



Unaudited Interim Results for the six months ended 30 September 2025

November 2025



This announcement contains inside information as defined in Article 7 of the Market Abuse Regulation No. 596/2014 ("MAR"). Upon the publication of this announcement, this inside information is now considered to be in the public domain. The persons responsible for making this announcement are CEO Stuart Green and CFO Robert Pursell.

19 November 2025

ZOO DIGITAL GROUP PLC

("ZOO," the "Group" or the "Company")

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

Restructured operations generating cash; on track to deliver FY26 results in line with market expectations

Analyst & Investor Presentations

ZOO Digital Group plc (LON: ZOO), a world-leading provider of cloud-based localisation and digital media services to the global entertainment industry, announces its unaudited financial results for the six months ended 30 September 2025 ("**H1 FY26**").

Summary

Key Financials

- Revenues decreased by 19% to \$22.4 million (H1 FY25: \$27.6 million / H2 FY25: \$22.0 million). Revenue stabilisation on H2 FY25 as the industry begins to recover and H1 FY25 benefited from the backlog of work from the FY24 Hollywood strikes.
- Gross profit was unchanged at \$10.1 million (H1 FY25: \$10.1 million), on lower revenues, benefiting from the cost rationalisation programme implemented and the growth in Media Services.
- Gross profit margin increased to 45% (H1 FY25: 37%).
- Adjusted EBITDA¹ increased by 18% to \$2.0 million (H1 FY25: \$1.7 million).
- Cash EBITDA² \$0.6 million (H1 FY25: loss of \$0.1 million) shows underlying operations now generating cash.
- Operating loss of \$1.2 million (H1 FY25: loss of \$2.5 million).
- Gross cash balance of \$3.3 million at period end (H1 FY25: \$4.3 million / H2 FY25: \$2.7 million) with strong focus on cash management.
- \$1.7 million drawn on the invoice financing facilities (H1 FY25: \$0.5 million / H2 FY25: \$0.0 million); as a result of the proactive decision to reduce aged creditors in the period.
- Current liabilities reduced to \$14.4 million (H1 FY25: \$18.7 million).

¹EBITDA with the impact of share-based payments removed

² Adjusted EBITDA less spend on capitalised development and property costs. This metric is more closely aligned with the underlying cash flow of the business.

Further information on Alternative Performance Measures is in the notes to the interim financial statements.

Operational Highlights

Previously announced cost saving initiatives fully implemented.

- Created a more efficient, flexible and cash generative cost base.
- Improved gross margin percentage.
- H1 FY26 fixed costs of \$15.5 million (H1 FY24: \$23.2 million)

Generated positive Cash EBITDA.

First premium Fast Track projects delivered and proven for global streaming service.

- Dubbing delivered in 24 hours (typical industry delivery timelines of 2 to 3 weeks).
- Subtitling delivered in 3 hours (typical industry delivery timelines of 1 to 2 weeks).
- Higher-margin service deploys workflow technology with “Human in the Loop” to uphold premium quality of output.
- Completed several localisation projects attracting high viewing figures; demand now expanding beyond localisation to ZOO’s full end-to-end services.
- Additional projects underway covering sporting events and near live content launches.

AI integrated into multiple workflows.

- Explicit customer approval for adoption of AI in localisation within ZOO’s secure and trusted framework.
- Efficiencies now being delivered with cost savings shared with customers.
- Workflows enhanced alongside “Human in the Loop,” assuring the quality demanded by customers is maintained.
- Published update to AI white paper, establishing ZOO as a thought leader on the integration of AI into the localisation of premium media content.

International operations fully integrated.

- All international operations now fully trained on ZOO workflows and quality standards.
- Creating benefits in expanding dubbing capabilities, also acting as ingestion and delivery points for local content being licensed by our customers.
- India production centres fully functional and continuing to grow, increasing efficiencies and supporting ZOO’s follow-the-sun strategy.

Current Trading and Outlook

ZOO has seen increasing momentum during H1 FY26, with Q2 outperforming Q1 on all financial metrics, and a growing number of new opportunities and projects being progressed as customers become more settled in their content strategies and restructured operations. While the transactional nature of our business offers limited visibility of revenues for the duration of H2, we are trading in line with our expectations and are confident that we remain on track to deliver full year results in line with market expectations.³

Through the remainder of FY26 we expect to make further progress in developing existing customer relationships by deploying ZOO’s tech-enabled proposition to enhance their end-to-end localisation and digital media strategies, and we are targeting to increase our market share and a return to revenue growth in FY27.

Stuart Green, CEO of ZOO Digital, commented:

“These results demonstrate that ZOO has started to turn the corner following industry disruption. We are now on a more solid footing with a rightsized cost base, stable revenues, improved profitability, and generating cash. We are focused on improving our working capital position, investing in our technology, and further expanding our existing international operations. To have achieved this whilst integrating AI into our workflows – contributing to the launch of our market-leading Fast Track service – and completing an international reorganisation of our business, is a credit to the hard work of the team here at ZOO.

“Throughout this we have maintained the high levels of quality demanded by our customers and have created a foundation on which we believe we can capitalise on the opportunities we now see in front of us. With certain of our customers becoming more open to adopting technology to reach global audiences faster, I believe ZOO is positioned to benefit as the only truly tech-first end-to-end vendor in our market. We therefore look to the future with a renewed sense of confidence.”

