annual report & accounts 2016

crimsontide

mpro5

www.mpro5.com

‘We trust mpro5 and believe it is the way forward for our business.’

‘mpro5 has become one of our standard audit solutions.’

‘mpro5 gives our customers a better experience as rather than filling out forms everything is done through mpro5.’

‘mpro5 enables our management team to really see what’s happening within the business, thereby enabling us to deliver an improved service to our clients’.

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2016 highlights

Barrie Whipp, Executive Chairman of Crimson Tide, commented:

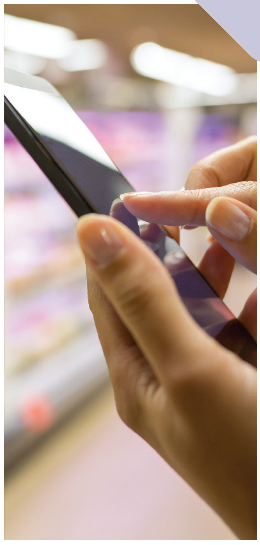
We have had a tremendous year, with progress in all areas of the business. Perhaps the most exciting thing is that we have invested, and will continue to invest in our expansion activities, which are being financed by our existing profitability and cash. The Directors are convinced that the future success of the Company will exceed their previous expectations, both domestically and internationally.

Financial Highlights

- Profit Before Tax increased by over 100 per cent. for the year to £352k (2015: £168k)
- Turnover up 33% to £1.86m (2015: £1.40m)
- Contracted revenue and other KPIs again at record levels

Operational Highlights

- mpro5 in use in over 100,000 locations
- Further expansion into healthcare and medicine
- Progress made in new overseas markets



contents

Chairman's Statement

Barrie Whipp
Executive Chairman
31 May 2017

2016 was a great year for Crimson Tide

Crimson Tide performed extremely well in 2016 across all areas of the business and I am delighted to report on this period and the future plans for the Company.

2016 was the 20th anniversary of Crimson Tide's formation and saw the 10th anniversary of our flotation on the AiM market of The London Stock Exchange.

We recorded another doubling of profitability at the pre-tax level and continued to generate cash, as well as increasing our contracted revenues substantially. Our financial model continues to transition towards a greater focus on enterprise level agreements rather than smaller subscriber based transactions and, as such, our client base now includes a greater number of companies and organisations of substantial scale.

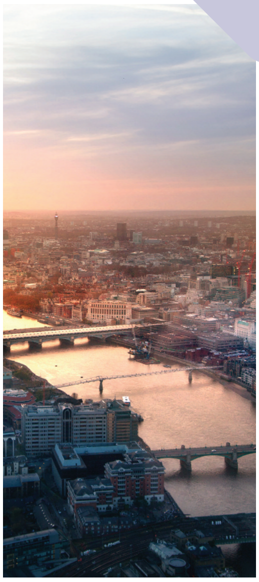
The Company's signature solution, mpro5, is now employed in over 100,000 individual locations in the UK & Ireland to deliver an increasingly wide array of end solutions. The ability to adapt the system to meet the specific needs of any mobile workforce is enabling us to sell it both into new customers and also to increase the subscriber base in existing customers and is the reason why mpro5 is now commonly used in supermarkets, retail outlets, pubs and hotels as well as the London Underground. It is becoming increasingly well known in the facilities management, logistics, retail operations and property industries as it continues to be deployed more widely. A relevant case study is where a customer in commercial cleaning that first entered into a subscription agreement with us over seven years ago has been acquired by one of the largest fm companies in the country. mpro5 is now used by the larger group in compliance auditing, proof of presence and incident capture and alerting.

One area that I would like to highlight this year is the advances that we have made in the fields of healthcare and medicine. Crimson Tide has a strong history in this field having first developed a solution to improve the recording of data from patients with haemophilia, an area where it is still making a real difference today. Since then it has been adapted to meet the various clinical needs of a disparate range of end users, including:

- Giving people with autism an application to help emergency services understand their needs
- Tracking the use of new medicines for a major US pharma company
- Verifying serialised medicines in the Philippines for APEC
- Seeking counterfeit drugs in Tanzania for one of the world's most significant health organisations
- Tracking prosthetics around hospitals for a division of a major US headquartered medical company

We are committed to helping organisations to ensure that end users are receiving the medicines they need and protecting them from potentially harmful products. Coupled with our use of mpro5 drug trial data capture, we are becoming well known as a provider of innovative solutions in this burgeoning, and very rewarding field. I am proud to say that we have staff members who are committed to this field not just for commercial reasons but for very human ones.

Technically, the decision was taken to upgrade the mobile application element of mpro5 during the year and much progress has been made on our path to converting the application to one of the most modern, scalable and flexible mobile platforms. Angular 2.0 is one of the most exciting platforms available and builds upon five years of mobile app framework development, allowing us to utilise the most up to date developments in web components. The use of Angular and the ionic mobile framework will give us greater speed and improved operability, coupled with a much better look and feel for the user. In short, the new mpro5 app will be faster, more powerful and aesthetically better than anything we have produced to date. It will also allow us to consolidate other mpro applications which were built on the



Windows embedded platform for specific users. The new Angular/Ionic version of mpro5 should be released to users in Q2, 2017.

We have also made strides with our Internet of Things (IoT) strategy and are currently focusing on temperature control, both at the handheld level (Bluetooth probes), and the room level (wall sensors). The tracking of temperature, and later humidity, will become an increasingly important tool across many industries and particularly in the medical and healthcare fields and Crimson Tide is well placed to meet demand.

Given the excellent progress made during the year to date, the stable platform which has been built and the strong pipeline of opportunities, the Board took the decision, in the second half of the year, to invest appropriately in the next stage of the Company's growth.

Whilst international expansion can present challenges, we decided to be quite tactical in our investments. Specifically, we are making strides in our relationship with Vodafone in Ireland and have employed a Business Development Executive in The Netherlands, who is building an increasing pipeline of European sales opportunities. We also recently signed a partnership agreement with Mobilise IT in Melbourne, Australia and have developed a strong relationship with Rx360, an international pharma consortium in the United States focused on patient safety. RX 360 members include many of the largest pharma companies in the world, and at their annual conference in Washington DC, I was struck by how many uses there are for mpro5 in this arena. Finally, in Dubai, we have entered into an agreement with British Centres for Business, an organisation developed by the Department for International Trade. Our early experiences across these geographies are demonstrating that the opportunities for mpro5 are abundant, and we hope to be in a position to provide an update on our international operations in the near future.

We started to absorb some of the costs of our expansion strategy at the end of 2016. Staff count increased from 14 to 26 and we are in the process of enhancing our legal agreements, further protecting our IP and moving to larger premises. Meanwhile, our investment in marketing continues to grow. These investments, whilst having an impact upon our financial results for 2016, position the Company well to take advantage of significant growth opportunities where markets are perfectly suited to adopting our mpro5 service. The Company has a strong balance sheet, underpinned by our cash balance as well as the support of NatWest and Lombard.

The majority of the increased expenditure will be incurred in this current financial year and will therefore impact the bottom line performance of the group for 2017. However, the Board is firmly of the opinion that these measures will enable us to scale significantly in the coming years. In summary, the Company has performed very well in its home markets for a number of years now and it is time for us to leverage the power of mpro5 in wider geographies.

Finally, the success of Crimson Tide is in our people. As part of our 20th anniversary celebrations we presented long term service pins to around half of the staff who have served the Company faithfully for many years. The new members have added to our team ethic and the group is excited, particularly with our new software and expansion plans. I was delighted to appoint Luke Jeffrey, our Technical Director, to the position of Deputy CEO during the year. This appointment ensures stability in our existing operation whilst allowing us to pursue our growth plans.

I should also like to take this opportunity to thank our shareholders, bankers and advisers for their counsel and support.

2016 was a great year for Crimson Tide. I am delighted with our progress and firmly believe that the decision to accelerate and take advantage of opportunities in front of us will prove to be an excellent one. The Directors look forward with great confidence.

Our success lies in our three core values

Partnership • Teamwork •Dynamism

Partnership

We value all our equal partnerships with all our customers, partners and suppliers.
We are committed to achieving mutual success.

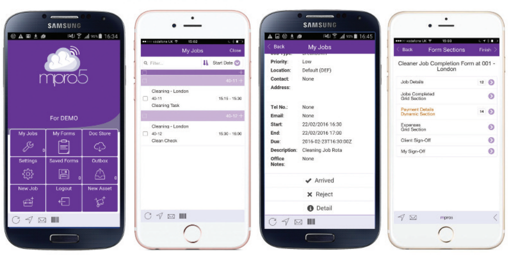
Facilities Management: our stories in enabling FM companies to work smarter is one we are very proud of and have put our focus on in 2016. The FM world is a complex one. Offering numerous services, such as cleaning, maintenance, security, catering, building and grounds management, mpro5 gives the freedom of information collection at source. Synchronised via the cloud, this big data can be analysed and viewed as the specific management teams require. It's no surprise therefore that the FM world is focussing on harnessing innovative technologies to help them save time, money and provide improved customer service by having information readily to hand, that enables management to make business critical decisions. Our increase in subscriptions within companies such as Interserve, Compass Group and NIC Group provide evidence of this. We've also joined forces with the British Institute for Facilities Management (BIFM), giving us the opportunity to further increase our market share in this vertical.

