

23 January 2020

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 ("MAR"). Upon the publication of this announcement via a Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain.

**SmartSpace Software Plc**  
("SmartSpace" or the "Company" or the "Group")  
**Trading Statement**  
**For the year ending 31 January 2020**

SmartSpace Software plc, (AIM:SMRT) the leading provider of 'Integrated Space Management Software' for smart buildings, commercial spaces and hospitality, today updates the market on its trading performance for the financial year ending 31 January 2020.

In its interim statement, published in October 2019, the Company noted its expectation that the year would be second-half weighted whilst also highlighting the unpredictability of the Group's enterprise business due to the size of opportunities, the long sales and deployment cycles, and the nature of revenues generated, with a tendency towards a software licence model as opposed to SaaS.

The Company continues to have a strong pipeline of near-term enterprise opportunities, mainly from existing clients, which the Board had expected would complete before the end of January 2020. While the Company has made good progress and is in advanced stage contract negotiations, the division has been informed that one of its key hardware suppliers will not be able to fulfil its contractual obligation in respect of timely delivery of product. Although the supplier is seeking to fulfil the order as soon as possible, the Company has been informed that delivery will not take place in FY20.

As a result of this delay, the Company has been unable to conclude negotiations, and consequentially recognise revenue, on a number of material enterprise prospects due to impact in the current financial year. As a result, the Group therefore now expects to report revenues at a similar level to FY19, with an equivalent impact of this revenue shortfall on EBITDA.

Elsewhere in the business, SwipedOn continues to perform strongly, further improving the SmartSpace's SaaS metrics. The integration of Space Connect, the Group's recent acquisition, is progressing well and providing new business opportunities for SmartSpace. Group cash at 31 December 2019 was £3.2 million.

While the unforeseen delays in supply chain and the subsequent impact on the phasing of these enterprise contracts is disappointing, demand for products and services remains strong. The Board is confident that negotiations with the enterprise prospects, in addition to others in the Company's pipeline, will reach a successful conclusion, underpinning expectations for FY21. Furthermore, the FY20 outturn supports the previously announced strategic shift to focus on diversification into the self-serve and mid-range markets which can deliver fast growing pure SaaS revenue at higher margins.

## Enquiries

### SmartSpace Software Plc

Frank Beechinor (CEO)

Bruce Morrison (CFO)

via Lisa Baderoon

- Head of Investor Relations

### Lisa Baderoon (Head of Investor Relations)

[lbaderoon@smartspaceplc.com](mailto:lbaderoon@smartspaceplc.com)

+44(0) 7721 413 496

### N+1 Singer (NOMAD & Broker)

Shaun Dobson, Head of Corporate Finance

Lauren Kettle, Corporate Finance

+44 (0)20 7496 3000

### Canaccord Genuity (Joint Broker)

Adam James

Georgina McCooke

+44 (0) 20 7523 8000

## About SmartSpace Software Plc

SmartSpace Software plc is a SaaS-based technology business, designing and building smart software solutions. The Company's software solutions in workspace and hospitality help transform employee and customer engagement with modules which include: desk management, meeting room management, wayfinding, car parking, visitor management, frictionless vending, ticketing, loyalty management and analytics.

For more information go to: [www.smartspaceplc.com](http://www.smartspaceplc.com)