7 June 2022

LOOPUP GROUP PLC

("LoopUp Group" or the "Group")

Unaudited preliminary results for the year ended 31 December 2022

Significant uplift in Q4 revenue run-rate and strong Cloud Telephony traction

LoopUp Group plc (AIM: LOOP), the cloud platform for premium hybrid communications, is pleased to announce its preliminary unaudited results for the year ended 31 December 2022.

Financial Highlights:

£ million	FY-22 (unaudited)	H1-22 (unaudited)	FY-21 (audited)
Revenue	16.5	6.6	19.5
Gross margin	69%	67%	69%
Adjusted EBITDA[1]	(0.9)	(1.5)	1.2
Group operating loss[2]	(8.0)	(5.1)	(6.1)
Period end gross cash	1.7	0.7	5.5
Period end net debt	5.8	8.0	2.4

Operating Highlights:

- ***Group revenue run-rate:***
  - 166% growth in Group quarterly revenue run-rate from £2.7 million in Q3-22 to £7.2 million in Q4-22 following the PGi Connect agreement announced in September 2022
- ***Cloud Telephony:***
  - 169% growth in customers from 29 at end FY21 to 78 at end FY-22
  - 227% growth in contracts from 51 contracts at end FY21 to 167 at end FY-22
  - 188% growth in Booked ARR[3] from £0.57 million at end FY21 to £1.65 million at end FY-22
  - Zero gross churn in FY-22 and Net Revenue Retention (NRR)[4] of 159%
- ***Meetings and Virtual Events:***
  - c.7,000 new customers transitioned to LoopUp Meetings under the PGi Connect transaction

Post Period Highlights

- Preliminary Q1-23 Group revenue of c.£6.5 million
- Booked Cloud Telephony ARR has increased to c.£2.50 million, an increase of 51% from £1.65 million at the end of FY22, and a year-on-year increase of 215% from £0.8 million at the end of May 2022
- LoopUp has been certified onto Microsoft's Operator Connect partner program with Cloud Telephony service availability in 48 countries, the broadest geographic coverage amongst all c.65 global partners in the Operator Connect program
- Scheduled repayment of £0.85 million in June 2023 reduces outstanding debt with Bank of Ireland to £6.0 million (31 Dec 2022: £6.8m)

	Number of customers	Number of Individual Contracts	Booked ARR (£ million)
At end FY-21	**29**	**51**	**0.57**
FY-22 increase from base at end FY-21		42	0.34

FY-22 increase from new customer wins	49	74	0.74
At end FY22	**78**	**167**	**1.65**
YTD-23 increase from base at end FY-22		61	0.40
YTD-23 increase from new customer wins	22	28	0.45
Current	**100**	**256**	**2.50**

Outlook

- Notwithstanding the expected continued decline in its Meetings business, the Group is confident both in its ability to deliver continued strong growth in its primary Cloud Telephony business and in its ability to meet FY-23 market expectations.
- The Group's outstanding debt with Bank of Ireland is due for repayment, extension or refinancing in September 2023.

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

"We are delighted to have finished last year and entered this year strongly on two fronts. First, we have seen a material jump in revenue run-rate and cash generation delivered from the PGi Connect agreement. Second, we have achieved strong commercial traction in our primary Cloud Telephony growth business. Cloud Telephony is a $31 billion[5] and growing market opportunity. We believe the combination of our technology assets built over 20 years, together with our team's expertise transcending software, telecommunications, and unified communications, positions the Group with material differentiation and barriers to entry for our multinational Cloud Telephony strategy."

1 Earnings before interest, tax, depreciation, and amortisation, excluding share-based payments charges

2 Adjusted to exclude amortisation of acquired intangibles and share-based payment charges

3 Booked Annual Recurring Revenue: minimum contracted annual revenue during the initial term of the customer contract

4 NRR is calculated as the ratio of booked ARR at the end of FY22 to booked ARR at the end of FY21 from the cohort of customers in place at the end of FY21

5 Source: Gartner 2023

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 hybrid communications. The Group's flagship Cloud Telephony solution for Microsoft Teams enables multinational enterprises to consolidate their global telephony provision into a single, consistently managed cloud implementation rather than disparate implementations from multiple carriers. The Group is listed on the AIM market of the London Stock Exchange 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.