BIFM CORPORATE MEMBER

Retail: our retail stories continue to develop as we prepare these annual accounts. Major UK and National retailers have great responsibilities in ensuring their stores are clean and safe. Herein lies the transition from FM into retail. The danger lies in incidents which do occur from time to time. Through effective incident capture, mpro5 offers retailers the information required for investigations of insurance claims and providing evidence in the defence of (potential) fraudulent claims. This has already saved two of our retail customers A LOT of money.

Healthcare: this vertical is quite important to us as mpro5 offers a wide ranging scope of healthcare services; from improving patient care, to empowering patients by helping them manage their conditions, to assisting global pharmaceutical conglomerates in drug serialisation verification, to remote on the ground pharma product data validation, to world health organisation testing of Ebola samples.

These are just a few examples of how innovative technology platforms - such as mpro5 - can make huge impacts across the globe.



Teamwork

We are proud of our experienced, motivated and dedicated Crimson Tide family. We take pride in our work and serve our customers with integrity and skill.

With our head office based in a town where 33% of people work in the 'knowledge economy'* we believe combining talented university graduates ready to make their mark in the workplace with experienced and dedicated professionals gives us a competitive advantage.

We believe in having fun: Our weekly feature 'beat the intro' will challenge even the most knowledgeable music fan.

We believe in supporting charities: We are proud to have supported two national charities last year;

HOSPICE IN THE WEALD

Raising valuable funds towards a new development in Kent at our 20th anniversary celebration during a 'Day at the Races' at Lingfield Park in June.

JEANS FOR GENES DAY

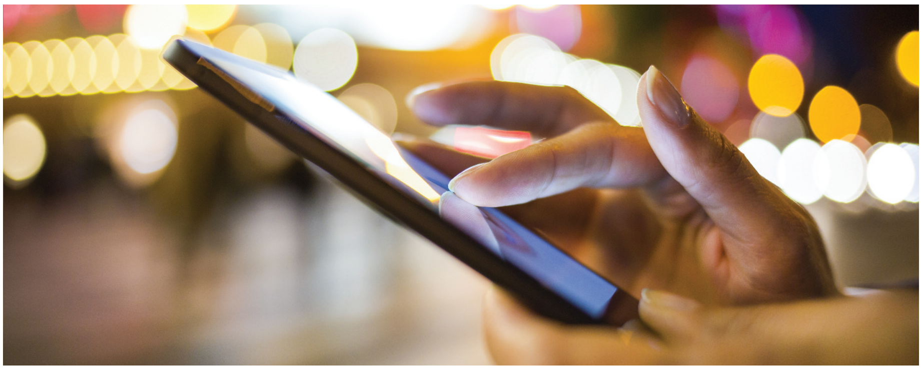
Several staff members came to work wearing jeans and made a contribution to this national charity, supporting research into genetic disorders.

*Based on an Office for National Statistics (ONS) report Oct 2016

Dynamism

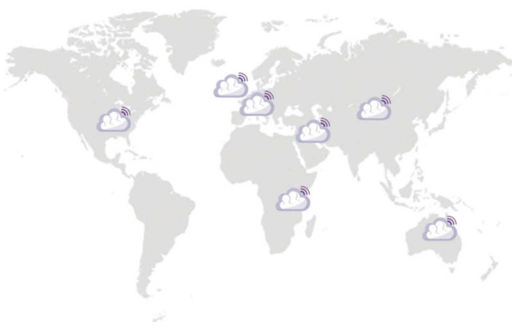
We embrace change with energy and enthusiasm. We seek to always grow in knowledge, in order to benefit our customers and our partners.

"We have continued to win profitable, cash generative business with high levels of visible, recurring revenue from major organisations. These contracts provide a very stable platform from which to continue to grow the business but also excellent reference sites for attracting new customers, which is always a key challenge for smaller companies. Our team has doubled in number in 18 months and we expect our results to show a doubling of profits for the second year in a row. This gives us the resources and confidence for sound strategic investments which will enable us to drive the business forward aggressively in 2017 and beyond. The Board is very confident for the future."



Where are we today

What next?



Incorporating IoT, Big Data analytics, and more...

Operating & Financial Review

Steve Goodwin
Finance Director
31 May 2017

THE BRITISH ASSESSMENT BUREAU ISO27001

I am very pleased to comment on our results for the year to 31 December 2016 and review our operations during this period.

Operating Review

We started the year on a very positive note following the earlier than expected full rollout of the Company's mpro5 solution with one of the country's leading supermarket retailers. The year ended in a similar positive manner with a sooner than expected further deployment with another large supermarket retailer following their successful pilot. On both occasions the Crimson Tide team were able to quickly install the solution so that in total, nearly 900 stores are now profiting from its mpro5 service to ensure store safety, cleanliness and security. Other benefits include incident capture as well as providing dynamic audits and bespoke management dashboards to improve efficiency and productivity.

These and other contracts secured during the year, are typically for terms of three or more years. This provides excellent revenue visibility for 2017 and beyond. Furthermore, we remain very pleased with our contract renewal rate with many of our older customers renewing their initial agreements, signing up for extended terms, and often adding more users at the same time. In effect, once operational, our mpro5 solution forms an integral part of our customers' business processes. You will have read in the Chairman's statement the technical advances we made during the year and we continue to make. As we enhance and develop additional functionality, our customers continue to gain from using a leading mobility solution which we are adapting to their ever increasing requirements.

It is important to stress that these developments are taking place within a highly controlled operational environment. Early in 2016, we achieved the internationally recognised ISO 27001 certification which demonstrates the Company's commitment to customer service, quality in delivery and its commitment to continuous improvement. ISO 27001 is designed to help establish and maintain an effective information management system and security of information, using a continual improvement approach.

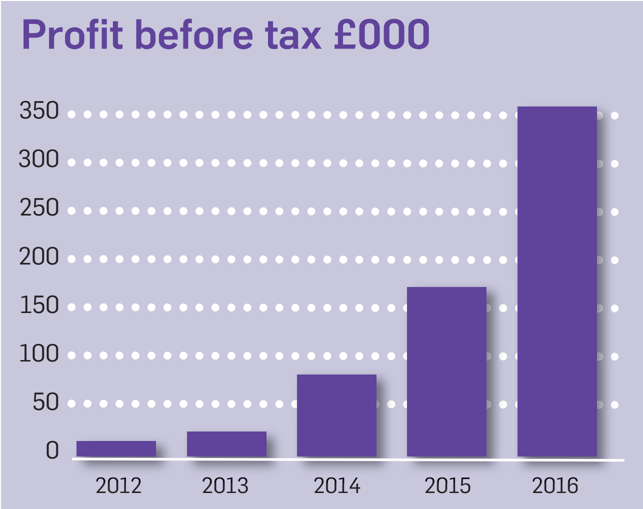
These principles particularly resonate in the healthcare and pharma industries. During the year the Company renewed an agreement to provide patients with hereditary coagulation disorders with a solution to manage their use of prescribed pharmaceutical products. The Company believes revenues from these markets will continue to increase as it progresses a number of pilot projects and significant related opportunities for mpro5.

These and many other positive developments, together with the strong performance of the business over the year, give the Board the confidence to continue to invest in further growth and accelerate plans to expand geographically. Over the course of 2016, headcount has been increased to enable this expansion to take place while ensuring no detrimental effect on the underlying operations. There is no doubting the considerable market opportunity for our proven mpro5 mobility solution. An upgraded sales and marketing team has already started to validate opportunities outside the UK and Ireland. Whilst this and other growth related investment has increased the cost base, the Board firmly believes that the responsible course is to accelerate these activities to generate higher revenues and greater returns for shareholders.

Financial Review

Turnover for the twelve months to 31 December 2016 totalled £1.86m, an increase of 33% on the same period in 2015 (2015: £1.40m). Gross profit margin remains over 91% and our operating margin before depreciation, amortisation and interest of 37%, up from 31% in 2015, reflects our high operational gearing.

After depreciation, amortisation and interest costs, the Group achieved a profit before tax of £352k, more than double the previous year (2015: £168k) which in turn was double the previous year.



Crimson Tide's balance sheet has improved significantly following the capital reconstruction in February 2016 referred to financial statements below. The Company now has positive retained earnings to allow it to, if appropriate, pay dividends in the future. Shareholders also approved future share buy-backs, again if thought by the Directors to be appropriate. Positive cashflows generated since the year end, have further improved the position.

Future Prospects

The Chairman's statement gives an excellent picture of the outlook for the business over the short to medium term. We are most certainly at a very exciting stage of Crimson Tide's development. We have an established track record with our shareholders and an excellent reputation for providing a quality solution to our customers. We continue to work hard on behalf of both to ensure our success is maintained.

Marketing Update

2016 Marketing investment wielding desired results

2016 has been a year of putting solid marketing foundations in place. We now have a clearly defined marketing operational strategy, which falls in line with the tactical business plan. This focuses on vertical marketing as opposed to channel marketing. The decision to focus on the Facilities Management sector enables us to promote our existing customer stories, raising awareness of mpro5 across social media platforms, providing more engagement and ultimately, expanding our market share in this vertical.

Through closer collaboration with the sales teams we now have a new business development process in place. This process directly links marketing activity to inside sales, thereby ensuring timely and accurate follow up to produce opportunities. The benefits of having a clearly defined process, gives us the opportunity to replicate these activities across further verticals in future.

Our new business development process has already produced some pretty impressive results:

- 5,000 new leads identified and uploaded to our CRM system
- 34,000 targeted emails sent to prospects and customers
- 38 new opportunities worth over £1m total business, to be closed in the next 12-18 months
- 29 meetings booked.

