



THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own personal financial advice from your stockbroker, bank, solicitor, accountant or other appropriate independent professional adviser.

If you have sold or otherwise transferred all of your shares in ZOO Digital Group plc ("**Company**"), please pass this document, together with the accompanying documents, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

ZOO Digital Group plc
Registered in England and Wales No. 3858881
Floor 7
City Gate
8 St Mary's Gate
Sheffield
S1 4LW

12 August 2019

To ordinary shareholders

Dear Shareholder

Annual General Meeting 2019

I am pleased to send you details of our 2019 annual general meeting ("**AGM**"), which will be held at ZOO Digital Group plc, Floor 7, City Gate, 8 St Mary's Gate, Sheffield, S1 4LW on Wednesday, 18 September 2019 at 4.00 pm. I hope that you will be able to attend. At the event we will be providing an investor briefing which will include presentations by members of our management team, demonstration of software and ample opportunity for Q&A. The meeting is open to shareholders and non-shareholders alike and will be followed by refreshments. Seating is limited, and you are encouraged to reserve your seat if you plan to attend the event using the following link:

<https://www.zoodigital.com/agm-2019>

Alternatively, please email our Investor Relations team on ir@zoodigital.com or telephone 0114 241 3700. If you do plan to attend, please be aware that our offices in City Gate are accessible by car and public transport. The walk from Sheffield railway station is around 15 minutes. Please note that if you use a SatNav you should enter the postcode S1 4UP for the Premier Inn which is in the adjacent building.

The formal notice of the AGM, which is set out on pages 5 to 8 of this document ("**Notice**"), sets out the business to be considered at the AGM. The purpose of this letter is to provide you with further details about those items of business.

This year, shareholders will be asked to approve 8 resolutions. Resolutions 1 to 7 are proposed as ordinary resolutions. This means that, for each of those resolutions to be passed, more than 50 per cent of the votes cast must be in favour of the resolution.

Resolution 8 is proposed as a special resolution. This means that, for the resolution to be passed, at least 75 per cent of the votes cast must be in favour of the resolution.

Resolution 1: Annual report and accounts

The directors must present the Company's annual accounts and the strategic, directors' and auditors' reports to shareholders at a general meeting. Those to be presented at the AGM are in respect of the year ended 31 March 2019, and are called the Annual Report 2019.

The Annual Report 2019 is available on the Company's website (www.zoodigital.com/annual-report). If you have elected to receive correspondence in hard copy, then a copy of the Annual Report 2019 will accompany this document. Should you wish to change your election at any time, or if you wish to request a hard copy of the Annual Report 2019, you can do so by contacting the Sheffield office or by email to ir@zoodigital.com and provide your name and address.

Resolutions 2 and 3: Appointment/reappointment of directors

Resolution 2 proposes the reappointment of Stuart Green as a director. This is in accordance with the Company's articles of association, which require that one-third of the directors (or the number nearest to but not exceeding one-third) retire by rotation at each AGM, with each director also being subject to reappointment at intervals of not more than three years. The directors who retire by rotation are those who have been directors for the longest period of time since they were last appointed or reappointed by shareholders.

Resolution 3 proposes the reappointment of Gillian Wilmot as a director. Under the Company's articles of association, any new director appointed by the board must retire and seek reappointment at the next AGM following their appointment. This gives shareholders the opportunity to confirm that appointment.

Gillian's biography is set out below:

Gillian Wilmot, Non-Executive Chairman

Along with extensive board level leadership roles in both private and public company environments, Gillian brings a wealth of relevant industry experience across B2B, technology, advertising and communication sectors.

Gillian's skillset shows particular strengths in value creation, operational insight and corporate governance, for which she was recognised in the 2014 UK NED awards. Therefore, she brings strong experience of governance, public markets and growth companies.

Gillian chairs the Remuneration Committee and is a member of the Audit Committee.

Resolution 4: Approval of the US 2018 Employee Stock Purchase Plan

The Remuneration Committee believes that share incentive schemes, under which employees and executive directors of the Company can acquire ordinary shares in the Company ("**Shares**"), are an important part of the remuneration arrangements for employees and executive directors in helping to motivate them, and to align the interests of participants with shareholders and creating a link between reward and the performance of the wider group.

