

COMPANY ANNOUNCEMENT

Crimsonwing plc

ACQUISITION of VDA Informatiebeheersing BV by CRIMSONWING plc

Date of Announcement	11 June 2008
Reference	4/2008
Listing Rule	LR8.9.2, 8.9.4

This is a Company Announcement being made by the Company in compliance with Chapter 8 of the Listing Rules:

Acquisition

Quote

The Company has entered into a Share Purchase Agreement for the acquisition of the total issued share capital of VDA Informatiebeheersing BV, a company based in Hilversum, The Netherlands, for a total consideration of €1.9 million. The transaction is expected to close on or around the first week of July.

As documented in the Use of Proceeds statement in the Crimsonwing Plc Prospectus, dated 30th November 2007, this acquisition is in line with Crimsonwing's specifically stated strategy to bring additional and larger companies into the Crimsonwing Group. VDA fits Crimsonwing's target profile perfectly as profiled in the Crimsonwing Prospectus.

Additionally, and as stated in the Prospectus, Crimsonwing has deemed it beneficial to the company to fund this acquisition through a combination of cash and debt financing of €1.5 million. This allows Crimsonwing the capacity to continue to pursue its strategy with further future acquisitions.

With historic annual revenues of €3.4 million, VDA has found it difficult to grow due to resource constraints, skills availability and management time and focus. As part of Crimsonwing, VDA will be able to exploit the synergistic benefits working with Crimsonwing's Malta Solution Centre. Additionally there will be immediate operational cost savings.

VDA represents a strategic acquisition for Crimsonwing plc:

- ✔ Operating for the last 16 years, VDA is a well established IT professional services business specialising in the Broadcasting (Radio/TV), Media Agencies, Publishing and Cable/ISP sectors. The acquisition brings over 60 new clients to Crimsonwing, together with associated product licence and intellectual property.
- ✔ VDA is a Microsoft Dynamics partner, a key solution offered by Crimsonwing plc. Additionally the Media and Publishing verticals make an excellent strategic fit with Crimsonwing UK's business.
- ✔ In the Netherlands, Crimsonwing now operates three businesses - Crimsonwing BV, Crimsonwing Promentum BV and VDA BV. Crimsonwing will run these under a unified business organisation, and from a single location (Hilversum). This will deliver immediate overall operational cost savings, improve profitability, as well as new opportunities across the combined client base to provide the full

portfolio of Crimsonwing solutions.

- ✔ Crimsonwing in the Netherlands will now have a greater presence in the market and with a larger number of Dutch speaking business and technical consultants. The benefits of working with a Malta based solution centre have been well established over the last four years, and these can be further extended for the benefit of the VDA clients.
- ✔ This acquisition will lift Crimsonwing plc's Euro based sales from 25% to 45% of overall group revenues and thus significantly reduce any impact of exchange rate fluctuations between UK Sterling and the Euro.

Unquote

Signed:



Louis de Gabriele
Company Secretary