This success is fully supported through ongoing marketing fundamentals:

- **Branding:** achieve a consistent and modern look and feel across all areas of visibility; both online and offline
- **Marketing Communications:** relevant content to clearly identified audiences
- **Social Media Marketing:** more than simply blogging; continuous analytics of social activity to tweak content to perfection and improve website visitor experience
- **Event Marketing:** raise awareness of mpro5 at an increased number of sector tradeshows and seminars
- **Client Nurturing:** ensure regular engaging communication to existing clients
- **Marketing Collateral Base:** stock high quality giveaways, ensure standard quality online collateral
- **Marketing Analytics:** through activity tracking in our CRM we are directly able to identify the success of our new business development process
- **International:** providing quality content and tender materials to relevant international organisations.

worth over £1m total business, to be closed in the next 12-18 months.

Our marketing messages:

1. Our business: Crimson Tide

For more than 13 years, Crimson Tide has been at the forefront of mobile technology, helping ambitious companies to transform and strengthen their global workforces.

Founded by Barrie Whipp in 1996, Crimson Tide's primary focus was in CRM and telecoms software solutions. Using the experience built up over that period, Crimson Tide went on to develop mpro5, a mobile solution that transforms the way businesses manage their out of office workforce. mpro5 is now the focus of the business, and is constantly adapting and innovating to meet the pressing needs of the increasingly mobile workforce.

We're proud to be leaders in enterprise mobility solutions. We know our customers have busy lives and we strive to keep everything we do, smart and simple; from the software we use, to our straightforward price plan. Industries as diverse as healthcare providers, logistics companies and facilities management organisations have all seen efficiency, productivity and customer satisfaction improve with the help of mpro5.

On 22nd August 2006 Crimson Tide plc (UK:TIDE) floated on the AiM market of the London Stock Exchange by way of a reverse takeover of A. Cohen & Co. Plc. Crimson Tide is a public limited company.

Having achieved ISO27001 further validates our mission in providing excellent service reliability and process controls means lower costs for customers.

We were delighted to celebrate our double anniversary this year: 20 years of Crimson Tide and 10 years of being an AiM listed company. Here's to 20 more!

2. Our solution: mpro5

mpro5 is a mobility platform – it's not just another app. mpro5 improves business efficiency by providing out of office staff with the tools they need to complete their jobs. Detailed tasks are scheduled from the mpro5 website, then pushed to a device. Paperwork, signed authorisations, photographic evidence, geo location tagging, etc. can all be carried out and recorded and stored remotely. Via in-range instantaneous cloud synchronisation by Microsoft Azure, real time reports can be generated and shared for auditing purposes. Additional functionality such as automatic alerts, predefined notifications and integration to 3rd party solutions are all included.

Our mpro5 mobility platform is available on a monthly subscription service and includes full support; commencing at initial business process definition, through implementation, to post purchase, therefore ensuring all required workflow processes are replicated in our solution. Finally, any physical device requirements can be rolled into the monthly subscription.

These foundations and early successes will enable us to replicate this activity in 2017 across a further vertical, namely retail. Additionally we will use this process to expand globally, including EMEA, UAE, US and Australia.

Board of Directors

Barrie Reginald John Whipp (56)

Executive Chairman and CEO

Barrie founded Crimson Tide in 1996 and he formulated the ideas behind the Group's mobile data solutions in 2003. He is responsible for setting the Group's vision and strategy as well as setting goals and targets for the business. In September 2013, Barrie took on the role of CEO, responsible for the day to day management of the Group. After an early career in finance and business administration with Dowell Schlumberger S.A. and UDS Group plc, Barrie joined Tiphook plc where he founded the financial services arm in 1986. He became Group Managing Director of IAF Group plc, which was admitted to the Official List in April 1994. He has served as a non-executive Director of pump distributor Wills Group plc as well as a number of private companies. Barrie is currently a non-executive Director of Wey Education plc.

Stephen Keith Goodwin (58)

Finance Director and Company Secretary

Steve served as Crimson Tide's Chief Executive from April 2004 to August 2013 and is now the Group's Finance Director responsible for all financial matters. Steve is a Certified Accountant with 25 years' experience at Board level. After training as an accountant working for Shell International, he joined Tiphook plc in 1988 where he became Group Financial Controller and later Finance Director of the trailer division. In 1994 Steve was appointed Managing Director of the rail division and in 1996 led the management team in a £30m management buyout. The business was sold two years later to GE Capital where he stayed on as Managing Director of GE's European rail business and gained further experience in negotiating and integrating acquisitions.

Luke Anthony Jeffrey (34)

Deputy Chief Executive and Technical Director

Luke joined Crimson Tide from university in July 2005 having achieved a Masters in Advanced Computing Science and has been regularly promoted since. He has made an invaluable contribution to the development of our mobility solutions and been fully involved in many other software developments delivered to customers. Luke joined the Board in July 2012 as Technical Director and is responsible for the continuing evolution and implementation of our software products and services. In December 2016, Luke was promoted to Deputy Chief Executive.

Samuel John Roberts (42)

Sales & Marketing Director

Sam joined the Company in February 2015 from Samsung, where he worked as Account Director, Mass Merchants. He previously worked for RIM (BlackBerry) as a Senior Commercial Manager and worked for Crimson Tide in a sales role earlier in his career. Sam is responsible for leading the sales drive to meet Company targets for retention, growth and profitability.

Graham Basil Ashley (70)

Non-Executive Director

Graham has over 40 years' experience in stockbroking and corporate finance and was a founding Director and shareholder of stockbrokers Greig Middleton Holdings Limited. Graham has advised on acquisitions and disposals and fund-raisings across a wide range of sectors and industries. Graham became a Non-Executive Director of Crimson Tide Limited in April 2004. Graham was appointed as a Director of A. Cohen & Co. Plc on 20 October 2004 and was Chairman from February 2005 until the reverse acquisition of Crimson Tide Limited in August 2006. Graham is Chairman of the Audit Committee.

Robert Kenneth Todd (51)

Non-Executive Director

Robert was appointed a Director of the Company in March 2015. He founded Todd Meat Trading Co Ltd in 1989 and is a Director of that Company and a Director of United Foods Direct Limited since 2012. Robert is Chairman of the Remuneration Committee.

Directors' Report

The Directors present their report and the audited financial statements of the Group for the year ended 31 December 2016.

Principal Activities

The principal activity of the Group during the period was the provision of mobility solutions and related software development. The principal activity of the Company was to provide management and support to other Group companies.

Results and Dividends

The trading results for the year ended 31 December 2016 and the Group's financial position at the end of the financial period are shown in the attached financial statements. The statements have been prepared under International Financial Reporting Standards ("IFRS").

Turnover for the year ended 31 December 2016 was £1,859,620 (2015: £1,401,905) and the total profit for the period before taxation was £351,991 (2015: £168,342). The Directors do not recommend payment of a final dividend.

Directors

The following Directors have held office during the year:

Name	Position
B R J Whipp	Executive Chairman and CEO
S K Goodwin	Finance Director and Company Secretary
L A Jeffrey	Deputy Chief Executive and Technical Director
S J Roberts	Sales and Marketing Director
G B Ashley	Non-Executive Director
R K Todd	Non-Executive Director

Directors' Interests in Shares

Directors' interests in the share capital of the Company, including family and pension scheme interests, were as follows:

	Ordinary shares of £0.01 each	
Director	**31 December 2016**	31 December 2015
B R J Whipp	102,710,132	102,710,132
S K Goodwin*	30,611,484	25,611,484
G B Ashley	18,354,718	18,354,718
R K Todd**	8,450,000	8,450,000
L A Jeffrey	1,061,890	63,660

* Mr. Goodwin also had an interest as a trustee in 9,150,000 Ordinary Shares of 0.1p each as at 31 December 2016 and 31 December 2015.

** Mr. Todd's shareholding includes shares held in the Todd Meat Pension Fund of which Mr Todd is a beneficiary.

Directors' interests in the share options, issued under the Group's Enterprise Management Incentive Scheme, were as follows:

	Number of Share options	
Director	**31 December 2016**	31 December 2015
S K Goodwin	2,500,000	7,500,000
L A Jeffrey	2,000,000	3,000,000

Directors' interests in unapproved share options were as follows:

	Number of Share Options	
Director	**31 December 2016**	31 December 2015
B R J Whipp	2,500,000	2,500,000

Directors' Remuneration

The remuneration of the Directors during the period is summarised below:

	Fees and salaries	**Benefits**	**Pension**	**Total 2016**	Total 2015
	£	**£**	£	**£**	£
Non-Executive					
R S Ager	-	-	-	-	1,817
G B Ashley	12,000	-	-	12,000	10,500
R K Todd	-	-	-	-	-
Executive					
B R J Whipp	102,000	16,137	25,000	143,137	154,363
S K Goodwin	32,000	-	-	32,000	28,000
L A Jeffrey	88,000	-	-	88,000	74,655
S J Roberts	128,270	6,000	-	134,270	104,827
Total	362,270	22,137	25,000	409,407	376,662

Mr Ager resigned as a Non-Executive Director on 12 March 2015.

Significant Shareholdings

As at 20 May 2017 the shareholders' register showed that the following shareholders had interests in 3% or more of the share capital of the Company:

Shareholder	**Ordinary shares currently held as at 20 May, 2017**	**Percentage of issued share capital**
B R J Whipp	102,710,132	22.7%
Helium Special Situations Fund	94,080,000	20.8%
Fitel Nominees	46,815,532	10.3%
S K Goodwin	30,611,484	6.8%
J W F Roth	26,131,159	5.8%
S J M Morris	21,707,817	4.8%
G B Ashley	18,354,718	4.1%

Financial Risk and Capital Management

The Company's exposure to financial risk is set out in note 17 to the accounts.

