LOOPUP GROUP PLC
("LoopUp Group" or the "Group")

Interim results for the period ended 30 June 2019

LoopUp Group plc (AIM: LOOP), the premium remote meetings company, today announces its unaudited interim results for the period ended 30 June 2019.

Financial summary:

£ million	Six months to 30 June 2019 (unaudited)	Six months to 30 June 2018 (unaudited)	Year-on-year growth
Revenue	**22.35**	**12.0**	**86%**
Gross profit	**15.0**	**8.9**	**67%**
Adjusted EBITDA (1)	**3.5**	**2.7**	**32%**
Adjusted operating profit (2)	**1.2**	**0.9**	**29%**
Operating profit	**(0.2)**	**(0.1)**	
Cash	**3.8 (3)**	**5.8**	
Debt	**15.3**	**17.0**	
Adjusted diluted EPS (pence) (2)	**1.1**	**1.7**	

1. *Earnings before interest, tax, depreciation and amortisation, excluding non-recurring transaction costs, exceptional reorganisation costs and share-based payments*
2. *Adjusted to exclude non-recurring transaction costs, exceptional reorganisation costs, amortisation of acquired intangibles and share-based payment charges*
3. *Excludes £1.1 million R&D tax credit delayed from H1 2019*

Highlights for the period to 30 June 2019:

- Strong headline results and comfortable cash position
  - Revenue up 86% to £22.35 million (H1 2018: £12.0 million)
  - EBITDA[1] up 32% to £3.5 million (H1 2018: £2.7 million)
  - Cash balance of £3.8 million, excluding £1.1 million R&D tax credit delayed from H1 2019
- Experiencing challenging macro headwinds
  - H1 2019 revenue in established base[4] down 8% year-on-year (FY 2018: +1%)
  - Effect is primarily related to user behaviour: fewer meetings per user in the macro climate
    - Minutes per active user[5] down 7% to 3,147 minutes (H1 2018: 3,371 minutes)
    - The same effect is evident in the MeetingZone customer base
  - Effect is not primarily related to competition: customer churn, pricing or underlying growth
    - Low customer churn stable at 6.4% (historic FY 2015-18: 5.0-6.8%)
    - Pricing stable at £0.054 per minute[6] (H1 2018: £0.054 per minute)
    - Active users on LoopUp platform[5] are up 14% to 65,321 (H1 2018: 57,490)
  - LoopUp platform minutes[5] up 6% to 206 million (H1 2018: 194 million)
- Material investment in efficient sales engine
  - Sales pods expanded 78% from 63 to 112 staff over the period
  - New offices opened in Chicago, Dallas, Los Angeles and Madrid
  - Team now comprises 14 active pods, of which 8 were fully ramped in H1 2019
  - Lifetime value to cost of acquisition performance of 8 ramped pods: 9.4x
  - Lifetime value to cost of acquisition of all 14 pods: 6.7x
  - Material new customer wins included 3 of the world's top-100 law firms
  - Major renewal with Clifford Chance for minimum 3-year contract value of £2.34 million

[4] All customers acquired before the end of 2017
[5] Excludes MeetingZone users transitioned to LoopUp platform, MeetingZone users, WebEx users, and users of the Group's product for Microsoft Skype/Teams
[6] Includes revenue from all aspects of the LoopUp product: core product charges; international access surcharges, screen sharing and recording

- Continued product innovation investment, equivalent to 11% of Group revenue
  - Video introduced into the LoopUp product
  - LoopUp software extended into German, French, Spanish, Swedish and Chinese
  - Launched 'Event by LoopUp' for operator-assisted events

Post period highlights:

- Macro headwinds continue to challenge average usage and have strengthened, leading to August year-to-date revenue erosion of 11% in established base[4] and the potential for higher full year average erosion
- New business wins over summer included a top-25 global law firm
- Career change recruits via 'Pod Academy' have now closed 41 accounts
- Awarded 'Network Services 2' approved supplier status by Crown Commercial Service
- MeetingZone transition to the LoopUp platform set to complete in October 2019, with overall impact in line with expectations at acquisition

Outlook and guidance:

