25/26

Annual Report

Dotdigital Group PLC

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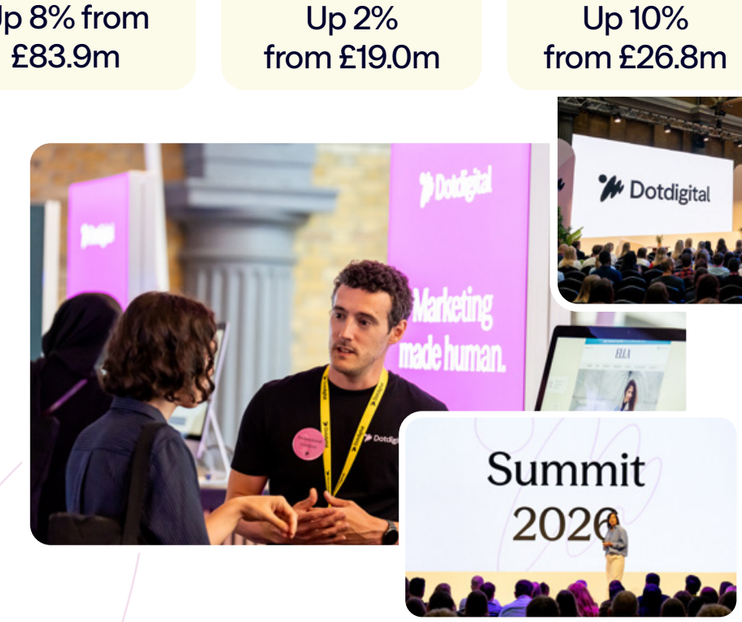
Corporate statement

At Dotdigital we build technology that makes marketing more human. With our product suite, marketers can connect every stage of the customer journey, from acquiring new customers to building loyalty and advocacy.

We bring together powerful marketing automation, personalization, loyalty, first-party data capture and referral capabilities so businesses can engage their customers across the entire lifecycle.

Dotdigital connects your customer data and makes it easy to orchestrate deeply personalized experiences across email, web, SMS, WhatsApp, chat, push, social ads and more.

Revenue	Adjusted profit before tax*	Adjusted EBITDA**	Cash position***
£90.9m	£19.4m	£29.4m	£17.1m
Up 8% from £83.9m	Up 2% from £19.0m	Up 10% from £26.8m	Down 53% from £36.2m



* Adjusted profit before tax excludes share-based payment, exceptional costs, gain on contingent consideration, foreign exchange on intercompany loans and amortization of acquired intangibles.
** Adjusted EBITDA excludes share-based payment, exceptional costs, gain on contingent consideration, foreign exchange on intercompany loans and amortization of acquired intangibles.
*** Reduction in cash due to the acquisition of Alia Software Inc in the year.

Chairman's statement



John Conoley
Non-Executive Chairman

FY26 was a year of successful execution of our strategy. We broadened our platform through acquisition, extended our AI-enabled offering and strengthened our leadership, while delivering revenue, profit and cash in line with market expectations. The Group enters FY27 with a larger contracted recurring revenue base and a strong opportunity for continued growth.

An evolved business model

Our acquisitions have performed at the upper end of our expectations. Alia Software Inc (Alia), acquired in March, has been a standout, growing strongly in its first months as part of the Group, while Social Snowball delivered good growth in its first full year of ownership. The progress made in integrating both into the Group has been pleasing, particularly the way in which we have preserved the energy and agility that made both businesses attractive to us originally.

At the center of the Group is the Dotdigital platform, which serves a large and loyal customer base. Alongside it sit fast-growing businesses that bring new technology and momentum. Like Dotdigital Personalization (formerly Fresh Relevance) before them, Social Snowball and Alia can be used alongside the Dotdigital platform or as standalone solutions, allowing them to grow in their own markets while broadening what we offer existing customers. Bringing additional capabilities to existing customers can deepen those relationships and support faster growth in the Dotdigital platform.

The extent of our transformation over recent years is clear. The Group has grown significantly in scale, a greater share of our business now comes through our partner ecosystem, and we have become a more international business, with the US now a major contributor to the Group. Throughout, we have maintained strong profitability. We see significant opportunity to continue growing our presence in the US, further improving the balance and resilience of the Group.

Marketing made human

The marketer's role has changed rapidly. Marketers work amid intense competition, changing regulation and a proliferation of tools. The systems they rely on must now support compliance, risk management and brand safety as well as revenue generation. Today's marketing teams increasingly work alongside AI tools, and managing that partnership well is becoming an important part of the marketer's role.

I am particularly excited by our refreshed Marketing Made Human brand. It reflects a simple belief: marketing works best when technology gives people space to be human. It also captures what has always set Dotdigital apart: a distinctive character shaped by a blend of long-serving colleagues and new expertise, and a genuine understanding of the people who use our products. As AI-generated content becomes ubiquitous and much of it starts to sound the same, that positioning could hardly be more relevant. We are building a platform with AI at its core, where AI handles complexity and marketers stay firmly in the driving seat.

During FY26, we launched our Model Context Protocol (MCP) server, allowing customers to connect Dotdigital to their preferred AI model. Following the year end, we launched a preview of Agents in Dotdigital, enabling marketers to create campaigns and customer segments using natural language, alongside Dotdigital Loyalty, which connects loyalty programs with wider marketing activity. Together, these launches extend our proposition across the customer lifecycle, deepen our AI capabilities and create further opportunities to win new customers as well as bring more of our products to existing customers.

A resilient, cash-generative model

This year our financial model did what it is designed to do. The acquisition of Alia was funded from existing cash reserves, while the business continued to generate cash and invest in product innovation and commercial execution. Growth in contracted recurring revenue strengthened through the year, and we enter FY27 with a large and more visible revenue base.

"Our acquisitions have performed at the upper end of our expectations. Alia Software Inc, acquired in March, has been a standout, growing strongly in its first months as part of the Group."



Dotdigital hosts customers, prospects and partners at flagship marketing events such as The Summit and Dotties awards.

We see Dotdigital as an innovation partner to our customers, continually assessing emerging technologies so that they don't have to. We will continue to consider fairly valued acquisitions that fit our business model, can grow in their own right and strengthen the Dotdigital platform.

The Board is pleased to recommend a final dividend of 1.33p per share (FY25: 1.21p), an increase of approximately 10%, reflecting growth in adjusted EBITDA and consistent with the Group's progressive dividend policy.

Strengthened leadership

In April 2026, we created the role of Chief Revenue Officer, bringing our global go-to-market functions together under unified leadership. This will support more consistent execution across regions and sharpen our focus on expansion, retention and customer lifetime value.

We also strengthened our technology leadership with the appointment of a Chief Technology Officer in October 2025 and, post-period, brought on board a new Chief Marketing Officer.

We continue to review and strengthen our management structure as the Group grows. These appointments provide clearer leadership across the business and give our CEO greater capacity to focus on Group strategy and future growth.

ESG in action

We continued to make progress towards our Net Zero 2030 ambition during FY26, while investing in initiatives that support our people and strengthen the communities in which we operate through dotCommunity. These actions reflect our commitment to responsible, sustainable growth and to creating long-term value for all our stakeholders.

Priorities for FY27

We enter FY27 with clear priorities: sustaining the growth of Alia and Social Snowball; bringing their capabilities to more of our existing customers; improving retention and new business performance in the Dotdigital platform; and continuing to use AI to increase the pace and relevance of what we deliver. These priorities reinforce one another and provide a clear route to accelerating organic growth over the medium term.

On behalf of the Board, I would like to thank everyone at Dotdigital, including the teams who joined us from Social Snowball and Alia, for the energy they have brought to a year of real change. I also thank our customers and shareholders for their continued trust and support. With the people, technology and financial strength to build on these foundations, I am confident that Dotdigital is well placed to deliver its next phase of growth.



John Conoley
Non-Executive Chairman
November 3 2026

Case study

Arena Racing Company grows CRM revenue by 79% after switch to Dotdigital

Arena Racing Company (ARC) is the UK's largest horse racing operator, with 16 racecourses and 5 greyhound tracks. Every week there are dozens of events to promote and thousands of tickets to sell, to a customer base spanning casual day-trippers and die-hard racing fans.

79%
CRM revenue in first 12 months

22k
new contacts via pop-ups

70%
increase in abandoned cart engagement



Managing all of this falls to a team of just two, including Customer Relationship Management (CRM) Manager, Beth Sargeson. That's 2 people, 21 venues, and a lot riding on the tools they use.

When the platform gets in the way

For a team running at full capacity, the last thing you need is a platform that creates more work than it saves. But that's where ARC found themselves on their previous platform:

- The Application Programming Interface (API) broke regularly with no notification, so contacts and transactions stopped syncing without the team knowing.
- Attribution was unreliable, which made Board-level reporting an exercise in guesswork.
- Abandoned cart emails were generic, telling customers nothing about the product they'd been looking at.
- Abandoned browse wasn't even an option.
- Sharing first-party audience data with their paid media agency meant manually exporting lists and uploading them to Google and Meta for every campaign.
- Support was "non-existent", according to Beth.

Something had to change.

Finding a platform that fit

Beth had experienced Dotdigital's technology in a previous role, but what pushed it to the top was the people. "Horse racing is a complex industry," Beth says. "The fact that Dotdigital already had experience with other racing operators really helped build confidence."

ARC also evaluated Bloomreach and Iterable. "Some of the other options had impressive tech, but you need a big team and a lot of infrastructure to get the most out of them. We're just not at that stage." adds Beth. Dotdigital offered a platform powerful enough to grow with them, but easy enough to use right now.

Phase 1: An onboarding that set the tone

ARC's transition to Dotdigital received praise internally for how smooth it was. The onboarding was proactive and structured, and communication never dropped. "We never had to chase," Beth says. "It was always clear what was coming next." With 21 separate accounts to configure, one per venue plus a central transactional account, getting the setup right mattered.

ARC's team of two can now manage all accounts from one platform, where duplicating segments, content and programs across accounts is easy.

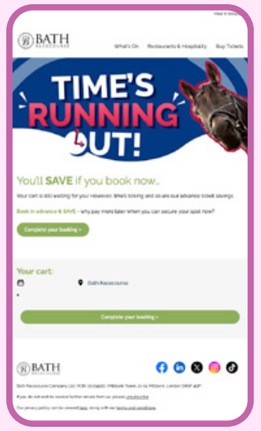
Phase 2: Automations built for how people actually behave

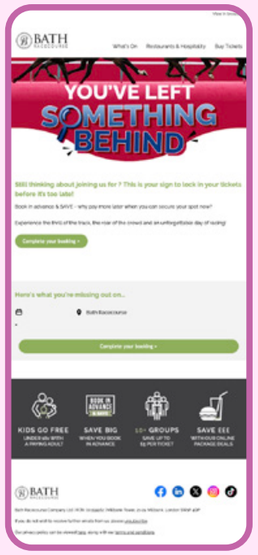
Once the foundations were in place, the team rebuilt ARC's automation program around personalization. Abandoned cart emails now show customers exactly what was in their cart, rather than being a generic message, lifting click-through rates from 6.4% to 10.9% for no extra effort.

An abandoned browse automation was built from scratch, triggering when someone views a race day or event page and leaves without booking. "The revenue we're seeing from abandoned cart and abandoned browse is really impressive," Beth says. Post-visit survey emails are also performing, with a conversion rate five times higher than the racecourse account average and four times higher revenue per recipient.

Phase 3: Centralized data that makes the full picture visible

For years, ARC had gaps in their customer view that were impossible to fill. Now Dotdigital serves as ARC's central data hub, removing the need for a separate Customer Data Platform (CDP). Horse racing has a data problem most sports don't: one person buys five tickets and only one name is captured. By pulling in Wi-Fi login data and daily survey responses via Secure File Transfer Protocol (SFTP), ARC can now match attendees who didn't book directly.





"Dotdigital had perfected the ease of doing things. You understood where we were as a company and came with solutions. The speed and ease of working across multiple brands really sets you apart."

Beth Sargeson, Arena Racing Company, CRM Manager

On the paid media side, first-party audience data flows directly from Dotdigital to Meta and Google, replacing a manual export process that was eating up time.

Dotdigital Personalization: Fuelling automation with thousands of new contacts

ARC is still in the early stages of using Dotdigital Personalization, keeping a deliberate pace and getting the fundamentals right first. Even so, the numbers are talking.

Data capture pop-ups, deployed across all 16 racecourse websites, brought in 22,000 new contacts in just six months. "Data is a huge priority for us," Beth says. "People are always asking for new contacts. Those pop-ups have delivered."

What two people can do with the right platform

In their first full year using Dotdigital, ARC grew CRM revenue by 79% compared to their last full year on their previous platform.

Abandoned browse, a channel that didn't exist before, now generates revenue across 16 racecourses. "The reliability we've seen with Dotdigital is just a lot higher," Beth says. "I can trust what I'm reporting now."

The results have changed how CRM is perceived internally too: cleaner data, stronger automation and better paid media audiences add up to a program that's more than pulling its weight.

Bigger ambitions, better foundations

ARC's multi-channel strategy is just getting started. With Dotdigital handling data and automation, adding channels like Short Message Service (SMS) is a natural next step.

More personalization is also on the radar: product recommendations, weather banners and dynamic countdown timers are all in progress, replacing event countdowns that web developers currently build by hand.

The bigger ambition is a complete view of every customer, across every venue and touchpoint. With the foundations in place and a platform that scales across 21 brands without needing a team of 21 people, that now looks far more achievable.

Dotdigital product suite

Our unique set of products help marketers automate their entire customer lifecycle, from acquisition to advocacy.

Dotdigital

Dotdigital Marketing
Dotdigital's AI-powered marketing automation platform gives marketing teams all the tools they need to find high-value customer segments, create attention grabbing campaigns, and reach current and future customers across every marketing channel.

Dotdigital Personalization
Dotdigital's personalization platform puts zero-party data to work and lets marketers personalize the entire customer journey. Delivering truly relevant customer experiences, increased engagement, added urgency where needed and improved conversion results.

Dotdigital Loyalty
Dotdigital's loyalty platform automatically connects a brand's loyalty program with their marketing campaigns - enabling them to reward their top customers and encourage repeat purchases.

Alia by Dotdigital

Alia (AI powered pop-ups)
Alia helps brands grow subscribers and revenue through unique pop-up experiences designed to gather rich, actionable, zero-party data. When connected to Dotdigital, these subscribers can be retargeted with personalized content throughout their lifecycle on every channel.

Social Snowball by Dotdigital

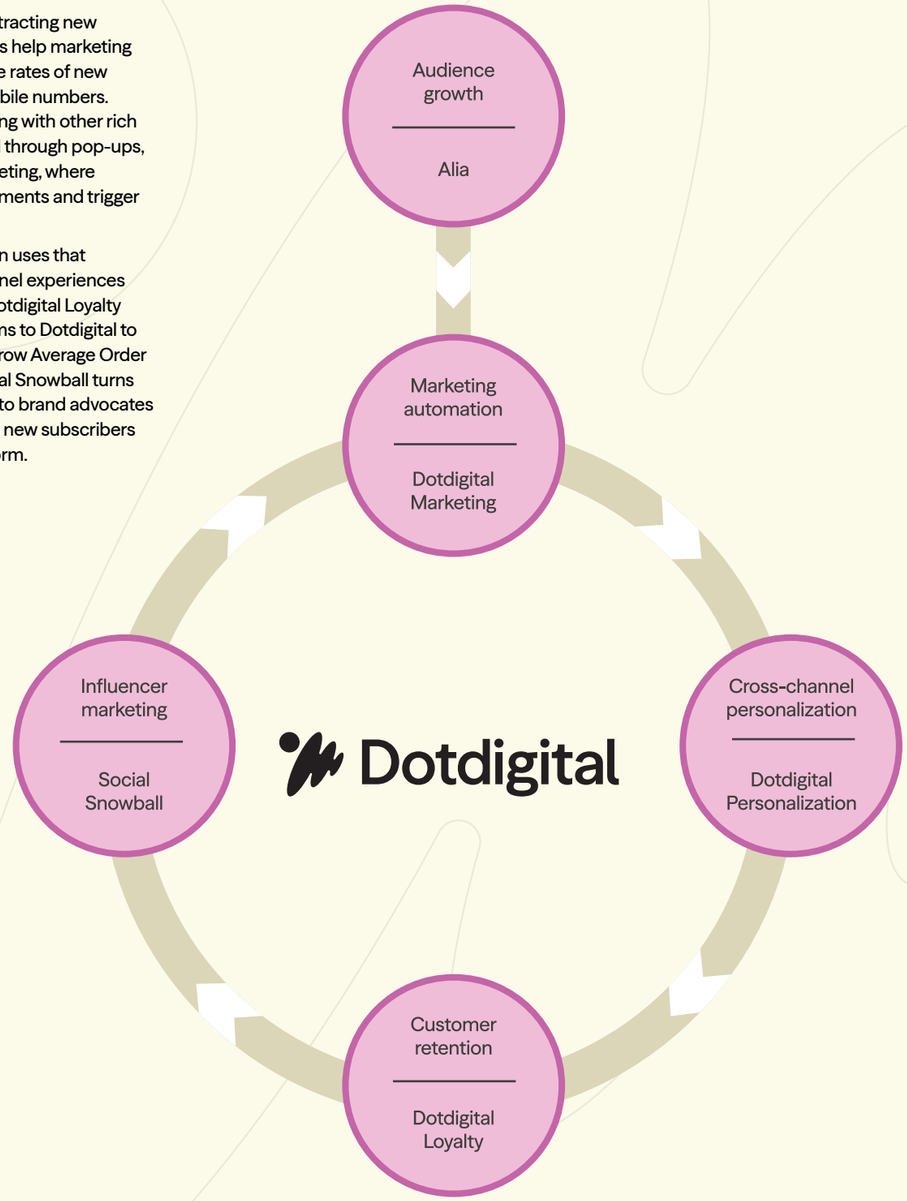
Social Snowball (influencer marketing)
Brands use Social Snowball to create engaging referral programs that turn customers into affiliates. When connected to Dotdigital, brands can automate their word-of-mouth marketing and grow revenue from a customer base of brand advocates.

Our 'acquisition to advocacy' flywheel

Through our five products, we offer a unique solution that helps marketers automate their entire lifecycle – from acquisition all the way through to advocacy.

The funnel starts with attracting new subscribers. Alia pop-ups help marketing teams triple data capture rates of new email addresses and mobile numbers. Those new contacts, along with other rich first-party data captured through pop-ups, flow into Dotdigital Marketing, where they're used to build segments and trigger relevant campaigns.

Dotdigital Personalization uses that data to tailor cross-channel experiences across email and web. Dotdigital Loyalty connects loyalty programs to Dotdigital to increase retention and grow Average Order Value (AOV). Finally, Social Snowball turns those loyal customers into brand advocates – helping to recruit more new subscribers into our marketing platform.



Investment case

Dotdigital is a global Software-as-a-Service (SaaS) business that provides an integrated customer engagement and data platform, enabling marketers to acquire, engage and retain customers through personalized, cross-channel communications. With a highly recurring revenue model, a deep partner ecosystem and a platform spanning email, SMS, push notifications, live chat and social retargeting, we are well positioned to capture the significant and growing opportunity in digital marketing automation.

"This wasn't a cost decision. We needed a platform that could actually keep up with what we were trying to do. When Dotdigital came to the table with consistent personalization across email and web, that was what sealed it for us."

James Rankin | Head of Marketing, Ultima Media

Strategy

Clear and compelling strategy focused on organic growth complemented with M&A

Focused across many industries for mid-market and enterprise companies.

Continuous product innovation that expands average revenue per customer and drives strong return on investment for our clients.

International growth based on proven blueprint.

A focused go-to-market approach amplified through a growing global partner network.

Scalable

Highly scalable platform for all sizes of customers with a predictable financial model

SaaS business model driving high margins.

Predictable and transparent financial model with over 90% recurring revenue.

Diverse customer base from size of business to industries they operate within.

Profitable growth with strong cash generation and no debt.

Growth

Attractive industry growth

Marketing automation delivers a proven, superior Return on Investment (ROI) for marketers across all digital channels.

Global marketing automation spend is showing double-digit growth and, according to Prescient and Strategic Intelligence, is predicted to reach US$14.2bn by 2030.

Businesses of all sizes are increasing investment in first-party data strategies and cross-channel engagement as digital budgets grow.

Digital marketing as a proportion of overall marketing budgets continues to accelerate.

Independence

The successful Dotdigital culture

Highly talented and motivated team focused on customer success.

A culture that is aligned to Group objectives and vision.

Unique industry position with a differentiated, deeply integrated platform built for sustained customer retention.

Flexible, extendable and effective product that drives retention.

Leadership

Experienced management team

Executive team with a proven track record of success.

Strong Non-Executive Board with experience of scaling businesses of this size.

Wider management team with the motivation to continue the profitable growth story.

All employees aligned to the strategic priorities of geographic expansion, product innovation and building strong strategic partnerships.

Outlook

Strong growth outlook

Innovation to support marketing teams with their data challenges and move to omnichannel using personalization and artificial intelligence.

Ability to complement organic growth strategy with technology acquisitions to accelerate product expansion.

An expanding partner ecosystem to increase addressable market.

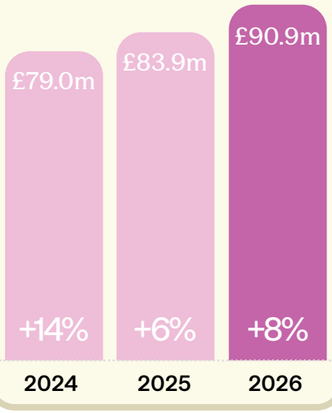
Strong international growth across all regions in which we operate.

Key performance indicators

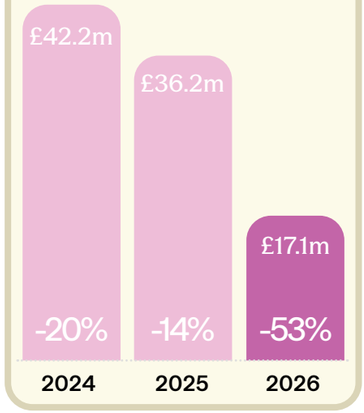
We use our key performance indicators (KPIs) to measure our business. These indicators provide us with the visibility of both our strategic and financial performance, which are set by the Board at the start of every year.

Financial KPIs

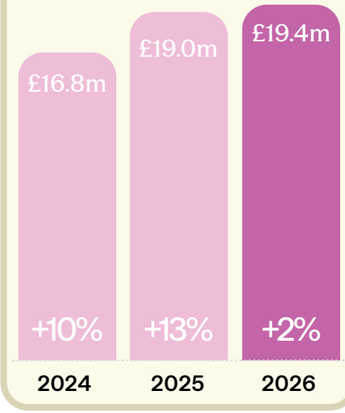
Revenue
We aim to deliver double-digit organic revenue growth from operations.



Cash position*
We aim to have a strong cash position.

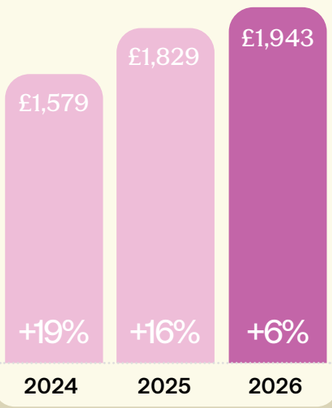


Adjusted profit before tax**
We aim to have strong adjusted profit growth from normal business.

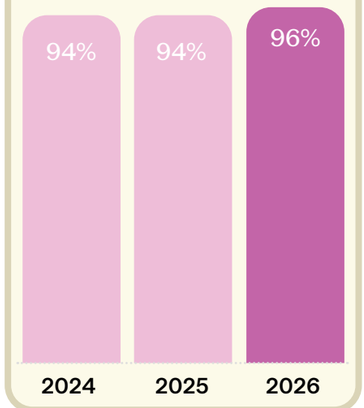


Strategic KPIs

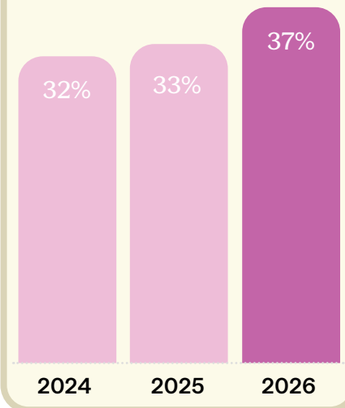
Average Revenue Per Customer (ARPC)
We aim to continue to grow ARPC***.



Recurring revenue
We aim to have recurring revenues of over 90%.



International
We aim to expand revenue from outside the UK.



* Reduction in cash due to the acquisition of Alia Software Inc in the year.

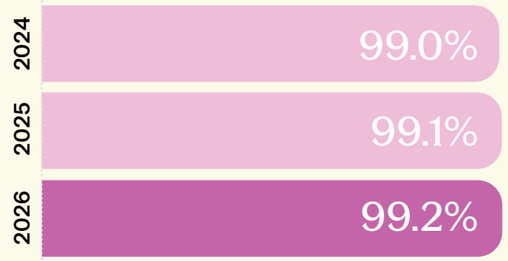
** Adjusted profit before tax excludes share-based payment (note 30), exceptional costs (note 5) , gain on contingent consideration (note 22), foreign exchange on intercompany loans (note 6) and amortization of acquired intangibles (note 13).

*** The Dotdigital Marketing platform ARPC calculation was updated in FY26 to include recurring revenue only, excluding non-recurring revenue and transactional messaging (CPaaS). The comparatives have been restated on the same basis.

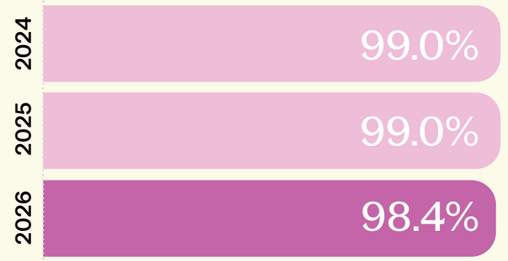
Our non-financial KPIs provide us with an indication of our core marketing platform's ability and a measurement of how successful we are in supporting our customers. Both elements are crucial to the success of our business. Employee remuneration is specifically linked to these KPIs.

Non-financial KPIs

Customer satisfaction score (CSAT)
CSAT is our main measure of customer satisfaction after an interaction with our support team has taken place. It is derived by taking positive ratings/total ratings x 100. We receive over 1,000 customer ratings every month, and this metric provides a good and regular pulse on how satisfied customers are with the support services that we provide. We regard maintaining levels of 98%-99% month to month as being world-class.



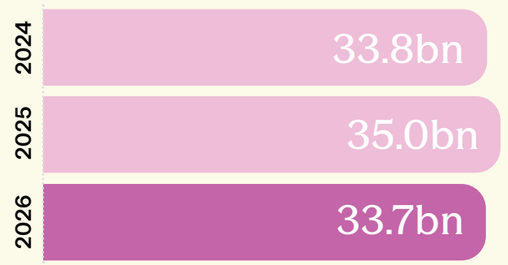
Email delivery rate
Our email delivery rate shows the rate at which the emails that we send are accepted by receivers. Emails can be rejected for numerous reasons, including being detected as spam. It is therefore important that we monitor our email delivery rate and this metric shows that our infrastructure is both well configured and optimized.



Mobile messaging
This is the total number of mobile messages, including SMS, Multimedia Messaging Service (MMS), WhatsApp and push sent from our core marketing platform, excluding CPaaS. These are increasingly prevalent engagement channels driving returns for our customers. Our recent investments in this functionality are generating increasing returns.



Email sending volume
This is the total number of emails sent from our core marketing platform. It is an important metric for us to show that our customers are getting great value and outcomes from using our technology. It indicates that our customers can successfully address their business challenges using the Dotdigital platform.



Case study

PACIFIC PACKAGING AUSTRALIA

Pacific Packaging increases repeat purchase rate 4.6x with Dotdigital Loyalty

4.6x
increase in repeat purchases

Pacific Packaging Australia supplies the tonne bags and bulk containers that keep construction sites, farms and manufacturers running. Ten years in, about half its revenue comes from repeat customers who reorder because their operations demand it, not because of a sale.



Retail has plenty of loyalty playbooks. B2B has none, and Pacific Packaging Australia wanted to write one that fit its business model. To make it happen, Managing Director Sabi Brar was one of the first to sign up to go live on Dotdigital Loyalty – Dotdigital's new loyalty and retention platform.

Challenge: No impulse buys here

A procurement contact reordering tonne bags is weighing price, reliability and whether the supplier turns up on time, not chasing a badge or a flash sale. A traditional loyalty program wouldn't suit these customers.

- No playbook: loyalty programs are built for retail, and these customers buy on need, on their own timeline.
- Unrewarded loyalty: customers kept coming back for the product and service, but nothing recognized it.
- Long buying cycles: rewards had to match them, not quick, frequent purchases.

"PackPoints was about rewarding loyalty we'd already earned, not manufacturing it from scratch," says Sabi.

Solution: Dotdigital Loyalty, built for need, not impulse

Phase 1: Designing for reality, not retail

No off-the-shelf playbook fitted a complex B2B buying cycle, so the team worked with Dotdigital to build one from scratch. PackPoints launched with four mechanics:

- Welcome bonus: every member starts with 250 points, enough for an A$10 voucher, so they can redeem real value before their first order.
- Fast-building points: 1 point per A$1 spent. With average orders well over A$250, most customers cross another reward threshold in a single purchase.
- A tier ladder for long relationships: rewards scale from A$10 at 250 points to A$100 at 2,500.
- Tiers based on real behavior: using order value and typical gaps between purchases, the team modeled segments like champions, loyal customers and at-risk accounts, then set a 12-month expiry to match real reorder gaps.

"The one-year expiry wasn't a guess. It matched real buying gaps, so it nudges without ever feeling out of reach," says Kayla Wilks, Customer Success Manager at Dotdigital.

Phase 2: Making the reward visible

Customers couldn't easily see their progress, so the team added a points progress bar to the mini cart. "Once we added that little bar showing people how close they were, redemption picked up noticeably," Sabi says.

Phase 3: Letting the data lead

With the program live, the team turned to Dotdigital's reporting to see what was driving results, and started planning more visible loyalty rewards on product pages ahead of a site refresh.

Results: The best customers ordered even more

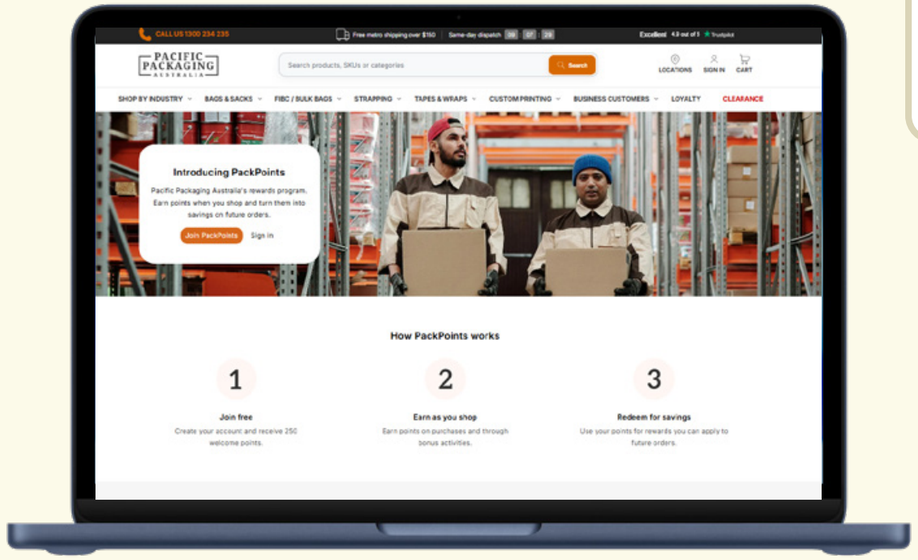
Seven months after the pilot launch, PackPoints has 20,000 members, and the repeat purchase rate has climbed from a 1.39% baseline to a peak of 6.38%, 4.6x where it started.

