

Unaudited Interim Results for the six months ended 30 September 2026

November 2026

Chairman and Chief Executive's Statement

Overview

The first half of FY27 marked a return to revenue growth with a sustained improvement in profitability. Revenue was $23.6 million, an increase on both H1 FY26 ($22.4 million) and H2 FY26 ($19.9 million). Higher revenues and disciplined cost management resulted in an 79.2% improvement in Adjusted EBITDA to $3.5 million (H1 FY26: $2.0 million) at a higher margin, and positive cash generation from operations.

As customer activity levels increased across both new and traditional formats, the Group secured several competitive tenders, some relating to broad framework agreements expected to lead to new pipelines of orders, and others to one-off large projects. A deciding feature has been ZOO's ability to meet growing demand for faster delivery capabilities, leveraging our end-to-end model and technology integrations to harness AI alongside our human expertise.

The Board believes that the first half performance provides encouraging evidence that the evolved customer offering and rightsized operating model can support increased volumes of activity which if achieved would be expected to lead to higher revenue and profit levels over time. Further growth is then expected as investment in original productions increases the level of dubbing work and emerging content formats create incremental demand for media services and localisation.

Media localisation

Media localisation generated revenue of $16.7 million, up 46% compared to $11.4 million in H1 FY26, due to high levels of activity in reformatting existing catalogue content. While dubbing volumes continued to be impacted by subdued levels of new productions, a pipeline of original content is now starting to come through and is expected to contribute to revenues in H2 FY27.

As the economic and operating environment for many streaming and media companies has stabilised, momentum in tender activity continued during the period. The common feature shared by these customer briefs is demand for faster turnaround projects, not just for live and near live programming but for many types of content to support accelerated global release schedules. ZOO is well positioned to support such demands as a technology pioneer with proprietary software, AI integrations blended with human expertise and our "follow-the-sun" model in which globally distributed teams collaborate across time zones to ensure continuous project momentum, faster turnaround, and responsive client engagement around the clock. This combination provides a strategic advantage for the Group as we win projects and become more embedded in customer operations.

ZOO has established itself as an early leader in live and near-live localisation. Most of this to date has been subtitling and media services, but we are also starting to see improving demand for dubbing as part of these projects. In parallel, we have been able to offer a competitive advantage by delivering our standard services faster for our customers without raising their cost. For example, a dubbing service we now offer that we refer to as "7-Day Dub" delivers a marked reduction on a process that traditionally takes four to six weeks, and is significantly shorter than the majority of other vendors are currently able to offer. This is gaining increasing traction among customers who are seeking faster delivery speeds without losing the control and quality assurance that our operational and creative teams afford them. In the period, invoicing for Fast Track (a combination of premium service for live/near-live localisation and faster turnaround on standard projects) accounted for 38% of revenue, up from 4% in FY26.

We are starting to see some customers revisiting their existing partner programmes in favour of more flexible vendors such as ZOO that can vary the cost, speed and adaptive quality trade-off. ZOO is well placed to benefit

from this demand having evolved our customer proposition, in collaboration with the industry, to provide modular workflows and align with customers' priorities for different types of content.

Media services

Media services generated revenue of $6.9 million, down 37% compared to $11.0 million in H1 FY26 due primarily to ongoing structural changes within the Group's largest customer. It should also be noted that this performance was set against a strong comparator period in H1 FY26 for media services, which benefitted from several one-off catalogue orders.

Operations

The Board considers that FY26 represented a more normalised trading environment following three years of significant industry disruption. These results therefore demonstrate growth against a backdrop of a return to more stabilised conditions, reflecting how the Company is well positioned to capitalise on evolving content strategies.

