27 January 2026

Dotdigital Group plc
("Dotdigital" or the "Group")

Trading Update & Notice of Half-Year Results

Double-digit growth in core CXDP ARR, confident in FY26 outlook in line with market expectations

Dotdigital (AIM: DOTD), the leading provider of an AI-powered customer experience and data platform for intelligent, personalised marketing engagement at scale, announces a trading update for the six months ended 31 December 2025 ("H1 2026"). The trading performance reported in this statement is based on unaudited management accounts.

The Board is pleased to report good progress from its strategic initiatives, delivering high-quality growth and strong margin performance, supporting the Group's ability to reinvest in its strategy. Demand from new and existing customers remained solid, supported by the Group's focus on higher-value customers and a highly recurring revenue base, with growth in all regions in the core CXDP business which is reflected in an increase in forward-looking contracted ARR.

H1 Financial Highlights

- Trading in line with full-year market expectations[1]
- Forward-looking contracted ARR from the core CXDP business up 13% (6% on an organic[2] basis) to £75.4m (H1 2025: £67.0m)
- Recurring revenue from the core CXDP business recognised in H1 up 11% (4% on an organic[2] basis) to £37.3m, which now represents 84% of total revenues (H1 2025: 80%)
- Total Group revenue including the low-margin CPAAS business up 4% to £44.2m (H1 2025: £42.4m), on a normalised[3] basis this is up 9% (3% on an organic[2] normalised[3] basis)
- ARPC[4] (excluding Social Snowball) increased by 7% on a normalised[3] basis to £1,968 per month (H1 2025: £1,830 normalised or £1,916 reported)
- Cash at 31 December 2025 totalled £36.1m (31 December 2024: £45.7m), following the 20m consideration payment for Social Snowball
- FX headwinds incurred on all metrics above which are disclosed on an actual currency basis, constant-currency growth rates are all approximately 1% higher than those highlighted above

As highlighted over the previous year, H1 2025 represented an unusually strong comparator period across both the core CXDP business and the low margin CPAAS business as a result of final contributions from an exited CPAAS contract and exceptional SMS volume tied to specific marketing campaigns in H1 2025. Underlying core CXDP revenue continues to grow well, driven by continued growth in all regions and execution of the Group's targeted M&A strategy.

Following its acquisition in late June 2025, Social Snowball has performed well, and integration is progressing to plan. ARR is up approximately 30% on an annualised basis since acquisition, with an acceleration in growth rate expected as Go-To-Market investments take effect. Social Snowball ARPC per month has increased by 9% (18% annualised) from US 319 per month upon acquisition to US 348 per month in December. It adds influencer, affiliate and referral marketing capability and strengthens the Group's Shopify ecosystem presence, supporting the opportunity to expand ARPC through cross- and up-sell across the enlarged customer base.

Product innovation continues to reflect customer demand for sophisticated yet easy to-use platforms that unify data and personalisation across channels to deliver measurable ROI. In H1, the Group delivered enhancements across the product suite, including continued strengthening of WinstonAI, further momentum in WhatsApp adoption, and the launch of CreatorSearch within Social Snowball. The Group's loyalty product is now being tested in production environments by early adopters, with positive results being generated for customers, with wider release expected later

this fiscal year. Looking ahead to H2 and beyond, the Group will focus its product innovation investment on strengthening data, AI and partner integration capabilities, alongside continued enhancements to internal infrastructure and processes.

The Board remains confident in the Group's prospects and expects to deliver FY26 results in line with market expectations, supported by the Group's strong cash position, high-visibility recurring revenues and strong, growing product portfolio. Despite macro pressures including FX volatility, customer cost sensitivity, and market consolidation, which presents both opportunities and challenges, the Group remains well positioned to navigate these dynamics through a differentiated, ROI-driven offering. The Board continues to proactively appraise acquisition opportunities in line with its strict criteria.

Notice of Half-Year Results

The Group expects to announce its results for the six months ended 31 December 2025 in early March.

Milan Patel, CEO of Dotdigital, commented:

"We have made a solid start to FY26, despite the challenging macro environment and continue to see customers prioritising platforms that simplify their technology stack and make results easier to achieve and measure. That plays to Dotdigital's strengths: a highly recurring revenue model, a broad all-in-one CXDP proposition and a clear focus on helping marketers use data and personalisation to drive outcomes.

We are progressing with a balance of ambition and discipline, investing where we see the best returns. Alongside continued organic investment, we remain proactive in assessing complementary acquisition opportunities that enhance the platform and support long-term value creation. Social Snowball is a product of this approach, and we are delighted with its contribution. With a comprehensive product portfolio, strong revenue visibility, a strengthening pipeline and a healthy balance sheet, we are confident in the year ahead and the Group's continued success."

[1] Consensus market expectations for the year to 30 June 2026 at the time of publication:
· Revenue: £91.9m
· Adjusted EBITDA: £29.1m
· Adjusted profit before tax: £20.0m

[2] Organic revenue excludes results attributable to Social Snowball, acquired June 2025.

[3] Normalised for the non-renewal of the non-core low-margin CPAAS contract as announced on 26 June 2025 (full annual contract value £4.4m)

[4] Average revenue per customer

Contacts

Dotdigital Group plc   +44 (0)20 3953 3072
Milan Patel, CEO   investorrelations@dotdigital.com
Tom Mullan, CFO

Alma Strategic Communications   +44 (0)20 3405 0210
Hilary Buchanan   dotdigital@almastrategic.com
David Ison
Will Merison

Canaccord Genuity (Nominated Adviser and Joint Broker) +44 (0)20 7523 8000
Bobbie Hilliam
Elizabeth Halley-Stott

Cavendish Capital Markets Limited (Joint Broker)   +44 (0)20 7220 0500
Jonny Franklin-Adams, Corporate Finance
Sunila de Silva, Equity Capital Markets

Singer Capital Markets (Joint Broker)   +44 (0)20 7496 3000
Shaun Dobson
Jen Boorer

About Dotdigital

Dotdigital Group plc (AIM: DOTD) is a leading provider of cross-channel marketing automation technology to marketing professionals. Dotdigital's customer experience and data platform (CXDP) combines the power of

automation and AI to help businesses deliver hyper-relevant customer experiences at scale. With Dotdigital, marketing teams can unify and enrich their customer data, identify valuable customer segments, and deliver personalised cross-channel customer journeys that result in engagements, conversions, and loyalty.

Founded in 1999, Dotdigital is headquartered in London with offices in Manchester, Southampton, New York, Melbourne, Sydney, Singapore, Tokyo, Warsaw and Cape Town. Dotdigital's solutions empower over 4,000 brands across 150 countries.

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