The tiers show the clearest revenue signal: top-tier members reorder at 85.71% against 13.57% at entry level, with average orders of A$1,187.38, more than six times the entry-tier average.

In a business built on need, the reward was never going to create demand. It just had to be there when demand showed up, and with Dotdigital Loyalty, it is.

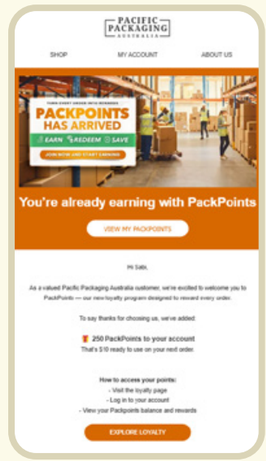
Looking ahead

Next up: more prominent points across the website, a bigger loyalty role in this year's Black Friday campaign, and the first points-expiry emails, due once early members hit 12 months, to re-engage lapsed members.



"If a customer couldn't redeem their points at checkout, I'd hear about it immediately. I haven't heard a word, and that tells me it's working exactly as it should in the background."

Sabi Brar | Managing Director, Pacific Packaging Australia



Chief Executive Officer's report and financial review



Milan Patel
Chief Executive Officer

Key highlights

	Note	FY26 (£m)	FY25 (£m)	% change
Revenue	3	90.9	83.9	8%
Adjusted profit before tax*	33	19.4	19.0	2%
Adjusted EBITDA**	33	29.4	26.8	10%
Net assets		110.7	103.1	7%
Cash***	17	17.1	36.2	(53%)

* Adjusted profit before tax excludes share-based payment, exceptional costs, gain on contingent consideration, foreign exchange on intercompany loans and amortization of acquired intangibles.
** Adjusted EBITDA excludes share-based payment, exceptional costs, gain on contingent consideration, foreign exchange on intercompany loans and amortization of acquired intangibles.
*** Reduction in cash due to the acquisition of Alia Software Inc in the year.

Overview

Dotdigital delivered FY26 in line with market expectations, ending the year a stronger, more diversified business. Group Annual Recurring Revenue (ARR) rose 18% to £85.4m, with organic ARR growth improving to 8% from 6% at the half year, driven by strong growth in Alia and Social Snowball during their periods of ownership. Recurring subscription revenue increased across both acquisitions and the Dotdigital Marketing platform, strengthening the Group's revenue mix and providing a larger recurring-revenue base entering FY27.

Over the past three years, Dotdigital has evolved from a single-product, email-led offering into a diversified, multi-product group serving the full customer lifecycle – acquisition, engagement, retention, loyalty and advocacy. Recent acquisitions, product investment and integration have brought these capabilities together in a more connected proposition, underpinned by shared data and AI. The priority now is to accelerate growth by bringing the expanded product portfolio to the Group's base of around 9,800 brands, extending its reach through new integrations and scaling internationally.

To capture this opportunity, we have moved to an integrated global go-to-market model, supported by stronger leadership, systems and processes. Gross retention improved in FY26 through more active management of at-risk customers and better CRM data. Since the year end, we have broadened this work through clearer accountability, deeper customer insight and earlier intervention, while maintaining discipline over costs and capital allocation.

We have also begun to establish the expanded cross-sell model. Alia and Social Snowball are now integrated with the Dotdigital Marketing platform at product and data level, while retaining their own brands and go-to-market models. Alia has been made available beyond Shopify to all customers across our wider base. From September 2026, our revenue teams have been able to sell Alia, supported by new incentives and dedicated senior commercial leadership. We expect the contribution from cross-sell to build through FY27.

Product development continued at pace, strengthening the Group's ability to turn customer data into more timely, personalized and measurable marketing. We advanced our AI capabilities through the launch of Dotdigital's MCP server and the development of our Agents program, which attracted strong customer engagement. Continued investment in the platform's shared data foundation, the post-year-end launch of Dotdigital Loyalty and growing WhatsApp adoption further broadened the Dotdigital Marketing platform.

Together, these developments have strengthened the Group's ability to deepen customer relationships, extend adoption across the product set and support more scalable growth through FY27.

Results

Dotdigital's financial model combines high-margin recurring software revenue with recurring usage-based fees and a smaller contribution from one-off revenues such as professional services. Growth comes from winning new customers, increasing product adoption and usage, improving retention and cross-selling the Group's broader customer-lifecycle proposition.

Group revenue increased 8% to £90.9m (FY25: £83.9m), or 9% on a constant-currency basis, with contracted recurring revenue up 14% to £76.8m (FY25: £67.2m) and representing 84% of the total. Growth was led by strong contributions from Alia and Social Snowball, alongside more modest growth in the Dotdigital Marketing platform, where contracted recurring revenue increased 3% to £69.4m. This was partly offset by the expected reduction in revenue from the low-margin Communications Platform as a Service (CPaaS) business, following the planned exit from a non-core contract. Softer new business and longer customer decision cycles also reduced one-off project revenue. The resulting shift towards higher-quality subscription revenue, including the acquisitions, supported an improvement in Group gross margin to 80% (FY25: 79%).

Forward-looking contracted ARR increased 18% to £85.4m (FY25: £72.6m), or 8% organically, an improvement on the 6% reported at the half year. Alia's ARR increased 45% in less than four months following its acquisition, while Social Snowball's rose 33% in its first full year of ownership. Together, Alia and Social Snowball now account for around 18% of Group ARR (FY25: 6%), with their faster growth increasing their contribution to the Group's overall growth.

Gross retention in the Dotdigital Marketing platform improved by one percentage point to 85% in FY26, supported by more active management of at-risk customers, better CRM data and more consistent retention processes.

Average monthly recurring revenue per customer (ARPC) increased across all three brands. ARPC in the Dotdigital Marketing platform rose 6% to £1,943 (FY25: £1,829), while Social Snowball's increased 35% to US$327 (FY25: US$243). Alia's ARPC increased at an annualized rate of 16% to US$261 from US$248 at acquisition in March.

The Group maintained its adjusted EBITDA margin despite the pace of acquisition activity over the past two years. Adjusted EBITDA was £29.4m (FY25: £26.8m), representing a margin of 32%, while adjusted profit before tax was £19.4m (FY25: £19.0m) and adjusted diluted EPS was 4.94p (FY25: 4.80p). Adjusted EBITDA grew faster than adjusted profit before tax, principally reflecting lower interest income as interest rates reduced and cash was deployed into acquisitions to support the Group's longer-term growth and earnings. As planned, margins improved in the second half as the investment made in Social Snowball during H1 began to deliver improved returns.

Cash at June 30 2026 was £17.1m (June 30 2025: £36.2m), after funding the initial US$30m consideration for Alia. The Group continued to generate cash from its underlying operations, including the acquired businesses. This cash will be used to fund anticipated earn-out payments relating to the Alia and Social Snowball acquisitions over the next couple of years. As these commitments reduce, the Group expects cash balances to rebuild. The Board is proposing a final dividend of 1.33p per share (FY25: 1.21p), subject to shareholder approval, in line with the Group's progressive dividend policy.

Our market

Dotdigital's broader proposition positions it well to serve brands seeking to manage more of the customer lifecycle with one provider.

Several structural trends continue to support demand for this proposition. Brands are consolidating their marketing technology and favoring platforms that can replace multiple point solutions, while marketers increasingly expect embedded AI that uses first-party data to identify opportunities, accelerate execution and demonstrate measurable returns. As paid acquisition becomes more expensive, investment is shifting towards owned channels, supported by unified customer data. Buyers also place greater emphasis on rapid time to value, integration with existing systems, and trusted platforms that give them control over their data and the use of AI.

Despite these long-term drivers, mixed macroeconomic conditions in FY26 lengthened buying decision cycles among our traditional customer cohort and increased the number of stakeholders involved, while many mid-sized businesses paused to assess how AI fits within their technology strategies. This weighed on new customer wins and one-off professional services activity. These conditions reinforced the importance of our work during the year to sharpen our sales and marketing efforts on customer segments whose needs are best served by Dotdigital's broad platform functionality, supporting a stronger position from which to capture a wider growth opportunity.

Business review

Our offering

Dotdigital helps around 9,800 brands in 150 countries turn customer data into measurable growth. Alia and Social Snowball support customer acquisition; email, SMS and WhatsApp enable engagement; and Dotdigital Personalization (formerly Fresh Relevance) and Dotdigital Loyalty support conversion, retention and loyalty.

Chief Executive Officer's report and financial review CONTINUED



These products connect through the Dotdigital Marketing platform, giving customers a broader set of capabilities as their needs develop.

Underpinning this offering is Dotdigital's established AI capability, formerly known as WinstonAI. This is evolving from assisting marketers with content, optimization and insights towards agents that can identify opportunities and execute campaigns, while keeping the marketer in control.

This combination of a broader product set, shared data foundation and AI capability enables the Group to address two complementary segments of the market through propositions and go-to-market models tailored to their needs:

- The integrated Dotdigital Marketing platform, which serves around 4,000 established mid-market and enterprise brands with more complex requirements. It brings together marketing automation, personalization, loyalty and communications, alongside the capabilities of Alia and Social Snowball, on a common data foundation, supported by deep integrations and long-standing customer relationships. The Group has sharpened its ideal customer profile to focus on relationship-led brands: established mid-market businesses that grow through ongoing, identifiable customer relationships and need to orchestrate complex data across multiple channels.
- Product-led solutions, currently Alia and Social Snowball, which serve smaller and lower mid-market ecommerce brands through focused, product-led propositions. They retain their own brands and partner-driven go-to-market models, with particular strength in the Shopify ecosystem.

Together, these two propositions broaden the Group's addressable market while preserving the specialist products and go-to-market approaches that work for each customer segment. Alia and Social Snowball provide entry points and additional capabilities for relationship-led customers, while product and data integration creates opportunities to offer complementary products together and cross-sell more of the Group's offering over time.

M&A Strategy: disciplined execution

On March 3 2026, we acquired Alia, an AI-native list-growth and on-site capture platform built for Shopify merchants, for an initial cash consideration of US$30m, with total consideration of up to US$60m dependent on future performance. Alia has been a standout performer, with ARR increasing 45% organically in less than four months, from £6.9m at acquisition to £10.0m at June 30 2026. It contributed £2.7m of recurring revenue between acquisition and the year end.

Social Snowball, our influencer, affiliate and referral marketing platform acquired in June 2025, grew ARR 33% from £4.1m to £5.4m in its first full year of ownership. Growth accelerated through the year, with an annualized growth rate of 30% in H1 and 36% in H2, helped by the go-to-market investment we made in the first half and the launch of CreatorSearch. Meeting the ARR growth hurdle of approximately 25%, together with the required profitability targets, resulted in first-year deferred consideration of US$0.7m being paid in early FY27.

Cross-sell is now moving from integration to commercial execution. A referral scheme between Social Snowball and Alia was established in early FY27 and is showing early success. Alia is now also available to the full Dotdigital customer base following its expansion beyond Shopify.

Acquisitions remain part of our strategy as we continue to assess the landscape for viable, commercially-ready new technologies. With our current product portfolio, we continue to be selective, and any further acquisitions will be judged on strategic fit, integration potential and value.

Product innovation

Our broader platform, continued investment in data capabilities, AI features that shorten time to value and increase return on investment, and growing use of WhatsApp helped us win and retain customers in FY26.

Functional recurring revenue increased 26% on a constant currency basis in FY26, including contributions from acquisitions. Excluding acquisitions, growth was 7% on the same basis.

We launched the Dotdigital Marketing MCP server in March 2026, allowing customers to connect their Dotdigital data to the AI tools they already use. The adoption of the MCP server with our customer's desired large language models has increased 395% albeit from a small base and continues to accelerate in usage.

Our Agents in Dotdigital program, initially covering content and segmentation agents, has been running with around 250 customers and is our most subscribed preview to date. General availability is expected at the beginning of November 2026. Beta adoption increased between July and September, with 75 accounts using one or both agents. Around 7% of our customer base is in a queue waiting for the full release.

Our investment in the Dotdigital Marketing platform has given us a real-time events architecture across contacts, messages and interactions, flexible support for custom data, and integrations with around 250 marketing technology tools. This data foundation is what makes our AI agents effective.

Dotdigital Loyalty launched on Shopify in July 2026 and has eight paying customers, with a developing pipeline. We plan to extend Dotdigital Loyalty to other major commerce platforms, starting with Adobe Commerce, opening it up to more of our customer base.

WhatsApp message volumes increased by 694% in FY26, from approximately 326,000 to 2.6 million, reinforcing its role as an increasingly important engagement channel within the Group's omnichannel proposition.

Our roadmap builds on these foundations, with campaign creation, analytics and audience discovery agents, AI-first real-time journeys, native Rich Communication Services (RCS) messaging, and new integrations including Microsoft Fabric, Tessitura and Canva.

AI that makes marketing more human

Marketers do their best work when they have time, creatively and strategically. Our AI agents handle the busywork to give marketers that time back. This year we launched agents for three jobs that take the most time: building segments, creating campaigns, and analyzing results. More than 250 customers joined the waitlist before general release. Our MCP server adds a choice: run campaigns inside Dotdigital or from your preferred AI tool.

Why Dotdigital AI is different

Built for marketers, not to replace them. Outputs reflect each customer's brand voice and past campaigns, so your emails sound like you and not like generic AI.

Backed by 25 years of data. AI is only as good as the data behind it. Ours comes from thousands of brands worldwide, built over a quarter of a century.

Easy to start. Build a segment, create a campaign, or read your results with a plain-language prompt.

Agents that build on 15 years of AI experience

We've used AI in the platform for more than 15 years. Our agents build on those generative and predictive features, so marketers can finish multiple tasks from one prompt, in the platform or their own AI tool.

"Integrating Dotdigital with ChatGPT has been a tremendous time-saver. I no longer switch between the two to brainstorm, and the quality of our email campaigns has improved. My team can build on ideas I've already developed instead of starting from scratch."

Olivia Vrsaljko | Marketing Manager, Freeds

Agentic AI built for marketers

Execution
Create personalized, cross-channel campaigns faster

Strategy
Make smarter decisions, leading to better results

Agentic AI

Content Agent & Segment Agent

Analytics Agent

MCP server that connects to any AI tool

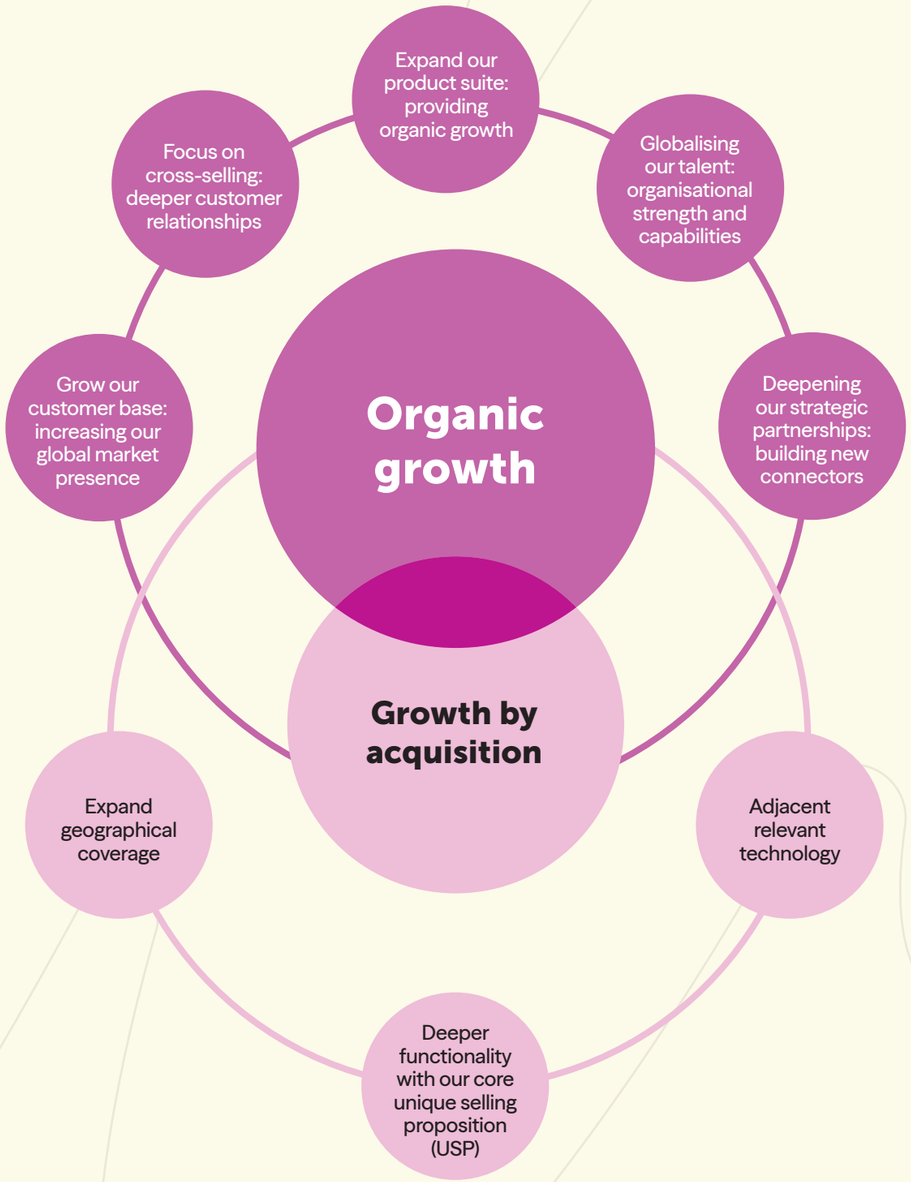
Generative & Predictive AI

- Brand voice
- Campaign assistant
- Subject line assistant
- Rewrite & edit
- Instant translations
- One-click email to SMS
- Smart image search
- Product recommendations
- Intelligent segments

- Predictive next purchase
- Predictive CLV
- Predictive churn
- Predictive total orders
- Opportunities dashboard
- Persona movement
- Send-time optimization
- Send to most engaged first
- Instant survey & form summaries

Growth strategy

Our strong financial position and management team mean we are ideally placed to add growth by acquisition.



Chief Executive Officer's report and financial review CONTINUED

"I've always championed the support we get from Dotdigital. When you're a small team working at serious volume, knowing there's a reliable platform and a real person behind it when you need them, that's not something you take for granted."

Simon Parry | Senior Marketing Manager, Plugin Boutique

Strategic partnerships

Ecommerce and CRM platforms remain our most strategic partner ecosystems, supported by our agency and technology partners. Partners contribute most by influencing new business, reducing churn and helping customers see the broader capabilities Dotdigital offers. Dotdigital Marketing platform revenues from customers using named e-comm, CRM and ERP technology connectors such as Adobe Commerce (Magento), Microsoft Dynamics, Salesforce, Shopify, NetSuite, Big-Commerce, Woo-Commerce and Shopware grew by 5% to £38.7m.

Within this, Shopify remains the fastest-growing e-commerce platform in our ecosystem, with Shopify connected revenues increasing by 37% to £11.4m, and strengthening that partnership remains a priority. In addition to this, when considering Social Snowball, Alia and the Dotdigital Marketing platform together, forward looking ARR connected to Shopify stood at £26.8m as at June 30 2026 (FY25: £12.4m). We also extended into Enterprise Resource Planning (ERP) through our NetSuite integration, which has been well received by customers already using the connector.

We are now moving partners from influencing deals to sourcing them. We have appointed a VP Global Partnerships and will launch our 2027 Partner Program in January. As we focus on relationship-led brands, we expect new strategic partnerships to emerge beyond commerce, including in the not-for-profit and education sectors.

Regions

Regional revenue and growth are shown in local currency and include the acquisitions of Social Snowball and Alia.

North America

Revenue increased by 37% to US$25.0m (FY25: US$18.2m). North America is our largest addressable market with revenue growth led by Alia and Social Snowball. Revenue in the core Dotdigital Marketing platform declined following the loss of three significant customers whose needs changed, including consolidation onto a parent group's provider. We have put new leadership in place and are refocusing our US go-to-market on relationship commerce verticals such as travel, retail and automotive, working through agency partners, using Alia as an entry point into the Shopify ecosystem.

EMEA

Revenue increased by 3% to £63.4m (FY25: £61.5m), with growth held back by the planned non-renewal of the low margin CPaaS contract announced last year. EMEA remains our largest region, where we have a strong position and long-standing customer relationships. Our priorities are improving retention, supported by the separation of account management and customer success, and growing new business in not-for-profit, travel and education.

APAC

Revenue increased by 5% to A$17.4m (FY25: A$16.6m). We are focusing our investment in Australia, New Zealand and South East Asia, where local relationships and integrations are our strongest differentiators.

Go-to-market and operations

We are transforming how we go to market. Under our Chief Revenue Officer we have moved from three regional go-to-market teams to one global revenue team, with sales, account management and customer success being aligned around our ideal customer profile. Our new CRM is now in place and is beginning to support our weekly pipeline reviews and forecasting, giving us better data on customers at risk and on where we win business.

Our new brand has been well received by customers and prospects. It has helped move perceptions away from our legacy as an email platform towards what we offer today, an all-in-one marketing platform with AI at its core.

We are also using AI to improve productivity across the Group. Engineering output increased year-on-year despite a slightly smaller team, with around 30% co-authored by AI, and we are now extending the use of AI tools across the wider business.

We would like to thank our colleagues across the Group, including the teams who joined us from Alia and Social Snowball, for their commitment and hard work during a year of significant change.

Outlook and current trading

We enter FY27 a stronger, more diversified business, with a larger contracted recurring-revenue base, greater visibility and a broader platform aligned with where the market is heading. The priority now is to convert this expanded opportunity into faster organic growth by sustaining momentum in Alia and Social Snowball, improving retention and new business performance in the Dotdigital Marketing platform, and building cross-sell across the Group. As brands consolidate their marketing technology, our full customer-lifecycle proposition gives us greater scope to win new customers, deepen existing relationships and capture a larger share of marketing spend.

Trading in the first four months of FY27 has been in line with the Board's expectations, which include an acceleration in growth as the year progresses. The Board is confident that the Group will deliver results in line with FY27 market expectations and that the combination of a sharper customer focus, an AI-first platform and our high-growth businesses will accelerate organic growth over the medium term.

Chief Executive Officer's report and financial review CONTINUED

Financial Review

Business Model

We sell access to the Dotdigital marketing platform and messaging services (email, SMS, MMS, WhatsApp and push notifications) on contracts of one to three years, priced according to the modules selected and contact, data, page-view and message volumes. Revenue is recognized evenly over the contract life under IFRS 15, with customers able to upgrade during term as usage grows.

Revenue from Social Snowball, our influencer, affiliate and referral marketing platform, and Alia, our AI-native list-growth and on-site capture platform, is recognized in the same way as our other software revenue, although the vast majority of their contracts are currently month to month. These products broaden our addressable market and increase cross-sell potential, with a margin profile consistent with the Group. Revenue from professional services accounts for well under 5% of Group revenue and is recognized as the services are delivered.

Revenue and gross margin

Total revenue increased 8% in reported currency, or 9% at constant currency, to £90.9m (FY25: £83.9m). This included a full-year contribution from Social Snowball (FY25: five days) and just under four months from Alia (FY25: nil). Excluding acquisitions, this total Group revenue, which includes the non-core, low margin transactional messaging business, was flat, principally reflecting two previously announced factors: the exit of a contract in the low margin transactional messaging CPaaS business; and the unwinding of a strong H1 FY25 comparator for non-recurring core marketing platform revenue, both of which are now fully reflected in the FY26 base for comparison in FY27.

Recognised recurring revenue from the marketing platform, including Alia and Social Snowball, increased 14% in reported currency, or 15% at constant currency, to £76.8m (FY25: £67.2m). Repeating revenue from the low-margin transactional messaging business, CPaaS, was £10.3m (FY25: £12.0m). Together, recurring and repeating revenue represented 96% of Group revenue (FY25: 94%).

By region (local currency): EMEA £63.4m (+3%); North America US$25.0m (+37%); APAC A$17.4m (+5%). International revenue (from outside the UK) represented 37% of Group revenue (FY25: 33%).

Gross profit was £72.4m (FY25: £66.6m), with a gross margin of 80%, up one percentage point on the prior year. The improvement reflects the continued shift towards the higher-margin marketing platform business, including the acquisitions. This business operates at gross margins of around 90%, compared with around 15% for the transactional CPaaS business.

R&D (RDEC) credit & tax

Since FY25, the UK R&D incentive has been presented in Other income under the Research and Development Expenditure Credit (RDEC) regime rather than as a tax credit. It amounted to £0.5m (FY25: £0.7m).

The income tax expense for the year is £3.9m (FY25: £3.9m), equating to an effective tax rate against the adjusted Profit before tax (PBT) of 20% (FY25: 21%).

Operating expenses

Total operating expenses were £54.0m (FY25: £49.8m), up 8%, the increase being a reflection of £4.5m operating expenses of Social Snowball and Alia.

Profitability

Adjusted EBITDA increased 10% to £29.4m (FY25: £26.8m), representing a margin of 32% (FY25: 32%). Adjusted PBT increased 2% to £19.4m (FY25: £19.0m) representing a margin of 21% (FY25: 23%). Adjusted EBITDA grew faster than adjusted profit before tax, principally reflecting lower interest income as interest rates reduced and cash was deployed into acquisitions to support the Group's longer-term growth.

Statutory profit after tax increased 18% to £13.2m (FY25: £11.2m), representing a margin of 15% (FY25: 13%). Statutory profit after tax grew faster than adjusted PBT, reflecting movements in exceptional and adjusting items during the year, as outlined below.

Exceptional and adjusting items

Share-based payment expense of £0.8m was broadly consistent with the prior year (FY25: £0.7m). Amortization of acquired intangible assets increased to £4.3m (FY25: £1.8m), primarily reflecting a full year of amortization relating to Social Snowball (FY25: five days) and almost four months of amortization relating to Alia (FY25: £nil). A gain of £5.2m (FY25: £nil) was recognized on the revaluation of contingent consideration during the year, reflecting revised expectations that, while Social Snowball continues to deliver strong growth (33% in FY26), total contingent consideration payments are likely to be in the lower to middle part of the potential earn-out range, which is capped at US$15.0m. Exceptional costs increased to £3.0m (FY25: £1.5m), principally due to increases of £1.3m of professional fees relating to acquisitions, £0.3m of restructuring costs and £0.5m of costs associated with the implementation of the Group's new CRM platform and related dual-running activities.

EPS

Adjusted diluted EPS increased 3% to 4.94p (FY25: 4.80p), while statutory diluted EPS increased 18% to 4.20p (FY25: 3.55p). The faster growth in statutory EPS largely reflects the gain on the revaluation of Social Snowball's contingent consideration, which is treated as an adjusting item.

Balance sheet and cash

The Group remained strongly cash-generative with a robust working-capital profile. The upfront payments for Alia in March 2026 and Social Snowball in June 2025 were funded from existing cash resources. We continue to allocate cash with discipline across organic investment and selective, earnings-enhancing M&A.

Dividend policy

We remain committed to a progressive dividend policy aligned to earnings and cash generation. The Board is proposing a final dividend of 1.33p per share (FY25: 1.21p), subject to shareholder approval. This represents an increase of 10%, in line with adjusted EBITDA growth.



Milan Patel
Chief Executive Officer
November 3 2026



Tom Mullan
Chief Financial Officer
November 3 2026

The Dotdigital difference

A product suite that goes from acquisition to advocacy

With Dotdigital Marketing, Personalization, Loyalty, Alia, and Social Snowball all in the same suite, marketers can connect every stage of the customer journey, from acquiring new customers to building loyalty and advocacy.

Global reach, local expertise

Our team is based across nine regional offices. We work with thousands of brands around the world, covering all sectors from ecommerce and charities, to sports clubs and travel - and everything in between.

Simple solutions for complex businesses

Dotdigital helps marketers manage complexity across channels, brands, markets and teams, without creating more work for the people behind it. We appreciate how different every business is and tailor our solutions for the unique needs of every brand.

A fully integrated ecosystem

Dotdigital has hundreds of native integrations, including Shopify, Salesforce, Microsoft Dynamics, BigCommerce and Adobe Commerce/Magento. These, along with our global partner ecosystem, fit seamlessly into a business' stack, connecting ecommerce, CRM, loyalty, reviews and customer service.

Loved by marketers

There's a reason our customer support is rated 4.6 on Trustpilot and G2 recognizes us as a global leader across 13 different product categories - from email to SMS, personalization to customer data platforms. Our customer reviews speak for themselves.

Champions of responsible marketing

We're ISO 14001 certified and are proud to be the world's first carbon-neutral marketing platform, using 100% renewable energy. We also hold ISO 27001 and ISO 27701 certifications, so when it comes to security, our customer data is in excellent hands.

Case study

SEEQ

How Seeq drove US$135K+ in affiliate revenue with a US$7 CPA using Social Snowball

US$135k in affiliate revenue from 1,906 orders

7.8x YTD ROI vs. a 5x industry benchmark

US$7.45 average CPA, lower than paid ads

10+ hours saved per week by removing manual operations

Seeq, a fitness brand known for its high-protein drink mixes, had a passionate customer base but an affiliate program that couldn't keep up. Tracking gaps, code leaks and manual payouts made it a chore, so Seeq switched to Social Snowball.

"Social Snowball helps us turn everyday fans into our strongest affiliates and makes it easy to scale without needing a huge team."

Myah Christenson | Marketing Manager @ Seeq



Challenges: Complex tools, missed revenue, and zero affiliate control

Seeq's previous platform, had a confusing interface and no real scalability. Loyal customers were already sharing the brand, but there was no way to track referrals or reward superfans, and generic discount codes invited coupon abuse and unauthorized paid ads. Affiliate revenue was slipping away.

Solution: Turning customers into scalable revenue drivers

Seeq switched to Social Snowball and made four changes:

1. Automated customer-affiliate onboarding

Every buyer is automatically invited to join, with a personalized referral code, a preset 10% commission and a welcome offer.

2. Performance-based tiering

Affiliates who cross US$500 in referred sales unlock a higher commission, a customizable code and first access to limited drops.

3. Code protection with Safelinks

Generic codes invited misuse: unauthorized paid ads and leaked codes on deal sites. Seeq fixed this with Safelinks, which automatically flags suspicious sharing, disables links tied to unauthorized traffic and blocks rule-breakers.

4. Automated payouts with Tremendous

Recurring payments through Tremendous replaced weekly manual payouts and spreadsheets.

Results: US$135K+ in revenue from a program that runs itself

Most of the revenue came from existing customers rather than influencer deals or paid promos. Seeq's Cost per acquisition (CPA) beats Facebook and other paid media, and because it comes from customers promoting organically, it compounds over time.

Case study

HEXCLAD

How HexClad increased revenue by 68% using Alia pop-ups

2x mail opt-in rate

68% lift in welcome and education journey revenue

33% increase in journey enrolment during sale periods

90% reduction in SMS confirmation drop-off

HexClad, a premium hybrid cookware brand, needed to grow its email and SMS lists worldwide, but its popup tool had stalled at 5%–6% opt-ins. Limited testing, generic experiences and SMS friction made growth a chore, so HexClad switched to Alia by Dotdigital.

"Alia is table stakes for any ecommerce brand that's serious about scaling."