KPI	H1 FY27	H1 FY26	Comments
Financial			
Revenue	**$23.6 million**	$22.4 million	Driven by higher demand for localisation
Adjusted EBITDA margin	**14.8%**	9.0%	Reflecting enhanced operating leverage from a more efficient operating model
Cash EBITDA	**$1.9 million**	$0.6 million	Reflects improved trading and disciplined cost management
OPEX as % of revenue	**37.5%**	50.1%	Reflecting operating leverage from lower overhead costs
Operating profit/(loss) margin	**$1.4 million**	($1.1 million)	Driven by a more efficient operating model
Operational			
External quality score	**99.9%**	99.9%	Maintained consistently high quality scores; sales covered was 39.8% (H1 FY26: 58.2%) due to customer revenue diversification

Customers

ZOO has made good progress in expanding, diversifying and deepening its customer relationships across the world's leading media companies and providers of streaming services. Vendor programmes are consolidating around a smaller number of end-to-end suppliers, particularly technology-enabled partners capable of delivering localised content at speed and to exacting quality standards. As the original technology pioneer in this cohort, ZOO is well positioned to expand its order book and take market share.

Four of our five largest customers significantly increased their order levels in the period from between 55% and 306% compared to H1 FY26. As a result, total sales excluding our largest customer increased by 72%.

The Group's largest customer represented 26% of total sales in H1 FY27 (H1 FY26: 55%), significantly reducing customer concentration risk as we develop a more sustainable and diversified growth platform. Going forward, we expect lower levels of customer concentration than in prior years as we deepen and expand our customer relationships. Revenues in H1 FY27 from our largest customer were $6.2 million (H1 FY26: $12.3 million), a reduction of $6.1 million which, in the context of H1 FY27 revenues, reflects significant growth from our customer base overall other than our largest customer.

The framework agreements under which ZOO was selected to provide localisation, media services and end-to-end fulfilment across two major studio customers in H2 FY26 successfully delivered significant orders in H1 FY27, supported by our accelerated fulfilment capabilities. The Group continues to win work through competitive tender processes and expanded scope of work with existing customers, reflecting confidence in ZOO's tech-enabled proposition.

In October, the combination of Paramount Skydance and Warner Bros. Discovery completed to create one of the world's largest media companies. The combined group is expected to benefit from extensive content libraries, established streaming services and global distribution ambitions. As a vendor to both companies, the Board believes that the Group is well positioned should any consolidation of suppliers take place.

Market update

The global media industry has stabilised as traditional studios have adapted their businesses for streaming, with all of the largest global companies having reported operating profits in their most recent public disclosures. Global spend on content investment is forecast to rise to $255 billion in 2026, up 2% year-on-year, driven primarily by streaming platforms as they extend their dominance over traditional, domestic broadcasters (Ampere Analysis, 2026).

While video streaming revenues and subscriber numbers continue to grow worldwide, pure-play premium subscriber acquisition has plateaued in mature regions, resulting in platforms adopting hybrid business models and seeking faster growth in developing territories. This is leading studios to experiment with new revenue streams and different content strategies.

Firstly, studios are increasing their monetisation of existing libraries, including launching existing titles in new territories and re-licensing catalogue content to other streaming platforms. This follows a period when access was more tightly controlled in favour of exclusivity. Older catalogue titles frequently lack modern subtitles and dubbing, accessibility assets (subtitles for the deaf and hard of hearing and audio description for sight impaired audiences) and new-language versions necessary for global streaming platforms. They also require formatting when licensed to other platforms, a specialist skill that ZOO provides through its media services offering.

Secondly, streaming platforms are commissioning more types of content that have previously been associated with traditional linear television, such as unscripted programmes and gameshows. They are also continuing to invest aggressively in sports rights, which drives demand for live captioning, high-quality subtitling, AI-assisted commentary and multilingual highlights packages. The global nature of streaming platforms is bringing innovation too, including multiple audio feeds and commentaries, local language commentators and regional studio programming. ZOO has established a leadership position in this space, particularly through the Group's faster delivery services. This is important as live sport is expected to become one of the fastest-growing segments of streaming spending through to 2030 (Ampere Analysis, 2026).

Finally, streaming customers are increasingly experimenting with alternative entertainment formats, such as short-form video, creator-led content, mobile dramas and video podcasts as they seek to strengthen their competitive positions relative to user-generated content platforms like YouTube and TikTok. This reflects consumer trends towards increased mobile viewing and fragmented consumption sessions.