Analyst Presentation

An interim results presentation will be made available on the Company's website at www.zoodigital.com. Stuart Green, Chief Executive Officer and Robert Pursell, Chief Financial Officer, will host an online presentation for sell-side equity analysts, followed by Q&A, at 10:00 GMT today. Analysts wishing to join should register their interest by contacting: ZOO@vigoconsulting.com.

Investor Engagement

Management will hold an online presentation for private investors at 17:00 GMT today. For those interested in joining, please register via the following link: <https://www.zoodigital.com/interims2026>. A recording of the webinar will be made available via the Company's website afterwards.

³ For the purpose of this announcement, the Group believes market consensus for FY26 to be revenue of \$42.3 million, and adjusted EBITDA of \$3.8 million.

For further enquiries please contact:

ZOO Digital Group plc

Stuart Green - Chief Executive Officer
Robert Pursell - Chief Financial Officer

+44 114 241 3700

Canaccord Genuity (Nominated Adviser and Broker)

Simon Bridges / Harry Gooden / Andrew Potts / George Grainger

+44 20 7523 8000

Vigo Consulting (Financial Communications)

Tim McCall / Rozi Morris / Joe Quinlan

+44 20 7390 0230

ZOO@vigoconsulting.com

About ZOO Digital Group plc:

ZOO Digital supports major Hollywood studios and streaming services to globalise their content and reach audiences everywhere, by providing leading, technology-enabled localisation and media services.

Founded in 2001, ZOO Digital operates from hubs in Los Angeles, London, Dubai, Turkey, South Korea, India, Denmark, Spain, Italy and Germany with a development and production centre in Sheffield, UK.

The Group provides media services through its platforms that include: ZOOsubs, ZOOdubs and ZOOstudio. Its full-service proposition delivers the end-to-end services required to prepare both original and catalogue content for digital distribution; these services include dubbing, subtitling & captioning, metadata creation & localisation, mastering, artwork localisation, and media processing. Alongside this offering, ZOO also provides its customers with management platforms and strategic solutions to support their own internal globalisation operations.

ZOO is a go-to service partner for media businesses looking to globalise their content across different territories, languages, and distribution platforms. Using its innovative technology-enabled approach, ZOO helps its customers to reduce time to market, lower costs and deliver high quality products to their global audiences. The business has frameworks in place with all major Hollywood studios and streaming services. Its customers include Disney, NBCUniversal, HBO and Paramount Global.

ZOO's competitive advantage arises from three interlinking factors - the leading role it has played in the digital transformation of its sector; the world class proprietary platforms that it develops to enable this transformation; and the global supply chain of thousands of freelancers, working collaboratively in ZOO's platforms, which delivers services that scale easily to meet demand. These factors combine to make ZOO uniquely placed to capitalise on new market opportunities in a fast-paced and constantly evolving industry.

www.zoodigital.com

Chairman and Chief Executive's Statement

Overview

Trading in H1 FY26 marked a period of revenue stabilisation as the industry began to recover from the disruptions of recent years. The entertainment localisation and media services sector has experienced significant volatility – first benefiting from increased content consumption during the Covid pandemic and the rapid expansion of streaming platforms in FY22 and FY23, then facing headwinds from customer reorganisations and the writers' and actors' strikes in FY24. While H1 FY25 saw a temporary uplift due to the backlog of delayed work, revenues in H2 FY25 and H1 FY26 have held steady at approximately \$22 million in each period.

During this phase of consolidation, ZOO has taken proactive steps to strengthen its business. We have completed a strategic restructuring to right size the cost base to support the current revenue levels, fully integrated our international operations, launched a premium "Fast Track" localisation service, and embedded AI across our workflows. These initiatives have created a leaner, more agile operating model, tailored to our clients' evolving needs, and have positioned ZOO to capture a greater share of a growing market.

Market

Global content spending reached \$210 billion in 2024, growing at a compound annual rate of 10% (KPMG – The Future of Content Spend and Business Models in Media). Within this, the localisation services market is estimated at \$3 billion (Slator Language Industry Market Report), with approximately half of that spend attributed to major US studios and streaming platforms – giving ZOO an addressable market of at least \$1.5 billion.

Streaming platforms have moved beyond their hypergrowth phase and are now focused on profitability and subscriber retention. Localisation

plays a central role in this strategy, enabling content to reach global audiences and maximise return on investment. For original content, localisation typically includes both dubbing and subtitling, with costs representing just 1–3% of the overall content budget but delivering significant uplift in viewership and engaging subscribers in international growth markets.

We are also seeing incremental demand for live and near-live content, particularly in sports and time-sensitive episodic programming, as streamers expand into traditional broadcast territory. Meanwhile, traditional studios are adapting to the increasing role of streaming providers, which now accounts for a greater share of TV consumption than broadcast and cable combined (Nielsen 2025). This shift has prompted more data-driven content strategies and widespread industry reorganisation, including the acquisition of Paramount Global by Skydance Media and the potential sale of Warner Bros. Discovery.

