

14 August 2018

**LOOPUP GROUP PLC**  
 (“LoopUp Group” or the “Group”)

**Trading and Post-acquisition Update**

LoopUp Group plc (LSE AIM: LOOP), the premium remote meetings company, is pleased to provide the following trading update for the six months ended 30 June 2018 and update following the acquisition of MeetingZone.

**Group trading update**

The Group has traded strongly as follows:

£ million	Six months to 30 June 2018 (unaudited)	Six months to 30 June 2017 (unaudited)	Year-on-year like-for-like growth
<b>Group revenue<sup>1</sup></b>	<b>12.0</b>	<b>8.7</b>	<b>39%</b>
<b>LoopUp revenue<sup>2</sup> at H1 2018 constant currency<sup>3</sup></b>	<b>10.1</b>	<b>8.3</b>	<b>22%</b>
<b>LoopUp Gross Profit margin<sup>2</sup></b>	<b>77.2%</b>	<b>76.8%</b>	<b>+40 BPS</b>

1. H1 2018 Group revenue includes June 2018 trading for MeetingZone
2. H1 2018 LoopUp revenue excludes all MeetingZone revenue
3. Applying H1 2018 forex to H1 2017 LoopUp results

**Highlights:**

- On 4 June 2018, the Group completed the acquisition of MeetingZone for consideration of £61.4m on a debt-free and cash-free basis, funded by a £50m equity placement and a new £17m term loan.
- The MeetingZone acquisition has brought a material increase in scale to the Group. Unaudited revenue associated with MeetingZone for the six months to 30 June 2018 was £11.7m.
- Reported Group revenue increased by 39% from £8.7m in H1 2017 to £12.0m in H1 2018, which includes June trading for MeetingZone.
- Organic LoopUp revenue grew by 22% on a constant currency basis over H1 2017. As announced on 28 March 2018, LoopUp’s expansion into Australia has meant two of the Group’s nine new business acquisition pods have been in pipeline-build mode during H1 2018, leading to the difference in growth rate versus an average of 31% over the three prior first half periods. Our Australian pods have now closed over 20 accounts for rollout during the second half of the year. This is in line with expectations and the Australian pods are expected to develop to normal pod productivity levels during H2 2018.
- Pods in LoopUp’s existing UK and US markets continue to perform strongly and in line with their consistently-efficient historic return of investment levels in terms of the new recurring gross margin they win.
- Organic LoopUp gross margin improved further to 77.2%, 40 basis points higher than during H1 2017.
- The Group has retained its track record of ‘negative net churn’ – i.e. net growth – in its long-term established customer base.
- The Group continues to see strong demand for the LoopUp product from mid-to-large enterprises and professional services firms. Landmark accounts won in the first half of the year included a publicly-quoted UK telecommunications company, a leading pet products retailer, and multiple major international law firms.
- As at 30 June 2018, the Group held £5.8m in cash and had net debt of £11.2m.

**MeetingZone acquisition update**

- When the acquisition was announced on 16 May 2018, the Directors expected to generate cost savings of approximately £0.5m in FY2018 and at least £2.8m in FY2019. The Board is now pleased to report that it expects to deliver cost savings greater than previously stated and on a quicker timescale. Actions have already been successfully implemented that will generate cost savings in the current year of approximately £1.3m in FY2018 and £3.2m in FY2019.
- The one-off exceptional cost associated with implemented cost savings remains approximately £1 million, in line with earlier guidance.

**Steve Flavell and Michael Hughes, co-CEOs of LoopUp Group, commented:**

*“This has been a transformational period for the Group. We’ve closed a major acquisition which adds significant scale and enhances our strong competitive position in the market. We’ve achieved this while moving successfully into new geographic markets, maintaining efficient new business unit economics, and improving organic gross margins.*

*The reorganisation of the combined Group has progressed ahead of schedule. This has freed up additional cash to reinvest in the business to drive organic growth through the expansion of LoopUp pods and our marketing activity, in both existing and new geographic markets. It’s a very exciting time for the Group – we have an opportunity to change the way mainstream business professionals meet remotely and capture a meaningful share of this multi-billion pound global market.*

*Looking ahead, we continue to see excellent demand for the LoopUp product and we remain confident in our ability to deliver strong future growth and meet market expectations.”*

The Group will announce its full interim results for H1 2018 on 26 September 2018.

**Market abuse regulation:**

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.

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**About LoopUp Group plc**

LoopUp (LSE AIM: LOOP) is a premium remote meetings solution. Streamlined and intuitive, LoopUp is built for business users and delivers the quality, security and reliability required in the enterprise. One-click screen sharing and integration with tools business people use every day, like Outlook™, make it easy for LoopUp users to collaborate in real time. LoopUp’s award-winning SaaS solution doesn’t overwhelm users with features, and doesn’t require training. Over 2,000 enterprises worldwide, including Travelex, Kia Motors America, Planet Hollywood, National Geographic, and Subaru trust LoopUp with their remote meetings.

The Group is headquartered in London, with offices in San Francisco, New York, Boston, Hong Kong and Barbados, and is listed on the AIM market of the London Stock Exchange (LOOP). For further information, please visit: [www.loopup.com](http://www.loopup.com).