The Company has for some time successfully operated share incentive plans for the benefit of UK resident employees and directors, and currently operates a UK tax-advantageous Sharesave Scheme ("**Sharesave Scheme**"), amongst others.

Following its growth in the US, there are now over 114 employees based on the US. There are no specific share plans in place for US employees generally at present, and the Sharesave Scheme is unattractive for US resident employees as it is tax inefficient for such employees.

In November 2018, the Remuneration Committee therefore introduced the 2018 Employee Stock Purchase Plan ("**ESPP**") for the benefit of US resident employees. As this is a tax-advantaged US share schemes, it requires shareholder approval pursuant to the US Internal Revenue Code 1986 (as amended). Resolution 4 is therefore proposed to approve the ESPP.

A summary of the main features of the ESPP is set out in Appendix 1 to the Notice.

Resolutions 5 and 6: Reappointment and remuneration of auditors

The Company is required to appoint auditors at each general meeting at which its annual accounts and reports are presented to shareholders. Therefore, resolution 5 proposes the reappointment of Grant Thornton UK LLP as auditors (to hold office until the next such meeting).

In accordance with normal practice, resolution 6 authorises the directors to determine the auditors' remuneration.

Resolution 7: Authority to allot shares

Generally, the directors may only allot shares in the Company (or grant rights to subscribe for, or to convert any security into, shares in the Company) if they have been authorised to do so by shareholders in general meeting.

Resolution 7 renews a similar authority given at last year's AGM and, if passed, resolution 7 will authorise the directors to allot shares in the Company (and to grant such rights) up to an aggregate nominal amount of £248,082.57 (which represents approximately one-third of the issued ordinary share capital of the Company as at 1 August 2019, being the last practicable date before the publication of this document). If given, this authority will expire at the conclusion of the Company's next AGM or on 18 December 2020 (whichever is the earlier). It is the directors' intention to renew this authority each year.

As at the date of this document, no ordinary shares are held by the Company in treasury.

The directors have no current intention to exercise the authority sought under resolution 7.

Resolution 8: Disapplication of pre-emption rights

Generally, if the directors wish to allot new shares or other equity securities (within the meaning of section 560 of the Act) for cash, then under the Act they must first offer such shares or securities to ordinary shareholders in proportion to their existing holdings. These statutory pre-emption rights may be disapplied by shareholders.

Resolution 8, which will be proposed as a special resolution, renews a similar power given at last year's AGM and, if passed, will enable the directors to allot equity securities for cash up to a maximum aggregate nominal amount of £74,424.71 without having to comply with statutory pre-emption rights.

The powers proposed under resolution 8 will be limited to allotments:

- (a) in connection with a rights issue, open offer or other pre-emptive offer; and
- (b) in any other case, up to an aggregate nominal amount of £74,424.71 (which represents approximately ten per cent. of the issued ordinary share capital of the Company as at 1 August 2019 being the last practicable date before the publication of this document).

If given, this power will expire at the conclusion of the Company's next AGM or on 18 December 2020 (whichever is the earlier). It is the directors' intention to renew this power each year.

Recommendation

The directors consider that all the resolutions set out in the Notice are in the best interests of the Company and its shareholders as a whole. The directors who hold shares will be voting in favour of all of the resolutions, and unanimously recommend that you do so as well.

Action to be taken

If you would like to vote on the resolutions set out in the Notice but cannot come to the AGM, please appoint a proxy or proxies by completing the Proxy Form sent to you with this document, and returning it to our registrars.

Your proxy appointment must be received by **4.00 pm on Monday 16 September 2019**. Further details relating to voting by proxy are set out in the notes to the Notice on pages 6 and 7 of this document and in the Proxy Form.

Yours sincerely



Gillian Wilmot
Chairman



ZOO DIGITAL GROUP PLC

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held at 4pm on Wednesday, 18 September 2019, at ZOO Digital Group plc, Floor 7, City Gate, 8 St Mary's Gate, Sheffield S1 4LW for the following purposes:

RESOLUTIONS

To consider and, if thought fit, to pass the following resolutions, of which those numbered 1 to 7 will be proposed as ordinary resolutions and that numbered 8 will be proposed as a special resolution.

