Annual Report & Accounts 2017

crimsontide

www.mpro5.com

mpro5

‘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.’

2017 highlights

Financial Highlights

- Turnover up 22% to £2.28m (2016: £1.86m)
- Profit Before Tax before exceptional item £359k (2016: £352k) after significant investments in future growth
- Strong cash position

Operational Highlights

- mpro5 in use in over 200,000 locations
- Geographic expansion underway
- Internet of Things (IoT) now incorporated into mpro5

Barrie Whipp, Executive Chairman of Crimson Tide, commented:

"We are very excited by the early results of our continuing growth strategy. In 2017 profitability was carefully maintained as we invested £350k in new staff and marketing, where we believe we will start to see benefits this year. Consequently it is not unreasonable to say that profits would have almost doubled if we had maintained our previous strategy and not invested in our future expansion. This, however, was not the best course to plot for shareholders as we see much larger opportunities ahead. We will continue to invest in 2018, allowing us to be more ambitious for future growth in our core markets but also in new geographic locations. Our aim is to grow the Company more significantly in the coming years and we are establishing a base to manage that expansion."

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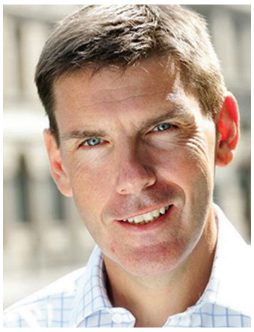
Chairman's Statement



Barrie Whipp
Executive Chairman
6 June 2018

A year of investment in 2017, carrying on into 2018, has represented a transformation in Crimson Tide in all areas of the business. Over an eighteen-month period our headcount has doubled and our investment in Sales and Marketing resource has increased our visibility of opportunities, improved our brand and sees the Company well placed for more aggressive growth. We aim to be bold and to invest the cash that we have generated from top line growth in expanding the business further.

Last year I reported that mpro5 was in use in over 100,000 locations in the UK & Ireland. This number has now doubled and we have expanded into the Netherlands, where we have signed our first subscriber transaction, and we have a formative sales presence in the Middle East, United States and Australia. We will continue to seek further geographic opportunities as appropriate, without constructing large scale infrastructure. Our new investments will be in sales and marketing, not bricks and mortar.

Our inbound lead generation has increased dramatically as mpro5 becomes more widely known. Our word of mouth success has now been augmented by new branding, visuals, case studies and videos. I recommend viewing our YouTube channel to see the breadth of how mpro5 is helping mobile work forces, healthcare professionals and even patients through our range of workflow based platform.

Our Angular and Ionic framework implementation rolled out in 2017. The sheer scale of the implementation should not be underestimated. mpro5 has never looked better or been easier to use. Hosted in Microsoft Azure, our scalability and internationalisation means that we can leverage our partner's investment in infrastructure as well as security and data management. We continue to invest in mpro5 and our focus now turns to automated testing and further modules to support payment processing. We will also be moving the outlying instances of mpro5 where a version has been produced for a specific client into the main app store version of the mobile application.

We have recently developed two significant opportunities in the healthcare sector. Firstly, our initial contract with the National Health Service was signed during the year where we assist in estate management at Addenbrookes Hospital. We are now engaged with an NHS Trust where we will be providing mpro5 with time and attendance for hospital staff. Large, strategic software sales to such huge public bodies is fraught with danger. mpro5 provides a very tactical solution which can assist in solving day to day issues with clear ROI. Secondly, our success with a Global Health Organisation in providing pilots in Tanzania and Indonesia provides huge excitement for the use of mpro5 in a wider range of healthcare scenarios.

Perhaps the most exciting technical development has been the implementation of our first Internet of Things (IOT) sensors reporting on temperature, humidity and motion. Sensors are continuously being improved and new types of sensor introduced. We have chosen to be sensor agnostic and can move with this ever-expanding market. The use of sensors to initiate and improve workflows is of clear benefit to our existing client base and also gives us new opportunities in the vertical markets we serve.

Financially, Crimson Tide has continued to increase turnover, whilst managing our profitability carefully. In 2017, we chose to target the maintenance of profitability and cash at a similar level to the previous year and this was achieved on the back of growth of 22% at the turnover line. We had a small exceptional item in respect of professional fees incurred on an aborted acquisition of a business in a similar field to ourselves. The Directors believe that this performance was very creditable, notwithstanding the fact that a number of larger opportunities remain in the pipeline. The Company is often underestimated in that its contracts are long term and the gross margin is in excess of 90%.

Last year, we moved premises to accommodate our expansion and now have a home at Oakhurst House, one of the premier business addresses in Royal Tunbridge Wells. In 2018, we have decided to invest even more in mpro5 and the opportunities in front of us. These investments will, in the main, be in sales and marketing, to take advantage of these opportunities.