- The volatile nature of the macro environment makes it difficult to project the near term evolution of average usage, which is very much linked to the overall economic activity of our customers
- The Directors therefore consider it prudent to revise full FY 2019 guidance to Group revenue growth of approximately 26% and EBITDA margins of approximately 15%. This guidance makes the cautious assumption that the headwinds strengthen even further during the second half before stabilising during FY 2020
- Notwithstanding the headwinds, the Directors share a positive outlook for the Group, driven by the efficient and proven underlying growth generated by sales engine, which we continue to invest in and expand

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

"LoopUp is a highly differentiated proposition in a large, dynamic market. We help technology leaders unlock the true potential of their organisations' remote meetings by providing a solution that combines simple, progressive software with best-in-class audio reliability. The LoopUp software gives users a better meeting experience with enhanced security and engagement, and critically without the need for either end user training or guest downloads. LoopUp audio is always carried over tier-1 networks with managed quality of service on every call, and never over the public internet.

We have a loyal customer base that is highly engaged with our product and that is growing in spite of challenging macro headwinds, and we continue to invest in our efficient distribution engine to accelerate growth.

We adjust our guidance for due caution in uncertain times, but remain excited and confident in our team's and product's ability to generate future growth."

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. LoopUp helps technology leaders to unlock the true potential of remote meetings in their organisations by combining simple, progressive software with best-in-class audio reliability. Over 2,000 organisations worldwide trust LoopUp's award-wining SaaS solution with their remote meetings, including 20 of the world's top-100 law firms, 24 of the world's top-100 private equity firms, and enterprises such as Travelex, Kia Motors, Planet Hollywood and National Geographic. The Group is headquartered in London, with offices in San Francisco, New York, Boston, Chicago, Dallas, Los Angeles, Atlanta, Denver, Cardiff, Milton Keynes, Madrid, Berlin, Malmo, Hong Kong, Sydney and Barbados, and is listed on the AIM market of the London Stock Exchange (LOOP). For further information, please visit: www.loopup.com.

Chief Executive Officers' Business Review

It has been a mixed first half of the year. Group revenue for the six months grew 86% to £22.35 million, 450% above IPO levels just three years ago. EBITDA grew 32% to £3.5 million, and the Group closed the period with a comfortable cash position of £3.8 million, which excludes an expected but delayed R&D tax credit of £1.1 million.

We continue to deliver strong underlying organic growth, albeit tempered in revenue terms during the period by macro headwinds and their impact on average usage levels. We have materially expanded our efficient sales pods and, while we are excited by the future value of this enhanced distribution platform, the impact in the short term has been offset by the need to ramp up new staff pipelines and reallocate certain senior pod staff into necessary management and training capacities.

We have also progressed our business on numerous other fronts. We have made major enhancements to our product, including the addition of a differentiated implementation of video; launched a new product, Event by LoopUp, and extended its operations into the US market; fully integrated the MeetingZone acquisition into a unified organisational structure; introduced a standard group-wide staff grading and remuneration structure and new HR system; opened four new offices in Chicago, Dallas, LA and Madrid; and concluded arrangements for a new London headquarters in Shoreditch that will bring together all London staff from both LoopUp and MeetingZone in December 2019.

Challenging macro headwinds:

The business is experiencing challenging macro headwinds. First half revenue in LoopUp's established customer base[7] declined by 8% year-on-year, a negative swing of nine percentage points relative to the 1% increase in FY2018.

This swing relates primarily to a change in user behaviour in the current economic climate. We have seen a 7% decline in usage per active user[8] to 3,147 minutes in the period (H1 2018: 3,371). This effect is 64% more pronounced in Europe (predominantly the UK) than in the US, which aligns with general macro conditions. Furthermore, the effect is essentially mirrored in the MeetingZone customer base, where average minutes per user are down by 9% in the period. The effect is slightly more pronounced than in the LoopUp base due to MeetingZone's higher proportion of UK business.

While we are in a competitive and dynamic market, the swing is not primarily related to any change in competition. Notably, we have not experienced any material change in customer churn, which remains stable at 6.4% of revenue (FY2015-18: 5.0-6.8%). Product pricing is stable at £0.054 per minute[9] (H1 2018: £0.054 per minute). Indeed, we experienced strong underlying organic growth in the number of active users[8] on the LoopUp platform, which grew by 14% to 65,321 in H1 2019 (H1 2018: 57,490).

While the headwinds have strengthened in recent months with August year-to-date revenue erosion of 11% in the established base, we expect average usage levels to stabilise during FY 2020.