Microdramas have become one of the fastest-growing entertainment formats globally, sometimes having hundreds of episodes produced per title, and requiring extremely fast turnaround of localised materials. Similarly, video podcasts, which are increasingly being distributed in multiple languages, are one of the fastest-growing localisation categories due to their mass volumes, cross-border appeal and low barriers to entry. Although localisation budgets are likely to be smaller for these lower-cost productions, making them more suited to AI and automation, the scale of their volume is expected to add incremental demand to the total overall market. For the leading streaming services, whose business models are built upon paid subscriptions, the Board expects that the requirement for high standards of quality will continue to necessitate some integrated level of human expertise and oversight.

Technology adoption – a competitive advantage for ZOO

Overall, these dynamics are creating incrementally higher demand for ZOO's services and support structural growth across the global media localisation market and associated media services. Just as more content is being distributed internationally than ever before, so too are the delivery requirements evolving. Consumers increasingly expect content to be available rapidly in their native languages. To achieve this, our customers are seeking partners who can balance production expertise with technology integration.

This plays to ZOO's strengths as a recognised technology disruptor in the sector. We have embedded AI across our workflows to scale our end-to-end services and raise the bar for localisation speeds in the media industry. This includes across transcription, translation, script preparation and voice recording, and increasingly in media services. Importantly, quality control is maintained through our global teams of project managers, production specialists and 12,000+ freelance linguists.

Our strategy has been two-fold. Firstly, we are differentiating our services by delivering much faster turnaround at typical industry standard prices. For example, ZOO's '7-Day Dub' solution reduces a process that would take traditional vendors four-to-six weeks to just seven days. In this instance, we protect margins through enhanced productivity rather than higher prices. Secondly, we are collaborating with customers to build new, faster premium delivery solutions that would not be possible without ZOO's tech-enabled workflows and 'follow-the-sun' operations across nine territories. Our premium service is dramatically compressing timelines for the global distribution of high-budget live and near-live programming, such as sports. In this instance, with such tight turnaround, we can command higher prices by delivering an industry-leading solution that meets our customers' demanding requirements.

ZOO's approach is to offer customers a flexible solution tailored for the type of their content and economic constraints, respecting that some customers still prohibit the use of AI for some services. We have developed a fully modular localisation workflow that allows content owners to choose the right balance of speed, cost and *adaptive quality* for each project while always maintaining the creative standards their audiences expect. "Adaptive quality" refers to the extent to which localised materials evoke the same emotional response in a target language as the original does in its source language, something that AI approaches alone may compromise. The necessity for some level of integrated human expertise and oversight means that the Board expects it will be practical and economic for buyers to continue to work with specialists like ZOO that can provide this oversight and domain expertise across all required languages and diverse content formats.

High-quality, premium content remains central to streaming platforms and to their strategies for retaining and attracting subscribers. However, it is likely that for some types of short-form, creator-made and podcast content, distributors will be willing to compromise the high levels of adaptive quality in favour of lower-cost solutions and speed to delivery. In these instances, typically where platforms are not bound by legislation or actors' unions, the average revenue per localised minute may be lower due to increased use of automation, particularly around captioning and translation. In addition, AI is expected to be used increasingly where it lowers the cost of

localising content that was previously uneconomic, including some back catalogue content, additional languages and promotional clips. This content is therefore expected to still generate incrementally higher localisation volumes as part of a larger overall market.

We are also implementing AI to improve internal productivity across all departments at ZOO, and this is already yielding significant benefits. For example, our R&D team has so far achieved average time savings of at least one-to-two hours per engineer per day, with prototypes that previously took two-to-three months now ready in around a week. This supports our ability to maintain a structurally lower cost base as activity grows.

Outlook

Current trading is positive and continuing the trend seen in H1. Tender activity remains at its highest level since before the 2023 Hollywood strikes and we are seeing early signs of a returning pipeline of original content which we expect to contribute to H2 revenue. The Board is confident that the full year results will show a return to revenue growth and further profit progression in line with market expectations. This is despite H1 benefitting from certain one-off catalogue projects that we do not assume will repeat in H2. The Company however continues to have limited revenue visibility and therefore remains focused on disciplined execution, efficiency and cash generation as well as on driving higher sales activity.

