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S4 Capital plc
("S4Capital" or "the Company")

Miyagi to merge with Media.Monks

Media.Monks strengthens its content capabilities, adds talent and expands in Italy

S4Capital plc (SFOR.L), the tech-led, new age/new era digital advertising and marketing services company, announces that Miyagi, leading creative content marketing agency - integrating strategy, creativity and production - is merging with Media.Monks to form S4Capital's Content practice in Italy. The merger adds to the existing Content, Data&Digital Media capabilities in Italy, Europe's fourth largest advertising market.

Miyagi was founded in 2013 by five partners [Francesco Bragonzi](#), [Francesco Menichini](#), [Tommaso Marucchi](#), [Felice Arborea](#) and [Giuseppe Azzone](#). Specialising in end-to-end digital experience content strategy, design and production, Miyagi now numbers 70 experts in Milan working on clients such as Campari Group, Danone, Luxottica, Red Bull and Xiaomi.

S4Capital Executive Chairman Sir Martin Sorrell said, "We are delighted to welcome Francesco, Tommaso, Felice, Giuseppe and Francesco to Media.Monks and S4Capital. We look forward to developing an even stronger Content, practice in Italy to complement our Data&Digital Media practice and form a base for Technology services, building on the impressive success Miyagi has already had and broadening our base in Western Continental Europe."

"Miyagi significantly expands our Content practice in Italy giving us deeper creative, production and social capabilities which we can put to work immediately for our Italian clients. Besides that, Miyagi's work and management team looks a lot like Media.Monks a few years back, and we got along since the first moment we met. With close to 100 Monks in the Italian market, and a clear focus on digital creative craft I believe we will accomplish great things together," said Victor Knaap, CEO Media.Monks EMEA, and S4Capital Executive Director.

Francesco Bragonzi, Chairman and Co-Founder of Miyagi added "On behalf of the partners we are excited to be joining Media.Monks and we look forward to taking their disruptive model to the next level here in Italy. Becoming part of a company that shares the same vision that we've followed since the beginning was a unique and unmissable opportunity for us and we can't wait to start this incredible new adventure and to share this new path with our clients. We also can't forget who made this possible and we really want to share the excitement of this moment with our employees who have made this possible and who will be first in line on this new ride."

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About Miyagi

Miyagi is a creative content marketing agency that integrates strategy, creativity and production into a smooth and productive process.

It was born as a production company and its evolution reflected what the market has been looking for in recent years: one agency to cover the whole stream of creative communication, starting from the building up process of strategy, research and data driven plans, through the creativity and ideation of multi-channel campaigns to the actual production of videos, events and on field campaigns and ending with the post production and multi format and multi-language adaptation for all the contents.

It now has more than 70 employees distributed across different teams (strategy, social, account, production and post production) with different backgrounds and skills who cooperate together, sharing the same spaces and ideas.

It was included in the 2020 list of the fastest growing companies both in the 100 Leaders of Growth List - for the "Il Sole 24 Ore" and the 1000 Europe's Fastest Growing Companies 2020 list for the Financial Times.

In 2020 it also won the Grand Prix and six further awards at the NC digital Awards in Italy.

Miyagi has now become a market model that can still count on its original production DNA and has also added the strategic and creativity approach so needed in the new digital environment. From the beginning of 2021, it has also opened a new original production company brand with TOGA, in order to specialise and extend further into the filming production stream.

About Media.Monks

Media.Monks is a global creative production company that partners with clients across industries and markets to craft amazing work for leading businesses and brands. Its integrated production capabilities span the entire creative spectrum, covering anything you could possibly want from a production partner, and probably more.

From creative campaigns and content to bespoke development and design, Media.Monks works above the line and below the fold at the intersection of creativity and technology. Operating across teams, time zones, and technologies with an incredible in-house team of more than 3,350 Monks, including recent S⁴Capital mergers. Its work is recognized by advertising and craft awards around the world, producing 131 Cannes Lions and 240+ FWAs to date.

Founded in 2001 and rooted in digital, you can find MediaMonks anywhere on the Web as well as in San Francisco, Los Angeles, Mountain View, Sandpoint, Toronto, New York, Mexico City, Buenos Aires, São Paulo, Dublin, London,

Amsterdam, Hilversum, Cape Town, Stockholm, Kiev, Dnepr, Moscow, Nur-Sultan, Dubai, Mumbai, Bangalore, Delhi, Singapore, Shanghai, Sydney, Melbourne, and Auckland.

About S⁴Capital

S⁴Capital plc (SFOR.L) is the tech-led, new age/new era digital advertising and marketing services company, established by Sir Martin Sorrell in May 2018.

Its strategy is to build a purely digital advertising and marketing services business for global, multinational, regional, local clients and millennial-driven influencer brands. This will be achieved initially by integrating leading businesses in two practice areas: content and data&digital media, along with an emphasis on "faster, better, cheaper" executions in an always-on consumer-led environment, with a unitary structure.

Digital is by far the fastest-growing segment of the advertising market. S⁴Capital estimates that in 2020 digital accounted for over 50% (for the first time) or \$290 billion of total global advertising spend of \$525 billion (excluding over \$500 billion of trade promotion marketing, the primary target of the Amazon advertising platform) and projects that by 2022 total global advertising spend will expand to \$650 billion and digital's share will grow to approximately 60% and by 2024 to approximately 70%, accelerated by the impact of covid-19.

