



C A P I T A L

Inaugural Preliminary Results

for the year ended 31 December 2018

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2018 Inaugural Results

Unaudited Pro Forma* Highlights (£m)

- Billings of 291.2
- Revenue 135.9, +58%
- Gross profit 105.2, +49%
- Operational EBITDA** 22.4, +99%
- Operational EBITDA margin 21.4%, +5.4 pts
- Adjusted operating profit 21.0
- Adjusted result before income tax 20.1
- Adjusted result 15.9
- Basic earnings per share 4.6p
- Year-end net debt 20.6, including the 45.6 loan drawn to partly fund the combination with MediaMonks

*Pro-forma numbers relate to unaudited full year non-statutory and non-GAAP consolidated results of MediaMonks and MightyHive and S⁴Capital as if the group had existed in full for the year and have been prepared under comparable GAAP with no consolidation eliminations

** Operational EBITDA is EBITDA adjusted for non-recurring items

Recent History and Highlights

- Formation and initial funding of S⁴Capital plc in May 2018
- Combination with the leading digital content Advertising Age A-Listed production company MediaMonks in July
- Injection of the enlarged Company into the quoted “shell” company, Derriston Capital Plc, with admission to the Standard List of the Main Market of the London Stock Exchange as S⁴Capital plc (SFOR.L) in September 2018
- Combination with the leading programmatic company MightyHive on Christmas Eve
- Appointment of leading industry figures to spearhead Asia Pacific growth
- The Company now has approximately 1,200 people in 16 countries
- Significant new business assignments from Procter & Gamble, Nestle, Avon, Mondelez, Bayer, Electronic Arts and Electrolux amongst others

2018 Inaugural Results

Unaudited Preliminary Highlights (£m)

- Billings 59.1
- Revenue 54.8
- Gross profit 37.2
- Operational EBITDA* 4.7 (including adjusting items of 12.5)
- Operating loss 8.5
- Result before income tax 9.1 (loss)
- Result 8.1 (loss)

2018 Inaugural Results

Pro Forma P&L

For the period ended 31 December 2018 (unaudited)

	Unaudited	Unaudited Pro-forma	Unaudited Pro-forma
	2018	2018	2017
	£'000	£'000	£'000
Revenue	54,845	135,929	86,114
Cost of sales	17,681	30,754	15,571
Gross profit	37,164	105,175	70,543
Net operating expenses (excluding adjusting items and depreciation)	32,474	82,727	59,285
Operational EBITDA	4,690	22,448	11,258
Depreciation	648	1,450	1,206
Adjusted operating profit	4,042	20,998	10,052
Adjusting items	12,512	12,512	51
Operating profit	-8,470	8,486	10,001
Finance income	324	352	-
Finance expenses	-975	-1,274	-1,425
Net Finance expense	-651	-922	-1,425
Result before income tax	-9,121	7,564	8,576
Income tax expense	1,011	-2,250	-4,195
Result for the period	-8,110	5,314	4,381

Earnings per share

Weighted average number of shares in issue for the purpose of basic and adjusted net result per share	247,776,256	348,125,891	348,125,891
Net result attributable to equity owners of the Company (£'000)	-8,110	5,314	4,380
Basic net result per share	-0.033	0.015	0.013
Diluted net result per share	-0.033		
Adjusted non-recurring expenses	5,005	5,005	51
Adjusted amortisation of intangible assets related to acquisitions	7,507	7,507	-
Adjusted tax on amortisation	-1,877	-1,877	-
Adjusted net result	2,525	15,949	4,431
Adjusted Basic net result per share	0.010	0.046	0.013

Unaudited Condensed Consolidated Balance Sheet

As at 31 December 2018	Unaudited 2018 £'000
ASSETS	
Non-current assets	
Intangible assets	387,275
Property, plant and equipment	4,007
Deferred tax assets	188
Other receivables	1,438
	392,908
Current assets	
Trade and other receivables	81,121
Cash and cash equivalents	25,005
	106,126
Total assets	499,034

LIABILITIES	
Non-current liabilities	
Deferred tax liabilities	26,930
Loans and borrowings	45,638
Other payables	5,260
	77,828
Current liabilities	
Trade and other payables	77,779
Current tax liabilities	4,107
	81,886
Total liabilities	159,714

Net assets	339,320
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As at 31 December 2018	Unaudited 2018 £'000
EQUITY	
Share capital	90,849
Share premium	258,588
Other reserves	-2,107
Retained earnings	-8,110
Capital and reserves attributable to owners of the company	339,220
Non-controlling interests	100
Total equity	339,320

Current Trading and Outlook

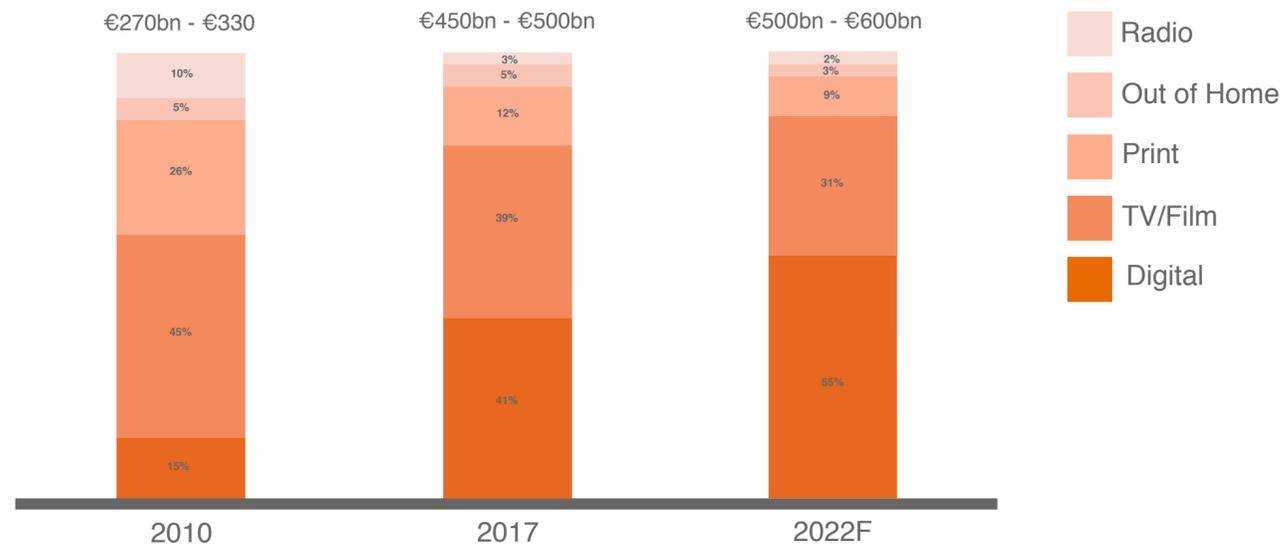
- A powerful 2018, with pro forma revenue and gross profit growth of 58% and 49% and operational EBITDA margin above 20%
- This performance is planned to continue into 2019, with budgets and plans targeting strong revenue, gross profit growth and improving operational EBITDA margin and with January showing revenue and gross profit like-for-like growth of over 30%
- Purely digital model, tag line “faster, better, cheaper” and unitary model resonating with clients
- Imperatives to:
 - broaden and deepen relationships with existing and new clients
 - broaden and deepen geographical coverage
 - attract additional data, content and media talent and resources through direct recruitment, acquisition and/or merger
- Three-year plan for 2019-21 calls for doubling of revenue and gross profits over pro-forma 2018, with an improvement in EBITDA margin

Technological and Geographic Trends

- The global advertising and marketing industry was worth \$1.7tn in 2018 (including \$400bn trade budgets – Redburn)
- Global internet users = 3.6bn people, or over 50% of the population, in 2018 (Kleiner Perkins)
- Digital media use 5.9 hours per day (Kleiner Perkins)
- Half of all advertising spend will be on digital media ad formats by 2019/2020, compared to 46% in 2018 (Magna)
- The market for internet advertising is expanding at over 20% year-on-year (Kleiner Perkins), compared to 3-4% for the overall advertising market (company estimate)
- Programmatic advertising spend is forecast by the Group to reach \$84bn in 2019 growing at approximately 20 per cent year-on-year to reach \$98bn in 2020 (company estimate)