With the focus on profitability and changing business models we have seen an increase in the proportion of content being licensed compared with new original titles. This can be a more cost-effective and quicker way of generating new programming on a streaming platform but often requires the content to be reformatted, which is work ZOO is able to perform through its Media Services offering. Licensed content can also require localisation services, but this tends to be exclusively through subtitling due to the higher cost of dubbing.

With a desire for simplified vendor engagement and a focus on premium quality we are also seeing a shift in procurement behaviour.

Customers are moving away from fragmented regional partnerships toward working with fewer, full-service, global "end-to-end" providers. ZOO is one of the few companies capable of fulfilling this requirement. In a sign of an industry returning to

business-as-usual following prolonged disruption, we have recently seen a significant increase in Request for Proposal (RFP) activity, which we believe reflects both our market positioning and growing customer confidence in their content strategies.

Historically, some clients required dubbing partners to use local studios with on-site voice artists, engineers, and directors. ZOO's decentralised model, powered by proprietary workflow technology, eliminates the need for dedicated physical studios, enabling remote collaboration and faster delivery. As deadlines shorten and budgets tighten, we believe our flexible and efficient approach is increasingly valued, leading to opportunities to work within new channels giving greater access to the localisation spend within our customer base.

Adoption of Technology

Technology continues to play an increasingly central role in the localisation industry, with artificial intelligence (AI) now at the forefront of innovation. ZOO has long championed a tech-first approach to the complex challenge of delivering high-quality, localised media content at speed and scale across global streaming platforms.

The first wave of AI investment across the industry has largely focused on development. The next phase, application, is where we believe real transformation will occur. ZOO is already actively involved in this shift, integrating AI into its workflows for certain clients to enhance service delivery while maintaining the high standards and security expected by our clients.

Since 2001, ZOO has pioneered the use of technology in localisation, disrupting traditional practices through cloud-based workflows and decentralised localisation and media services. This approach enables us to deliver fast, secure, end-to-end services at the highest standards of quality. As the industry evolves, these capabilities are

becoming increasingly essential, and we believe the market is moving further in ZOO's direction.

ZOO's AI-enhanced workflows are overseen by skilled linguists and editors, enabling faster turnaround times without compromising quality. This dramatically reduces time-to-market, unlocks new possibilities for clients to localise emerging content types with a premium service offering, and future proofs ZOO's position in the market.

As with most technical innovations there are always concerns, and this is certainly true in our industry with AI. Several of our customers explicitly require that AI is not used due to their concerns about quality, security and copyright. We will always ensure our processes meet the highest standards and prioritise security and copyright protection above all. We have implemented a flexible, hybrid framework enabling us to match our services with the specific requirements of each customer. This is typical of how we partner with customers to build tailored solutions for their needs, leading to trusted, longstanding industry relationships.

Operations

Whilst the comparator period, which included a backlog of work following the hiatus caused by the Hollywood writers and actors strikes, we believe the period under review represents a “normalisation” of business as the industry has stabilised.

- Revenue of \$22.4 million (H1 FY25: \$27.6 million)
- Adjusted EBITDA¹ margin 9% (H1 FY25: 6%)
- Cash EBITDA² \$0.6 million (H1 FY25: loss of \$0.1 million).
- OPEX as a % of revenue 50% (H1 FY25: 46%)
- Operating loss margin 5% (H1 FY25: loss of 9%)
- Freelancer network grew to 12,335 (H1 FY25: 12,112)
- External quality score³ of 99.9% (H1 FY25: 98.8%)

¹ Adjusted for share-based payments.

² Calculated as Adjusted EBITDA less capitalised development costs and less property costs included in depreciation and finance costs (as per IFRS16).

³ Weighted average of quality scores given by customers on our work delivered in the period. In H1 FY26 we received quality scores on work that accounted for 58% of revenue (H1 FY25: 61%).

Further information on Alternative Performance Measures is provided in the notes to the interim financial statements.

The \$10.9 million cost saving initiatives previously announced have now been completed, supporting a return to cash generation, whilst ensuring we protected the capability and infrastructure of the business to deliver high quality end-to-end services. International operations from previous acquisitions and investments have now been fully integrated into our core business allowing us to operate on a truly global level and leverage our “follow the sun” strategy to reduce delivery times and give greater flexibility to our customers. During this period, we have maintained the high quality of work performed with a quality score of 99.9% in the period (from those customers that provided feedback). Based on

feedback from our customers the Board believes that this score places ZOO amongst the highest performers in the industry.

For certain of our customers, we have now integrated AI into several of our workflows, improving productivity and scalability by supporting skilled human experts to achieve high levels of accuracy and authenticity as well as shortening the time-to-market of entertainment products. Whilst there is still caution in the industry regarding the use of AI, this gives customers the option to utilise the benefits AI can bring on their own terms. We believe that ZOO’s proprietary tech-enabled proposition, and long history of working with the major US studios, gives us the credibility to help our customers to embrace the opportunities of AI whilst preserving the “human in the loop” to assure quality. The Company recently published a new edition of its white paper titled “The Future of Media Localisation” providing further analysis of how we believe AI can be utilised in localisation services and establishing ZOO as a thought leader in the industry.

