



ZOO Digital Group plc

**Investor Briefing
September 2017**

Company Overview and Market Context

Stuart Green
CEO

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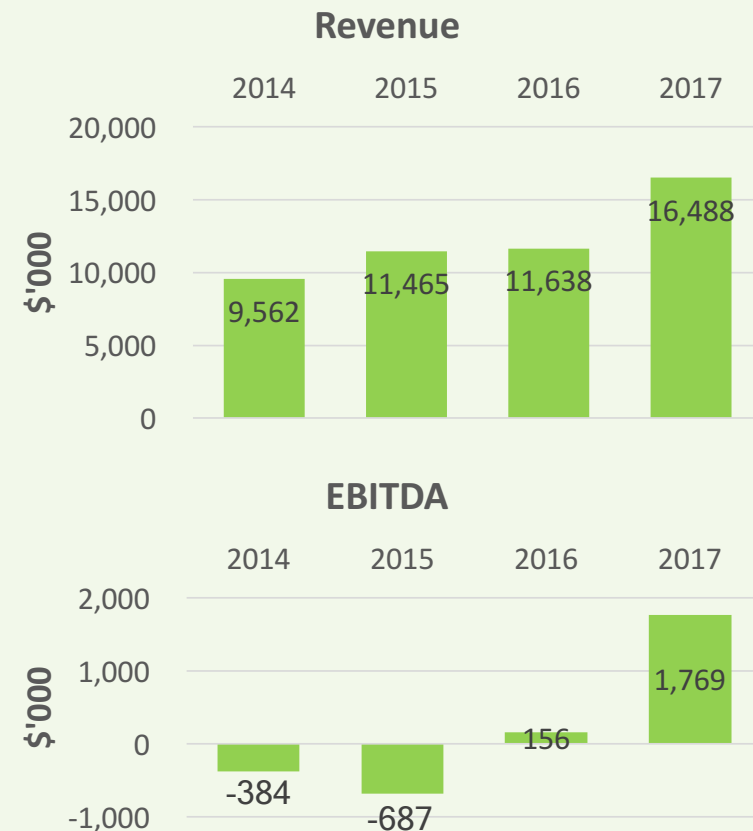
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Agenda

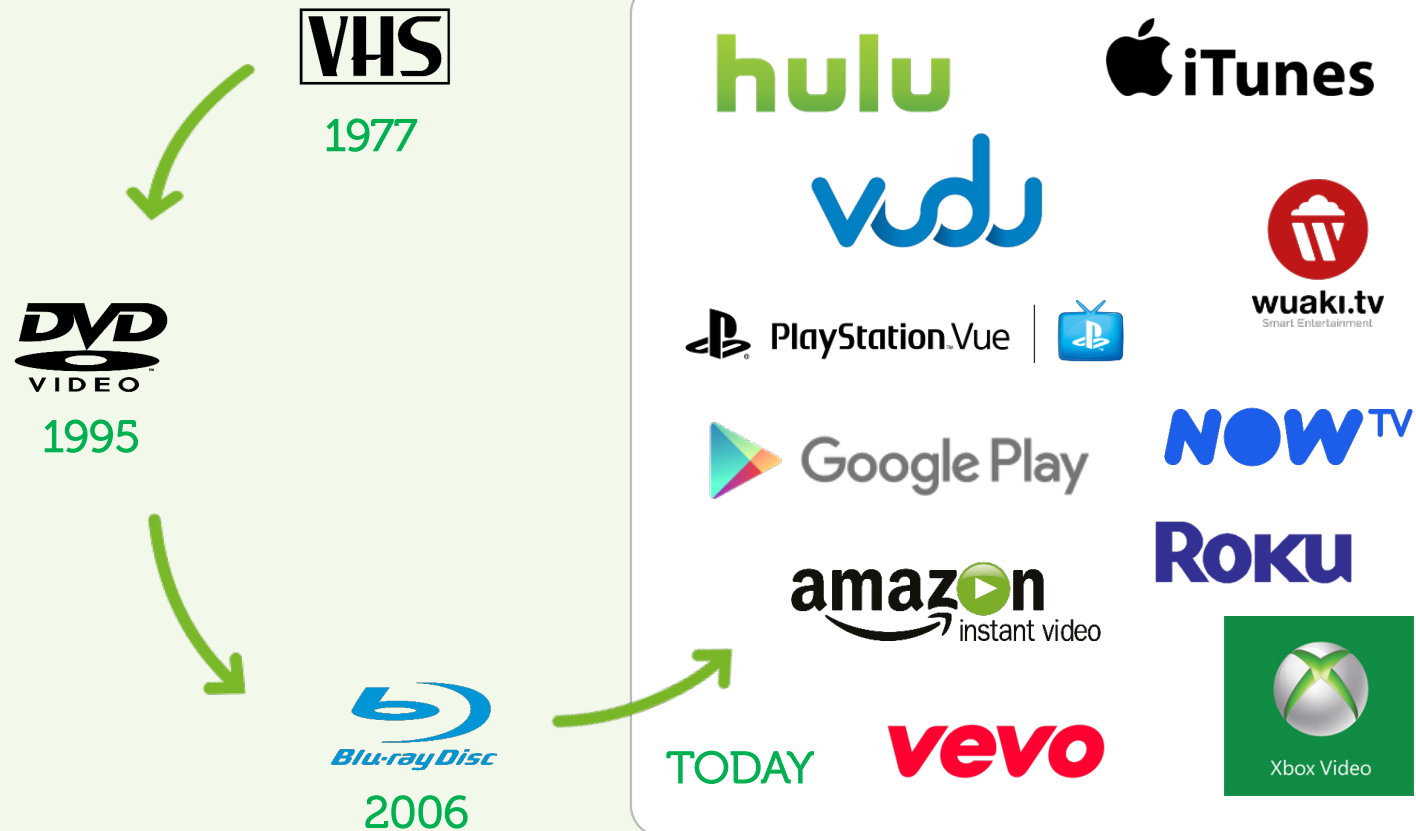
- Results for the year to March 2017
- Business overview and market context
- ZOO's cloud technology
- Demonstrations
- Q&A