Brady Vander Dussen | International Retention Manager @ HexClad



Challenges: Stalled opt-ins, slow testing, and SMS friction

HexClad's previous tool, kept opt-in rates at 5–6% and list growth flat for several quarters. Pop-ups couldn't adapt to visitor, page type or location, experiments took heavy manual set-up, and many subscribers dropped out during SMS confirmation. As a global brand working under GDPR and other regional rules, even small points of friction added up, and the experience also fell short of HexClad's premium brand standards.

Solution: Smarter pop-ups built for testing and personalization

HexClad switched to Alia, which integrates directly with Shopify, and made four changes:

1. Rapid testing and triggering

Smart Testing and Smart Triggering let the team run two to three tests a week on messaging, design and timing.

2. Multi-step popup funnels

Intent-aware journeys align each popup step with lifecycle logic and user context, capturing higher-intent email and SMS subscribers.

3. Advanced targeting

Location, page type, Urchin Tracking Module (UTM) parameters and visitor behavior turn generic forms into personalized experiences.

4. Postscript Onsite Opt-In

Combined with Postscript's compliant, mobile-first SMS flow, sign-up now completes inside the popup, cutting confirmation drop-off by 90%.

Results: 2x opt-ins and 68% more marketing automation revenue

Email opt-in rates nearly doubled across regions, turning a stagnant channel into a reliable source of high-intent subscribers and adding hundreds of thousands of new contacts. Evergreen welcome and education journey revenue rose 68%, sale-period enrollment rose 33%, and 14-day post-signup conversion climbed from 7% to as high as 12%.

Principal risks, impact and mitigations

Our risk management framework ensures a consistent, global approach to identifying, assessing, and mitigating risks. This enables meaningful comparisons and supports strategic objectives. Departments assess risks to their plans, which are consolidated into a group-wide register. Risks are scored by impact and likelihood, with principal risks reviewed by the Operational Risk Committee. Committee members are assigned as executive owners to ensure controls and actions are in place. The Chair (Yousif Rajah, Information Security & Privacy Director) reports principal risks to the Group Audit & Risk Committee.

Strategic	Financial	Technological	Operational
The influence of stakeholders and industry on our business.	Our financial status, standing and continued growth.	Our platform, technology, business systems and the data they hold.	The ability to achieve our optimal business model.

Risk area	Impact	Mitigation of risk
Information security and cyber risks *Technological and operational* *Movement:* *Increased*	The cyber threat landscape continues to evolve at a rapid pace, with increasingly sophisticated attacks from organized cybercrime groups, ransomware and data extortion operators, and state-sponsored actors. The growing use of artificial intelligence by threat actors has increased the scale, speed and effectiveness of phishing, social engineering, malware development and identity-based attacks. As the Group continues to expand its digital ecosystem, third-party services, integrations and artificial intelligence technologies, the attack surface and potential supply chain exposure also increases. A successful cyberattack affecting the Group or a critical supplier could result in operational disruption, unauthorized access to systems or data, theft of intellectual property, regulatory action, financial loss and reputational damage.	• Continued investment in the Information Security & Privacy function through targeted recruitment, professional development and advanced security certifications to maintain capability against evolving threats. • Maintained ISO 27001 certification and associated security management processes to provide a consistent and effective control framework. • Maintained cyber insurance coverage as part of the Group's broader risk management strategy. • Successfully renewed Cyber Essentials Plus certification, providing independent technical assurance of key security controls. • Performed regular independent penetration testing, vulnerability assessments and security reviews across products, infrastructure and corporate systems. • Enhanced security monitoring, threat detection and incident response capabilities to improve visibility and response to emerging threats. • Expanded security awareness and phishing simulation programs, including training focused on AI-enabled social engineering and business email compromise techniques. • Continued implementation of defence-in-depth controls across identity, endpoint, network and cloud environments.
Evolving technology and customer requirements *Operational and technological* *Movement:* *Increased*	Failure to anticipate evolving customer needs, introduce competitive enhancements or maintain existing products may adversely affect growth and retention. The pace of change has increased further in FY26, driven principally by the rapid maturation of AI-native competitors and rising customer expectations for agentic and generative capability within marketing platforms; a roadmap that does not keep pace with these expectations risks ceding ground to competitors better able to demonstrate applied AI value.	• Completed an acquisition of a core 'whitespace' product in Alia Software Inc, to offer more value to the whole marketing ecosystem. • Delivered agentic AI capability within the core product roadmap, informed directly by customer and partner feedback; most recently demonstrated live to 800 customers at our London Summit. • Continued investment in R&D, across engineering and product teams and introducing a new product line in our Loyalty product, to support cross-sell revenue. • Continued investment in future-proof architecture, data platform and API design to support evolving data needs. • Maintained a customer acquisition, expansion and retention-led roadmap, balancing new capability with product quality and stability. • Sustained quarterly marketing-led releases to showcase product evolution. • Increased focus on technology partner integrations to open new growth opportunities.
Competitive environment *Strategic* *Movement:* *Stable*	Operating within a highly competitive sector exposes the organization to risks from competitors offering superior features, innovative solutions, stronger financial backing, lower pricing, greater brand recognition, and broader global coverage. This expansion of our product set through both acquisition and organic product development further expands the competitors that we are exposed to. As the number of competitors continues to increase, differentiation becomes more challenging, heightening the overall competitive risk.	• Continuous assessment of market maturity to maintain a competitive edge and develop differentiated products for emerging markets. • Targeted approach focusing on specific verticals – such as retail, commerce, government, higher education, nonprofits, charities, and Direct-to-Consumer (D2C) – to reduce competitive pressures. • Notwithstanding the risks inherent in AI itself (see AI risk on page 27), our multifaceted approach to AI investment mitigates this risk through: enhancing our AI product features and support offering to improve customer outcomes; embedding AI within our product and company security to maintain and strengthen customer trust; and applying AI internally to drive agility and quality, enabling a rapid response to a fast changing competitive environment. • Investment in product resources and community programs to gather feedback from customers, partners, and internal stakeholders, ensuring the development of a customer-led roadmap. • Strategic investment in differentiated features, best-in-class 24/7 support, enhanced brand recognition, and improved service delivery. • Regular review of product pricing and packaging to align with evolving customer needs. • Continued pursuit of strategic technology acquisitions to strengthen differentiation and develop unique selling propositions (USPs) in high-value niches that attract new customers. • Expansion of the partner ecosystem and resources for both service and technology partners.
Optimizing and growing high-performance teams *Operational* *Movement:* *Stable*	The inability to effectively attract, hire, develop, support, and retain high performing talent may significantly limit the organization's ability to achieve its strategic objectives.	• Continue to resource teams to provide localized support, partnership, and talent development across international regions, with a particular focus on growing strategic locations. • Further investment in resources and technology to strengthen global Talent Acquisition, including the integration of AI capabilities and process automation and integration into core platforms. • Committed investment in the employee engagement platform, ensuring integration with core business tools such as talent acquisition systems. • Ongoing monitoring of employee turnover, quarterly engagement surveys, and maintenance of an organizational health score. • Implemented measures to reduce employee churn, including benefits reviews, performance bonuses, manager training and support, and career development initiatives. • Sustained company-wide initiatives aligned with organizational values to foster engagement, development, and retention. • Engaged local partner expertise to ensure emerging global employment legislation and compliance requirements.

Principal risks, impact and mitigations CONTINUED

Risk area	Impact	Mitigation of risk
Internet service providers (ISPs), reputation, internet browser-related and device risks *Strategic and technological* *Movement:* *Increased*	Revenue streams from charging customers for sending emails, mobile messages (SMS/MMS/WhatsApp) can be affected if there are industry changes, delivery issues, or fraudulent activity targeting the messaging ecosystem, including attacks that inflate traffic and hit margin directly. Factors that may affect this include campaign links flagged as threats by browsers, blocked, filtered or throttled messages by mailbox providers (MBPs), receivers, mobile messaging providers or mobile network carriers, and blocked domains and IP addresses. Global changes to mobile messaging legislation continue, with more frequent requirements for mandatory sender registration for business messaging, adding administrative burden across the industry and requiring greater disclosure of underlying supply-chain partners. Changes to mobile messaging technology (RCS), commercial model (WhatsApp), or supplier relationships or pricing, upstream mobile messaging supplier outages, and infrastructure problems causing service disruptions can also lead to potential revenue loss. Artificial Inflation of Traffic (AIT) fraud can both damage customer relationships where customers are targeted, and reduce margin directly where the cost cannot be recovered from the customer. Industry changes ranging from consumer privacy updates in devices, browsers, or operating systems, along with networks or mailbox providers changing the way they deliver mail, restrict engagement tracking, or measure senders, add risk. This risk could negatively affect our products, causing them to not achieve their intended results.	• Monitored technology landscape changes, continued risk mitigation, and educated customers on necessary adjustments such as mandated registration requirements. • Continued investment in platform functionality to assist customer compliance with best practices, global anti-spam regulations, and counter-abuse attempts. • Continued risk-based vetting of prospective customers and data acquisition practices across messaging channels. • Demonstrated anti-abuse commitment through membership in industry groups such as Messaging, Malware and Mobile Anti-Abuse Working Group (M3AAWG) and the Email Sender and Provider Coalition (ESPC), as well as working with key customers on reducing high risk behaviors. • Maintained mobile messaging industry presence, partnerships with Tier 1 providers and carriers, and involvement in groups such as Cellular Telephone Industries Association (CTIA) and Mobile Ecosystem Forum (MEF). • Maintained multiple connections with upstream messaging providers, assessed routing options based on cost, reliability, and quality, and negotiated contracts accounting for strategic partnership, volume forecasts, and support requirements. • Regular executive team monitoring of messaging financial and operational metrics. • Enhanced monitoring and detection capabilities to identify and respond to Artificial Inflation of Traffic (AIT) fraud. • Adapted supplier disclosure practices, where required, to help reduce the risk of customers bypassing the Company to approach named suppliers directly.
Acquisitions *Strategic and operational* *Movement:* *Stable*	The organization maintains a strategic focus on pursuing acquisitions that offer significant opportunities to extend product reach and expand market presence. However, such activities carry inherent risks, including integration challenges, cultural differences, unforeseen liabilities, and potential impacts on financial performance.	• Thorough financial, legal, privacy, security, technology and commercial due diligence through internal and external resources. • Allocating dedicated integration planning and execution resources to strengthen management capacity, while building skillset and experience through our people's direct exposure to delivering recent acquisitions. • Comprehensive pre-acquisition integration plans covering communication, people, go-to market, change management, product, engineering, business operations, and synergies, ready for post-transaction implementation. • Warranty and indemnity insurance based on risk levels.

Risk area	Impact	Mitigation of risk
Cloud infrastructure cost inflation *Technological* *New*	The Group's exclusively opex-based reliance on public cloud infrastructure, while avoiding direct exposure to hardware capital costs, leaves it indirectly exposed to sharp upstream increases in component pricing. The 2025/2026 memory and storage shortage, driven by AI data-center demand for DRAM and NAND, has already produced high contract price rises for hyperscalers' underlying hardware; the extent to which providers will pass these costs through via compute and storage pricing, whether immediately or at contract renewal, is not yet clear. A prolonged shortage could materially increase infrastructure costs without a corresponding increase in revenue, compressing margins.	• Significant use of reserved instances and committed-use discounts to smooth out pricing uncertainty, rather than relying solely on on demand rates. • Multi-year contractual commitments with primary cloud providers, negotiated to include price protection or capped escalation clauses where possible. • Continued use of cloud-agnostic architecture to preserve renegotiating leverage rather than lock-in. • Regular review of workload right-sizing, since memory and storage cost pressure rewards efficiency more than it historically has.
Advancement of Artificial Intelligence (AI) technology *Technological and operational* *Movement:* *Increased*	Artificial Intelligence continues to develop at a rapid pace, creating both significant opportunities and risks for the Group. Increasing adoption of AI technologies across products, internal operations and customer services may improve efficiency, innovation and scalability, but also introduces new operational, regulatory and commercial dependencies. The market for the most advanced AI models remains concentrated amongst a small number of providers, creating vendor concentration and geopolitical risks. Changes to pricing models, service availability, licensing terms, export controls or regulatory restrictions may impact the Group's ability to access, utilize or economically deploy AI capabilities within both internal operations and customer facing products. The rapid evolution of AI regulation and increasing public scrutiny of AI systems introduce additional requirements around privacy, transparency, accountability and governance. In addition, inaccurate, biased or inappropriate AI-generated outputs could result in reputational damage, reduced customer trust or legal and regulatory consequences. Failure to effectively govern AI adoption, manage supplier dependencies, control costs, or adapt to evolving regulatory requirements and market expectations could adversely impact operational performance, financial results, customer satisfaction and competitive positioning.	• Maintained and enhanced the Group-wide Artificial Intelligence policy and governance framework, ensuring the responsible, secure and compliant adoption of AI technologies. • Leveraged established Information Security and Privacy governance processes, including ISO 27001 and ISO 27701 aligned controls, to assess and manage AI-related risks. • Continued monitoring of emerging AI legislation, regulatory guidance and industry best practices to support ongoing compliance. • Implemented product-level controls and transparency measures enabling customers to understand and manage their use of AI powered functionality. • Applied privacy-by-design, security-by-design and risk assessment processes to AI-related initiatives, including supplier due diligence and procurement reviews. • Provided approved enterprise AI solutions for employee use, incorporating appropriate security, privacy and data protection controls. • Delivered employee awareness and training program covering the safe and responsible use of Artificial Intelligence technologies. • Monitored AI service utilization, commercial models and supplier dependencies to assess the potential impact of pricing changes and concentration risk within the AI model ecosystem.

Principal risks, impact and mitigations CONTINUED

Risk area	Impact	Mitigation of risk
Loss of a strategic partnership *Strategic* *Movement:* *Stable*	Revenue may be adversely affected if a strategic technology partner is acquired, modifies contractual terms, experiences a decline in market share, or undergoes significant customer attrition. In such circumstances, customers may migrate to an alternative technology partner with which the organization does not maintain an integration. Additionally, if a strategic partner substantially alters partnership terms, restricts access, or discontinues connectivity with the organization's products, there is a risk that customers will choose a competitor that retains the integration rather than re-platforming away from the technology partner.	• Maintained agreements with key strategic partners while continuously evaluating potential new partnerships. • Continued the service and technology partner program to reinforce a partner-first approach. • Allocated dedicated resources to strengthen strategic partnerships and refine the overall partner strategy and program. • Continued our diversification of integrations, delivering multiple in-house integrations and assisting partner-created integrations. • Developed frameworks, extensibility options, and dedicated resources to encourage partners to integrate with the organization's products.
Global economic and geopolitical environment *Financial and operational* *Movement:* *Stable*	The Group operates across multiple international markets and is exposed to a range of external economic, geopolitical and regional risks. Adverse events such as economic downturns, inflationary pressures, armed conflict, trade restrictions, political instability, regulatory divergence and other macroeconomic disruptions may negatively impact customer demand, business operations and financial performance. Dependence on certain geographic regions for revenue generation, suppliers and personnel may increase the impact of adverse regional events. In addition, expansion into new markets may introduce further operational, regulatory and political complexities. Failure to effectively adapt to changing economic or geopolitical conditions could adversely impact growth, profitability, operational resilience and the Group's ability to execute its strategic objectives.	• Sustained growth in recurring, contracted revenue streams, providing resilience during periods of economic uncertainty. • Maintained robust liquidity reserves to withstand periods of market disruption without reliance on external capital markets. • Continued investment in Business Continuity Planning (BCP) to strengthen resilience against external disruptions affecting people, facilities, suppliers and operations. • Diversified revenues across EMEA, North America and APAC, while continuing to explore opportunities in emerging markets. • Executive leadership actively identifying and pursuing new territorial growth opportunities to reduce concentration risk. • Ongoing monitoring of economic conditions, geopolitical developments and regulatory changes across regions where employees, offices, partners and customers are located. • Strategically distributed critical personnel and engineering resources across multiple locations to improve operational resilience and reduce regional dependency. • Regular review of go-to-market strategies and pricing models to ensure alignment with changing market conditions and customer expectations.
Use of public cloud service suppliers *Technological* *Movement:* *Stable*	The Group relies on public cloud providers to host its platforms and products. Multiple data center failures, prolonged service disruption or termination of services by a cloud provider could adversely affect operations and financial performance. The shared infrastructure inherent in public cloud computing also increases exposure to targeted attacks on the provider or its underlying infrastructure; this risk is heightened where reliance is concentrated in a small number of providers.	• Continued to use top-tier cloud providers offering high-availability SLAs and rapid recovery capability following data center failures. • Maintained globally distributed, resilient platform instances to localize service delivery and limit the impact of regional outages. • Conducted disaster recovery simulations during the year to validate plans and recovery objectives. • Continued to prefer platform-agnostic technologies to preserve the option of migration to alternative cloud providers.

Risk area	Impact	Mitigation of risk
Data privacy *Operational and technological* *Movement:* *Stable*	As a global business, the Group operates within an increasingly fragmented and evolving data protection landscape. New privacy legislation continues to emerge across multiple jurisdictions, while regulators are increasing scrutiny of how organizations collect, process and utilize personal data. Regulatory expectations continue to evolve in areas including tracking technologies, online identifiers, artificial intelligence, international data transfers and data sovereignty. Developments in these areas may require changes to both the Group's internal practices and the functionality provided to customers. The rapid adoption of artificial intelligence introduces additional privacy, transparency and governance considerations, creating new compliance challenges for both the Group and its customers. At the same time, customer expectations regarding data sovereignty, transparency, consent management, responsible AI use and privacy controls continue to increase. Failure to comply with applicable privacy obligations, adequately govern the use of personal data and artificial intelligence, or respond effectively to evolving regulatory requirements could result in regulatory enforcement, financial penalties, litigation, reputational damage and loss of customer trust. Furthermore, an inability to provide customers with the features and controls necessary to meet their own compliance obligations could adversely impact customer retention, acquisition and competitive positioning.	• Maintained ISO 27701 certification, ensuring a consistent and robust privacy management framework. • Continued enhancement of privacy governance, policies and procedures to align with evolving global regulatory requirements and emerging privacy expectations. • Maintained self-certification under the EU-U.S. Data Privacy Framework, UK Extension and Swiss-U.S. Data Privacy Framework, and expanded coverage to recently acquired businesses, ensuring lawful international data transfer mechanisms across the Group. • Progressed the integration of acquired businesses into the Group's privacy framework, including the alignment of privacy processes, customer-facing documentation and contractual controls such as Data Processing Agreements. • Continued development of the Group's Artificial Intelligence governance framework, including enhancements to internal policies, procedures and oversight mechanisms to support the responsible and compliant adoption of AI technologies. • Invested in product capabilities designed to help customers address evolving regulatory expectations, including enhancements relating to transparency, tracking technologies and privacy controls. • Expanded privacy-by-design reviews across products, services and business initiatives, including the assessment of Artificial Intelligence use cases. • Expanded the Security & Privacy awareness program, achieving a 99.5% global completion rate for annual Data Protection training. • Enhanced the publicly accessible Trust Center and support portals with comprehensive support documentation to communicate key compliance, privacy and AI governance information to customers and partners.
Key messaging and social channel integration *Strategic* *Movement:* *Stable*	The Group continues to invest in integrations with third-party platforms to extend its feature set, with an updated RCS offering coming soon. No material change to access terms or integration requirements occurred during FY26, though these platforms retain the ability to alter terms unilaterally and with limited notice, and any such change could affect the Group's ability to maintain existing integrations.	• Maintained strong, strategic relationships with key third-party platforms. • Continued to align organizational policies with those of integrated third-party platforms. • Continued investment in critical integrations to preserve relevance for customers and maintain compliance with evolving third-party and statutory requirements.

Principal risks, impact and mitigations CONTINUED

Risk area	Impact	Mitigation of risk
Environmental *Strategic and operational* *Movement:* *Reduced*	The transition to a lower-carbon economy continues to present environmental, regulatory and reputational risks for the Group. While the direct environmental impact of the Group's operations remains relatively modest compared with many industries, increasing stakeholder expectations and evolving sustainability requirements continue to raise the importance of environmental performance. Customers, investors, employees and partners are placing greater emphasis on environmental responsibility, with sustainability considerations increasingly influencing procurement, investment and employment decisions. In addition, environmental reporting requirements continue to develop, placing greater emphasis on the accuracy, completeness and transparency of environmental disclosures. The Group's environmental footprint is primarily associated with energy consumption across corporate operations and third-party technology infrastructure. Failure to effectively manage environmental impacts, comply with relevant reporting obligations, or demonstrate meaningful progress against sustainability objectives could result in reputational damage, reduced competitiveness and increased stakeholder scrutiny.	• Maintained ISO 14001 certification, ensuring a consistent environmental management framework. • Continued compliance with applicable environmental legislation and disclosure requirements, including annual Streamlined Energy and Carbon Reporting (SECR) obligations and Energy Savings Opportunity Scheme (ESOS) commitments. • Commenced a strategic initiative to align the Group's greenhouse gas accounting and reporting practices with ISO 14064, strengthening governance, data quality and assurance over environmental reporting. • Maintained carbon-neutral status through the measurement and offsetting of residual greenhouse gas emissions across Scopes 1, 2 and selected Scope 3 categories. • Continued monitoring and reporting of environmental performance metrics to support informed decision-making and transparent external reporting. • Maintained a dedicated sustainability program, public sustainability reporting, and independent ESG assessments through EcoVadis to provide stakeholders with transparency regarding environmental performance and commitments. • Supported employee engagement through the Dotgreen environmental advocacy group and initiatives designed to encourage sustainable behaviours across the organization. • Continued review of evolving environmental regulations, stakeholder expectations and industry best practices to ensure the Group's environmental strategy remains appropriate and effective.

Streamlined energy and carbon reporting

The Group is committed to reducing its environmental impact. The Streamlined Energy and Carbon Reporting (SECR) regulations requires reporting on energy use and Scope 1&2 Greenhouse Gas (GHG) emissions. The Group goes further by voluntarily reporting on, and offsetting Scope 3 emissions related to the following impacts and aspects:

- Major computer and infrastructure cloud providers
- Business travel (rail, air and road)
- Employee remote working
- Transmission and distribution losses (T&D)
- Well-to-tank for fuels plus electricity generation

The Group's Scope 1&2 GHG emission sources are from global office building energy use as the Group has no business fleet vehicles.

An independent third party is used to help collate the report in line with the requirements under SECR highlighted by UK DEFRA and DBEIS and uses the GHG Protocol methodology for GHG emissions reporting.

Energy use and GHG emissions

	Current reporting year July 1 2025 – June 30 2026 Energy usage (kWh)	Previous reporting year July 1 2024 – June 30 2025 Energy usage (kWh)
Natural gas	0	36,004
Electricity	170,491	73,133
Other fuels (stationary)	0	0
Other fuels (mobile)	0	0
Total energy	**170,491**	**109,137**
of which in the UK	**62%**	**52%**
	GHG emissions (tonnes of CO2e)	GHG emissions (tonnes of CO2e)
Scope 1&2 gross CO2e	**59.5 (+82.5%)**	**32.6**
of which in the UK	**28%**	**21%**
Scope 3 gross CO2e	**505.1 (-30.1%)**	**723.1**
Total gross CO2e	**564.6 (-25.3%)**	**755.7**
Scope 1&2 net CO2e	35.4 (+55.3%)	22.8
Scope 3 net CO2e	493.4 (-30.9%)	714.4
Total net CO2e (before carbon offsets)	528.8 (-28.3%)	737.2
Purchased carbon offsets	529	738
Total net CO2e	-0.2	-0.8
	Intensity ratios (kilograms of CO2e)	Intensity ratios (kilograms of CO2e)
Per turnover* Scope 1&2 CO2e gross figure	**0.65 (+67%)**	**0.39**
Per turnover* Total CO2e gross figure	6.2 (-31.1%)	9.0
Per employee Scope 1&2 CO2e gross figure**	**116.1 (+73%)**	**67.1**
Per employee** Total CO2e gross figure	1,102 (-29.3%)	1,558

Baseline and previous year comparison

The baseline year (2019/2020) and previous year (2024/2025) energy consumption and carbon emissions are reported from the Dotdigital SECR 2024/2025 report.

During preparation of this report, the electricity meter data from Dotdigital's Southampton office for 2024/2025 was reviewed alongside 2025/2026 readings. The meter was replaced during the 2024/2025 period, and the photographs provided for the replacement digital meter were of limited legibility and used a different display format from the previous mechanical meter. The availability of clearer, continuous readings for 2025/2026 has enabled the replacement-meter readings to be reconciled, including their decimal places. The 2024/2025 comparative figure for Southampton electricity consumption has therefore been restated using the corrected reading, and this revision is reflected in the previous year figures presented throughout this report. The resulting adjustment is not significant in relation to Dotdigital's total reported emissions.

Electricity usage, and the related Scope 1&2 emissions, increased significantly compared to the previous year. The largest contributing factor was a change in the scope of energy data provided by the building management company for the London Bridge office. In previous years, only tenant floor general power and lighting was reported. From 2025/2026, the data also includes apportioned building services energy for Dotdigital's tenancy, specifically air handling, chilling and pump, and hot water pump proportions. The year-on-year comparison is therefore not on a like-for-like basis, and the increase principally reflects improved data completeness rather than a change in operational energy use.

Intensity measurement

Dotdigital has decided to use the turnover and the number of employees (FTEE) as their reference for intensity measurement. For the 2025/2026 year, the company has shared details on turnover and number of employees as follows:

* The Dotdigital 2025/2026 final turnover is £90,900,000.

** Dotdigital had a total of 556 FTEE in the financial year 2025-2026, comprising 451 Dotdigital employees, 47 Social Snowball employees (acquired and included for the full reporting year), and 58 Alia employees (acquired March 2026).

As Alia's energy and emissions data has been included for three months of the reporting period only, a time-weighted average FTEE of 512.5 has been used as the denominator for per-employee intensity ratios, to ensure consistency between the numerator and denominator.

The 2024/2025 and baseline 2019/2020 turnovers and number of employees were extracted from the previous SECR 2024/2025 report for the comparisons.

Streamlined energy and carbon reporting CONTINUED

Energy and emissions summary

The Group's total energy usage increased by 56.2% from the previous year (and decreased by 68.5% compared to the baseline year). This was due to:

- The inclusion of the Social Snowball and Alia businesses.
- A change in the scope of energy data provided by the building management company of Dotdigital's largest office (London Bridge).
- Slight increases in measured energy usage in Dotdigital's other global offices.

The total gross GHG emissions have decreased by 25.3% from the previous year (and increased by 50.4% on the baseline year). This was due to a decrease in business travel.

Initiatives during the reporting period

Dotdigital recognizes the urgency of energy and climate action and has put in place some initiatives to reduce their energy usage and environmental footprint. Among these, Dotdigital has:

- Successfully maintained ISO 14001 certification, ensuring the Environmental Management System continues to drive continual improvement.
- Continued to promote the UK employee salary sacrifice EV scheme, with uptake resulting in approximately 44 tCO_2e avoided.
- Continued to promote green initiatives within the business via the internal Dotgreen team.
- Continued rollout of the new expenses system across the business (including acquisitions), improving business travel data quality, carbon reporting accuracy, and reducing reliance on spend-based calculations.
- Reviewed sustainability performance with key suppliers to better understand, improve, and reduce Scope 3 and spend-based emissions throughout the supply chain.
- Continued consolidation of IT equipment, reducing office energy consumption.
- Worked with global landlords to obtain energy usage data for all offices, reducing the need for estimates in environmental reporting.
- Expanded the Dotforest (Dotdigital Ecologi) initiative to more than 34,000 trees, with approximately 10 tCO_2e avoided.
- Adopted the requirements of the Simpler Recycling regulations, improving waste segregation and recycling practices across offices.
- Dotdigital purchased carbon offsets Gold Standard/Verra issued carbon credits which compensates the net greenhouse gas emissions produced from the Group's operations.

Section 172 report

The Board of Directors of Dotdigital Group PLC consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole and, in doing so have (amongst other matters) to:

- The likely consequences of any decisions in the long-term;
- the interests of the Group's employees;
- the need to foster the Group's business relationships with suppliers, customers and others;
- the impact of the Group's operations on the community and environment;
- the desirability of the Group maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between shareholders of the Group.

As part of a Director's induction they are briefed on their duties and they can access professional advice on these, either from the Company Secretary, the Nominated Advisor (NOMAD) or any other independent advisor if necessary. The Directors fulfil their duties partly through a governance framework that delegates day-to-day decision-making within authority levels to senior employees of the Group.

The following paragraphs summarise how the Directors fulfil their duties:

Risk management

We provide business critical technology for our clients across many industries and sectors. As we grow, our business and our risk environment also become more complex. It is therefore vital that we effectively identify, evaluate, manage and mitigate the risks we face, and that we continue to evolve our approach to risk management. An Operational Risk committee exists within the business that meets bi-monthly to make sure all aspects of risks are registered and mitigations or solutions are found and executed where possible. They also report to and present their findings to the Audit and Risk Committee on a regular basis.

In taking decisions, the Board gives specific consideration to the likely long-term consequences for the Group. This includes its strategy of sustainable organic growth and disciplined, long-term investment in product development, people and infrastructure. This long-term orientation underpins how the Board evaluates material decisions and capital allocation.

For details of our principal risks and uncertainties, and how we manage our risk environment, please see pages 24 to 30.

Our people

The Group is committed to being a responsible business. Our behavior is aligned with the expectations of our people, clients, investors, communities and society as a whole. People are the heart of our business.

The Group seeks to create a balanced culture whereby the development of our people drives our success and ensures we operate as efficiently as possible.

During the year, the Group ran its annual employee engagement survey, the results of which were shared with and reviewed by the Board. The Group continued to invest in learning and development programs to support both individual growth and organizational capability. Our commitment to diversity, equity and inclusion is embedded across our hiring practices, promotion decisions and annual pay review processes.

We operate a whistleblowing policy that enables all employees to raise concerns confidentially.

For further details on our people, please see page 34 to 37.

Business relationships

Our strategy prioritizes organic growth, driven by cross-selling and upselling our services to our existing customers, as well as recommending our partners, to help our customers to drive a better return on investment from their digital marketing and attracting new customer sign-ups. To do this, we develop strong relationships with both the customers and the wider partner ecosystem of agency and technology partnerships across the globe. We value our suppliers and have multi-year contracts with our key suppliers to minimize volatility in our operations and cost base. We aim to pay all suppliers within their credit terms to help develop a healthy relationship.

For further details on how we work with our clients, please see page 6.

CSAT (Customer satisfaction score) is our main measure of customer satisfaction after an interaction with our support team has taken place. It is derived by taking positive ratings/total ratings x 100. We receive over 1,000 customer ratings every month, and this metric provides a good and regular pulse on how happy customers are with the support service that we provide. We regard maintaining levels of 98%-99% month to month as world class.

Community and environment

We use our position of strength to create positive change for the people and communities with which we interact. The Group has maintained its ISO 14001 certificate and has continued to operate as a carbon neutral business. We have also continued to meet the criteria of ESOS phase 3 which enables us to complete energy audits for the UK environment agency.

As part of our DotCommunity initiative we aim to raise money and awareness for many charitable causes for both local and international efforts.

For further details on how we interact with communities and the environment, please see pages 34 to 37.

Shareholders

The Board is committed to openly engaging with our shareholders, as we recognize the importance of a continuing effective dialogue, whether with institutional investors, private or employee shareholders. It is important to us that our stakeholders understand our strategy and objectives, so these must be explained clearly, feedback heard, and any issues or questions raised, properly considered.

During the year, the Executive Directors held meetings with institutional investors following the announcement of full- and half-year results, as well as attending investor conferences. The Annual General Meeting provided all shareholders with the opportunity to engage directly with the Board. Any significant votes against resolutions are followed up with investors to understand their concerns. The Senior Independent Director is available to meet major shareholders on request. Feedback gathered through these engagements is reported to the Board and informs both strategic and governance discussions.

