

Regulatory Announcement

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Company	Crimson Tide PLC
TIDM	TIDE
Headline	Preliminary Results
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Crimson Tide PLC
30 June 2008

Crimson Tide Plc
("Crimson Tide" or "the Company")
(A leading service provider of mobile data solutions for business)

Preliminary Announcement of Results to 31 December 2007

Highlights

- **Turnover increased to £1.67m in the 12 months to 31 December 2007 from £1.10m in the 14 months to 31 December 2006.**
- **Turnover for comparative 12-month period up by 78%.**
- **Loss before interest, tax, depreciation and amortisation of £0.35m for the 12 months to 31 December 2007, in line with our expectations.**
- **Significant improvement in second half of year with loss reducing consistently.**
- **Continued growth in customer base and contracted revenues; larger customers achieved.**

Chairman's Statement

I am pleased to report the results for Crimson Tide plc for the twelve months ended 31 December 2007, the company's first full year as an AIM listed company. I am particularly pleased to confirm that the growth in the business during the year was significant. Turnover grew to £1.67m which was 78% higher than the equivalent twelve month period in 2006 and 51% higher than the last reported fourteen month period ending 31 December 2006. The loss before tax for the year was £0.41m, in line with our expectations. Notably, the loss for the second half of the year at the EBITDA level was £0.13m, an improvement over the loss in the first half of 43%.

Our mobile data solutions have attracted a wide range of new customers and the size of those customers has been larger than we anticipated. Our solutions are being used in many high street retail outlets and financial institutions. Contract wins with organisations such as Marks & Spencer and Knight Frank have validated our business model and demonstrated our ability to sell to larger organisations. Marks & Spencer monitors contractors cleaning their branches using our real-time handheld solution and Knight Frank uses our system to monitor facilities management in trophy buildings such as The Adelphi in London. These and other contracts have increased in numbers of users and further application development through the year. Our subscription based mobile data solutions have been proved to deliver fast, demonstrable return on investment.

Our operations in the Republic of Ireland had a good year and are now seamlessly integrated into our operational structure. A number of exciting applications have been developed by our staff in Ireland and we have introduced solutions to a number of vertical markets. We have some exciting opportunities in the retail and healthcare fields due for roll-out in 2008.

Building on the successes of 2007, our pipeline of new business opportunities is very strong, both from increasing numbers of subscribers from our existing customers and from new prospects. These opportunities include a range of applications where we have customised solutions for existing vertical markets as well as solutions for areas new to us. We have made a good start to the year and are pressing forward with delivering a wide range of solutions, both in the UK & Ireland.

In summary, during the reported period, we have delivered all that was expected at the time we floated on AIM. We have controlled overheads, grown our revenues and, more importantly, increased our contracted, long-term subscriber base. The Directors are continuing to work hard to drive the business forward towards profitability and believe firmly that the market for our solutions is growing.

The Company's AGM is to be held on 23 July 2008 at 11.00 am at IAF Securities Limited, 117 Jermyn Street, London SW1Y 6HH.

Finally, I would like to thank Crimson Tide's team for their continued commitment and dedication.

Barrie Whipp,
Executive Chairman

30 June 2008

Enquiries:

Crimson Tide plc 01892 542444
Barrie Whipp, Executive Chairman

W.H. Ireland Limited 0121 265 6330
Tim Cofman-Nicoresti/Katy Birkin

Threadneedle Communications 020 7936 9605
Graham Herring / Josh Royston

Crimson Tide Plc**Unaudited consolidated income statement for the 12 months to 31 December 2007**

	<u>Group</u>	
	Year ended	14
	31 December	Months Year
	2007	ended
	£000	31 December
		2006
		£000
Revenue	1,674	1,105
Cost of sales	<u>(745)</u>	<u>(524)</u>
Gross profit	929	581
Total operating expenses	<u>(1,328)</u>	<u>(876)</u>
Loss from operations	(399)	(295)
Interest income	10	6
Interest payable and similar charges	<u>(19)</u>	<u>(8)</u>
Loss before taxation	(408)	(297)
Tax on loss on ordinary activities	-	-
Loss for the year attributable to equity holders of the parent	<u>(408)</u>	<u>(297)</u>
Loss per share		
Basic and diluted loss per ordinary share (pence)	0.14p	0.13p

Unaudited balance sheet as at 31 December 2007

	<u>Group</u>	
	As	As
	at 31 December	at 31 December
	2007	2006

	£000	£000
Fixed Assets		
Intangible assets	889	732
Equipment, fixtures & fittings	29	24
	<u>918</u>	<u>756</u>
Current Assets		
Inventories	25	28
Trade and other receivables	383	414
Cash and cash equivalents	175	394
	<u>583</u>	<u>836</u>
Total assets	<u>1,501</u>	<u>1,592</u>
Equity and liabilities		
Equity attributable to equity holders of the parent		
Share capital	5,790	5,679
Capital redemption reserve	49	49
Share premium	1,006	916
Other reserves	507	457
Reverse acquisition reserve	(5,244)	(5,244)
Retained earnings	(1,571)	(1,163)
	<u>537</u>	<u>694</u>
Creditors		
Amounts falling due within one year	862	762
Creditors		
Amounts falling due after more than one year	102	136
Total liabilities	<u>964</u>	<u>898</u>
Total equity and liabilities	<u>1,501</u>	<u>1,592</u>