Competitive advantage:

The underlying growth in our business stems from the competitive advantage derived from our differentiated product, LoopUp. LoopUp helps technology leaders solve a difficult dilemma. On one hand, traditional dial-in products – numbers and codes – are simple and reliable, but are fraught with time-wasting frustrations and are far from progressive. On the other hand, software options may well be more progressive, but few are perceived easy to use, and all promote VoIP audio over the public internet which will inevitably compromise reliability, especially on multi-party external calls.

LoopUp is positioned to help technology leaders find a path through this dilemma and unlock the true potential of their organisations' remote meetings. We do this by providing a solution that combines simple, progressive software with best-in-class audio reliability, which always leverages managed quality-of-service networks rather than the public internet.

[7] All customers acquired before the end of 2017

[8] Excludes MeetingZone users transitioned to LoopUp platform, MeetingZone users, WebEx users, and users of the Group's product for Microsoft Skype/Teams

[9] Includes revenue from all aspects of the LoopUp product: core product charges; international access surcharges, screen sharing and recording

Our proposition resonates broadly in the market, but we enjoy a sweet spot in professional services verticals where remote meetings are particularly important and play such a key role in business-critical, day-to-day client communications. Professional services customers now account for 68% of LoopUp revenue and a higher proportion of new business. The Group now works with 20 of the world's top-100 firms and 24 of the world's top-100 private equity firms.

Notably in January 2019, the Group closed a material contract renewal with magic circle law firm, Clifford Chance. The minimum total contract value of £2.34 million in aggregate over the 3-year term is for the provision of conference calls across Clifford Chance's global operations, spanning 32 major financial centres in the Americas, Asia Pacific, Europe, the Middle East and Africa.

Investment in efficient sales pods:

We have made a material investment in sales and marketing to leverage our efficient sales effectiveness metrics. We have expanded our sales pods, increasing staff by 78% from 63 to 112 over the first half of the year and establishing new pods in Chicago, Dallas, Los Angeles, Atlanta and Madrid.

The 112 pod staff, who perform a mix of business development, sales and account management activities, will form 14 pods once fully ramped. However, given many of the team are new and ramping up their activity and pipelines, we averaged eight ramped pods during the period. This was below our starting expectations of ten, primarily because we found that this quantum of growth required more management and training than originally anticipated, leading to the reallocation of certain more senior pod members. We were also impacted by the decision not to transition any MeetingZone sales staff into LoopUp pods.

However, more fundamentally, we are very pleased with the recruitment results, training levels attained, new management processes introduced, and overall business progress to date. We are confident that this enhanced sales platform will deliver material future value to the Group. Pipelines of our new 'Pod Academy' career change staff are progressing well, and they have now closed 41 new accounts.

The eight ramped pods have performed to a 'lifetime value to cost of acquisition' ratio of 9.4[10] (H1 2018: 11.0). When factoring in the additional £1.0 million of cost associated with ramping team members and training activities, the lifetime value to cost of acquisition ratio adjusts to 6.7 on that fully-costed basis. While below previous periods, this nevertheless represents very efficient return on investment versus general SaaS benchmarks. The Group plans to continue investment in sales and marketing expansion, working to a minimum target lifetime value to cost of acquisition ratio of 6.0.

New business wins in the first half included three of the world's top-100 law firms, a major European investment management association, a leading television broadcaster in Australasia, and the world's largest private dispute resolution provider. Over the summer, we have added a top-25 global law firm and have received 'Network Services 2' approved supplier status from the Crown Commercial Service.

MeetingZone update and inorganic growth:

On 4 June 2018, the Group completed the acquisition of MeetingZone for £61.4 million. The core strategic rationale for the acquisition was to transition MeetingZone's audio conferencing business over to the LoopUp platform, and by so doing, amplify the established 'network effect' in the LoopUp product that accounts for approximately 30% of the Group's new business origination.

This major transition project has been demanding and complex; we have held over 300 meetings with major accounts and worked on numerous platform and network initiatives to accommodate the transition and increase in scale. However, the project is now in its final stages and set for completion in October 2019. When we consider all key project variables – net churn in the MeetingZone base prior to transition, loss due to the transition, and uplift in revenue following transition – we expect the overall impact to be in line with ingoing assumptions at the time of acquisition.