Financial Results

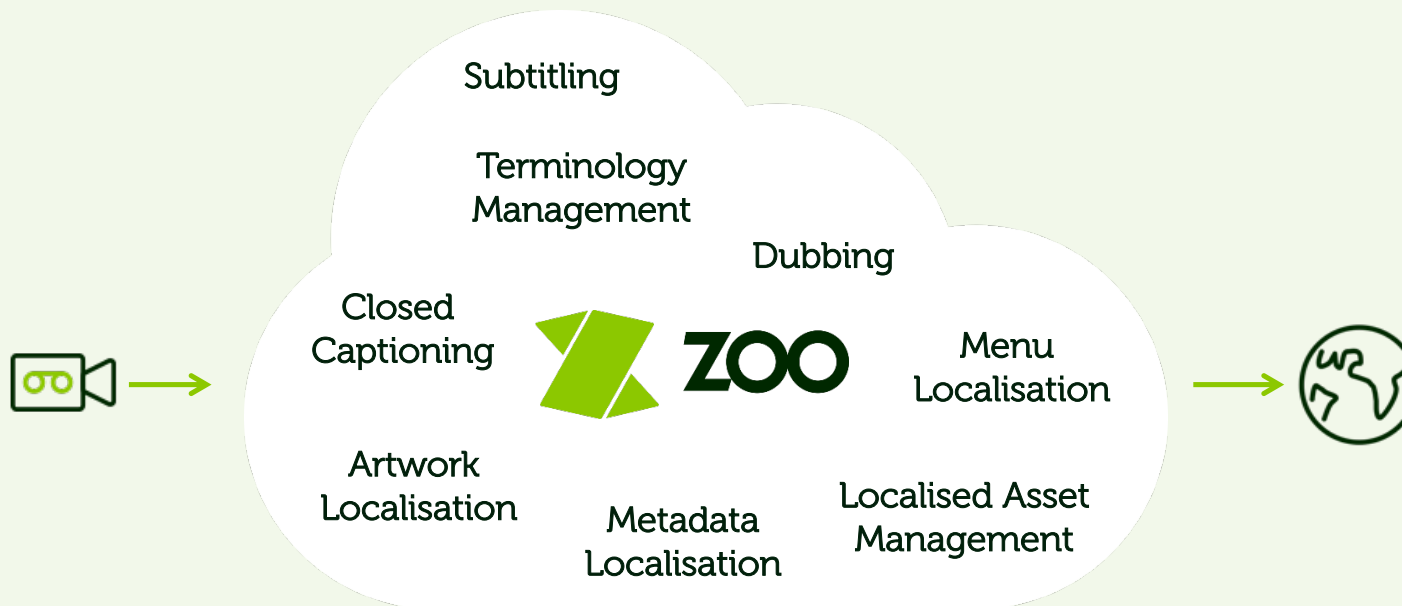
- Revenue increased by 42% to \$16.5m (2016: \$11.6m)
- EBITDA up significantly to \$1.8m (2016: \$0.2m)
- Profit Before Tax \$0.5m (2016: loss of \$1.5m)
- Business is less seasonally weighted with 53% revenues generated in H2 (2016: 43%)
- Post period end raised £2.6m gross and capitalised £1.1m debt