Crimson Tide maintains a strong focus on working capital management.

Policy on Payments to Suppliers

It is the policy of the Company in respect of all its suppliers, where reasonably practicable, to settle the terms of payment with those suppliers when agreeing the terms of each transaction, to ensure that those suppliers are made aware of the terms of payment, and to abide by those terms. The number of trade creditor days outstanding at the period end for the Group was 40 days (2015: 29 days). The Company is a holding company and has no significant trade creditors.

Health, Safety and the Environment

Crimson Tide operates responsibly with regard to its shareholders, the environment and the wider community. The Group and Company are committed to the well-being of all employees and ensure that their health, safety and general welfare is paramount at all times. We also maintain open and fair relationships with all clients and suppliers while ensuring that all transactions are operated on an arm's length, commercial basis.

Political and Charitable Contributions

No political or significant charitable donations were made during the period.

Directors' Report CONTINUED

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

UK Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and applicable law and have also elected to prepare the Company financial statements in accordance with IFRSs as adopted by the European Union and applicable law. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statement on the going concern basis unless it is inappropriate to presume that the Group and the Parent Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditors

In the case of each of the persons who were Directors of the Company at the date when this report was approved:

- so far as each of the Directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's Auditors are unaware; and
- each of the Directors has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information (as defined) and to establish that the Company's Auditors are aware of that information.

Independent auditors

Shipleys LLP has indicated its willingness to remain in office and a resolution to reappoint Shipleys LLP as auditors will be proposed at the Annual General Meeting.

Signed by order of the Board

Stephen Goodwin
Company Secretary
31 May 2017

Strategic Report

FOR THE YEAR ENDED 31 DECEMBER 2016

Strategy and objectives

The Company's strategy is to continue to develop its mobility solutions and grow the contracted number of subscribers currently using its mpro5 service. In doing so, the targeted objectives of:

- Increased contracted revenues
- Strengthened cashflows
- Geographical expansion
- Increased profitability
- Higher returns for stakeholders will be achieved.

Business model

The Crimson Tide group provides its mpro5 software, usually with a handheld mobile device, to subscribers who typically contract for three or more years. Crimson Tide incurs the up-front costs of software development and investment in equipment, such as smartphones, rugged devices, tablets, etc., and recovers these costs as quickly as possible over the contract term.

The group is operationally geared with relatively fixed overheads so an increasing proportion of turnover growth favourably impacts profitability and net cashflow.

Review of the business

A review of the year and future developments are given in the Operating and Financial Review on page 8.

At 31 December 2016 Crimson Tide had a total of 25 directors and employees analysed as follows:

	Male	Female
Directors	6	-
Senior Managers	3	1
Other employees	12	3

Key performance indicators

Crimson Tide management use a number of KPIs to measure the performance of the business and to assess current trends. These statistics are regularly reviewed and action is taken by management as appropriate.

Other measures used by management to ensure the Group is likely to perform as forecast include; expected contract wins, renewal rates and losses, and sales opportunity pipeline. The Group uses Microsoft Dynamics as its customer relationship management system to record and monitor dealings with customers and potential new clients.

Principal risks and uncertainties

The Board of Directors and management team continually review key performance indicators and business trends, as well as regular financial information, to help identify future risks and uncertainties in the business.

The principal risks and uncertainties facing the business remain unchanged as they potentially stem from attempts to accelerate growth, for example by increasing spending on marketing. However, operating cashflows generated by our growing contracted subscriber book, provide increasing amounts of cash to re-invest in the business. Furthermore, the finance facilities offered by NatWest and Lombard provide additional means to fund new devices and accelerate growth

Signed on behalf of the Directors

Barrie Whipp
Executive Chairman
31 May 2017

Corporate Governance Report

The requirements of the combined code of principles of corporate governance set out in the listing rules of the Financial Services Authority are not mandatory for companies traded on AIM. However, the Directors are committed to complying with best practice in this area, and have adopted its principles where they have been considered appropriate.

Shareholder communication

The Group seeks to ensure that all shareholders are kept informed about the Group and its activities. A comprehensive annual report and accounts and an interim report are made available to shareholders on the Group's website and sent to those shareholders requesting a paper copy.

The Annual General Meeting is a forum for shareholders' participation with the opportunity to meet and question Board members including the non-executive members and the Chairmen of the Board committees.

Additionally, the Group operates an investors' section on its website to provide further details of the Group's activities.

Board of Directors and Board Committees

The Board of Directors, which consists of four Executive and two Non-Executive Directors, is responsible for the Group's system of corporate governance. The role of the Non-Executive Directors is to bring independent judgement to Board discussions and decisions. The Board meets regularly throughout the year. It has a schedule of matters referred to it for decision, which includes Group strategy and future developments, allocation of financial resources, investments, annual and interim results, and risk management. The Group has two Board committees, which operate within defined terms of reference.

Audit Committee

The Audit Committee, comprising Mr. Ashley (Chairman), Mr. Todd, Mr. Whipp, Mr Goodwin and Mr. Jeffrey, is responsible for reviewing the full and half year results. In addition, the Audit Committee monitors the framework of internal control.

Remuneration Committee

The Remuneration Committee, comprising Mr. Todd (Chairman), Mr. Ashley, Mr. Whipp, Mr Goodwin and Mr. Jeffrey, reviews the remuneration of the Executive Directors and any senior executive of the Group and considers the grant of options and payment of performance related bonuses.

Internal control

The Directors are responsible for ensuring that the Group maintains a system of internal control to provide them with reasonable assurance regarding the reliability of financial information used within the business and for publication and that assets are safeguarded. There are inherent limitations in any system of internal financial control. On the basis that such a system can only provide reasonable but not absolute assurance against material misstatement or loss and that it relates only to the needs of the business at the time, the system as a whole was found by the Directors at the time of approving the accounts to be generally appropriate to the size of the business.

Going concern

After reviewing budgets and forecasts, the Directors have a reasonable expectation that the Group and Company have adequate resources to continue as an operational business for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

Employment policy

The Board places considerable value on the involvement of its employees and has effective arrangements for communicating the Group's results and significant business issues to them. The Directors recognise that continued and sustained improvement of the Group depends on its ability to attract, motivate and retain employees of the highest calibre. Furthermore, the Directors believe that the Group's ability to sustain the competitive advantage in the long term depends on ensuring that all employees contribute to the maximum of their potential. The Group is committed to improving the performance of all its employees through appropriate development and training. Share ownership is at the heart of the Group's remuneration philosophy and the Directors believe that the key to the Group's future success lies in a motivated workforce holding a stake in the Group. For this reason the Board implemented an Enterprise Management Incentive share option scheme in 2006 which is available to all Group employees subject to meeting certain qualifying rules. The Group is an equal opportunity employer. Entry into and progression within the Group is solely determined on the basis of work criteria and individual merit. The Group gives full and fair consideration to applications for employment made by disabled persons, having regard to their respective aptitudes and abilities. The policy includes, where practicable, the continued employment of those who may become disabled during their employment and the provision of training and career development and promotion, where appropriate.

Corporate Responsibility

Crimson Tide plc operates responsibly with regard to its shareholders, employees, other stakeholders, the environment and the wider community. The Group is committed to the wellbeing of all employees and ensures that their health, safety and general welfare is paramount at all times. We also maintain open and fair relationships with all clients and suppliers while ensuring that all transactions are operated on an arm's length, commercial basis. As part of this culture, the Group ensures that all suppliers are paid in a timely fashion, unless there are sound commercial reasons why payment should not be made.

Report of the Remuneration Committee

The Remuneration Committee was established to determine the Group's policy on executive remuneration and to consider and approve the remuneration packages for the Directors, subject to ratification by the Board.

The Group's current and ongoing remuneration policy aims to ensure executive directors and senior executives are fairly rewarded for their individual contributions to the Group's overall performance and is designed to retain and motivate executives of the right calibre and experience. The Committee is responsible for recommendations on all elements of directors' remuneration including basic salary, annual bonus, share options and any other incentive awards.

The Committee determines the Group's policy on executive directors' remuneration with reference to comparable companies and the achievement of the Group's strategic objectives. In designing and reviewing schemes for performance related remuneration, the Committee gives full consideration to the provisions of Schedule A to the Combined Code.

The Board determines the Company's policy on Non-Executive Directors' fees and will set fees with reference to the individual director's role, the Company's market capitalisation and business sector.

At the last Remuneration Committee meeting it was agreed that the remuneration of certain Directors would be increased to reflect the Company's performance and current financial circumstances. In assessing these increases, the committee took into account the market rates relevant to the individual concerned.

On behalf of the Board

Robert Todd
Chairman - Remuneration Committee
31 May 2017

Independent Auditor's Report to the Members of Crimson Tide plc

We have audited the financial statements of Crimson Tide plc for the year ended 31 December 2016 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement, the Company Statement of Financial Position, the Company Statement of Changes in Equity, the Company Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement (set out on page 15), the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the Parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by Directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Strategic Reports and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion of Financial Statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and Parent Company's affairs as at 31 December 2016 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by The Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

STEWART JELL (Senior Statutory Auditor)

For and on behalf of SHIPLEYS LLP Chartered Accountants & Statutory Auditor
10 Orange Street, Haymarket, London, WC2H 7DQ
31 May 2017.