There will be changes in focus this year where our branding will start to eliminate references to Crimson Tide and focus on mpro5, reducing any confusion between the corporate and commercial branding. We are also reviewing our cadre of advisors and 2018 will be a year of positive change in some structural parts of our organisation.

Part of our organisational change in 2017 was the appointment of Toby Hawkins as Sales and Marketing Director. Toby now leads a team of 10 and is implementing our increased budget to generate new leads. We have also formed a customer excellence team to assist with onboarding and ensuring excellent relationships with new and existing clients. I was delighted to recently announce the promotion of Luke Jeffrey to Chief Executive Officer and Luke will now be responsible for managing the day to day operations of the business, giving me the opportunity to focus on business expansion and seeking further opportunities for mpro5 in my position as Executive Chairman.

In closing, I must say that our Company is, in many respects, "below the radar" in that it has been quite conservatively run over many years, ensuring that growth has been maintained, profitability ensured and cash generated. It is time for Crimson Tide, through mpro5, to take advantage of the clear opportunities in front of us. The Directors are determined to invest in our platform and sales and marketing to ensure that we take the Company to the next level. We have the base and the people to do so and my thanks as ever go out to our fantastic team who are passionate about our Company and its future.

Financial Review

Steve Goodwin
Finance Director
6 June 2018

Financial Review

I am very pleased to comment on our results for the year to 31 December 2017.

Turnover increased by 22% from £1.86m in 2016 to £2.28m for the twelve months to 31 December 2017. The vast majority of our income continues to come from long-term subscriber agreements for mpro5 and in 2017 included increased revenues from customers based in mainland Europe and the US. Gross margin from subscription business has been maintained at over 90%.

Operating costs have steadily increased but in a very planned manner as previously communicated. Additional sales and marketing staff costs and a significant increase in marketing spend are investments in future growth. We have already seen an exciting increase in sales opportunities as a result and expect growth in long term subscription revenues to accelerate. Our business model is highly operationally geared such that increases in sales revenues are not matched by a proportionate increase in operating costs.

Shareholders will be aware that we have doubled profits in each of the previous four years but in 2016 took the strategic decision to re-invest for faster growth in the medium term. Our 2017 results include an exceptional item of £44k being legal and accounting costs incurred on an aborted acquisition. Excluding this, 2017 profit before tax totalled £359k, a small increase on £352k achieved in 2016. Capital allowances and tax losses brought forward have kept the tax charge at a very low level.

Crimson Tide's balance sheet and operating cashflows remain healthy. Cash generated from operating activities of £559k improved in 2017 (2016: £491k) with the funds re-invested in mpro5 and smartphone and tablet devices for subscribers. Funds were also utilised to reduce debt used to fund these devices. We finished the year with cash balances of £757k (2016: £878k) and net funds have continued to increase since the year end.

Future Prospects

Over the course of 2018, the Company will continue to invest in growth and target increased sales outside the UK. mpro5's capabilities to increase efficiency and productivity apply equally well in many other geographic areas and the Board are excited by the opportunities to widen the Company's reach. We continue to work hard on behalf of all stakeholders to drive growth and achieve the targets we have set ourselves.

Our three core values are the driving force behind our business

Partnership Teamwork Dynamism

Marketing Update

2017 – Boosting the mpro5 brand

2017 saw a year of substantial investment in Marketing, creating a brand that is not only recognised but respected. With a strategic marketing plan in place, a full range of touch points are utilised, with an emphasis on events and exhibitions, complemented by content, Social Media, email and telemarketing, to create a seamless and persistent presence in the main verticals within Facilities Management. With an updated website, new exhibition stand and collateral and an emphasis on quality and industry relevant content, the mpro5 message has never been stronger or so widely spread.

With standardised processes, follow up is ensured on all activity, allowing the sales team to obtain and attend meetings that promise to yield great opportunities. After focusing on Facilities Management and the smaller verticals within in it (Cleaning, Hard FM, Soft FM) marketing now has a strong footprint to replicate last year's successes within new verticals, including the Public Sector, into 2018.

