



15 February 2022

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

**Trading update**

LoopUp Group plc (AIM: LOOP), the cloud platform for premium external communications, announces a trading update for its financial year ended 31 December 2021.

The Group expects both revenue and EBITDA for year ended 31 December 2021 to be broadly in line with market expectations with outturns at approximately £19.5 million (FY2020: £50.2 million) and £0.9million (FY2020: £15.3 million) respectively.

The Group ended the year with gross cash of £5.5 million (FY2020: £12.1 million) and net debt of £2.5 million (FY2020: £0.7 million), following the successful placing and retail offer for approximately £8.85 million in September 2021.

**Cloud Telephony**

In Q3 2020, the Group announced the launch of its Cloud Telephony solution, integrated into Microsoft Teams via 'Direct Routing' peering with Microsoft, which enables users to make phone calls to external phone numbers and receive phone calls to their own work phone numbers, all seamlessly via their Teams enabled devices. LoopUp's differentiated platform enables multinational enterprises to consolidate their telephony provision globally with one vendor partner – LoopUp – rather than multiple geographic-specific carriers.

Cloud Telephony is now squarely at the heart of the Group's forward-looking growth strategy. During FY2021, the Group won 31 new direct contracts, an incremental 8 over and above the 23 announced in the Group's 16 November 2021 trading update. The 31 wins are concentrated in the mid-large sized multinational enterprise market, and span a broad range of industries including technology, manufacturing, pharmaceuticals, logistics, packaging, education, public sector, financial services, law and corporate communications.

In aggregate, these 31 new contract wins bring a baseline minimum total contract value of £2.4 million for initially committed and contracted rollout phases. This increases to an expected c.£8.6 million should geographic rollouts proceed as expected. These geographic rollouts (generally over 6-18 months), together with additional lead-time for minimum contracted revenue to take effect in each rollout phase (generally 3-6 months), means the lag from bookings to revenue is proving to be more pronounced than previously anticipated. That notwithstanding, initial contractual term durations are typically for three years from the point that minimum contracted revenue starts to apply, and the Group expects customers to be very sticky once deployed.

To date, all customer deployments have been successful, and all rollouts are progressing positively.

The Group's sales pipeline of direct Cloud Telephony opportunities has continued to grow and mature, reaching approximately £72 million of potential Annual Contract Value (ACV) by the end of FY2021 (end H1 2021: £58 million), of which 19% is at written proposal stage or later (end H1 2021: 17%).

**Outlook**

The Group expects FY2021's strong performance in Cloud Telephony new wins to improve further to at least an additional 50 during FY2022, and the integration of SyncRTC (acquired in October 2021) is progressing well. Due to the longer lag from bookings to revenue in Cloud Telephony, combined with continued expected pressure on its Remote Meetings business, the Group expects FY2022 revenue to be in the £15-16 million range. The Group is managing its operations carefully during this strategic transition to preserve cash and maintain EBITDA profitability in FY2022, at a higher expected margin than FY2021.

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

*“As we continue to manage our strategic transition, we are pleased with the 31 new customer wins achieved during our first full year of business in Cloud Telephony for Microsoft Teams. The potential for a consolidated service provision layer above the telecommunications carriers to serve the multinational enterprise market is exciting, and we are well positioned to build material shareholder value in this endeavour. This is testament to our differentiated technology platform and the tremendous hard work and innovation of our team.”*

#### **Market abuse regulation:**

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.

**LoopUp Group plc**  
Steve Flavell, co-CEO

**via FTI**

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#### **About LoopUp Group plc**

LoopUp (LSE AIM: LOOP) is a cloud platform for premium specialist communications, focusing on capabilities that complement foundational unified communications platforms, such as Microsoft Teams. The Group's flagship Cloud Telephony solution for Microsoft Teams enables enterprise customers to eliminate disparate on-premises phone systems and multiple telecommunications service providers, and consolidate their global telecommunications into a single cloud implementation. LoopUp's global IP backbone interconnects with 18 carefully selected regional carrier partners and the Group has market-leading coverage as a licensed telecommunications service provider. The Group is listed on the AIM market of the London Stock Exchange (LOOP) and is headquartered in London, with offices in the US, Spain, Germany, Hong Kong, Barbados and Australia. For further information, please visit: [www.loopup.com](http://www.loopup.com).