31 July 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")

Major Distribution Agreement with Leading IT Infrastructure Provider, SOFTCAT,
Annual Report & Accounts and Trading Update

SmartSpace Software plc, (AIM:SMRT) the leading provider of 'Integrated Space Management Software' for smart buildings, commercial spaces and hospitality, is pleased to announce that it has signed a distribution agreement with Softcat (LON:SCT) to resell its Space Connect workspace management solution.

Space Connect will be offered to Softcat's customers as a solution to help them implement Covid-related policies in the workplace, providing tools to assist with social distancing, screening of employees and visitors, recording of sanitisation, room and desk booking and Covid-specific employee communications.

Softcat is an IT infrastructure solutions provider, with people and passion at the heart of its success. Softcat helps organisations find the right IT infrastructure for their needs, procure and implement, as well as deliver a range of ongoing support and managed services. These include software licensing, workplace technology, networking, security, cloud, and datacentre.

Softcat operates in six markets, including the UK and Ireland, with nine offices in the UK. Softcat is listed on the London Stock Exchange and a constituent of the FTSE 250 Index.

Trading update

Key progress highlights:

- New contract wins for enterprise product 'Workplace'
- Covid-19 functionality incorporated into the Group's products
- New indirect sales model for Space Connect, working with global partners and resellers
- SwipedOn sales momentum recovers ahead of management expectation
- Largest major reseller agreement for SwipedOn signed with OfficeMax, NZ
- New distribution agreements signed for workplace technology
- £1.7m of net cash at 30th July 2020

Enterprise division – further customer wins

As well as continuing to expand the relationship with the Company's largest customer, Standard Chartered Bank, SmartSpace has recently secured additional Enterprise customers for its 'Workplace' platform.

One of these new clients is an international law firm with 11 locations around the globe. The first deployment, in its London office, is currently underway.

SmartSpace has also entered into a three-year contract to deploy 'Workplace' in the offices of a major international news agency. The first phase of this contract, just for its new office in London, was delivered recently.

The issues relating to the supply of hardware sensors for Workplace, reported in January 2020, has recently been resolved.

Space Connect – Covid-19 functionality released

SmartSpace has released the Covid-19-ready version of Space Connect, its mid-market SaaS workspace offering, with specific functionality to help customers manage and implement their Covid-19 policies. These features include tools to help users to enforce social distancing in offices; record and manage office sanitisation; contact tracing of employees, contractors and visitors; and enable Covid-19-specific push notifications and reminders to employees.

Space Connect now also integrates with Microsoft 'Teams', (the web-based collaboration tool) with an integration to 'Zoom' video conferencing to follow in the near future. This release will allow customers to manage in-house and remote meetings from one platform. Space Connect already integrates with Office365 to allow meeting room booking from Outlook, and supports remote working. Details of the Covid-19 functionality in Space Connect can be seen here: **https://www.spaceconnect.co/covid-19.**

Space Connect will be sold globally via an indirect sales model, through distributors, partners and resellers. The deal with Softcat is the first significant reseller agreement for Space Connect outside of the AV (Audio Visual) channel. The other strategic partnership for Space Connect is with Evoko, the market-leading manufacturer of meeting room panels. Working with Evoko, Space Connect has created a software suite for Evoko's, next generation meeting room panel, 'Naso'. This partnership continues to successfully move forward as Evoko gears up to release Naso to their partners around the world in the coming months.

In addition to Softcat, the Company has also used the opportunity during lockdown to progress discussions with a number of other prospective resellers and partners in the UK, US, Australia, France, Greece, Benelux and Russia.

Space Connect was recently launched in the Iadea app store. Iadea are a manufacturer of meeting room panels and desk presence sensors and this agreement gives Space Connect exposure to Iadea's extensive network of resellers and distributors of meeting room panels around the world.

SwipedOn – momentum recovers ahead of expectation

SwipedOn continues to make a strong recovery, adding 154 new locations in May 2020 and 223 locations in June 2020. SwipedOn is now in use in just over 5,800 locations across the globe.

After a slow April 2020, SwipedOn is now performing above pre-lockdown growth levels. June 2020 was a record month for this business, both in terms of new locations added and MRR growth from those new locations. ARR has grown to NZ$4.3m, an increase of more than 80% on the previous year.

There is strong demand in SwipedOn's main geographical markets, most notably New Zealand and Australia. Furthermore, during May and June 2020, there has been a significant increase in the number of prospective customers' trialling SwipedOn, indicating continued strong sales momentum. There is also evidence that the UK and US markets are beginning to re-open, and, in particular, with increasing interest from multi-location customers. Certain vertical markets, including care homes and food processing plants, have emerged as sources of prospects and marketing programmes have been put in place to target these opportunities. SwipedOn is ideally suited to these segments as it allows customers to improve safety in their reception areas and assists with visitor screening.

After an initial increase in customer churn in March, levels have returned to pre-Covid 19 levels and, importantly, rather than terminating most customers chose to pause their accounts. The impact on revenue of paused accounts was immaterial.

The SwipedOn development team has also made significant progress on releasing new functionality during the last three months. This includes a range of Covid-19-specific features including visitor pre-screening and contactless visitor entry. These new features have been well received by existing customers and have also been instrumental in helping SwipedOn secure increasing numbers of new triallists and new customers over the past months.

In addition, the Company has signed an agreement with OfficeMax to resell SwipedOn in New Zealand. OfficeMax serves 38,000 small business and public sector clients in New Zealand. This partnership with OfficeMax is the largest reseller agreement that SwipedOn has secured to date.

A&K – broadens product range

In the trading update released in April 2020, it was announced that Anders & Kern ("A&K") the Company's specialist AV equipment and system integration business, had furloughed 11 out of 14 staff, under the Government's Coronavirus Job Retention Scheme. After a period of reduced order intake this business has started to see a recovery and a number of employees have been returned from furlough. As businesses start to reopen over the coming months it is expected that A&K will see a gradual return to pre-Covid levels of business. In the period April to June 2020 A&K has traded ahead of management expectations.

During lockdown A&K has secured a number of new distribution agreements. These developments have been implemented to refocus A&K from selling solely Audio-Visual hardware products to becoming a supplier of choice for Smart Building technologies, with increasing recurring SaaS revenue.

The first of these agreements is with 'Iadea', a Taiwanese manufacturer of meeting room panels and desk presence sensors. A&K will distribute the Iadea product range in the UK market.

A&K has also been appointed as the exclusive UK distributor for Vergesense, a US sensor-based space utilisation tool. Vergesense offers a battery-powered sensor that can be easily installed by customers without the need for an extensive IT infrastructure. Both Iadea and Vergesense already integrate with SmartSpace's software solutions but A&K will also be able to offer these products through their extensive customer base of resellers across the UK.

Balance Sheet

At 30th July the Group had £1.7m of cash.

Annual Report & Accounts

Further to the guidance provided by AIM Regulation in "Inside AIM" on 26 March 2020, the Company requested an additional period of up to two months to publish its Annual Report. AIM Regulation has granted the extension, and therefore the Company will publish its Annual Report by 30 September 2020, however we expect to publish the Annual Report in advance of that date.

The Company has also been granted an extension to delay the filing of its Audited Annual Accounts by Companies House until 31 October 2020.

Commenting on the announcement, Frank Beechinor, Chief Executive Officer of SmartSpace said:
"We are delighted to provide a significant progress update to the market.

"There is no doubt that Lockdown is forcing companies to re-evaluate their real estate requirements, and there are indications that many occupiers are looking to downsize their footprint. With less space there will be an increased demand for tools to help companies manage their workspace more effectively and efficiently. In addition, businesses will need solutions to help administer their Covid-19 policies, in particular around social distancing and office hygiene. This creates a significant opportunity for SmartSpace, which is reflected in the increase in inbound sales enquiries over the past weeks.

"With increased home working we see a blurring of the lines between remote and in-house attendance at meetings. Our integration with Teams and Zoom as well as O365, ensures that our clients can successfully manage in-house and remote meetings from our platform.

"We had already introduced Covid-19 related functionality around the start of Lockdown but we have continued to make good progress to increase this functionality across our product range. I am proud of our development teams who have worked hard in challenging times, to ensure we had product ready for market.

"Our 'go to market' strategy for Space Connect is via an indirect model through dedicated channel consisting of partners, distributors and resellers around the globe. We are delighted to add Softcat as a partner. This agreement is significant for SmartSpace as it is the largest distribution deal we have concluded to date for Space Connect and it is also our first agreement with a major system integrator outside of the AV market.

"Softcat's extensive customer base and reputation in the UK and Ireland is second to none. In the runup to this agreement we have been working closely with the Softcat sales team and both organisations have quickly established a good working relationship. The strength of this relationship is underlined by the fact we have already secured a number of customers for Space Connect through Softcat.

"SwipedOn has proved to be particularly resilient during the pandemic, with a simple and effective SaaS software product offering. The number of customers across multiple geographies, combined with not being overly dependent on any one client or vertical market, has helped us successfully navigate what could have been a very difficult time. To achieve what was a record month in June, both in terms of numbers of locations and MRR growth, underlines the strength of the SwipedOn business.

"Our aim is to maximise our indirect routes to market and I am pleased that we are making good progress on this strategy. We have used Lockdown as an opportunity to engage and sign new partners. It is also good to see a significant increase in inbound enquiries for our products in all markets, as organisations plan to return to their offices.

 "Whilst Lockdown and dealing with the pandemic has been difficult for many businesses it has created opportunities for SmartSpace as customers need our technology to implement their Covid-19 policies in the workplace".

Enquiries

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.

SmartSpace products include:

- Workplace – SaaS and Licence solution for meeting room management, desk management, event management for Enterprise clients
- Space Connect – SaaS solution delivering meeting room, desk and visitor management for mid-market clients
- SwipedOn- SaaS visitor management for small to medium sized customers

For more information go to: www.smartspaceplc.com

About Softcat

Softcat is an IT infrastructure solutions provider, with people and passion at the heart of its success.

Put simply it helps organisations find the right IT infrastructure for their needs, procure it and implement it for them, as well as deliver a range of ongoing support and managed services. These include software licensing, workplace technology, networking, security, cloud, and datacentre.

Softcat partners with hundreds of different software and hardware vendors to bring the latest and broadest range of technology to our customers, as well as numerous specialist service providers to augment the capabilities of our growing in-house teams.

Softcat combines a strong expertise in business IT with a vibrant, values led workforce who are passionate about going the extra mile to help customers and colleagues achieve their goals. Their

passion, intelligence, sense of fun and commitment to the long-term success of their customers delivers a service that stands out from the crowded reseller field.

Softcat operates in six markets, including the UK and Ireland, with nine offices in the UK and its head office in Marlow, Buckinghamshire. To learn more about Softcat, visit www.softcat.com