The 2017 marketing strategy was underpinned by the following marketing fundamentals:

- **Branding and design** – a new logo and strong brand guidelines allowed the creation of professional, quality and trusted collateral such as videos, case studies and adverts
- **Events** – through attendance at key industry events, the mpro5 team is now sought out at exhibitions, bringing real interest and opportunity to our doorstep
- **SEO and digital marketing** – increasing our online presence and ensuring we appear when it counts means that potential customers can find the solution they need

Marketing highlights:

- A full suite of customer case studies and videos to showcase the broad functionality of mpro5
- A sharp rise in inbound leads – the mpro5 word is spreading and people want to be a part of it
- Increased website traffic, SEO rankings and social media engagement
- Quality lead generation means the sales pipeline has never been bigger
- Content that positions mpro5 as knowledgeable and thought leaders, cementing the brand as a solution that is always ahead of the curve

Not just a solution but a full #AppService

mpro5 provides a solution to a range of business needs, but it does so much more. The full service provided makes the mpro5 team an extension of each customer's business. Throughout 2017 we discovered our true strength is not only the mpro5 product but the exceptional ongoing service that is included. Unlike competitors and point solutions, mpro5 is an ongoing partnership and a true support service, delivered via an app, the complete #AppService.

What 2018 promises:

- Continued presence and success at events
- Automation increasing the amount of contact with potential and existing customers
- More quality and targeted content
- International expansion, further supporting our overseas sales teams to increase our presence

And so much more...

Board of Directors

Barrie Reginald John Whipp (57)

Executive Chairman

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. 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.

Luke Anthony Jeffrey (35)

Chief Executive Officer 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 responsible for the continuing evolution and implementation of our software products and services. In December 2016, Luke was promoted to Deputy Chief Executive and became Chief Executive Officer in March 2018 responsible for the day to day management of the Group.

Stephen Keith Goodwin (59)

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 30 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.

Tobias 'Toby' James Turness Hawkins (37)

Group Sales & Marketing Director

Toby joined Crimson Tide in October 2017 having held numerous sales roles in his career, most recently, Enterprise Account Director for the OpenText Corporation. Previously he was Commercial Director for Stevens Group Ltd. which develops enterprise and SaaS software solutions. Toby is responsible for leading the sales and marketing teams and achieving the Group's sales and growth targets.

Graham Basil Ashley (71)

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 (52)

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 2017.

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 2017 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 2017 was £2,275,326 (2016: £1,859,620) and the total profit for the period after exceptional items of £44,000 (2016: £nil) and before taxation was £315,179 (2016: £351,991). 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
L A Jeffrey	Chief Executive Officer and Technical Director
S K Goodwin	Finance Director and Company Secretary
T J T Hawkins	Group Sales and Marketing Director (appointed 17 October 2017)
S J Roberts	Sales and Marketing Director (resigned 30 September 2017)
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 £0.1p	
Director	**31 December 2017**	31 December 2016
B R J Whipp	102,820,132	102,710,132
S K Goodwin*	30,611,484	30,611,484
G B Ashley	18,354,718	18,354,718
R K Todd**	8,450,000	8,450,000
L A Jeffrey	2,000,000	1,061,890

* Mr. Goodwin also had an interest as a trustee in 9,150,000 Ordinary Shares of 0.1p each as at 31 December 2017 and 31 December 2016.

** 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 2017**	31 December 2016
S K Goodwin	2,500,000	2,500,000
L A Jeffrey	1,000,000	2,000,000

Directors' interests in unapproved share options were as follows:

	Number of Share Options	
Director	**31 December 2017**	31 December 2016
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 2017**	Total 2016
	£	**£**	£	**£**	£
Non-Executive					
G B Ashley	12,000	-	-	12,000	12,000
R K Todd	-	-	-	-	-
Executive					
B R J Whipp	93,000	16,569	-	109,569	143,137
S K Goodwin	29,500	-	-	29,500	32,000
T J T Hawkins	30,000	1,626	200	31,826	-
L A Jeffrey	88,000	-	747	88,747	88,000
S J Roberts	79,354	4,500	400	84,254	134,270
Total	331,854	22,695	1,347	355,896	409,407

Mr Roberts resigned as Director on 30 September 2017. Mr Hawkins was appointed a Director on 17 October 2017.

Significant Shareholdings

As at 20 May 2018 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, 2018**	**Percentage of issued share capital**
B R J Whipp	102,820,132	22.6%
Helium Special Situations Fund	94,080,000	20.7%
S K Goodwin	30,611,484	6.7%
J W F Roth	26,131,159	5.7%
S J M Morris	21,707,817	4.8%
G B Ashley	18,354,718	4.0%

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 48 days (2016: 40 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
6 June 2018

Strategic Report

FOR THE YEAR ENDED 31 DECEMBER 2017

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. The Company plans to continue to re-invest its profits in 2018 to grow the Company more significantly in the coming years.

Business model

The Crimson Tide group provides its mpro5 software, sometimes with a handheld mobile device or tablet, 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, sensors, tags, 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 Chairman's Statement and Financial Review on pages 2 and 4 respectively.

