

30 May 2018

EU Supply plc
(“EU Supply”, the “Company” or the “Group”)

AGM Statement

At its Annual General Meeting to be held at 11.30 am today, David Cutler, the Chairman of EU Supply plc (LSE AIM: EUSP), the e-procurement software provider, will make the following statement:

“2017 saw the achievement of the Board’s target of EBIT profitability coupled with another substantial organic increase in revenue. The focus for 2018 is to continue to grow revenue on this strengthened base and to secure increasing European market share with a profitable future. I am pleased to report that in the first four months of 2018, unaudited revenues have grown at approximately 28 per cent. compared to the same period in 2017, and is in line with the Board’s expectations.

As of 31 December 2017, 66 per cent. of revenues were of a recurring or repeated nature which, together with the Group’s promising pipeline of opportunities, gives the Board confidence that strong revenue growth will continue for the rest of this year. Group costs continue to be tightly controlled and, with the growing revenue stream and conversion of its pipeline, the Group continues to make careful investment in key staff to support the continued growth of the Group.

The continued strong growth into 2018, size of the Group’s order book and the encouraging pipeline of opportunities referred to above reassures the Board of the Group’s prospects for 2018, including in particular from Denmark and Norway, which have contributed over 100 new end-customers in the year-to-date. This high growth into 2018 is being fuelled by the mandatory provisions in the 2014 EU Directives (“EU Directives”), which require all public sector bodies and authorities to make available all tender documents and notices online and to manage essential phases of all higher value tenders electronically, which is fully effective in November 2018. The Directors believe that this continued strong growth demonstrates that EU Supply is well positioned to take advantage of this still expanding market. We are also pleased to see some initial orders from the Group’s refocused approach in the German market.

For the intermediate period 2019-2020, the Group sees further upselling opportunities of integration work and other services, and licences of additional already available modules in addition to those minimum services required for compliance with the EU Directives. Such demand, and the functional breadth, depth and flexibility of the Company’s CTM™ platform, reinforces the Board’s view that the underlying market is also continuing to expand well beyond November 2018 and that EU Supply continues to secure a share of that growth.

The Board also intends to build a platform for a renewed acceleration and longer term sustained high revenue growth in 2020-2021 and beyond on the back of this strong foundation by developing and marketing new micro procurement services for the human resource element of major public and private sector bodies, starting with the Group’s large existing customer base. The resource for this project will be provided for by the net proceeds of a successful placing and subscription of new shares of, in aggregate, £600k at 15p per share, which was announced on 25 May 2018.

The Board looks forward to the rapid development of the required features for this new service with a roll-out during 2019 and an expansion of the opportunities for the Group in 2019 and beyond.”

FURTHER ENQUIRIES**EU Supply PLC**

Thomas Beergrehn, CEO

Fredrik Wallmark CFO

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Tom Griffiths, Ed Thomas

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A copy of this announcement is available at www.eu-supply.com.

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 8,000 European public sector bodies in 9 EU/EEC Member States and has National Procurement System status in four Member States (the UK, Ireland, Norway and Lithuania).

The Company's shares were admitted to trading on AIM in November 2013. In August and September 2015, the Company raised a total of £2.061m (before expenses) through a placing of new shares and the issue of first and second tranches of Convertible Loan Notes to institutional and other investors. On 25 May 2018, the Company announced that it had raised a further £600k (before expenses) through a placing and subscription of new shares.