For further details on how we engage with our shareholders, please see page 40 to 43.

Environmental, Social and Governance (ESG) statement

Dotdigital has a proud foundation of support and interest in many key areas. This year we have built upon those strong foundations to deliver numerous projects, initiatives and change across all Dotvoice pillars.



Dotvoice

Employee-led impact

During the year we relaunched Dotvoice, our engine for employee engagement and advocacy. Dotvoice gives people at Dotdigital a clear route to shape our culture, push for change, and help build a more inclusive, sustainable business.

It is the hub for employee-led initiatives across our global teams relating to our people, social and environmental priorities. Each initiative gets visibility, governance, an executive sponsor, and resources, so good ideas turn into meaningful action with lasting impact.

Employee feedback is captured through several channels, including the #askusanything Slack channel, anonymous Your Voice platform via HiBob, and our open, transparent Group all-hands, where we address the topics colleagues raise.

Through Dotvoice, more of our people shape the ESG agenda. That keeps our priorities tied to what matters to employees, customers, communities and wider stakeholders.

Dotvoice is built around four dedicated employee communities. Each one is tied to a priority in our ESG and people agenda.

Dotgreen

Environmental awareness and sustainability

Dotgreen's mission is to make sure Dotdigital runs our operations with minimal environmental impact and promotes positive environmental behaviors. It drives how we play our part in tackling the climate crisis and ecological emergency, with a target of achieving net zero by 2030.

This year, Dotgreen continued to educate customers, partners, and employees on environmental issues and helped foster a culture of sustainability.

Highlights from the year included:

- **Lower emissions:** gross emissions fell 25.3% to 564.6 tCO2e (FY25: 755.7 tCO2e), driven largely by a 35% fall in business travel emissions, from 527 to 342 tCO2e. Emissions per £1,000 of turnover fell 31% to 6.2kg CO2e (FY25: 9.0kg), and emissions per employee fell 29% to 1,102 kg CO2e (FY25: 1,558kg).
- **A blended offsetting portfolio:** we moved from an offset portfolio made up entirely of carbon avoidance to a blended portfolio, with 44% of offsets now going to carbon removal.
- **Plastic free July:** colleagues took part in a month-long campaign to cut single-use plastic, making 148 pledges across five commitments: refusing single-use cups, plastic drinks bottles, plastic food wrap and single-use plastic bags, and going plastic free more broadly.
- **Electric vehicle scheme:** Our employee electric vehicle scheme has 25 confirmed orders, with 24 cars on the road. Saving 44 tonnes of CO2 emissions.
- **Compost awareness week:** Dotgreen marked International Compost Awareness Week with a "composting for every space" guide and a list of local programs in five regions, and invited colleagues to share their own tips.

Looking ahead, we plan to align our carbon reporting with ISO 14064, the international standard for greenhouse gas accounting. We also plan to finish moving Social Snowball to the carbon-neutral cloud provider Dotdigital has used for many years. Under our ISO 14001-certified Environmental Management System, Dotgreen will keep looking for ways to reduce our footprint and will continue to produce awareness and educational content for employees, partners and customers.

Dotcommunity

Driving belonging, social impact and collaboration

Dotcommunity brings together employees to deliver impact through volunteering, fundraising, charity partnerships, community outreach, and global giving. The group connects us to the places we work and gives people a way to back causes they care about.

"Dotcommunity continues to be a driving force behind our inclusive culture and social impact efforts."

David Aldrich | Chief People Officer



International Women's Week

We celebrated International Women's Week in March 2026, for the fourth consecutive year, with several activities aligned to the annual theme of “Give to Gain”.

A week-long recognition thread invited colleagues to celebrate the women who have inspired them, at work and beyond. We highlighted the employee-led Slack communities that support women and allies across the business, covering topics such as menopause, neurodiversity, pregnancy and baby loss, returning from maternity leave, and pride.

We also put a spotlight on ActionAid, a Dotdigital client working to empower women and girls through education, economic opportunities and practical support.

Dotcommunity continues to be a driving force behind our inclusive culture and social impact efforts, and we look forward to building on this momentum in the year ahead.

DotDEI

Championing diversity, equity and inclusion

Through awareness campaigns, education, cultural celebrations, and employee-led discussions, DotDEI works to make sure everyone feels valued and respected, and that diverse perspectives are heard across the company.

DotDEI led several initiatives in 2025/2026, focusing on education, celebration and meaningful engagement across Dotdigital.

ECHO Week

ECHO Week, which recognizes the ethnicity, culture, heritage and origin of our people, returned for a second year, following last year's launch, where colleagues' own stories remain central to how DotDEI creates a diverse, inclusive and respectful workplace.

Employees created their own podcast which shared holiday traditions that matter to them, including a digital creative on Samhain, the Irish festival from which Halloween originates, and a member of our training team on Hanukkah, the Jewish Festival of Lights.

International Women's Week

As part of the global moment to recognise achievements, impact and leadership of women everywhere there was a dedicated hosted session from Alice Olins – leadership coach and founder of the Step Up Club – on The Attitude Advantage: Optimism, Self-Leadership, and Social Support

Gender pay gap

Our gender pay gap report is published separately each April. Our most recent report, published in April 2026, reflects the April 5 2025 snapshot and is available on the UK Government's gender pay gap service.

The report showed a median hourly pay gap of 20.0% and a mean gap of 21.0%, with women making up 22.0% of the upper pay quartile and 49.0% of the lower quartile.

We recognize that closing the gap remains a challenge and we have not made the progress we intended, during this financial year. The core areas for us to address are at senior leadership level, within our technical teams and within our revenue-generating team.

We remain focused on strengthening policies and practices to ensure fair representation, building and maintaining a truly inclusive workplace culture, and promoting transparency in hiring and promotion.

In relation to gender employee dynamics across the business the overall gender balance in the business was stable at 39% women (FY25: 39%). Women received a higher share of promotions than their share of the workforce, where 53% of 70 promotions went to women.

Dotwellbeing

Promoting health, wellbeing and belonging

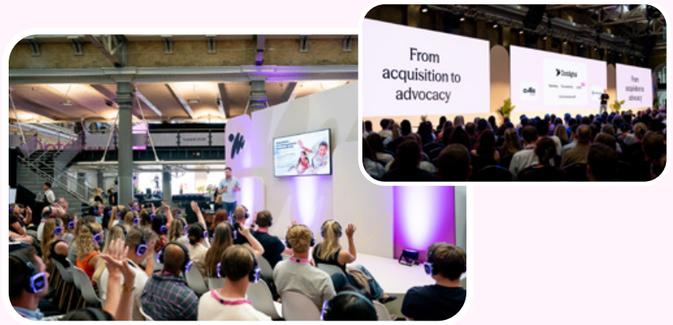
Dotwellbeing supports the overall wellbeing of our people, aiming to help them feel supported, connected, and able to do their best work. It focuses on physical, mental, emotional, and social health, supported through awareness campaigns, wellbeing resources, and employee-led activities.

Environmental, Social and Governance (ESG) statement

CONTINUED

"We've been using Dotdigital for several years and it has made a massive impact on our customer experience."

Reece Smith | Head of E-Business, Würth UK



This year, Dotwellbeing continued to build connection across our global teams:

- **Regional Anchor Days:** focus day per quarter for in person collaboration across teams in local offices including UK, Poland and South Africa mixing key business information, group workshops and team bonding activities.
- **#OnYourFeet:** we invited colleagues to walk or run, share a photo and tag five colleagues, with no step targets. Everyone who took part was entered into a prize draw. Contributions came from around the world. They ranged from hikes and city walks to a first attempt at ice skating.
- **Virtual social activity:** #WaterCoolerRoulette continues to connect colleagues across teams and regions, especially those new to the business, with randomly selected pairings for virtual conversation every month and shared back into Slack channels.
- **#goal-sharing:** In February 2026, when many New Year's resolutions had faded, we launched an open Slack channel for colleagues to share goals, progress and encouragement. It opened with a reflection exercise on joyful goal setting and was supported by regular prompts. It was set up to run for a month, with the option to continue if colleagues wanted to keep it going.

Looking ahead

Our ongoing focus will be on deepening education and broadening participation, so that all voices are heard at Dotdigital. We thank every employee who contributed to these initiatives and look forward to further building on our DEI journey together.

Governance

Our governance framework is well established, with full details on pages 40 to 43. Strong governance builds trust with customers, shareholders, and the communities we work in. So we back it with policies, training, and controls that hold our people to what stakeholders expect.

At Board level, an updated authority matrix sets clear parameters for decision making across the business. This ensures that material decisions get proper scrutiny and are made in the best interest of the Group and its shareholders. The Audit and Risk Committee oversees ESG matters and receives regular performance updates.

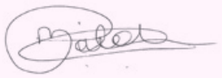
During the year we reviewed and revised our principal internal policies: health and safety, anti-slavery, anti-money laundering, fraud prevention, and information security. The Board reviewed every revised policy before adoption. All staff receive updated training at induction and through ongoing development, and named subject matter experts help with compliance and enforcement. A confidential whistleblowing channel lets employees and third parties raise concerns without fear of detriment.

We support the Modern Slavery Act 2015 and do not engage in any form of slavery or human trafficking. We have zero tolerance for bribery and corruption, and we act with integrity in all our business dealings.

We are committed to the highest standards of data privacy and information security for our employees and customers, and independent certification backs that up. We hold ISO 27001 (information security management), ISO 27701 (privacy information management), and Cyber Essentials Plus accreditations.

Strategic report

The Strategic report was approved by a duly authorized committee of the Board of Directors on November 3 2026 and signed on its behalf by:



Milan Patel
Chief Executive Officer

"Dotdigital feels like an extension of our team. For a company our size, with the ambitions we have, that's everything."

Lisa Nicholls - Program Manager, Firestar Toys



Board of Directors



Milan Patel FCCA ACA BFP
Chief Executive Officer

Milan joined the Group in 2007 and was appointed Group Company Secretary in 2009, CFO in 2015 and CEO in 2016. Milan is a fellow member of the Association of Chartered Certified Accountants (ACCA) and a member of the Institute of Chartered Accountants in England and Wales (ICAEW). He has been responsible for the Group's admission to ISDX (now Aquis - AQSE) and the Group's listing onto AIM.

Milan was responsible for the Group's functions in financial management and reporting, regulatory compliance, legal and corporate governance prior to being made permanent CEO of the Group over nine years ago. He also brings substantial strategic financial and commercial experience to the Board. As well as financial acumen, he has developed a broad range of operational competencies, a grasp of and execution of strategic objectives, clear leadership, international business development and growth, mergers and acquisitions expertise, and strong decisive management skills.

Milan is responsible for leading the executive team, its vision, and the growth strategy for the business, which includes both organic and inorganic. More specifically Milan is leading our global growth strategy, accelerated product innovation, developing strategic partnerships and executing on the acquisition strategy. He has a strong track record of delivery of strong performance against plan through the life of the company on the public markets.



Tom Mullan FCCA
Chief Financial Officer

Tom joined the Board on April 30 2025 and brings extensive experience in both the global software industry and as a public company CFO.

Tom began his career in 2001 with EY, gaining ACCA qualification and working in UK, US and Australian practices throughout his seven years with them. Subsequent to this, Tom spent a further seven years with global insuretech leader, Guidewire Software Inc, leading finance and operations across EMEA as headcount in the region grew from less than five to over 400 and the group listed on the NYSE. Tom's first group CFO role was with another insuretech business, Fadata, where he spent two years with the private equity-backed business.

Most recently, Tom served for more than six years as CFO at Gresham Technologies PLC, a leading software and services company that specializes in providing solutions for data integrity, control and connectivity. During his time at Gresham, Tom played a leading role in driving the evolution of the legacy business to SaaS, overseeing international expansion and both bolt-on and transformational M&A activity. This culminated in the company's transition to private ownership in 2024.



John Conoley
Non-Executive Chairman

John was appointed as Non-Executive Chairman of the Board on July 5 2022. He brings significant executive and non-executive Board-level experience of both fully-listed and AIM-quoted businesses.

He began his career in the IT industry with IBM in 1983, where he worked in a range of industries in technical, sales and marketing roles. Recent public company roles include Chief Executive Officer of Psion PLC, the fully-listed international mobile device company, from April 2008 to October 2012 when it was acquired by Motorola; Non-Executive Director of NetDimensions (Holdings) Limited, the AIM-quoted human capital management software company, from October 2016 to April 2017 when it was acquired by Learning Technologies plc. In addition he was Non-Executive Chairman of Wameja Limited, the AIM- and ASX-quoted innovative mobile financial services company that was acquired by Mastercard in 2021. He was Executive Chairman of the AIM-listed FireAngel Safety Technology Group PLC until June 2023.



Boris Huard
Non-Executive Director

Boris joined the Board on March 26 2019 and is the CEO of CitNOW Group, a Living Bridge and Tenzing portfolio company providing SaaS and Data solutions to the automotive industry across 50 countries. Boris brings present day experience of running global software, big data and analytics businesses – topics of key importance to Dotdigital.

Boris joined CitNOW in 2024, having previously held roles in the technology industry for 20 years, ranging from Board Director with Maxima Plc, Chief Executive at Sword CT Space, UK & I Executive Board at Experian and Global ID&F MD for GBG Plc.

During those years, he delivered sustainable organic growth and executed bolt-on acquisitions. From turnaround to successful public to public exit transactions, Boris drove performance through hands-on P&L management, international business development, cross-continents operations, mergers and acquisitions and company restructurings and integrations.



Elizabeth (Liz) Richards ACA
Non-Executive Director

Liz joined the Board on May 1 2020 and also chairs the Audit and Risk Committee. She is a highly experienced executive and Non-Executive Director with a career spanning the Financial Services, Data and Software sectors. After an early career with Lloyds Bank, Liz qualified as a Chartered Accountant with EY.

Liz was Chief Financial Officer for Callcredit (now Transunion), a successful consumer data business, where as a founder member, she oversaw its rapid growth from start-up to a £150m revenue business. During that period, she was instrumental in the purchase and integration of several successful acquisitions and has end-to-end experience of significant private equity and trade corporate transactions.

She is also Deputy Chair and Chair of Finance and Investment for Yorkshire Cancer Research and sits on the Council of the University of Leeds, where she is also a member of the Audit and Risk Committee.

Previous NED and Audit Chair roles have included Tracsis plc, an AIM-listed software business in the transportation sector, LINK Scheme, the ATM operator, and Leeds Trinity University.

She brings experience of high-growth acquisitive business, and financial, audit and governance expertise to the Board at Dotdigital.

Corporate governance report

Chairman's introduction to governance

The Board is fully committed to achieving high standards of governance in line or ahead of those expected for the size and stage of development of the Group and I believe this contributes to our ability to deliver long-term shareholder value. As an AIM-quoted company, the Board has elected to comply with the Quoted Companies Alliance (QCA) Corporate Governance Code. They have adopted the 2023 version of the code as opposed to the 2018 version previously adopted. The Group will report annually on our compliance with the code and any exceptions. The QCA Code identifies ten principles to be followed to deliver growth in long-term shareholder value by ensuring that the management framework is efficient, effective and dynamic. This in turn is supported by good stakeholder communication to promote confidence and trust.

The sections that follow describe how the ten principles of the QCA Code are applied to deliver medium to long-term success without preventing innovation and entrepreneurial spirit, together with any areas of non-compliance.



John Conoley
Non-Executive Chairman

Compliance statement

1. *Establish a purpose, strategy and business model which promotes long-term value for shareholders (fully complies)*

Dotdigital's purpose is to enable our customers to provide intelligent, meaningful and personalized marketing or other communications to their customers, prospects, audiences and other communities seamlessly. Our technology enables customers to enhance revenue, whilst driving operational efficiencies in doing so. This is achieved through Dotdigital's AI-powered platform, which gives marketers a single suite of products based upon real-time data to connect and communicate more effectively. We help our customers create and manage automated personalized communications and understand customer behavior across multiple channels. The strategy and business operations of the Group are set out in the Strategic report on pages 2 to 37 of the Group's annual report. The risk section of the Annual Report is on pages 24 to 30 and deals with the challenges the business faces and how these challenges are mitigated/addressed.

The Chief Executive is responsible for the leadership and day-to-day management of the Group. This includes formulating and recommending the Group's strategy for Board approval and then executing the approved strategy. You can find a full description of the roles of the Board at www.dotdigitalgroup.com.

Our simple and transparent business model has consistently delivered value to our shareholders.

2. *Promote a corporate culture that is based on ethical values and behaviours (fully complies)*

We are committed to acting ethically and with integrity in all our business relationships and with all our people. The Group wants the myriad of benefits of a diverse workforce and is committed to providing a working environment that is free from discrimination. The Group seeks to promote the principles of equality and diversity in all its dealings with employees, workers, job applicants, clients, customers, suppliers, contractors, agencies and the public.

Our people are the difference - hence we aim to hire, retain and train the best. We continue to encourage our unique and supportive culture, which we believe sets us apart from other companies, both as a place to work and in the service we provide to our customers. Our comprehensive set of policies and procedures are regularly updated and communicated to employees to help us to be compliant with our ethical and cultural values.

As well as its formal employee policies and procedures, the Group's various employee committees (as referred to within the ESG section of this annual report on pages 34 to 37) play a pivotal role in developing an engaged and energized workforce, whose values and behaviors align to those of the Group. These Committees are involved in activities both within the Group's workforce and with external stakeholders, including select charities within the local communities in which we operate.

The Group's policies (including Whistleblowing and Anti-bribery) set out its zero tolerance approach towards any form of discrimination or unethical behaviour relating to bribery, corruption, or business conduct. The Group's Modern Slavery Act 2015 Statement is available on our website.

3. *Seek to understand and meet shareholders' needs and expectations (fully complies)*

The Group seeks regular dialogue with both existing and potential new shareholders, either through the management team, investor relations or through the company analysts, ensuring its strategy, business model and performance are clearly understood as well as to understand the needs and expectations of shareholders.

The Chief Executive and Chief Financial Officer meet regularly with investors and analysts via investor roadshows and attend investor conferences to provide them with updates on the Group's business and obtain feedback regarding the market's expectations of the Group through the brokers, other advisors or direct feedback to the management team. The Non-Executive Directors and other members of the leadership team also meet with shareholders, albeit on a less routine and frequent cadence.

The Board invites communication from its private investors and encourages participation by them at the AGM and through webinars offered during the semi-annual roadshows. All Board members are present at the AGM and are available to answer questions from shareholders. Notice of the AGM is at least 21 clear days and the business of the meeting is conducted with separate resolutions, voted by proxy and with the result of the voting being clearly indicated throughout the meeting. The results of the AGM are subsequently published on the Group's corporate website and are announced through a regulatory information service.

There is also a designated email address for Investor Relations, investorrelations@dotdigital.com, and all contact details are included on the Group's website.

All Non-Executive Directors are available to shareholders where concerns have not been resolved through the normal channels of communication with the Board and for when such contact would be inappropriate.

The Board believes that they have successfully engaged with their shareholders in the past and will continue to do so going forward.

4. *Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success (fully complies)*

We recognize that we are responsible not only to our shareholders and employees, but to a wider group of stakeholders (including our customers and suppliers) and the communities in which we operate. The Group is committed to the highest standards of corporate social responsibility. The Group's key relationships and stakeholder groups, identified by management, are:

- Employees
- Shareholders (both institutional and private)
- Customers
- Suppliers

Further details on the Group's key resources and relationships and how it engages with and obtains feedback from these key stakeholder groups are detailed in our Section 172 Statement on page 33. Responsibility for stakeholder engagement principally lies with the Executive Directors and other members of the management team, other than where remit has been specifically delegated to a Committee of the Board.

We are committed to meeting with customers to seek their regular feedback to ensure a high level of customer service and to improve our platform. We have various channels for customers and prospects to communicate with the Group, whether it be through the messaging channels or the customer success managers. The feedback is then reviewed on a regular basis by the senior management team of the Group.

The Group is mindful of its corporate social responsibilities and the need to build and maintain strong relationships across a range of stakeholder groups. As a Group, we regard this as a key principle in what we do. The Group has established Dotcommunity, which consists of employees across all departments and seniority levels to engage with stakeholders to help enrich communities. These policies and activities are described in full in our ESG report, which can be found on page 34 to 37.

The Group is fully committed to encouraging the 'employee voice' and acting on the feedback we receive. Whether by informal discussion or via our quarterly employee satisfaction survey, the opinions and feedback provided by our employees are vital to shaping the business. Our employees are at the heart of our business and we consistently strive to train and develop them for career progression.

The Board closely monitors the results of the Group's Employee Engagement Survey to address where possible any concerns raised and ensure the alignment of interests between the Group and its employees. This alignment is vital to shaping the business.

5. *Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organization (fully complies)*

The Group's system of internal controls, identification of significant risks and reviewing its effectiveness are the responsibility of the Board. A considered approach to risk management is adopted, balancing certain levels of strategic risk in order to ensure that long-term capital growth is achieved for shareholders. These systems are designed to mitigate the risk of failure to achieve the business objectives. These systems can only provide reasonable, but not absolute, assurance against material misstatement or loss.

A summary of the principal risks and uncertainties facing the Group, as well as mitigating actions, are set out on pages 24 to 30.

There is an ongoing process for identifying, evaluating and managing the Group's significant risks and this is regularly reviewed by the Operational Risk Committee and the Audit and Risk Committee. The Group also keeps an active risk register which is also formally reviewed by the Committees on a quarterly basis. This ongoing process ensures that the risks faced by the Group are maintained at an acceptable level, the process covers:

- The Board's appetite to risk
- The responsibility for internal control
- The Board process for the review of processes and controls
- Risk responsibility, mitigating actions and monitoring processes in place

The internal control procedures are delegated to Executive Directors and senior management in the Group, operating within clearly defined terms set by the Operational Risk Committee. At least twice annually, the Board reviews the internal control procedures in light of the ongoing assessment of the Group's significant risks, which is reviewed and updated by the Operational risk committee on a quarterly basis.

On a monthly basis, the management accounts, including a comprehensive financial report, are reviewed by the Board in order to provide effective monitoring of financial performance. Outside of the formal review cycles, where appropriate, any major control, risk, business or environment changes are discussed with the Board during monthly Board meetings. These reviews also include any climate related risks and opportunities, details of which are further described in the Group's ESG standards and reporting set out at pages 34 to 37 of this report.

Financial and reporting risks are considered by the auditors and the Audit and Risk Committee. The Audit and Risk Committee has responsibility for the appointment and remuneration of the Group's external auditors and satisfying itself that they maintain their independence regardless of any non-audit work performed by them. The Audit and Risk Committee monitors in particular non-audit work by the auditors of which there has been none during the financial year. Each year the Audit and Risk Committee reviews and satisfies itself as to the independence of the auditor, and in the financial year the Audit and Risk Committee obtained written confirmation from the auditor that:

- It has obtained confirmation of independence from all specialists and experts involved in the audit and complies with relevant ethical requirements including, as a minimum, the Financial Reporting Council's (FRC) Ethical Standard, and is independent of the Group;
- There were no non-audit services provided by the auditor to the Group during the period and up to the date of the confirmation; and
- It has not identified any other relationships or threats that may reasonably be thought to bear on the auditor's objectivity and independence.

Corporate governance report CONTINUED

	Board		Audit and Risk Committee		Remuneration Committee		Nomination Committee	
	Attended	Total	Attended	Total	Attended	Total	Attended	Total
Executive Directors								
Milan Patel	13	13	4	4	3	3	–	–
Tom Mullan	13	13	4	4	3	3	–	–
Non-Executive Directors								
Boris Huard	13	13	4	4	3	3	1	1
John Conoley	13	13	–	–	3	3	1	1
Elizabeth Richards	13	13	4	4	3	3	1	1

6. *Establish and maintain the Board as a well-functioning, balanced team led by the Chair (fully complies)*

The Group is managed by a Board of Directors chaired by John Conoley. The Board is responsible for taking all major strategic decisions and also addressing any significant operational matters. In addition, the Board reviews the risk profile along with the Operational Risk Committee of the Group and ensures that an adequate system of internal control is in place. Management information systems are in place to enable the Board to make informed decisions to properly discharge their duties. A formal schedule of Matters Reserved for the Board was adopted by the Board on March 27 2026 and is reviewed at least annually.

The Board currently consists of two Executive Directors and three Independent Non-Executive Directors. The Non-Executives spend a minimum of two days a month on Dotdigital Group business matters. The Independent Non-Executive Directors are considered by the Board to be independent of management and free from any business or other relationship that could materially interfere with the exercise of their independent judgement in accordance with the QCA Code.

The Board believes it is appropriate to have a Senior Independent Non-Executive Director and Boris Huard currently fulfils this role. Boris is available to shareholders where concerns have not been resolved through the normal channels of communication with the Board and for when such contact would be inappropriate.

The Board has sufficient members to contain the appropriate balance of skills and experience to effectively operate and control the business. The Board, and more specifically the Nominations Committee, are responsible for the composition of the Board, including giving appropriate consideration to succession planning and diversity.

The roles of the Chairman and the Chief Executive are separate, with their roles and responsibilities clearly defined and set out in writing and these can be found on the corporate website. The Chairman's main responsibility is the leadership and management of the Board and its governance. He meets regularly and separately with the Executive and Non-Executive Directors to discuss matters for the Board.

The Chief Executive is responsible for the leadership and day-to-day management of the Group. This includes formulating and recommending the Group's strategy for Board approval and executing the approved strategy.

The Board aims to meet monthly and more frequently if necessary. In addition to this the Board attends an annual strategy meeting which also includes senior managers outside of the Board. The table above shows attendance at formal meetings for the period July 2025 to June 2026.

7. *Maintain appropriate governance structures and ensure that, individually and collectively the Directors have the necessary up-to-date experience, skills and capabilities (fully complies)*

The Board has a formal schedule of matters reserved for its attention, including approval of strategic plans and acquisitions and meets at least monthly.

The Board considers its current composition and overall size to be both appropriate and suitable with the adequate skills, experience and capabilities to make informed decisions, evaluate performance and constructively criticize strategy. The role of each member of the Board is clearly defined. The Chair is responsible for the operation of the Board. The Chief Executive Officer is responsible for proposing the strategic direction of the Board and implementing the strategy once approved. The Chief Financial Officer is responsible for all financial matters and, together with the CEO, engagement with shareholders. Board roles can be found on the Corporate Governance section of the website.

The Board is supported by the Audit and Risk, Remuneration and Nomination Committees in discharging its responsibilities. Each of the Committees, has access to information and external advice, as necessary, to enable the Committee to fulfil its duties.

The composition of the Board is reviewed annually by the Nomination Committee. The Board is fully committed to the appointment of the right skillsets that are required to grow shareholder value. All of the Directors retire at the AGM, thereby providing shareholders with the ability to decide on the election of the Group's Board. Their biographical details can be found on pages 38 to 39.

The Board is represented by an appropriately diverse mix of individuals, given its size. Experiences are varied and contribute to maintaining a balanced board that has the appropriate level and range of skills. The Board is not dominated by any one individual and all Directors have the ability to challenge proposals put forward to the meeting and decisions are reached democratically.

The Nomination Committee, through a thorough evaluation of the skills, knowledge and experiences of a proposed new Director, makes recommendations to the Board who then make the final decision on the appointment of a new member.

Throughout the year, the Directors receive updates on corporate governance matters from either the Company Secretary or the Group's nominated advisors.

To ensure that the Board continue to develop their skills and keep up to date with market developments, they have access to independent professional advice, which will be at the expense of the company. In addition, all members of the Board have access to the support and advice of the Company Secretary who, along with the Executive Directors, is responsible for the induction program of new members.

8. *Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement (fully complies)*

Through regular meetings with all members of the Board, the Chairman continuously appraises the performance of each Board member. The Group's corporate objectives were agreed early in the year, and from these objectives, the terms of reference, matters reserved and authority matrix documents, the objectives of each Board member are clear.

The Nominations Committee is responsible for formal Board evaluation. The Committee has previously carried out formal Board performance evaluations including the circulation of questionnaires to each Board member to assess whether the composition, capabilities, performance and operating structure of the Board remains appropriate and effective. The learnings from this process have been discussed by the Board and been addressed. The Committee's intention has been to continue to conduct an internal evaluation on an annual basis, with the same process being repeated for each of the Committees of the Board as normal. This internal evaluation has been completed and findings along with the recommendations have been discussed with the Board and where necessary been implemented.

9. *Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture (fully complies)*

The Remuneration Committee has responsibility for the oversight and implementation of an effective remuneration policy for the Group. The Remuneration Committee reports are set out in detail at pages 45 to 49 of this report.

The Committee receives independent advice from FIT Remuneration Consultants LLP when required.

The Remuneration Committee believes that the remuneration arrangements are in the best interests of the Group and are appropriately aligned to strategic goals and the long-term creation of shareholder value. The Remuneration policy is designed to remunerate the Executive Directors competitively and appropriately and allows them to share in this success and the value delivered to shareholders. The policy is based on the following principles:

- Promote shareholder value creation and support the business growth strategy;
- Ensure that the interests of the Directors are aligned with the long-term interests of shareholders;
- Deliver a competitive level of pay for the Directors sufficient to attract, retain and motivate individuals; and
- Ensure that an appropriate proportion of the package is determined by targets linked to the Group's performance.

10. *Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders (fully complies)*

The Group is committed to open communication with all its shareholders, achieving this through:

- the Annual Report and Accounts;
- the Interim Report and Accounts;
- regulatory News Service (RNS) announcements;
- the AGM;
- one-to-one meetings with large existing or potential new shareholders;
- Group meetings, presentations and events through the broker and advisor network focused on generating new institutional shareholders; and
- ongoing engagement with the investor press and other news distribution outlets focussed on private and retail investors.

The Group's website **www.dotdigitalgroup.com** is regularly updated and users can register to be alerted via email when announcements or details of presentations and events are posted on the website. Annual Reports and notices of meetings for at least the last five years can be found on the Group's website.

As outlined in principle 3, there is also a designated email address for Investor Relations, **investorrelations@dotdigital.com**, and all contact details are included on the Group's website.

Details of specific issues and challenges arising during the year, and how they have been addressed and communicated by the Board with shareholders and other key stakeholders are set out in the Section 172 Statement at page 33 of this report. No material changes to the Board structure or process were made during the year.

For each AGM, the Group publishes detailed results of voting on each resolution, included votes for and against, noting that no significant proportion of votes have been cast against any resolution.

Audit and Risk Committee report

Dear Shareholder

On behalf of the Board it is my pleasure to give my report as Chair of the Audit and Risk Committee.

The members of the Committee are Independent Non-Executive Directors. During the year the Committee comprised myself as Chair and Boris Huard, with John Conoley (Board Chair), Milan Patel (CEO), Tom Mullan (CFO) and the external auditors attending as appropriate. The Committee also meets separately with the external auditors without management being present, in accordance with best practice.

The Secretary to the Committee is the Group Company Secretary George Kasparian.

Responsibilities and scope of the Audit and Risk Committee

The Audit and Risk Committee is a sub-committee of the Board. The responsibilities of the Committee include:

- reviewing the half-year and full-year accounts and results announcements of the Group, any other formal announcements relating to the Group's financial performance and recommending them to the Board for approval;
- reviewing the reports from the Group's auditors relating to the systems of internal financial control and risk management;
- considering the appointment of the external auditors, overseeing the process for their selection and making recommendations to the Board in relation to their appointment;
- monitoring and reviewing the effectiveness and independence of the external auditors, agreeing the nature and scope of their audit, agreeing their remuneration, and considering their reports on the Group's accounts;
- assisting the Board in its assessment of the Group's principal and emerging risks and their disclosure in the Annual Report and accounts; and
- monitoring developments in the Group's risk management processes by reviewing reports from the operational risk committee.

