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Crimson Tide PLC
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Crimson Tide plc

("Crimson Tide" or the "Company")

Significant long-term contract win and trading update

Crimson Tide (TIDE) announces that it has entered into a significant long-term contract for its mpro5 solution with one of the country's leading supermarkets. The contracted revenue is for a minimum of £2m over the 60-month term. This contract is for an enhanced rollout of mpro5 including safety and legal compliance. It is delivered on a software only basis, replacing a previous contract and reducing support costs and capital requirements to fund expensive rugged PDAs, resulting in higher margins.

The Company expects profit before tax for the year to be substantially ahead of 2018 and in line with market expectation. Turnover for 2019 is expected to show an increase of approximately 15% on the previous year, lower than market expectation, reflecting the move away from lower margin hardware provision.

The Company also announces that it is currently engaged in several pilots in the transportation industry which are hoped to transition into subscriber contracts in 2020.

Barrie Whipp, Executive Chairman, commented:

"2019 has been a strong year for the Company and our profits have increased significantly. This is in the light of additional investment in our expanded, high level sales team, which has increased our pipeline and introduced solution sales as well as the integration of Internet of Things (IOT) sensors with mpro5. We have also enhanced mpro5 significantly during the year. We are very pleased to be able to reduce our investment in rugged devices, which will improve our margins over time. The team has generated a strong future pipeline of business and we are optimistic about our opportunities in facilities management, retail, healthcare and transportation, especially with our new IOT technologies."

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www.crimsontide.co.uk/

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