



C A P I T A L

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S4 Capital PLC

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("S⁴Capital" or "the Company")

TOMORROW to merge with MediaMonks

MediaMonks strengthens its creative and content capabilities, adds talent and clients in the key market of China

S⁴Capital plc (SFOR.L), the tech-led, new age/new era digital advertising and marketing services company, announces that TOMORROW, an award-winning Shanghai-based creative agency, is merging with MediaMonks, S⁴Capital's Content practice. The merger expands MediaMonks' existing capabilities and presence in China, the world's second largest advertising market.

TOMORROW was founded in 2015 by [Rogier Bikker](#) and has since become one of China's most exciting and awarded digital creative agencies. With a focus on creating integrated brand and social campaigns TOMORROW employs almost 50 people and counts Burberry, Budweiser, Beyond Meat, Coca Cola, Starbucks, Crocs and Red Bull as clients. TOMORROW has been named the "Greater China Independent Agency of the year - Gold" in Campaign Asia's Agency of the year awards for both 2020 and 2019. MediaMonks has also been named "Production Agency of the year in China" by Campaign Asia in 2019.

A recent report from Credit Suisse (China Internet Sector 2021 Outlook) estimates the Chinese Online Advertising market is worth over US\$107bn and despite the Covid-19 crisis in Q1, staged a strong recovery with 17.1% growth in 2020. They predict a further 18.1% growth in 2021. Groupm estimates digital spend represents over 80% of the total market, the highest proportion in any major advertising market.

S⁴Capital Executive Chairman Sir Martin Sorrell said, "I've always been a raging bull on China's economy, its consumers and its brands. I'm delighted to welcome Rogier and his colleagues at TOMORROW to the S⁴Capital family, in what is a priority market for us and one of several more moves in what will become the largest economy in the world." "TOMORROW has quickly established itself as a creative leader specialized in representing global brands to the Chinese youth in a challenging market like China. We look forward to scaling new heights as Rogier leads the combined MediaMonks/TOMORROW team and drives forward S⁴Capital's Content Practice," said Michel De Rijk, CEO Asia Pacific, S⁴Capital.

"MediaMonks and TOMORROW share a passion for creative excellence and given both of our successes so far in China, I can't wait to see what 2021 brings for our combined business." said Victor Knaap, CEO MediaMonks, and S⁴Capital Executive Director.

Rogier Bikker, CEO and Founder of TOMORROW added, "We are incredibly proud of what we have built at TOMORROW and couldn't be more excited about this next stage as we partner with MediaMonks and S⁴Capital to be a disruptive creative force in China"

Post merger, S⁴Capital will now have around 500 people in Asia-Pacific across its Content and Data & Digital Media practices out of a total of approximately 4000.

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About TOMORROW

TOMORROW is a creative agency that knows how to make Chinese youth fall in love with the brands it works with. Founded in 2015 by Rogier Bikker and based in Shanghai, its team of 50 creative talents work with the world's most iconic brands, including Burberry, Budweiser, Beyond Meat, Coca Cola, Starbucks, Crocs and Red Bull. TOMORROW blends strategic, creative, social and production capabilities into campaigns and content that redefine perspectives today with the strategic foresight of tomorrow. Over the past years they have been awarded (Greater) China Creative, Independent, Social, Specialist and Boutique agency of the year in the Campaign Asia Agency of the Year Awards. TOMORROW has also been ranked among the top 5 Independent Agencies globally by Campaign US.

About MediaMonks

MediaMonks 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, MediaMonks 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 1500 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: Data & digital media and Content, 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 2019 digital accounted for approximately 47.5% or \$275 billion of total global advertising spend of \$550-600 billion (excluding about \$400 billion of trade support, the primary target of the Amazon advertising platform), and projects that by 2022 this share will grow to approximately 55-60% and by 2024 to approximately 70%, accelerated by the impact of covid-19. It is anticipated that in 2020, total global advertising spend will shrink to approximately \$500-550 billion, driven by a fall in traditional media advertising expenditure. However digital advertising spend is expected to remain constant or increase slightly and therefore improve its market share of total advertising spend to over 50% for the first time.

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 and MightyHive announced its combination with integrated digital performance marketing agency Metric Theory.

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

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 around 4,000 people in 31 countries across the Americas, Europe, the Middle East and Africa and Asia-Pacific and a current market capitalisation of approximately £2.7 billion (c.\$3.7 billion), and would rank in the FTSE 150. 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 £10 billion. Prior to that Sir Martin was Group Financial Director of Saatchi & Saatchi Company Plc for nine years.

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