Consolidated Income Statement

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	**Year ended 31 December 2016** £000	Year ended 31 December 2015 £000
Total Revenue	1	1,860	1,402
Cost of sales		(159)	(104)
Gross Profit		**1,701**	**1,298**
Total operating expenses		(1,312)	(1,113)
Profit from operations	2	389	185
Interest Income	3	-	-
Interest payable and similar charges	3	(37)	(17)
Profit before taxation		**352**	**168**
Taxation	5	(4)	-
Profit for the year available to equity holder of parent		348	168

		Year ended 31 December 2016	Year ended 31 December 2015
Earnings per share			
Basic and diluted earnings per ordinary share (pence)	6	0.08	0.04

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	**Year ended 31 December 2016** £000	Year ended 31 December 2015 £000
Net Profit for the year		348	168
Other comprehensive income/(loss) for the year:			
Exchange differences on translating foreign operations		1	(5)
Total comprehensive profit for the year		349	163

Consolidated Statement of Financial Position

AT 31 DECEMBER 2016

	Notes	As at 31 December 2016 £000	As at 31 December 2015 £000
Assets			
Intangible assets	7	**1,522**	1,373
Equipment, fixtures & fittings	8	**750**	527
Total non-current assets		**2,272**	1,900
Inventories		**7**	15
Trade and other receivables	10	**636**	634
Cash and cash equivalents	11	**878**	539
Total current assets		**1,521**	1,188
Total Assets		**3,793**	3,088
Equity and liabilities			
Share capital	12	**453**	7,335
Capital redemption reserve	13	**-**	49
Share premium	13	**112**	1,090
Other Reserves	13	**422**	421
Reverse acquisition reserve	13	**(5,244)**	(5,244)
Retained earnings	13	**6,759**	(1,618)
Total equity		**2,502**	2,033
Trade and other payables			
Amounts falling due within one year	14	**769**	806
Amounts falling after more than one year	15	**522**	249
Total liabilities		**1,291**	1,055
Total equity and liabilities		**3,793**	3,088

The financial statements were approved by the board of directors on 31 May 2017 and are subject to the approval of the shareholders at the Annual General Meeting on 29 June 2017 and signed on its behalf by:

B R J Whipp
Director

S K Goodwin
Director

Company registration number: 00113845

Consolidated Statement of Changes in Equity

AT 31 DECEMBER 2016

Group	**Share Capital** £000	**Capital redemption reserve** £000	**Share Premium** £000	**Other Reserves** £000	**Reverse acquisition reserve** £000	**Retained Earnings** £000	**Total** £000
Balance as at 1 January 2015	7,335	49	1,090	426	(5,244)	(1,786)	1,870
Profit for the year	-	-	-	-		168	168
Translation movement	-	-	-	(5)	-	-	(5)
Balance as at 31 December 2015	7,335	49	1,090	421	(5,244)	(1,618)	2,033
Profit for the year	-	-	-	-	-	348	348
Capital reconstruction (*)	(6,890)	(49)	(1,090)	-	-	8,029	-
Share options exercised	8	-	112	-	-	-	120
Translation movement	-	-	-	1	-	-	1
Balance as at **31 December 2016**	**453**	**-**	**112**	**422**	**(5,244)**	**6,759**	**2,502**

(*) At the Company's General Meeting on 26 January 2016 shareholders approved plans to undertake a capital reconstruction, the purpose of which was to create positive retained earnings in the Balance Sheet to allow the Company to, if appropriate, pay dividends in the future. Shareholders also approved future share buy-backs. Following a court hearing on 24 February 2016 the court confirmed the reduction of capital of the Company. The nominal value of each Ordinary Share in the Company reduced from one penny to 0.1 pence per share and the Company's Deferred Shares of 19 pence each, Share Premium Account and Capital Redemption Reserve were cancelled. Trading in the shares with a nominal value of 0.1 pence commenced on 25 February 2016.

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2016

	Year ended 31 December 2016	Year ended 31 December 2015
Cash flows from operating activities	£000	£000
Profit before taxation	**352**	168
Adjusted for:		
Amortisation of intangibles	**105**	90
Depreciation of equipment, fixtures and fittings	**198**	155
Profit on sale of assets	**-**	-
Net interest expense	**37**	17
Operating cash flows before movement in working capital	**692**	430
Decrease in inventories	**8**	15
Increase in trade and other receivables	**(2)**	(71)
(Decrease) / increase in trade and other payables	**(203)**	147
Cash generated from operating activities	**495**	521
Taxes paid	**(4)**	-
Net cash generated from operating activities	**491**	521
Cash flows used in investing activities		
Purchases of fixed assets	**(675)**	(552)
Sale of fixed assets	**-**	-
Net cash used in investing activities	**(675)**	(522)
Cash flows from financing activities		
Net proceeds from share issues	**120**	-
Interest paid	**(37)**	(17)
Net increase in borrowings	**422**	347
Net cash from financing activities	**505**	330
Net increase in cash and cash equivalents	**321**	299
Net cash and cash equivalents at beginning of period	**538**	239
Net cash and cash equivalents at end of period	**859**	538
Analysis of net funds:		
Cash and cash equivalents	**878**	539
Bank overdraft	**(19)**	(1)
	859	538
Other borrowing due within one year	**(306)**	(157)
Borrowings due after one year	**(522)**	(249)
Net funds	**31**	132

Notes to the Consolidated Financial Statements

AT 31 DECEMBER 2016

A) Corporate information

Crimson Tide plc (the "Company") is a public limited company incorporated and domicile in the United Kingdom. The address of the registered office is 10 Orange Street, London, WC2H 7DQ. Crimson Tide plc's shares are publicly traded on the Alternative Investment Market of the London Stock Exchange (AIM).

B) Basis of consolidation

The consolidated financial statements of the Company for the year ended 31 December 2016 comprise the Company and its subsidiaries (together referred to as the "Group").

On an acquisition, fair values are attributed to the Group's share of net assets. Where the cost of acquisition exceeds the values attributable to such net assets, the difference is treated as purchased goodwill, which is capitalised and subjected to annual impairment reviews. The results of acquired companies are brought in from the date of their acquisition.

C) Basis of preparation

The consolidated financial statements of Crimson Tide plc have been prepared in accordance with applicable law and International Financial Reporting Standards incorporating International Accounting Standards and Interpretations (collectively "IFRS") as endorsed by the European Union.

The financial statements have been prepared on the historical cost basis except for certain assets and liabilities which have been measured at fair value. Non-current assets are stated at the lower of carrying amount and fair value less costs to sell.

The financial statements are presented in UK sterling and have been prepared on a going concern basis.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in a period of the revision and future periods if the revision affects both current and future periods.

The accounting policies set out below have been applied consistently by Group entities to all periods presented in these consolidated financial statements, except where noted.

D) Significant judgements and major causes of estimation uncertainty

As noted above, the Group makes estimates and assumptions concerning the future. Those that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i) Estimated impairment of goodwill
The Group tests semi-annually whether goodwill has suffered any impairment in accordance with the accounting policies stated in Notes G ii) and H) below. The recoverable amounts of cash generating units have been determined based on value-in-use calculations requiring the use of estimates.

ii) Fair value of development costs
Research costs are not capitalised. Development costs, however, are capitalised from the point that it is sufficiently certain that future economic benefits to the Group will cover all selling, administration and support costs as well as the development costs themselves. The Board will continue to review the nature of the Group's development activities on an ongoing basis and consider whether the conditions are being satisfied. Development costs include work completed on mobility software applications.

E) Changes in accounting policy

Standards, amendments to standards, and interpretations adopted in the 2016 financial statements or that have previously been early-adopted in the Company's annual financial statements

IFRS 14 Regulatory Deferral Accounts

The adoption of this standard is not expected to have a material impact on the Company's profit for the year or equity. Application of these standards may result in some changes to presentation of information within the Company's financial statements in future years.

Notes to the Consolidated Financial Statements

AT 31 DECEMBER 2016

F) Equipment, fixtures and fittings

i) Owned assets

Items of equipment, fixtures and fittings are stated at historic cost less accumulated depreciation with different useful lives (see below).

ii) Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired in terms of finance leases are capitalised at their fair value at inception of the lease, and depreciated over the estimated useful life of the asset. The capital element of future obligations under the leases is included as a liability in the balance sheet.

iii) Depreciation

Depreciation is charged to the income statement over the estimated useful lives of each part of an item of equipment, fixtures and fittings. The depreciation rates are as follows:

- Office and computer equipment: 20% on cost on a straight-line basis
- PDA, tablet and smartphone equipment: cost spread over useful life of 3 to 5 years
- Fixtures and fittings: 25% on a reducing balance basis.

G) Intangible assets

i) Development Expenditure

The costs of developing software for commercial resale are capitalised and amortised on a straight line basis over the expected ten year useful life of the product. This takes into account current contracts, renewal rates and ongoing development. Amortisation commences when revenues from the product begin to be received. The carrying value of development costs is reassessed semi-annually.

ii) Goodwill

Goodwill represents the excess of the fair value of the consideration given for investments in subsidiary undertakings over the fair value of the underlying assets at the date of their acquisition. The carrying value of goodwill is reassessed semi-annually.

H) Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of its net selling price and its value in use. For intangible assets that are not yet available for use, goodwill or intangible assets with an indefinite useful life, an impairment test is performed at each balance sheet date.

