

14 December 2022



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

**Trading update**

LoopUp Group plc (AIM: LOOP), the cloud platform for premium hybrid communications, is pleased to provide the following trading update.

**Meetings: c.7,000 new enterprise customers**

In September 2022, the Group announced a revenue sharing and customer transfer agreement with PGI Connect, giving LoopUp the rights to onboard materially all of PGI Connect's conferencing services customers. While no initial or fixed consideration was payable, the Group will pay PGI Connect a share of invoiced and received revenue<sup>1</sup> from successfully transferred customers for a period of three years.

During October 2022, c.7,000 out of c.8,100 former PGI Connect conferencing services customers successfully transferred to service provision on LoopUp's Meetings and Event platforms, and have subsequently been invoiced for their October 2022 licences and usage. As a result, overall Group revenue run rate for October 2022 has increased by more than 2.5 times from that in September 2022.

**Cloud Telephony: acceleration in new customer and contract wins**

In Q3 2020, the Group launched its Cloud Telephony solution, which has since developed into its primary growth line of business. The Cloud Telephony market is forecast to grow to £32 billion by 2025<sup>2</sup>, and the Group's aspiration is to become one of a small number of winners in the multinational mid-market and enterprise segment, providing customers with single-vendor service provision globally rather than the status quo of multiple telecommunications carriers in specific countries and regions.

Since launch, the Group has now secured 76 customer wins, comprising 161 individual contracts, and has done so at an accelerating win rate:

- at least 53% increase in customer wins with 46 during FYTD 2022 (FY 2021: 30)
- at least 122% increase in individual contract wins with 111 during FYTD 2022 (FY 2021: 50)

The greater acceleration in contract wins versus customer wins reflects the 'layering effect' from progressive geographic customer rollouts – i.e. 37% of the contract wins in FYTD 2022 have been from customers won during FY 2021.

In aggregate, these 76 customer wins represent:

- Minimum Annual Recurring Revenue (ARR) of £1.7 million and minimum Total Contract Value (TCV) of £5.8 million, based on minimum contracted levels;
- Expected ARR of c.£2.8 million and expected TCV of c.£9.2 million, based on expected rollout levels, where LoopUp has relatively strong visibility of customer intent based on conversations, planning and pricing; and
- Potential ARR of c.£6.0 million and potential TCV of c.£18.6 million, based on identified potential rollout levels but where LoopUp currently has less clear visibility of customer intent.

The Group has so far experienced zero customer churn in Cloud Telephony. Operationally, all customer deployments to date have been successful, and all rollouts are progressing positively.

**Outlook**

Following the successful transition of PGI Connect Meetings business and the commercial progress achieved in Cloud Telephony, the Group now expects FY 2022 revenue to be marginally above market expectations at no less than £15.5 million (H1 2022: £6.6 million). FY 2022 EBITDA is expected to be

<sup>1</sup> Approximately 13% on a weighted average basis

<sup>2</sup> Source: Gartner, 2022

marginally below market expectations, due to higher PGI Connect transition execution costs, but is not expected to impact FY 2023 profitability.

This rapid acceleration of revenue run rate leaves the Group in a materially stronger position to accelerate its primary Cloud Telephony growth line of business in 2023, where a sizable market opportunity exists for the Group's differentiated multinational value proposition.

**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.

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**About LoopUp Group plc**

LoopUp (LSE AIM: LOOP) is a cloud platform for premium hybrid communications. The Group's flagship Cloud Telephony solution for Microsoft Teams enables multinational enterprises to consolidate their global telecommunications into a single, consistently managed cloud implementation rather than disparate implementations from multiple carriers. The Group's hybrid auditorium and events solution, Hybridium ([www.hybridium.com](http://www.hybridium.com)), brings unrivaled engagement and analytics to larger scale hybrid education, training and events such as management onsites, departmental kick-offs, capital markets days and thought leadership seminars.

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.