The successful completion of this significant project will allow the Group to benefit from the network effect of more meetings on the LoopUp platform and so more non-customer guests experiencing the

[10] Lifetime value is calculated as follows: new year-1 gross margin of £0.60 per £1.00 of cost, divided by the Group's (revenue) churn rate of 6.4%

product. It will also free up our Account Management team to refocus on growth in the major account base and more proactively promote recent product enhancements.

Continued product development and innovation:

The Group competes primarily on its differentiated product, LoopUp. As such, we continue to invest in our product roadmap and have increased development spend to £2.4 million during the period, equivalent to 11% of revenue (H1 2018: £1.9 million / 16% of revenue) and in line with expectations.

A major milestone during the first half was the launch of video functionality into the LoopUp product with a highly differentiated implementation aligned with the Group’s target market:

- Involves no software downloads[11]
- Audio carriage kept separate from video, always over tier-1 networks with managed quality of service rather than over the public internet
- A respectful implementation, keeping the host in control of whether guests are invited to turn their cameras on, rather each individual guest deciding when they join

The team has continued work on scaling various aspects of the LoopUp platform and network operations in preparation for the extra scale required for the MeetingZone transition project, and the LoopUp software was released in German, French, Spanish, Swedish and Chinese.

Furthermore, the Group launched 'Event by LoopUp', a premium operator-assisted service. The service emphasises the role played by account managers and highly skilled event operators on these critical and often very large calls, where customers value 'white glove' support throughout the process. The Group has replicated MeetingZone's Cardiff Event operations in Boston and is now actively promoting this line of business via its account management and pods structure.

Outlook and guidance:

The volatile nature of the macro environment makes it difficult to project the near term evolution of average usage, which is very much linked to the overall economic activity of our customers.

The Directors therefore consider it prudent to revise full FY 2019 guidance to Group revenue growth of approximately 26% and EBITDA margins of approximately 15%. This guidance makes the cautious assumption that the headwinds strengthen even further during the second half before stabilising during FY 2020.

Notwithstanding the headwinds, the Directors share a positive outlook for the Group, driven by our loyal and growing customer base that values our differentiated product, and our expanding sales engine that continues to win new business at compelling return-on-investment levels. We are excited about, and confident in, our future growth prospects.

Steve Flavell	**Michael Hughes**
co-CEO	**co-CEO**

[11] Except a browser plug-in for Internet Explorer 11 users

Unaudited consolidated statement of comprehensive income for the six months to 30 June 2019

£'000	Six months to 30 June 2019	Six months to 30 June 2018	12 months to 31 December 2018
Revenue	**22,350**	**12,012**	**34,213**
Cost of sales	(7,393)	(3,064)	(10,314)
Gross profit	**14,957**	**8,948**	**23,899**
Adjusted operating expenses (1)	(11,445)	(6,294)	(16,246)
Adjusted EBITDA (2)	**3,512**	**2,654**	**7,653**
Depreciation	(571)	(180)	(546)
Amortisation of development costs	(1,738)	(1,559)	(2,558)
Adjusted operating profit (3)	**1,203**	**915**	**4,549**
Non-recurring transaction costs	-	(994)	(994)
Exceptional reorganisation costs	-	(18)	(1,223)
Amortisation of acquired intangibles	(1,105)	-	(1,289)
Share-based payment charges	(262)	-	(191)
Operating profit / (loss)	**(164)**	**(97)**	**852**
Finance costs	(314)	(123)	(467)
Profit / (loss) before income tax	**(478)**	**(220)**	**385**
Income tax	(252)	(4)	857
Profit / (loss) for the period	**(730)**	**(224)**	**1,242**
Other comprehensive income and loss			
Currency translation gain / (loss)	(148)	(3)	48
Total comprehensive income / (loss) for the period attributable to the equity holders of the parent	**(878)**	**(227)**	**1,290**
Earnings / (loss) per share (pence) – Note 4			
- Basic adjusted (4)	1.2	1.8	10.0
- Basic	(1.3)	(0.5)	2.5
- Diluted adjusted (4)	1.1	1.7	9.3
- Diluted	(1.2)	(0.5)	2.4

1. Total administrative expenses excluding depreciation, amortisation of development costs and acquired intangibles, non-recurring transaction costs, exceptional reorganisation costs and share-based payment charges.
2. Adjusted EBITDA is operating profit stated before depreciation, amortisation of development costs and acquired intangibles, non-recurring transaction costs, exceptional reorganisation costs and share-based payment charges.
3. Adjusted operating profit is operating profit stated before amortisation of acquired intangibles, non-recurring transaction costs, exceptional reorganisation costs and share-based payment charges.
4. Basic adjusted and diluted adjusted earnings per share are calculated using profit before tax adjusted for non-recurring transaction costs and exceptional reorganisation costs.