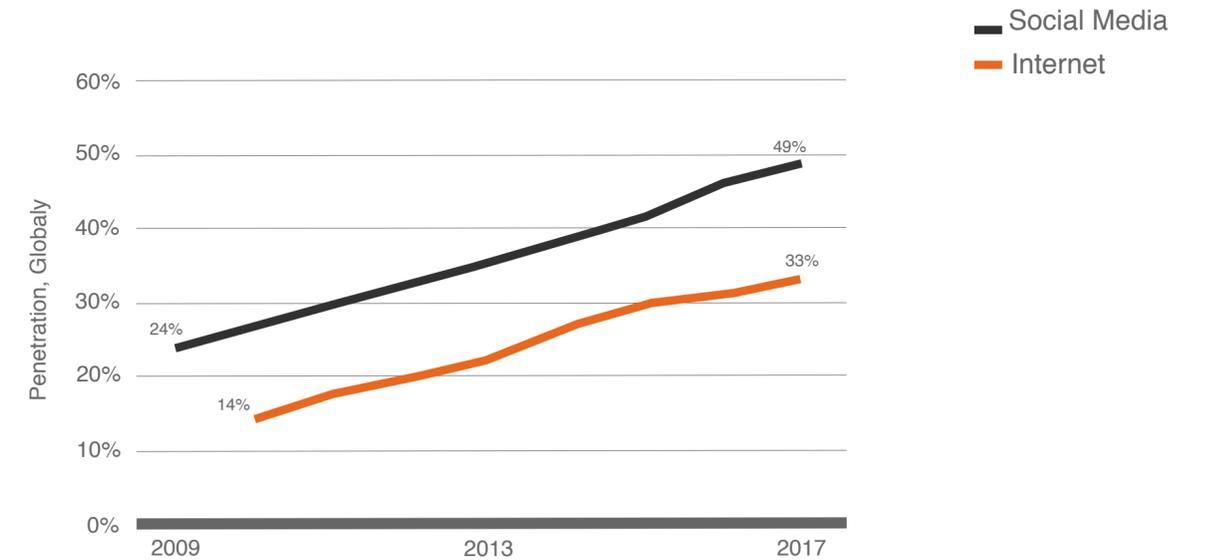
Technological and Geographic Trends

Digital continues to grow significant advertising “market share”



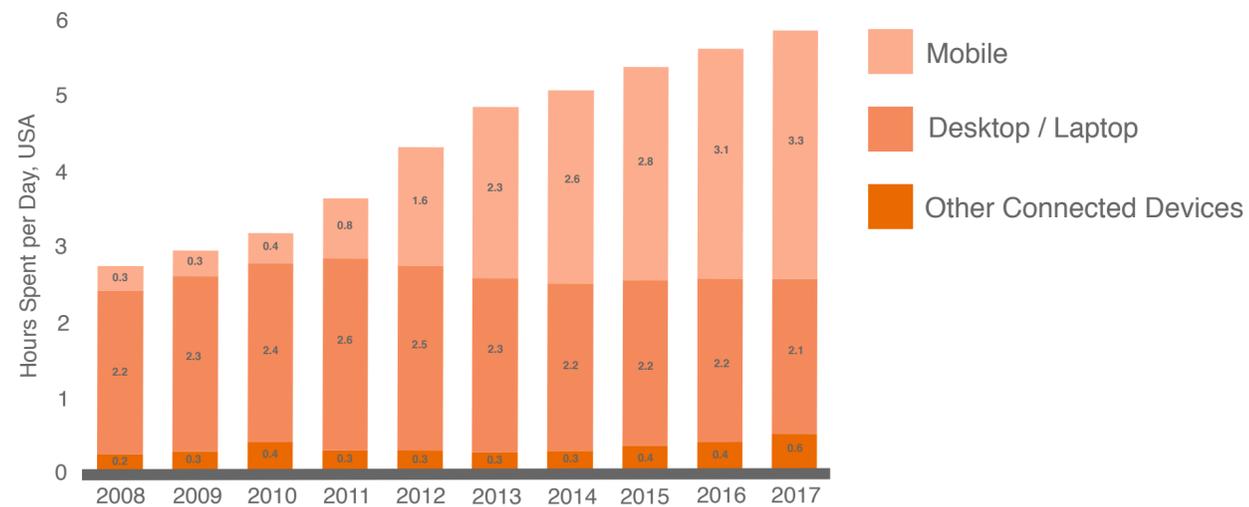
Source: Company estimates

Internet and social media global penetration doubles in eight years



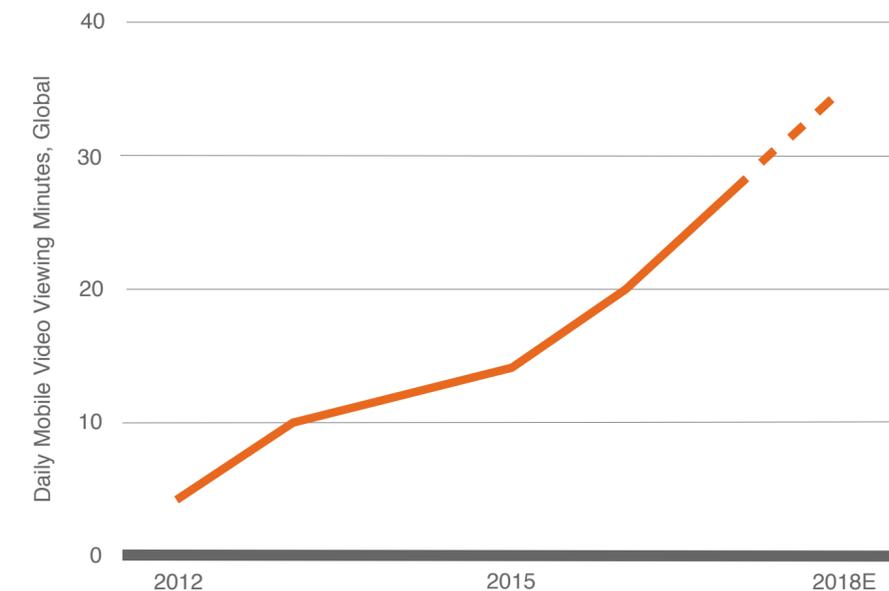
Source: Kleiner Perkins

Digital time spent doubles in eight years



Source: Kleiner Perkins

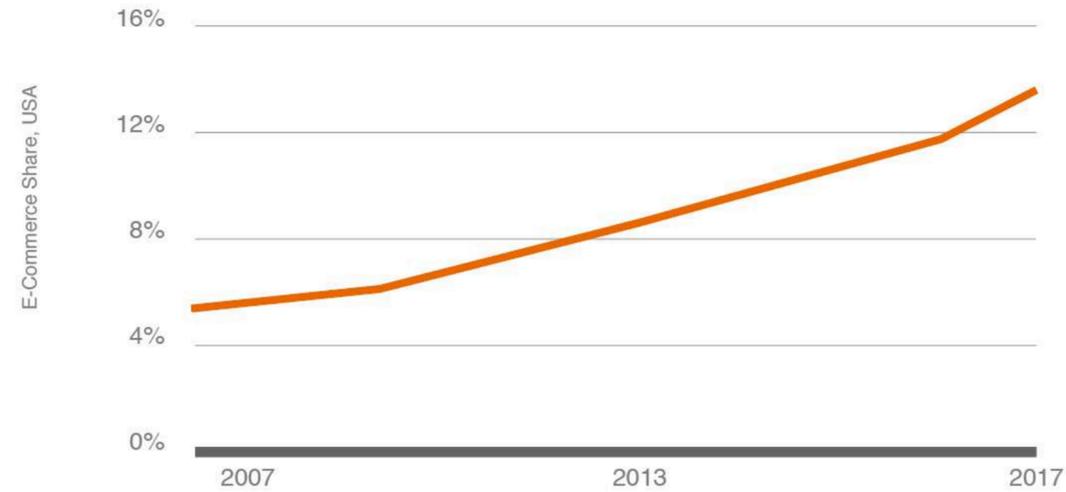
Mobile video viewing exhibits very strong growth



Source: Kleiner Perkins

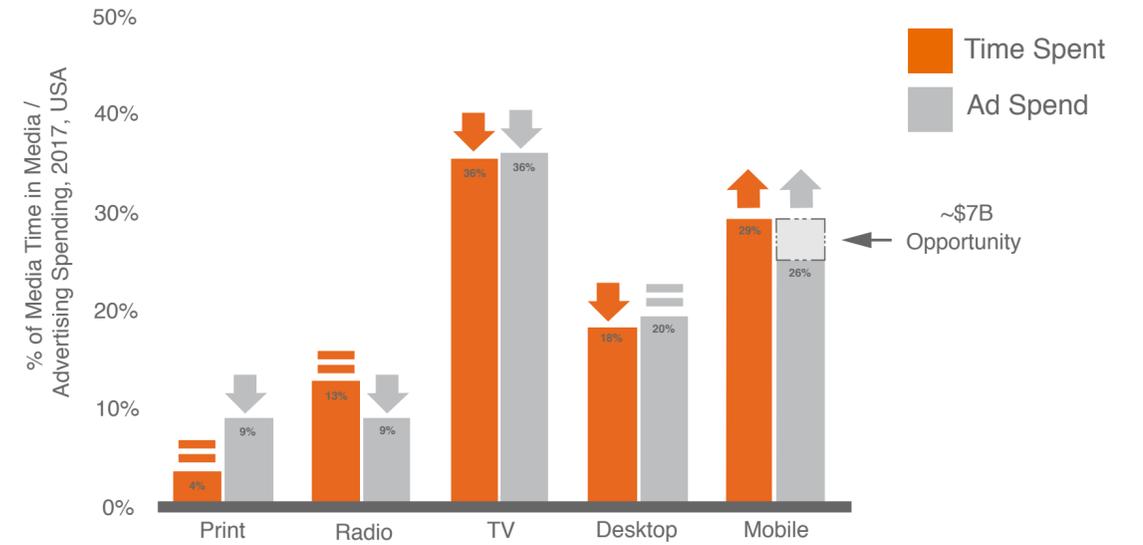
Technological and Geographic Trends

E-Commerce ramping up



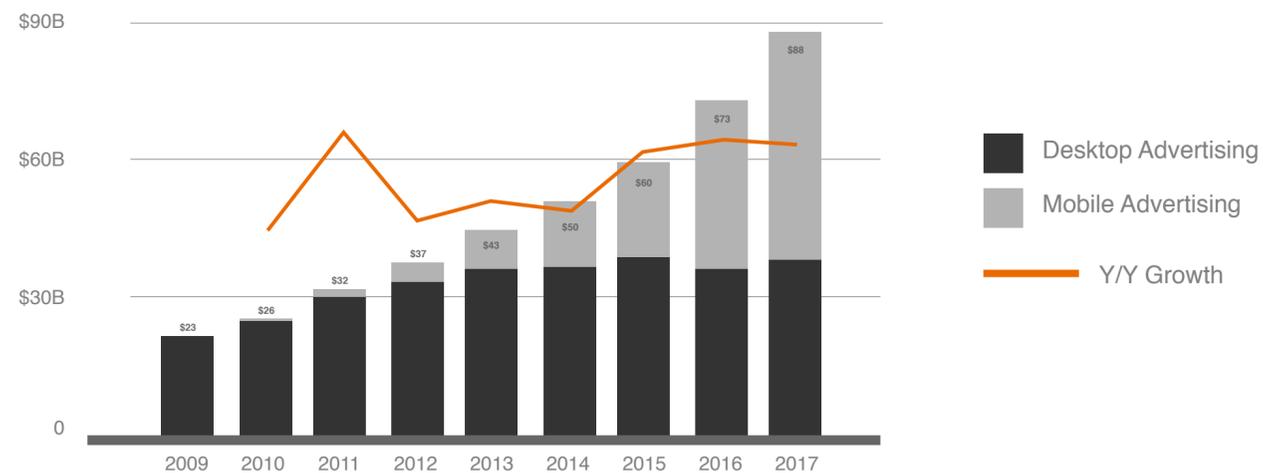
Source: Kleiner Perkins

Mobile advertising still represents the biggest opportunity



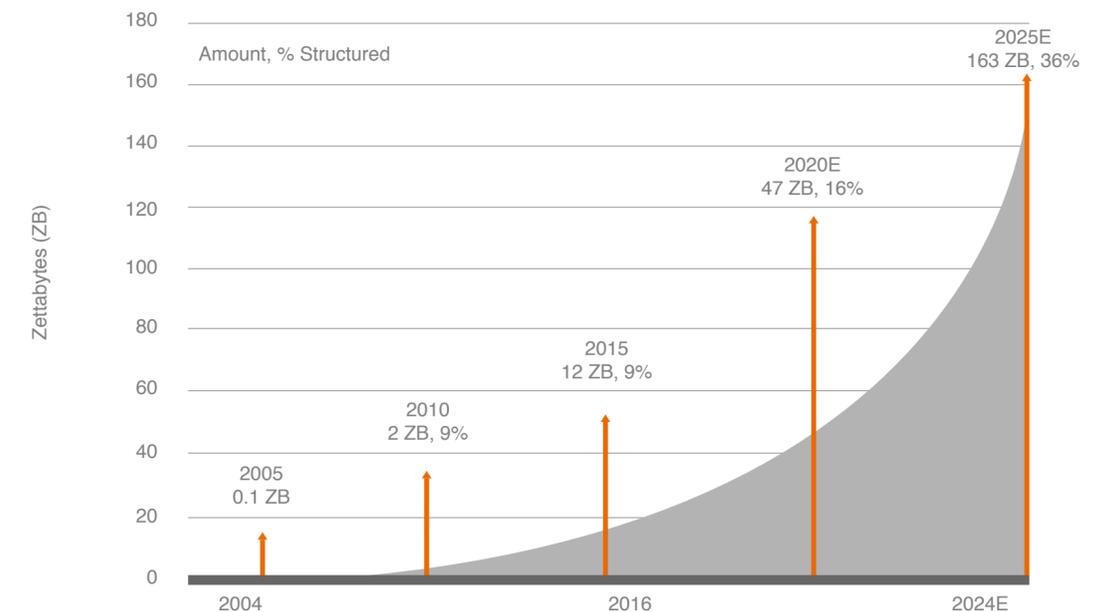
Source: Kleiner Perkins

Internet advertising spend up strongly



Source: Kleiner Perkins

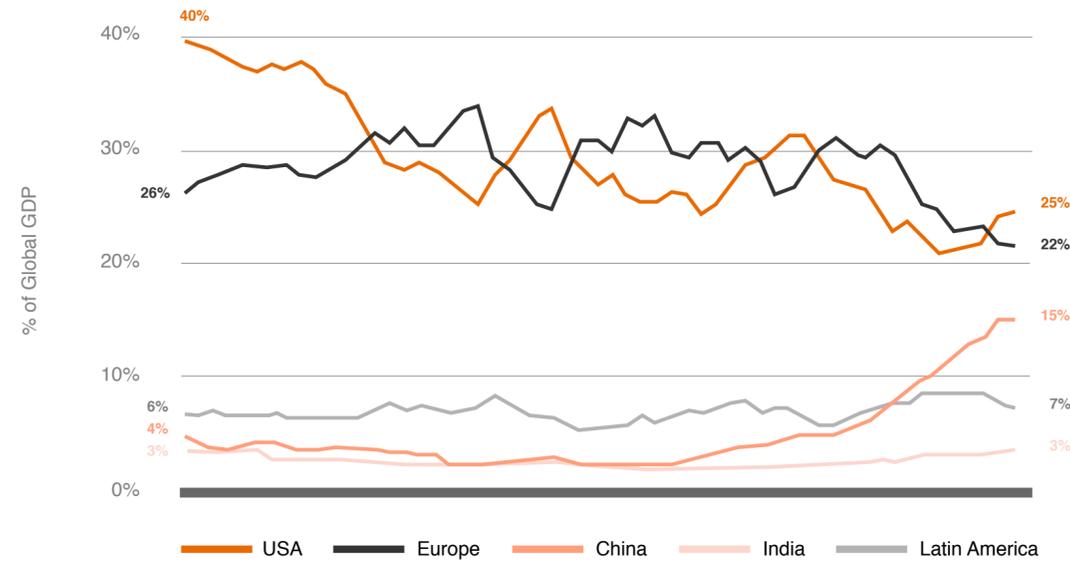
Violent growth in data



Source: Kleiner Perkins

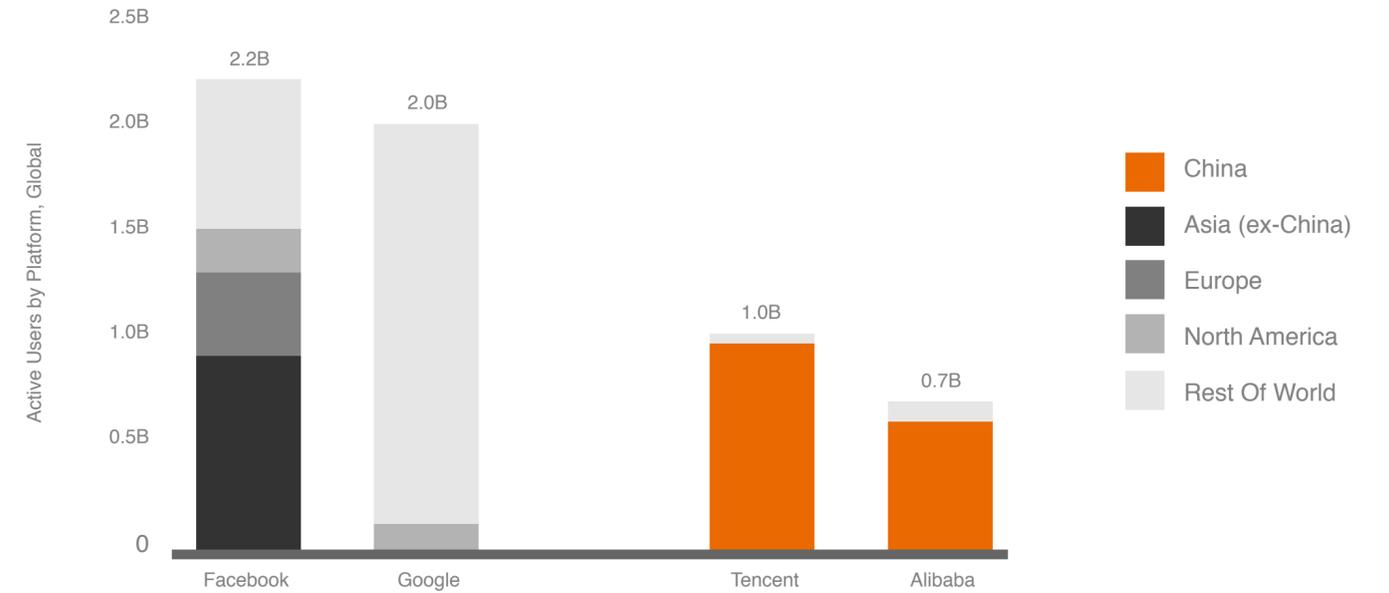
Technological and Geographic Trends

USA, China and India are the opportunity



Source: Kleiner Perkins

Facebook and Google the leading platforms, except in China



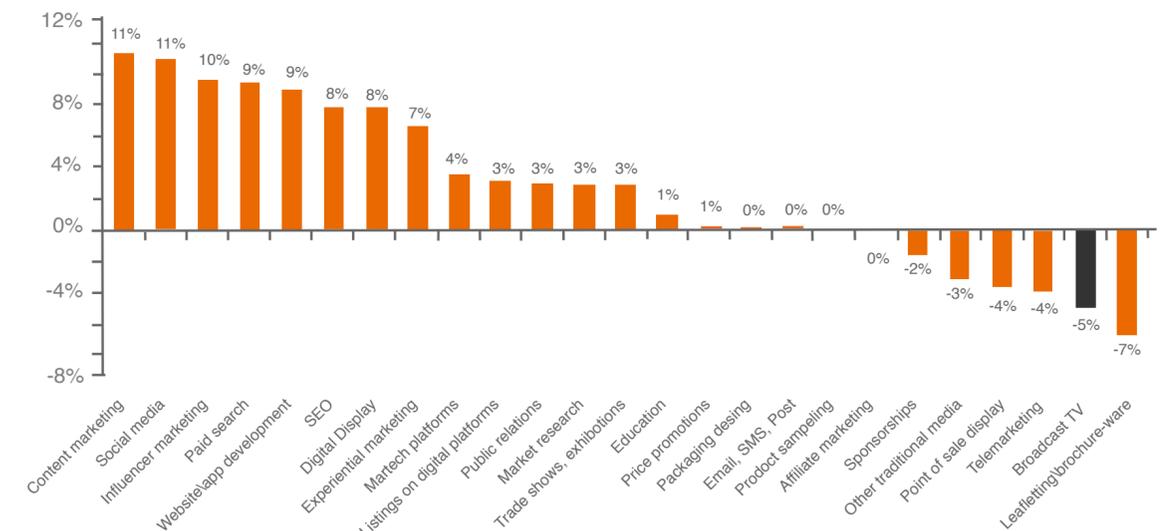
Source: Kleiner Perkins

Google and Facebook dominate internet advertising revenue, but Amazon is the Third Force

2018 revenue run rate	
Google	\$115bn
Facebook	\$54bn
Amazon	\$10bn
Microsoft	\$8.6bn
Oath	\$7.2bn
Twitter	\$2.6bn
Snap	\$1.5bn
Other	\$62bn
Total	\$226bn

Source: Polar State of Digital Media, Q1 2019

Pure digital domination of marketing spend and activity 2018 - 2021



Source: Redburn

Technological and Geographic Trends

Industry Dynamics

S⁴Capital



First party data
Digital creative
Programmatic
In-housing
Consultancy

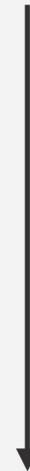
Seven

Sisters

Post-Lehman slower GDP growth

Walled gardens 'growing'

'Take Back Control'



Traditional creative
Zero-based budgeting
Custom research

02

Four Core Principles

Purely digital

The Holy Trinity

- First party data
- Digital content
- Programmatic

S4

CAPITAL

Faster
Better
Cheaper

Unitary structure

Strategy and Structure

Analyse

First party data

- Assist in the sourcing, analysis and delivery of aggregated and high quality relevant datasets
- Fuel marketing budget ROIs by filtering noise through proprietary tools and frameworks
- Focus on data analytics to fuel creative content and digital media planning

Create

Digital Content

- Design and development of digital creative content and internal digital media channels
- Best of breed UX and digital design, for specific, dynamic and data driven content
- Emphasis on further geographic and functional development of MediaMonks

Plan & Deliver

Programmatic

- Provide a backbone for clients to efficiently plan and deliver audience-focused campaigns
- From location-based micro-targeted mobile ads to omni-channel campaigns
- Analytical capabilities in campaign auditing and cost-analysis further enhance offering

Organic & growth by acquisitions

**MEDIA
MONKS**

IGHYHIVE

Strategy and Structure

S4Capital Board and Executives

Rupert Faure Walker
Non-executive director

Daniel Pinto
Non-executive director

Sue Prevezer QC
Non-executive director

Paul Roy
Non-executive director

Sir Martin Sorrell
Executive Chairman

Victor Knaap
CEO MediaMonks

**MEDIA
MONKS**

Wesley ter Haar
COO MediaMonks

**MEDIA
MONKS**

Pete Kim
CEO MightyHive

 **IGHTYHIVE**

Christopher Martin
COO MightyHive

 **IGHTYHIVE**

Peter Rademaker
Group Chief Financial Officer

Michel de Rijk
CEO Asia Pacific

Poran Malani
Director, India



Expanding Global Presence

	Pro forma revenue	Pro forma gross profit
Americas	65%	72%
EMEA	29%	22%
APAC	6%	6%

Digital content	75%	67%
Programmatic	25%	33%

MediaMonks

- 6 production hubs / service offices
- 14 service offices
- 2 more offices under consideration
- 950+ people

MightyHive

- 10 existing offices
- 15 new offices under consideration
- c.250 people



People

MediaMonks



Victor Knaap - *CEO*



Wesley ter Haar - *COO*



Frank ter Weeme - *CFO*



Joris Pol - *Global Executive Producer*



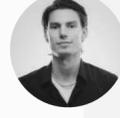
Louise Martens - *Global Executive Producer*



Marta Tomczak - *Head of Brand Communications*



Maureen Batten - *Head of HR*



Quinten Beek - *Head of Digital*



Richard Nieuwenhuis - *Global Director of Operations*



Jouke Vuurmans - *Global Executive Creative Director*

MightyHive



Pete Kim - *CEO*



Leah Kim - *CMO*



Christopher Martin - *COO*



Emily Del Greco - *President, Americas*



Sasha Schmitz - *Director, Accounts and Operations, EMEA*



Kenny Griffiths - *Managing Director, APAC*

Highly Complementary Businesses

Create

Design and production of high value and innovative content, mostly for campaign-driven digital productions

Efficient and cost-effective trans-creation (roll-out of omni-channel and multi-market content)

Development of e-commerce platforms with optimal UX customer journey and digital design



Purely digital

First party data

Digital content production

Digital media planning and buying

Unitary structure

Faster, better, cheaper

Plan and deliver

Market leader in programmatic implementation, training and consulting services

Highly differentiated set of complementary digital capabilities and proprietary tools

Leverage full stack expertise to advise clients on the optimal deployment of new vendors within existing segments

**MEDIA
MONKS**



MediaMonks and MightyHive

MediaMonks - Strategy

Global creative production partner

Since 2001, MediaMonks has partnered with clients across industries and markets to craft amazing work for leading businesses and brands. Our integrated production capabilities plan the entire creative spectrum, covering anything you could possibly want from a production partner, and probably more.



128 CANNES LIONS



NO 1 FWA COMPANY
(200 FWAS)

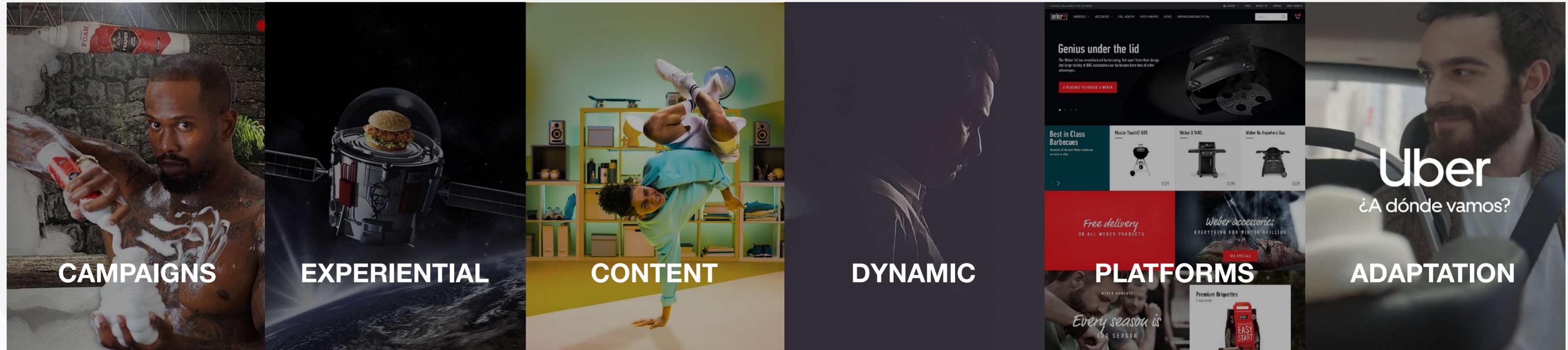


AD AGE A-LIST
PRODUCTION COMPANIES

MediaMonks and MightyHive

MediaMonks - Strategy

We help brands to strategise and execute across all digital touchpoints

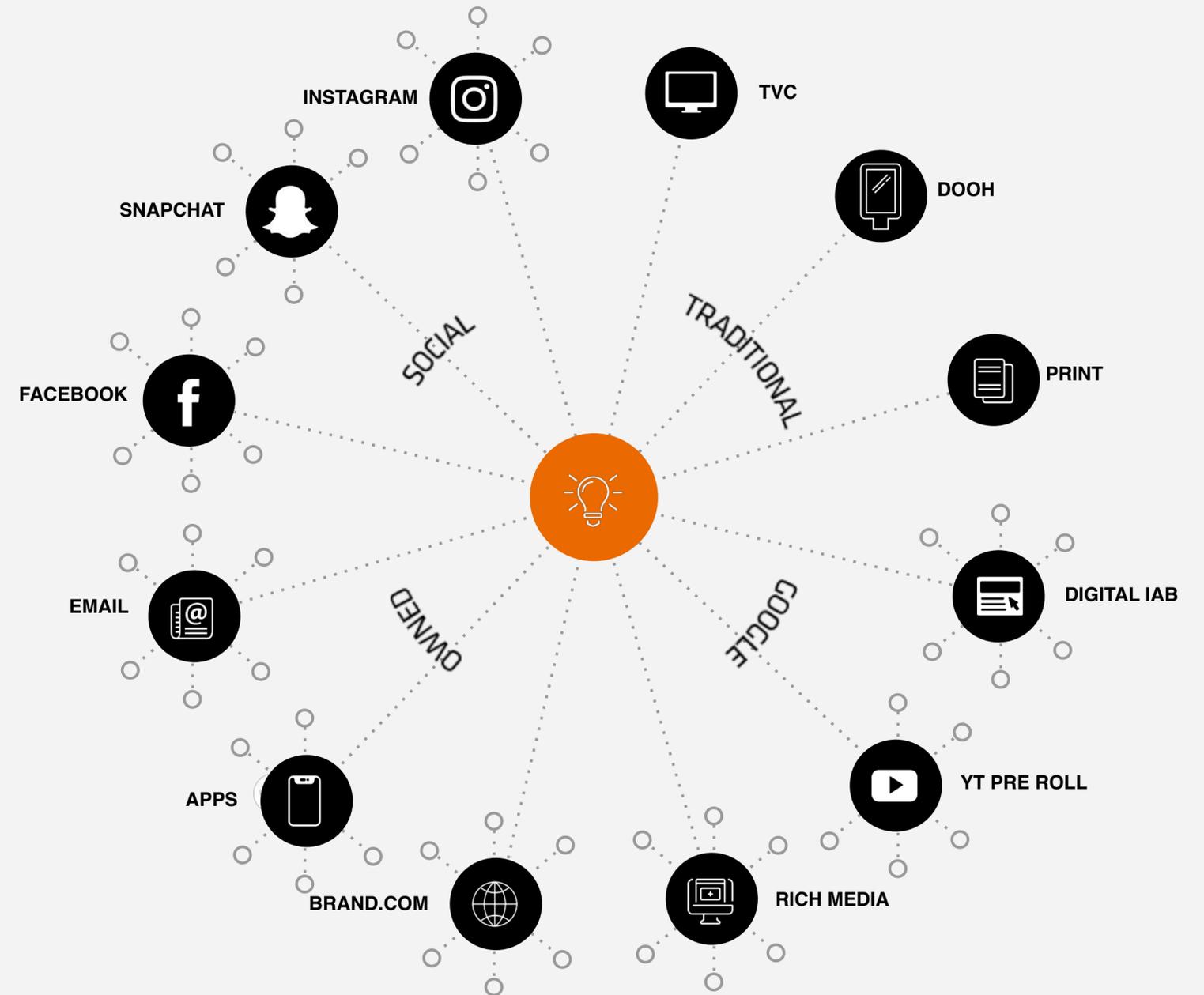


MediaMonks - Strategy

MediaMonks model - Content for all screens

We take a complex network of touchpoints and build a creative and data strategy that drives a consistent brand look and feel by being smarter with content production, asset management and the execution of data insights.

This is about moving from the 'big idea' to an intelligent, data powered CDN generating a feedback loop for continual optimisation.

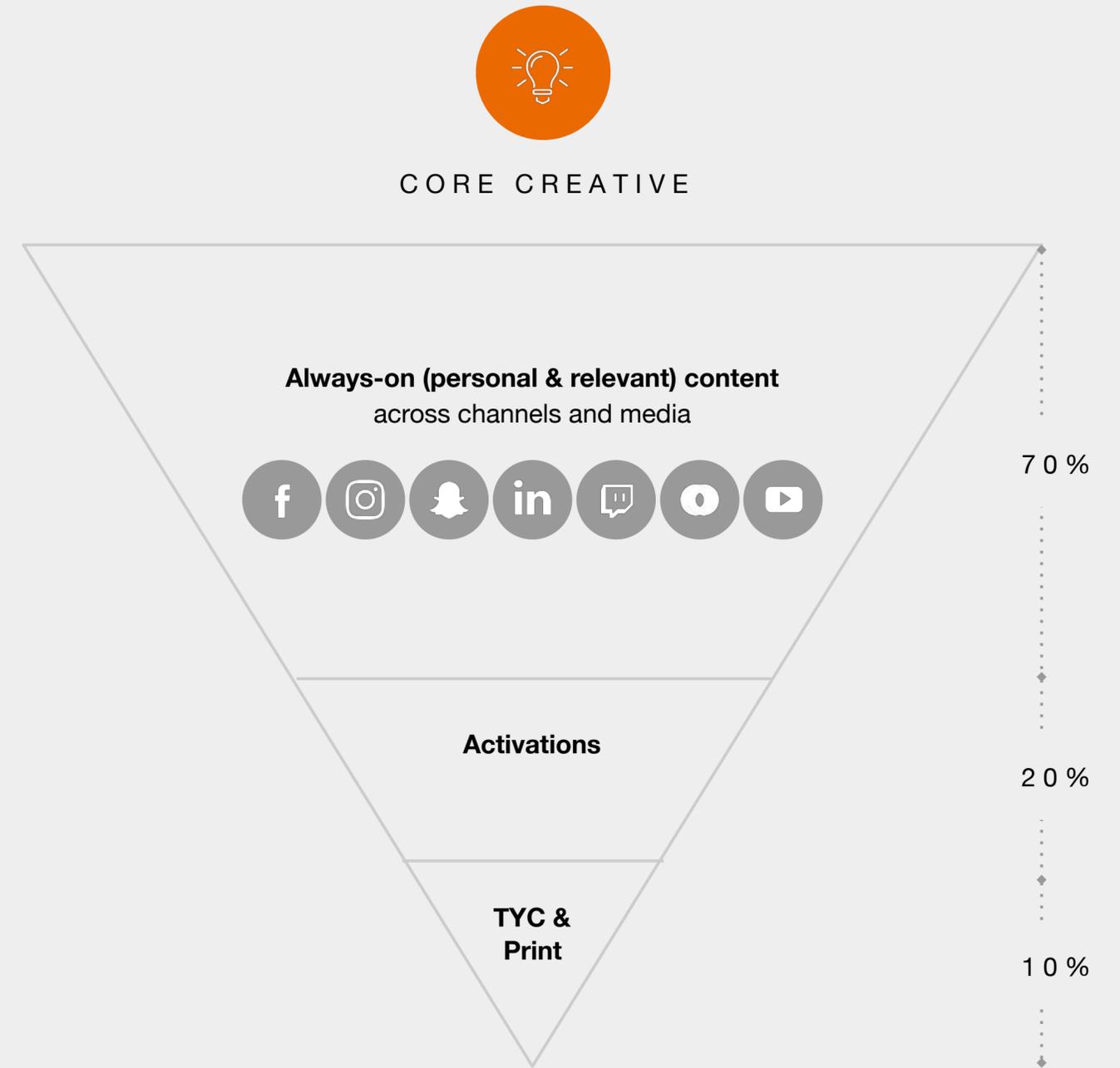
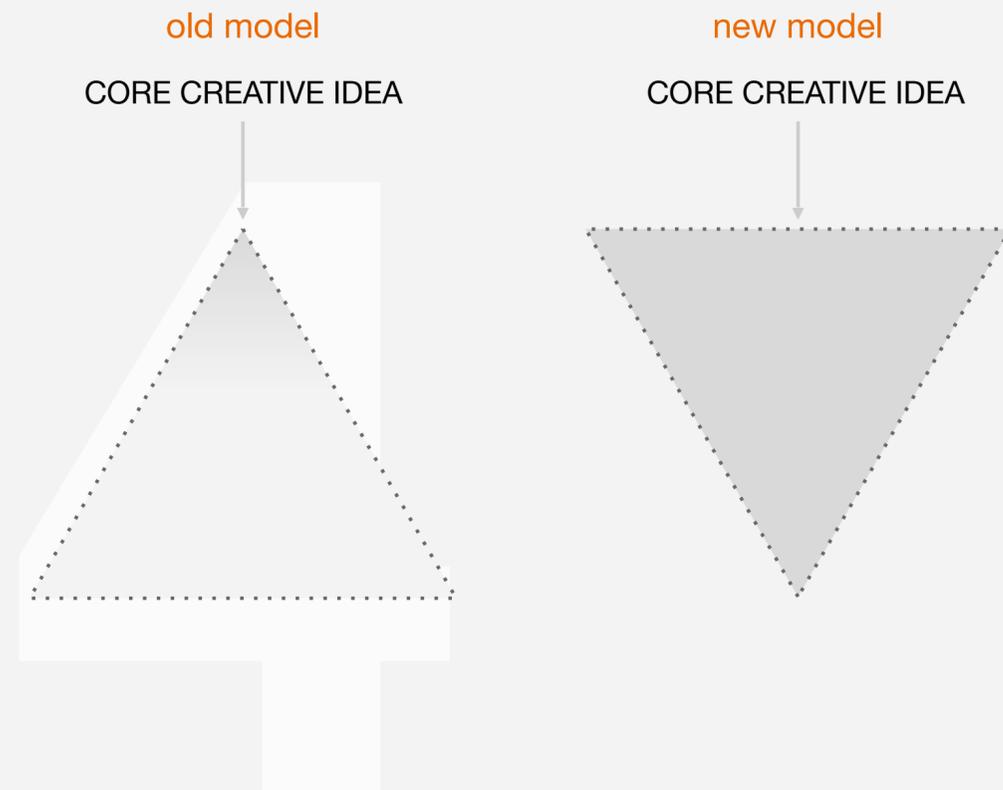


○ Personalised versions

MediaMonks - Strategy

**To us ideas are BIG,
but not a single big idea.**

A collection of small ideas hyper focused to meet the needs of the audience, established by a strategic and creative foundation.



MediaMonks - Structure

MEDIA MONKS

SERVICE OFFICES

HQ LO ST NY LA SF BA SP MX DB SG SH BANG

PILLARS

CREATIVE CONTENT + INNOVATION

ASSETS@SCALE

PLATFORMS + ECOMMERCE

PRODUCTION HUBS

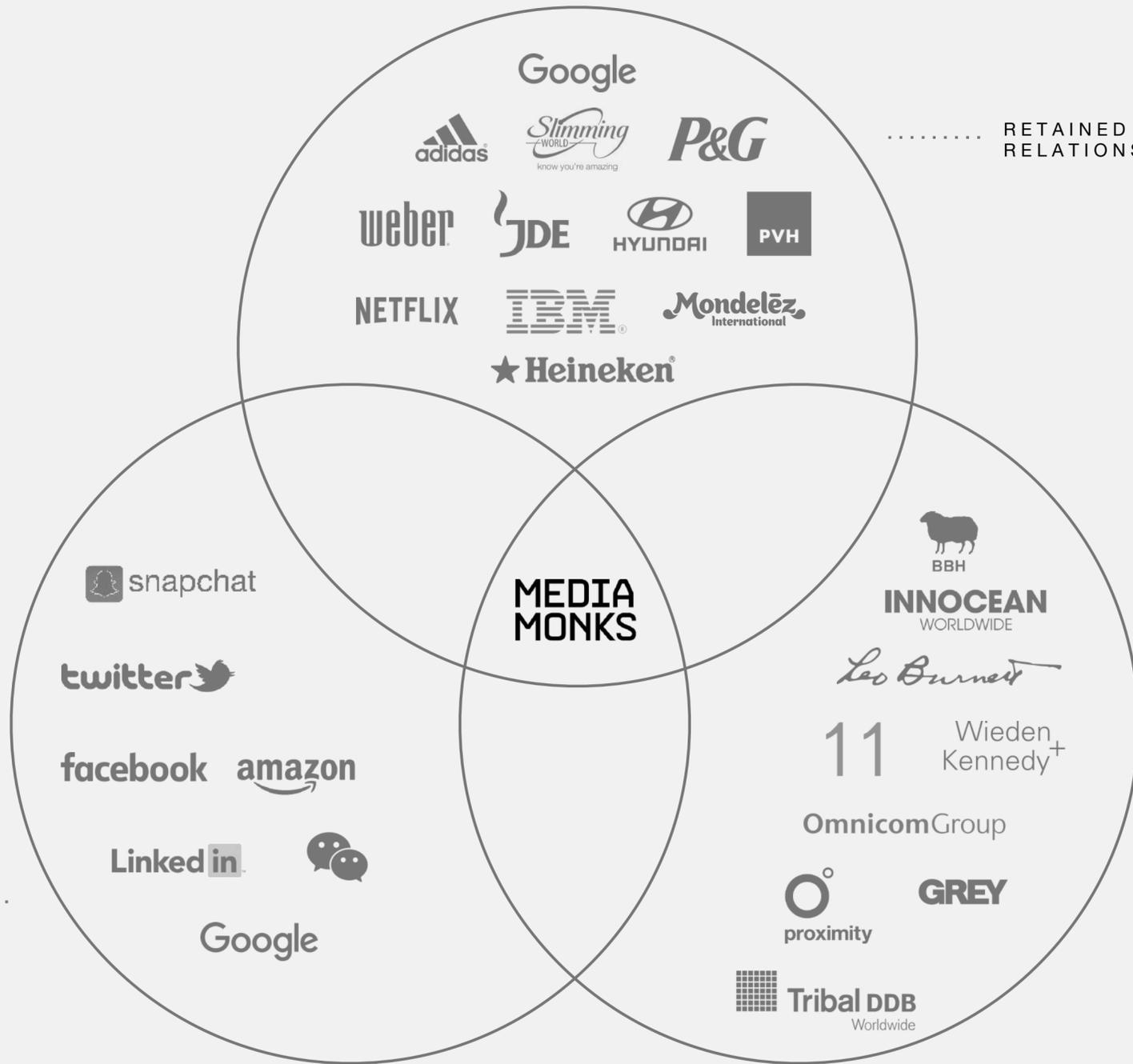
HQ BA SP KIV LA BANG

MediaMonks and MightyHive

MediaMonks - Clients

S⁴Capital

04



..... RETAINED & ROSTERED RELATIONSHIPS

MEDIA PLATFORMS & FAST MOVING TECH

..... STRATEGY & CREATIVE

MediaMonks - People

Investing in the best talent

In 2018, MediaMonks grew their talent pool by a third — from 650+ Monks to over 950 and counting. MediaMonks' team works as one across all 15 locations worldwide. 2019 will see a significant investment in the Asia-Pacific operation, with new offices opening in Bangalore, Mumbai, and Tokyo.

Notable people moves

Louise Martens

Executive producer, LA

Seasoned digital producer managing a global team of 60+ digital makers across all offices.

Henry Cowling

Creative Managing Director, San Francisco

Former Creative Director at Unit 9, Creative Partner Man+Hatchet and Creative Director at The Viral Factory.

Jeroen van der Meer

Executive Creative Director and Managing Director, Europe

Former Executive Creative Director, Creative Director, and Art Director at MediaMonks.

Martin Verdult

Managing Director, London

Former Managing Partner at Ogilvy & Mather Shanghai, Managing Partner at Cooper + Cross and Business Unit Manager at LBi Lost Boys.

Sander van der Vegte

Head of MediaMonks Labs

Former Head of MediaMonks Games, Founder of Cty, Co-Founder and Creative Director at Greenhill.

Sara Liljegren

Managing Director, Stockholm

Former Head of Operations at MediaMonks Stockholm, Head of Post Production and Head of Online Content at &Other Stories.

Sicco Wegerif

Managing Director, Europe

Former Head of Platforms & Big Builds at MediaMonks, Managing Director at OOiP Syndication and Operations Director at agency.com.

Ramzi Chaabane

Head of Business and Strategy, Shanghai

Former Head of Strategy at Resn and Digital Strategy Director at J. Walter Thompson.

MightyHive - Strategy

MightyHive continues to attack the opportunity created from an underserved and untrusted legacy marketing services market.

Growth Vectors

- **Focus on Enterprise** - Scale capability and value proposition for global 1000 brands
- **Expand portfolio of services** - Expand data strategy and digital transformation services, including analytics, cloud, machine learning, and systems integration
- **Seek organic and inorganic growth** for media operations capabilities
- **Design and deploy joint MediaMonks+MightyHive value proposition** and discover business synergies



MediaMonks and MightyHive

MightyHive - Structure



Emily Del Greco
President of the Americas

AMERICAS

Sales, Enterprise Consulting, and Media Operations in San Francisco (HQ), New York City, and Toronto.

Scaling presence in Canada and expanding to Latin America in 2019.



Sasha Schmitz
Director, EMEA

EMEA

Sales, Enterprise Consulting, and Media Operations in London (regional headquarters) and Stockholm.

Expanding to France and Italy in 2019.



Kenny Griffiths
Managing Director, APAC

APAC

Established regional sales, consulting, and media operations in Sydney, followed by SEA hub in Singapore.

2019 will mark further expansion in the region, with a new office established Q1 2019 in Tokyo.

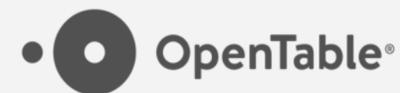
MediaMonks and MightyHive

MightyHive - Clients

MightyHive provides consulting and media operations services to turn the vision of digital transformation into reality.

Sustained New Client Growth

Among MightyHive's FY 2018 new business wins are **enterprise engagements with over 20** **marquee brands such as Mondelez, Bayer, Nationwide, and Electrolux**, to name a few.



MightyHive - People

MightyHive was founded by programmatic and marketing technology experts from Google, Yahoo!, and Salesforce, and continues to build on this heritage today. MightyHive now employs over 250 programmatic experts around in the world.

- MightyHive headcount grew 160% in 2018 in response to client demand
- The global consulting team doubled in size. Today, we have Enterprise Consulting Leads in Sydney, London and New York who bring incredible consulting and project management experience

Global Expansion

In 2018, the company expanded to 8 offices with new locations in Toronto, Stockholm, and Tokyo.

Notable Hires



Scott Yacko

Senior Director of Data Science

Formerly co-founder and Head of Data Science for marketing analytics platforms Vuurr and Levers



Tessa Ohlendorf

Managing Director, Canada

Formerly Managing Director at Cadreon, Associate Director, Media and Analytics at Mindshare



Rashaad Jamal

Vice President, Learning and Development

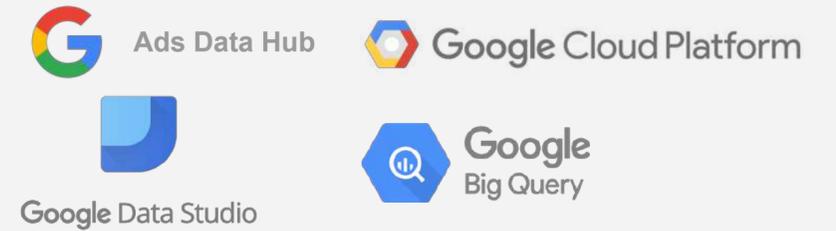
Formerly Engagement Manager McKinsey & Company, Instructor Pilot in the United States Marine Corps.

MediaMonks and MightyHive

MightyHive - Capability

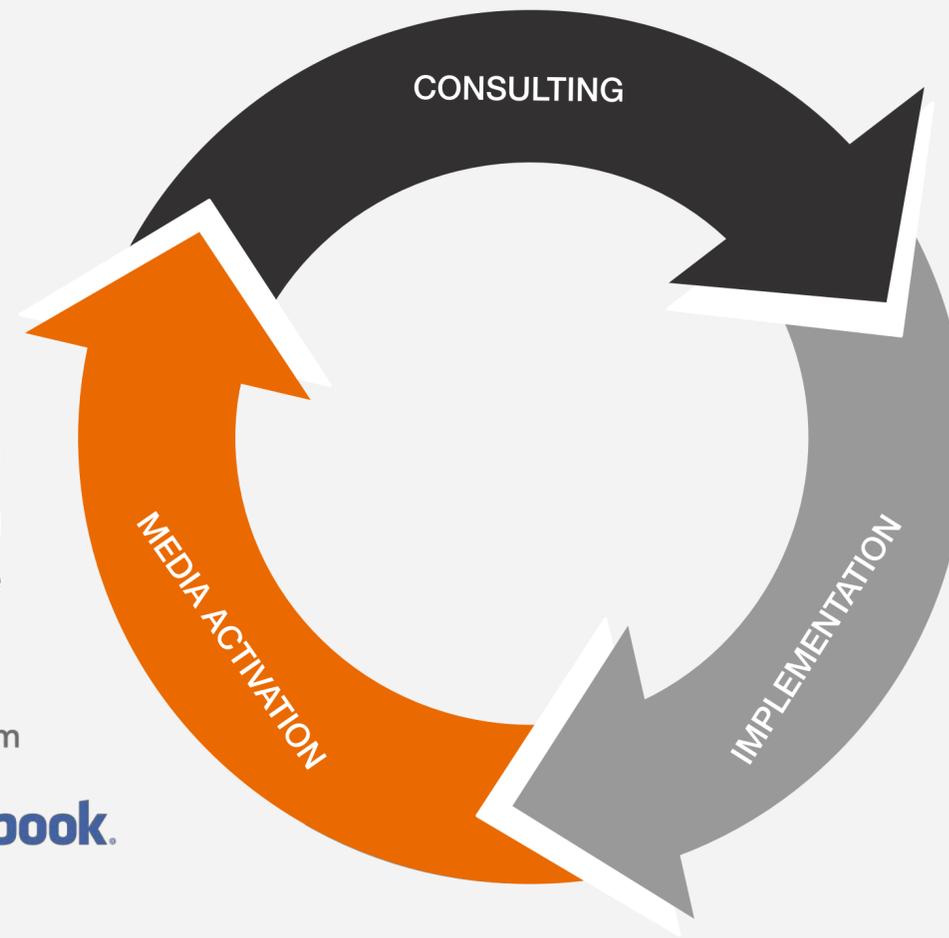
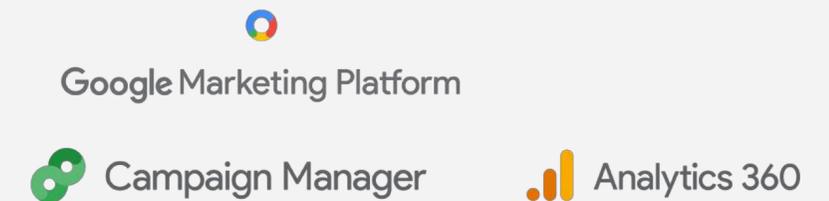
CONSULTING

Enterprise data strategy and in-housing strategy
Data science, custom analysis & advanced modeling
Cloud-based systems integration



PLATFORM IMPLEMENTATION

Analytics & tagging
Platform migration & implementation
Ad operations



MEDIA ACTIVATION

Display & Video, Search, Social planning and buying
Data-driven creative



MediaMonks - Netflix: Narcos



The Cali/Narcos

Intro slide - 2 sec.

Step 1 - 2.17 sec. Step 2 - 2.17 sec. Step 3 - 2.17 sec.

End screen - 3 sec.

Tailored ads

Data signals built creative display ads that effectively connected **affinities to Netflix titles** resulting in **1,481,430 possibilities.**

Cutting costs

Global costs went down by **40%** and turnaround time decreased from 12 to **4 weeks.**

More impact

Interaction **+6%**
 CTR **+60%**
 Avg. Display Time **+2 sec**
 Avg. Interaction **+6 sec**

MightyHive - Sprint

Sprint, a leading network operator in the United States, provides wireless services to over 50 million customers.

The organisation is undergoing a company-wide digital transformation initiative and partnered with MightyHive to create greater transparency into the digital media it was buying, closer control over marketing data, and assist in building a digital media team in order to be more agile in a competitive industry.

Approach:

- Reviewed external vendors to establish transparency into fees
- Consolidated disparate data sources into in-house data lakes for analysis and audience segmentation
- Built multi-touch attribution model and a custom reporting to enable real-time adjustment

Results:

Increased conversions by 99% with 13% lower spend over the same three-month period the previous year.

MediaMonks and MightyHive

New Business - Selected highlights

MediaMonks

MediaMonks' 2018 new business wins include consumer brands such as Nestle, Gildan, Mondelez, P&G, Braun, Dyson, GSMA, AeroMexico, and many more, such as Avon in 2019.

Continued relationship with P&G

Using one unified approach – speaking to consumers at every step of their journey – we've created content for P&G's global markets with Always Femcare in Europe, Gillette in the US, and Tide in the Middle East and India.

January 2019: Avon

January 2019 saw MediaMonks chosen to create a 'content studio' that delivers thousands of weekly assets on a global scale.

MightyHive

Among MightyHive's FY 2018 new business wins are enterprise engagements with over 20 marquee brands such as Mondelez, Bayer, Nationwide, and Electrolux, to name a few.

Bayer US

Began Jan 2019 in assisting Bayer in managing digital campaigns and building an in-house team

Mondelez

Over the past year, MightyHive has been partnering with Mondelez on a global data transformation strategy for data acquisition, analysis, and activation. We have rolled out change management at the regional level, training on best practices for global MDLZ agents while partnering with Mondelez agencies across the globe

BRIEF



How can we create one unified integrated campaign across all our consumer touch-points and with one single budget?

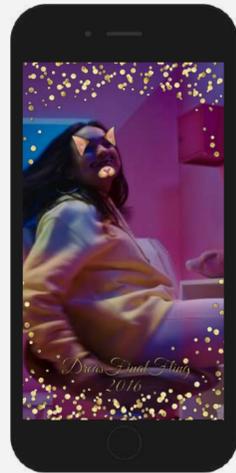
PRODUCTION SETUP

- 1 creative concept
- 3 shooting days
- 3 sets
- 4 crews

RESULT

120 deliverables across all media platforms and devices

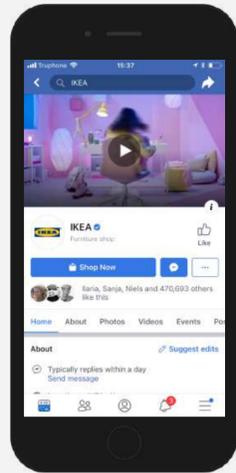
APPROACH



SNAPCHAT



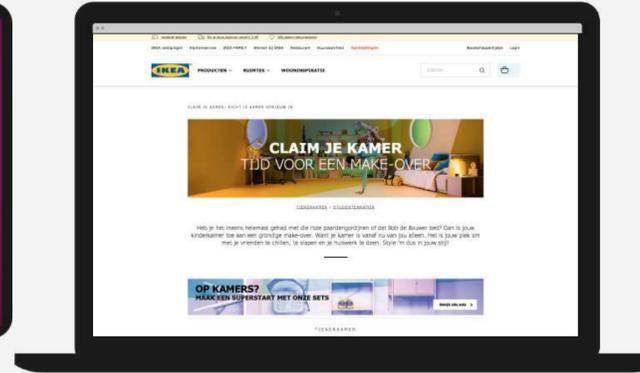
PLATFORMS



FACEBOOK



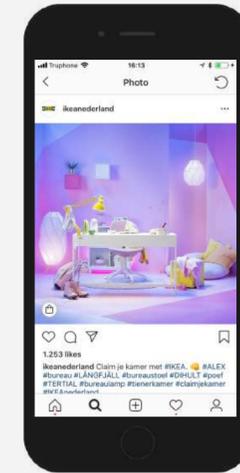
TV



BANNERS



APPS



INSTAGRAM



TWITTER

RESULT

More content

In total we've created **120 deliverables** out of a 3 day shoot.

More Channels

In **one single shoot** we created tailored content for facebook, instagram stories, TVC, OOH, Display and YouTube pre-roll.

Lower costs

The efficient way of working led to a reduction of costs; only **€1.7K** per asset.

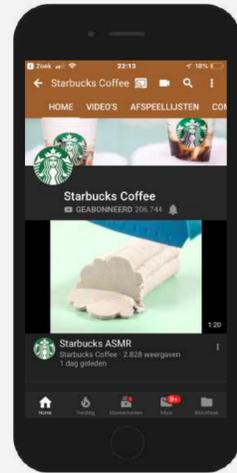


GLOBAL INTRODUCTION STARBUCKS @HOME





SNAPCHAT



YOUTUBE



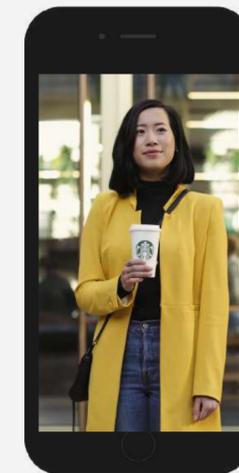
FACEBOOK



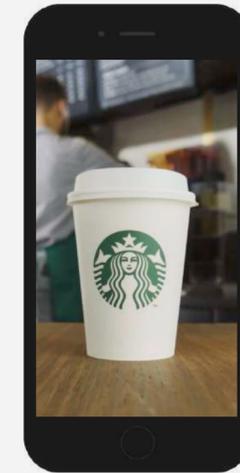
TV / OLV



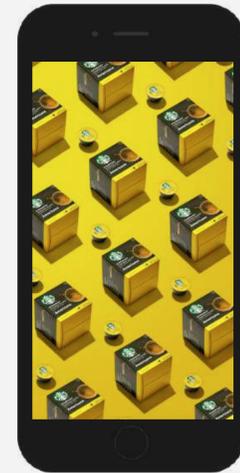
BANNERS



INSTAGRAM



IGTV



STORIES

RESULT

More content

By applying a smart **production strategy**, we've created **127 assets** In total, out of a 3 day shoot.

More Channels

In **one single integrated production** we created tailored content for facebook, Youtube, instagram, IG stories, TVC/OLV, OOH, display advertising and POS material.

Lower costs

The **efficient** way of working led to a reduction of costs; saving up to 50%.

Summary

- A powerful 2018, with pro forma revenue and gross profit growth of 58% and 49% and operational EBITDA margin above 20%
- This performance is planned to continue into 2019, with budgets and plans targeting strong revenue, gross profit growth and improving operational EBITDA margin and with January showing revenue and gross profit like-for-like growth of over 30%
- Purely digital model, tag line “faster, better, cheaper” and unitary model resonating with clients
- Imperatives to:
 - broaden and deepen relationships with existing and new clients
 - broaden and deepen geographical coverage
 - attract additional data, content and media talent and resources through direct recruitment, acquisition and/or merger
- Three-year plan for 2019-21 calls for doubling of revenue and gross profits over pro-forma 2018, with an improvement in EBITDA margin

Q&A

06



CAPITAL