Fast Track

As streamers increasingly commission live and near-live content on their platforms, they face the challenge of distributing this content to global audiences without losing its time-sensitive appeal. ZOO has created a tailored solution with its premium “Fast Track” offering which we believe to be unique in the industry. Fast Track is made possible by ZOO’s model, bringing together our extensive freelancer network, workflow technology, “follow the sun” 24 hours a day capability and AI integrations. As a result, we have been able to prepare subtitles within just 3 hours and delivered dubbing within 24 hours. This has been confirmed by our customers to achieve the same quality standard as other providers that take 1 to 2 weeks for subtitling and 2 to 3 weeks for dubbing. We have already completed several Fast Track projects,

including premium content, that has since been viewed tens of millions of times around the world.

In an industry where delivery timelines are more generally being compressed, Fast Track has shown our customers the real value in the quality that ZOO's proposition can deliver without the need for reliance on dedicated physical studios. This has created several additional opportunities for ZOO, including extending its application across all end-to-end services. Whilst this service has generated limited revenues to date, given our customers' imperative to accelerate time to market, we expect it in time to be an important driver for future growth.

End-to-End Strategy

ZOO's strategy is to provide "end-to-end" services to our customers, fulfilling all their requirements to prepare content for distribution – whether that is localisation services, media services, or a combination of both.

Localisation services include dubbing, subtitling, captioning, Audio Description, metadata localisation, and artwork localisation. These services are language-based and creative by nature, for which ZOO uses a combination of in-house resources and its extensive network of freelancers.

Media services include mastering, audio mixing, transcoding, packaging, metadata creation, QC and authoring. These tend to be more technical in nature and mainly utilise in-house resources.

All these services are managed on ZOO's proprietary cloud-based workflow technology. This allows both technical and creative teams around the world to work consistently and simultaneously on projects, managed by a distributed team of project managers and directors, whilst adhering to the high levels of security demanded by our customers. The combination of our in-house resources, freelance

network and technology allow us to respond rapidly to the changing requirements of our customers.

In H1 FY26 there has been a change in the mix of these services required with an increase in the proportion of media services. A key driver behind this has been an increase in the volume of licensed content being acquired by our customers compared to the level of new original content being produced. Licensed content is less likely to require localisation, especially dubbing, but will usually require multiple media services to ensure it meets the quality requirements and format for distribution. By being one of the few end-to-end global providers in the industry, ZOO has been able to adapt quickly to these changes, benefitting from its diversified operations to maintain revenues and improve margins.

Cost Rationalisation

In H1 FY26 we completed the reorganisation of the business that began in FY24. This included reducing staff numbers, migration of certain functions to our new facility in Chennai, India, and multiple initiatives to reduce overheads especially in the areas of office and IT costs. The results of these changes have reduced fixed costs, (excluding costs of freelancers and depreciation/amortisation) from \$23.2 million in H1 FY24 to \$15.5 million in H1 FY26. This has been implemented carefully over time to deliver a suitable cost base to seek to position the business to be cash-generative from a lower revenue base, whilst ensuring the quality and speed of services we deliver to our customers has been unaffected. This is evidenced by the resilience of revenue over the last 12 months alongside the launch of our market leading solution Fast Track and exceptional external quality scores.

Outlook

The H1 FY26 trading performance was in line with management expectations, and the Board expects this to continue through to the end of the financial year. Trading since 30 September 2025 is in line with management expectations and we remain on track to deliver full year results in line with market expectations.

The emerging requirement amongst streamers for fast turn-around media localisation services to support accelerated time to market and the global distribution of live and near-live programming creates new opportunities which ZOO, using its now proven premium Fast Track service, is well placed to fulfil.

The Board also believes that more large media companies will transition to the End-to-End vendor model, partly due to their restructured operations and the desire to improve efficiency and safeguard quality. As an accomplished and proven supplier and an innovator in the industry, ZOO can address these requirements and is currently in discussions regarding several opportunities and has seen significant increase in Request for Proposal (RFP) activity.

Financial Review

Revenues of \$22.4 million were in line with management expectations. This was 19% below the same period last year (H1 FY25: \$27.6 million) due primarily to the increased level of work processed in H1 FY25 following the backlog of work from the FY24 actors' and writers' strikes. Revenues have been stable for the last 4 quarters with \$22.0 million of revenue delivered in H2 FY25.

Gross profit of \$10.1 million was in line with the prior period (H1 FY25: \$10.1 million), despite lower revenues, reflecting the improved efficiency and revenue mix within the business as gross margin increased to 45% (H1 FY25: 37%).

The Company reports segment contribution by service line, with the service lines being: 1) Localisation; 2) Media Services; and, for consistency, 3) Legacy Software Services. The contribution is calculated as revenue less the attributable direct costs. Unallocated direct costs are reported within gross margin but not included in the segmental reporting.

Localisation revenues of \$11.4 million (H1 FY25: \$17.1 million) reduced from the comparator period due to the backlog of work received in H1 FY25 following the actors' and writers' strikes, as well as the slowdown in the production of original content which led to lower demand for dubbing. Localisation gross profit contribution was \$3.1 million (H1 FY25: \$5.3 million) with the gross profit margin reducing to 27% from 31% in H1 FY25. Cost base reductions to offset the lower revenue were limited to ensure localisation service capabilities were protected, given ongoing discussions regarding several significant localisation opportunities.

