



C A P I T A L

4 June 2026

S⁴Capital plc

AGM Statement

("S⁴Capital", "the Company" or "the Group")

Full year like-for-like¹ net revenue² expected to be within the current consensus analyst range of £632 – 663 million, down low single digits year-on-year, with targeted sequential improvement in second quarter over first quarter

Like-for-like operational EBITDA^{1,3} margin targeted to increase by at least 100bps⁵

Proportion of operational EBITDA in H1 2026 expected to increase compared to H1 2025 due to annualised impact of 2025 cost actions

Liquidity continues to improve significantly with month-end average net debt⁴ in the first five months of the year down £38 million (£52 million in constant currency) from £144 million (£158 million constant currency) to £106 million and with 2026 net debt target unchanged at £60-90 million

The Board plans to recommend and pay total dividends of 2.2p per share for 2026 and implement a 50% dividend payout policy out of adjusted basic earnings per share over the medium-term, subject to financial targets being met and shareholder approval of final dividends

Christian Juhl to be appointed Non-Executive Director

S⁴Capital plc (SFOR.L), the tech-led, new age, new era digital advertising, marketing and technology services company, announces that at the Annual General Meeting of the Company to be held at 12:00 pm today, Sir Martin Sorrell, Executive Chairman of the Company, will make the following statement:

"Throughout 2025, our trading reflected the continuing impact of increasingly volatile global macroeconomic conditions, heightened by tariff negotiations and increasing geopolitical risks. Clients remained cautious amid this uncertainty, with technology clients representing almost half our revenue continuing to prioritise capital expenditure on expanding AI capacity over operating expenditure. Technology Services was affected in the first half by a reduction in one of our larger relationships and longer sales cycles, although this impact was reduced as the year progressed.

Despite the challenging backdrop and usual seasonal weighting to the second half, liquidity and cashflow improved significantly year-on-year, driven by disciplined cost control and strong working capital management, resulting in a substantial reduction in net debt over the course of the year. Performance strengthened in the second half, supported by the phasing of new business wins and expanding relationships with major enterprise clients.

We secured a number of new and expanded relationships during the year, including Asana, Amplifon, Samsung, Square, NCS, Opella, Visa, Cinemark and HelloFresh, alongside continued expansion with major clients such as General Motors, Amazon and T-Mobile. We also continued to see encouraging adoption of AI-related capabilities across creative, media, technology and marketing transformation assignments, including implementation of AI across elements of clients' marketing supply chains.

Market conditions in the first five months of 2026 have remained challenging, if more so, with clients generally cautious given continued geopolitical and macroeconomic uncertainty. However, trading has been in line with

our expectations. We continue to see growing opportunities as clients increasingly focus on implementing technologies such as AI to drive efficiency and effectiveness.

We expect clients to remain cautious in the near term amid increased macroeconomic uncertainty, including shifting tariff dynamics and the ongoing conflicts in Ukraine and the Middle East. We continue to have confidence in our strategy, business model and talent base. Supported by our scaled client relationships and strong momentum across our new go-to-market propositions, we believe we are well positioned to achieve sustainable long-term growth.

For 2026, we expect like-for-like net revenue to be within the current consensus analyst range of £632-663 million, down low single digits compared to 2025 levels. Operational EBITDA margin is targeted to improve by at least 100 basis points, mainly reflecting the annualised benefit of the 2025 cost actions. We continue to expect 2026 year-end net debt to be between £60 million and £90 million. We target medium-term leverage of under 1.0x pro-forma 12-month operational EBITDA and expect to be close to net debt free next year, which will provide even more significant capital allocation opportunities.

While the macroeconomic environment remains uncertain, we see growing opportunities as clients become more selective about growth geographically and increasingly focused on implementing technologies such as AI, Blockchain and Quantum to drive efficiency.

Since our last AGM in June of 2025, our Company has reduced the number of Monks in the Company to around 6,200, down 11% compared to circa 7,000 at this time last year and 2% lower than our year end figure of about 6,350, reflecting the continued focus on utilisation and billability. We maintain a disciplined approach to managing our cost base and continue our drive for margin improvement through greater efficiency, utilisation, billability and pricing.

The Company's capital allocation policy remains dividends first, debt repurchase second and share buybacks third. As previously announced, the Company has continued to repurchase its Term Loan B at a discount, with €85.2 million repurchased to date. This reduces the Term Loan B outstanding to €289.9 million, with a targeted reduction to €250 million. The Board plans to implement a 50% dividend payout policy out of adjusted basic earnings per share over the medium-term and the first step will be the payment of a 1.1p dividend both for the interim and final dividends for 2026, if financial targets for 2026 are achieved and shareowners approve. Current analysts' consensus range for 2026 adjusted basic eps is 5.3p - 6.2p. This reflects our commitment to deliver consistent shareowner returns.

