

14 January 2020

Zinc Media Group plc (“Zinc Media” or the “Company”)

Trading and Covid 19 update

Zinc Media Group plc (AIM: ZIN), the TV and multimedia content producer, is pleased to announce an update on current trading and further new business wins since its last update in November 2020.

- Pre-booked revenues for 2021 more than double to £9.3m, up from £4.1m reported in November 2020
- H2 2020 revenues anticipated to be up on H1
- Revenue diversification continues with first ever commission from Amazon Audible
- 7 returning series confirmed for 2021
- 3 new partnerships contracted for new Zinc Communicate division
- First TV revenues booked for 2022
- Better than expected distribution revenues in Q4 2020
- UK Government permits television production filming during lockdown 3
- The biggest risk to the Group’s revenues in the short term relate to any tightening or lengthening of the current Covid restrictions

The Group is pleased to report a further £5.2m of new business for 2021 was closed in the run up to Christmas, which sees the Group start 2021 with £9.3m of booked revenue.

The Group finished 2020 with increasing momentum with the London based TV business winning a one-off Panorama commission for BBC1 and breaking into a new market with Amazon Audible. The new commission from Amazon Audible is a significant strategic success for the Group and follows the restructure in 2020 which aligned London TV, the Group’s two radio labels and Zinc Communicate into a cohesive team. This audio commission stemmed from an original idea developed in the television team but reworked for audio.

Tern TV had recommissions for a number of series including a second series of *Inside the Zoo* for BBC Scotland, following the keepers and animals in Edinburgh Zoo, along with recommissions of *Britain’s Lost Masterpieces*, *Crime Files*, *Grand Tours of Scottish Lochs* as well as a new countryside series for BBC1. Tern has also booked its first revenues for 2022 which is earlier than in previous years.

The new Zinc Communicate division, which was also restructured in 2020 to bring together publishing, branded content and video marketing, has now won 3 new contracts to produce short form video for brands and corporate partners. The Group aims to work with 8 partners in 2021 and continues to build a good pipeline. Sales in the publishing division had a strong end to 2020.

The Group continues to develop a healthy pipeline of new business opportunities for 2021 and beyond. In addition to the £9.3m of business booked for 2021, the Group’s pipeline sits at £43m with £5m at an advanced stage, £15m in engaged discussion, and £23m in early discussion with potential buyers and commissioners.

Covid 19 – Lockdown 3

The Group ended 2020 with increasing momentum. The current Covid 19 lockdown presents new uncertainty for the start of 2021 and could cause some short-term delays to both production and commissioning in Q1. However, due to the production protocols established during 2020, as well as government support for the industry, the Group is hopeful that this lockdown will be less disruptive to the Group than the lockdown in March 2020.

Management are particularly pleased that the UK Government has permitted television production to continue under the current restrictions for lockdown 3. It has also permitted hospitality and entertainment venues to open for the purposes of producing film and television and extended its £500m insurance scheme which aims to support the independent production sector through the extended Covid crisis. The Group currently has 19 programmes in production and has not yet had any significant

cancellations or delays due to lockdown 3. The biggest risk to the Group's revenues in the short term relate to any tightening or lengthening of the current Covid restrictions.

The Group's cash position as at 12th January stands at £5.9m, and the Group expects to issue its final results for the 18 month period ending December 2020 in April.

Mark Browning, Chief Executive Officer, commented:

"It is very encouraging to see the Group end 2020 with a flurry of new business across all divisions in the Group. I am particularly pleased to see Amazon become a new client with the Group through their Audible division, as this opens up a slate of new opportunities in audio and television. I am also pleased to see the new Zinc Communicate business win new contracts. The Group is operating much more effectively, and now surfacing new opportunities following the structural changes we made in 2020. Lockdown 3 creates yet more uncertainty; however the Group has a strong pipeline and I remain positive that once Covid restrictions lift we will be able to convert more of this pipeline and continue to build revenues again. Once this happens, and following the improvements to our gross margins, and reduced cost base, we will be able to deliver profitability and cash generation.'

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About Zinc Media Group

Zinc Media Group plc is a leading television and content creation group.

The award-winning and critically acclaimed television labels comprise Blakeway, Brook Lapping, Films of Record, Red Sauce and Tern Television and produce programmes across a wide range of factual genres for UK and international channels.

Zinc Communicate specialises in developing cross-platform content for brands, businesses and partners.

For further information on Zinc Media please visit www.zincmedia.com