Unaudited consolidated statement of financial position at 30 June 2019

£'000	30 June 2019	30 June 2018	31 December 2018
Assets			
Non-current assets			
Property, plant and equipment	4,272	2,268	2,168
Intangible assets:			
- Development costs	8,578	6,471	7,880
- Other intangible assets	30,761	33,155	31,866
- Goodwill	30,951	31,101	30,950
Total non-current assets	**74,562**	**72,995**	**72,864**
Current assets			
Trade and other receivables	9,584	9,656	9,326
Cash and cash equivalents	3,756	5,844	5,581
Current tax	1,212	-	1,153
Total current assets	**14,552**	**15,500**	**16,060**
Total assets	**89,114**	**88,495**	**88,924**
Liabilities			
Trade and other payables	(5,142)	(5,034)	(4,487)
Accruals and deferred income	(2,268)	(2,937)	(2,709)
Borrowings	(1,700)	(1,700)	(1,700)
Total current liabilities	**(9,110)**	**(9,671)**	**(8,896)**
Net current assets	**5,442**	**5,829**	**7,164**
Non-current liabilities			
Borrowings	(13,600)	(15,300)	(14,450)
Lease liabilities	(1,356)	-	-
Deferred tax liability	(5,711)	(5,636)	(5,709)
Total non-current liabilities	**(20,667)**	**(20,936)**	**(20,159)**
Total liabilities	**(29,777)**	**(30,607)**	**(29,055)**
Net assets	**59,337**	**57,888**	**59,869**
Equity			
Share capital	276	274	276
Share premium	60,588	60,233	60,504
Other reserve	12,691	12,691	12,691
Foreign currency translation reserve	(2,083)	(1,986)	(1,935)
Retained loss	(12,135)	(13,324)	(11,667)
Shareholders' funds attributable to equity owners of parent	**59,337**	**57,888**	**59,869**

Unaudited consolidated statement of changes in equity at 30 June 2019

£'000	Share capital	Share premium	Other reserve	Foreign currency translation reserve	Retained loss	Shareholders' funds / (deficit) attributable to equity owners of parent
Balance at 1 January 2018	**210**	**12,637**	**12,691**	**(1,983)**	**(13,100)**	**10,455**
Profit and total comprehensive income / (loss)	-	-	-	(3)	(224)	(227)
Proceeds from share issues	64	50,058	-	-	-	50,122
Cost of issue of equity shares	-	(2,462)	-	-	-	(2,462)
Balance at 30 June 2018	**274**	**60,233**	**12,691**	**(1,986)**	**(13,324)**	**57,888**
Profit and total comprehensive income	-	-	-	51	1,466	1,517
Equity share-based payment compensation					191	191
Proceeds from share issues	2	271	-	-	-	273
Balance at 31 December 2018	**276**	**60,504**	**12,691**	**(1,935)**	**(11,667)**	**59,869**
Profit and total comprehensive income / (loss)	-	-	-	(148)	(730)	(878)
Equity share-based payment compensation	-	-	-	-	262	262
Proceeds from share issue	-	84	-	-	-	84
Balance at 30 June 2019	**276**	**60,588**	**12,691**	**(2,083)**	**(12,135)**	**59,337**

Unaudited consolidated statement of cash flows for the six months to 30 June 2019