We are in the age of on-demand digital video entertainment



About ZOO: Global Content Services



**Services to securely showcase, localise
and distribute entertainment content**

Feature film and TV programme makers face unprecedented challenges

Old World

- One or two platforms
- 5 to 10 languages
- Release windows span years or months
- DVD/Blu-ray give high margin sales

New World

- 100+ platforms
- 50+ languages
- Release windows span weeks or days
- Deal terms with digital channels vary greatly

Content owners need partners equipped to deal with new challenges

Old World

- Large teams of in-house staff
- Multiple owned international offices
- Projects individually overseen by managers
- Various desktop tools; spreadsheets, email

New World

- Agile teams including freelance staff
- Partnerships to provide international presence
- Management by exception
- Centralised cloud computing platforms

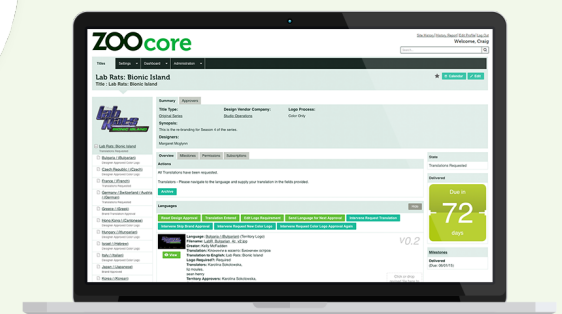
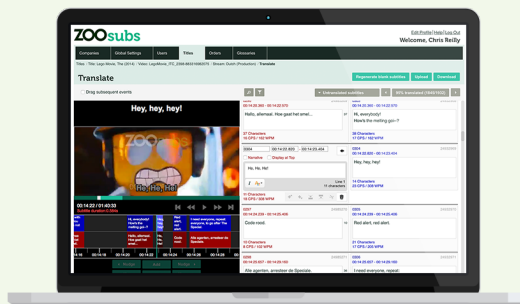
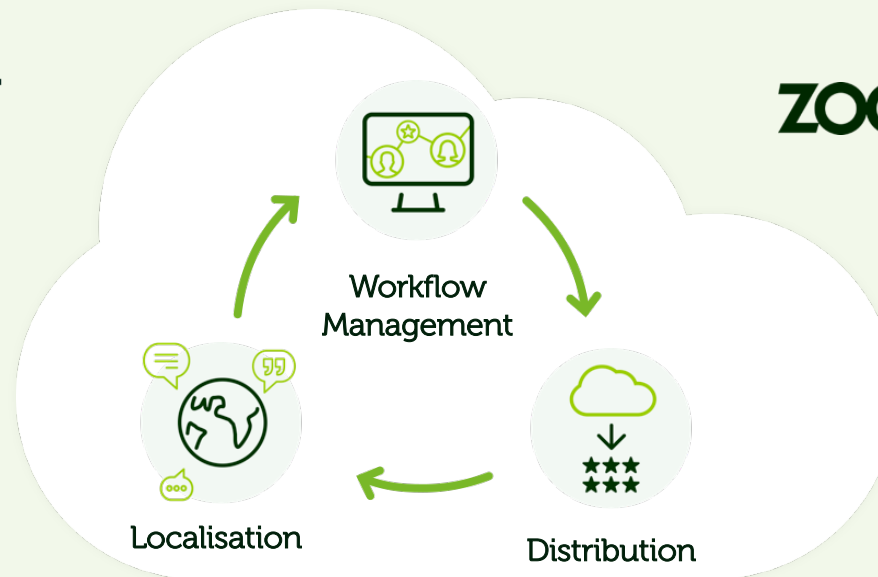
Our Offering