Media Services revenues of \$10.5 million (H1 FY25: \$9.9m million) increased on H1 FY25 due to the greater volume of work relating to customers licensing third party content. Media Services contribution was \$8.0 million (H1 FY25: \$6.8 million) with the gross profit margin increasing to 76% from 68% in H1 FY25 due to increased efficiencies with the expansion and integration of the Indian operations.

Operating expenses decreased 11% to \$11.2 million (H1 FY25: \$12.7 million) as indirect staff were reduced in both the US and the UK. Investment in India, Germany and Italy continued as the business pivoted to lower-cost

production locations. Additional initiatives to reduce IT, cloud services and property costs were also completed in the period.

Excluding variable spend on freelancers and third-party studios the cost rationalisation program has removed \$7.7 million (33%) of the fixed cost base of the business, reducing the total fixed cost base from \$23.2 million in H1 FY24 (the first half period prior to the commencement of the cost rationalisation program) to \$15.5 million in H1 FY26.

Adjusted EBITDA was \$1.9 million (H1 FY25: \$1.7 million), an 18% increase on H1 FY25, despite lower revenues, with the Adjusted EBITDA as a percentage of revenue increasing to 9% from 6% in H1 FY25. This improvement in EBITDA resulted in a reduced operating loss of \$1.2 million (H1 FY24: \$2.5 million).

The loss before tax for the period was \$1.3 million, which compares to a loss of \$2.6 million last year. This reduced loss was due to the cost rationalisation program improving EBITDA, and a reduction in the amount of depreciation and amortisation charged, reflecting the utilisation of high levels of investment in FY23 and FY24 and the reduction in the size of the workforce.

The cash balance as of 30 September 2025 was \$3.3 million (H1 FY25: \$4.3 million, H2 FY25: \$2.7 million) representing an increase of \$0.6 million from the FY25 year-end position. This included a reduction in trade and other payables of \$5.5 million in H1 FY26 decreasing the level of aged creditors, and an accelerated conversion of work in progress to debtors.

The Group's cash position of \$3.3 million at 30 September 2025 is further enhanced by \$6 million of debt facilities with HSBC (\$3.0 million US invoice financing facility, £2.0 million UK invoice financing facility, £0.25 million UK overdraft) of which \$1.7 million was utilised at the period end (H1 FY25: \$0.5 million).

Consolidated Statement of Comprehensive Income (Unaudited)

for the six months ended 30 September 2025

	Unaudited 6 months to 30 Sep 2025 \$000	Unaudited 6 months to 30 Sep 2024 \$000	Audited Year ended 31 Mar 2025 \$000
Revenue	22,385	27,561	49,570
Cost of sales	(12,309)	(17,451)	(31,549)
Gross Profit	10,076	10,110	18,021
Other operating income	-	-	-
Operating expenses	(11,230)	(12,612)	(24,499)
Operating loss	(1,154)	(2,502)	(6,478)
Analysed as			
EBITDA before share-based payments	1,950	1,658	1,109
Share based payments	-	(63)	-
Depreciation	(1,971)	(2,905)	(5,197)
Amortisation	(1,133)	(1,192)	(2,380)
	(1,154)	(2,502)	(6,468)
Share of profit of associates and JVs	-	-	(48)
Impairment loss on associate	-	-	(1,457)
On sale of associate	10	-	-
Finance income	13	25	43
Exchange gain/ (loss) on borrowings	(7)	27	20
Other finance cost	(212)	(214)	(422)
Total finance cost	(206)	(162)	(359)
Loss before taxation	(1,350)	(2,664)	(8,342)
Tax on loss	4	41	362
Loss and total comprehensive income for the period attributable to equity holders of the parent	(1,346)	(2,623)	(7,980)
Profit per ordinary share			
- basic	(1.40) cents	(2.70) cents	(8.10) cents
- diluted	(1.40) cents	(2.70) cents	(8.10) cents

Consolidated Statement of Financial Position (Unaudited)

As at 30 September 2025

	Unaudited as at 30 Sep 2025 \$000	Unaudited as at 30 Sep 2024 \$000	Audited as at 31 Mar 2025 \$000
ASSETS			
Non-current assets			
Property, plant, and equipment	5,253	8,754	7,218
Intangible assets	13,717	14,827	14,285
Investments	1,591	3,097	1,591
Deferred tax assets	264	104	321
	20,825	26,782	23,415
Current assets			
Trade and other receivables	8,880	11,799	12,883
Contract assets	2,387	4,645	2,244
Cash and cash equivalents	3,339	4,340	2,714
	14,606	20,784	17,841
Total assets	35,431	47,566	41,256
LIABILITIES			
Current liabilities			
Trade and other payables	(10,885)	(16,344)	(16,160)
Contract liabilities	(571)	(483)	(618)
Borrowings	(3,187)	(1,837)	(1,473)
	(14,643)	(18,664)	(18,251)
Non-current liabilities			
Borrowings and other payables	(2,387)	(3,792)	(3,185)
Total liabilities	(17,030)	(22,456)	(21,436)
Net assets	18,401	25,110	19,820
EQUITY			
Equity attributable to equity holders of the parent			
Called up share capital	1,290	1,284	1,290
Share premium reserve	70,805	70,701	70,805
Other reserves	12,320	12,320	12,320
Share option reserve	2,692	2,748	2,692
Capital redemption reserve	6,753	6,753	6,753
Merger reserve	1,326	1,326	1,326
Foreign exchange translation reserve	(211)	(156)	(138)
Accumulated losses	(76,511)	(69,803)	(75,165)
	18,464	25,173	19,883
Interest in own shares	(63)	(63)	(63)
Attributable to equity holders	18,401	25,110	19,820

