



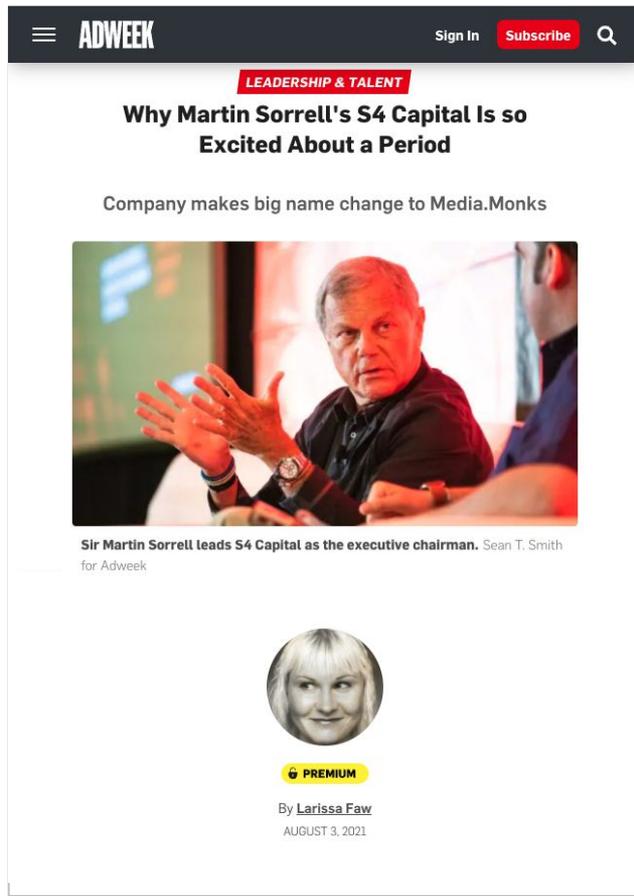
# 2022 Q1 Trading Update

May 2022

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# Trading Update



The screenshot shows the top portion of a web article. At the top left is the Adweek logo with a hamburger menu icon. To the right are 'Sign In' and 'Subscribe' buttons, and a search icon. Below the navigation is a red banner with the text 'LEADERSHIP & TALENT'. The main headline reads 'Why Martin Sorrell's S4 Capital Is so Excited About a Period'. Underneath is a sub-headline: 'Company makes big name change to Media.Monks'. A large photograph of Martin Sorrell is centered, showing him gesturing with his hands while speaking. Below the photo is a caption: 'Sir Martin Sorrell leads S4 Capital as the executive chairman. Sean T. Smith for Adweek'. At the bottom of the article preview is a circular profile picture of Larissa Faw, a yellow 'PREMIUM' badge, and the text 'By Larissa Faw' and 'AUGUST 3, 2021'.



# Q1 Trading Update

<p><b>Revenue</b></p> <p><b>£206.8m</b> +70.1% reported +40.6% like-for-like<sup>1</sup></p>	<p><b>Gross Profit /Net Revenue</b></p> <p><b>£171.1m</b> +64.6% reported +34.5% like-for-like</p>	<p><b>2022 Gross Profit /Net Revenue</b></p> <p>Maintaining 25% year on year growth guidance</p>
<p><b>2022 EBITDA margin</b></p> <p>Steady year on year improvement Significant H2 EBITDA weighting</p>	<p><b>“Whoppers”<sup>3</sup></b></p> <p><b>+2</b></p> <p>Making a total of 8 fully effective in 2023</p>	<p><b>Net Debt<sup>2</sup></b></p> <p><b>£48.0m</b> at 31 March 2022</p> <p>Currently ranging between £140-190m</p>

**The Board continues to expect good progress for the full year**

1. Like-for-like is a non-GAAP measure related to 2021 being restated to show the unaudited numbers for the previous year of the existing and acquired businesses consolidated for the same months as in 2022 applying currency rates as used in 2022.

2. Net debt comprises cash minus gross bank loans (excluding transaction costs). Current range for net debt is after Theorem One initial cash consideration and includes c£40M of expected contingent consideration payments.

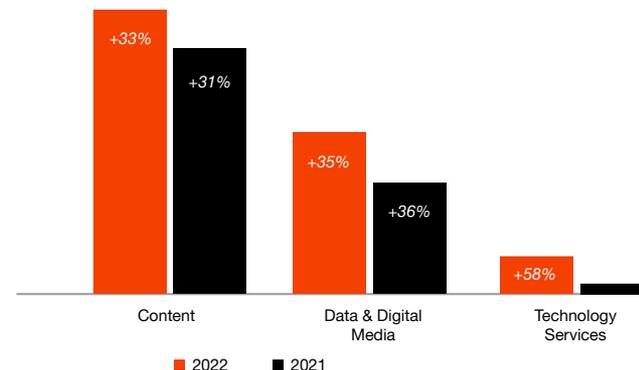
3. A “Whopper” is defined as a major client with over \$20 million in revenue and currently number 6 - Google, an NDA'd telecommunications FAANG, Meta, Mondélez, BMW/MINI and HP. Additional 2 “Whoppers” YTD May.

# Growth by Practice and Region

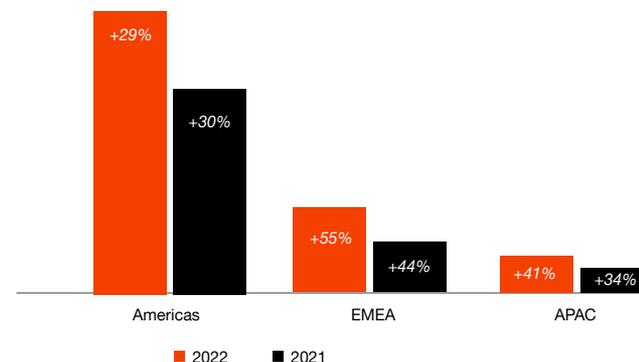
£ million	Q1 2022	Q1 2021	YOY Growth
<b>Gross profit (net revenue)</b>	<b>171.1</b>	<b>104.0</b>	<b>64.6%</b>
Content	115.6	74.6	55.0%
Data & digital media	48.7	29.4	65.6%
Technology services	6.8	-	-
Americas	122.8	73.4	67.3%
EMEA	34.0	21.6	57.3%
Asia-Pacific	14.3	9.0	60.0%

Like-for-like Q1 2021	YOY Growth
<b>127.2</b>	<b>34.5%</b>
86.7	33.3%
36.1	34.7%
4.4	58.3%
95.0	29.2%
22.0	54.7%
10.2	40.7%

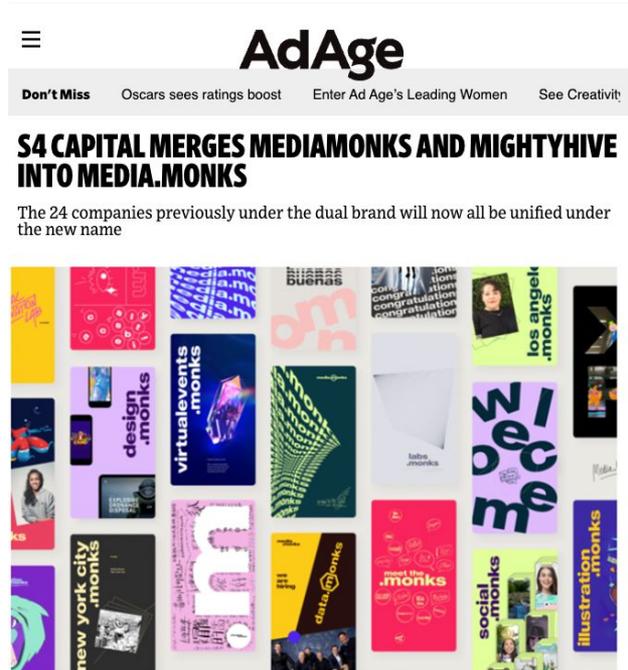
### Like-for-like Gross Profit/Net Revenue growth by Practice



### Like-for-like Gross Profit/Net Revenue growth by Region



# Mergers



The screenshot shows a web page from AdAge. At the top, the AdAge logo is centered. Below it, a navigation bar contains the text "Don't Miss", "Oscars sees ratings boost", "Enter Ad Age's Leading Women", and "See Creativit". The main headline reads "S4 CAPITAL MERGES MEDIAMONKS AND MIGHTYHIVE INTO MEDIA.MONKS". Below the headline is a sub-headline: "The 24 companies previously under the dual brand will now all be unified under the new name". The main content area features a grid of 24 colorful, stylized logos for various brands, each incorporating the ".monks" suffix. The logos include "design.monks", "virtualevents.monks", "los angeles.monks", "new york city.monks", "data.monks", "social.monks", and "illustration.monks".

Credit: S4 Capital

S4 Capital is launching its unified brand by merging its content arm, MediaMonks, and data and digital media arm MightyHive into what will now be called Media.Monks. Its logo features MightyHive's hexagon. The 24 companies previously under the dual-brand will now all be unified under Media.Monks, adopting the Media.Monks name

02



## 4 Mile Analytics

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4 Mile Analytics is a leader in data analytics, data engineering, data governance, software engineering, UX design and project & product management.

With Platform expertise across Looker, Snowflake, Fivetran and Google Cloud 4 Mile Analytics has 50+ data engineers and generated revenues/GP of approx \$6.5m in 2021.

## TheoremOne □

### TheoremOne

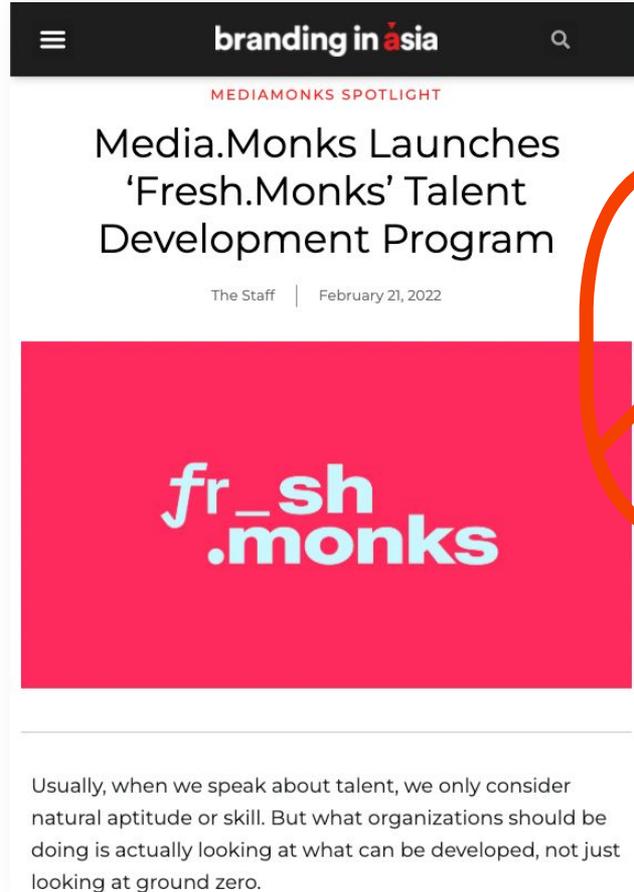
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TheoremOne is a leader in agile, full-stack, innovation, engineering and design and helps major enterprises achieve strategic digital transformation.

TheoremOne has over 370 specialists globally and works on clients such as American Express, AT&T, Intel, Starbucks, Caterpillar, and several of the world's leading technology companies

They generated revenues/GP of approx \$58m in 2021 and will bring one "whopper" client in Financial Services and contribute to several existing technology "whoppers" .

# Q&A



03

ADVERTISING, DIGITAL, MEDIA, ANALYSIS, NEWS

Alison Weissbrot | Jan 11, 2022

## Martin Sorrell: Flexible work 'will be more permanent than people think'

Sorrell deep-dives on the state of MediaMonks' business, looks to Latin America for creative excellence and embraces more flexible, hybrid work.



(Getty)

2021 was a busy year for MediaMonks.

# Appendix

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# Appendix – Additional Information

## Share Consideration Committed

- Deferred share issuance on considerations of c.9 million in 2022, c.5 million in 2023 and c.19 million in 2024, totalling c.33 million shares<sup>1</sup>
- Expected contingent consideration shares of c.22 million in 2022 and c.29 million in 2023 (assuming current share price<sup>2</sup>)

## Cash Contingent Consideration

- Expected contingent cash consideration commitments including TheoremOne totaling c.£125 million, c.£55 million in 2022 and c.£70 million in 2023

## Invested capital

- Invested capital<sup>3</sup> to date c. £1 billion

1. For more details on 2022 and 2023 see page 155 of the S4Capital Annual Report and Accounts 2021.

2. Number of shares calculated using the opening share price as at Friday 27th May 2022 of 275p.

3. Invested capital is the sterling value of capital injected into S4 Capital Limited which effectively mirrors the net proceeds of equity issuance by S4 Capital plc, plus the sterling value of all ordinary shares issued by S4 Capital plc as consideration for mergers and acquisitions.