

LoopUp Group PLC

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LoopUp enjoys stellar first half as new acquisition dials in

Remote meetings firm LoopUp Group PLC (LON:LOOP) is on track to meet market expectations this year following the acquisition of MeetingZone which is settling in better than had been expected.

The £61m deal, completed in June, has been hailed as "transformational" for the AIM-quoted company, having brought a "material increase in scale" to the group.

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That was reflected in the unaudited first-half performance, with LoopUp generating sales of £12.0m (H1 2017: £8.7m), including almost a full month from MeetingZone.

Organic revenue, which strips out the impact of the acquisition, also jumped by 22% in the opening six months of 2018, largely thanks to a strong performance in the UK and US. Organic margins were slightly ahead as well at 77.2% (H1 2017: 76.8%).

Going back to MeetingZone, LoopUp's management had initially expected the new purchase to generate cost savings of approximately £0.5m this year and at least £2.8m in 2019.

"The board is now pleased to report that it expects to deliver cost savings greater than previously stated and on a quicker timescale," read a statement this morning.

The company is now forecasting savings of £1.3m and £3.2m in 2018 and 2019 respectively. The one-off cost associated with implementing these cost savings remains at around £1m.

Underlying business performing well, too

"This has been a transformational period for the group," said co-chief executives Steve Flavell and Michael Hughes.

"The reorganisation of the combined group has progressed ahead of schedule. This has freed up additional cash to reinvest in the business to drive organic growth through the expansion of LoopUp pods and our marketing activity, in both existing and new geographic markets."

"Looking ahead, we continue to see excellent demand for the LoopUp product and we remain confident in our ability to deliver strong future growth and meet market expectations."

Helping to underpin those expectations is the firm's Australian unit. The sales teams there have been in "pipeline-build mode" over the past six months, but 20 new accounts have now been closed and are ready for rollout in the second half of the year.

Price: 65

Market Cap: £35.91 m

1 Year Share Price Graph



October 2018 April 2019 October 2019

Share Information

Code: LOOP

Listing: AIM

52 week	High	Low
	405	46

Sector: Tech

Website: loopup.com

Company Synopsis:

LoopUp (LSE AIM: LOOP) is a premium remote meetings solution that makes it easier to collaborate in real time. Streamlined and intuitive, LoopUp anticipates the needs of business users, while delivering the quality, security and reliability required in the enterprise. LoopUp easily integrates with the common tools you use every day, like Outlook, and doesn't offer features you don't need or require training.

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At the end of June, the group held £5.8m in cash and had net debt of £11.2m. The full set of interim results are due to be published on September 26 2018.

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