Main activities of the Committee during the year

- The Committee met four times during the financial year.
- At its meeting on October 22 2026 the Committee reviewed the Group's preliminary announcement of its results for the financial year to June 30 2026 and the draft report and accounts for that year.
- It received reports from the external auditors on the conduct of their audit, their review of the accounts, including accounting policies, going concern, and principal areas of judgement, and their comments on risk management and control matters.
- It has assisted the Board in its assessment of the Group's principal and emerging risks and their disclosure in the Annual Report and accounts. The meeting agendas included discussion of the output of the operational risk committee, informed and presented by the senior business leaders and reviewed in the context of the overall business strategy.

Independence of external auditors

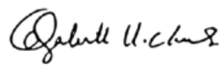
Both the Board and the external auditors have safeguards in place to avoid the possibility that the auditors' objectivity and independence could be compromised. The Group's policy in respect of services provided by the external auditors is as follows:

- **Audit-related services** – the external auditors are invited to provide services which, in their position as auditors, they must or are best placed to undertake. This includes formalities relating to borrowings, shareholders and other circulars, various other regulatory reports and work in respect of acquisitions and disposals;
- **General consulting** – in recognition of public concern over the effect of consulting services on auditors' independence, the Group's policy is that the external auditors are not invited to tender for general consulting work.

The audit of the financial statements for the year to June 30 2026 will be the sixth undertaken by Moore Kingston Smith. The Committee remains satisfied with their level of independence, professional judgement and with the oversight it gives to the financial statements.

Approval

This report was approved by the Board on November 3 2026 and signed on its behalf by:



Elizabeth Richards
Chair of the Audit and Risk Committee

Remuneration Committee report

Dear Shareholder

On behalf of the Board, I am pleased to present the Directors' Remuneration Report for the year ended June 30 2026. As the Company is listed on AIM, we are required to comply with AIM Rule 19 in respect of remuneration disclosures. However, we also provide additional disclosures to those required by AIM Rule 19 on a voluntary basis, in line with AIM best practice, to enable shareholders to better understand and consider our remuneration arrangements.

This report is divided into three sections, these being:

- **This Annual Statement**, which summarizes the work of the Committee, remuneration outcomes in the year ended June 30 2026 and how the Remuneration Policy will be operated for the year ending June 30 2027;
- **The Remuneration Policy**, which summarizes the Company's Remuneration Policy, which remains unchanged; and
- **The Annual Report on Remuneration**, which discloses how the Remuneration Policy was implemented in the year ended June 30 2026 and how the policy will operate for the year ending June 30 2027.

The items included in this report are unaudited unless otherwise stated.

Our approach

In keeping with last year's framework, we have ensured that incentives cover annual and longer-term targets, to deliver sustainable and profitable growth.

The Committee is primarily responsible for determining and recommending to the Board the policy for the Executive Directors' remuneration and employment terms. The Committee is also responsible for reviewing and making recommendations to the Board about share incentive plans and performance-related schemes across the Group. Finally, the Committee also considers the Chairman's fee level and the remuneration structure below Board level for key employees and potential hires.

The Committee's Terms of Reference, which are reviewed annually to ensure they reflect any changes in legislation, regulation, and best practice, can be found at www.dotdigitalgroup.com.

This report (i.e. Annual Statement, Remuneration Policy and Annual Report on Remuneration) will be subject to an advisory shareholder vote at the 2026 AGM. While the Committee notes Principle 9 application of the new QCA Code, which suggests a separate advisory vote on the Remuneration Policy, this is not considered by the Committee to be necessary at the current time given the Policy remains unchanged. That said, this approach will be kept under review and formal shareholder approval will be considered to the extent that material changes to the Policy are made in the future.

Review of the year ended June 30 2026

As described earlier in the Annual Report, the Group has performed in line with market expectations during the year, delivering continuing operations revenue of £90.9m, continuing revenue growth and total profit before tax excluding exceptional costs, amortization of acquired intangibles, gain on contingent consideration, foreign exchange on intercompany loans and share-based payments of £19.4m, a 2% increase on the prior year. However, notwithstanding strong Group and individual performance and reflecting the challenging targets that were set, the CEO and CFO did not earn an annual bonus against the sliding scale revenue and profit targets as a result of near misses on the respective threshold targets.

Performance Share Plan (PSP) awards granted to Milan Patel on December 5 2023 over 626,787 shares partially vested post year end at 23.5% of maximum potential. Although Dotdigital's Total Shareholder Return was below the median of the AIM100 in the 3 years ended June 30 2026, earnings per share was between threshold and maximum against the targets resulting in 47% of this part vesting. As such, 23.5% of the 2023 award will vest in December 2026.

In respect of PSP awards granted in the year ended June 30 2026, the Chief Executive Officer was granted a PSP award over 948,224 shares and the Chief Financial Officer was granted a PSP award over 596,026 on December 1 2025. These become exercisable subject to continued service and the Company's relative three-year total shareholder return and earnings per share in respect of the year ending June 30 2028.

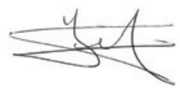
Outlook for 2027

The Committee remains committed to a fair and responsible approach to executive pay, whilst ensuring it stays in line with best practice and appropriately incentivizes Executive Directors over the longer term to deliver the Group's strategy. In respect of operating the Remuneration Policy for the year ending June 30 2027:

- The Chief Executive Officer's and Chief Financial Officer's base salary will remain unchanged at £420k and £264k respectively;
- Pension provision will continue to be capped at 5% of salary;
- Annual bonus provision will be capped at 125% of salary for the Chief Executive Officer and 100% of salary for the Chief Financial Officer with sliding scale equally weighted targets based on revenue and profit before tax;
- The Committee intends to grant PSP awards to the Chief Executive Officer and Chief Financial Officer before the end of the 2026 calendar year with vesting based on stretching three-year performance targets based on Total Shareholder Return and Earnings Per Share; and
- The Chairman's fee and Non-Executive Director fees will remain unchanged at £107k and £53.5k respectively.

Finally, an annual review of the effectiveness of the Committee by both the Board and the Committee itself is underway and any changes, to the extent appropriate, will be made as a result of feedback from the review.

On behalf of the Board



Boris Huard
Chairman of the Remuneration Committee
November 3 2026

Remuneration Committee report CONTINUED

Directors' remuneration policy

This section sets out the Directors' Remuneration Policy which remains unchanged. The Remuneration Committee considers the Remuneration Policy annually to ensure that it continues to underpin the Group's strategy.

Key principles

The main aim of the Group's policy is to align the interests of Executive Directors with the Group's growth strategy and long-term creation of shareholder value. The policy is designed to remunerate the Executive Directors competitively and appropriately and allows them to share in this success and the value delivered to shareholders. The policy is based on the following principles:

- promote shareholder value creation and support the business growth strategy;
- ensure that the interests of the Directors are aligned with the long-term interests of shareholders;
- deliver a competitive level of pay for the Directors sufficient to attract, retain and motivate individuals; and
- ensure that an appropriate proportion of the package is determined by targets linked to the Group's performance.

Executive Directors' remuneration policy

Component	Purpose and link to strategy	Operation	Maximum	Performance measure
Base salary	To provide a competitive base salary to attract, motivate and retain Directors with the experience and capabilities to achieve the strategic aims.	Reviewed annually against salary surveys for market rate, Group performance, role and experience.	No overall maximum has been set, however they are reviewed in the wider context of the Group.	Not applicable.
Benefits	To provide a market-competitive benefits package.	Receive benefits in line with market practice, these include company car/ allowance, private medical, income protection and death in service insurance.	Set a level deemed appropriate by the Remuneration Committee.	Not applicable.
Pension	To provide an appropriate level of retirement benefit.	Executive Directors are eligible to participate in the Group's pension plan.	5% of base salary.	Not applicable.
Annual bonus	To reward performance against annual targets which support the strategic direction of the Group.	Awards are based on annual performance and are normally paid in cash.	125% of salary for CEO 100% of salary for CFO	Sliding scale financial (e.g. revenue and/or profit) and/or personal/strategic targets.
PSP	To drive and reward the achievement of longer-term objectives, support retention and promote share ownership for Executive Directors.	Awards can be made over conditional shares and/ or nil cost or nominal cost share options. Vesting will be subject to the achievement of specified performance conditions, normally over a period of three years. Awards may be subject to malus provisions at the discretion of the Committee.	150% of salary (or 450% of salary where end-to-end awards, rather than annual grants).	Performance metrics will be linked to financial and/or share price and/or strategic performance.
Shareholding guidelines	To promote share ownership for Executive Directors.	Executive Directors are expected to build a shareholding in the Group over time.	200% of salary for the CEO and 100% of salary for other Executive Directors.	Not applicable.

Explanation of performance measures

Performance measures are selected such that they align with the performance of the Group and the interests of shareholders. Stretching performance targets are set each year for the annual bonus and long-term incentive awards. When setting these performance targets, the Committee will consider several different reference points, which may include the Group's business plan and strategy and the economic environment.

The Committee retains the ability to adjust or set different performance measures if events occur which cause the Committee to determine that the measures are no longer appropriate, and that amendment is required so that they can achieve their original purpose. Awards and options may be adjusted in the event of a variation of share capital in accordance with the rules of the PSP.

Employee incentive schemes

The Company also operates a share option plan (CSOP). The Board considers the performance of staff in conjunction with the Group during the annual review process. Discretionary bonuses are awarded below Board level based on individual and Group performance.

Non-Executive Directors' Remuneration Policy

The Remuneration Policy for the Non-Executive Directors is to pay fees necessary to attract an individual of the talent required, taking into consideration the size of the business and the time commitment of the role as follows:

Approach to setting fees	Basis of fees	Other Items
The fees of the Non-Executive Directors are agreed by the Chairman and Chief Executive. Fees are reviewed annually. Fees are set taking into account the level of responsibility, relevant experience and specialist knowledge of each Non-Executive Director.	Fees may include a basic fee and additional fees for further responsibilities. Fees are paid in cash.	Non-Executive Directors do not receive any benefits or pension contributions. Travel and other reasonable expenses incurred in the course of performing their duties are reimbursed.

Details of current Executive Directors' contracts

The Executive Directors each entered a service contract with the Group. Each appointment runs for one year from that date but the appointment automatically renews thereafter. It is also terminable by six months' notice by either party to expire at the end of that year or at any time thereafter. The agreement contains restrictive covenants. Upon termination, no benefits (other than those accruing during the notice period) are due to the Director. The Executive Directors are all put for re-election at each AGM.

Statement of consideration of shareholder views

The Committee considers shareholder feedback received on remuneration matters, including issues raised at the AGM as well as any additional comments received during any other meetings with shareholders.

Annual report on remuneration

The Directors' emoluments for the year ended June 30 2026 were as per the following table. All components of the remuneration are fixed with the exception of the bonus which is variable. This information has been audited.

Executive Directors	Salary/Fees £'000	Benefits £'000	Bonus £'000	Pension £'000	Share-based payment* £'000	Total £'000	Number of outstanding options
T Mullan	264	14	–	13	22	313	596,026
M Patel	420	17	–	21	236	694	3,820,449
	684	**31**	**–**	**34**	**258**	**1,007**	**4,416,475**

Non-Executive Directors	Salary/Fees £'000	Benefits £'000	Bonus £'000	Pension £'000	Share-based payment £'000	Total £'000	Number of outstanding options
B Huard	54	–	–	–	–	54	–
J Conoley	107	–	–	–	–	107	–
E Richards	54	–	–	–	–	54	–
	215	**–**	**–**	**–**	**–**	**215**	**–**

* The share-based payment calculation is based on annual share option awards granted to Milan Patel in 2022, 2023, 2024 and 2025 and Tom Mullan in 2025, which are assessed for vesting in the third year of the performance period. Under IFRS 2 Share-based payments, the Group must provide an estimate for the costs based on the valuation model called Monte Carlo each year, as if they fully paid out at the end of the performance period in 2025, 2026, 2027 and 2028 for Milan Patel and 2028 for Tom Mullan. To be fully paid out, half the award is based on the Group achieving an annual compounded total shareholder return (TSR) in the upper quartile of AIM 100 and the other half is based on hitting an earnings per share (EPS) target set by the Remuneration Committee.

Remuneration Committee report CONTINUED

The Directors' emoluments for the year ended June 30 2025 were as per the following table. All components of the remuneration are fixed with the exception of the bonus which is variable. This information has been audited.

Executive Directors	Salary/Fees £'000	Benefits £'000	Bonus £'000	Pension £'000	Share-based payment** £'000	Total £'000	Number of outstanding options
A Gurney	200	13	–	11	(56)	168	–
T Mullan	44	1	–	2	–	47	–
M Patel	400	15	140	20	29	604	3,003,348
	644	**29**	**140**	**33**	**(27)**	**819**	**3,003,348**

Non-Executive Directors	Salary/Fees £'000	Benefits £'000	Bonus £'000	Pension £'000	Share-based payment £'000	Total £'000	Number of outstanding options
B Huard	52	–	–	–	–	52	–
J Conoley	104	–	–	–	–	104	–
E Richards	52	–	–	–	–	52	–
	208	**–**	**–**	**–**	**–**	**208**	**–**

** The share-based payment calculation is based on annual share option awards granted to Milan Patel in 2021, 2022, 2023 and 2024 which are assessed for vesting in the third year of the performance period. Under IFRS 2 Share-based payments, the Group must provide an estimate for the costs based on the valuation model called Monte Carlo each year, as if they fully paid out at the end of the performance period in 2024, 2025, 2026 and 2027 for Milan Patel. To be fully paid out, half the award is based on the Group achieving an annual compounded total shareholder return (TSR) in the upper quartile of AIM 100 and the other half is based on hitting an earnings per share (EPS) target set by the Remuneration Committee.

Directors' interests

The respective interests, all of which are beneficial, in the shares of the Company for the members of the Board at the year-end are stated below:

	No of shares held	% Holding
M Patel	1,631,182	0.53
B Huard	95,084	0.03
T Mullan	46,177	0.03
E Richards	42,669	0.03
J Conoley	43,000	0.03
	1,858,112	**0.65**

Directors' interest in share options

Under the Group's executive share option scheme, the following Directors have the right to acquire ordinary shares:

Director	Grant date	No. of share options granted	No. of share options vested	Option price (pence)	Date first exercisable	Expiry date
M Patel	12/19/17[1]	1,375,000	935,000	0.5	12/18/22	12/18/27
M Patel	12/21/20[2]	306,728	81,283	0.5	12/21/23	12/21/30
M Patel	09/23/21[3]	201,458	71,510	0.5	09/23/24	09/23/31
M Patel	12/08/22[4]	600,379	469,256	0.5	12/08/25	12/08/32
M Patel	12/05/23[5]	626,787	–	0.5	12/05/26	12/05/33
M Patel	11/06/24[6]	688,389	–	0.5	11/06/27	11/06/34
M Patel	12/01/25[6]	948,224	–	0.5	12/01/28	12/01/35
T Mullan	12/01/25[6]	596,026	–	0.5	12/01/28	12/01/35

1 Awards vested on December 18 2022 at 68% of the maximum based on absolute TSR targets.

2 Awards vested on December 20 2023 at 26.5% of the maximum based on absolute TSR and EPS targets.

3 Awards vested on September 26 2024 (being the date that the Remuneration Committee assessed and confirmed the performance targets) at 35.5% of the maximum based on absolute TSR and EPS targets.

4 Awards vested on October 23 2025 (being the date that the Remuneration Committee assessed and confirmed the performance targets) at 78.15% of the maximum based on absolute TSR and EPS targets.

5 Awards vested post year end on October 22 2026 (being the date that the Remuneration Committee assessed and confirmed the performance targets) at 23.5% of the maximum based on absolute TSR and EPS targets.

6 Vesting is based on sliding scale relative TSR targets (50% of awards) and EPS targets (50% of awards) measured over three years.

Composition of the Remuneration Committee

For the period from July 1 2025 to June 30 2026, the Remuneration Committee comprised independent Non-Executive Directors, namely Boris Huard (Chairman), John Conoley and Elizabeth Richards.

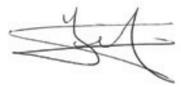
The Committee makes recommendations to the Board on Executive Directors' service agreements and remuneration. In doing so it has undertaken relevant research to ensure that remuneration levels are competitive with the industry average. The Committee met three times during the year. The Chief Executive attends meetings and provides information and support as requested. He is not present when his remuneration package is considered.

Advisors

The Committee receives independent advice from FIT Remuneration Consultants LLP when required.

Approval

This report was approved by the Board on November 3 2026 and signed on its behalf by:



Boris Huard
Chairman of Remuneration Committee

Report of the Directors

The Directors present their report with the financial statements of the Company and the Group for the year ended June 30 2026.

Information relating to principal risks and uncertainties, review of business, key performance indicators and future outlook is included within the Strategic report.

Principal activity

The principal activity of the Group in the year under review was that of providing intuitive software as a service (SaaS) via an AI-powered customer experience and data platform for intelligent, personalized marketing engagement at scale.

Review of business

During the year the Group has shown stable growth from continuing operations in customer numbers, sales and profits. Continuing operations revenues grew from £83.9m in the year ended June 2025 to £90.9m for the year ended June 2026, an increase of 8%.

Adjusted profit before tax grew by 2% to £19.4m for the year ended June 2026 (2025: £19.0m).

Dividends

The Board proposes a dividend payment of £4,028,606 comprising an ordinary dividend of 1.33p per ordinary share (2025: £3,732,329 an ordinary dividend of 1.21p per ordinary share) to be distributed to shareholders in respect of the Group's reported performance.

The Board's dividend policy will be reviewed annually in line with the cash needs required for opportunities for growth to increase shareholder value and capital expenditure.

Purchase of own shares

During the year ended June 30 2026, 4,551,607 ordinary shares of £0.005 per share (2025: nil) were purchased for a total consideration of £3,015,000. These shares are held in treasury.

Highest paid Director

The Companies Act 2006 requires certain disclosures about the remuneration of the highest paid Director, taking into account emoluments, gains on exercise of share options and amounts receivable under long-term incentive schemes. On this basis, the highest paid Director in the year was Milan Patel and details of his remuneration are disclosed in the Remuneration Committee report and in Note 28.

Strategic report

The Strategic report covers pages 2 to 37.

Supplier payment policy

The Group's policy is to settle the terms of payment with suppliers when agreeing the terms of each transaction and to ensure that suppliers are made aware of the terms of payment and to abide by the terms of payment. The average trade creditors for the Group, expressed as a number of days, was 35 days (2025: 41 days).

Directors' interests

The Directors who served during the period and their beneficial interests in the shares of the Group, as recorded in the Register of Directors' interests at June 30 2026, are as follows:

	FY26		FY25	
Director	Number of shares held	Percentage shareholding %	Number of shares held	Percentage shareholding %
M Patel	1,631,182	0.53	1,631,182	0.53
B Huard	95,084	0.03	95,084	0.03
E Richards	42,669	0.03	42,669	0.03
A Gurney	–	–	27,000	0.03
T Mullan	46,177	0.03	27,096	0.03
J Conoley	43,000	0.03	–	–

The Directors who served during the period and their beneficial interests in share options in the Group, as recorded in the Register of Directors' interests as at June 30 2026, are as follows:

Director	FY26 Number of options held	FY25 Number of options held
M Patel	3,820,449	3,003,348
T Mullan	596,026	–

The share options granted to Milan Patel and Tom Mullan can only be exercised at the end of a three-year vesting period, based on total shareholder return performance relative to the AIM 100 index and absolute EPS targets. Under IFRS 2 Share-based Payments, the Group must provide an estimate for the costs based on a Monte Carlo model valuation each year, as if they fully paid out at the end of the performance period in December 2025, 2026, 2027, 2028 for the respective options to Milan Patel and 2028 for the options to Tom Mullan.

Substantial interests

On September 30 2026, the following parties had notified the Group of a beneficial interest that represents 3% or more of the Group's issued share capital at that date:

Shareholder	Number of shares held	Percentage shareholding %
Octopus Investments	53,875,929	17.76
Tink Taylor, Founder and President	29,776,667	9.81
Lombard Odier Investment Managers	23,624,175	7.79
Rathbones	19,252,060	6.35
Slater Investments Ltd	18,917,877	6.24
Canaccord Wealth (ND)	12,977,873	4.28
Hargreaves Lansdown, Stockbrokers (EO)	9,650,346	3.18

Future outlook

The Group provides an AI-powered customer experience and data platform for intelligent, personalized marketing engagement at scale. This area has shown market growth significantly above that of the UK economy. The Board believes that our widespread brand recognition and strong product will continue to present opportunities to expand and diversify profitability in the coming year.

Directors

The Directors shown below have held office during the whole of the period from July 1 2025 to the date of this report.

J Conoley
B Huard
T Mullan
M Patel
E Richards

Indemnity of officers

The Group purchases directors' and officers' insurance against their costs in defending themselves in legal proceedings taken against them in that capacity, and in respect of damages resulting from the unsuccessful defence of any proceedings.

Financial instruments

Details of the Group's risk management objectives and policies together with its exposure to financial risk are set out in note 23 to the financial statements.

The purpose of the policies is to ensure that adequate cost-effective funding is available to the Group and exposure to financial risk - interest rate, liquidity and credit risk is minimized.

Product development

In the markets in which the Group operates, effective development is vital to maintaining competitive advantage and securing future income streams.

Going concern

After making appropriate enquiries, the Directors consider that the Company and the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Events after the reporting period

There are no events after the date of this report or the date the financial statements were approved by the Board of Directors which impact on the figures as presented.

Listing

The Group's ordinary shares have been traded on the London Stock Exchange Alternative Investment Market (AIM) since March 29 2011. Canaccord Genuity are the Group's nominated advisor and together with Cavendish and Singer are the joint brokers. The closing mid-market share price at June 30 2026 was 42.2p (2025: 75.4p).

Related party transactions

Disclosures relating to related party transactions are set out in note 28 to the Consolidated financial statements.

Charitable and political donations

No political donations were made by the Company.

Charitable donations made by the Group in the year were £2,793 (2025: £16,956).

Employees

The number of employees and their remuneration is set out in note 4.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

The Group complies with all applicable labor laws in the respective jurisdictions in which it operates.

Statement of Directors' responsibilities

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

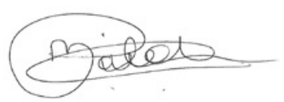
Statement as to disclosure of information to auditor

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditors are unaware, and each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Auditors

The auditors, Moore Kingston Smith LLP, will be proposed for reappointment at the forthcoming AGM in accordance with section 489 of the Companies Act 2006.

The Directors' report was authorized for issue by the Board of Directors on November 3 2026 and was signed on its behalf by:



Milan Patel
Chief Executive Officer
November 3 2026

Independent Auditor's Report to the Members of Dotdigital Group Plc

Opinion

We have audited the financial statements of Dotdigital Group Plc (the 'parent company' and its subsidiaries (the 'Group')) for the year ended June 30 2026 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at June 30 2026 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

An overview of the scope of our audit

Our group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement. The components of the Group were evaluated by the Group audit team based on a measure of materiality, considering each component as a percentage of the Group's total assets, current assets, revenue, and gross profit, which, along with consideration of relevant risk factors, allowed the Group audit team to assess the importance of each component to the audit of the group as a whole and determine the planned audit response.

Components were evaluated and based on their relative materiality to the Group and our assessment of the group audit risk, either a full scope or limited scope audit approach was adopted. For components requiring a full scope approach, we evaluated controls by performing walkthroughs over the financial reporting systems identified as part of our risk assessment, reviewed the accounts production process, and addressed critical accounting matters. We then undertook substantive testing on significant transactions and material account balances.

In order to address the audit risks identified during our planning procedures, we performed a full scope audit of the financial statements of the parent company and of the financial information of Dotdigital EMEA Limited (EMEA). A limited scope audit approach was adopted for Dotdigital Inc, Dotdigital APAC Pty Limited, Social Snowball Holdings Inc and Alia Software Inc. The scope of procedures performed varied by component, with Dotdigital Inc subject to procedures over revenue and trade and other payables, Social Snowball Holdings Inc and Alia Software Inc subject to procedures over revenue only, and Dotdigital APAC Pty Limited subject to procedures over trade and other receivables only. We performed specific targeted audit procedures on the aforementioned transactions and balances for these components, including substantive analytical review procedures. For all other components listed in note 15 of the financial statements which were identified as out of scope, substantive analytical review procedures only were performed. All work was carried out by the Group audit engagement team.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our scope addressed this matter
Incorrect revenue recognition Revenue is a significant item in the consolidated income statement and impacts a number of management's key judgements, performance indicators and key strategic indicators. The Group generated revenue of £90,865,000 in the financial year ended June 30 2026 (2025: £83,921,000) (Note 3). Of the above revenue, approximately £4,710,646 relates to manual billed revenue in EMEA, the largest trading entity. There is a risk of incorrect revenue recognition due to fraud, arising from: • recognition of manually billed revenue in the incorrect accounting period; • manually billed revenue not being recognised in accordance with IFRS 15 'Revenue from Contracts with Customers'; and • manipulation of manually billed revenue streams around the year-end through management override of internal controls. The audit engagement team have rebutted the ISA 240 revenue recognition fraud risk for all revenue streams except for manual billed revenue streams due to their automated and routine nature.	Our audit work included, but was not restricted to: Evaluating the Group's accounting policy in respect of revenue recognition to ensure it is compliant with the requirements of International Financial Reporting Standard (IFRS) 15; Obtaining a detailed understanding of the business process controls (automatic and manual) operating over the revenue cycle; Performing substantive testing on a sample of individual revenue transactions throughout the year across the revenue streams, subjecting manual billed revenue to a higher risk level in order to address the fraud risk associated with this stream of revenue, Evaluating whether revenue is recognised in accordance with the contract terms, having considered the principles of IFRS 15 and the commercial substance of the contracts; Engaging our IT audit team to critically assess the IT environment surrounding the sales process to provide reliance over the completeness and integrity of data flowing from the source system, Engagement Cloud, through to the accounting system. Performing substantive audit procedures to agree revenue transactions selected for testing to supporting evidence including sales invoices, SMS messaging (CPAAS) platform, rate cards, contracts and cash receipts; Performing substantive audit procedures on a sample of material credit notes, invoices and receipts post year end; Performing sales cut off tests to ensure revenue has been recognised in the correct accounting period, selecting a higher number of manual billed revenue items compared to other revenue streams to address the fraud risk associated with this stream; Testing deferred and accrued revenue and the revenue on free services to ensure it has been correctly calculated; Reviewing the adequacy of the disclosures in the financial statements to ensure they comply with the requirements of IFRS 15. *Key observations* From our audit testing, we did not identify any material misstatements of revenue. In addition, we concluded that the relevant disclosures in the financial statements are adequate.
Impairment of investments The directors are required to make an assessment to determine whether the carrying value of the parent Company's investments in subsidiaries is recoverable. The Company had investments in subsidiaries of £43,788,000 as at June 30 2026 (June 30 2025: £44,211,000) (Note 15). The process for assessing whether there is an impairment of investments in subsidiaries under UK adopted international accounting standards is complex. The process of determining the value in use through forecasting cash flows and the determination of the appropriate discount rate and other assumptions to be applied can be highly judgemental and can significantly impact the results of the impairment review. Due to the complex nature of this process, we identified impairment of investments as a key audit matter.	Our audit work included, but was not restricted to: Obtaining management's cash flow forecasts utilised in management's impairment assessment and critically assessing these. We also critically assessed the baseline year for consistency with the financial statements being audited; Obtaining an understanding of management's process for assessing investments for impairment and documenting our walkthrough of this process; Reviewing board minutes and holding discussions with management to understand the strategy for the investments and expectations going forward; Challenging and critically assessing management's assumptions utilised in the impairment models, including forecasts, growth rates and discount rates; Performing a sensitivity analysis to check whether management's forecasts would leave positive headroom if the assumptions of values increased or decreased; Comparing the calculated value in use for the investment to the carrying value of its net assets; Evaluating the accounting policy and detailed disclosures in the notes to the financial statements to determine whether information provided in the financial statements is compliant with the requirements of IFRS and consistent with the results of the impairment review. *Key observations* Based on our audit work, we concluded that the carrying value of the Company's investments is not materially misstated at year-end and that management's impairment assessment is appropriate. In addition, we concluded that the relevant disclosures in the financial statements are adequate.

Independent Auditor's Report to the Members of Dotdigital Group Plc CONTINUED

Key audit matters continued	How our scope addressed this matter
Valuation of intangible assets and goodwill The directors are required to make an assessment to determine whether there are impairment indicators relating to the Group's intangible assets and goodwill. The Group had intangible assets with a net book value of £59,987,000 as at June 30 2026 (June 30 2025: £48,356,000). (Note 13) The Group had goodwill with a net book value of £57,092,000 as at June 30 2026 (June 30 2025: £35,392,000). (Note 12) The process for assessing whether there is an impairment of intangible assets, including goodwill, under International Accounting Standard (IAS) 36 'Impairment of Assets' is complex. The process of determining the value in use of the assets, through forecasting cash flows related to each asset and the determination of the appropriate discount rate and other assumptions to be applied, can be highly judgemental and can significantly impact the results of the impairment review. Based on the judgemental nature of an impairment review, we identified impairment of intangible assets and goodwill as a key audit matter.	Our audit work included, but was not restricted to: Obtaining an understanding of management's capitalisation process for intangible assets and documenting our walk through of this process; Performing tests of the design and implementation of controls in place to address the significant risk; Critically assessing management's analysis of their assessment of whether there are any indicators of impairment; Critically assessing the impairment review performed by management. This included considering the life cycle, public perception through the share price of the company and the fair value of intangible assets held by the Group; Critically assessing the key assumptions used in the impairment workings and performing sensitivity analysis through changing the assumptions and re-running the cash flow forecast; Performing a detailed review of management's Weighted Average Cost of Capital (WACC) calculations; Evaluating the accounting policy and detailed disclosures in the notes to the financial statements to determine whether information provided in the financial statements is compliant with the requirements of IAS 36 and consistent with the results of the impairment review; Critically assessing and challenging management over the appropriateness of the useful economic life of the intangible assets; Reviewing the amortisation accounting policy for intangible fixed assets and ensuring it is reasonable and consistently applied. *Key observations* Based on our audit work, we concluded that the intangible assets and goodwill held by the Group are not materially misstated at the reporting date and that management's impairment assessment and reassessment of the useful economic life of intangible assets is appropriate. In addition, we concluded that the relevant disclosures in the financial statements are adequate.
Acquisition accounting The Group acquired Alia Software during the year with the total consideration payable up to $60m comprising an initial cash payment of $30m and an earnout, dependent on a two year performance period, of up to $30m, consequently recognising goodwill of £21m and other intangible assets of £14m at the date of acquisition, as detailed in note 12. The directors are required to make an assessment of the fair value of the consideration, including contingent consideration, and the fair value of the assets, liabilities and contingent liabilities acquired. Due to the complex nature of this process, we identified the accounting for the acquisition of Alia Software Inc as a significant risk, particularly the determination of the fair values of intangible assets in relation to technology, customer relationships and goodwill at acquisition date.	Our audit work included, but was not restricted to: Obtaining and reviewing the Sale and Purchase Agreement and agreeing the relevant accounting entries; With the involvement of valuation specialists where appropriate, reviewing key estimates and judgements applied by management in determining the fair value of identifiable intangible assets in relation to technology, customer relationships and goodwill recognised as at the acquisition date; Reviewing the completion accounts of the entity acquired in the year; Testing a sample of material and high-risk balances in the completion accounts; Evaluating the accounting policy and detailed disclosures to check whether information provided in the financial statements is compliant with the requirements of IFRS 3 Business Combinations. *Key observations* Based on our audit work, we concluded that the acquisition has been correctly accounted for in accordance with the requirements of IFRS 3 and that management's fair value assessment at date of acquisition is appropriate. We concluded that the disclosures in the financial statements relating to this area are adequate.