At 31 December 2017 Crimson Tide had a total of 26 directors and employees analysed as follows:

	Male	Female
Directors	6	-
Senior Managers	3	-
Other employees	12	5

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 and people. 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 if required, and accelerate growth

Signed on behalf of the Directors

Barrie Whipp
Executive Chairman
6 June 2018

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
6 June 2018

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

OPINION

We have audited the financial statements of Crimson Tide plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2017 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated and Company Statement of Financial Position, Consolidated and Company Statement of Changes in Equity, Consolidated and Company Cash Flow Statement and related notes including a summary of significant accounting policies. 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.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2017 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.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

WHO WE ARE REPORTING TO

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 a Report of the Auditor 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.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OUR ASSESSMENT OF RISKS OF MATERIAL MISSTATEMENT

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

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

CONTINUED

Risk	How the scope of our audit responded to the risk
Management override of controls Journals can be posted that significantly alter the Financial Statements.	We examined journals posted around the year end, specifically focusing on areas which are more easily manipulated such as accruals, prepayments, bank reconciliations and tax.
Going Concern There is a risk that the company may hold insufficient working capital to allow it to meet its financial obligations as they fall due thus giving rise to a going concern risk.	Existing cash reserves have been evidenced and future cashflow forecasts have been reviewed to ensure sufficient cash headroom exists for a period of at least one year from the date of approving these financial statements. The Group is committed to investing in new opportunities to grow the business.
Fraud in Revenue Recognition There is a risk that revenue is materially understated due to fraud.	Income was tested on a sample basis and we concluded that no evidence of fraud or other understatement was identified.
Risk of material misstatement within related party transactions There is the risk that related party transactions are potentially incomplete or materially misstated.	Correspondence, including Board Minutes, and accounting records were reviewed for evidence of material related party transactions and it is considered that all relevant items have been disclosed. Intercompany balances were tested and found to be recorded correctly.

Our audit procedures relating to these matters were designed in the context of our audit of the Financial Statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the Financial Statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

OUR APPLICATION OF MATERIALITY

We define materiality as the magnitude of misstatement in the Financial Statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning and in the scope of our audit work and in evaluating the results of our work.

We determine materiality for the Group to be £64,190 and this financial benchmark, which has been used throughout the audit, was determined by way of a standard formula being applied to key financial results and balances presented in the Financial Statements. Where considered relevant the materiality is adjusted to suit the specific area risk profile of the Group.

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Directors Report, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors Report.

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.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Statement of Directors' Responsibilities set out on page 11 the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

JOSEPH KINTON (Senior Statutory Auditor)
For and on behalf of SHIPLEYS LLP Chartered Accountants and Statutory Auditor
10 Orange Street Haymarket London WC2H 7DQ
6 June 2018

Consolidated Income Statement

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	**Year ended 31 December 2017** £000	Year ended 31 December 2016 £000
Total Revenue	1	2,275	1,860
Cost of sales		(231)	(159)
Gross Profit		**2,044**	**1,701**
Total operating expenses		(1,634)	(1,312)
Exceptional item	2	(44)	-
Profit from operations	2	366	389
Interest Income	3	-	-
Interest payable and similar charges	3	(51)	(37)
Profit before taxation		**315**	**352**
Taxation	5	(5)	(4)
Profit for the year available to equity holder of parent		310	348

Earnings per share		**Year ended 31 December 2017**	Year ended 31 December 2016
Basic earnings per ordinary share (pence)	6	0.07	0.08
Diluted earnings per ordinary share (pence)	6	0.07	0.08

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	**Year ended 31 December 2017** £000	Year ended 31 December 2016 £000
Net Profit for the year		**310**	348
Other comprehensive income/(loss) for the year:			
Exchange differences on translating foreign operations		**(1)**	1
Total comprehensive profit for the year		**309**	349

Consolidated Statement of Financial Position

AT 31 DECEMBER 2017

	Notes	As at 31 December 2017 £000	As at 31 December 2016 £000
Assets			
Intangible assets	7	**1,698**	1,522
Equipment, fixtures & fittings	8	**611**	750
Total non-current assets		**2,309**	2,272
Inventories		**8**	7
Trade and other receivables	10	**974**	636
Cash and cash equivalents	11	**757**	878
Total current assets		**1,739**	1,521
Total Assets		**4,048**	3,793
Equity and liabilities			
Share capital	12	**454**	453
Capital redemption reserve	13	**-**	-
Share premium	13	**121**	112
Other Reserves	13	**421**	422
Reverse acquisition reserve	13	**(5,244)**	(5,244)
Retained earnings	13	**7,069**	6,759
Total equity		**2,821**	2,502
Trade and other payables			
Amounts falling due within one year	14	**868**	769
Amounts falling after more than one year	15	**359**	522
Total liabilities		**1,227**	1,291
Total equity and liabilities		**4,048**	3,793