 **ZOOscreen**

ZOOsubs

ZOOcore

ZOOdubs



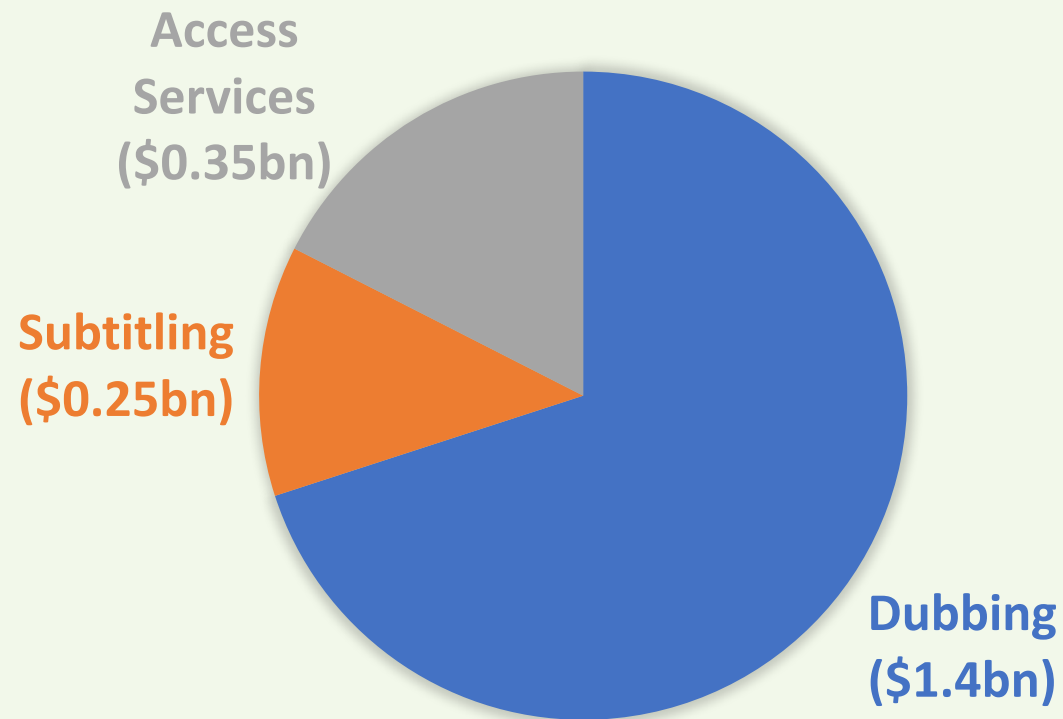
Trusted by major Hollywood Studios and Global Brands for over 10 years

- All major Hollywood Studios
- BBC Worldwide
- Leading digital download and streaming services
- Independent film studios
- TV programme makers
- Post-production facilities

Strategy and competitive advantage

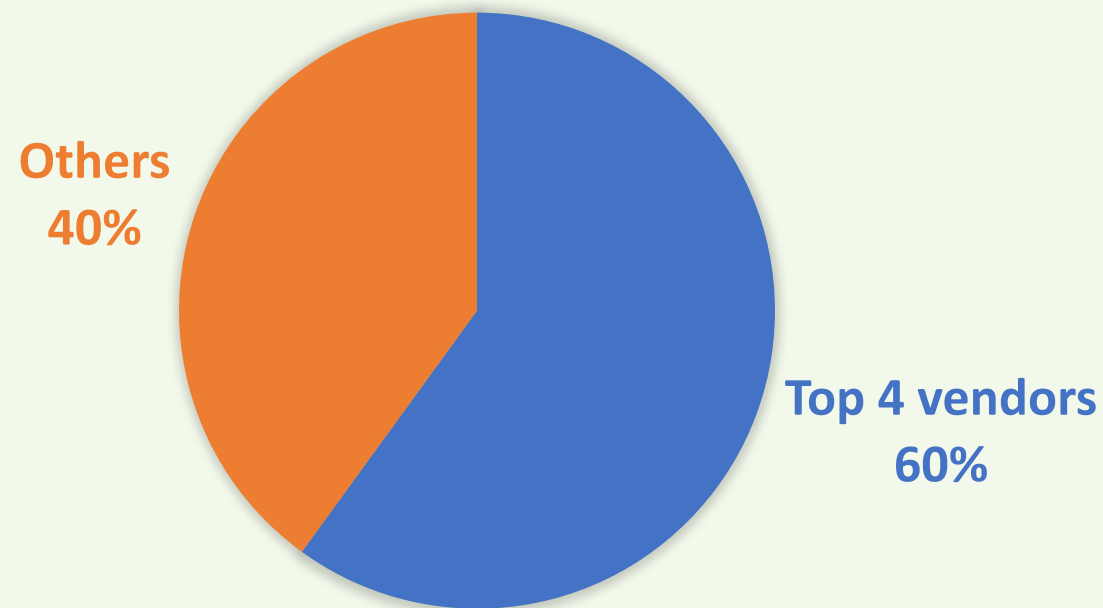
- Develop software platforms to apply automation that improves quality, lowers cost, and enhances management control
- Engage scalable contract labour for translation, quality control, metadata preparation, voice acting, dubbing direction, etc.
- Continue to innovate to fulfil end-to-end services for worldwide digital video distribution
- Secure position as approved vendor with leading media organisations