We remain committed to the core pillars of our ESG strategy: People Fulfilment, Our Responsibility to the World and One Brand. We continue to enhance our external reporting, reporting tools and governance processes to support greater transparency, strengthen the effectiveness of our reporting and ensure compliance with evolving global regulatory requirements.

The Company intends to appoint Christian Juhl as an independent Non-Executive Director of S4 Capital plc, subject to the Board's approval at the next Board meeting. Christian served as Global CEO of GroupM from 2019 to 2024 before moving into the role of President, Corporate Development at WPP. He previously served as CEO of Essence and a longtime Razorfish leader. He is known for driving digital transformation, data-led media and AI innovation across WPP's global media business.

In summary, we are focused on three areas. First, top line growth, where we are making some progress, but not sufficient. Second, on margin improvement, where we are progressing, but not where we ultimately want to be. Finally, improving liquidity, where we have made very significant progress. Effectively, we are half-way through our AI-driven turnaround, with the more significant half to come."

As the AGM is a hybrid, shareowners will have received instructions for electronic access via the Lumi AGM app, including details of voting and Q&A functions. Details are set out in the Notice of Annual General Meeting. Guest access to the AGM without voting or a Q&A facility will be available as a webcast at https://brrmedia.news/SFOR_AGM26.

Enquiries to:

S4 Capital plc

Tel: +44 (0)20 3793 0003

Sir Martin Sorrell, Executive Chairman

Notes (in this document):

1. Like-for-like is a non-GAAP measure and relates to 2025 being restated to show the unaudited numbers for the previous year of the existing and acquired businesses consolidated for the same months as in 2026, applying currency rates as used in 2026.
2. Net revenue is revenue less direct costs.
3. Operational EBITDA is operating profit or loss adjusted for acquisition related expenses, non-recurring items (primarily acquisition payments tied to continued employment, amortisation and impairment of business combination intangible assets and restructuring and other one-off expenses) and recurring items (share-based payments) and includes right-of-use assets depreciation. It is a non-GAAP measure management uses to assess the underlying business performance. Operational EBITDA margin is operational EBITDA as a percentage of net revenue.
4. Net debt excludes lease liabilities.
5. This is a target and not a profit forecast.

About S⁴Capital

S4 Capital is a purely digital advertising and marketing services business built for global, multinational, regional, and local clients and millennial-driven influencer brands. The business operates through two data and digital media driven Practices: Marketing Services and Technology Services, emphasising 'faster, better and more efficient' execution in an always-on consumer-led environment. Its unitary structure positions the Company as a systems integration partner delivering real-time relevance in the post-agency era.

The Company now has approximately 6,200 people in 34 countries with approximately 82% of net revenue across the Americas, 12% across Europe, the Middle East and Africa and 6% across Asia-Pacific. The longer-term objective is a geographic split of 60%:20%:20%. Marketing Services accounted for approximately 91% of net revenue and Technology Services 9%. The target allocation is a practice split of 75%:25%.

Sir Martin Sorrell 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. Prior to that, Sir Martin was Group Financial Director of Saatchi & Saatchi Company Plc for nine years.

Disclaimer

This announcement includes 'forward-looking statements'. All statements other than statements of historical facts included in this announcement, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to the Company's services) are forward-looking statements.

Forward-looking statements are subject to risks and uncertainties and accordingly the Company's actual future financial results and operational performance may differ materially from the results and performance expressed in, or implied by, the statements. These factors include but are not limited to those described in the Company's prospectus dated 8 October 2019 which is available on the news section of the Company's website. These forward-looking statements speak only as at the date of this announcement. S⁴Capital expressly disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect actual results or any change in the assumptions, conditions or circumstances on which any such statements are based unless required to do so.

No statement in this announcement is intended to be a profit forecast and no statement in this announcement should be interpreted to mean that earnings per share of the Company for the current or future years would necessarily match or exceed the historical published earnings per share of the Company.

Neither the content of the Company's website, nor the content on any website accessible from hyperlinks on its website for any other website, is incorporated into, or forms part of, this announcement nor, unless previously published by means of a recognised information service, should any such content be relied upon in reaching a decision as to whether or not to acquire, continue to hold, or dispose of, shares in the Company.