

4 February 2014

**EU Supply plc (“EU Supply” or the “Company”)**

**Trading Update**

EU Supply plc (LSE AIM: EUSP), the e-procurement software provider, presents its trading update for the year ended 31 December 2013.

Revenue for 2013 is anticipated to be approximately £1.8m and the loss before interest and tax is anticipated to be approximately £2.6m before exceptional costs relating to the flotation of £0.9m, of which £0.3m will be transferred to the share premium account.

Following the Company’s successful Initial Public Offering on AIM (“IPO”) in November 2013 when it raised £5.0 million, the Company has recruited, ahead of schedule, seven IT sales professionals with proven track records to cover the UK, Denmark and Sweden. This was one of the intended uses of proceeds raised on the IPO as outlined in the Company’s AIM admission document. This provides the Board with confidence that increased forecast revenue in H2 2014 and substantially increased forecast revenue in 2015 and beyond is achievable.

The Company is debt free following the repayment or conversion of all of its existing debt at the time of the IPO or shortly thereafter. The Board believes that the financial platform for the expected growth referred to above is now in place.

The Doffin platform, for the Norwegian national publication portal, was launched on 1 January 2014, and with the recent investment in additional sales resources, the Board expects the Company’s existing pipeline to grow significantly.

**Thomas Beergrehn, CEO of EU Supply, commented:** “We are pleased with progress achieved since IPO, including strengthening of the sales team to ensure we are well positioned to take advantage of the anticipated growth in the market. Recent ratification of the new EU Directives by the European Parliament, including the mandatory provisions as set out in the AIM admission document, gives us further comfort that the market for electronic tendering in the public sector should experience rapid growth over the next few years. We look forward to the year ahead.”

The Company expects to release its audited results for the year ended 31 December 2013 in late April when the Board will provide a further update on trading.

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## **Notes to Editors**

EU Supply is the UK holding company of the EU Supply Group, a Sweden-based e-commerce business which has an established, market-leading, multilingual e-procurement platform for e-sourcing, e-tendering and contract management, tailored for the highly regulated European public sector market.

Since 2006, the Group has invested heavily in employing specialist programmers to add functionality, legal compliance as required and security features to its Complete Tender Management™ (“CTM™”) platform to ensure that the Group is ideally placed to secure new contracts with EU Member States and their Contracting Authorities. The platform is available in 16 different languages.

The Directors believe that the Group’s CTM™ platform is one of the easiest to use and most functionally advanced solutions available in the market. The CTM™ platform is used by over 6,500 European public sector bodies in 10 Member States and has National Procurement System status in four Member States (the UK, Ireland, Norway and Lithuania).

The Directors believe demand for e-procurement solutions in the EU public sector will grow as authorities seek to comply with expected legislation, reduce costs and seek better control and transparency of their procurement processes.

The Company’s shares were admitted to trading on AIM on 13 November 2013 (“Admission”). At the same time, the Company raised £5.0 million before expenses mainly to fund expansion of its sales team, provide working capital for the Group and to repay borrowings, leaving the Group debt free on Admission.