Key audit matters continued	How our scope addressed this matter
Capitalisation of development costs During the year, the Group capitalised development costs of £10,849,000 (2025: £10,318,000) within an internally generated development asset (note 13). These capitalised costs are being amortised over five years. The development cost additions represent resources the Group has invested in for the development of new innovative technology products for marketing professionals. There is a significant degree of judgement and subjectivity involved in assessing whether the internally generated intangible asset qualifies for capitalisation in accordance with the requirements of IAS 38. We have therefore identified the capitalisation and valuation of development costs as a key audit matter.	Our approach was focused on ensuring that the costs capitalised met the criteria for capitalisation and were directly attributable to development of the asset in line with IAS 38 and were not impaired at the year end, in accordance with IAS 36. Our audit procedures included, but were not restricted to: Obtaining a detailed understanding of management's procedures over capitalisation of costs, including an understanding of their assessment that the capitalisation criteria set out in IAS 38 have been met, and performing tests of design and implementation of key controls identified; Undertaking substantive procedures on a sample of projects to ensure that they relate to development costs by review of timesheet data, employee contracts, discussions with project leads and agreeing to other supporting documentation. Our work included a review performed by the MKS data analytics team on the underlying code of the work performed by the sampled employees; Critically assessing whether any projects have a research phase that should be considered separate from the development phase. We selected a sample of staff time on projects to review for any costs which should not be capitalised; Critically assessing the criteria for capitalising certain administrative overhead expenditure to ensure it is in accordance with IAS 38; Performing substantive analytical review procedures on internal staff costs capitalised by completing a proof in total including agreeing costs per the payroll reports to the amounts capitalised; Testing a sample of third-party costs to supporting documentation; Considering whether certain administrative overhead expenditure which had been capitalised was directly attributable to the development of the asset; Engaging an internal expert to review the Research & Development claim prepared by both internal and external experts and comparing the claim to the costs capitalised in the year. Performing a standback assessment of the testing performed on the intangible asset as a whole taking into account the scoping and overall risk, work performed on amounts capitalised in the year and overall evaluation of the audit evidence obtained, challenges to management and evaluation of the responses, collaboration with internal experts, assessment of the R&D memo provided by client, the controls and processes governing timesheets, ratios and comparable entities' metrics, the errors identified and their resolution and ultimately concluding whether all relevant requirements of IAS38 have been met. *Key observations* Based on our audit work, we concluded that the development costs have been capitalised in accordance with the requirements of IAS 38. In addition, we concluded that the relevant disclosures in the financial statements are adequate.

Independent Auditor's Report to the Members of Dotdigital Group Plc CONTINUED

Our application of materiality

The scope and focus of our audit was influenced by our assessment and application of materiality. We define materiality as the magnitude of misstatement that could reasonably be expected to influence the readers and the economic decisions of the users of the financial statements. We use materiality to determine the scope of our audit and the nature, timing, and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Due to the nature of the Group, we considered revenue to be the main focus for the readers of the financial statements, accordingly this consideration influenced our judgement of materiality. Based on our professional judgement, we determined overall materiality for the Group to be £860,000, based on one percent of revenue.

Due to the nature of the Parent company, we considered gross assets to be the main focus for the readers of the financial statements, accordingly this consideration influenced our judgement of materiality. Based on our professional judgement, we determined overall materiality for the parent Company to be £430,000, based on one percent of gross assets.

On the basis of our risk assessment, together with our assessment of the overall control environment, our judgement was that performance materiality (i.e., our tolerance for misstatement in an individual account or balance) for the Group and parent company was 50% of overall materiality, namely £430,000 and £215,000 respectively.

We agreed to report to the Audit Committee all audit differences in excess of £43,000 for the Group and £21,500 for the parent company, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also reported to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included a critical assessment of the detailed cash flow projections prepared by the directors, which are based on their current expectations of trading prospects, and obtaining an understanding of all relevant uncertainties, including those arising as a result of the increased cost of living and the energy crisis. We evaluated management's forecasting accuracy based on historical budgets versus actual performance.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the remuneration committee report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the parent company financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the remuneration committee report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 51 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the FRC's website at https://wwww.frc.org.uk/auditors/auditor-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor's-responsibilities-for

This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the Group and parent company and considered that the most significant are the Companies Act 2006, UK adopted international accounting standards, the rules of the Alternative Investment Market, and UK taxation legislation.
- We obtained an understanding of how the Group and parent company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Jonathan Russell (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP

Chartered Accountants
Statutory Auditor
6th Floor
9 Appold Street
London
EC2A 2AP

November 3 2026

Financial statements

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Consolidated income statement

FOR THE YEAR ENDED JUNE 30 2026

	Notes	FY26 £'000	FY25 £'000
Continuing operations			
Revenue from contracts with customers	3	90,865	83,921
Cost of sales	7	(18,460)	(17,371)
Gross profit		**72,405**	**66,550**
Administrative expenses	7	(53,997)	(49,765)
Other operating income		516	736
Operating profit from continuing operations pre share-based payments, amortization of acquired intangibles and exceptional costs		**18,924**	**17,521**
Share-based payments	30	(761)	(702)
Amortization of acquired intangibles	13	(4,260)	(1,786)
Gain on contingent consideration	22	5,158	–
Exceptional costs	5	(3,043)	(1,463)
Operating profit from continuing operations		**16,018**	**13,570**
Finance costs	6	(161)	(133)
Finance income	6	1,269	1,652
Profit before income tax from continuing operations	3	**17,126**	**15,089**
Income tax expense	8	(3,890)	(3,879)
Profit for the year from continuing operations		**13,236**	**11,210**
Profit for the period attributable to the owners of the parent		**13,236**	**11,210**
Earnings per share from all operations (pence per share)			
Basic	11	4.34	3.65
Diluted	11	4.20	3.55
Adjusted basic	11	5.09	4.93
Adjusted diluted	11	4.94	4.80

Consolidated statement of comprehensive income

FOR THE YEAR ENDED JUNE 30 2026

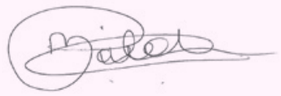
	Notes	FY26 £'000	FY25 £'000
Profit for the year		**13,236**	**11,210**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translating foreign operations		422	(682)
Total comprehensive income attributable to: Owners of the parent		**13,658**	**10,528**
Total comprehensive income for the year			
Comprehensive income from continuing operations		**13,658**	**10,528**

Consolidated statement of financial position

FOR THE YEAR ENDED JUNE 30 2026

	Notes	FY26 £'000	FY25 £'000
Assets			
Non-current assets			
Goodwill	12	57,092	35,392
Intangible assets	13	59,987	48,356
Property, plant and equipment	14	1,876	2,350
		118,955	**86,098**
Current assets			
Trade and other receivables	16	18,346	17,320
Current tax recoverable		–	1,063
Cash and cash equivalents	17	17,143	36,211
		35,489	54,594
Total assets		**154,444**	**140,692**
Equity attributable to the owners of the parent			
Called up share capital	18	1,542	1,538
Share premium	19	12,786	12,786
Reverse acquisition reserve	19	(4,695)	(4,695)
Other reserves	19	2,887	3,263
Retranslation reserve	19	(29)	(451)
Retained earnings	19	101,399	90,669
Treasury shares (at cost)	18	(3,228)	–
Total equity		**110,662**	**103,110**
Liabilities			
Non-current liabilities			
Lease liabilities	21	791	1,249
Contingent consideration	22	7,565	6,786
Deferred tax	25	10,337	8,307
		18,693	**16,342**
Current liabilities			
Trade and other payables	20	19,602	20,709
Lease liabilities	21	591	531
Contingent consideration	22	4,797	–
Current tax payable		99	–
		25,089	**21,240**
Total liabilities		**43,782**	**37,582**
Total equity and liabilities		**154,444**	**140,692**

The financial statements were approved and authorized for issue by the Board of Directors on November 3 2026 and were signed on its behalf by:



Milan Patel
Director
Company registration number: 06289659 (England and Wales)

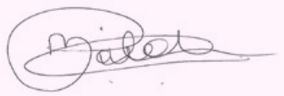
Company statement of financial position

FOR THE YEAR ENDED JUNE 30 2026

	Notes	FY26 £'000	FY25 £'000
Assets			
Non-current assets			
Intangible assets	13	1	2
Property, plant and equipment	14	6	6
Investments	15	43,788	44,211
		43,795	**44,219**
Current assets			
Trade and other receivables	16	18,775	14,450
Cash and cash equivalents	17	348	372
		19,123	**14,822**
Total assets		**62,918**	**59,041**
Equity attributable to the owners of the parent			
Called up share capital	18	1,542	1,538
Share premium	19	12,786	12,786
Other reserves	19	2,995	3,205
Retained earnings	19	7,953	7,217
Treasury shares (at cost)	18	(3,228)	–
Total equity		**22,048**	**24,746**
Liabilities			
Current liabilities			
Trade and other payables	20	40,870	34,295
Total liabilities		**40,870**	**34,295**
Total equity and liabilities		**62,918**	**59,041**

As permitted by section 408 of the Companies Act 2006, the Parent Company's income statement has not been included in these financial statements. The profit for the Company was £3,241,953 (2025: £3,205,824).

The financial statements were approved and authorized for issue by the Board of Directors on November 3 2026 and were signed on its behalf by:



Milan Patel
Director
Company registration number: 06289659 (England and Wales)

Consolidated statement of changes in equity

FOR THE YEAR ENDED JUNE 30 2026

	Called up share capital £'000	Treasury shares £'000	Retained earnings £'000	Share premium £'000	Re-translation reserve £'000	Reverse acquisition reserve £'000	Other reserves £'000	Total equity £'000
Balance at July 1 2024	**1,538**	**–**	**82,505**	**12,786**	**231**	**(4,695)**	**2,835**	**95,200**
Transactions with owners								
Dividends	–	–	(3,375)	–	–	–	–	(3,375)
Transfer in reserves	–	–	329	–	–	–	(329)	–
Deferred tax on share options	–	–	–	–	–	–	51	51
Share-based payments	–	–	–	–	–	–	706	706
Transactions with owners	–	–	(3,046)	–	–	–	428	(2,618)
Total comprehensive income								
Profit for the year	–	–	11,210	–	–	–	–	11,210
Other comprehensive income	–	–	–	–	(682)	–	–	(682)
Total comprehensive income	–	–	11,210	–	(682)	–	–	10,528
Balance as at June 30 2025	**1,538**	**–**	**90,669**	**12,786**	**(451)**	**(4,695)**	**3,263**	**103,110**
Balance as at July 1 2025	**1,538**	**–**	**90,669**	**12,786**	**(451)**	**(4,695)**	**3,263**	**103,110**
Transactions with owners								
Issue of share capital	4	–	–	–	–	–	–	4
Purchase of treasury shares		(3,015)	–	–	–	–	–	(3,015)
Dividends	–	–	(3,690)	–	–	–	–	(3,690)
Transfer in reserves	–	(213)	1,184	–	–	–	(971)	–
Deferred tax on share options	–	–	–	–	–	–	(166)	(166)
Share-based payments	–	–	–	–	–	–	761	761
Transactions with owners	4	(3,228)	(2,506)	–	–	–	(376)	(6,106)
Profit for the year	–	–	13,236	–	–	–	–	13,236
Other comprehensive income	–	–	–	–	422	–	–	422
Total comprehensive income	–	–	13,236	–	422	–	–	13,658
Balance as at June 30 2026	**1,542**	**(3,228)**	**101,399**	**12,786**	**(29)**	**(4,695)**	**2,887**	**110,662**

- Share capital is the amount subscribed for shares at nominal value.
- Treasury shares represent the portion of previously issued shares that the Group has repurchased from the open market.
- Retained earnings represents the cumulative earnings of the Group attributable to equity shareholders.
- Share premium represents the excess of the amount subscribed for share capital over the nominal value net of the share issue expenses.
- Retranslation reserve relates to the retranslation of foreign subsidiaries into the functional currency of the Group.
- The reverse acquisition reserve relates to the adjustment required to account for the reverse acquisition in accordance with UK Adopted International Accounting Standards.
- Other reserves relates to the charge for the share-based payment in accordance with IFRS 2 and the transfer on the exercise or lapsing of share options. During the year 660,000 treasury shares of £0.005 that had originally been purchased for £212,984 in 2015 and held in Other Reserves were moved to Treasury to provide a more consistent view.

Company statement of changes in equity

FOR THE YEAR ENDED JUNE 30 2026

	Called up share capital £'000	Treasury shares £'000	Retained earnings £'000	Share premium £'000	Other reserves £'000	Total equity £'000
Balance as at July 1 2024	**1,538**	**–**	**7,057**	**12,786**	**2,828**	**24,209**
Transactions with owners						
Dividends	–	–	(3,375)	–	–	(3,375)
Transfer in reserves	–	–	329	–	(329)	–
Share-based payments	–	–	–	–	706	706
Transactions with owners	–	–	(3,046)	–	377	(2,669)
Total comprehensive income						
Profit for the year	–	–	3,206	–	–	3,206
Total comprehensive income	–	–	3,206	–	–	3,206
Balance as at June 30 2025	**1,538**	**–**	**7,217**	**12,786**	**3,205**	**24,746**
Balance as at July 1 2025	**1,538**	**–**	**7,217**	**12,786**	**3,205**	**24,746**
Issue of share capital	4	–	–	–	–	4
Purchase of treasury shares	–	(3,015)	–	–	–	(3,015)
Dividends	–	–	(3,690)	–	–	(3,690)
Transfer in reserves	–	(213)	1,184	–	(971)	–
Share-based payments	–	–	–	–	761	761
Transactions with owners	4	(3,228)	(2,506)	–	(210)	(5,940)
Total comprehensive income						
Profit for the year	–	–	3,242	–	–	3,242
Total comprehensive income	–	–	3,242	–	–	3,242
Balance as at June 30 2026	**1,542**	**(3,228)**	**7,953**	**12,786**	**2,995**	**22,048**

- Share capital is the amount subscribed for shares at nominal value.
- Treasury shares represent the portion of previously issued shares that the Group has repurchased from the open market.
- Retained earnings represents the cumulative earnings of the Company attributable to equity shareholders.
- Share premium represents the excess of the amount subscribed for share capital over the nominal value net of the share issue expenses.
- Other reserves relates to the charge for the share-based payment in accordance with IFRS 2 and the transfer on the exercise or lapsing of share options. During the year 660,000 treasury shares of £0.005 that had originally been purchased for £212,984 in 2015 and held in Other Reserves were moved to Treasury to provide a more consistent view.

Consolidated statement of cash flows

FOR THE YEAR ENDED JUNE 30 2026

	Notes	FY26 £'000	FY25 £'000
Cash flows from operating activities			
Cash generated from operations	31	23,306	28,007
Interest paid	6	(161)	(133)
Tax paid		(4,143)	(5,533)
Net cash generated from operating activities		**19,002**	**22,341**
Cash flows from investing activities			
Acquisition of subsidiaries net of cash acquired	12	(20,605)	(14,469)
Purchase of intangible assets	13	(10,858)	(10,322)
Purchase of property, plant and equipment	14	(288)	(315)
Interest received	6	678	1,652
Net cash flows used in investing activities		**(31,073)**	**(23,454)**
Cash flows from financing activities			
Equity dividends paid	10	(3,690)	(3,375)
Purchase of Treasury shares	18	(3,015)	–
Payment of lease liabilities	21	(718)	(779)
Proceeds from share issues		4	–
Net cash flows used in financing activities		**(7,419)**	**(4,154)**
Decrease in cash and cash equivalents		**(19,490)**	**(5,267)**
Cash and cash equivalents at beginning of year	32	36,211	42,160
Effect of foreign exchange rate changes		422	(682)
Cash and cash equivalents at end of year	32	**17,143**	**36,211**

Company statement of cash flows

FOR THE YEAR ENDED JUNE 30 2026

	Notes	FY26 £'000	FY25 £'000
Cash flows from operating activities			
Cash generated from operations	31	6,681	3,066
Net cash generated from operating activities		**6,681**	**3,066**
Cash used in investing activities			
Additional subsidiary investment		–	(40)
Purchase of property, plant and equipment	14	(4)	(3)
Net cash flows used in investing activities		**(4)**	**(43)**
Cash flows from financing activities			
Equity dividends paid		(3,690)	(3,375)
Purchase of Treasury shares	18	(3,015)	–
Proceeds from share issues		4	–
Net cash flows used in financing activities		**(6,701)**	**(3,375)**
Decrease in cash and cash equivalents		**(24)**	**(352)**
Cash and cash equivalents at beginning of year	32	372	724
Cash and cash equivalents at end of year	32	**348**	**372**

Notes to the consolidated financial statements

FOR THE YEAR ENDED JUNE 30 2026

1. General information

Dotdigital Group Plc is a public limited company incorporated in England and Wales and quoted on the AIM market. The address of the registered office is disclosed on page 99.

2. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with UK adopted International Financial Reporting Standards and UK adopted International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations Committee (collectively IFRS Accounting Standards). The financial statements have also been prepared under the historical cost convention, with the exception of the valuation of investments, share-based payments, financial instruments, contingent consideration and initial valuation of assets and liabilities acquired in business combinations which are included on a fair value basis, and in accordance with those parts of Companies Act 2006 that are relevant to companies that prepare financial statements in accordance with UK-adopted International Accounting Standards.

The Group has applied all accounting standards and interpretations issued by the International Accounting Standards Board and the International Financial Reporting Standards (IFRS) Interpretations Committee effective at the time of preparing the consolidated financial statements.

New and amended standards adopted by the Group

The Group adopted the following new and amended relevant UK adopted IFRS in the year. :

IFRS 1 and IAS 21

The effects of Changes in Foreign Exchange Rates - amendments to cases where there is a lack of exchangeability.

The adoption of these accounting standards did not have any effect on the Group's Statement of comprehensive income, Statement of financial position or equity.

Accounting standards issued but not yet effective

The International Accounting Standards Board (IASB) has issued/revised a number of relevant standards with an effective date after the date of these financial statements. Any standards that are not deemed relevant to the operations of the Group have been excluded. They do not anticipate that IFRS 19 will have a major impact on the Group's financial statements in the period of initial recognition. While IFRS 18 will not impact the recognition or measurement of items in the financial statements, it will likely result in changes to how Dotdigital presents certain information. The Group is in the process of assessing the impact that the application of this standard will have on the Group's financial statements.

		Effective for periods commencing on or after
IFRS 9 & IFRS 7	Amendments to the classification and measurement of financial instruments and contracts referencing nature-dependent electricity	January 1 2026
	Annual improvements to IFRS Accounting Standards – Volume 11	January 1 2026
IFRS 18	Presentation and Disclosures in Financial Statements	January 1 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1 2027

The financial statements are presented in sterling (£), rounded to the nearest thousand pounds.

Significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

Basis of consolidation

The Group financial statements consolidate those of the Company and all its subsidiary undertakings drawn up to June 30 2026.

A subsidiary is an entity whose operating and financing policies are controlled by the Group. Subsidiaries are consolidated from the date on which control was transferred to the Group. Subsidiaries cease to be consolidated from the date the Group no longer has control. Intercompany transactions, balances and unrealized gains on transactions between Group companies have been eliminated on consolidation.

The Group applies the acquisition method to account for business combinations. In the statement of financial position, the acquiree's identifiable assets and liabilities are initially recognized at their fair values at the acquisition date.

As a result of applying reverse acquisition accounting since January 30 2009, the consolidated UK adopted IFRS financial information of Dotdigital Group Plc is a continuation of the financial information of Dotdigital EMEA Limited.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Group's activities. Revenue is shown net of value added tax, returns, rebates and discounts after eliminating sales within the Group. All revenue is from contracts signed with new customers and upgrades and additional functional recurring revenue sold to existing contracted businesses.

The Group recognizes revenue when the amount of revenue can be reliably measured, and it is probable that future economic benefits will flow to the entity. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. For most of our revenue streams, there is a low level of judgment applied in determining the transaction price or the timing of transfer of control.

Disaggregation of revenue from contracts with customers

The Group has disaggregated revenue recognized from contracts based on the geographical location of the customer and recurring revenue profile, as management believe that they best depict how the nature, amount, timing and uncertainty of the Group's revenue and cash flows are affected by economic factors. For disaggregation of revenue based on geographical location of customer please see the segmental reporting disclosure (Note 3).

Revenue Profile

	2026 £'000	2025 £'000
Recurring revenue	76,759	67,247
Non-recurring revenue	3,812	4,646
CPaaS revenue	10,294	12,028
Total	**90,865**	**83,921**

Licence fees

The Group provides an AI-powered customer experience and data platform for intelligent, personalized marketing engagement at scale to other businesses via a licence fee for the use of the Dotdigital platform. The licence fee is sold as a fixed price bespoke contract. The licence fee also scales to provide access to varying functionalities, including reporting and AI capabilities, within the platform. Management consider these functionalities to be indistinct from the licence fee. Revenue is recognized over time on the basis that access to an IP exists at any given time throughout the licence period. The contract price is recognized on a straight-line basis over the licence period. Variable consideration can be charged for extra capacity required under the licence. In these circumstances, the rules for usage-based royalties are applied and revenue is recognized when the performance obligation has been satisfied (charged in line with the contract as the usage occurred).

Message plans

Message plans allow businesses to send a fixed amount of messages for a fixed fee. The plans are considered to be a combined performance obligation with the Dotdigital licence as they are not distinct in the context of the contract. Revenue is therefore recognized in line with the licence fee. Management believe that if they were to apply an accounting policy in which the messages were considered to be a separate performance obligation, this would not have a material impact.

Overage fees can be incurred where message plans have been exceeded or have not been purchased in advance. In these circumstances the rules for usage-based royalties are applied and revenue is recognized when the performance obligation has been satisfied (charged in line with the contract as the usage occurred). For overages fees where management do not consider it possible to forecast and recognize revenue having regard to the variable consideration constraint, extra capacity not purchased in advance is charged in line with the contract as usage occurs.

Professional services

Professional services are considered to have a human element and can include training, design, build, support work and onboarding. Revenue is recognized over time on the basis that the customer benefits from the service as it is provided.

The output method is used to assess the stage of completion of each service at the reporting date. Judgment is required to determine the stage of completion. A review of deliverables by management and the professional services team is undertaken at the reporting date and considered together with time elapsed. Management believes that this provides a faithful depiction of the transfer of goods based on prior experience. There are occasions when these services are provided at no cost as part of the contract sold. The services provided for no charge are recognized at the price stated within the latest price list and accounted for as separate performance obligations when the service occurs. The amount allocated to the services is deducted from the contract value and the remainder of the contract value is spread evenly over the term of the contract.

Integration licence fees

A licence allows access to a strategic partner's platform through an integration with the Dotdigital platform. Revenue is recognized over time on the basis that access to an IP exists at any given time throughout the licence period. The contract price is recognized on a straight-line basis over the licence period.

Contract assets and contract liabilities

Costs to obtain a contract relate to sales commissions paid to staff and commissions paid to strategic partners for referrals or integrations to their platforms. The costs are deferred as contract assets and are amortized on a systematic basis consistent with the pattern or transfer of services to which the asset relates.

Where a customer prepays their contract in advance of commencement, the value of the consideration received is initially recognized as a contract liability. Revenue is subsequently recognized as the performance obligations are met.

Going concern

The Directors are required to satisfy themselves that it is reasonable for them to conclude whether it is appropriate to prepare the financial statements on a going concern basis, and as part of that process they have followed the Financial Reporting Council's guidelines (Guidance on the Going Concern Basis of Accounting and Reporting on Solvency and Liquidity Risk issued April 2016).

The Group's business activities, together with factors that are likely to affect its future development and position, are set out in the Chairman's report, the Chief Executive Officer's report and financial review and the Directors' report. Budgets and detailed profit and loss forecasts that look beyond 12 months from the date of these consolidated financial statements have been approved and used to ensure that the Group can meet its liabilities as they fall due.

The Directors have made various assumptions in preparing these forecasts, using their view of both the current and future economic conditions that may impact on the Group during the forecast period.

The Directors, at the time of approving the financial statements, have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Operating profit

Operating profit is stated after charging operating expenses but before finance costs and finance income.

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

2. Accounting policies CONTINUED

Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

Goodwill

Goodwill represents the excess of the fair value of the consideration over the fair values of the identifiable net tangible and intangible assets acquired and is allocated to cash generating units.

Under IFRS 3 'Business Combinations', goodwill arising on acquisitions is not subject to amortization but is subject to annual impairment testing. Any impairment is recognized immediately in the income statement and not subsequently reversed.

Investments in subsidiaries

Investments are held as non-current assets at cost less any provision for impairment. Where the recoverable amount of the investment is less than the carrying amount, impairment is recognized.

Intangible assets

Intangible assets are recorded as separately identifiable assets and recognized at historical cost less any accumulated amortization. These assets are amortized over their useful economic lives of 4 to 16 years, with the charge included in administrative expenses in the income statement.

Intangible assets are reviewed for impairment annually. Impairment is measured by determining the recoverable amount of an asset or cash generating unit (CGU) which is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

- Domain names
  Acquired domain names are shown at historical cost. Domain names have a finite life and are carried at cost less accumulated amortization. Amortization is calculated using straight-line method to allocate the cost of domain names over their useful lives of four years.
- Software
  Acquired software and websites are shown at historical cost. They have a finite life and are carried at cost less accumulated amortization. Amortization is calculated using straight-line method to allocate the cost of software and websites over their useful lives of four to five years.
- Intellectual Property
  Acquired intellectual property is shown at historical cost. Intellectual property has a finite life and is carried at cost less accumulated amortization. Amortization is calculated using straight-line method to allocate the cost of intellectual property over its useful life of five years.
- Product development
  Product development expenditure is capitalized when it is considered that there is a commercially and technically viable product, the related expenditure is separately identifiable and there is a reasonable expectation that the related expenditure will be exceeded by future revenues. Following initial recognition, product developments are carried at cost less any accumulated amortization and any accumulated impairment losses. The useful lives of these intangible assets are assessed to have a finite life of five years. Amortization is charged on assets with finite lives, and until economic benefit can be received and recognized, this expense is taken to the income statement and useful lives are reviewed on an annual basis. Amortization is charged from the point when the asset is available for use.

  Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Capitalized development costs are recorded as intangible assets and amortized from the point at which they are ready for use on a straight-line basis over their useful life.

  Costs incurred on development projects (relating to the design and testing of new or improved products) are recognized as intangible assets when the following criteria as detailed in IAS 38 'Intangible Assets' are fulfilled:

  - It is technically feasible to complete the intangible asset so that it will be available for use or resale;
  - Management intends to complete the intangible asset and use or sell it;
  - There is an ability to use or sell the intangible asset;
  - It can be demonstrated how the intangible asset will generate possible future economic benefits;
  - Adequate technical, financial and other resource to complete the development and to use or sell the intangible asset are available; and
  - The expenditure attributable to the intangible asset during its development can be reliably measured.
- Technology
  Technology represents the value of technology acquired in Fresh Relevance, Comapi, Social Snowball and Alia Software. The useful lives of the intangible assets are assessed to have a finite life of 8 years, 10 years, 10 years and 10 years respectively. Amortization is charged on assets with finite lives, and until economic benefit can be received and recognized, this expense is taken to the income statement and useful lives are reviewed on an annual basis. Amortization is charged from the point when the asset is available for use.
- Customer relationships
  This represents the value of customer contracts within Fresh Relevance, Social Snowball and Alia Software. The useful lives of the intangible assets are assessed to have a finite life of five years, five years and eight years respectively. Amortization is charged on assets with finite lives, and until economic benefit can be received and recognized, this expense is taken to the income statement and useful lives are reviewed on an annual basis. Amortization is charged over the lifetime of the customer contract.
- Brand names
  This represents the value of the trade name of Social Snowball and Alia Software. The useful lives of the intangible assets are assessed to have a finite life of 11 years and 16 years respectively. Amortization is charged on assets with finite lives and until economic benefit can be received and recognized, this expense is taken to the income statement and useful lives are reviewed on an annual basis. Amortization is charged over the lifetime of the trade name.

Impairment of non-financial assets (excluding goodwill)

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

Property, plant and equipment

Tangible non-current assets are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits which are associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Depreciation is provided at the following rates in order to write off each asset over its estimated useful life and is based on the cost of assets less residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Right of use assets:	over the term of the lease
Leasehold improvements:	over the term of the lease
Fixtures and fittings:	25% on cost
Computer equipment:	25%–33.3% on cost

The assets' residual values and useful economic lives are reviewed and adjusted, if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable value.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other (losses) or gains in the income statement.

Capital management

The Group manages its capital to ensure it is able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Group consists of cash equivalents and equity attributable to the owners of the parent as disclosed in the statement of changes in equity.

Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Dotdigital EMEA Limited has prepared an R&D tax credit claim under the merged RDEC scheme and has accounted for it under IAS 20.

Current tax

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Deferred taxation

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary difference will be utilized.

Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income asset is realized or deferred income tax liability is settled.

Leases

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and;
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

2. Accounting policies CONTINUED

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets, being less than £5,000, comprise IT equipment and small items of office furniture.

Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group. These terms are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. None of the total lease payments made in the period to June 30 2026 were optional.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated), the amount of these cash flows is uncertain as several rounds of rent reviews are due before this extension date.

Financial instruments

Financial assets and financial liabilities are recognized on the statement of financial position when an entity becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the income statement.

Financial assets

The Group's accounting policies for financial assets are set out below.

Management determine the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and, where allowed and appropriate, revaluate this designation at every reporting date.

All financial assets are recognized on a trade date when, and only when, the Group becomes a party to the contractual provisions of an instrument. When financial assets are recognized initially, they are measured at fair value plus transaction costs, except for those finance assets classified as at fair value through profit or loss ('FVTPL'), which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets at FVPL, 'amortized cost' or fair value through other comprehensive income (FVOCI). The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually, the Group recognizes lifetime expected credit losses ('ECL') when there has been a significant increase in credit risk since initial recognition. The Group applies the simplified approach to measuring expected credit losses.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

- Cash and cash equivalents
  Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having a maturity period of 95 days or less at the date of acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Short term, highly liquid investments that have a maturity of up to 95 days are classified as cash equivalents. Management believe that both the financial position and liquidity of the Group are made clearer for the reader when all cash and cash equivalent items are analysed together.
- Trade receivables
  Trade receivables are recognized initially at the lower of their original invoiced value and recoverable amount. A provision is made when it is likely that the balance will not be recovered in full. Terms on receivables range from 30 to 90 days.
- Financial liabilities and equity
  Financial liabilities and equity are recognized on the Group's statement of financial position when the Group becomes a party to a contractual provision of an instrument. Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of transaction costs.

The Group's financial liabilities include trade payables, accrued liabilities and lease liabilities.

- Trade payables
  Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Terms on accounts payable range from 10 to 90 days.
- Contingent consideration
  The acquisitions of Social Snowball Holdings Inc and Alia Software Inc included an element of consideration that was contingent on future sales milestones. The future payment liabilities are held at fair value on the consolidated statement of financial position. Further details of the current position, movement in the year and the maximum future milestones can be found in note 22.

Foreign currency risk

Currency risk is the risk that the holding of foreign currencies will affect the Group's position as a result of a change in foreign currency exchange rates. The Group has no significant foreign currency risk as most of the Group's financial assets and liabilities are denominated in functional currencies of relevant Group entities. Accordingly, no quantitative market risk disclosures for currency risks have been prepared.

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(b) Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(c) All resulting exchange differences are recognized in other comprehensive income.

