

25 May 2018

EU Supply plc
("EU Supply", the "Company" or the "Group")

Placing and subscription to raise £0.6 million

EU Supply (LSE AIM: EUSP), the e-procurement software provider, is pleased to announce that it has raised, in aggregate, £0.6 million before expenses by way of a placing of 3,633,333 new ordinary shares of 0.1p each (the "Ordinary Shares") (the "Placing") and a subscription of 366,667 new Ordinary Shares (the "Subscription") at 15 pence per share (the "Issue Price"). The Placing and the Subscription are conditional on admission of the new Ordinary Shares to trading on AIM ("Admission").

The Issue Price represents a premium to approximately 9.1 per cent. to the closing price of 13.75 pence per share on 25 May 2018, the last business day prior to the date of this announcement. The net proceeds of the Placing and Subscription will be used primarily to invest in the development of certain micro-procurement features within the Group's CTM™ platform to better address needs within the Company's client base and target markets and for working capital purposes.

The Board believes there is a demand from new and existing customers for additional capabilities within the Group's CTM™ platform (e.g. Central Purchasing Body support) when addressing low value and short-term procurement needs, such as the recruitment of agency staff. The addition of micro-procurement features to the Group's CTM™ platform should enable organisations to process their low value procurement requirements in a more effective and efficient manner.

Subscription

Each of the Company's directors has subscribed for Subscription Shares as follows: -

Director	Number of Subscription Shares subscribed for	Value (£)	Resultant holding immediately following Admission	% of enlarged share capital held immediately following Admission
David Cutler	50,000	7,500	552,477	0.8%
Thomas Beergrehn	183,334	27,500.10	9,229,237	12.9%
Steffen Karlsson	100,000	15,000	1,637,267	2.3%
Fredrik Wallmark	33,333	4,999.95	53,333	0.1%

Application has been made to the London Stock Exchange for the admission of the new Ordinary Shares to trading on AIM. It is expected that Admission will occur and that dealings will commence at 8.00 a.m. on 31 May 2018 at which time it is also expected that the new Ordinary Shares will be enabled for settlement in CREST.

Following Admission, the number of Ordinary Shares in issue will be 71,716,406. This figure may be used by shareholders as the denominator for the calculations by which they will determine whether they are required to notify their interests in, or a change to their interest in, the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

David Cutler, Chairman of EU Supply, commented: "I am pleased to announce the completion of a successful fundraising to fund the development of certain micro-procurement features for our CTM™ platform which will enable the Group to provide an important solution for both new and existing customers. This is an area which we consider is not currently being adequately addressed and our sophisticated software platform will provide cost effective solutions for this. The Board believes that addressing this additional market will create further growth opportunities for the Company."

FURTHER ENQUIRIES

EU Supply PLC

Thomas Beergrehn, CEO
Fredrik Wallmark, CFO

Tel: 020 7127 4545

Stockdale Securities

Tom Griffiths, Ed Thomas

Tel: 020 7601 6100

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.