S⁴Capital combined with MediaMonks, the leading AdAge A-listed creative digital content production company led by Victor Knaap and Wesley ter Haar, in July 2018 and with MightyHive, the market-leading digital media solutions provider for future thinking marketers and agencies, led by Peter Kim and Christopher S. Martin, in December 2018.

In April 2019, MightyHive combined with ProgMedia to expand operations into Latin America and MediaMonks acquired film studio Caramel Pictures to expand content studio capabilities. In June 2019, MediaMonks announced a planned combination with Australia-based BizTech, a leading marketing transformation and customer experience company. In August 2019, MediaMonks combined with Amsterdam-based digital influencer marketing agency IMA. In October 2019, MediaMonks combined with Firewood Marketing, the largest digital marketing agency based in Silicon Valley, that was recently ranked, along with MediaMonks and Circus (see below), as one of the fastest growing agencies by Adweek, and MightyHive combined with award-winning UK-based digital analytics, biddable media and data science company ConversionWorks and South Korea-based data and analytics consultancy MightyHive Korea. In November 2019, MediaMonks announced its combination with Delhi-based content creation and production company WhiteBalance (completed in August 2020 - the delay due to necessary merger clearance procedures) and then with fully integrated digital agency Circus Marketing in January 2020 (completed in March 2020).

In May 2020, MightyHive announced a combination with Digodat, one of the leading Latin American data and analytics consultancies, and in June 2020, MightyHive announced its combination with Lens10, a leading Australian digital strategy and analytics consultancy. In July 2020, MightyHive announced a combination with Orca Pacific, a market leading full-service Amazon agency and boutique consultancy firm based in Seattle. In August 2020, MightyHive announced a combination with London-based Brightblue, an econometric and media optimisation consultancy. In September 2020, MediaMonks announced its combination with Dare.Win, expanding its geographical presence to France.

In January 2021, MediaMonks announced its combination with integrated creative, technology and media agency Decoded Advertising, Shanghai based creative agency TOMORROW and Stuttgart based automotive specialist STAUD STUDIOS. MightyHive also announced its combination with integrated digital performance marketing agency Metric

Theory. In February 2021, MightyHive acquired the assets of Datalicious Australia, a leading Google Marketing Platform, Google Cloud and Google Analytics partner in Asia Pacific. In March 2021, MediaMonks announced it had entered into a conditional agreement in relation to a combination of MediaMonks with Toronto-based design and experience agency, Jam3. In May 2021, MightyHive announced it had entered into a conditional agreement in relation to a combination of MightyHive with the leading digital performance agency in Brazil, Raccoon Group.

On 26 July 2021, MightyHive announced a combination with Salesforce specialist Destined expanding its data and digital media practice in Asia Pacific. On 8 September 2021, the new unitary brand Media.Monks announced a combination with the iconic culture and creative marketing agency Cashmere, based in Los Angeles. Also in September 2021, Media.Monks announced a merger with leading digital transformation services firm Zemoga, headquartered in Los Angeles, with further US offices as well as delivery centres in Colombia. The merger expanded the Media.Monks offering into technology services.

In August 2021, S⁴Capital launched its unitary brand by merging MediaMonks and MightyHive into Media.Monks, represented by a dynamic logo mark that features MightyHive's iconic hexagon. As the operational brand, Media.Monks underpins S⁴Capital's agility, digital knowledge and efficiency and is the next step in delivering on its foundational promise to unify content, data&digital media and technology services.

On 16 July 2020, S⁴Capital announced the successful placing of 36,766,642 new ordinary shares at a price of 315p raising approximately £116 million gross proceeds which has been used for further expansion and combination purposes.

On 19 July 2021, S⁴Capital announced it had engaged Credit Suisse AG, London branch, HSBC Bank plc and Barclays Bank plc as lead arrangers for a seven-year €375 million senior secured term loan. In addition, it negotiated a five-year £100 million equivalent multicurrency senior secured revolving credit facility with Credit Suisse, HSBC, Barclays, JP Morgan and BNP Paribas. Both term loan and revolving facility were successfully completed in early August 2021. This refinanced its existing €25 million and US\$28.9 million term loans and its €35 million and €43.5 million multicurrency revolving credit facilities and will provide approximately £200 million for general corporate purposes, including funding the cash element of future mergers, which is typically one-half of overall consideration. The Company will maintain its policy of maximum net leverage not exceeding 1.5-2x Operational EBITDA.

Victor Knaap, Wesley ter Haar, Pete Kim, Christopher Martin, Peter Rademaker and Scott Spirit all joined the S⁴Capital Board as Directors. The S⁴Capital Board also includes Rupert Faure Walker, Paul Roy, Daniel Pinto, Sue Prevezer, Elizabeth Buchanan, Naoko Okumoto, Margaret Ma Connolly and Miles Young.

The Company now has over 6,900 people in 33 countries across the Americas, Europe, the Middle East and Africa and Asia-Pacific and a current market capitalisation of approximately £3.8 billion (c.\$5.1 billion) and would rank well inside the FTSE 125. It achieved Unicorn status in a little over one year, unique in the advertising and marketing services industry. Sir Martin was CEO of WPP for 33 years, building it from a £1 million "shell" company in 1985 into the world's largest advertising and marketing services company with a market capitalisation of over £16 billion on the day he left. Today its market capitalisation is £13 billion, having recently been surpassed by Publicis for the first time. Prior to that Sir Martin was Group Financial Director of Saatchi & Saatchi Company Plc for nine years.