Equity

Share capital is the amount subscribed for shares at their nominal value.

Share premium represents the excess of the amount subscribed for the share capital over the nominal value of the respective shares net of share issue expenses.

Retained earnings represent the cumulative earnings of the Group attributable to equity shareholders.

The reverse acquisition reserve relates to the adjustment required by accounting for the reverse acquisition in accordance with IFRS 3 'Business combinations'.

The retranslation reserve represents the cumulative exchange differences on the retranslation of foreign subsidiaries into the functional currency.

Other reserves relate to the charge for share-based payments in accordance with IFRS 2 'Share-based Payments' plus the movement on the exercise or lapsing of share options.

Treasury shares is the consideration paid for the repurchase of the Group's equity share capital. No gain or loss is recognized in the consolidated income statement on the purchase, sale, issue or cancellation of these shares.

Share-based payments

For equity-settled share-based payment transactions the Group, in accordance with IFRS 2 'Share-based Payments', measures their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted. The fair value of those equity instruments is measured at the grant date. For options granted after 2019, a Monte Carlo model is used to measure the fair value of options granted that are subject to a TSR performance condition. A Black-Scholes model is used to measure the fair value of all other options granted. The expense is apportioned over the vesting period of the financial instrument and is based on the number which is expected to vest and the fair value of those financial instruments at the date of grant. If the equity instruments granted vest immediately, the expense is recognized in full.

Functional currency translation

- Functional and presentation currency
  Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (functional currency), which is mainly pounds sterling (£) and it is this currency the financial statements are presented in.
- Transaction and balances
  Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Employee benefit costs

The Group operates a defined contribution pension scheme. Contributions payable by the Group's pension scheme are charged to the income statement in the period in which they relate.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments as identified by the Board of Directors.

Foreign currency exchange rate risk

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. As well as naturally mitigating this risk by offsetting its cost base in the same currencies where possible, currency exposure arising from the net assets of the Group's foreign operations is managed through cash balances denominated in the relevant foreign currencies.

The Group is mainly exposed to the US Dollar, Australian Dollar, Singaporean Dollar, Euro, South African Rand, Japanese Yen and Polish Zloty currencies.

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

2. Accounting policies CONTINUED

The table below details the Group's sensitivity to a 10% increase or decrease in Sterling against the relevant foreign currencies. 10% is the sensitivity rate which represents management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end of a 10% change in foreign currency rates. A positive number below indicates an increase in profit where Sterling strengthens 10% against the relevant currency. For a 10% weakening of Sterling against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative or positive.

	FY26 £'000	FY25 £'000
US Dollar	125	88
Australian Dollar	17	17
Singaporean Dollar	7	8
Euro	8	9
Japanese Yen	1	(3)
South African Rand	16	15
Polish Zloty	24	21
	198	**155**

Accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Critical judgements

(a) Capitalization of development costs – refer to note 13

Our business model is underpinned by our AI-powered customer experience and data platform for intelligent, personalized marketing engagement at scale. Internal activities are continually undertaken to enhance and maintain the product in a bid to stay ahead of our competition.

Management review the work of developers during the period and make the following judgements:

- Internal work relating to product development is reviewed against IAS 38 criteria and will be capitalized if management consider that the criteria have been met;
- Internal work relating to the maintenance of existing products is expensed to the income statement and accounted for in payroll costs.

(b) Business combinations – refer to note 12

When a member of the Group completes a business combination, the consideration transferred for the acquisition and the identifiable assets and liabilities are recognized at their fair values. The amount by which the consideration exceeds the net assets acquired is recognized as goodwill and if this is negative, it is recognized in the consolidated income statement. The application of accounting policies to business combinations involves judgements and the use of estimates, including expectations about future cash flows, discount rates and the lives of assets following purchase.

On March 3 2026, Dotdigital Group Inc acquired a 100% controlling interest in Alia Software Inc, which constituted a significant business combination. The key areas of judgment include the identification and subsequent measurement of acquired intangible assets and contingent consideration. The residual excess of consideration over the net assets acquired has been recognized as goodwill.

Other estimates and assumptions

Estimates and assumptions used by the business that do not have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Impairment of goodwill

The Directors have carried out a detailed impairment review in respect of goodwill. The Group assesses at each reporting date whether there is an indication that an asset may be impaired, by considering the net present value of discounted cash flow forecasts which have been discounted at 17.77% (2025: 12.73%). This has increased as a result of the increase in the cost of equity which was impacted by the decrease in the share price at the year end compared to the prior year and the increase in dividend growth rate. The cash flow projections are based on the assumption that the Group can realize projected sales. A prudent approach has been applied with no residual value being factored.

Further details on the estimates and assumptions we make in our annual impairment testing of goodwill are included in note 12 to the financial statements. At the period end, based on the assumptions, there was no indication of impairment to the carrying value of goodwill.

(b) Share-based compensation

Key management believe that there will not be only one acceptable choice for estimating the fair value of share-based payment arrangements. The judgments and estimates that management apply in determination of the share-based compensation are summarized as follows:

Selection of a valuation model;

- Making assumptions used in determining the variables used in a valuation model:
  i. expected life
  ii. expected volatility
  iii. expected dividend yield
  iv. interest rate

Further detail on the estimates and assumptions we make in our share-based compensation are included in note 30 to the financial statements. The charge made to income statement for period is also disclosed there.

(c) Depreciation and amortization

The Group depreciates right of use assets, short leasehold, fixtures and fittings, computer equipment and amortizes customer relationships, technology, computer software, internally generated development costs and domain names on a straight-line method over the estimated useful lives. The estimated useful lives reflect the Directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's right of use assets, short leasehold, fixtures and fittings, computer equipment, customer relationships, technology, computer software, internally generated development costs and domain names.

(d) Bad debt provision

The bad debt provision is maintained in accordance with IFRS 9. We perform ongoing credit evaluations of our customers and grant credit based upon past payment history, financial condition and anticipated industry conditions. Customer payments are regularly monitored and a provision for doubtful accounts is established based upon specific situations and overall industry conditions. Hence the provision is maintained for potential credit losses based upon management's assessment of the expected collectability of all accounts receivable. In making this assessment, management take into consideration .

(i) any circumstances of which we are aware regarding a customer's inability to meet its financial obligations, and

(ii) our judgments as to potential prevailing economic conditions in the industry and their potential impact on the Group's customers.

Where a general provision is set then specific rationale will be set against this which will be a combination of looking at historical data to ascertain the percentage of debt which goes bad. Plus set against debts within a specific business sector which might be facing financial difficulty, thereby leading to a deemed higher risk of defaulting on their debts.

(e) Lease accounting – incremental borrowing rate

IFRS 16 'Leases' requires lease payments to be discounted using the lessee's incremental borrowing rate. The Group's incremental borrowing rate, as at the date of adoption of IFRS 16, has been based on local commercial bank loans. Management have taken the view that specific costs of borrowing should be applied to each lease as this reflects the different economic conditions within each geography and hence is more representative of the funding facilities available in those countries.

Exceptional items

Where items of income and expense are of such size, nature or incidence that their disclosure is relevant to explain the performance of the company for the period, the nature and amount of such items should be disclosed separately.

3. Segmental reporting

Dotdigital's single line of business is the provision of intuitive software as a service (SaaS) via an AI-powered customer experience and data platform for intelligent, personalized marketing engagement at scale. The chief operating decision maker considers the Group's segments to be by geographical location, this being EMEA, US and APAC operations and by business activity, this being core Dotdigital and CPaaS as shown in the tables that follow:

Geographical revenue and results (from all operations)

	FY26 EMEA £'000	US £'000	APAC £'000	Total £'000
Income statement				
Revenue	63,410	18,655	8,800	90,865
Gross profit	48,262	16,198	7,945	72,405
Profit before income tax	10,724	5,083	1,319	17,126
Total comprehensive income attributable to the owners of the parent	**7,172**	**5,281**	**1,205**	**13,658**
Financial position				
Total assets	101,422	49,301	3,721	154,444
Net current assets	12,625	(3,278)	1,053	10,400

	FY25 EMEA £'000	US £'000	APAC £'000	Total £'000
Income statement				
Revenue	61,546	14,052	8,323	83,921
Gross profit	46,024	12,838	7,688	66,550
Profit before income tax	11,813	2,592	684	15,089
Total comprehensive income attributable to the owners of the parent	**7,983**	**1,673**	**872**	**10,528**
Financial position				
Total assets	122,272	15,873	2,547	140,692
Net current assets	26,939	4,820	1,595	33,354

Revenue from external customers is attributed to the geographical segments noted above based on the customers' location. There were no customers who account for more than 10% of revenue (2025: none).

All revenue is from contracts signed with new customers and upgrades and additional functional recurring revenue sold to existing contracted clients.

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

3. Segmental reporting CONTINUED

Business activity revenue and results (from all operations)

CPaaS is a cloud-based model that allows businesses to embed real-time communication features – such as voice calls, video chats, text messaging, and WhatsApp – directly into their own applications, websites, and workflows. It has been identified as a separate business activity due to having a different margin profile to the core Dotdigital business.

	FY26		
	Core £'000	CPaaS £'000	Total £'000
Income statement			
Revenue	80,571	10,294	90,865
Gross profit	70,679	1,726	72,405
Profit before income tax	15,768	1,358	17,126
Total comprehensive income attributable to the owners of the parent	**12,613**	**1,045**	**13,658**
Financial position			
Total assets	152,748	1,696	154,444
Net current assets	8,877	1,523	10,400

	FY25		
	Core £'000	CPaaS £'000	Total £'000
Income statement			
Revenue	71,893	12,028	83,921
Gross profit	64,059	2,491	66,550
Profit before income tax	13,005	2,084	15,089
Total comprehensive income attributable to the owners of the parent	**8,980**	**1,548**	**10,528**
Financial position			
Total assets	139,261	1,431	140,692
Net current assets	32,405	949	33,354

The Group is domiciled in the UK, its consolidated non-current assets, other than financial instruments and deferred tax assets are as follows:

	FY26 £'000	FY25 £'000
United Kingdom	62,826	63,944
Rest of the World	56,129	22,154
	118,955	**86,098**

4. Employees and Directors

	FY26 £'000	FY25 £'000
Wages and salaries	33,630	31,895
Social security costs	3,814	3,503
Other pension costs	861	831
	38,305	**36,229**

The average monthly number of employees during the year is as follows:

	FY26	FY25
Directors	5	5
Sales and marketing	228	217
Product development and system engineers	174	166
Administration	61	69
	468	**457**

Included in the total employees cost above, £7,763,107 (2025: £7,221,108) was capitalized in relation to internally generated development costs.

5. Exceptional costs

	FY26 £'000	FY25 £'000
Professional costs in relation to the acquisition	2,004	750
Surrender of Croydon office lease	–	264
Restructuring costs	486	166
Cost of share option exercise	84	–
Professional fees related to the valuation of share options	15	13
Adjustment to Useful Economic Life of CRM due to replacement	–	270
Cost of implementing new CRM system	461	–
Professional fees related to transfer pricing	6	–
Employers NI paid on the exercise of LTIPs	(13)	–
	3,043	**1,463**

6. Net finance income

	FY26 £'000	FY25 £'000
Deposit account interest	678	1,652
Foreign exchange on intercompany loans	591	–
Finance income	**1,269**	**1,652**
Interest on lease liabilities	(123)	(143)
Other net interest payable	(38)	–
Interest capitalized	–	10
Finance expense	**(161)**	**(133)**
Net finance income	**1,108**	**1,519**

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

7. Profit from continuing operations

Costs by nature

Profit from continuing operations has been arrived at after charge and crediting:

	FY26 £'000	FY25 £'000
Outsourcing and tech infrastructure	18,460	17,371
Total cost of sales	**18,460**	**17,371**

	FY26 £'000	FY25 £'000
Direct marketing	3,516	3,310
Partner commission	1,028	1,533
Staff-related costs (inc Directors' emoluments)	31,482	29,329
Auditor's remuneration	193	151
Amortization of intangibles*	9,570	8,423
Depreciation charge*	913	842
Legal, professional and consultancy fees	1,148	857
Computer expenditure	1,934	1,637
Bad debts	214	370
Foreign exchange losses	430	198
Travel and subsistence costs	611	559
Office running	550	525
Insurance	260	206
Staff welfare	953	775
Bank and credit card charges	459	466
Telephone	190	96
Subscriptions	99	96
Recruitment fees	112	100
Other costs	335	292
Total administrative expenses	**53,997**	**49,765**

During the year the Group obtained the following services from the Group's auditor at costs detailed below:

	FY26 £'000	FY25 £'000
Fees payable to the Company's auditor for the audit of Parent Company and consolidated financial statements	23	23
Fees payable to the Company's auditor for other services		
– audit of Company subsidiaries	165	122
– review of interim accounts	5	4
– overrun of prior year audit services	–	2
	193	151

* Both amortization of intangibles and depreciation charge will not agree to the relevant notes as these numbers exclude amounts capitalized as development expenditure, amounts included in exceptional costs and amounts in cost of sales.

8. Income tax expense

Analysis of the tax charge from continuing operations:

	FY26 £'000	FY25 £'000
Current tax on profits for the year	4,805	4,032
Foreign tax suffered	523	422
Changes in estimates related to prior years	220	137
Deferred tax on origination and reversal of timing differences	(1,658)	(712)
	3,890	**3,879**

Factors affecting the tax charge:

	FY26 £'000	FY25 £'000
Profit on ordinary activities from all operations before tax	**17,126**	**15,089**
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK: 25% (2025: 25%)	4,282	3,772
Effects of:		
Adjustment in respect of prior years	132	188
Expenses not deductible	488	95
Research and development enhanced claim	–	(51)
Income not taxable	(1,290)	(11)
Losses	–	(15)
Share options	268	185
Amounts not recognized and previously unrecognized	–	(285)
Effects of overseas tax rates	10	1
Total tax charge for the year	**3,890**	**3,879**

Deferred tax was calculated using the rate 25% (2025: 25%). For further details on deferred tax see note 25.

Taxation for each region is calculated at the rates prevailing in the respective jurisdiction.

The effective tax rate in the period was 22.72% (2025: 25.71%).

9. Profit of Parent Company

The profit and loss account of the Parent Company is not presented as part of these financial statements. The Parent Company's profit for the financial year was £3,241,953 (2025: £3,205,824).

10. Dividends

Amounts recognized as distributions to equity holders in the period.

	FY26 £'000	FY25 £'000
Paid dividend for year end June 30 2025 of 1.21p (2024: 1.10p) per share	3,690	3,375
Proposed dividend for the year end June 30 2026 of 1.33p (2025: 1.21p) per share	**4,029**	**3,732**

The proposed final dividend is subject to approval by the shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

11. Earnings per share

Earnings per share data is based on the consolidated profit and the weighted average number of shares in issue of the Parent Company. Basic earnings per share are calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period, excluding ordinary shares held in treasury.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares. Adjusted earnings per share is based on the consolidated profit deducting exceptional costs, share-based payment, gain on contingent consideration, foreign exchange on intercompany loans and amortization of acquired intangibles.

A number of non-IFRS adjusted profit measures are used in this Annual Report and financial statements. Adjusting items are excluded from our headline performance measures by virtue of their size and nature, in order to reflect management's view of the performance of the Group. Summarized below is a reconciliation between statutory results to adjusted results. The Group believes that alternative performance measures, such as adjusted EBITDA, are commonly reported by companies in the markets in which it competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation and amortization, which can vary significantly depending upon accounting methods (particularly when acquisitions have occurred), or are based on factors which do not reflect the underlying performance of the business. The adjusted profit after tax earnings measure is also used for the purpose of calculating adjusted earnings per share.

Reconciliations to earnings figures used in arriving at adjusted earnings per share are as follows:

From all operations	FY26 £'000	FY25 £'000
Profit for the year attributable to the owners of the parent	13,236	11,210
Gain on contingent consideration	(5,158)	–
Amortization of acquisition-related intangible fixed assets	4,260	1,786
Professional acquisition costs	2,004	750
Foreign exchange on intercompany loans	(591)	–
Other exceptional costs	1,039	713
Share-based payment	761	702
Adjusted profit for the year attributable to the owners of the parent	15,551	15,161

Management does not consider the above adjustments to reflect the underlying business performance.

From all operations	FY26 Earnings £'000	FY26 Weighted average number of shares	FY26 Per share amount pence
Basic EPS			
Profit for the year attributable to the owners of the parent	13,236	305,232,503	4.34
Adjusted basic EPS			
Adjusted profit for the year attributable to the owners of the parent	15,551	305,232,503	5.09
Options and warrants	–	9,793,326	–
Diluted EPS			
Profit for the year attributable to the owners of the parent	13,236	315,025,829	4.20
Adjusted diluted EPS			
Adjusted profit for the year attributable to the owners of the parent	15,551	315,025,829	4.94

From all operations	FY25 Earnings £'000	FY25 Weighted average number of shares	FY25 Per share amount pence
Basic EPS			
Profit for the year attributable to the owners of the parent	11,210	307,508,354	3.65
Adjusted basic EPS			
Adjusted profit for the year attributable to the owners of the parent	15,161	307,508,354	4.93
Options and warrants	–	8,609,979	–
Diluted EPS			
Profit for the year attributable to the owners of the parent	11,210	316,118,333	3.55
Adjusted diluted EPS			
Adjusted profit for the year attributable to the owners of the parent	**15,161**	**316,118,333**	**4.80**

Weighted average number of shares

	FY26 Shares	FY25 Shares
Basic EPS	305,232,503	307,508,354
Diluted EPS	315,025,829	316,118,333

12. Goodwill

Group

	FY26 £'000	FY25 £'000
Cost		
At July 1	38,904	25,790
Additions	21,139	13,114
At June 30	60,043	38,904
Impairment		
At July 1	3,512	3,512
At June 30	3,512	3,512
Exchange movement	**561**	–
Net book value	**57,092**	**35,392**

On March 3 2026, the Group acquired all the voting rights of Alia Software Inc, a US-based AI-powered pop-up and digital list-growth platform for ecommerce brands. The total consideration is up to US$60m comprising an initial cash payment of US$30m and an earn-out dependent on two-year performance of up to US$30m.

The acquisition is expected to be earnings-enhancing for the first 12 months of consolidation and accelerates the Group's product roadmap with a high-growth and market-leading on-site conversion and list-growth solution that is more advanced than the Group's own pop-up capability. The combined offering strengthens Dotdigital's ability to engage customers at the earliest stages of the customer journey by improving visitor to subscriber conversion, enriching customer data and increasing the effectiveness of downstream marketing automation. This is expected to support high margin, recurring revenue growth through cross-sell, improve retention and ARPC, and further strengthen Dotdigital's position within the Shopify ecosystem, an important growth channel for the Group.

Goodwill of £21.1m was recognized on the acquisition, being the excess of the purchase consideration over the fair value of net assets acquired as set out overleaf.

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

12. Goodwill CONTINUED

Fair value of assets acquired

	£'000
Assets	
Non-current assets	
Intangible assets	14,086
Tangible assets	13
	14,099
Current assets	
Trade and other receivables	173
Cash and cash equivalents	1,130
	1,303
Total assets	**15,402**
Liabilities	
Non-current liabilities	
Deferred tax	3,522
	3,522
Current liabilities	
Trade and other payables	902
	902
Total liabilities	**4,424**
Total fair value of assets acquired	**10,978**
Goodwill	**21,139**
Consideration in cash	21,735
Deferred consideration	10,382
Total consideration	**32,117**
Consideration transferred settled in cash	21,735
Cash and cash equivalents acquired	(1,130)
Net cash outflow on acquisition	**20,605**

Goodwill is allocated to the Group's cash generating units (CGUs) identified, being Dotdigital, Social Snowball and Alia.

Goodwill arising on business combinations is not amortized but is reviewed for impairment on an annual basis, or more frequently if there are indications that goodwill may be impaired. Goodwill acquired in a business combination is allocated, at acquisition, to CGUs that are expected to benefit from that business combination.

The carrying amount of goodwill relates to the Group's trading activity and business segment. This has been tested for impairment during the current period by comparison with the recoverable amounts of the CGUs. Recoverable amounts for CGUs are based on the higher of value in use and fair value less costs to sell. The recoverable amounts of the CGUs have been determined from value in use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rate for the continuing operations of the Group. These long-term growth rates are management's estimates. The discount rates used are pre-tax and reflect specific risks relating to the continuing operations of the Group.

The key assumptions for the value in use calculations are those regarding discount rates, growth rates, and expected changes in margins.

Discount rate

Management estimates discount rates using pre-tax rates that reflect the current market assessment of the time value of money and the risks specific to the CGUs. The pre-tax discount rate used to calculate the value in use is 17.77% (2025: 12.73%). This has increased because of the decrease in the share price at the year end compared to last year and the increase in dividend growth rate.

Growth rates

The growth rate is stated as the compound annual growth rates in the initial five years for the continuing operations of the Group, which are then used for impairment testing. These are performed using the projected cash flows based on budgets approved by management over a five-year period. Cash flow projections from the sixth year onwards are based on an estimated constant growth rate. The growth rate used to calculate the value in use for Dotdigital is 5% (2025: 9%). The growth rates used to calculate the value in use for Social Snowball and Alia respectively are 24% (2025: 30%) and 50%.

Gross profit margin

Changes in income and expenditure are based on experience and expectations of the future changes in the market. The impairment review is based on these estimated gross profit margins which were included with the budgets approved by management over a five-year period. From the sixth year onwards, an assumed constant margin is used. The gross profit margin used to calculate the value in use for Dotdigital is 75% (2025: 75%). The gross profit margin used to calculate the value in use for Social Snowball and Alia respectively is 80% (2025: 85%) and 79%.

The valuations indicate sufficient headroom such that a reasonably possible change in key assumptions would not result in impairment of goodwill.

Sensitivity analysis

The principal variables used for Dotdigital, being both the discount rate and growth rates, these would need to change before an impairment is required, this being 48% (2025: 88%) discount rate and growth rate of -3% (2025: -9%).

The principal variables used for Social Snowball, being both the discount rate and growth rates, these would need to change before an impairment is required, this being 19% (2025: 63%) discount rate and growth rate of 24% (2025: 3%).

The principal variables used for Alia, being both the discount rate and growth rates, these would need to change before an impairment is required, this being 67% discount rate and growth rate of 6%.

13. Intangible assets

Group

	Technology £'000	Customer relationships £'000	Brand names £'000	Intellectual property £'000	Computer software £'000	Internally generated development costs £'000	Domain names £'000	Totals £'000
Cost								
At July 1 2025	17,817	11,206	1,469	52	1,100	70,367	51	102,062
Additions	–	–	–	–	9	10,849	–	10,858
Disposals	–	–	–	(43)	(244)	–	–	(287)
Acquisition	9,036	1,223	3,827	–	–	–	–	14,086
Exchange differences	424	19	93	–	–	–	–	536
At June 30 2026	**27,277**	**12,448**	**5,389**	**9**	**865**	**81,216**	**51**	**127,255**
Amortization								
At July 1 2025	2,546	2,577	–	50	1,066	47,428	39	53,706
Amortization for the year	2,270	1,776	213	1	24	9,544	1	13,829
Disposals	–	–	–	(43)	(244)	–	–	(287)
Exchange differences	15	2	3	–	–	–	–	20
At June 30 2026	**4,831**	**4,355**	**216**	**8**	**846**	**56,972**	**40**	**67,268**
Net book value								
At June 30 2026	**22,446**	**8,093**	**5,173**	**1**	**19**	**24,244**	**11**	**59,987**

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

13. Intangible assets CONTINUED

Group

	Technology £'000	Customer relationships £'000	Brand names £'000	Intellectual property £'000	Computer software £'000	Internally generated development costs £'000	Domain names £'000	Totals £'000
Cost								
At July 1 2024	8,451	11,083	–	58	1,096	60,049	51	80,788
Additions	–	–	–	–	4	10,318	–	10,322
Disposals	–	–	–	(6)	–	–	–	(6)
Acquisition	9,366	123	1,469	–	–	–	–	10,958
At June 30 2025	17,817	11,206	1,469	52	1,100	70,367	51	102,062
Amortization								
At July 1 2024	1,520	1,817	–	48	1,029	38,780	38	43,232
Amortization for the year	1,026	760	–	8	37	8,648	1	10,480
Disposals	–	–	–	(6)	–	–	–	(6)
At June 30 2025	2,546	2,577	–	50	1,066	47,428	39	53,706
Net book value								
At June 30 2025	15,271	8,629	1,469	2	34	22,939	12	48,356

Development cost additions represent resources the Group has invested in the development of new, innovative and ground-breaking technology products for marketing professionals. This platform allows them to create, send and automate marketing campaigns. Following development of the products, the Group licences the use of the platform.

Technology represents the cost that would be incurred to build the entire Comapi and Fresh Relevance platforms had the acquisitions not occurred, plus the value of Social Snowball and Alia Software's technology based on future economic earnings. Customer relationships represent the value of customer contracts within Fresh Relevance, Social Snowball and Alia Software. Brand names represent the value of the trade name of Social Snowball and Alia Software.

During the financial year, the Group reviewed the useful economic life of the customer relationships from the Fresh Relevance acquisition. The average life of churned customers within Fresh Relevance was assessed for the 2025 and 2026 financial years. This resulted in the remaining useful economic life of the asset being reduced from 11 to 5 years. This change in accounting estimate has been applied prospectively from July 1 2025. As a result, the amortization for the current year has increased by £941,000 and this increase in amortization expense is expected to continue in future years. The technology acquired with Fresh Relevance has not been affected due to its integration within the core Dotdigital infrastructure.

Company	Intellectual property £'000
Cost	
At July 1 2025	3
Additions	–
At June 30 2026	**3**
Amortization	
At July 1 2025	1
Amortization for the year	1
At June 30 2026	**2**
Net book value	
At June 30 2026	**1**

	Intellectual property £'000
Cost	
At July 1 2024	3
Additions	–
At June 30 2025	**3**
Amortization	
At July 1 2024	–
Amortization for the year	1
At June 30 2025	**1**
Net book value	
At June 30 2025	**2**

14. Property, plant and equipment

Group	Right of use assets £000	Leasehold improvements £'000	Fixtures & fittings £'000	Computer equipment £'000	Totals £'000
Cost					
At July 1 2025	2,597	82	339	2,908	5,926
Additions	191	–	9	279	479
Re-measurement of existing lease liabilities	51	–	–	–	51
Disposals	(27)	–	(101)	(921)	(1,049)
Acquisition	–	–	–	14	14
Exchange differences	13	–	5	48	66
At June 30 2026	**2,825**	**82**	**252**	**2,328**	**5,487**
Depreciation					
At July 1 2025	827	76	299	2,374	3,576
Depreciation for the year	664	1	20	301	986
Re-measurement of existing lease liabilities	51	–	–	–	51
Disposals	(27)	–	(101)	(921)	(1,049)
Exchange differences	7	–	4	36	47
At June 30 2026	**1,522**	**77**	**222**	**1,790**	**3,611**
Net book value					
At June 30 2026	**1,303**	**5**	**30**	**538**	**1,876**

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

14. Property, plant and equipment CONTINUED

	Right of use assets £000	Leasehold improvements £'000	Fixtures & fittings £'000	Computer equipment £'000	Totals £'000
Cost					
At July 1 2024	5,118	685	615	3,218	9,636
Additions	279	1	16	298	594
Re-measurement of existing lease liabilities	40	–	–	–	40
Disposals	(2,825)	(602)	(283)	(570)	(4,280)
Exchange differences	(15)	(2)	(9)	(38)	(64)
At June 30 2025	**2,597**	**82**	**339**	**2,908**	**5,926**
Depreciation					
At July 1 2024	2,155	641	569	2,703	6,068
Depreciation for the year	698	4	22	272	996
Re-measurement of existing lease liabilities	7	–	–	–	7
Disposals	(2,018)	(567)	(283)	(570)	(3,438)
Exchange differences	(15)	(2)	(9)	(31)	(57)
At June 30 2025	**827**	**76**	**299**	**2,374**	**3,576**
Net book value					
At June 30 2025	**1,770**	**6**	**40**	**534**	**2,350**

Included in the net carrying amount of property, plant and equipment are the right-of-use assets as follows:

	Properties £'000	Motor vehicles £'000	Totals £'000
Cost			
At July 1 2025	2,491	106	2,597
Termination of leases	(27)	–	(27)
Additions	191	–	191
Re-measurement of existing lease liabilities	51	–	51
Foreign currency translation	13	–	13
At June 30 2026	**2,719**	**106**	**2,825**
Depreciation			
At July 1 2025	780	47	827
Depreciation for the year	627	37	664
Termination of leases	(27)	–	(27)
Re-measurement of existing lease liabilities	51	–	51
Foreign currency translation	7	–	7
At June 30 2026	**1,438**	**84**	**1,522**
Net book value			
At June 30 2026	**1,281**	**22**	**1,303**

	Properties £'000	Motor vehicles £'000	Totals £'000
Cost			
At July 1 2024	4,838	280	5,118
Termination of leases	(2,629)	(196)	(2,825)
Additions	257	22	279
Re-measurement of existing lease liabilities	40	–	40
Foreign currency translation	(15)	–	(15)
At June 30 2025	**2,491**	**106**	**2,597**
Depreciation			
At July 1 2024	1,927	228	2,155
Depreciation for the year	662	36	698
Termination of leases	(1,823)	(195)	(2,018)
Re-measurement of existing lease liabilities	29	(22)	7
Foreign currency translation	(15)	–	(15)
At June 30 2025	**780**	**47**	**827**
Net book value			
At June 30 2025	**1,711**	**59**	**1,770**

Company	Computer equipment £'000
Cost	
At July 1 2025	19
Additions	4
Disposals	–
At June 30 2026	**23**
Depreciation	
At July 1 2025	13
Depreciation for the year	4
Disposals	–
At June 30 2026	**17**
Net book value	
At June 30 2026	**6**

	Computer equipment £'000
Cost	
At July 1 2024	21
Additions	3
Disposals	(5)
At June 30 2025	**19**
Depreciation	
As at July 1 2024	12
Depreciation for the year	6
Disposals	(5)
At June 30 2025	**13**
Net book value	
At June 30 2025	**6**

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

15. Investments

Company

	Shares in Group undertakings FY26 £'000	Shares in Group undertakings FY25 £'000
Cost		
At July 1	49,300	48,554
Additions	761	746
At June 30	**50,061**	**49,300**
Impairment		
At July 1	5,089	4,760
Impairment (lapsed share options)	1,184	329
At June 30	**6,273**	**5,089**
Net book value		
At June 30	**43,788**	**44,211**

All of the below subsidiaries have been included within the consolidated results. Dynmark International Ltd and Fresh Relevance Limited were exempt from audit by virtue of s479A of Companies Act 2006.