EMEA Entertainment Localisation Market (\$2bn)



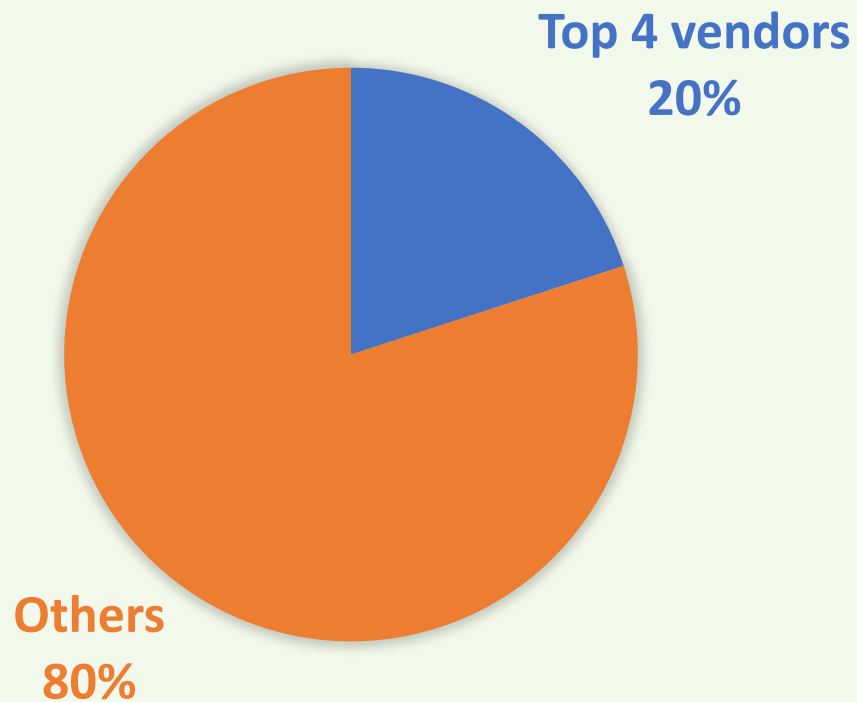
Source: Media & Entertainment Services Alliance (MESA) Europe, Content Localisation Council, June 2017

EMEA Subtitling Market Breakdown (\$0.25bn)



Source: Media & Entertainment Services Alliance (MESA) Europe, Content Localisation Council, June 2017

EMEA Dubbing Market Breakdown (\$1.4bn)



Source: Media & Entertainment Services Alliance (MESA) Europe, Content Localisation Council, June 2017

Update for April to August 2017

- Subtitling sales more than doubled year-on-year
- Strong pipeline; first half sales at least \$12m
- Reduced risk of seasonality and client concentration
- Increased investment in R&D and dubbing production staff
- ZOOdubs processed significant volume for September delivery
- ZOOdubs industry awards at NAB and IBC
- Received CDSA security accreditation

Summary and Outlook

- Developing relationships with large content owners and online retailers
- Greater differentiation with new technology innovations to deliver greater efficiencies and broader scope
- Increasing penetration of an expanding market with a differentiated proposition
- Excellent client relationships with industry leaders in media and entertainment – delivering high quality and first class service
- Market growth in content, platforms and languages

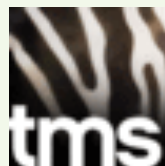
ZOO's Cloud Technology

Gareth Simpson
VP Software Development

ZOO's Cloud Technology

ZOO is a software developer

- 15 years supplying the entertainment industry



ZOOdubs

ZOOsubs

ZOOcore

ZOOscreen

ZOO's Cloud Technology

Why do we make our own software?

