

29 July 2020



**LOOPUP GROUP PLC**  
(the “Group”)

**LoopUp solution extended to provide global cloud voice integration with Microsoft Teams**

LoopUp Group plc (AIM: LOOP) is pleased to announce a major extension to its flagship solution, LoopUp, to include global cloud voice services via Direct Routing integration with Microsoft Teams, alongside its premium remote meetings capability. This enables users to make and receive outbound and inbound voice calls directly from their Teams user interface on any device, irrespective of geographic location, and with differentiated audio quality, reliability and security. This marks the official launch of the new scope to LoopUp, which has to date been available on a limited geographic basis.

The Group will provide an overview via a virtual presentation for analysts and investors at 10.30am today. No new financial information will be disclosed. To register, please visit: <https://bit.ly/2CCI6R3>.

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

*“Great communications have always been at the heart of successful organisations, now more so than ever. COVID-19 has intensified and accelerated a change in working habits as companies consider how best to leverage remote productivity tools at their disposal.*

*2020 is proving a very successful year for our premium remote meetings solution but this is no time to stand still. With change comes opportunity, and there is clear enterprise demand – including a material portion of our professional services customer base – to extend Microsoft Teams into business telephony. We believe we’re fantastically placed to win market share in this significant landscape-changing opportunity.*

*We’re very excited to announce this major extension to LoopUp – now a premium cloud solution for business-critical external communications, encompassing cloud voice for Microsoft Teams and premium remote meetings.”*

**Market opportunity:**

Covid-19 has precipitated a paradigm shift in remote working. The spotlight has intensified on best-in-class solutions that can provide business continuity and productive internal and external collaboration.

LoopUp’s focus is on external collaboration – optimised for important client meetings in the professional services market. As announced on 16 July 2020, we have seen strong growth in H1 2020 trading driven by the large increase in working from home: 43% year-on-year revenue growth to £31.9 million and 249% EBITDA growth £12.2 million.

Microsoft Teams has grown strongly in the professional services market for channelised chat and internal collaboration, as well as in the larger enterprise market more generally. Daily active Teams users increased by 70% to 75 million in just a seven-week period during lockdown.

To date, few larger enterprises have extended Teams into business telephony. Doing so makes sense as it not only unifies the user experience, but also simplifies enterprise operations and reduces cost by eliminating on premise legacy, PBX equipment and rationalising telecommunications vendors.

Extending Teams into business telephony is possible either with Microsoft’s own SME ‘Calling Plans’ or, for larger enterprises, by connecting their cloud Teams tenancy with a third-party voice network (“Direct Routing”). Gartner forecasts that 90% of larger enterprises that use Teams will adopt Direct Routing voice by 2022, a seismic shift in the enterprise communications landscape from just 10% adoption in 2019.

The Group believes it has a highly differentiated set of assets to drive Direct Routing market share and material medium term business growth.

## LoopUp: a premium cloud solution for business-critical external communications

The Group is extending its flagship solution, LoopUp, to include global cloud voice services via Direct Routing integration with Microsoft Teams, alongside its premium remote meetings capability.

- **Cloud voice** – enabling users to make and receive outbound and inbound voice calls directly from their Teams user interface on any device, irrespective of geographic location, and with differentiated audio quality, reliability and security. This is delivered via cloud-to-cloud Direct Routing integration with Microsoft Teams. The solution is presented as a fully-managed global service, encompassing bespoke transition design and implementation, global number management and porting (in all countries where regulation permits), and deep expertise in voice and Microsoft modern workplace themes.
- **Premium remote meetings** – optimised for external client meetings – audio, web and video – in the professional services market. We place the emphasis on security, reliability and simplicity, with no downloads or installs for external client guests. Users benefit from application integration with Microsoft Teams and Outlook for sending invites and joining meetings, as well as the cost benefit now of being on-network with LoopUp via Direct Routing.

Primary customer benefits include: global service provision from a single, trusted provider; differentiated quality, reliability and security on all business-critical external communications; and a smooth, compliant managed transition process from disparate legacy systems.

The extended LoopUp solution is priced on a monthly user subscription basis, which includes bundled domestic calls, meetings access, screen sharing and video. Additional per-minute surcharges apply for international meetings access and voice calls.

As part of its proprietary product suite, the Group will also continue to offer 'LoopUp Meetings' as a standalone premium remote meetings solution, and 'Event by LoopUp' for large, managed events.

### Differentiated Group assets and capabilities:

While such a major market opportunity will inevitably generate considerable competition, LoopUp believes it is strongly positioned to drive market share and material medium term business growth. Our competitive strengths comprise a set of relevant assets and capabilities that are difficult to replicate in a timely manner, given the pace of the market opportunity. We also have a healthy cash balance to invest behind market success (£8.2 million at the end of H1 2020<sup>1</sup>).

- **Premium global voice network** – Built over the last 15 years for the stringent demands of the professional services conference calling market, LoopUp's voice network ties together 13 tier-1 carriers from around the world over its own private resilient backbone. All carrier routings are objectively quality-scored, and our network enables real-time carrier selection and redundancy for optimised quality, reliability and cost. This is an ideal, ready-made asset to interface with Microsoft Teams via cloud-to-cloud Direct Routing.
- **Deep Microsoft voice expertise** – Our Enablit business unit – which now melds into the Group's core functional structure – has been a specialist in Microsoft voice solutions since 2010, through heritage of OCS, Lync, Skype for Business and now Teams. Certified Microsoft Gold Partner across several designations, this team brings deep expertise in voice and the broader modern digital workplace. They are a critical asset to help our customers achieve considered, secure and compliant transitions from legacy systems.
- **Global operations footprint** – Unlike many new entrants into the Direct Routing market that tend to be more regional in nature, LoopUp is proud to be a trusted global provider to more than 5,000 organisations, including 20 of the world's top-100 law firms. We provide local account management from 15 international offices, as well as 24/7 multi-lingual support. A global team footprint is an essential asset if customers are to maximise the operational and economic benefits of a single, fully managed-service provider.

<sup>1</sup> Prior to an R&D tax credit of approximately £1.3 million, which has now been received in July 2020 during Q3 2020

- **A running start** – Last but not least, the Group has a running start as an existing player and early mover into the cloud voice market. We currently provide cloud voice services to approximately 120 enterprise customers via both Microsoft Skype for Business and Teams, which generated revenue of approximately £2.8 million in FY 2019.

**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 cloud communications solution for business-critical external communications. The solution combines premium remote meetings with inbound and outbound cloud voice services via Direct Routing integration with Microsoft Teams. Our customers benefit from a global fully-managed service, and an emphasis on security, reliability and simplicity, delivered with deep domain expertise and caring customer support. We're proud to be trusted provider to over 5,000 organisations worldwide, including more than 20 of both the world's top-100 law firms and top-100 private equity firms, as well as 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, 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](http://www.loopup.com).