

Parity Group PLC

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Parity profits plunge after losing consultancy services contract with Ministry of Defence

Parity Group PLC's (LON:PTY) profits plunged in 2018 after the Ministry of Defence (MoD) decided against renewing a consultancy services contract with the company.

Adjusted pre-tax profit dropped 48.7% to £850,000 last year due to costs related to the delay and subsequent loss of the MoD contract.

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Revenue increased 2.7% to £86.1m but was led higher by the lower margin recruitment business.

The adjusted pre-tax margin fell to 1.0% from 2.0% last year.

Last year, the company took action to address its performance by exiting its loss-making virtual reality business Inition and focusing on its higher-margin data consultancy services division.

"Reorganising and reshaping of our proposition will build on our strengths as trusted partners with deep and lasting relationships that empower clients to make bold data-led business decisions," said John Conoley, non-executive chairman.

"Trading remains in line with expectations and the board's confidence in the refreshed strategy is reflected in its continuing investment."

Shares dropped 10% to 7p in morning trading.

Price: 8

Market Cap: £8.21 m

1 Year Share Price Graph



Share Information

Code: PTY

Listing: LSE

52 week	High	Low
	10.5	4.5

Sector: Software & services

Website: www.parity.net

Company Synopsis:

Parity is an AIM-listed services company providing professional recruitment and leading-edge IT solutions from its offices in London, Manchester, Edinburgh, and Belfast Parity work alongside you all the way, enabling tangible business results through people-led approach to data solutions and recruitment. More and more, successful businesses must be ready to respond to complex and unpredictable challenges.

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