The financial statements were approved by the board of directors on 6 June 2018 and are subject to the approval of the shareholders at the Annual General Meeting on 29 June 2018 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 2017

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 2016	7,335	49	1,090	421	(5,244)	(1,618)	2,033
Profit for the year	-	-	-	-		348	348
Share options exercised	8	-	112	-	-	-	120
Capital reconstruction (*)	(6,890)	(49)	(1,090)	-	-	8,029	-
Translation movement	-	-	-	1	-	-	1
Balance as at 31 December 2016	453	-	112	422	(5,244)	6,759	2,502
Profit for the year	-	-	-	-	-	310	310
Share options exercised	1	-	9	-	-	-	10
Translation movement	-	-	-	(1)	-	-	(1)
Balance as at **31 December 2017**	**454**	**-**	**121**	**421**	**(5,244)**	**7,069**	**2,821**

(*) 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 2017

	Year ended 31 December 2017	Year ended 31 December 2016
Cash flows from operating activities	£000	£000
Profit before taxation	**315**	352
Adjusted for:		
Amortisation of intangibles	**120**	105
Depreciation of equipment, fixtures and fittings	**274**	198
Profit on sale of assets	**-**	-
Net interest expense	**51**	37
Operating cash flows before movement in working capital	**760**	692
(Increase) / decrease in inventories	**(1)**	8
Increase in trade and other receivables	**(338)**	(2)
Increase / (decrease) in trade and other payables	**143**	(203)
Cash generated from operating activities	**564**	495
Taxes paid	**(5)**	(4)
Net cash generated from operating activities	**559**	491
Cash flows used in investing activities		
Purchases of fixed assets	**(431)**	(675)
Sale of fixed assets	**-**	-
Net cash used in investing activities	**(431)**	(675)
Cash flows from financing activities		
Net proceeds from share issues	**10**	120
Interest paid	**(51)**	(37)
Net increase in borrowings	**(189)**	422
Net cash from financing activities	**(230)**	505
Net increase in cash and cash equivalents	**(102)**	321
Net cash and cash equivalents at beginning of period	**859**	538
Net cash and cash equivalents at end of period	**757**	859

Analysis of net funds:		
Cash and cash equivalents	**757**	878
Bank overdraft	**-**	(19)
	757	859
Other borrowing due within one year	**(280)**	(306)
Borrowings due after one year	**(359)**	(522)
Net funds	**118**	31

Notes to the Consolidated Financial Statements

AT 31 DECEMBER 2017

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 Oakhurst House, 77 Mount Ephraim, Tunbridge Wells, Kent TN4 8BS. 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 2017 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

No new standards, amendments to standards, and interpretations have been adopted in the 2017 financial statements.

Future standards, amendments to standards and interpretations not early adopted in the 2017 financial statements include:

Effective for periods beginning on or after 1 January 2018:

IFRS 9 Financial Instruments

IFRS 15 Revenue from contracts with customers

Effective for periods beginning on or after 1 January 2019:

IFRS 16 Leases

The adoption of these standards 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 2017

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 is measured 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 2017

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 / loss Year ended 31 December		Non current assets Year ended 31 December	
	2017	2016	**2017**	2016	**2017**	2016
Region:	£000	£000	£000	£000	£000	£000
UK	**1,901**	1,607	**398**	382	**2,303**	2,266
Ireland	**284**	189	**(32)**	7	**6**	6
Switzerland	**87**	64	**-**	-	-	-
USA	**3**	-	**-**	-	-	-
Total	**2,275**	1,860	**366**	389	**2,309**	2,272

Turnover can be analysed by business activity as follows:

	Year ended 31 December 2017	Year ended 31 December 2016
Business activity:	£000	£000
Mobility solutions and related development services	**2,165**	1,764
Software solutions reselling, development and support	**110**	96
Total Turnover	**2,275**	1,860

2. Profit from operations

	Year ended 31 December 2017 £000	Year ended 31 December 2016 £000
Amortisation of intangible assets	**120**	105
Depreciation on equipment, and fixtures and fittings	**274**	198
Operating lease costs	**11**	22
Auditors remuneration for:		
- Audit services	**10**	10
- Other services:		
- The auditing of accounts of associates of the Company pursuant to legislation	**12**	15
- Other services supplied pursuant to such legislation	**13**	7

The exceptional item of £44,000 (2016: £nil) represents one-off legal fees and accounting due diligence costs incurred in preparation of an acquisition that was subsequently aborted by the Company.