- Control
- Scale
- Change

ZOO's Cloud Technology

Services in the cloud

- Global reach
- Centralized for security
- Access to virtually infinite resources

ZOO's Cloud Technology

Building software for a changing environment

- ZOOcore to manage workflows
- Reconfigurable within the software itself
- Integrated with all our products

ZOOscripts

ZOOdubs

ZOOsubs

ZOO
«echo»

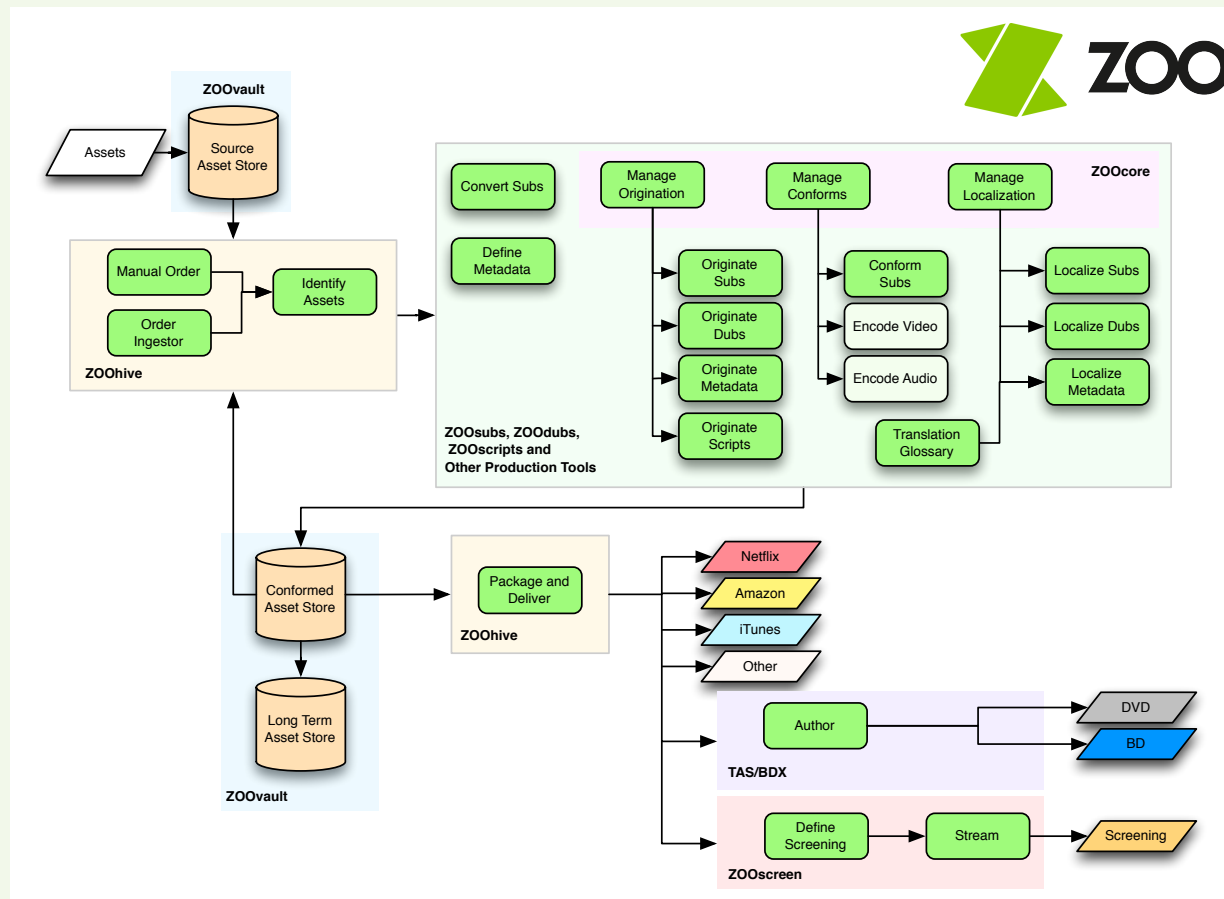
ZOOcore

ZOOhive

ZOOscreen

ZOOvault

ZOO's Cloud Technology



ZOO's Cloud Technology

Developing in an Agile way

- Incremental improvements
- Able to react to change
- Quicker to market

ZOO's Cloud Technology

ZOOdubs

Software Demonstration

Julian Day
Director of Business Development (UK)

Mazin Al-Jumaili
Director of Business Development (Europe)