



**8 August 2023**

**SmartSpace Software Plc**  
("SmartSpace", the "Group" or the "Company")

**Trading Update**  
**For the six-month period ended 31 July 2023**

SmartSpace Software plc, (AIM:SMRT) the leading provider of 'Integrated Space Management Software' for smart buildings and commercial spaces, is pleased to announce a trading update for the six month period ending 31 July 2023. All figures are unaudited.

**Financial highlights:**

- Half year revenue expected to be approximately £2.7m up 15% year-on-year (31 July 2022: £2.4m\*\*)
- Annual recurring revenue ("ARR") up 21% year-on-year to £5.8m\* (31 July 2022: £5.0m or £4.8m on constant currency basis\*\*; 31 Jan 2023: £5.6m or £5.4m on constant currency basis\*\*)
- Monthly average revenue per user ("ARPU") increased by 9% year on year to £94\* (31 July 2022: £90 or £86 on constant currency basis)
- Cash balance at the period end of £2.2m (30 April 2023: £1.25m) with no debt

**Operational Highlights:**

- Disposal of Anders + Kern U.K. Limited ("A+K") during the period with net cash proceeds of approximately £1.1m
- 4,991 customers at 31 July 2023 (31 July 2022: 4,548) with 637 new customers added in the half year contributing a £0.5m of new ARR
- SwipedOn Spaces, which extends the platform to incorporate bookings of desks, parking spaces, EV charging points, bike parking spaces and other assets into a single fully integrated platform, due to commercial launch in August
- SwipedOn released into Taiwan, China and Germany

\* For customers invoiced in currencies other than pounds sterling ARR and ARPU is calculated by translating charges at the applicable 31 July 2023 exchange rate. Comparative period ARR is provided on a constant currency basis by retranslating foreign currency amounts at the 31 July 2023 exchange rate. Relevant percentage comparisons are calculated against the constant currency figures

\*\* Comparative figures have been restated on a like-for-like basis to exclude A+K

The disposal of A+K in the first half of the year is the final stage of the journey to becoming a pure SaaS software business focussed on delivering workplace software solutions to a global market. The net disposal proceeds of approximately £1.1m will be used for working capital purposes and to invest in growth of the business where opportunities arise.

There was a strong return in sales momentum in SwipedOn during May, June and July. With digital marketing now back inhouse, there has been an increase in both the quality and volume of leads. New customer wins have been achieved on a lower Customer Acquisition Cost ("CAC") than previously, further improving our LTV:CAC ratio. As a result, growth in customer numbers over the last six months has been the highest recorded in the last two years, adding 637 new customers in the period. Of these, 128 were signed in July, 103 in June, and 125 in May. A new pricing model, bundling add-on's with main product lines, was implemented towards the end of the period and is expected to raise new customer ARPU in second half of the year.

SwipedOn Spaces is now in its final stages of development and the commercial launch will be available to customers later in August. This functionality is an extension to the SwipedOn platform and will be accessed by

customers via their SwipedOn admin portal. Initially, the main focus for Spaces will be the SwipedOn customer base. When Spaces is released, it will be made available to customers via their existing SwipedOn dashboard.

Space Connect also saw an increase in new customer wins in May, June and July. Whilst Evoko Naso billings weakened over the period in comparison to what was seen in the second half of FY23, the recent launch of a new version of Naso is expected to support a new sales drive in the second half of the year. This new version of Naso integrates room and desk booking into a single app for the first time as well as offering enhanced functionality and performance.

## Outlook

The Board continues to see good opportunity for growth over the coming months from both new customers and expansion within SmartSpace's customer base, in particular with the release of Spaces and traction in new markets. As a result, the Board expects, on a constant currency basis, full year results to be in line with market expectations.

### Frank Beechinor, CEO of SmartSpace, commented:

*"It is great to finally become a pure software business whilst also finding suitable new owners for A+K, allowing the management team to focus their energies on developing our software businesses. A+K continues to be a reseller for Space Connect and we are looking forward to a continuing good working relationship with the new owners."*

*Both SwipedOn and Space Connect have shown good growth over the last few months with strong growth of new customers in SwipedOn, along with some sizeable new deals for Space Connect. I'm excited by the prospects following the release of Spaces, our new platform that is due for release during August."*

*We look forward to providing further details on all aspects of trading when we announce our Interim results in October."*

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## About SmartSpace Software Plc

SmartSpace Software plc is a fast-growing SaaS-based technology business, designing and building smart software solutions. The Company's software solutions help transform employee engagement with modules which include visitor management, desk management, meeting room management and analytics.

The operating brands of the business comprise of:

- SwipedOn - SaaS visitor management, desk booking ([www.SwipedOn.com](http://www.SwipedOn.com))
- Space Connect - SaaS meeting room and desk booking ([www.spaceconnect.co](http://www.spaceconnect.co))

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