Ordinary Resolutions

1. To receive the Company's annual accounts and strategic, directors' and auditors' reports for the year ended 31 March 2019.
2. To reappoint Stuart Green as a director of the Company, having retired by rotation in accordance with the articles of association of the Company.
3. To reappoint Gillian Wilmot as a director of the Company, who has been appointed by the board since the last annual general meeting, as a director of the Company.
4. That the rules of the ZOO Digital Group plc 2018 Employee Stock Purchase Plan ("**ESPP**") the principal terms of which are summarised in Appendix 1 of this Notice, a draft of which is produced to the meeting and initialled by the Chairman for the purposes of identification, be and are approved and the directors of the Company be and are authorised to do all acts and things which they may consider necessary or appropriate in connection with the implementation or operation of the ESPP, including the making of such amendments as may be necessary to enable the ESPP to comply with sections 423 of the US Internal Revenue Code.
5. To reappoint Grant Thornton UK LLP as auditors of the Company.
6. To authorise the directors to fix the remuneration of the auditors.
7. That, pursuant to section 551 of the Companies Act 2006 ("**Act**"), the directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £248,082.57, provided that (unless previously revoked, varied or renewed) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 18 December 2020 (whichever is the earlier), save that the Company may make an offer or agreement before this authority expires which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after this authority expires and the directors may allot shares or grant such rights pursuant to any such offer or agreement as if this authority had not expired.

This authority is in addition to all existing authorities under section 551 of the Act.

Special Resolution

8. That, subject to the passing of resolution 7 and pursuant to section 570 of the Act, the directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted by resolution 7 as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:

8.1 in connection with an offer of equity securities (whether by way of a rights issue, open offer or otherwise):

8.1.1 to holders of ordinary shares in the capital of the Company in proportion (as nearly as practicable) to the respective numbers of ordinary shares held by them; and

8.1.2 to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and

8.2 otherwise than pursuant to paragraph 8.1 of this resolution, up to an aggregate nominal amount of £74,424.71,

and (unless previously revoked, varied or renewed) this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 18 December 2020 (whichever is the earlier), save that the Company may make an offer or agreement before this power expires which would or might require equity securities to be allotted for cash after this power expires and the directors may allot equity securities for cash pursuant to any such offer or agreement as if this power had not expired.

This power is in addition to all existing powers under section 570 of the Act.

By order of the board



Phillip Blundell, Secretary
12 August 2019

Registered office of the Company

Floor 7
City Gate
8 St Mary's Gate
Sheffield
S1 4LW

Notes

Entitlement to attend and vote

1. The right to vote at the meeting is determined by reference to the register of members. Only those shareholders registered in the register of members of the Company as at 4pm on Monday 16 September 2019 (or, if the meeting is adjourned, 4pm on the date which is two working days before the date of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the meeting.

Proxies

2. A shareholder is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend and to speak and vote at the meeting. A proxy need not be a shareholder of the Company.

A shareholder may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. Failure to specify the number of shares each proxy appointment relates to or specifying a number which when taken together with the numbers of shares set out in the other proxy appointments is in excess of the number of shares held by the shareholder may result in the proxy appointment being invalid.

A proxy may only be appointed in accordance with the procedures set out in note 3 below and the notes to the proxy form.

The appointment of a proxy will not preclude a shareholder from attending and voting in person at the meeting.

3. A form of proxy is enclosed. When appointing more than one proxy, complete a separate proxy form in relation to each appointment. Additional proxy forms may be obtained by contacting the Company Secretary on +44 (0)114 241 3700 or the proxy form may be photocopied. State clearly on each proxy form the number of shares in relation to which the proxy is appointed.

To be valid, a proxy form must be received by post or (during normal business hours only) by hand at the offices of the Company's registrar, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, no later than 4pm on Monday 16 September 2019 (or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting).

Corporate representatives

4. A shareholder which is a corporation may authorise one or more persons to act as its representative(s) at the meeting. Each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder, provided that (where there is more than one representative and the vote is otherwise than on a show of hands) they do not do so in relation to the same shares. A director, the secretary or other person authorised for the purpose by the secretary may

require all or any such persons to produce a copy of the resolution of authorisation certified by an officer of the corporation before permitting him to exercise his powers.