Chief Executive Officers' Business Review

Continued execution on our strategic transition

Commercially, the Group turned a corner during FY-22, following a challenging transition period since the COVID-19 pandemic. We made strong commercial progress in our primary Cloud Telephony business and benefitted from a material injection of new business into our otherwise generally declining Meetings business.

On the surface, Group revenue of £16.5 million marked a 15% reduction from £19.5 million in FY-21. However, we saw a material improvement in the second half of the year with £9.9 million revenue in H2-22 compared to £6.6 million revenue in H1-22 (£8.0 million in H2-21). More precisely, the change in run-rate hit in October 2022 following the 'Revenue Sharing and Customer Transfer Agreement' with PGi Connect. This saw more than 7,000 customers transition from PGi Connect onto the LoopUp Meetings platform, and a 167% increase in Q4-22 revenue over Q3-22 as a result.

While our now materially larger Meetings business will inevitably continue to decline over time in the face of customers switching to broader UC platforms such as Microsoft Teams, our Meetings business nevertheless represents a valuable source of cash generation to fund the growth of our relatively young, but fast-growing and exciting Cloud Telephony business that we launched in September 2020.

We achieved strong commercial progress in Cloud Telephony during FY-22 with triple digit growth in both customer numbers and booked Annual Recurring Revenue (ARR). Furthermore, Microsoft has since certified our product onto its Operator Connect partner program with differentiated country coverage of regulated/licensed service provision over all of the c.65 certified telecommunications partners globally. This has enhanced our proposition to multinational target market customers and we have seen accelerating ARR growth during FY-23 to date.

Strong commercial momentum in Cloud Telephony

The Group's flagship Cloud Telephony solution is integrated into Microsoft Teams and 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. Our platform targets multinational mid-market and enterprise organisations with the value proposition of consolidating their global telephony procurement with one vendor partner – LoopUp – rather than from multiple geographic-specific carriers.

Cloud Telephony now sits squarely at the heart of the Group's forward-looking growth strategy, and we achieved strong operational progress and commercial traction during FY-22. Customer numbers grew by 169%, a growth of 49 customers from the 29 at the end of FY-21 to 78 at the end of FY-22.

Given the geographic rollouts generally associated with multinational customer deployments, customer wins often comprise multiple individual contracts over time. In FY-22, individual contract numbers grew from the 51 contracts with the Group's 29 customers at the end of FY-21 to 167 with the Group's 79 customers at the end of FY-22, a growth of 116 contracts or 227%.

Booked ARR from these 78 customers stood at £1.65 million at the end of FY-22, a 188% increase from £0.57 million at the end of FY-21. This represents the minimum contractually guaranteed level of won ARR, and the Group realistically expects the ARR from these 78 customers to progress to c.£3.2 million as rollouts progress, materially above the minimum contracted level.

Nearly all of the Group's Cloud Telephony customers are on 3-year initial term licence contracts. To date, the Group is proud to have experienced zero gross customer churn since entering the market and very strong Net Revenue Retention (NRR). NRR was 159% in FY-22, this being the ratio of booked ARR at the end of FY-22 to booked ARR at the end of FY-21 from the cohort of 29 customers in place at the end of FY-21.

Late stage sales cycles in Cloud Telephony often involve a Proof of Concept (POC), which enables prospective customers to test our technology in their own IT environment. At the end of FY-22, our success rate in POCs stood at 95%, with 19 out of 20 POC projects completed by the Group having successfully converted into customer wins.

The Group maintains a strong pipeline of future Cloud Telephony sales opportunities (c.£100 million ARR). We are confident in our continued Cloud Telephony growth prospects and are excited by the traction and potential of our differentiated multinational solution in this large Cloud Telephony market, which is forecast to grow from £21.2 billion in 2022 to £31.4 billion by 2027[6].

Meetings and PGi Connect transaction

The Group's Meetings business remains structurally in decline, primarily due to customers switching to Microsoft Teams meetings as part of a broader unified communications strategy on that platform.