In assessing value in use, the expected future cash flows from the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised in the income statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount.

A previously recognised impairment loss is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount, but not to an amount higher than the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior years. For goodwill, a recognised impairment loss is not reversed.

I) Inventories

Inventories consist entirely of mobile devices held not for re-sale but as spares and trial equipment. All are individually stated at the lower of their cost or net realisable value.

J) Turnover and revenue recognition

The turnover shown in the profit and loss account represents amounts receivable for services provided to customers, exclusive of Value Added Tax. Subscription income and support and maintenance income is credited to turnover in equal monthly instalments over the period of the related agreement. There is no recognition in the Consolidated Income Statement of the contracted values of future revenues.

K) Expenses

i) Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

ii) Finance lease payments

The capital element of finance lease repayments is treated as a reduction in the balance sheet liability and the interest element is charged to the profit and loss account on a "sum of digits" basis.

L) Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the Company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax ismeasured using rates of tax that have been enacted or substantially enacted by the balance sheet date.

M) Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to capital expenditure are deducted in calculating the carrying amount of the asset. The grant is recognised in profit or loss over the life of the asset as a reduced amortisation expense. Revenue related grants are credited to the income statement when the related expenditure is expensed.

The Group has benefitted in the past from small research and development grants in recent years that have contributed to meeting the costs of new software development.

N) Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of the financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the Statement of Financial Position. Finance costs and gains or losses relating to financial liabilities are included in the Income Statement. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited to equity.

Notes to the Consolidated Financial Statements

AT 31 DECEMBER 2016

1. Segmental reporting

The Group has two main regional centres of operation; one in the UK, the other in Ireland but the Group's resources, including capital, human and non-current assets are utilised across the Group irrespective of where they are based or originate from. The Board via the management team, allocate these resources based on revenue generation, which due to its high margin nature and the Group's reasonably fixed overheads, in turn drives profitability and cashflow generation. The Board consider it most meaningful to monitor financial results and KPIs for the consolidated Group, and decisions are made by the Board accordingly.

In due consideration of the requirements of IFRS 8 Operating Segments, the Board consider segmental reporting by (i) region, including turnover, operating profit and non-current assets and (ii) business activity, by turnover, to be appropriate. Business activity is best split between (i) the strategic focus of the business, i.e. mobility solutions and the resulting development services that emanate from that, and (ii) non-core software solutions, including reselling third party software and related development and support services.

The analysis of each follows:

	Turnover Year ended 31 December		Operating profit Year ended 31 December		Non current assets Year ended 31 December	
	2016	2015	**2016**	2015	**2016**	2015
Region:	£000	£000	£000	£000	£000	£000
UK	**1,671**	1,222	**382**	153	**2,266**	1,882
Ireland	**189**	180	**7**	32	**6**	18
Total	**1,860**	1,402	**389**	185	**2,272**	1,900

Turnover can be analysed by business activity as follows:

	Year ended 31 December 2016	Year ended 31 December 2015
Business activity:	£000	£000
Mobility solutions and related development services	**1,764**	1,302
Software solutions reselling, development and support	**96**	100
Total Turnover	**1,860**	1,402

2. Profit from operations

	Year ended 31 December 2016 £000	Year ended 31 December 2015 £000
Amortisation of intangible assets	**105**	90
Depreciation on equipment, and fixtures and fittings	**198**	155
Operating lease costs	**22**	22
Auditors remuneration for:		
- Audit services	**10**	10
- Other services:		
- The auditing of accounts of associates of the Company pursuant to legislation	**15**	11
- Other services supplied pursuant to such legislation	**7**	6

3. Finance income and costs

	Year ended 31 December 2016 £000	Year ended 31 December 2015 £000
Loan interest	**12**	3
Finance lease interest	**24**	12
Other interest costs	**1**	2
Interest receivable	**-**	-
Net finance costs	**37**	17

Notes to the Consolidated Financial Statements

AT 31 DECEMBER 2016

4. Employees

Staff costs (including Directors) were as follows:

	Year ended 31 December 2016 £000	Year ended 31 December 2015 £000
Wages and salaries	**532**	385
Non-Executive Directors' fees	**12**	15
Compulsory social security contributions	**90**	64
Other pension costs	**25**	50
Personnel costs	**659**	514

The following amounts are included above in relation to Directors:

	Year ended 31 December 2016 £000	Year ended 31 December 2015 £000
Wages and salaries	**372**	312
Non-Executive Directors' fees	**12**	15
Compulsory social security contributions	**47**	23
Pension costs	**25**	50
Directors' costs	**456**	400

A detailed breakdown of the remuneration of the Directors is shown on page 14.

Average monthly staff numbers in the period were as follows:

	Year ended 31 December 2016 No.	Year ended 31 December 2015 No.
Sales and marketing	**5**	3
Technical	**10**	7
Management, finance and administration	**4**	4
	19	14

5. Taxation

The tax charge for the period ending 31 December 2016 and 31 December 2015 reflects the availability of tax losses in the Group and the utilisation of capital allowances.

	Year ended 31 December 2016 £000	Year ended 31 December 2015 £000
Profit on ordinary activities before tax	**352**	168
Profit on ordinary activities by rate of tax	**70**	47
Effects of:		
Expenses not deductible for taxation purposes	**9**	32
Excess capital allowances over depreciation	**(13)**	(59)
Utilisation of brought forward tax losses	**(70)**	(20)
Tax on profit on ordinary activities	**4**	-

Deferred tax asset

The Group has an unprovided deferred tax asset relating to carried forward taxable losses of approximately £486,000 (2015: £535,000).

6. Earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares in issue during the period.

The calculation of diluted earnings per share is based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares that would be in issue, assuming conversion of all dilutive potential ordinary shares into ordinary shares.

Reconciliation of the weighted average number of shares used in the calculations are set out below:

Basic earnings per share	**Year ended 31 December 2016**	Year ended 31 December 2015
Reported profit (£000)	**348**	168
Reported earnings per share (pence)	**0.08**	0.04

Weighted average number of ordinary shares:	**Year ended 31 December 2016** No.	Year ended 31 December 2015 No.
Opening balance	**445,486,234**	445,486,234
Effect of share placing during the year	**1,945,205**	-
Weighted average number of ordinary shares	**447,431,439**	445,486,234

The diluted earnings per share is the same as the basic earnings per share.

Notes to the Consolidated Financial Statements

AT 31 DECEMBER 2016

7. Intangible assets

Group	**Goodwill** £000	**Group development expenditure** £000	**Total** £000
Cost			
At 1 January 2015	988	808	1,796
Additions:			
Mobile data applications development cost	-	203	203
Research and Development Grant	-	-	-
At 31 December 2015	988	1,011	1,999
Additions:			
Mobile data applications development cost	-	252	252
Research and Development Grant	-	2	2
At 31 December 2016	**988**	**1,265**	**2,253**
Impairment and amortisation			
At 1 January 2015	(190)	(346)	(536)
Charge for year	-	(90)	(90)
At 31 December 2015	(190)	(436)	(626)
Charge for year	-	(105)	(105)
At 31 December 2016	**(190)**	**(541)**	**(731)**
Carrying amount			
At 31 December 2016	**798**	**724**	**1,522**
At 31 December 2015	798	575	1,373
At 1 January 2015	798	462	1,260

Goodwill can be further analysed by cash generating unit the recoverable amount of each has been assessed based on estimated value in use.

	Crimson Tide (IE) Ltd (Healthcare) £000	**Crimson Tide Mpro Ltd (Mobile sols.)** £000	**Callog Ltd (Telecoms)** £000	**Total** £000
Cost	400	280	308	988
Less impairment	-	-	(190)	(190)
Carrying amount	**400**	**280**	**118**	**798**

Management prudently assess value in use by estimating the cashflows each unit is expected to generate in the next four years based on current levels of business activity, reducing over time if appropriate, discounted at 8% p.a.

8. Equipment, fixtures and fittings

Group	Office and computer equipment £000	PDA, tablet & smartphone equipment £000	Fixtures and fittings £000	Total £000
Cost				
At 1 January 2015	62	637	21	720
Additions	29	311	1	341
Disposals	-	-	-	-
At 31 December 2015	91	948	22	1,061
Additions	46	377	-	423
Disposals / revaluation	(12)	7	-	(5)
At 31 December 2016	**125**	**1,332**	**22**	**1,479**
Depreciation				
At 1 January 2015	(29)	(334)	(16)	(379)
Charge for year	(16)	(138)	(1)	(155)
Disposals	-	-	-	-
At 31 December 2015	(45)	(472)	(17)	(534)
Charge for year	(21)	(176)	(1)	(198)
Disposals/revaluation	12	(9)	-	3
At 31 December 2016	**(54)**	**(657)**	**(18)**	**(729)**
Carrying amount				
At 31 December 2016	**71**	**675**	**4**	**750**
At 31 December 2015	46	476	5	527
At 1 January 2015	33	301	5	339

Included within the net book value of £750,000 is £583,000 (2015: £354,000) relating to PDA and smartphone equipment and computer equipment held under finance lease agreements. The depreciation charge to the financial statements in the year in respect of such equipment amounted to £126,000 (2015: £63,000). There is no material difference between the value of the minimum lease payments and their net present value.