Unaudited statement of changes in equity for the 12 months ended 31 December 2007

Group	Share capital	Capital redemption reserve	Share premium	Other reserves	Reverse acquisition reserve	Retained earnings	Total
	£000	£000	£000	£000	£000	£000	£000
Balance as at 1 November 2005	730		279			(866)	143
Loss for the period						(297)	(297)
Proceeds from new shares issued during the year	600		(63)				537
Shares issued on acquisition of IDL	40		44				84

IFRS 3 reverse acquisition conversion	4,309	49	656	457	(5,244)		227
Balance as at 31 December 2006	5,679	49	916	457	(5,244)	(1,163)	694
Loss for the year						(408)	(408)
Proceeds from new shares issued during the year	110		96				206
Proceeds from warrants exercised during the year	1						1
Shares to be issued for acquisition of IDL				60			60
Additional costs for acquisition of IDL			(6)				(6)
Translation movement				(10)			(10)
Balance as at 31 December 2007	5,790	49	1,006	507	(5,244)	(1,571)	537

Note: "IDL" means Intelligent Data Limited, acquired by Crimson Tide plc on 7 December 2006

Unaudited consolidated cash flow statement for the year ended 31 December 2007

	<u>Group</u>	<u>Group</u>
	Year ended 31 December 2007	14 Months ended 31 December 2006
	£000	£000
Cash flows from operating activities		
Loss from operations	(399)	(295)
Depreciation of equipment, fixtures and fittings	10	23
Amortisation of Intangible Assets	41	47
Operating cash flows before movements in working capital	(348)	(225)
Decrease in inventories	3	17
Decrease in trade and other receivables	31	-
Increase/(Decrease) in trade and other payables	30	(33)
Cash used in operating activities	(284)	(241)

Income taxes paid	-	-
Net cash used in operating activities	(284)	(241)
Cash flows used in investing activities		
Acquisition of subsidiaries	(60)	(467)
Interest received	10	6
Net cash used in investment activities	(50)	(461)
Cash flows from financing activities		
Net proceeds on issues of shares	206	848
Interest paid	(19)	(8)
Net (decrease)/increase in borrowings	(49)	147
Net cash from financing activities	138	987
Net (decrease)/increase in cash and cash equivalents	(196)	285
Net cash and cash equivalents at beginning of period	371	86
Net cash and cash equivalents at end of period	175	371

Crimson Tide Plc

Notes to the Consolidated Financial Statements for the 12 months ended 31 December 2007

A. Significant accounting policies

- Basis of preparation

The preliminary results for the period to 31 December 2007 are unaudited. The consolidated financial statements of Crimson Tide plc will be prepared and approved by the Directors in accordance with applicable law and International Financial Reporting Standards, incorporating International Accounting Standards (IAS) and Interpretations (collectively IFRSs) as endorsed by the European Union.

- Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and all of its subsidiaries.

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.

B. Acquisitions

On 7 December 2006 Crimson Tide plc acquired the entire share capital of Intelligent Data Limited (now renamed Crimson Tide (IE) Limited), a company based in Dublin, Ireland for an initial consideration of £220,000 satisfied by cash of £120,000 and the issue of 4 million ordinary shares at 2.5 pence per share.

Following the acquisition, additional consideration of €106,000 became due to the sellers in 2007 representing the net working capital balance acquired, of which €80,000 was paid during the year; the balance will be settled in 2008. Further consideration was paid to the sellers in April 2008 in the form of 3.2 million Crimson Tide plc shares valued at £60,000 in recognition of achieving the target turnover of €1m in 2007, set out in the acquisition agreement.

C. Taxation

No tax charge has been incorporated into the consolidated accounts for the period ended 31 December 2007 due to the availability of tax losses.

D. Loss per share

	Group	
	Year ended 31 December 2007	14 Months ended 31 December 2006
Basic and Diluted Loss per share		
Reported loss (£000)	(408)	(297)
Reported loss per share (pence)	0.14p	0.13p

The loss per share has been calculated by dividing the loss attributable to ordinary shareholders by the weighted average number of shares in issue calculated as follows:

	Year ended 31 December 2007 No.	14 Months ended 31 December 2006 No.
Weighted average number of ordinary shares:		
Opening balance	279,899,089	200,759,180
Effect of share placing June 2007	6,298,630	-
Effect of warrants exercised during year	15,349	-
Effect of Crimson Tide Plc shares post reverse acquisition	-	23,105,112

Effect of shares issued in acquisition of Crimson Tide (IE) Ltd	-	225,352
<u>Weighted average number of ordinary shares</u>	<u>286,213,068</u>	<u>224,089,644</u>

Due to the Group's loss for the periods, the diluted loss per share is the same as the basic loss per share.

The financial information set out above does not constitute the Company's statutory accounts for the periods ended 31 December 2007 or 31 December 2006. Statutory accounts for 2006, which were prepared under IFRS, have been delivered to the Registrar of Companies. The auditors have reported on the 2006 accounts; their report was unqualified and did not contain a statement under section 237(2) or (3) of the Companies Act 1985. The statutory accounts for 2007 which are prepared under accounting standards adopted by the EU will be finalised on the basis of the financial information presented by the directors in this preliminary announcement and will be delivered to the Registrar of Companies following the Company's annual general meeting.

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