However, our Meetings business received a substantial boost in September 2022, when the Group announced a 'Revenue Sharing and Customer Transfer Agreement' with PGi Connect. The agreement gave LoopUp the rights to onboard materially all of PGi Connect's conferencing services customers. While no initial or fixed consideration was payable, the Group agreed to pay PGi Connect a share of invoiced and received revenue[7] from successfully transferred customers for a period of three years.

Since October 2021, LoopUp has transitioned approximately 7,000 former PGi Connect customers onto its Meetings platform. This led to Meetings revenue increasing from c.£2.7 million in Q3-22 to c.£7.2 million in Q4-22, an increase of c.167%.

While this transitioned Meetings business is expected to decline over time, it is nevertheless highly cash generative, with a gross margin of 65-70% (after LoopUp COGS and PGi Connect revenue share) and just c.£0.3 million in incremental quarterly staff and overheads costs.

Hybridium

Following the acquisition of SyncRTC Inc. in October 2021, the Group has since rebranded this line of business to Hybridium (www.hybridium.com) as a hybrid events business. The solution is focused on relatively large-scale corporate events that have a mix of in-room and remote guests and/or a mix of in-room and remote hosts/presenters, such as management onsites, departmental kick-offs, capital markets days and thought leadership seminars.

Events with Hybridium's video wall technology benefit from ultra-low latency at ultra-high resolution, with full video wall layout flexibility facilitating any content on any section of the wall. In April 2022, Hybridium signed a landmark deal with Telefónica, which has deployed the solution at its 'Universitas' global innovation and talent hub, located at its Madrid headquarters in Distrito Telefónica.

The majority of 2022 product development time has been spent materially reworking the platform from its legacy education focus to a next generation version for large scale hybrid corporate training and events. The Group is currently reviewing its go-to-market strategy with a view to the scalable growth potential of this differentiated technology, and will make further market announcements in due course.

Outlook

While the Directors expect the Group's Meetings business to continue to decline over time, this is now from a materially larger base following the transition of former PGi Connect customers. Combined with the fast and accelerating growth in its primary forward-looking Cloud Telephony business, the Directors are confident in the Group's ability to meet FY-23 market expectations.

The Directors also draw attention to the Group's senior debt arrangements with Bank of Ireland, where £6.8 million was outstanding at 31 December 2022 (c.£6.0 million following a repayment in June 2023) of an original principal of £17 million borrowed in 2018. This debt facility comes around for repayment, extension or refinancing in September 2023, and while the Directors are confident in the Group's ability to do so, this is nevertheless a project that needs to be successfully executed.

Steve Flavell
co-CEO

Michael Hughes
co-CEO

[6] Source: Gartner 2023
[7] Approximately 13% on a weighted average basis

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Chief Financial Officer's Review

During 2022, the Group has continued to make good progress in its strategic transition towards hybrid communications and collaboration. The PGi Connect agreement, which took effect from 1 October 2022, has significantly bolstered the Group's financial position and returned the Group to a positive EBITDA run-rate.

Operating Results

The Group's primary segment is LoopUp Platform Capabilities (LPC), which includes Meetings, Virtual Events and Cloud Telephony. The structural decline in the Meetings business that began in lockdown continued throughout FY-22. The PGi Connect agreement brought a significant boost to Meetings and Virtual Events revenue in Q4. In addition, the Cloud Telephony business grew 62% to £1.2 million (FY-21: £0.74 million). As a whole, LPC revenue fell by 12% to £13.0 million (FY-21: £14.8 million)., reflecting the historically stronger Meetings business and the fact that the PGi Connect agreement only came into effect in Q3-22.

The Group's revenue from Hybridium in the year was £0.6 million (2021 post acquisition revenue: £0.2 million).

Revenue from low margin third party resale services declined by 32% to £3.0 million (FY-21: £4.4 million).

The Group's overall gross profit decreased by 15% to £11.4 million (FY-21: £13.5 million), which reflects the reduction in revenue as gross margin increased to 69.3% (FY-21: 69.0%). This slight improvement in margin represents a significant shift in revenue mix away from the low margin resale services, towards the higher margin Meetings and Cloud Telephony business.

The gross profit on LPC business fell by 16% to £9.8 million (FY-21: £11.7 million), at a lower gross margin of 75.9% (FY-21: 79.1%). The reduction in margin is a result of the revenue share payable on PGi Connect transitioned business (around 13% on amounts invoiced and paid by customers).