Notes to the Consolidated Financial Statements

AT 31 DECEMBER 2016

9. Investments

Company

The Company is the holding company of the Group. The following table shows details of the Company's subsidiary undertakings at 31 December 2016. Each of these companies is wholly owned by Crimson Tide plc, the issued share capital of each is fully paid and each is included in the consolidated accounts of the Group:

Name of Company	Activity	Country of incorporation or registration and operation
Owned directly by Crimson Tide plc		
Crimson Tide Mpro Limited	Mobile data solutions	England and Wales
Crimson Tide Services Limited	Mobile data solutions	England and Wales
A. Cohen & Co. (GB) Limited	Non-trading	England and Wales
Crimson Tide (IE) Limited	Mobile data solutions	Ireland
A.Cohen (Aust) Pty Limited	Non-trading	Victoria, Australia
Owned by Crimson Tide Mpro Limited		
Moneymotive Limited	Non-trading	England and Wales
Owned by Moneymotive Limited		
Callog Limited	Telecoms	England and Wales

Company	Shares in subsidiary undertakings £000	Trade investments £000	Total £000
Cost			
At 31 December 2015	5,297	386	5,683
Additions	-	-	-
At 31 December 2016	**5,297**	**386**	**5,683**
Provisions			
At 31 December 2015	1,929	386	2,315
Impairment	-	-	-
At 31 December 2016	**1,929**	**386**	**2,315**
Carrying amount			
At 31 December 2016	**3,368**	**-**	**3,368**
At 31 December 2015	3,368	-	3,368

Notes to the Consolidated Financial Statements CONTINUED

AT 31 DECEMBER 2016

10. Trade and other receivables

Group	As at 31 December 2016 £000	As at 31 December 2015 £000
Trade receivables	**300**	449
Other receivables	**29**	37
Prepayments and accrued income	**307**	148
	636	634

As at 31 December 2016, trade receivables of £136,000 (2015: £106,000) were impaired and fully provided for.
The ageing of trade receivables not impaired are as follows:

Aged analysis of trade receivables:	As at 31 December 2016 £000	As at 31 December 2015 £000
Age from invoice date		
< 30 days	**251**	400
30 - 60 days	**21**	9
60 - 90 days	**4**	21
> 90 days	**24**	19
	300	449

Movements of the Group provision for impairment of trade receivables are as follows:

	£000
At 1 January 2015	90
Receivables collected in year previously provided for	-
Receivables written off during the year as uncollectable	(17)
Provision for receivables impairment for the year	33
At 31 December 2015	106
Receivables collected in year previously provided for	7
Receivables written off during the year as uncollectable	(3)
Provision for receivables impairment for the year	26
At 31 December 2016	**136**

Company	As at 31 December 2016 £000	As at 31 December 2015 £000
Amounts recoverable from Group undertakings	**1,319**	1,314
Other receivables	**33**	30
Prepayments and accrued income	**5**	8
	1,357	1,352

Notes to the Consolidated Financial Statements

AT 31 DECEMBER 2016

11. Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term deposits held by Group Companies.
The carrying amount of these assets approximates their fair value.

12. Share capital

	As at 31 December 2016 £000	As at 31 December 2015 £000
Authorised		
Ordinary shares: 711,950,842 shares of 0.1p each	**712**	7,120
(2015: 711,950,842 shares of 1p each)		
Deferred shares:	**-**	2,880
(2015: 15,160,482 shares of 19p each)		
	712	10,000
Issued, called up		
Ordinary shares: 453,486,234 shares of 0.1p each	**453**	4,455
(2015: 445,486,234 shares of 1p each)		
Deferred shares:	**-**	2,880
(2015: 15,160,482 shares of 19p each)		
	453	7,335

Share options

The Company has granted equity-settled options to some of the Directors and employees under the Company's Enterprise Management Incentive Scheme (EMI Scheme) and under an unapproved scheme. The share options may not be exercised for two years from date of issue and thereafter, only if the target share price is achieved.

At 31 December 2016 the following options were outstanding in respect of ordinary shares.

Date of Grant	Target share price	Exercise Price	Expiry Date	Number Issued	Expired/ cancelled	Exercised in 2016	Number outstanding at 31 December 2016	Number exercisable at 31 December 2016
Issued under EMI scheme								
5 February 2007	2.5p	1.5p	5 February 2017	11,000,000	3,000,000	8,000,000	—	—
5 November 2008	2.5p	1.0p	5 November 2018	7,000,000	3,000,000	—	4,000,000	4,000,000
5 May 2010	2.5p	1.25p	5 May 2020	17,500,000	4,500,000	—	13,000,000	13,000,000
Issued under an unapproved scheme								
5 May 2010	2.5p	1.25p	5 May 2020	2,500,000	—	—	2,500,000	2,500,000

13. Reserves

Group	Capital redemption reserve £000	Share premium £000	Other reserves £000	Reverse acquisition reserve £000	Retained earnings £000
Balance as at 1 January 2015	49	1,090	426	(5,244)	(1,786)
Profit for the year	-	-	-	-	168
Translation movement	-	-	(5)	-	-
Balance as at 31 December 2015	49	1,090	421	(5,244)	(1,618)
Profit for the year	-	-	-	-	348
Capital reconstruction	(49)	(1,090)	-	-	8,029
Share options exercised	-	112	-	-	-
Translation movement	-	-	1	-	-
Balance as at 31 December 2016	**-**	**112**	**422**	**(5,244)**	**6,759**

Company		Capital redemption reserve £000	Share premium £000	Other reserves £000	Retained earnings £000
Balance as at 1 January 2015		49	1,090	337	(4,069)
Loss for the year		-	-	-	(1)
Balance as at 31 December 2015		49	1,090	337	(4,070)
Loss for the year		-	-	-	(28)
Capital reconstruction		(49)	(1,090)	-	8,029
Share options exercised	-	-	112	-	-
Balance as at 31 December 2016		**-**	**112**	**337**	**3,931**

As noted above, at the Company's General Meeting on 26 January 2016 shareholders approved plans to undertake a capital reconstruction. Following a court hearing on 24 February 2016 the court confirmed the reduction of capital of the Company. The nominal value of each Ordinary Share in the Company reduced from one penny to 0.1 pence per share and the Company's Deferred Shares of 19 pence each, Share Premium Account and Capital Redemption Reserve were cancelled.

Notes to the Consolidated Financial Statements

AT 31 DECEMBER 2016

14. Creditors: Amounts falling due within one year

Group	As at 31 December 2016 £000	As at 31 December 2015 £000
Finance lease agreements	194	124
Secured loans	111	33
Bank overdraft	19	1
Trade creditors	54	165
PAYE and social security	28	23
VAT	79	76
Other creditors	-	-
Accruals and deferred income	284	384
	769	806

Company	As at 31 December 2016 £000	As at 31 December 2015 £000
Secured loan	-	-
Trade creditors	1	1
Amounts owed to Group undertakings	4	4
Accruals	27	49
	32	54

15. Creditors: Amounts falling due after more than one year

Group	As at 31 December 2016 £000	As at 31 December 2015 £000
Finance lease agreements	363	202
Secured loans	159	47
	522	249

Maturity of debt

Group	As at 31 December 2016 £000	As at 31 December 2015 £000
The loans and finance leases are repayable as follows:		
Within one year	305	156
Between one and two years	244	125
Between two and five years	278	125
	827	406

The secured loans in the Group are secured by fixed charges over specific PDA and smartphone equipment.

16. Operating lease commitments

At the period end, total future minimum rental commitments under non-cancellable operating leases were:

Group	**As at 31 December 2016** £000	As at 31 December 2015 £000
During next year	-	16
After 1 year but not more than 5 years	-	-
	-	16

17. Financial Instruments and Risk Management

The Group uses a limited number of financial instruments, comprising cash, short-term deposits, finance leases, loans and bank overdrafts to fund the Group's operations. The Group has other financial instruments such as trade receivables and payables, that arise directly from operations. The Group does not trade in financial instruments.

Trade and other short-term debtors/creditors have been excluded from the following disclosures:

Group	**As at 31 December 2016** £000	As at 31 December 2015 £000
Financial Assets		
Cash at bank and in hand	**878**	539
Financial Liabilities		
Bank overdraft (maturing on demand)	**19**	1
Secured loans	**270**	80
Finance leases	**557**	326

An analysis of the maturity of the loans is given in note 15.

Financial risk factors

Exposure to currency, credit, liquidity and interest rate risk arise in the normal course of the Group's business.
The Directors review and agree policies for managing each of these risks to minimise potential adverse effects on the Group's financial performance. Sensitivity analysis indicates none are likely to have a material impact on the profitability or net assets of the Group.

a) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the euro. At the end of the year the Group held negligible net monetary assets in foreign currencies. Foreign exchange differences on retranslation of these assets and liabilities are taken to the income statement.

Notes to the Consolidated Financial Statements

AT 31 DECEMBER 2016

b) Credit risk

The Group has no significant concentrations of credit risk and has policies in place to ensure that sales are made to customers with an appropriate credit history. Receivables balances are monitored on an ongoing basis and at 31 December 2016 no one customer owes more than 3% of total revenue. As a result the Group's exposure to bad debts is not significant.

The Group is exposed to the loss of future subscription revenues if subscriber customers go into liquidation. At 31 December, 2016, no one customer accounted for more than £1,540,000 (2015: £1,016,000) of future contracted revenue.

c) Liquidity risk

Prudent liquidity risk and capital management implies maintaining a strong focus on working capital management and sufficient cash and available funding through an adequate amount of committed credit facilities. The Group ensures it has adequate cover through the availability of bank overdraft, finance leases and loan facilities to satisfy forecast requirements taking into account all known and forecast factors.

d) Interest rate risk

The Group's policy is to minimise interest rate risk by regularly reviewing and agreeing actions to limit the Group's exposure to adverse movements in interest rates and fixing interest rates where possible.