3. Finance income and costs

	Year ended 31 December 2017 £000	Year ended 31 December 2016 £000
Loan interest	**14**	12
Finance lease interest	**35**	24
Other interest costs	**2**	1
Interest receivable	**-**	-
Net finance costs	**51**	37

Notes to the Consolidated Financial Statements

AT 31 DECEMBER 2017

4. Employees

Staff costs (including Directors) were as follows:

	Year ended 31 December 2017 £000	Year ended 31 December 2016 £000
Wages and salaries	**648**	532
Non-Executive Directors' fees	**12**	12
Compulsory social security contributions	**103**	90
Other pension costs	**5**	25
Personnel costs	**768**	659

The following amounts are included above in relation to Directors:

	Year ended 31 December 2017 £000	Year ended 31 December 2016 £000
Wages and salaries	**343**	372
Non-Executive Directors' fees	**12**	12
Compulsory social security contributions	**40**	47
Pension costs	**1**	25
Directors' costs	**396**	456

A detailed breakdown of the remuneration of the Directors is shown on page 10.

Average monthly staff numbers in the period were as follows:

	Year ended 31 December 2017 No.	Year ended 31 December 2016 No.
Sales and marketing	**8**	5
Technical	**12**	10
Management, finance and administration	**4**	4
	24	19

Notes to the Consolidated Financial Statements CONTINUED

AT 31 DECEMBER 2017

5. Taxation

The tax charge for the period ending 31 December 2017 and 31 December 2016 reflects the availability of tax losses in the Group and the utilisation of capital allowances.

	Year ended 31 December 2017 £000	Year ended 31 December 2016 £000
Profit on ordinary activities before tax	**315**	352
Profit on ordinary activities by rate of tax	**63**	70
Effects of:		
Expenses not deductible for taxation purposes	**21**	9
Excess capital allowances over depreciation	**(5)**	(13)
Utilisation of brought forward tax losses	**(84)**	(70)
Tax on profit on ordinary activities	**5**	4

Deferred tax asset

The Group has an unprovided deferred tax asset relating to carried forward taxable losses of approximately £400,000 (2016: £486,000).

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 2017**	Year ended 31 December 2016
Reported profit (£000)	**310**	348
Reported basic earnings per share (pence)	**0.07**	0.08
Reported diluted earnings per share (pence)	**0.07**	0.08

Weighted average number of ordinary shares:	**Year ended 31 December 2017 No.**	Year ended 31 December 2016 No.
Opening balance	**453,486,234**	445,486,234
Effect of share placing during the year	**52,055**	1,945,205
Weighted average number of ordinary shares for basic EPS	**453,538,289**	447,431,439
Effect of options outstanding	**11,282,258**	11,959,677
Weighted average number of ordinary shares for diluted EPS	**464,820,457**	459,391,117

Notes to the Consolidated Financial Statements

AT 31 DECEMBER 2017

7. Intangible assets

Group	Goodwill £000	Group development expenditure £000	Total £000
Cost			
At 1 January 2016	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
Additions:			
Mobile data applications development cost	-	295	295
Research and Development Grant	-	-	-
At 31 December 2017	**988**	**1,560**	**2,548**
Impairment and amortisation			
At 1 January 2016	(190)	(436)	(626)
Charge for year	-	(105)	(105)
At 31 December 2016	(190)	(541)	(731)
Charge for year	-	(120)	(120)
At 31 December 2017	**(190)**	**(661)**	**(851)**
Carrying amount			
At 31 December 2017	**798**	**899**	**1,698**
At 31 December 2016	798	724	1,522
At 1 January 2016	798	575	1,373

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.

Notes to the Consolidated Financial Statements CONTINUED

AT 31 DECEMBER 2017

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 2016	91	948	22	1,061
Additions	46	377	-	423
Disposals / revaluation	(12)	7	-	(5)
At 31 December 2016	125	1,332	22	1,479
Additions	14	92	26	132
Disposals / revaluation	(10)	(235)	-	(245)
At 31 December 2017	**129**	**1,189**	**48**	**1,366**
Depreciation				
At 1 January 2016	(45)	(472)	(17)	(534)
Charge for year	(21)	(176)	(1)	(198)
Disposals / revaluation	12	(9)	-	3
At 31 December 2016	(54)	(657)	(18)	(729)
Charge for year	(21)	(250)	(4)	(275)
Disposals / revaluation	10	239	-	249
At 31 December 2017	**(65)**	**(668)**	**(22)**	**(755)**
Carrying amount				
At 31 December 2017	**64**	**521**	**26**	**611**
At 31 December 2016	71	675	4	750
At 1 January 2016	46	476	5	527

Included within the net book value of £611,000 is £486,000 (2016: £583,000) relating to PDA and smartphone equipment, computer equipment and fixtures and fittings held under finance lease agreements. The depreciation charge to the financial statements in the year in respect of such equipment amounted to £177,000 (2016: £126,000). 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 2017