The administrative costs of the Group in 2022 were stable at £12.3 million (FY-21: £12.3 million). This results from management's focus on cost control as the nature of the Group's business continues to change. The modest increase in staffing and overhead levels necessitated by the increased volume of Meetings and Virtual Events activity arising from the PGi Connect agreement has been successfully accommodated without increasing the overall cost-base of the Group.

Assets and Cash Flows

The Group had an operating cash outflow after capital expenditure of £6.0 million (FY-21: £11.1 million). This was partly offset by the proceeds of a placing in October 2022, which raised £3.1 million net of costs.

Net debt (ie total debt, less cash balances) has risen to £5.8 million as at 31 December 2022 (2021: £2.4 million).

In 2018, the Company entered into a term loan with Bank of Ireland for £17.0 million, which has since reduced to £6.8 million as at 31 December 2022 (balance at 31 December 2021: £6.8 million). During the year, the Group successfully renegotiated and amended this senior debt with Bank of Ireland to reflect the Group's ongoing strategic transition plan. Key elements of the amended arrangements include:

- a holiday on planned principal repayments through to June 2023, representing £1.7 million in aggregate deferred payments;
- a margin increase of 2.0 percent, taking the total interest rate to 4.5 percent above the Sterling Overnight Index Average (SONIA);
- an extension of the term through to September 2023;

- a revised set of financial covenants which are more concerned with sufficient ongoing cash liquidity, EBITDA, and the growth objectives for Cloud Telephony;
- the Group's undrawn revolving credit facility of £1.5 million, which was drawn in the year, was repaid, and terminated.

The loan matures in September 2023, and the Group is in the process of seeking to refinance or extend this facility. Notwithstanding the fact that this has not been successfully completed to date, the Board is confident that this will be achieved.

Simon Sacerdoti
CFO

Unaudited Consolidated Statement of Comprehensive income

For the year ended 31 December 2022

	Note	**2022** **£000**	2021 £000
Revenue		**16,480**	19,526
Cost of sales		**(5,060)**	(6,058)
Gross profit	2	**11,420**	13,468
Adjusted administrative expenses[(i)]		**(12,287)**	(12,272)
Adjusted EBITDA[(ii)]		**(867)**	1,196
Depreciation		**(1,556)**	(1,760)
Amortisation of development costs		**(5,542)**	(5,582)
Adjusted operating loss [(iii)]		**(7,965)**	(6,146)
Exceptional reorganisation and tax charge		**(633)**	(392)
Exceptional impairment charge		**-**	(19,597)
Amortisation of acquired intangibles		**(1,849)**	(2,211)
Share-based payments charges		**(1,142)**	(2,208)
Operating loss		**(11,589)**	(30,554)
Finance costs		**(719)**	(465)
Loss before income tax		**(12,308)**	(31,019)
Income tax		**(406)**	6,052
Loss for the year		**(12,714)**	(24,967)
Currency translation (loss)		**209**	(340)
Total comprehensive loss for the year attributable to the equity holders of the parent		**(12,505)**	(25,307)
Loss per share (pence):	3		
Basic		(7.5)	(39.0)
Diluted		(7.5)	(39.0)

(i) Total administrative expenses excluding depreciation, amortisation of development costs and acquired intangibles, non-recurring transaction costs, exceptional reorganisation costs, exceptional impairment charges and share based payments charges.

(ii) Adjusted EBITDA is operating (loss) / profit stated before depreciation, amortisation of development costs and acquired intangibles, non-recurring transaction costs, exceptional reorganisation and tax charge, exceptional impairment charges and share based payments charges.

(iii) Before amortisation of other intangible assets, non-recurring transaction costs, exceptional reorganisation costs, exceptional impairment charges and share based payments charges.