Over the longer term, the media localisation market is entering a period of volume growth driven by new types of content. The market is expected to segment as streaming platforms commission a wider variety of content with different sensitivities around the flexibilities and trade-off between cost, adaptive quality, and time. This ranges from premium programming at the high end to certain short-form content at the low end, and favours flexible, tech-enabled vendors like ZOO that can tailor their offering to customers' specific requirements.

The Board therefore believes ZOO is well placed to expand its share of a structural growth market, underpinned by demand for content to be localised faster and in more languages. The Board remains confident of the Group's prospects.

Financial Review

Revenues of $23.6 million were 6% above the same period last year (H1 FY26: $22.4 million), reflecting a significant expansion in business across four of our top five customers. We have seen a growth in localisation project work from a wide range of customers and a reduction in the level of Media Services work. A high proportion of this growth has been conforming existing localisation to work on new platforms which, whilst classed as localisation, has similar attributes and gross margin to Media Services. This has been a key driver in the change in mix between Localisation and Media Services revenues. With the further diversification in customer revenues, the concentration of our largest customer was down to 26% in H1 FY27 (H1 FY26: 55%).

Gross profit of $10.1 million was in line with H1 FY26. The change in revenue mix from higher margin Media Services to lower margin Localisation has been offset by the increase in higher margin Localisation conforming work. This, alongside the leaner Group cost structure, resulted in the recent high overall gross margins being maintained at 43% (H1 FY26: 45%).

The Company reports segment contribution by service line, with the service lines being Localisation and Media 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 $16.7 million (H1 FY26: $11.4 million) increased with the success of converting recent tender wins to orders. Localisation gross profit contribution was $6.6 million (H1 FY26: $3.1 million) with the gross profit margin increasing to 40% from 27% in H1 FY26. The increase has been due to improved efficiency on higher

revenues and several significant projects requiring existing localisation to be “conformed” to new standards, which is higher margin work, similar in style to Media Services.

Media Services revenues of $6.9 million (H1 FY26: $11.0 million) decreased on the comparator period due primarily to the reduction in business from our largest customer. This is not a reflection of an issue with our work, or the relationship, but due to an expected short-term reduction in the amount of original content being created which is a situation we expect to change during FY27. Media Services gross profit contribution was $4.3 million (H1 FY26: $8.3 million) with the gross profit margin decreasing to 63% from 76% in H1 FY26 with lower economies of scale.

Unallocated direct costs (not attributed to Localisation or Media Services) were reduced to $0.8 million (H1 FY26: $1.3 million), down from 6% of revenue to 3% of revenue.

Operating expenses decreased 21% to $8.9 million (H1 FY26: $11.2 million), reflecting a $1.0 million reduction in amortisation and depreciation and a $1.3 million reduction in overheads from the annualisation of the cost reduction programme in FY25 and FY26. OPEX as a percentage of revenue has reduced to 38% (H1 FY26: 50%). The Company continued to invest in its R&D programme where expenditure totalled $0.7 million in the period.

Tax on Profit was $0.4 million with a $0.2 million charge due to the release of a deferred tax asset in ZOO Digital India Private Limited.

All measures of profitability significantly improved in the period:

- Cash EBITDA of $1.9 million; an increase from $0.6 million in H1 FY26
- Adjusted EBITDA of $3.5 million; an increase from $2.0 million in H1 FY26
- Operating Profit of $1.4 million; from a loss of $1.1 million in H1 FY26
- Profit Before Tax of $1.2 million; from a loss of $1.4 million in H1 FY26

The Group's cash position of $3.4 million as at 30 September 2026 ($3.3 million as at 30 September 2025) is further enhanced by $8 million of debt facilities with HSBC ($5.0 million US invoice financing facility, £2.0 million UK invoice financing facility, £0.25 million UK overdraft). $1.9 million of these facilities were utilised as at 30 September 2026 ($1.7 million as at 30 September 2026) to support the growth of localisation and proactively reduce aged creditors, with payable days reducing to 66 (H1 FY26: 99)

