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3 January 2020

**Mobile Tornado Group plc**  
(**"Mobile Tornado"**, the **"Company"** or the **"Group"**)

**Full Year Trading Update**

Mobile Tornado (AIM: MBT) the leading provider of instant communication mobile solutions to the enterprise market, today issues a trading update ahead of the announcement of its results for the year ended 31 December 2019. The audited results for the year are expected to be announced in the week commencing 6 April 2020.

The Directors currently expect revenues for the six months to 31 December 2019 to be approximately £1.8m with an approximate EBITDA breakeven position for the period. As a result, based on unaudited management accounts and subject to audit, the full year revenues for 2019 are expected to be approximately £3.3m with an EBITDA\* loss of approximately £0.3m, which is below current market expectations.

The shortfall in revenue has been driven largely by a delay to the full deployment of the Company's solution with a government agency and a major public utility in Israel. Although the commercial terms for these deals have been agreed, and significant development work completed for each customer during the period, full deployment of devices to their field teams has been delayed until the early part of 2020. These two customers represent major strategic wins for the Company during 2019 and the Directors of the Company are confident that the commercial value of both deals will grow significantly during 2020 and beyond.

During the financial year, in response to the growing global market opportunity for Push to Talk over Cellular ("PoC"), the Company has undertaken an aggressive product development programme which has seen its solution significantly enhanced with additional features and functionality. These include a full suite of encryption solutions, a new cyber security platform and a new recording system. Many of these technical developments have been driven through engagement with customers and partners, particularly those within government agencies, where security is the primary concern for any new communication platform.

PoC is becoming a more attractive option as the technology of choice for public and private enterprises seeking an alternative to the old analogue systems. Enhanced features and functionality, alongside a significantly lower cost of ownership, makes for a compelling proposition. Whilst still in its early stages, the market opportunity is large, global and offers Mobile Tornado, its partners and customers significant future opportunities.

**Jeremy Fenn, Chairman, said:** "Whilst the expected outcome for the financial year is below what we had hoped, I am pleased to report that the business achieved a breakeven EBITDA position in the second half of the year for the first time. The pipeline of pending orders and opportunities reflects the Company's broader product offering and the growing global market for PoC solutions. The Board is confident that a good proportion of these leads will be converted into orders and will lead to a significant increase in revenues in due course. Furthermore, the investment made to enhance the Company's solution suite should lead to a broader customer base, reduce future volatility in earnings and soften the impact of future timing issues."

\*EBITDA refers to earnings before interest, tax, depreciation, amortisation and exchange rate gains or losses

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