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 2017. 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 2016	5,297	386	5,683
Additions	-	-	-
At 31 December 2017	**5,297**	**386**	**5,683**
Provisions			
At 31 December 2016	1,929	386	2,315
Impairment	-	-	-
At 31 December 2017	**1,929**	**386**	**2,315**
Carrying amount			
At 31 December 2017	**3,368**	**-**	**3,368**
At 31 December 2016	3,368	-	3,368

10. Trade and other receivables

Group	As at 31 December 2017 £000	As at 31 December 2016 £000
Trade receivables	**512**	300
Other receivables	**29**	29
Prepayments and accrued income	**433**	307
	974	636

As at 31 December 2017, trade receivables of £89,000 (2016: £136,000) 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 2017 £000	As at 31 December 2016 £000
Age from invoice date		
< 30 days	**431**	251
30 - 60 days	**32**	21
60 - 90 days	**5**	4
> 90 days	**44**	24
	512	300

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

	£000
At 1 January 2016	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
Receivables collected in year previously provided for	-
Receivables written off during the year as uncollectable	(31)
Provision for receivables impairment for the year	(16)
At 31 December 2017	**89**

Company	As at 31 December 2017 £000	As at 31 December 2016 £000
Amounts recoverable from Group undertakings	**1,405**	1,319
Other receivables	**35**	33
Prepayments and accrued income	**62**	5
	1,502	1,357

Notes to the Consolidated Financial Statements

AT 31 DECEMBER 2017

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 2017 £000	As at 31 December 2016 £000
Authorised		
Ordinary shares: 711,950,842 shares of 0.1p each (2016: 711,950,842 shares of 0.1p each)	**712**	712
Issued, called up		
Ordinary shares: 454,486,234 shares of 0.1p each (2016: 453,486,234 shares of 0.1p each)	**454**	453

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 2017 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	Exercised in 2017	Number outstanding and exercisable at 31 December 2017
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	—	1,000,000	3,000,000
5 May 2010	2.5p	1.25p	5 May 2020	17,500,000	4,500,000	—	—	13,000,000
Issued under an unapproved scheme								
5 May 2010	2.5p	1.25p	5 May 2020	2,500,000	—	—	—	2,500,000

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 2016	49	1,090	421	(5,244)	(1,618)
Share options exercised	-	112	-	-	-
Profit for the year	-	-	-	-	348
Capital reconstruction	(49)	(1,090)	-	-	8,029
Translation movement	-	-	1	-	-
Balance as at 31 December 2016	-	112	422	(5,244)	6,759
Profit for the year	-	-	-	-	310
Share options exercised	-	9	-	-	-
Translation movement	-	-	(1)	-	-
Balance as at 31 December 2017	**-**	**121**	**421**	**(5,244)**	**7,069**

Company	Capital redemption reserve £000	Share premium £000	Other reserves £000	Retained earnings £000
Balance as at 1 January 2016	49	1,090	337	(4,070)
Loss for the year	-	-	-	(28)
Share options exercised	-	112	-	-
Capital reconstruction	(49)	(1,090)	-	8,029
Balance as at 31 December 2016	-	112	337	3,931
Loss for the year	-	-	-	(42)
Share options exercised	-	9	-	-
Balance as at 31 December 2017	**-**	**121**	**337**	**3,889**

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 2017

14. Creditors: Amounts falling due within one year

Group	**As at 31 December 2017 £000**	As at 31 December 2016 £000
Finance lease agreements	**180**	194
Secured loans	**100**	111
Bank overdraft	**-**	19
Trade creditors	**93**	54
PAYE and social security	**31**	28
VAT	**89**	79
Other creditors	**11**	-
Accruals and deferred income	**364**	284
	868	769

Company	**As at 31 December 2017 £000**	As at 31 December 2016 £000
Trade creditors	**34**	1
Amounts owed to Group undertakings	**26**	4
Accruals	**39**	27
	99	32

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

Group	**As at 31 December 2017 £000**	As at 31 December 2016 £000
Finance lease agreements	**284**	363
Secured loans	**75**	159
	359	522

Maturity of debt

Group	**As at 31 December 2017 £000**	As at 31 December 2016 £000
The loans and finance leases are repayable as follows:		
Within one year	**280**	305
Between one and two years	**163**	244
Between two and five years	**196**	278
	639	827

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 2017 £000**	As at 31 December 2016 £000
During next year	**64**	-
After 1 year but not more than 5 years	**258**	-
	322	-

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 2017 £000**	As at 31 December 2016 £000
Financial Assets		
Cash at bank and in hand	**757**	878
Financial Liabilities		
Bank overdraft (maturing on demand)	**-**	19
Secured loans	**174**	270
Finance leases	**465**	557

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 2017

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 2017 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, 2017, no one customer accounted for more than £1,134,000 (2016: £1,540,000) 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 9 and 10.