The Group's and the Company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiaries	Nature of business	Incorporated	Class of share	Proportion of voting power held %
Dotdigital EMEA Limited	All-in-one customer experience and data platform	England & Wales	Ordinary	100
Dotdigital Inc	All-in-one customer experience and data platform	Delaware (US)	Ordinary	100
Dotdigital APAC Pty Limited	All-in-one customer experience and data platform	New South Wales (Australia)	Ordinary	100
Dotdigital B.V.	All-in-one customer experience and data platform	The Netherlands	Ordinary	100
Dotdigital Development SA Pty Limited	Development hub	South Africa	Ordinary	100
Dotdigital SG Pte Limited	All-in-one customer experience and data platform	Singapore	Ordinary	100
Dynmark International Limited	Non-trading	England & Wales	Ordinary	100
Dotdigital Poland S.p. z.o.o	Development hub	Poland	Ordinary	100
Dotdigital Japan Limited	All-in-one customer experience and data platform	Japan	Ordinary	100
Fresh Relevance Limited	Cross-channel personalization platform	England & Wales	Ordinary	100
Fresh Relevance Inc	Cross-channel personalization platform	Delaware (US)	Ordinary	100
Social Snowball Holdings Inc	Influencer, affiliate and referral marketing platform	Florida (US)	Ordinary	100
Alia Software Inc	Pop-up and interactive experience marketing platform	Delaware (US)	Ordinary	100
Dotdigital Group Inc	Holding company	Delaware (US)	Ordinary	100

Subsidiary	Registered office
Dotdigital EMEA Limited	No.1 London Bridge, London SE1 9BG
Dynmark International Limited	No.1 London Bridge, London SE1 9BG
Fresh Relevance Limited	No.1 London Bridge, London SE1 9BG
Dotdigital Group Inc	16192 Coastal Highway, Lewes, Delaware 19958-9776, County of Sussex, USA
Dotdigital Inc	16192 Coastal Highway, Lewes, Delaware 19958-9776, County of Sussex, USA
Fresh Relevance Inc	16192 Coastal Highway, Lewes, Delaware 19958-9776, County of Sussex, USA
Social Snowball Holdings Inc	16192 Coastal Highway, Lewes, Delaware 19958-9776, County of Sussex, USA
Alia Software Inc	16192 Coastal Highway, Lewes, Delaware 19958-9776, County of Sussex, USA
Dotdigital APAC Pty Limited	60/2 O'Connell Street, Parramatta, New South Wales 2150, Australia
Dotdigital SG Pte	6001 Beach Road, 11-06 Golden Mile Tower, 199589 Singapore
Dotdigital Japan Limited	Shibuya Dogenzaka Tokyu Building 2F-C, 1-10-8 Dogenzaka, Shibuya-ku, Tokyo, Japan 150-0043
Dotdigital Development SA Pty Limited	10 Deneys Road, Kreupelbosch, Cape Town, Western Cape, 7945, South Africa
Dotdigital B.V	Posthoornstraat 11, 3011WD Rotterdam, Netherlands
Dotdigital Poland S.p. z.o.o	Al. Jana Pawla II 22, 00-133 Warsaw, Poland

16. Trade and other receivables

	Group		Company	
	FY26 £'000	FY25 £'000	FY26 £'000	FY25 £'000
Current:				
Trade receivables	13,852	13,665	–	–
Less: Provision for impairment of trade receivables	(1,469)	(1,596)	–	–
Trade receivables – net	12,383	12,069	–	–
Other receivables	217	54	–	–
Amounts owed by Group undertakings	–	–	18,708	14,371
VAT	–	–	20	10
Prepayments and contract assets	5,746	5,197	47	69
	18,346	**17,320**	**18,775**	**14,450**

Amounts owed by Group undertakings have been reviewed for impairment in accordance with IFRS 9. The Group undertaking has excess cash and is able to make full payment upon request. Management are therefore satisfied that an impairment is not required.

Included within Group prepayments is an amount of £354,640 (2025: £309,722) in relation to deferred commission which is considered to be long-term.

The Group has applied IFRS 9 simplified approach to measuring expected credit losses and the balances have been assessed based on each entity's ability to repay amounts owed.

On that basis, the loss allowance as at June 30 2026 and June 30 2025 was determined as follows for trade receivables:

	Current £'000	30-60 days £'000	60-90 days £'000	Over 90 days £'000	Total £'000
At June 30 2026					
Trade receivables	11,614	749	279	1,210	13,852
Provision for impairment	72	21	213	1,163	1,469
Expected loss rate	1%	3%	76%	96%	

	Current £'000	30-60 days £'000	60-90 days £'000	Over 90 days £'000	Total £'000
At June 30 2025					
Trade receivables	7,684	3,213	729	2,039	13,665
Provision for impairment	73	226	34	1,263	1,596
Expected loss rate	1%	7%	5%	62%	

No expected credit losses have been recognized on contract assets.

Further details on the above can be found in note 23.

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

17. Cash and cash equivalents

	Group		Company	
	FY26 £'000	FY25 £'000	FY26 £'000	FY25 £'000
Cash at bank	11,608	10,515	348	372
Short-term deposit accounts	5,535	25,696	–	–
	17,143	**36,211**	**348**	**372**

Further details on the above can be found in note 23.

18. Called up share capital

Allotted, issued, fully paid number	Nominal value	FY26 £'000	FY25 £'000
308,456,946 (2025: 307,508,354)	£0.005	1,542	1,538
		1,542	**1,538**

During the reporting period the Company undertook the following transactions involving the issue of share capital:

On October 7 2025 employees exercised their share options increasing the issued share capital by 948,592 shares.

Treasury shares	Average cost	FY26 £'000	FY25 £'000
5,211,607 (2025: nil)	£0.6194	3,228	–
		3,228	**–**

During the year ended June 30 2026, 4,551,607 ordinary shares of £0.005 per share (2025: nil) were purchased for a total consideration of £3,015,000. These shares are held in treasury. During the year 660,000 treasury shares of £0.005 that had originally been purchased for £212,984 in 2015 and held in Other Reserves were moved to Treasury to provide a more consistent view.

19. Reserves

Group

	Retained earnings £'000	Share premium £'000	Reverse acquisition reserve £'000	Retranslation reserve £'000	Other reserves £'000	Totals £'000
At July 1 2025	90,669	12,786	(4,695)	(451)	3,263	101,572
Dividends	(3,690)	–	–	–	–	(3,690)
Profit for the year	13,236	–	–	–	–	13,236
Transfer of reserves	1,184	–	–	–	(971)	213
Deferred tax on share options	–	–	–	–	(166)	(166)
Other comprehensive income: Currency translation	–	–	–	422	–	422
Share-based payments	–	–	–	–	761	761
Balance at June 30 2026	**101,399**	**12,786**	**(4,695)**	**(29)**	**2,887**	**112,348**

	Retained earnings £'000	Share premium £'000	Reverse acquisition reserve £'000	Retranslation reserve £'000	Other reserves £'000	Totals £'000
At July 1 2024	82,505	12,786	(4,695)	231	2,835	93,662
Dividends	(3,375)	–	–	–	–	(3,375)
Profit for the year	11,210	–	–	–	–	11,210
Transfer of reserves	329	–	–	–	(329)	-
Deferred tax on share options	–	–	–	–	51	51
Other comprehensive income: Currency translation	–	–	–	(682)	–	(682)
Share-based payments	–	–	–	–	706	706
Balance at June 30 2025	**90,669**	**12,786**	**(4,695)**	**(451)**	**3,263**	**101,572**

Company

	Retained earnings £'000	Share premium £'000	Other reserves £'000	Totals £'000
At July 1 2025	7,217	12,786	3,205	23,208
Issue of share capital	–	–	–	–
Dividends	(3,690)	–	–	(3,690)
Profit for the year	3,242	–	–	3,242
Transfer in reserves	1,184	–	(971)	213
Share-based payments	–	–	761	761
As at June 30 2026	**7,953**	**12,786**	**2,995**	**23,734**

	Retained earnings £'000	Share premium £'000	Other reserves £'000	Totals £'000
At July 1 2024	7,057	12,786	2,828	22,671
Issue of share capital	–	–	–	–
Dividends	(3,375)	–	–	(3,375)
Profit for the year	3,206	–	–	3,206
Transfer in reserves	329	–	(329)	–
Share-based payments	–	–	706	706
As at June 30 2025	**7,217**	**12,786**	**3,205**	**23,208**

20. Trade and other payables

	Group		Company	
	FY26 £'000	FY25 £'000	FY26 £'000	FY25 £'000
Current:				
Trade payables	3,062	3,242	39	40
Social security and other taxes	775	549	–	–
Other payables	248	593	–	–
Amounts owed to Group undertakings	–	–	40,725	34,115
VAT	1,348	1,688	–	–
Accruals and contract liabilities	14,169	14,637	106	140
	19,602	**20,709**	**40,870**	**34,295**

Further details on liquidity and interest rate risk can be found in note 23.

Contract liabilities at June 30 2026 were £9,977,000 (2025: £8,675,000). Included within revenue is £8,400,000 relating to contract liabilities of £8,675,000 that had been recognized at June 30 2025 (£3,361,000 related to contract liabilities recognized at June 30 2024). Contract liabilities have continued to increase during the year due to an uplift in customers who have chosen to pay upfront on their contracts.

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

21. Leasing liabilities

Group

	Properties £'000	Motor vehicles £'000	Totals £'000
At July 1 2025	1,724	56	1,780
Additions	191	–	191
Principal repayments	(681)	(37)	(718)
Interest	120	3	123
Foreign currency translation	6	–	6
At June 30 2026	**1,360**	**22**	**1,382**
Current	569	22	591
Non-current	791	–	791
At June 30 2026	**1,360**	**22**	**1,382**

	Properties £'000	Motor vehicles £'000	Totals £'000
At July 1 2024	3,011	69	3,080
Additions	257	22	279
Principal repayments	(744)	(35)	(779)
Interest	138	5	143
Termination of leases	(879)	–	(879)
Re-measurement of existing lease liabilities	(74)	(5)	(79)
Foreign currency translation	15	–	15
At June 30 2025	**1,724**	**56**	**1,780**
Current	499	32	531
Non-current	1,225	24	1,249
At June 30 2025	**1,724**	**56**	**1,780**

The properties are office leases located in various locations where the term ranges from one to ten years. The motor vehicles are company cars offered to senior staff where the term is always three years.

22. Contingent consideration

	Group		Company	
	FY26 £'000	FY25 £'000	FY26 £'000	FY25 £'000
Current	4,797	–	–	–
Non-current	7,565	6,786	–	–
	12,362	**6,786**	**–**	**–**

Contingent consideration

At the date of acquisition of Social Snowball Holdings Inc, contingent consideration was recognized of US$9,311,000 within Dotdigital Inc. The earn-out is based on the monthly recurring revenue in the previous calendar month multiplied by 12. The earn-out payment dates are August 31 2026 and 2027. At June 30 2026 contingent consideration for Social Snowball Holdings Inc. was US$2,472,000. This reflects revised expectations that, while Social Snowball continues to deliver strong growth (33% in FY26), total contingent consideration payments are likely to be towards the lower to mid-range of the maximum potential earn-out. The discount period has been based on the payment dates with a discount factor of 13.3%. As a result of this revised estimate, a gain of £5,158,000 (US$6,839,000) was recognized in the year (2025: £nil).

At the date of acquisition of Alia Software Inc, contingent consideration was recognized of US$13,920,000 within Dotdigital Group Inc. The earn-out is based on the monthly recurring revenue in the previous calendar month multiplied by 12. The earn-out payment dates are May 31 2027 and 2028. The discount period has been based on the payment dates with a discount factor of 17.5%.

23. Financial instruments and risk management

The Group's activities expose it to a number of financial risks that include credit risk, liquidity risk, currency risk and interest rate risk. These risks and the Group's policies for managing them have been applied consistently during the year and are set out below.

The Group holds no financial or other non-financial instruments other than those utilized in the working operations of the Group and that are listed in this note. It is the Group's policy not to trade in derivative contracts.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument rate risk arises, are as follows:

- Trade receivables
- Cash and cash equivalents
- Trade and other payables
- Lease liabilities
- Contingent consideration

Financial instruments by category

The following table sets out the financial instruments as at the reporting date:

	Group		Company	
	FY26 £'000	FY25 £'000	FY26 £'000	FY25 £'000
Financial assets at amortized cost				
Trade and other receivables	12,599	12,122	–	–
Amounts owed from Group undertakings	–	–	18,708	14,371
Cash and cash equivalents	17,143	36,211	348	372
	29,742	**48,333**	**19,056**	**14,743**
Financial liabilities at amortized cost				
Trade payables	3,062	3,242	39	40
Accrued liabilities and other payables	5,007	6,555	106	140
Amounts owed to Group undertakings	–	–	40,725	34,115
Lease liabilities	1,382	1,780	–	–
	9,451	**11,577**	**40,870**	**34,295**

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Operational Risk Committee. The Audit and Risk Committee and in turn the Board receives quarterly reports from the Operational Risk Committee, through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below:

Interest rate risk

The Group's interest rate risk arises from interest-bearing assets and liabilities. The Group has in place a policy of maximizing finance income by ensuring that cash balances earn a market rate of interest offsetting where possible cash balances, and by forecasting and financing its working capital requirements. As at the reporting date, the Group's exposure to interest rate risk was limited to interest earned on deposit account balances. The Group had no external borrowings and, accordingly, was not exposed to interest rate risk in respect of borrowings. No sensitivity analysis has been prepared.

The Group's working capital requirements are managed through regular monitoring of the overall cash position and regularly updated cash flow forecasts to ensure there are sufficient funds available for its operations.

Liquidity risk

The Group's working capital requirements are managed through regular monitoring of the overall position and regularly updated cash flow forecasts to ensure there are funds available for its operations.

Trade and other payables of £8,068,286 (2025: £9,796,923) are expected to mature in less than a year.

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

23. Financial instruments and risk management CONTINUED

Credit risk

Credit risk arises principally from the Group's trade receivables, as there are no trade receivables within the Company, which comprise amounts due from customers. Prior to accepting new customers, a credit check is obtained. As at June 30 2026 there were no significant debts past their due period which had not been provided for. The maturity of the Group's trade receivables is as follows:

	FY26 £'000	FY25 £'000
0-30 days	900	979
30-60 days	749	843
More than 60 days	1,490	1,810
	3,139	**3,632**

The maturity of the Group's provision for impairment is as follows:

	FY26 £'000	FY25 £'000
0-30 days	72	73
30-60 days	21	226
More than 60 days	1,376	1,297
	1,469	**1,596**

The movement in the provision for the impairment is as follows:

	FY26 £'000	FY25 £'000
As at July 1	1,596	1,621
Charged to the income statement	214	370
Utilizations and other movements	(341)	(395)
As at June 30	**1,469**	**1,596**

As of June 30 2026, no other receivables or contract assets were impaired (2025: nil).

The Group minimizes its credit risk by profiling all new customers and monitoring existing customers of the Group for changes in their initial profile. The level of trade receivables older than the average collection period of 45 days, consisted of a value of £1,707,502 (2025: £3,223,674), of which £1,162,949 (2025: £1,263,210) was provided for. The Group felt that the remainder would be collected post year-end as they were with long-standing relationships, and the risk of default is considered to be low and write-offs due to bad debts are low. The Group has no significant concentration of credit risk, with the exposure spread over a large number of customers.

The credit risk on liquid funds is low as the counterparts are banks with high credit ratings assigned by international credit rating bodies. The majority of the Group's cash holdings are held at NatWest Bank, Investec Bank Plc and HSBC Bank Plc, which have A+, A- and A+ credit ratings respectively.

The carrying value of both financial assets and liabilities approximates to fair value.

Capital policy

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide optimal returns for shareholders and to maintain an efficient capital structure to reduce the cost of capital.

In doing so the Group's strategy is to maintain a capital structure commensurate with a strong credit rating and to retain appropriate levels of liquidity headroom to ensure financial stability and flexibility. To achieve this, the Group monitors key credit metrics, risk and fixed charge cover to maintain this position. In addition the Group ensures a combination of appropriate short-term and long-term liquidity headroom.

During the year the Group had a short-term loan balance of £nil (2025: £nil) and amounts payable over one year are £nil (2025: £nil). The Group had a strong cash reserve to utilize for any short-term capital requirements that were needed.

The Group has continued to look for further long-term investments or acquisitions and therefore, to maintain or re-align the capital structure, the Group may adjust when dividends are paid to shareholders, return capital to shareholders, issue new shares or borrow from lenders.

Foreign currency exchange rate risk

Refer to foreign currency exchange rate risk under note 2 on page 71.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities (the Group does not hold any derivative financial instruments in the current or prior financial year).

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of the discounting is not significant.

	<6 months £'000	6 to 12 months £'000	1 to 2 years £'000	2 to 5 years £'000	Total contractual cash flows carrying amounts £'000
Contractual maturities at June 30 2026					
Trade and other payables	9,625	–	–	–	9,625
Lease liabilities	324	264	446	365	1,399
Contingent consideration	516	4,281	7,565	–	12,362
Total non-derivatives	**10,465**	**4,545**	**8,011**	**365**	**23,386**

	<6 months £'000	6 to 12 months £'000	1 to 2 years £'000	2 to 5 years £'000	Total contractual cash flows carrying amounts £'000
Contractual maturities at June 30 2025					
Trade and other payables	12,035	–	–	–	12,035
Lease liabilities	315	313	565	802	1,995
Contingent consideration	–	–	6,786	–	6,786
Total non-derivatives	**12,350**	**313**	**7,351**	**802**	**20,816**

24. Reconciliation of liabilities arising from financing activities

	FY26 £'000	FY25 £'000
At 1 July	1,780	3,080
Cash flows	(718)	(779)
Interest	123	143
Foreign exchange movement	6	15
Lease additions, terminations and re-measurements	191	(679)
As at June 30	**1,382**	**1,780**

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

25. Deferred tax

Deferred tax liability

	Acquired intangibles £'000	Accelerated capital allowances £'000	Short-term timing differences £'000	R&D relief in excess of amortization £'000	Share-based payments £'000	Tax losses £'000	Total £'000
At July 1 2024	4,049	45	(121)	3,792	(778)	(657)	6,330
Acquired	2,740	–	–	–	–	–	2,740
(Credit)/charge to the consolidated income statement	2,760	(12)	(22)	(3,792)	16	338	(712)
(Credit) to the consolidated statement of changes in equity	–	–	–	–	(51)	–	(51)
At June 30 2025	**9,549**	**33**	**(143)**	**–**	**(813)**	**(319)**	**8,307**
Acquired	3,522	–	–	–	–	–	3,522
(Credit)/charge to the consolidated income statement	(2,057)	9	73	–	205	112	(1,658)
(Credit) to the consolidated statement of changes in equity	–	–	–	–	166	–	166
At June 30 2026	**11,014**	**42**	**(70)**	**–**	**(442)**	**(207)**	**10,337**

	FY26 £'000	FY25 £'000
At July 1	8,307	6,330
Acquired	3,522	2,740
Current year provision	(1,492)	(763)
	10,337	**8,307**

The following is the analysis of the deferred tax balances after any offset:

	FY26 £'000	FY25 £'000
Deferred tax assets	(719)	(1,275)
Deferred tax liabilities	11,056	9,582
	10,337	**8,307**

26. Capital commitments

The Company and Group have no capital commitments as at the year end (2025: £nil).

27. Contingent liabilities

The company has no contingent liabilities as at the year end (2025: nil). The Group has contingent liabilities due to the acquisition of Social Snowball Holdings Inc and Alia Software Inc by way of contingent cash considerations of up to US$15m and US$30m respectively over two years (2025: US$15m). This would be payable if Social Snowball Holdings Inc and Alia Software Inc maintain their historical growth rate at a sufficiently accretive margin for the Group. See note 22 for further details.

28. Related party disclosures

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Key management personnel

	FY26 £'000	FY25 £'000
Aggregate emoluments	930	1,021
Company contributions to money purchase pension scheme	34	33
Share-based payments from the LTIP options granted	258	(27)
	1,222	**1,027**

The Board of Directors are deemed to be the only key management personnel. Details of Directors' emoluments are provided in the Remuneration Committee report on page 47.

Information in relation to the highest paid Director is as follows:

	FY26 £'000	FY25 £'000
Salaries	420	540
Other benefits	17	15
Pension costs	21	20
Share-based payments on the LTIP options granted	236	29
	694	**604**

The number of Directors for whom retirement benefits are accruing under defined contribution pension schemes amounted to 2 (2025: 2).

Company

The following transactions were carried out with related parties:

			FY26 £'000	FY25 £'000
Year end balances arising from sales/purchase of services				
Dotdigital EMEA Limited	Subsidiary	Receivables	18,708	14,371
Dotdigital EMEA Limited	Subsidiary	(Payables)	(40,725)	(34,115)
			(22,017)	**(19,744)**

The receivables and payables are unrestricted in nature and bear no interest. No provisions are held against receivables from related parties.

IAS 24 Related Party Disclosure (Revised) allows disclosure exemption of transactions between wholly-owned subsidiaries that are eliminated on consolidation.

29. Ultimate controlling party

There is no ultimate controlling party of the Group. Dotdigital Group Plc acts as the Parent Company to Dotdigital EMEA Limited, Dotdigital Group Inc, Dotdigital APAC Pty Limited, Dotdigital B.V., Dotdigital Development SA Pty Limited, Dotdigital SG Pte. Limited, Dynmark International Limited, Dotdigital Poland S.p. z.o.o, Dotdigital Japan Limited, Fresh Relevance Limited and Fresh Relevance Inc. Dotdigital Group Inc acts as the Parent Company to Dotdigital Inc and Alia Software Inc. Dotdigital Inc acts as the Parent Company to Social Snowball Holdings Inc.

30. Share-based payment transactions

The measurement requirements of IFRS 2 have been implemented in respect of share options that were granted after 7 November 2002. The expense recognized for share-based payment made during the year is £761,064 (2025: £702,095) and £13,266 decrease in the provision of NI (2025: £898).

Vesting conditions of the options dictate that employees must remain in the employment of the Group for the whole period to qualify.

Movement in issued share options during the year

The table on the next page illustrates the number and weighted average exercise price (WAEP) of, and movements in, share options during the period. The options outstanding at June 30 2026 had a WAEP of 38.97p (2025: 39.26p) and a weighted average contracted life of 8.13 years (2025: 7.96 years) and their exercise prices ranged from 0.5p to 181.2p. All share options are settled in form of equity issued.

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

30.Share-based payment transactions CONTINUED

	FY26		FY25	
	No of options	WAEP	No of options	WAEP
Outstanding at the beginning of the period	10,383,427	39.26p	9,810,011	44.23p
Granted during the year	6,045,521	35.77p	2,016,648	0.50p
Forfeited/canceled during the period	(2,244,509)	48.52p	(1,443,232)	10.6p
Exchanged for shares	(948,592)	0.50p	–	–
Outstanding at the end of the period	13,235,847	38.97p	10,383,427	39.26p
Exercisable at the end of the period	–	–	–	–

The weighted average share price at the date of the exercise for share options exercised during the period was 0.50p (2025: £nil). For options granted after 2019, a Monte Carlo model was used in measuring the fair value of options granted that were subject to a TSR performance condition. A Black-Scholes model was used in measuring the fair value of all other options granted.

	December 21 2020		December 24 2021		December 08 2022	
	EPS (50%)	Relative TSR (50%)	EPS (50%)	Relative TSR (50%)	EPS (50%)	Relative TSR (50%)
Number of options granted	153,364	153,364	193,894	193,894	438,435	438,434
Share price at grant date	152.0p	152.0p	196.0p	196.0p	93.0p	93.0p
Exercise price	0.50p	0.50p	0.50p	0.50p	0.50p	0.50p
Option life in years	10 years	10 years	10 years	10 years	10 years	10 years
Risk-free rate	(0.08)%	(0.08)%	0.57%	0.57%	3.10%	3.10%
Expected volatility	40.40%	40.40%	43.00%	43.00%	52.60%	52.60%
Expected dividend yield	0%	0%	0%	0%	0%	0%
Fair value of options	152.0p	99.0p	196.0p	115.0p	92.54p	71.0p

	December 24 2022		December 5 2023		November 6 2024	
	EPS (50%)	Relative TSR (50%)	EPS (50%)	Relative TSR (50%)	EPS (50%)	Relative TSR (50%)
Number of options granted	283,157	283,156	1,018,371	1,018,370	1,003,196	1,003,196
Share price at grant date	83.9p	83.9p	96.0p	96.0p	93.0p	93.0p
Exercise price	0.50p	0.50p	0.50p	0.50p	0.50p	0.50p
Option life in years	10 years	10 years	10 years	10 years	10 years	10 years
Risk-free rate	3.50%	3.50%	4.30%	4.30%	4.29%	4.29%
Expected volatility	52.70%	52.70%	50.30%	50.30%	44.50%	44.50%
Expected dividend yield	0%	0%	0%	0%	0%	0%
Fair value of options	83.45p	60.0p	95.2p	68.0p	92.56p	58.0p

	December 1 2025	
	EPS (50%)	Relative TSR (50%)
Number of options granted	1,289,088	1,289,088
Share price at grant date	67.0p	67.0p
Exercise price	0.50p	0.50p
Option life in years	10 years	10 years
Risk-free rate	4.1%	3.7%
Expected volatility	43.7%	43.7%
Expected dividend yield	0%	0%
Fair value of options	59.0p	41.0p

	December 19 2017	December 15 2021	April 14 2022	December 22 2022	March 21 2024
Number of options granted	1,375,000	567,300	1,367,547	35,149	1,957,821
Share price at grant date	85.95p	181.0p	90.0p	83.9p	87.3p
Exercise price	0.50p	181.2p	86.5p	85.35p	87.6p
Option life in years	5 years	10 years	10 years	5 years	5 years
Risk-free rate	1.33%	0.54%	1.68%	3.55%	3.78%
Expected volatility	30.0%	35.5%	50.3%	60.7%	57.9%
Expected dividend yield	1%	0.46%	0.96%	1.03%	1.15%
Fair value of options	65.3p	62.0p	42.0p	46.56p	46.8p

	September 29 2025	December 2 2025
Number of options granted	111,490	3,355,882
Share price at grant date	66.0p	66.0p
Exercise price	0.50p	67.0p
Option life in years	5 years	5 years
Risk-free rate	3.9%	3.9%
Expected volatility	43.7%	43.7%
Expected dividend yield	1.8%	1.8%
Fair value of options	60.0p	26.0p

Expected volatility was determined by calculating the historical volatility of the Group's share price over a 3-year/6.5-year period prior to the date of grant. The expected life used in the model is based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

The share options granted on October 24 2018 onwards were made following the approval of the LTIP scheme at the AGM on December 19 2017 and the end-to-end awards that were granted to key personnel.

31. Group and Company reconciliation of profit before corporation tax to cash generated from operations

	Group		Company	
	FY26 £'000	FY25 £'000	FY26 £'000	FY25 £'000
Current:				
Profit before tax from all operations	17,126	15,089	3,242	3,205
Amortization	13,829	10,480	1	1
Depreciation	913	839	4	6
Gain on contingent consideration	(5,158)	–	–	–
Finance lease non-cash movement	–	67	–	–
(Profit)/Loss on disposal of fixed assets	(4)	33	–	–
Share-based payments	761	702	–	–
Finance income	(1,269)	(1,652)	–	–
Impairment on investment	–	–	1,184	329
R&D tax credit	(516)	(736)	–	–
Finance expense	161	133	–	–
	25,843	**24,955**	**4,431**	**3,541**
Increase/(decrease) in trade receivables	(855)	691	(4,325)	(3,129)
Decrease/(increase) in trade payables	(1,682)	2,361	6,575	2,654
Cash generated from operations	**23,306**	**28,007**	**6,681**	**3,066**

Notes to the consolidated financial statements CONTINUED

FOR THE YEAR ENDED JUNE 30 2026

32. Group cash and cash equivalents

The amounts disclosed in the statement of cash flow in respect of cash and cash equivalents are in respect of these statements of financial position amounts:

	Group £'000	Company £'000
At July 1 2024	42,160	724
At June 30 2025	36,211	372
At June 30 2026	**17,143**	**348**

33. Adjusted profit before tax

	Notes	FY26 £'000	FY25 £'000
Profit before income tax		17,126	15,089
Gain on contingent consideration	22	(5,158)	–
Amortization of acquired intangibles	13	4,260	1,786
Professional costs in relation to the acquisition	5	2,004	750
Foreign exchange on intercompany loans		(591)	–
Other exceptional costs	5	1,039	713
Share-based payments	30	761	702
Adjusted profit before income tax		**19,441**	**19,040**
Amortization charge*		9,570	8,424
Depreciation charge*		913	839
Finance income	6	(678)	(1,652)
Finance costs	6	161	133
Adjusted EBITDA		**29,407**	**26,784**

* Both amortization of intangibles and depreciation charges will not agree to the relevant notes as these numbers include amounts in cost of sales but exclude amounts capitalized as development expenditure and amounts included in exceptional costs.

34. Project development

During the year the Group incurred £10,849,000 (2025: £10,318,000) in development investments. All resources utilized in development have been capitalized as outlined in the accounting policy governing this area. See note 13.

35. Events after the end of the reporting period

There are no events after the end of the reporting period which impact the Group's and Company's financial statements.

Company information

FOR THE YEAR ENDED JUNE 30 2026

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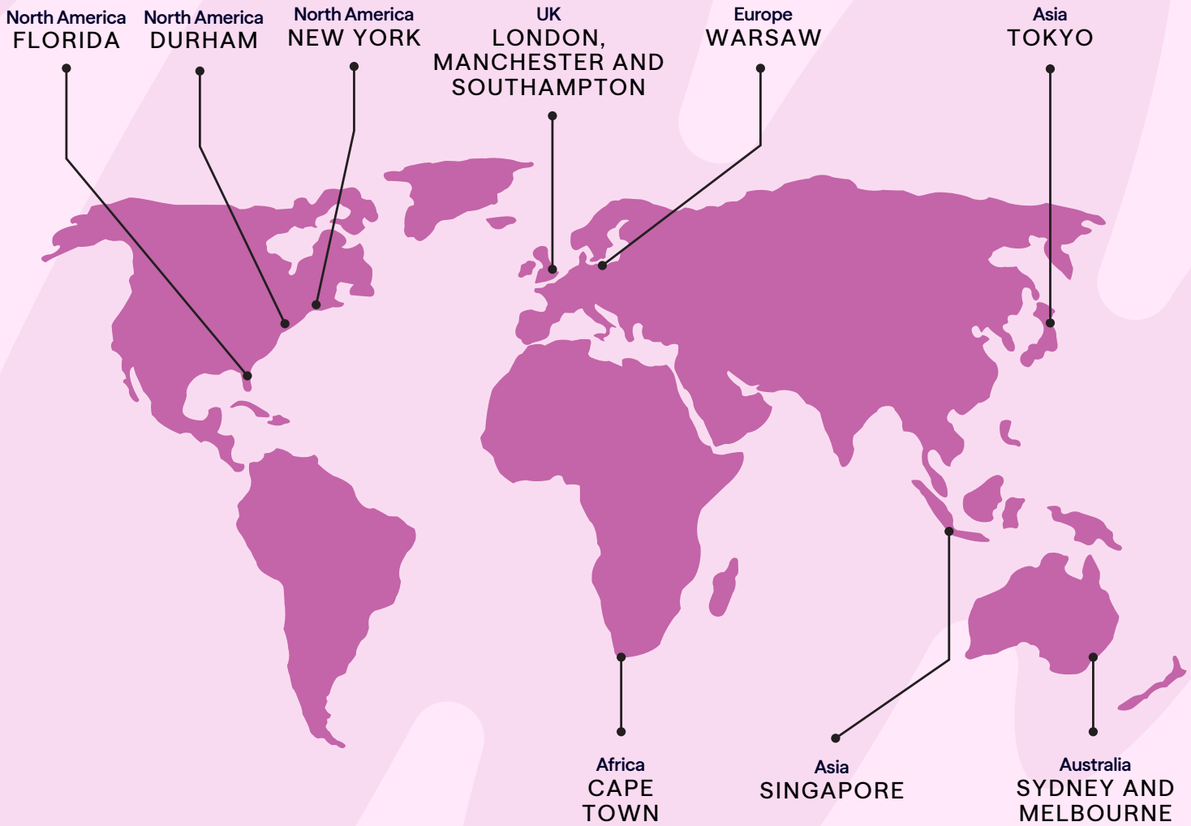
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Our global presence



Our clients

Krispy Kreme Doughnuts
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Ann Summers
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True Classic
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NHS Blood and Transplant
British Heart Foundation
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arc Racing & Leisure Group
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