Unaudited Consolidated Statement of Financial Position

As at 31 December 2022

	2022	2021
	£000	£000
Assets:		
Property, plant and equipment	**1,626**	2,368
Right of use assets	**779**	2,130
Development costs	**12,896**	12,726
Other intangible assets	**4,020**	5,638
Goodwill and other intangibles	**35,425**	35,425
Total non-current assets	**54,746**	58,287
Trade and other receivables	**8,173**	3,608
Cash and cash equivalents	**1,661**	5,465
Current tax	**178**	1,862
Total current assets	**10,012**	10,935
Total assets	**64,758**	69,222
Liabilities:		
Trade and other payables	**(6,313)**	(3,384)
Accruals and deferred income	**(3,914)**	(2,036)
Lease liabilities	**(819)**	(956)
Borrowings	**(6,772)**	(1,700)
Total current liabilities	**(17,818)**	(8,076)
Net current (liabilities)/assets	**(7,806)**	2,859
Non-current liabilities:		
Borrowings	**(686)**	(6,181)
Lease liabilities	**(897)**	(1,463)
Deferred tax	**(1,851)**	(1,721)
Provisions	**(178)**	(172)
Total non-current liabilities	**(3,612)**	(9.537)
Total liabilities	**(21,430)**	(17,613)
Net assets	**43,328**	51,609
Equity		
Share capital	**881**	485
Share premium	**74,055**	70,860
Other reserve	**12,691**	12,691
Foreign currency translation reserve	**(2,540)**	(2,749)
Share-based payment reserve	**4,028**	3,395
Retained loss	**(45,787)**	(33,073)
Shareholders' funds attributable to equity owners of parent	**43,328**	51,609

Unaudited Consolidated Statement of Changes in Equity
For the year ended 31 December 2022

	Share capital	Share premium	Other reserve	Foreign currency translation reserve	Share-based payment reserve	Retained profit / (loss)	Shareholders funds/ (deficit) attributable to equity owners of parent
	£000	£000	£000	£000	£000	£000	£000
As at 1 January 2021	277	60,677	12,691	(2,409)	1,354	(8,106)	64,484
Loss for the year	-	-	-	-	-	(24,967)	(24,967)
Other comprehensive income	-	-	-	(340)	-	-	(340)
Total comprehensive loss for the year	-	-	-	(340)	-	(24,967)	(25,307)
Transactions with owners of parent in their capacity as owners:							
Equity share-based payment compensation	4	163	-	-	2,041	-	2,208
Share issues	204	10,020	-	-	-	-	10,224
As at 31 December 2021	**485**	**70,860**	**12,691**	**(2,749)**	**3,395**	**(33,073)**	**51,609**
As at 1 January 2022	**485**	**70,860**	**12,691**	**(2,749)**	**3,395**	**(33,073)**	**49,179**
Loss for the year	**-**	**-**	**-**	**-**	**-**	**(12,714)**	**(12,714)**
Other comprehensive income	**-**	**-**	**-**	**209**	**-**	**-**	**209**
Total comprehensive (loss) / profit for the year	**-**	**-**	**-**	**209**	**-**	**(12,714)**	**(12,505)**
Transactions with owners of parent in their capacity as owners:							
Equity share-based payment compensation	**46**	**460**	**-**	**-**	**633**	**-**	**1,139**
Share issues	**350**	**2,735**	**-**	**-**	**-**	**-**	**3,085**
As at 31 December 2022	**881**	**74,055**	**12,691**	**(2,540)**	**4,028**	**(45,787)**	**43,328**

Unaudited Consolidated Statement of Cash Flows

For the year ended 31 December 2022

	2022	2021
Net cash flows from operating activities		
Loss before income tax	**(12,308)**	(31,019)
Non-cash adjustments		
Depreciation and amortisation	**8,947**	9,548
Share-based payments charges	**1,142**	2,208
Impairment charge	**-**	19,597
Interest payable	**502**	465
Working capital adjustments		
Decrease in trade and other receivables	**(3,214)**	3,377
Increase / (decrease) in trade and other payables	**4,214**	(4,864)
Tax received	**1,280**	1,194
Net cash generated by operations	**563**	506
Cash flows from investing activities		
Purchase of property, plant and equipment	**(39)**	(586)
Addition of intangible assets	**(5,942)**	(6,919)
Payment for acquisition of subsidiary	**-**	(3,574)
Net cash used in investing activities	**(5,981)**	(11,079)
Cash flows from financing activities		
Proceeds from share issue net of issue costs	**3,085**	10,391
Repayment of loans	**(424)**	(5,839)
Payments in respect of leases	**(885)**	(840)
Loans acquired on acquisition	**-**	971
Interest and finance fees paid	**(400)**	(365)
Net cash generated from financing activities	**1,376**	4,318
Net decrease in cash and equivalents	**(4,042)**	(6,255)
Cash and cash equivalents brought forward	**5,465**	12,086
Effect of foreign exchange rate changes	**238**	(366)
Cash and cash equivalents carried forward	**1,661**	5,465