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

Company Statement of Financial Position

AT 31 DECEMBER 2017

	Notes	As at 31 December **2017** £000	 2016 £000
Assets			
Tangible assets	8	-	-
Investments	9	3,368	3,368
Total non-current assets		**3,368**	3,368
Trade and other receivables	10	1,502	1,357
Cash and cash equivalents	11	30	140
Total current assets		**1,532**	1,497
Total assets		**4,900**	4,865
Equity and liabilities			
Share capital	12	454	453
Capital redemption reserve	13	-	-
Share premium	13	121	112
Other Reserves	13	337	337
Retained earnings	13	3,889	3,931
Total equity		**4,801**	4,833
Trade and other payables			
Amounts falling due within one year	14	99	32
Amounts falling after more than one year	15	-	-
Total liabilities		**99**	32
Total equity and liabilities		**4,900**	4,865

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 £42,174 (2016 loss: £27,962).

The financial statements were approved by the Board of Directors on 6 June 2018 and are subject to the approval of the shareholders at the Annual General Meeting on 29 June 2018 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 2017

Company	Share Capital £000	Capital Redemption Reserve £000	Share Premium £000	Other Reserves £000	Retained Earnings £000	Total £000
Balance as at 1 January 2016	7,335	49	1,090	337	(4,070)	4,741
Loss for the year	-	-	-	-	(28)	(28)
Share options exercised	8	-	112	-	-	120
Capital reconstruction (*)	(6,890)	(49)	(1,090)	-	8,029	-
Balance as at 31 December 2016	453	-	112	337	3,931	4,833
Loss for the year	-	-	-	-	(42)	(42)
Share options exercised	1	-	9	-	-	10
Balance as at **31 December 2017**	**454**	-	**121**	**337**	**3,889**	**4,801**

(*) 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 2017

	Year ended 31 December	
	2017	2016
	£000	£000
Cash flows from operating activities		
Loss before taxation	**(42)**	(28)
Adjusted for:		
Increase in trade and other receivables	**(145)**	(5)
Increase / (decrease) in trade and other payables	**67**	(22)
Interest paid	-	-
Net cash (used) / generated from operating activities	**(120)**	(55)
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	**10**	120
Interest paid	-	-
Net decrease in borrowings	-	-
Net cash from financing activities	**10**	120
Net increase / (decrease) in cash and cash equivalents	**(110)**	65
Net cash and cash equivalents at beginning of period	**140**	75
Net cash and cash equivalents at end of period	**30**	140

Analysis of Net Debt		
Cash and cash equivalents	**30**	140
Bank overdraft	-	-
	30	140
Other borrowing due within one year	-	-
Borrowings due after one year	-	-
Net funds	**30**	140

Officers and Professional Advisors

Board of Directors	B R J Whipp (Executive Chairman) G B Ashley S K Goodwin T J T Hawkins L A Jeffrey R K Todd
Secretary	S K Goodwin
Registered office	Oakhurst House 77 Mount Ephraim Tunbridge Wells Kent TN4 8BS
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	Arden Partners plc 125 Old Broad Street London EC2N 1AR
Solicitors	DAC Beachcroft LLP 125 Broad Street London EC2N 1AR
Website	www.crimsontide.co.uk

Notice of Annual General Meeting

Notice is hereby given that the 2018 Annual General Meeting of Crimson Tide plc will be convened at Oakhurst House, 77 Mount Ephraim, Tunbridge Wells, Kent TN4 8BS on 29 June 2018 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 2017

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

3 To re-appoint R. K. Todd as a Director of the Company

4 To re-appoint G. B. Ashley as a Director of the Company

5 To re-appoint T. J. T. Hawkins as a Director of the Company

By order of the Board
Stephen Goodwin
Company Secretary
Registered Office
Oakhurst House
77 Mount Ephraim
Tunbridge Wells
Kent TN4 8BS
6 June 2018

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 2018 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.

Form of Proxy

Crimson Tide plc
("Crimson Tide" or "the Company")
Annual General Meeting on 29 June 2018 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 2018 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 2017			
2 To re-appoint Shipleys LLP as auditors			
3 To re-appoint R. K. Todd as a director			
4 To re-appoint G. B. Ashley as director			
5 To re-appoint T. J. T. Hawkins as a 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 2018 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).
10. 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.
11. 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
Oakhurst House
77 Mount Ephraim
Tunbridge Wells
TN4 8BS

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mpro5

Crimson Tide plc	Registered in England No. 00113845
Our registered office:	Oakhurst House, 77 Mount Ephraim, Tunbridge Wells, Kent TN4 8BS
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