-1,221,408	-690,775	-1,912,183	-231,406	-3,562,238	-3,793,644	-1,024,741	-4,986,558	-6,011,299
Tax on continuing Operations		0	0	0	0	0	0	0	0	0
(Loss)/Profit for the year		-1,221,408	-690,775	-1,912,183	-231,406	-3,562,238	-3,793,644	-1,024,741	-4,986,558	-6,011,299
Other comprehensive income										
Foreign currency translation		-4,619	0	-4,619	20,467	0	20,467	178,65	0	178,654

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Total
Compreh
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Income

-	-	-	-	-	-	-	-	-	-
1,226,027	690,775	1,916,802	210,939	3,562,238	3,773,177	846,087	4,986,558	5,832,645	

Loss per
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basic

3 -0.40 -0.22 -0.62 -0.07 -1.16 -1.22 -0.33 -1.62 -1.95

diluted

-0.40 -0.22 -0.62 -0.07 -1.16 -1.22 -0.33 -1.62 -1.95

Condensed consolidated

statement of financial

position

**As at 31 May 2016
(unaudited)**

	Unaudited 6 months ended 31st May 2016	Unaudited 6 months ended 31st May 2015	Audited Full Year ended 30th November 2015
Non Current Assets			
Goodwill	2,942,222	0	2,316,903
Intangible assets	1,660,941	0	2,136,534
Investments	52,345	0	52,345
Property Plant and Equipment	328,418	18,047	271,481
Total Fixed Assets	4,983,926	18,047	4,777,263
Current Assets			
Inventory	254,290	51,046	252,927
Trade receivables and other debtors	1,821,863	754,072	1,204,716
Cash and Cash Equivalents	1,502,073	5,494,926	1,671,049
Total Current Assets	3,578,227	6,300,044	3,128,692
Current Liabilities			
Trade Payables	-2,224,215	-1,658,713	-1,323,455
Other Creditors and Accruals	-1,753,913	-656,664	-1,783,302
Payroll taxes	-178,353	-34,643	-175,362
VAT	-245,682	-87,879	-321,914
Total Current Liabilities	-4,402,163	-2,437,899	-3,604,033
Net Current Assets/(Liabilities)	-823,936	3,862,145	-475,341
Non Current Liabilities			
Other payables	-1,505,477	0	-1,581,139
Loan	-2,000,000	0	0
Deferred taxation	-465,527	0	-465,527
Total Non Current Liabilities	-3,971,004	0	-2,046,666
Net Assets	188,986	3,880,192	2,255,256
Equity			
Share Capital	3,081,462	3,081,462	3,081,462
Share Premium	4,414,159	4,414,159	4,414,159
Share Option Reserve	400,785	270,692	148,039

Foreign Exchange translation reserve	-390,261	0	11,953
Reverse acquisition reserve	-3,317,068	-3,429,500	-3,317,068
Listing costs reserve	-219,436	-219,436	-219,436
Merger Relief Reserve	4,471,155	4,038,462	4,471,155
Retained Earnings	-8,251,810	-4,275,647	-6,335,008
Total Equity	188,986	3,880,192	2,255,256

Condensed consolidated Cash

Flow Statement

Six Months Ended 31 May 2016
(unaudited)

	Unaudited 6 months ended 31st May 2016	Unaudited 6 months ended 31st May 2015	Audited Full Year ended 30th November 2015
Cash flows from operating activities			
(Loss) / profit before tax	-1,912,183	-3,793,644	-6,011,299
Interest net	16,827	-2,071	596
Forex variance	-4,619	20,467	99,000
Amortisation and impairment of intangible assets	619,823	0	200,344
Share Based payments	252,746	0	148,000
Depreciation of fixed assets	88,838	612	53,175
Goodwill and share options	0	2,145,732	0
Listing costs	0	0	-219,000
Other Non Cash Items	-121,531	-324,474	0
Operating Cash Flows before movements in working Capital	-1,060,099	-1,953,378	-5,729,184
(Increase)/Decrease in trade and other receivables	-520,559	83,629	-10,000
Increase/(decrease) in trade and other payables	-351,758	879,836	1,112,000
(Increase)/Decrease in inventories	-62,696	64,668	69,000
Cash generated from Operations	-1,995,112	-925,245	-4,558,184
Interest paid	-16,827	2,071	-596
Tax Paid	0	0	0
Net cash (used in)/ generated from Operating Activities	-2,011,939	-923,174	-4,558,780
Cash flows from Investing Activities			
Purchase of Assets	-157,037	1,527	-66,000
Purchase of intangibles	0	-5,192,308	-2,329,000
Purchase of investments	0	0	-53,000
Adjustment on acquisition	0	0	2,261,000
Net cash used in Investing	-157,037	-5,190,781	-187,000

Activities

Cash flows from Financial Activities

Proceeds from issue of ordinary shares	0	11,534,083	6,342,000
Proceeds from loan	2,000,000	0	0
Net cash generated from Financial Activities	2,000,000	11,534,083	6,342,000
Net cash generated from continuing operations	-168,976	5,420,128	1,596,220
Net increase / (decrease) in cash	-168,976	5,420,128	1,596,220
Cash at beginning of year	1,671,049	74,798	74,798
Cash at end of period	1,502,073	5,494,926	1,671,018

Condensed consolidated Reserves**Movement****Six Months Ended 31 May 2016
(unaudited)**

	Share Capital	Share Premium	Share Option Reserve	Foreign Exchange Reserve	Reverse Acquisition Reserve	Listing Cost Reserve
	£	£	£	£	£	£
At 1st December 2014	200	0	0	0	0	0
Profit / (Loss) for the period	0	0	0	0	0	0
Issue of shares	3,081,262	4,414,159	0	0	0	0
Acquisition of Subsidiary	0	0	0	0	-3,429,500	-219,436
Equity settled share based payments	0	0	270,692	0	0	0
Other Comprehensive Income	0	0	0	0	0	0
At 31st May 2015	3,081,462	4,414,159	270,692	0	-3,429,500	-219,436
Profit / (Loss) for the period	0	0	0	0	0	0
Issue of shares	0	0	0	0	0	0
Acquisition of Subsidiary	0	0	0	0	0	0
Equity settled share based payments	0	0	-122,653	0	112,432	0
Other Comprehensive Income	0	0	0	11,953	0	0
At 30th November 2015	3,081,462	4,414,159	148,039	11,953	-3,317,068	-219,436

Profit / (Loss) for the period	0	0	0	0	0	0
Issue of shares	0	0	0	0	0	0
Acquisition of Subsidiary	0	0	0	0	0	0
Equity settled share based payments	0	0	252,746	0	0	0
Other Comprehensive Income	0	0	0	-402,214	0	0
At 31st May 2016	3,081,462	4,414,159	400,785	-390,261	-3,317,068	-219,436

Satellite Solutions Worldwide Group plc

Notes to the financial statements

Six months ended 31 May 2016 (unaudited)

1.

Presentation of financial information and accounting policies

es basis of preparation

The condensed consolidated financial statements are for the six months to 31 May 2016.

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 Company reflecting its current level of activity and anticipated future plan for the next 12 months.

The Company is currently profit making and will continue to be so for the foreseeable future. The Company 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.

During the first half of 2016 and more recently the Company raised substantial funds through the issue of unsecured loan notes to BGF and new equity from investors and Directors 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 Company will not be able to maintain its current terms of trade with customers and suppliers. The Company's forecasts for the newly combined Company, including due consideration of the short term continued operating losses of the Company, taking account of possible changes in trading performance, indicate that the Company has sufficient cash available to continue in operational existence throughout the forecast period and beyond. As a consequence, the Board believes that the Company 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 Company's accounting policies and the key sources of estimation uncertainty were principally the same as those applied to the Company's and Individual companies financial statements for the year ended 30th November 2015. The seasonality or cyclical nature 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. 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 raising the BGF funding as well as costs from professional advisers associated with fundraising activities and the Company's acquisition strategy.

3. 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
At 30 November 2015	Loss	number of shares	per share amount
Basic and Diluted EPS	£	units	Pence
Loss attributable to shareholders:			
-Continuing operations	- 6,011,299	308,146,282	-1.95
At 31st May 2016	Loss	number of shares	per share amount
Basic and Diluted EPS	£	units	Pence

Loss attributable to
shareholders:

-Continuing operations	- 1,912,183	308,146,282	-0.62
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4. 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.

5. Post balance sheet events

Post Balance Sheet events comprise the funding support from BGF as well as Top UK institutions and Individuals as outlined above and the successful acquisition of Avonline, Breiband and SkyMesh.

6. 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>.

Dissemination of a Regulatory Announcement that contains inside information according to REGULATION (EU) No 596/2014 (MAR)