Notes to the Financial Statements

1. Background and basis of preparation

The principal activity of the Group is a premium cloud communications platform for hybrid and remote communications.

LoopUp Group plc ('the Group') is a limited liability company incorporated and domiciled in England and Wales, with company number 09980752. Its registered office is 9 Appold Sreet, London EV2A 2AP.

The unaudited summary financial information set out in this announcement does not constitute the Group's consolidated statutory accounts for the years ended 31 December 2022 or 31 December 2021. The results for the year ended 31 December 2022 are unaudited. The statutory accounts for the year ended 31 December 2022 will be finalized on the basis of the financial information presented by the Directors in this preliminary announcement, and will be delivered to the Registrar of Companies in due course. The statutory accounts are subject to completion of the audit and may also change should a significant adjusting event occur before the approval of the Annual Report.

The unaudited summary financial information set out in this announcement has been prepared using the accounting policies as described in the 31 December 2021 audited year end statutory accounts and have been consistently applied.

The preliminary announcement for the year ended 31 December 2022 was approved by the Board for release on 7 June 2022.

2. 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 segments adopted in 2022 were the same as those in 2021.

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 both years.

No segmental balance sheet was presented to the CODM. Overheads are not presented to the CODM on a segmental basis.

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

	LoopUp Platform Capabilities £000	Third party Resale Services £000	Hybridium £000	Total £000
For the year ended 31 December 2022 (unaudited):				
UK	2,801	995	-	3,796
EU	1,503	811	468	2,782
North America	8,194	1,165	161	9,520
Rest of World	471	-	-	471
Total (unaudited)	12,969	2,971	629	16,569
For the year ended 31 December 2021:				
UK	7,027	1,624	13	8,664
EU	2,181	1,136	138	3,455
North America	5,363	1,684	61	7,108
Rest of World	269	-	30	299
Total	14,840	4,444	242	19,526

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

	LoopUp Platform Capabilities £000	Third party Resale Services £000	Hybridium £000	Total £000
For the year ended 31 December 2022 (unaudited):				

Services transferred at a point in time	10,995	-	-	10,995
Services transferred over time	1,974	2,971	629	5,574
Total (unaudited)	12,969	2,971	629	16,569
For the year ended 31 December 2021:				
Services transferred at a point in time	12,740	10	-	12,750
Services transferred over time	2,100	4,434	242	6,776
Total	14,840	4,444	242	19,526

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

	2022 unaudited £000	2021 £000
LoopUp Platform Capabilities	9,838	11,740
Third party resale services	953	1,487
Hybridium	629	241
	11,420	13,468

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

	2022 unaudited £000	2021 £000
UK	52,394	56,851
Other EU	237	253
North America	2,113	1,181
Rest of world	2	2
	54,746	58,287

3. Loss / earnings per share

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

	12 months to 31 December 2022 unaudited	12 months to 31 December 2021
Loss attributable to equity holders (£000)	(12,714)	(24,967)
Adjusted profit attributable to equity holders (£000)*	(9,090)	(4,938)
Weighted average number of ordinary shares in issue (000)	120,522	63,992
Basic loss per share (pence):		
- **Basic adjusted***	**(7.5)**	**(7.7)**
- **Basic**	**(10.5)**	**(39.0)**
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* - Calculated using the loss attributable to equity holders adjusted for exceptional reorganisation costs, exceptional impairment charges, amortisation of acquired intangibles and share based payment charges.

The diluted loss per share in 2022 and 2021 were equal to the basic loss per share, as no potentially dilutive shares were deemed not to be anti-dilutive.

4. Dividends

The Directors do not recommend the payment of a dividend (2021: £nil).