£'000	Six months to 30 June 2019	Six months to 30 June 2018	12 months to 31 December 2018
Operating activities			
Profit / (loss) before tax	(478)	(220)	385
Non-cash adjustments:			
Depreciation and amortisation	3,414	1,739	4,393
Share based payment charge	262	-	191
Interest payable	294	82	467
Working capital adjustments:			
Increase in trade and other receivables	(142)	(982)	(651)
Increase / (decrease) in trade and other payables	(545)	427	(359)
Income tax paid	(428)	-	-
Income tax received	-	895	836
Cash generated from operations	**2,377**	**1,941**	**5,262**
Cash flows from investing activities			
Payment for acquisition of subsidiary, net of cash acquired	-	(61,579)	(61,579)
Purchase of property, plant and equipment	(558)	(107)	(354)
Development expenditure	(2,436)	(1,888)	(4,296)
Net cash used in investing activities	**(2,994)**	**(63,574)**	**(66,229)**
Cash flows from financing activities			
Proceeds of borrowings	-	17,000	17,000
Proceeds from share issues net of transaction costs	84	47,660	47,933
Repayment of loans	(850)	-	(850)
Interest and finance fees paid	(294)	(82)	(467)
Net cash generated by financing activities	**(1,060)**	**64,578**	**63,616**
Net increase / (decrease) in cash and cash equivalents	**(1,677)**	**2,945**	**2,649**
Cash and cash equivalents brought forward	5,581	2,902	2,902
Effect of foreign exchange rate changes	(148)	(3)	30
Cash and cash equivalents carried forward	**3,756**	**5,844**	**5,581**

Notes to the financial information for the six months ended 30 June 2019

1. General information

LoopUp Group plc (AIM: "LOOP", "LoopUp Group", or the "Group") is a global software-as-a-service ("SaaS") provider of remote meetings. It is a public limited company incorporated and domiciled in England and Wales, with company number 09980752. Its registered office is 78 Kingsland Road, London, E2 8DP.

2. Basis of preparation and significant accounting policies

These consolidated interim financial statements have been prepared in accordance with those IFRS standards and IFRIC interpretations issued and effective or issued and early adopted as at the time of preparing these statements (September 2019). This results announcement does not constitute statutory accounts of the Group within the meaning of sections 434(3) and 435(3) of the Companies Act 2006. The balance sheet at 31 December 2018 has been derived from the full Group accounts published in the Annual Report and Accounts 2018, which has been delivered to the Registrar of Companies and on which the report of the independent auditors was unqualified and did not contain a statement under either section 498(2) or section 498(3) of the Companies Act 2006.

The results have been prepared in accordance with the accounting policies set out in the Group's 31 December 2018 statutory accounts (with the exception of IFRS 16 as detailed below), which are based on the recognition and measurement principles of IFRS in issue as adopted by the European Union ("EU").

IFRS 16: Leases came into effect on 1 January 2019. The main impact of the standard is to capitalise the Group's office leases as "right-of-use assets" within Property, Plant and Equipment on the Statement of Financial Position, with corresponding liabilities representing the commitment to fulfil those lease obligations. The assets are then depreciated over the life of the lease and a notional interest charge is made against the liability.

The standard allows for different transition options and the Group has adopted the Modified Retrospective: Asset equals liability approach, resulting in the Group adopting the standard from 1 January 2019 with no adjustment to reserves or comparative numbers. On adoption, the Group's assets increased by £2.1m with liabilities increasing by the same value. The group has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value. Payments made under such leases are expensed on a straight-line basis.

For the six months to 30 June 2019 reported EBITDA has increased by £0.3m as a result of rental costs no longer being charged to overhead expenses. Additional depreciation costs of £0.3m and a negligible finance charge have been incurred.

The adoption of this new Standard has resulted in the Group recognising a right-of-use asset and related lease liability in connection with all former operating leases except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application.

The following is a reconciliation of total operating lease commitments at 31 December 2018 to the lease liabilities recognised at 1 January 2019:

	£000
Total operating lease commitments disclosed at 31 December 2018	2,330
Less: leases with remaining lease terms less than 12 months	(349)
Add: new leases entered into in the current period	379
Operating leases before discounting	2,360
Discounted using incremental borrowing rate	(243)
Depreciation in the period	(238)
Total lease liability recognised under IFRS 16 at 30 June 2019	**1,879**

Of which £523,000 are current liabilities and £1,356,000 are non-current liabilities.

These unaudited interim results have been prepared on a going concern basis. At the balance sheet date, the Group had cash of £3.8m and net assets of £59.2m, and as such the Directors have a reasonable expectation that the Group has adequate resources to continue operations for the next twelve months.

The results for the six months ended 30 June 2019 were approved by the Board on 16 September 2019. A copy of these interim results will be available on the Group's web site www.loopup.com from 17 September 2019.