Documents available for inspection

5. The following documents will be available for inspection during normal business hours at the registered office of the Company from the date of this notice until the time of the meeting. They will also be available for inspection at the place of the meeting from at least 15 minutes before the meeting until it ends.
 - 5.1 Copies of the service contracts of the executive directors.
 - 5.2 Copies of the letters of appointment of the non-executive directors.
 - 5.3 A copy of the rules of the ESPP.

Biographical details of directors

6. Biographical details of all those directors who are offering themselves for reappointment or appointment at the meeting are set out in the accompanying letter from the Company's chairman.

APPENDIX 1

SUMMARY OF THE ZOO DIGITAL GROUP PLC 2018 EMPLOYEE STOCK PURCHASE PLAN

The ZOO Digital plc 2018 Employee Stock Purchase Plan ("**ESPP**") is designed to enable eligible US resident employees, including executive directors, of the Group, to purchase ordinary shares ("**Shares**") in the Company in a tax-efficient way. The ESPP is designed to meet the conditions of section 423 of the United States Internal Revenue Code ("**US Tax Code**").

Under the ESPP, eligible employees will be granted rights to purchase Shares ("**Purchase Rights**") at a price fixed at the time the Purchase Right is granted. Purchase Rights will be capable of being exercised after a period of 24 months from grant ("**Purchase Period**"). The Company intends to offer Purchase Rights every 12 months on a rolling basis. The first Purchase Period commenced on 29 November 2018.

1. ADMINISTRATION

The ESPP is administered by the Board of directors of the Company ("**Board**").

2. ELIGIBILITY

Participation in the ESPP is limited to employees of the Company's and designated subsidiaries (excluding those customarily employed for less than 20 hours per week or for three months or less in any calendar year and those employees who do not satisfy certain other criteria in order to be eligible to join the ESPP) and who have been continuously employed for a period of at least three months (or such other period not exceeding 24 months as may be specified by Board from time to time).

3. PURCHASE OF SHARES

Purchases of Shares on behalf of participants will take place on the last trading day of each Purchase Period.

The amount payable by employees for Shares under a Purchase Right will be not less than 85% of their fair market value at the beginning of the Purchase Period. The fair market value of a Share will be the market price of a Share as quoted on the London Stock Exchange on the first trading day of the Purchase Period.

The purchase of Shares on behalf of participants is made utilising amounts credited to each participant's savings account by way of post-tax payroll deductions made by that participant's employer. Deductions from payroll will be made during each month or such other periods as may be determined by the Board. As required by the US Tax Code, no employee will be able to acquire Shares exceeding \$25,000 in value in any calendar year or, if lower, 10% of that employee's total remuneration for that year. The Board has currently further limited the maximum value of Shares which may be acquired to \$12,000 per Purchase Period. This is to reflect the limit which applies to UK participants in the UK Sharesave Scheme.

4. DILUTION LIMIT

Subject to adjustment in the event of a variation of share capital, the total number of Shares which are available under the Plan is 700,000.

In addition, no award may be granted on any date if the result would be that the aggregate number of Shares placed under awards under the ESPP or placed under awards or issued (other than on the exercise of options) under any other share plan of the Company in the preceding ten years would exceed 15 per cent. of the Company's issued ordinary share capital at that time.

Lapsed and surrendered options and Purchase Rights shall be ignored for this purpose.

5. VARIATION OF SHARE CAPITAL

In the event of a variation of share capital by way of capitalisation, rights issue, sub-division, consolidation or reduction of share capital or otherwise, the number of Shares over which an award has been made may be adjusted as determined by the Board to be appropriate.

6. AMENDMENTS

The Board may alter the ESPP from time to time (but having regard to any requirement under section 423 of the US Tax Code for shareholder approval).

7. COSTS AND EXPENSES

All costs and expenses incurred in the administration of the ESPP, other than brokerage and administrative fees for the sale of Shares by employees and taxes arising from employees' participation in the ESPP, will be paid by the Company.

ZOO DIGITAL GROUP PLC (THE "COMPANY")

(Registered in England and Wales with registered number 3858881)

FORM OF PROXY

ANNUAL GENERAL MEETING

I/We (FULL NAME(S) IN BLOCK CAPITALS)

of (ADDRESS IN BLOCK CAPITALS)

.....

being (a) member(s) of the above-named Company, appoint the Chairman of the meeting OR the following person*:

Name of proxy	Number of shares in relation to which the proxy is authorised to act

(* please refer to Explanatory Note 2)

as my/our proxy to exercise all or any of my/our rights to attend, speak and vote in respect of my/our voting entitlement on my/our behalf at the seventeenth annual general meeting of the Company to be held at 4pm on Wednesday 18 September 2019 at ZOO Digital Group plc, Floor 7, City Gate, 8 St Mary's Gate, Sheffield S1 4LW and at any adjournment of the meeting.

