



ZOO Investor Presentation

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ZOO Digital Group plc

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About ZOO

Providing cloud-based media production services
and software to global creative organisations



Business Profile

- Provider of cloud-based media production services and software
- Serving global creative organisations
- Entertainment industry focused

Services

- Localisation of audio-visual content
 - Subtitling
 - Captioning
 - Dubbing
- Creative workflow systems and digital distribution solutions in the cloud
 - Collaboration
 - Centralised asset storage
 - Order placement
 - Review and approval



Cloud-based Platforms

ZOOsubs

enabling highly efficient
subtitling and captioning
services

ZOOcore

powering creative media
collaborative production
processes

ZOOdubs

sourcing premium multi-
lingual dubbing services

ZOOstudio

delivering digital media
content globally

BBC Worldwide Subtitle Management

- Selected by BBC Worldwide to provide subtitle and caption management
- Provides centralised, secure repository for localisation assets
- Automated production of English variants for USA and Australia/New Zealand
- Supports launch of BBC Store – the forthcoming Electronic Sell Through platform
- Built using ZOOsubs and ZOOcore

ZOOsubs **ZOO**core



iTunes Distribution Partner

- Apple has appointed ZOO an iTunes Distribution Partner
- ZOO provides services to media owners to publish movies and TV content on the iTunes store
- These services are delivered through the ZOOstudio cloud platform

ZOOstudio

Outlook

- Continuing to receive increasing interest for our cloud-based solutions
- We believe that we are well placed to continue to grow the business
- Although further reorganisations of major clients may lead to delays, we are confident normal levels will be restored in due course
- Our broadening range of services is attractive to an increasingly diversified customer base
- We remain cautiously optimistic about the Group's future prospects

Summary

- Successfully growing new localisation services
- Differentiated through cloud technology
- Delivering significant client benefits
- Greater client and market diversification
- Reduced dependence on packaged media
- Strong growth in subtitling services



Thank you



Appendix

Consolidated Statement of Comprehensive Income (Unaudited)

	6 months to 30 Sep 2014	6 months to 30 Sep 2013
	\$000	\$000
Revenue	6,930	4,717
Cost of sales	(1,637)	(517)
Gross Profit	5,293	4,200
Other operating income	-	34
Operating expenses	(4,894)	(3,944)
Profit before interest, tax, depreciation and amortisation	399	290
Depreciation	(114)	(141)
Amortisation and impairment	(633)	(602)
Total operating expenses	(5,641)	(4,687)
Operating (loss)/profit	(348)	(452)
Exchange gain/(loss) on borrowings	11	(186)
Finance cost	(301)	(135)
Total finance cost	(290)	(321)
(Loss)/profit before taxation	(638)	(773)
Tax on (loss)/profit	66	(2)
(Loss)/profit and total comprehensive income for the period attributable to equity holders of the parent	(572)	(775)

Consolidated Statement of Financial Position (Unaudited)

	As at 30 Sep 2014 \$000	As at 30 Sep 2013 \$000
ASSETS		
Non-current assets		
Property, plant and equipment	459	399
Intangible assets	8,362	8,997
Deferred income tax assets	486	486
	9,307	9,882
Current assets		
Trade and other receivables	2,593	1,762
Cash and cash equivalents	270	307
	2,863	2,069
Total assets	12,170	11,951
LIABILITIES		
Current liabilities		
Trade and other payables	(2,791)	(1,992)
Borrowings	(1,132)	(3,340)
	(3,923)	(5,332)
Non-current liabilities		
Borrowings	(4,243)	(145)
Total liabilities	(8,166)	(5,477)
Net assets	4,004	6,474

Consolidated Statement of Cashflows (Unaudited)

	6 months to 30 Sep 2014 \$000	6 months to 30 Sep 2013 \$000
Cash flows from operating activities		
Operating loss for the period	(348)	(453)
Depreciation	114	141
Amortisation and impairment	633	602
Share based payments	10	15
Purchase of own shares	-	-
Disposal of own shares	-	-
Disposal and de-recognition of intangible assets	-	-
Disposal of property, plant and equipment		
Exchange (loss)/gain	(9)	12
Changes in working capital:		
Decreases/(increases) in trade and other receivables	614	341
(Decreases)/increases in trade and other payables	(180)	(1,022)
Cash flow from operations	834	(364)
Tax received/(paid)	66	(2)
Net cash flow from operating activities	900	(366)
Investing Activities		
Purchase of intangible assets	(397)	(321)
Purchase of property, plant and equipment	(64)	(22)
Net cash flow from investing activities	(461)	(343)
Cash flows from financing activities		
Repayment of borrowings	(10)	(118)
Proceeds from borrowings	-	310
Finance cost	(290)	(124)
Net cash flow from financing	(300)	68
Net decrease in cash and cash equivalents	139	(641)
Cash and cash equivalents at the beginning of the period	122	960
Exchange loss on cash and cash equivalents	9	(12)
Cash and cash equivalents at the end of the period	270	307

The Board



Roger Jeynes, *Chairman* – Roger has over 20 years experience in the technology sector, encompassing senior sales, marketing and general management roles in the UK, Italy and the USA with IBM, Pyramid Technology Inc., and EMC Corporation. His most recent executive position was Chief Operating Officer at AIM-listed technology merchant bank Interregnum Plc.



Dr. Stuart Green, *CEO* – Previously CTO of ZOO Digital Group, CEO of Kazoo3D plc, Technical Director of LightWork Design Limited. Stuart has over 20 years experience in team building and executive management in the software industry. He has more than 20 patents granted in the fields of image processing and digital media production.



Helen Gilder, *Group Finance Director* – Joined ZOO as Group Financial Controller in 2000 and became Group Finance Director in 2006. Previously Helen was Finance Director within a highly acquisitive listed technical group of companies. Qualified ACA in 1991.



Gordon Doran, *Commercial Director* – Held senior positions in sales and marketing roles for a variety of UK and US companies in the software industry since the early 1990s. Most recently COO for Mediostream Inc. – a consumer DVD software developer; joined ZOO in 2005 to establish a North American division where he now operates in the role of President.

Major Shareholders

Shareholder*	% of capital
Funds managed by Foresight Group	19.6%
Herald Investment Trust plc	19.4%
Stuart Green (CEO)	14.9%
John Henry Holdings Inc.	6.6%
South Yorkshire Investment Fund	5.0%
Hargreaves Lansdown Nominees Ltd	4.9%
TD Direct Investing Nominees Europe Ltd	3.5%
Lynchwood Nominees Ltd.	3.1%

* As of 14 April 2015 the Company had been made aware of the above shareholdings amounting to 3% or more of the ordinary share capital of the Company