The principal risks and uncertainties faced by the Group have not changed from those set out in the Annual Report and Accounts 2018.

3. Revenue and segmental reporting

The Directors have identified the segments by reference to the principal groups of services offered and the geographical organisation of the business as reported to the chief operating decision-maker (CODM). The main segment is LoopUp Group meetings services revenue, which represents revenue generated from providing customers access to the LoopUp conferencing platform as well as the acquired MeetingZone conferencing platform. Third party and other services consist of revenues from the resale and usage of externally designed web conferencing platforms, along with related hardware and consultancy sales.

Segmental revenues are external and there are no material transactions between segments.

The Group's largest customer represented less than 5% of total revenue in all periods.

No segmental balance sheet was presented to the CODM.

The Group's revenue disaggregated by primary geographical markets is as follows:

£'000	LoopUp Group meetings services	Third party and other services	Total
For the six months to 30 June 2019:			
UK	8,597	3,331	11,928
Other EU	2,120	939	3,059
North America	5,771	1,336	7,107
Rest of world	256	-	256
	16,744	5,606	22,350
For the six months to 30 June 2018:			
UK	4,929	589	5,517
Other EU	1,220	86	1,306
North America	4,919	127	5,047
Rest of world	142	-	142
	11,210	802	12,012
For the 12 months to 31 December 2018:			
UK	13,455	4,113	17,568
Other EU	3,555	970	4,525
North America	10,562	1,214	11,776
Rest of world	344	-	344
	27,916	6,297	34,213

The Group's revenue disaggregated by pattern of revenue recognition is as follows:

£'000	LoopUp Group meetings services	Third party and other services	Total
For the six months to 30 June 2019:			
Services transferred at a point in time	16,744	632	17,376
Services transferred over time	-	4,974	4,974
	16,744	5,606	22,350
For the six months to 30 June 2018:			
Services transferred at a point in time	11,210	117	11,327
Services transferred over time	-	685	685
	11,210	802	12,012
For the 12 months to 31 December 2018:			
Services transferred at a point in time	27,916	920	28,836
Services transferred over time	-	5,377	5,377
	27,916	6,297	34,213

The Group's gross profit disaggregated by segment is as follows:

£'000	Six months to 30 June 2019	Six months to 30 June 2018	12 months to 31 December 2018
LoopUp Group meetings services	13,113	8,699	21,845
Third party and other services	1,844	249	2,054
	14,957	8,948	23,899

The Group's non-current assets disaggregated by primary geographical markets are as follows:

£'000	Six months to 30 June 2019	Six months to 30 June 2018	12 months to 31 December 2018
UK	72,400	67,012	72,566
Other EU	9	16	10
North America	255	305	259
Rest of world	19	30	29
	72,683	67,363	72,864

4. Earnings per share

The basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the year.

	Six months to 30 June 2019	Six months to 30 June 2018	12 months to 31 December 2018
Profit / (loss) attributable to equity holders (£000)	(730)	(224)	1,242
Adjusted profit attributable to equity holders (£000) (1)	637	1,012	4,939
Weighted average number of ordinary shares in issue (000)	55,170	44,049	49,563
Basic earnings per share (pence):			
- **Basic adjusted (1)**	**1.2**	**1.8**	**10.0**
- **Basic**	**(1.3)**	**(0.5)**	**2.5**

The diluted earnings per share has been calculated by dividing the above profit numbers by the weighted average number of shares in issue during the year, adjusted for potentially dilutive shares that are not anti-dilutive.

	Six months to 30 June 2019	Six months to 30 June 2018	12 months to 31 December 2018
Weighted average number of ordinary shares in issue ('000)	55,170	44,049	49,563
Adjustments for share options ('000)	4,737	2,921	3,583
Weighted average number of potential ordinary shares in issue ('000)	59,907	46,970	53,146
Diluted earnings per share (pence):			
- **Diluted adjusted (1)**	**1.1**	**1.7**	**9.3**
- **Diluted**	**(1.2)**	**(0.5)**	**2.4**

(1) Calculated using profit attributed to equity holders adjusted for non-recurring transaction costs, exceptional reorganisation costs, amortisation of acquired intangibles and share based payment charges.

5. Dividends

The directors did not recommend the payment of a dividend for the years ended 31 December 2018 or 2017.