Consolidated Statement of Comprehensive Income (Unaudited)

for the six months ended 30 September 2026

	Unaudited 6 months to 30 Sep 2026 $000	Unaudited 6 months to 30 Sep 2025 $000	Audited Year ended 31 Mar 2026 $000
Revenue	**23,611**	22,385	42,343
Cost of sales	**(13,475)**	(12,309)	(24,715)
Gross Profit	**10,136**	10,076	17,628
Other operating income	**120**	-	120
Administrative expenses	**(8,861)**	(11,230)	(19,358)
Operating profit/(loss)	**1,395**	(1,154)	(1,610)
Analysed as			
EBITDA before share-based payments	**3,494**	1,950	3,993
Share based payments	**-**	-	-
Depreciation	**(1,054)**	(1,971)	(3,335)
Amortisation	**(1,045)**	(1,133)	(2,268)
	1,395	(1,154)	(1,610)
Share of profit of associates and JVs	**-**	-	(49)
Impairment loss on associate	**-**	-	(1,542)
On sale of associate	**-**	10	(184)
Finance income	**-**	13	25
Exchange gain/ (loss) on borrowings	**(1)**	(7)	(16)
Other finance cost	**(204)**	(212)	(468)
Total finance cost	**(205)**	(206)	(459)
Profit/(Loss) before taxation	**1,190**	(1,350)	(3,844)
Tax on (profit) / loss	**(413)**	4	157
Total comprehensive income for the period attributable to equity holders of the parent	**777**	(1,346)	(3,687)
Profit per ordinary share			
- basic	**0.8 cents**	(1.40) cents	(3.80) cents
- diluted	**0.8 cents**	(1.40) cents	(3.80) cents

Consolidated Statement of Financial Position (Unaudited)

As at 30 September 2026

	Unaudited as at 30 Sep 2026 $000	Unaudited as at 30 Sep 2025 $000	Audited as at 31 Mar 2026 $000
ASSETS			
Non-current assets			
Property, plant, and equipment	**3,145**	5,253	4,004
Intangible assets	**13,270**	13,717	13,573
Investments	**-**	1,591	-
Deferred tax assets	**256**	264	461
	16,671	20,825	18,038
Current assets			
Trade and other receivables	**8,765**	8,880	7,956
Contract assets	**2,898**	2,387	2,290
Cash and cash equivalents	**3,389**	3,339	3,574
	15,052	14,606	13,820
Total assets	**31,723**	35,431	31,858
LIABILITIES			
Current liabilities			
Trade and other payables	**(10,646)**	(10,885)	(11,104)
Contract liabilities	**(97)**	(571)	(289)
Borrowings	**(3,405)**	(3,187)	(2,894)
	(14,148)	(14,643)	(14,287)
Non-current liabilities			
Borrowings and other payables	**(1,023)**	(2,387)	(1,758)
Total liabilities	**(15,171)**	(17,030)	(16,045)
Net assets	**16,552**	18,401	15,813
EQUITY			
Equity attributable to equity holders of the parent			
Called up share capital	**1,290**	1,290	1,290
Share premium reserve	**70,805**	70,805	70,805
Other reserves	**12,320**	12,320	12,320
Share option reserve	**1,319**	1,726	1,319
Capital redemption reserve	**6,753**	6,753	6,753
Merger reserve	**1,326**	1,326	1326
Foreign exchange translation reserve	**(149)**	(211)	(126)
Accumulated losses	**(77,049)**	(75,545)	(77,811)
	16,615	18,464	15,876
Interest in own shares	**(63)**	(63)	(63)
Attributable to equity holders	**16,552**	18,401	15,813

Consolidated Statement of Changes in Equity (Unaudited)

As at 30 September 2026

	Ordinary shares	Share premium reserve	Foreign exchange translation reserve	Share option reserve	Capital redemption reserve	Merger reserve	Other reserves	Accumu-lated losses	Interest in own shares	Total
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Balance at 1 April 2025	1,290	70,805	(138)	1,726	6,753	1,326	12,320	(74,199)	(63)	19,820
Share options exercised	-	-	-	-	-	-	-	-	-	-
Deferred tax on share options	-	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-	-	-	-
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	(211)	1,726	6,753	1,326	12,320	(75,545)	(63)	18,401
Share options exercised	-	-	-	-	-	-	-	-	-	-
Deferred tax on share options	-	-	-	-	-	-	-	-	-	-
Share options lapsed	-	-	-	(407)	-	-	-	407	-	-
Issue of share capital	-	-	-	-	-	-	-	-	-	-
Transactions with owners	-	-	-	(407)	-	-	-	407	-	-
Foreign exchange translation	-	-	85	-	-	-	-	-	-	85
Loss for the period	-	-	-	-	-	-	-	(2,673)	-	(2,673)
Total comprehensive income for the period	-	-	85	-	-	-	-	(2,673)	-	(2,588)
Balance at 31 March 2026	1,290	70,805	(126)	1,319	6,753	1,326	12,320	(77,811)	(63)	15,813
Share based payments	-	-	-	-	-	-	-	-	-	-
Share options exercised	-	-	-		-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	762	-	762
Foreign exchange translation	-	-	(23)	-	-	-	-	-	-	(23)
Total comprehensive income for the period	-	-	(23)	-	-	-	-	762	-	739
Balance at 30 September 2026	**1,290**	**70,805**	**(149)**	**1,319**	**6,753**	**1,326**	**12.320**	**(77,049)**	**(63)**	**16,552**

Consolidated Statement of Cash Flows (Unaudited)

for the six months ended 30 September 2026

	30 Sep 2026 Unaudited 6 months to 30 Sep 2026 $000	30 Sep 2025 Unaudited 6 months to 30 Sep 2025 $000	31 Mar 2026 Audited Year ended 31 Mar 2026 $000
Cash flows from operating activities			
Operating (loss)/profit for the period	**1,395**	(1,154)	(1,610)
Depreciation	**1,054**	1,971	3,335
Amortisation	**1,045**	1,111	2,268
Share based payments	**-**	-	-
Disposal of property, plant, and equipment	**-**	-	-
Changes in working capital:			
(Increases)/decreases in trade and other receivables	**(1,417)**	3,860	4,881
Increases/(decreases) in trade and other payables	**(650)**	(5,322)	(5,385)
Cash flow from operations	**1,427**	488	3,489
Tax (paid)/received	**(208)**	61	17
Net cash flow from operating activities	**1,219**	549	3,506
Investing Activities			
Purchase of intangible assets	**-**	(1)	-
Capitalised development costs	**(742)**	(564)	(1,656)
Purchase of subsidiaries (net of cash acquired)	**-**	-	130
Purchase of investments	**-**	-	-
Purchase of property, plant, and equipment	**32**	(6)	(132)
Disposal of associate	**-**	10	-
Payment of deferred consideration	**-**	-	-
Finance income	**-**	13	25
Net cash flow from investing activities	**(710)**	(548)	(1,633)
Cash flows from financing activities			
Repayment of borrowings	**-**	-	(65)
Proceeds from borrowings	**545**	1,702	1,371
Repayment of principal under lease liabilities	**(925)**	(793)	(1,562)
Finance cost	**(204)**	(212)	(472)
Share options exercised	**-**	-	-
Issue of share capital	**-**	-	-
Transaction costs for issue of share capital	**-**	-	-
Net cash flow from financing	**(584)**	697	(728)
Net (decrease)/ Increase in cash and cash equivalents	**(75)**	698	1,145
Cash and cash equivalents at the beginning of the period	**3,574**	2,714	2,714
Exchange loss on cash and cash equivalents	**(110)**	(73)	(285)
Cash and cash equivalents at the end of the period	**3,389**	3,339	3,574

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, the Middle East 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 City Gate, St Mary's Gate, 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 9 November 2026.

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 2027 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 2026, and have been consistently applied, unless stated otherwise.

This condensed consolidated financial information is for the six months ended 30 September 2026. 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 2026 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 2026 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 2026 and will be adopted in the 2027 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 2027.

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.
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		Total	
	H1 FY27	H1 FY26	H1 FY27	H1 FY26	H1 FY27	H1 FY26
	$000	$000	$000	$000	$000	$000
Revenue	16,694	11,434	6,917	10,951	23,611	22,385
Segment contribution	6,597	3,063	4,330	8,338	10,927	11,401
Unallocated cost of sales					(791)	(1,325)
Gross profit					10,136	10,076
Gross profit %	*40%*	*27%*	*63%*	*76%*	*43%*	*45%*

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 a 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.
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.	The Board believes this KPI gives a clear and independent measure of the satisfaction of our customers.

Adjusted EBITDA ($'000)	H1 FY27	H1 FY26
Operating profit/(loss)	**1,395**	**(1,154)**
Share based payments	-	-
Depreciation	1,054	1,971
Amortisation	1,045	1,133
Adjusted EBITDA	**3,494**	**1,950**

Cash EBITDA ($'000)	H1 FY27	H1 FY26
Adjusted EBITDA	**3,494**	**1,950**
Capitalised salary costs (Development costs)	(736)	(564)
Property costs included in Depreciation (IFRS 16)	(719)	(652)
Property costs included in Finance Costs (IFRS 16)	(121)	(161)
Cash EBITDA	**1,918**	**573**

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 2026**	30 Sep 2025	31 Mar 2026
	No. of shares	No. of shares	No. of shares
Basic	**98,318,228**	97,780,970	98,318,228
Diluted	**98,318,228**	97,780,970	98,318,228

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 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
Reclassification	(120)	-	-	-	-	(120)
Additions	-	-	1,092	-	24	1,116
Exchange differences	-	-	-	-	4	4
At 31 March 2026	22,390	1,424	23,310	845	304	48,273
Additions	-	-	736	-	-	736
Exchange differences	-	-	-	-	6	6
At 30 September 2026	**22,390**	**1,424**	**26,046**	**845**	**310**	**49,015**
Amortisation and impairment						
At 1 April 2025	12,620	426	18,429	694	254	32,423
Amortisation	-	71	1,044	13	5	1,133
At 30 September 2025	12,620	497	19,473	707	259	33,556
Amortisation	-	71	1,042	14	8	1,135
Exchange differences	-	-	-	-	9	9
At 31 March 2026	12,620	568	20,515	721	276	34,700
Charge	-	71	955	13	6	1,045
At 30 September 2026	**12,620**	**639**	**21,470**	**734**	**282**	**35,745**
Net book value						
At 30 September 2025	9,890	927	2,745	138	17	13,717
At 31 March 2026	9,770	856	2,795	124	28	13,573
At 30 September 2026	**9,770**	**785**	**2,576**	**111**	**28**	**13,270**

Further Copies

Copies of the Interim Report for the six months ended 30 September 2026 will be available, free of charge, for a period of one month from the registered office of the Company at 7th Floor, Citygate, 8 St Mary's Gate, Sheffield, S1 4LW or from the Group's website: www.zoodigital.com.

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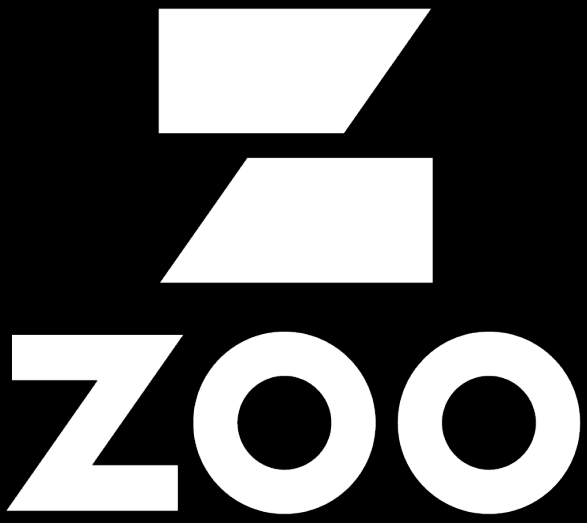
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