Fair value risk factors

The net fair values of intangible assets approximate to their carrying value as disclosed in Notes H and 7 are regularly assessed. The aggregate net fair values and carrying amounts of all other assets and liabilities, including financial assets and financial liabilities, are disclosed in the Statement of Financial Position and Notes.

Operational risk factors

The Board considers the key operating risk to be insufficient working capital to fund the planned growth in subscriber numbers. Funding is regularly assessed against forecasts and expected growth rates and managed accordingly to minimise this risk.

18. Related party transactions

The interests of the Directors in share options are shown on pages 13 and 14.

Other than the above, no transactions with related parties were undertaken such as are required to be disclosed under International Accounting Standard 24.

19. Profit of the Parent Company

As permitted by Section 408 of the Companies Act, the profit and loss account of the Parent Company is not presented as part of these accounts. The Parent Company's loss for the financial year amounted to £27,962 (2015 loss: £967).

Company Statement of Financial Position

AT 31 DECEMBER 2016

	Notes	As at 31 December 2016 £000	2015 £000
Assets			
Tangible assets	8	-	-
Investments	9	3,368	3,368
Total non-current assets		**3,368**	3,368
Trade and other receivables	10	1,357	1,352
Cash and cash equivalents	11	140	75
Total current assets		**1,497**	1,427
Total assets		**4,865**	4,795
Equity and liabilities			
Share capital	12	453	7,335
Capital redemption reserve	13	-	49
Share premium	13	112	1,090
Other Reserves	13	337	337
Retained earnings	13	3,931	(4,070)
Total equity		**4,833**	4,741
Trade and other payables			
Amounts falling due within one year	14	32	54
Amounts falling after more than one year	15	-	-
Total liabilities		**32**	54
Total equity and liabilities		**4,865**	4,795

The financial statements were approved by the Board of Directors on 31 May 2017 and are subject to the approval of the shareholders at the Annual General Meeting on 29 June 2017 and signed on its behalf by:

B R J Whipp
Director

S K Goodwin
Director

Company registration number: 00113845

Companies Statement of Changes in Equity

AT 31 DECEMBER 2016

Company	Share Capital £000	Capital Redemption Reserve £000	Share Premium £000	Other Reserves £000	Retained Earnings £000	Total £000
Balance as at 1 January 2015	7,335	49	1,090	337	(4,069)	4,742
Loss for the year	-	-	-	-	(1)	(1)
Balance as at 31 December 2015	7,335	49	1,090	337	(4,070)	4,741
Loss for the year	-	-	-	-	(28)	(28)
Capital reconstruction (*)	(6,890)	(49)	(1,090)	-	8,029	-
Share options exercised	8	-	112	-	-	120
Balance as at **31 December 2016**	**453**	**-**	**112**	**337**	**3,931**	**4,833**

(*) At the Company's General Meeting on 26 January 2016 shareholders approved plans to undertake a capital reconstruction, the purpose of which was to create positive retained earnings in the Balance Sheet to allow the Company to, if appropriate, pay dividends in the future. Shareholders also approved future share buy-backs. Following a court hearing on 24 February 2016 the court confirmed the reduction of capital of the Company. The nominal value of each Ordinary Share in the Company reduced from one penny to 0.1 pence per share and the Company's Deferred Shares of 19 pence each, Share Premium Account and Capital Redemption Reserve were cancelled. Trading in the shares with a nominal value of 0.1 pence commenced on 25 February 2016.

Company Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2016

	Year ended 31 December 2016 £000	2015 £000
Cash flows from operating activities		
Loss before taxation	**(28)**	(1)
Adjusted for:		
(Increase) / decrease in trade and other receivables	**(5)**	75
Decrease in trade and other payables	**(22)**	(13)
Interest paid	-	1
Net cash (used) / generated from operating activities	**(55)**	62
Cash flows used in investing activities		
Acquisition of subsidiaries	-	-
Purchases of fixed assets	-	-
Interest received	-	-
Net cash used in investing activities	-	-
Cashflows from financing activities		
Net proceeds from share issues	**120**	-
Interest paid	-	(1)
Net decrease in borrowings	-	(58)
Net cash from financing activities	**120**	(59)
Net increase / (decrease) in cash and cash equivalents	**65**	3
Net cash and cash equivalents at beginning of period	**75**	72
Net cash and cash equivalents at end of period	**140**	75

	2016 £000	2015 £000
Analysis of Net Debt		
Cash and cash equivalents	**140**	75
Bank overdraft	-	-
	140	75
Other borrowing due within one year	-	-
Borrowings due after one year	-	-
Net funds	**140**	75

Officers and Professional Advisors

Board of Directors	B R J Whipp (Executive Chairman & CEO) G B Ashley S K Goodwin L A Jeffrey S J Roberts R K Todd
Secretary	S K Goodwin
Registered office	10 Orange Street Haymarket London WC2H 7DQ
Registered Number	00113845
Bankers	NatWest Bank 19 Mount Ephraim Road Tunbridge Wells Kent TN1 1EN
Auditors	Shipleys LLP 10 Orange Street Haymarket London WC2H 7DQ
Nominated Adviser and Broker	W H Ireland Ltd 24 Martin Lane London EC4R 0DR
Solicitors	DAC Beachcroft LLP 100 Fetter Lane London EC4A 1BN
Website	www.crimsontide.co.uk

Notice of Annual General Meeting

Notice is hereby given that the 2017 Annual General Meeting of Crimson Tide plc will be convened at 10 Orange Street, Haymarket, London WC2H 7DQ on 29 June 2017 at 2:30 pm to transact the following business and consider and, if thought fit, pass the following resolutions, each such resolution to be considered as an ordinary resolution.

Ordinary Resolutions:

1 To receive the report and accounts of the Company for the year ended 31 December 2016

2 To re-appoint Messrs Shipleys LLP as Auditor and authorise the Directors to fix their remuneration

3 To re-appoint B. R. J. Whipp as a Director of the Company

4 To re-appoint S. K. Goodwin as a Director of the Company

By order of the Board
Stephen Goodwin
Company Secretary
Registered Office
10 Orange Street,
London, WC2H 7DQ
31 May 2017

Notes

1 Proxies

Any member of the Company entitled to attend and vote at the above meeting may appoint one or more proxies to attend and, on a poll, to vote instead of him. A proxy need not be a member.

2 Contracts of Service

All Directors' contracts of service having more than one year's unexpired term are available for inspection by members at the Company's registered office during business hours and will be available for inspection at the location of the meeting for the period commencing 15 minutes prior to the commencement of the meeting and ending at the conclusion of the meeting.

3 The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, hereby specifies that only those shareholders registered on the Register of Members of the Company at 2.30 pm on 27 June 2017 shall be entitled to attend or vote at the meeting in respect of shares registered in their name at the time. Changes to entries on the relevant Register of Members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting, notwithstanding any provisions in any enactment, the articles of association of the Company or other instrument to the contrary.

4 The Company, pursuant to Regulation 41(3) of the Uncertificated Securities Regulations 2001, hereby gives notice of its determination that only those shareholders registered on the Register of Members of the Company at the close of business on the date of this notice shall be entitled to receive notice of this meeting.

crimsontide | mpro5 www.mpro5.com

Form of Proxy

Crimson Tide plc
("Crimson Tide" or "the Company")
Annual General Meeting on 29 June 2017 at 2.30 pm

I/We (name in full) ....

of ....

hereby appoint the Chairman of the Meeting or .... (delete as appropriate) as my/our proxy to attend, to speak and to vote in respect of the shares registered in my/our name(s) at the Annual General Meeting of Crimson Tide plc to be held on 29 June 2017 and at any adjournment thereof. I/we direct my/our proxy to vote on the following resolution as I/we have indicated by marking the appropriate box with an 'X'.

RESOLUTION	FOR	AGAINST	ABSTENTION
1 To approve accounts for year ended 31 December 2016			
2 To re-appoint Shipleys LLP as auditors			
3 To re-appoint B. R. J. Whipp as a director			
4 To re-appoint S. K. Goodwin as director			

Signature .... Date ....

Notes on completion:

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.
2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the space provided. If you sign and return this proxy form with no name inserted in the space, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.
5. To direct your proxy how to vote on the resolutions mark the appropriate box with an 'X'. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
   To appoint a proxy using this form, the form must be:
   - completed and signed;
   - sent or delivered to Company Secretary; and
   - received no later than 27 June 2017 at 2.30 pm.
6. If your shares are held through CREST, you may use the CREST electronic proxy appointment service.
7. In the case of a member which is a company, this proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
8. Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
9. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
11. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
12. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, a proxy may vote or abstain from voting at his or her discretion. A proxy may vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

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Please
Affix
Stamp
Here

The Company Secretary
Crimson Tide plc
Heathervale House
Vale Avenue
Tunbridge Wells
TN1 1DJ

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NOTES

Crimson Tide plc	Registered in England No. 00113845
Our registered office:	10 Orange Street, London, WC2H 7DQ
Telephone:	01892 542444
Fax:	01892 510441
General email address:	info@crimsontide.co.uk
Ireland office:	Citywest Business Centre, 3013 Lake Drive, Citywest Campus, Dublin 24
Telephone:	+353 (0) 1 4693728
Fax:	+353 (0) 1 4693115
General email address:	info@crimsontide.ie
Web	www.crimsontide.co.uk