Consolidated Statement of Changes in Equity (Unaudited)

As at 30 September 2025

	Ordinary shares \$000	Share premium reserve \$000	Foreign exchange translation reserve \$000	Share option reserve \$000	Capital redemption reserve \$000	Other reserves \$000	Other reserves \$000	Accumu- lated losses \$000	Interest in own shares \$000	Total \$000
Balance at 1 April 2024	1,284	70,683	(152)	2,685	6,753	1,326	12,320	(67,185)	(63)	27,651
Share options exercised	-	18	-	-	-	-	-	-	-	18
Deferred tax on share options	-	-	-	-	-	-	-	5	-	5
Share-based payments	-	-	-	63	-	-	-	-	-	63
Transactions with owners	-	18	-	63	-	-	-	5	-	86
Loss for the period	-	-	-	-	-	-	-	(2,623)	-	(2,623)
Foreign exchange translation	-	-	(4)	-	-	-	-	-	-	(4)
Total comprehensive income for the period	-	-	(4)	-	-	-	-	(2,623)	-	(2,627)
Balance at 30 September 2024	1,284	70,701	(156)	2,748	6,753	1,326	12,320	(69,803)	(63)	25,110
Share options exercised	-	(18)	-	7	-	-	-	-	-	(11)
Deferred tax on share options	-	-	-	-	-	-	-	(5)	-	(5)
Share-based payments	-	-	-	(63)	-	-	-	-	-	(63)
Issue of share capital	6	122	-	-	-	-	-	-	-	128
Transactions with owners	6	104	-	(56)	-	-	-	(5)	-	49
Foreign exchange translation	-	-	18	-	-	-	-	-	-	18
Loss for the period	-	-	-	-	-	-	-	(5,357)	-	(5,357)
Total comprehensive income for the period	-	-	18	-	-	-	-	(5,357)	-	(5,339)
Balance at 31 March 2025	1,290	70,805	(138)	2,692	6,753	1,326	12,320	(75,165)	(63)	19,820
Share based payments	-	-	-	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-	-	-	-
Loss for the period	-	-	-	-	-	-	-	(1,346)	-	(1,346)
Foreign exchange translation	-	-	(73)	-	-	-	-	-	-	(73)
Total comprehensive income for the period	-	-	(73)	-	-	-	-	(1,346)	-	(1,419)
Balance at 30 September 2025	1,290	70,805	(1211)	2,692	6,753	1,326	12,320	(76,511)	(63)	18,401

Consolidated Statement of Cash Flows (Unaudited)

for the six months ended 30 September 2025

	30 Sep 2025 Unaudited 6 months to 30 Sep 2025 \$000	30 Sep 2024 Unaudited 6 months to 30 Sep 2024 \$000	31 Mar 2025 Audited Year ended 31 Mar 2025 \$000
Cash flows from operating activities			
Operating (loss)/profit for the period	(1,154)	(2,502)	(6,478)
Depreciation	1,971	2,905	5,197
Amortisation	1,133	1,192	2,390
Share based payments	-	63	-
Disposal of property, plant, and equipment	-	-	-
Changes in working capital:			
(Increases)/decreases in trade and other receivables	3,860	(2,390)	(1,074)
Increases/(decreases) in trade and other payables	(5,322)	1,420	1,073
Cash flow from operations	488	688	1,108
Tax (paid)/received	61	278	377
Net cash flow from operating activities	549	966	1,485
Investing Activities			
Purchase of intangible assets	(1)	(2)	(7)
Capitalised development costs	(564)	(902)	(1,519)
Purchase of subsidiaries (net of cash acquired)	-	-	(30)
Purchase of investments	-	-	-
Purchase of property, plant, and equipment	(6)	(265)	(731)
Disposal of associate	10	-	-
Payment of deferred consideration	-	(300)	-
Finance income	13	25	43
Net cash flow from investing activities	(548)	(1,444)	(2,244)
Cash flows from financing activities			
Repayment of borrowings	-	-	-
Proceeds from borrowings	1,702	453	-
Repayment of principal under lease liabilities	(793)	(750)	(1,585)
Finance cost	(212)	(214)	(388)
Share options exercised	-	18	7
Issue of share capital	-	-	128
Transaction costs for issue of share capital	-	-	-
Net cash flow from financing	697	(493)	(1,838)
Net Increase in cash and cash equivalents	698	(971)	(2,597)
Cash and cash equivalents at the beginning of the period	2,714	5,315	5,315
Exchange loss on cash and cash equivalents	(73)	(4)	(4)
Cash and cash equivalents at the end of the period	3,339	4,340	2,714

Notes to the Interim Financial Statements

General information

ZOO Digital Group plc ('the Company') and its subsidiaries (together 'the Group') provide end-to-end cloud-based localisation and media services to the global entertainment industry and continue with on-going research and development to enhance the Group's core offerings. The Group has operations in the UK, the US, India, Europe, and South Korea.

The Company is a public limited company which is listed on the AIM market of the London Stock Exchange and is incorporated and domiciled in the UK. The address of the registered office is Castle House, Angel Street, Sheffield. The registered number of the Company is 3858881.

This condensed consolidated financial information is presented in US dollars, the currency of the primary economic environment in which the Group operates.

The interim results were approved by the board of directors on 19 November 2025.

This consolidated interim financial information has not been audited.

Basis of preparation

The consolidated financial statements of ZOO Digital Group plc and its subsidiary undertakings for the period ending 31 March 2026 will be prepared in accordance with UK adopted international accounting standards and the requirements of the Companies Act 2006.

This Interim Report has been prepared in accordance with UK AIM listing rules which require it to be presented and prepared in a form consistent with that which will be adopted in the annual accounts having regard to the accounting standards applicable to such accounts. It has not been prepared in accordance with IAS 34 "Interim Financial Reporting".

The policies applied are consistent with those set out in the annual report for the year ended 31 March 2025, and have been consistently applied, unless stated otherwise.

This condensed consolidated financial information is for the six months ended 30 September 2025. It has been

prepared with regard to the requirements of IFRS. It does not constitute statutory accounts as defined in S343 of the Companies Act 2006. It does not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 March 2025 which contained an unqualified audit report and have been filed with the Registrar of Companies. They did not contain statements under s498 of the Companies Act 2006.

The Group has applied the same accounting policies and methods of computation in its interim consolidated financial statements as in its 2025 annual financial statements, except for those that relate to new standards and interpretations effective for the first time for periods beginning on (or after) 1 April 2025 and will be adopted in the 2026 financial statements. There are no standards materially impacting the Group that will be required to be adopted in the annual financial statements for the year ending 31 March 2026.

Basis of Consolidation

The consolidated financial statements of ZOO Digital Group plc include the results of the Company and its subsidiaries. Subsidiary accounting policies are amended where necessary to ensure consistency within the Group and intra group transactions are eliminated on consolidation.

Going concern

The Group's financial statements are prepared on a going concern basis despite the losses incurred in the period. The Group continues to have a strong order pipeline, has significant cash reserves and available financial facilities.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting regularly reviewed by the Group's chief operating decision maker to make decisions about resource allocation to the segments and to assess their performance.

	Localisation		Media services		Software Services		Total	
	FY26 H1	FY25 H1	FY26 H1	FY25 H1	FY26 H1	FY25 H1	FY26 H1	FY25 H1
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue	11,434	17,133	10,548	9,948	403	480	22,385	27,561
Segment contribution	3,063	5,318	8,044	6,791	294	339	11,401	12,448
Unallocated cost of sales							(1,325)	(2,338)
Gross profit							10,076	10,110
Gross profit %	27%	31%	76%	68%	73%	71%	45%	37%

Alternative performance measures (APM)

The Group uses certain Alternative Performance Measures (APMs) to enable the users of the Group's financial statements to understand and evaluate the performance of the Group consistently over different reporting periods. APMs are non-GAAP company specific measures. As these are non-GAAP measures, they should not be considered as replacements for IFRS measures. The Group's definition of non-GAAP measures may not be comparable to other similarly titled measures reported by other companies. A description of the measures set out above is included below with a reconciliation to the closest GAAP measure.

APM	Description	Use
Adjusted EBITDA	Adjusted EBITDA is calculated as operating profit/(loss) before depreciation (including right of use asset depreciation), amortisation and impairment of intangible assets, share-based payment charge.	Adjusted EBITDA gives a clearer picture of the core profitability of the group before the impact of financing and accounting entries and decisions.
Cash EBITDA	Cash EBITDA is calculated as Adjusted EBITDA less capitalised development costs and less property costs included in depreciation and finance costs (as per IFRS16).	Cash EBITDA gives a clearer picture of how the business is generating cash. Certain salary and property costs are excluded from Adjusted EBITDA. Cash EBITDA includes these costs allowing an assessment of how Adjusted EBITDA converts into cash.
Freelancer Network	Measure of freelancers trained and registered on the ZOO platform.	Indication of scale of resources available.
External Quality Score	Several of ZOO's customers provide internal KPI measures of the quality of our work. Measures vary between companies and are usually derived from multiple contributing factors, such as on-time delivery and first-time acceptance rates. The External Quality Score is an average score weighted on the revenue of the work being assessed.	This KPI has replaced the previous quality measure of "Retained Sales" as the Board believes it gives a clearer and independent measure of performance. In the period the work assessed accounted for 58% of total revenue (H1 FY25: 61%).

Adjusted EBITDA (\$000's)	H1 FY26	H1 FY25
Operating loss	(1,154)	(2,502)
Share based payments	-	63
Depreciation	1,971	2,905
Amortisation	1,133	1,192
Adjusted EBITDA	1,950	1,658

Cash EBITDA (\$000's)	H1 FY26	H1 FY25
Adjusted EBITDA	1,950	1,658
Capitalised salary costs (Development costs)	(564)	(902)
Property costs included in Depreciation (IFRS 16)	(652)	(678)
Property costs included in Finance Costs (IFRS 16)	(161)	(207)
Cash EBITDA	573	(129)

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in US Dollars which is the Group's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are recorded at the prevailing rate of exchange in the month of the transaction. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are recognised in the income statement.