Please tick here if this proxy appointment is one of multiple appointments being made.
(For the appointment of more than one proxy, please refer to Explanatory Note 3.)

I/We would like my/our proxy to vote on the resolutions to be proposed at the meeting as indicated on this form. Unless otherwise instructed, the proxy can vote as he or she chooses or can decide not to vote at all in relation to any business of the meeting.

	For	Against	Vote withheld
Ordinary Resolutions			
1. To receive the annual accounts and strategic, directors' and auditors' reports for the year ended 31 March 2019.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To reappoint Stuart Green as a director of the Company, having retired by rotation in accordance with the articles of association of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To reappoint Gillian Wilmot as a director of the Company, having retired by rotation in accordance with the articles of association of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. To adopt the rules of the ZOO Digital Group plc 2018 Employee Stock Purchase Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. To reappoint Grant Thornton UK LLP as auditors of the Company to hold office from the conclusion of the meeting until the next annual general meeting of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. To authorise the directors to fix the remuneration of the auditors.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. To authorise the directors to allot shares pursuant to section 551 of the Companies Act 2006.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Resolutions			
8. To authorise the directors to dis-apply statutory pre-emption rights in terms of section 561(1) of the Companies Act 2006.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signature

Date2019

NOTES

1. You are entitled to appoint one or more proxies of your own choice to exercise all or any of your rights to attend and to speak and vote at the meeting. A proxy need not be a shareholder of the Company. If you appoint more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by you. You can only appoint a proxy in accordance with the procedures set out in these notes and in the notes to the notice of meeting.
2. If you wish to appoint the Chairman of the meeting as your proxy, please leave the space provided blank. If you wish to appoint a proxy other than the Chairman of the meeting, please insert their full name in the space provided. If you sign and return the form with no name in the space provided, the Chairman of the meeting will be deemed to be your proxy in respect of your full voting entitlement. If you are appointing a proxy other than the Chairman of the meeting and wish the proxy to be appointed in relation to less than your full voting entitlement, please enter in the box next to the name of the proxy the number of shares in relation to which they are authorised to act as your proxy. If you sign and return the form and leave this box blank, your proxy will be deemed to be authorised to act in respect of your full voting entitlement.
3. To appoint more than one proxy, you will need to complete a separate form in relation to each appointment. You may photocopy this form. You will need to state clearly on each form the number of shares in relation to which the proxy is appointed. Please therefore indicate in the box next to the name of the proxy the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope. A failure to specify the number of shares each proxy appointment relates to or specifying a number in excess of the number of shares held by you may result in the proxy appointment being invalid.
4. Completion and return of this form of proxy will not preclude you from attending and voting in person at the meeting if you wish. If you do attend the meeting in person, your proxy appointments will automatically be terminated.
5. If you want your proxy to vote in a certain way on the resolutions specified, please indicate with an "X" in the appropriate box above how you wish your vote to be cast. If you fail to select any of the given options, your proxy can vote as he or she chooses or can decide not to vote at all. Your proxy can also do this on any other business which may come before the meeting, including amendments to resolutions and any procedural business.
6. The "vote withheld" option on this form of proxy is provided to enable you to instruct your proxy not to vote on any particular resolution. However, a vote withheld is not a vote in law and will not be counted in the calculation of the votes "for" and "against" a resolution.
7. In the case of a corporation, this form of proxy must be executed under its common seal or signed on its behalf by its duly authorised officer, attorney or other person authorised to sign.
8. In the case of joint holders, only one need sign, but the names of all the joint holders must be stated. The vote of the senior joint holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders. For this purpose, seniority shall be determined by the order in which the names appear in the register of members in respect of the joint holding.
9. To be valid, this form of proxy (duly signed and together with any power of attorney or other authority under which it is signed) must be received by post or (during normal business hours only) by hand at the offices of the Company's registrar, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, no later than 4pm on Monday 16 September 2019 (or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting).