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5 September 2024

**Smarttech247 Group PLC**

("Smarttech247", the "Group" or the "Company")

**Year-end trading update**

Smarttech247 (AIM: S247), a multi-award-winning provider of AI-enhanced cybersecurity services providing automated managed detection and response for a portfolio of international clients, announces a trading update for the year to 31 July 2024.

This financial year has been a period of significant strategic development for the Group. We have secured major new customer contracts and expanded our platform and product offerings. Notably, we have entered into new agreements with leading companies across the packaging, financial services, and pharmaceutical sectors. This momentum has carried into the new year, highlighted by the signing of a substantial three-year contract, valued at €860,000 in total, with an Irish public sector agency, with an option to extend for an additional two years.

Furthermore, during the financial year, we have signed strategic partnerships with industry leaders such as Cisco, Google, AWS, and Splunk, enhancing our service and platform capabilities. We have also expanded our geographical footprint into the Middle East and Switzerland, positioning the Company for growth in these key markets. We have also been recognised as a vendor in the Gartner Market Guide for Managed Detection and Response for 2024, which is a notable achievement.

In the 2024 financial year, we have achieved a 49% increase in annual recurring revenue ("ARR") on a run rate basis. ARR for FY2024 represents approximately 60% of total unaudited revenues for that year, which is a key performance indicator reflecting the Group's growing strength and resilience. This significant increase underscores our success in securing long-term, sustainable revenue streams, and it positions us strongly for continued expansion in the coming years. We have also achieved a 100% client retention rate for MDR clients during the period which clearly demonstrates the quality of the service that we provide.

The Company's revenue typically sees a stronger performance in the second half of the year, aligned with the timing of key contract renewals and this has been borne out in the current year. Whilst market guidance anticipated a circa 20% growth in revenue for the year, we have experienced a modest shortfall compared to this figure, although we anticipate that revenue will exceed the figure for the previous year. With the improvement in run rate, the sales pipeline for the coming year is looking exceptionally robust, positioning us for continued momentum and success.

As described in our interim results for 2024, announced in April 2024, our sales strategy has continued to be effective and we have recently announced more avenues to grow the business via channel partnerships which augments our direct sales strategy. Moreover, we will continue to invest in building out our platform in 2024 and 2025.

Consequently, whilst we anticipate that both EBITDA and operating profit will be below market guidance, we expect that the Company will remain profitable after the usual adjustments for non-trading items. This outcome reflects the necessary investments made to expand our operations and position the business for future growth. Our decisions to make these strategic investments should ensure that we are well-prepared to capitalise on upcoming opportunities and continue our profitable growth trajectory.

Going forward, the Company remains well-positioned and well-funded for growth in an exciting sector and with a customer base that clearly values the services that the Company is able to provide.

**Raluca Saceanu, CEO of Smarttech247, commented:**

*"As we continue to expand and strengthen our operations, our focus remains on long-term, sustainable growth. We have achieved positive growth in revenue and annual recurring revenue, and our current pipeline is strong. The strategic investments that we have made are critical for supporting our future ambitions and ensuring that we are well-positioned to capitalise on the significant opportunities that the industry brings and the demand for our products. We continue to be incredibly excited about the future for our business."*

\*Smarttech247 is a recognised vendor in 2024 Gartner® Market Guide for Managed Detection and Response.

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**About Smarttech247**

Smarttech247 is a multi-award winning automated MDR (Managed Detection & Response) company. Its platform is trusted by international organisations and provides threat intelligence with managed detection and response to provide actionable insights, 24/7 threat detection, investigation and response.

The Group's services are geared towards proactive prevention, and it achieves this by utilising the latest technologies, along with an experienced incident response team. In recognition of its innovative technology, Smarttech247 was named by Chambers Ireland InBusiness Recognition Awards as Cyber Security Company of the Year 2023.

Smarttech247's offices are located in Ireland, United Kingdom, Romania, Poland and the USA. The Company was admitted to trading on the London Stock Exchange on 15 December 2022.

For further information please visit [www.smarttech247.com](http://www.smarttech247.com)

**\*Gartner disclaimers**

Market Guide for Managed Detection and Response, 24 June 2024, Pete Shoard, Andrew Davies, Mitchell Schneider, Angel Berrios, Craig Lawson.

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