Group companies

The results and financial positions of all Group entities that use a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each entity are translated at the closing rate at the period end date.
- income and expenses for each Statement of Comprehensive Income item are translated at the prevailing monthly exchange rate for the month in which the income or expense arose, and all resulting exchange rate differences are recognised in other comprehensive income with the foreign exchange translation reserve.

Earnings per share

Earnings per share is calculated based upon the profit or loss on ordinary activities after tax for each period divided by the weighted average number of shares in issue during the period.

Weighted average number of shares for basic & diluted profit per share

	30 Sep 2025	30 Sep 2024	31 Mar 2025
	No. of shares	No. of shares	No. of shares
Basic	97,780,970	97,880,145	97,976,898
Diluted	97,780,970	100,577,564	97,976,898

Where the Group has recorded a loss, diluted earnings per share is equal to basic earnings per share.

Intangible Assets

	Goodwill \$000	Customer relationships \$000	Development costs \$000	Patents and trademarks \$000	Computer software \$000	Total \$000
Cost						
At 1 April 2024	22,476	1,424	20,135	842	271	45,148
Additions	-	-	902	2	-	904
At 30 September 2024	22,476	1,424	21,037	844	271	46,052
Additions	30	-	617	-	5	652
Exchange differences	4	-	-	-	-	4
At 31 March 2025	22,510	1,424	21,654	844	276	46,708
Additions	-	-	564	1	-	565
At 30 September 2025	22,510	1,424	22,218	845	276	47,273
Amortisation and impairment						
At 1 April 2024	12,620	284	16,229	658	242	30,033
Amortisation	-	72	1,096	18	6	1,192
At 30 September 2024	12,620	356	17,325	676	248	31,225
Amortisation	-	70	1,104	18	6	1,198
At 31 March 2025	12,620	426	18,429	694	254	32,423
Charge	-	71	1,044	13	5	1,133
At 30 September 2025	12,620	497	19,473	707	259	33,556
Net book value						
At 30 September 2024	9,856	1,068	3,712	168	23	14,827
At 31 March 2025	9,890	998	3,225	150	22	14,285
At 30 September 2025	9,890	927	2,745	138	17	13,717

Further Copies

Copies of the Interim Report for the six months ended 30 September 2025 will be available, free of charge, for a period of one month from the registered office of the Company at Castle House, Angel Street, Sheffield, S3 4LN or from the Group's website: www.zoodigital.com.

GROUP DIRECTORY

Head Office

ZOO Digital Group plc

Castle House Angel Street Sheffield
S3 8LN
United Kingdom
T: +44 (0)114 241 3700
F: +44 (0)114 241 3701

ZOO Employee Share Trust Limited

Castle House Angel Street Sheffield
S3 8LN
United Kingdom
T: +44 (0)114 241 3700
F: +44 (0)114 241 3701

Vista Tanweer Studios Private Limited

Gala 5-C, 5th Floor
Modi House, Plot No. C-10 Veera Desai Road
Andheri (West) MH 400058 India

ZOO Digital Limited

Castle House Angel Street Sheffield
S3 8LN
United Kingdom
T: +44 (0)114 241 3700
F: +44 (0)114 241 3701

ZOO Digital Inc.

2201 Park Place Suite 100
El Segundo
CA 90245
USA
T: +1 310 220 3939
F: +1 310 220 3958

ZOO Digital Limited

Castle House Angel Street Sheffield
S3 8LN
United Kingdom
T: +44 (0)114 241 3700
F: +44 (0)114 241 3701

ZOO Digital Inc.

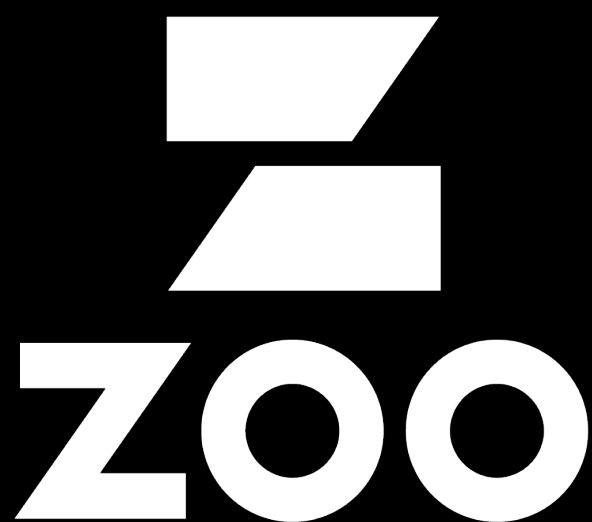
2201 Park Place Suite 100
El Segundo
CA 90245
USA
T: +1 310 220 3939
F: +1 310 220 3958

ZOO Digital Production LLC

2201 Park Place Suite 100
El Segundo
CA 90245
USA
T: +1 310 220 3939
F: +1 310 220 3958

Vista India Digitek Private Limited

501, 5th Floor
Modi House of Link Road, C-10 Dalia Estate, Andheri
West Mumbai Mumbai City MH 400053
India



© **ZOO Digital Group plc.**
zoodigital.com