



MISSION

2020 INTERIM RESULTS



INTERIM RESULTS FOR THE SIX MONTHS TO 30TH JUNE 2020

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HIGHLIGHTS



HIGHLIGHTS

FINANCIAL

- Revenue of £29.1m
- Operating loss of £1.8m
- Net debt at 30th June reduced to £0.9m
- Leverage reduced to 0.1x

BUSINESS

- Robust trading performance in challenging market conditions, ahead of initial projections at the outset of the pandemic
- Strong Client retention throughout period with teams successfully focused on delivering new, innovative solutions for Clients
- Continued to win new Clients and assignments
- Diversity of Client portfolio ensured Group has been at forefront of activity in more robust sectors with strong performances in healthcare and technology
- Continuing to embrace 'New Ways of Working' with office portfolio restructuring now completed
- Launch of centralised 24/7 Digital Production and Innovation studio **MISSION MADE** on 1st October
- Completed acquisition of Innovationbubble, the psychological insights and behavioural solutions consultancy with integration progressing well



FINANCIAL REVIEW



PROFIT & LOSS

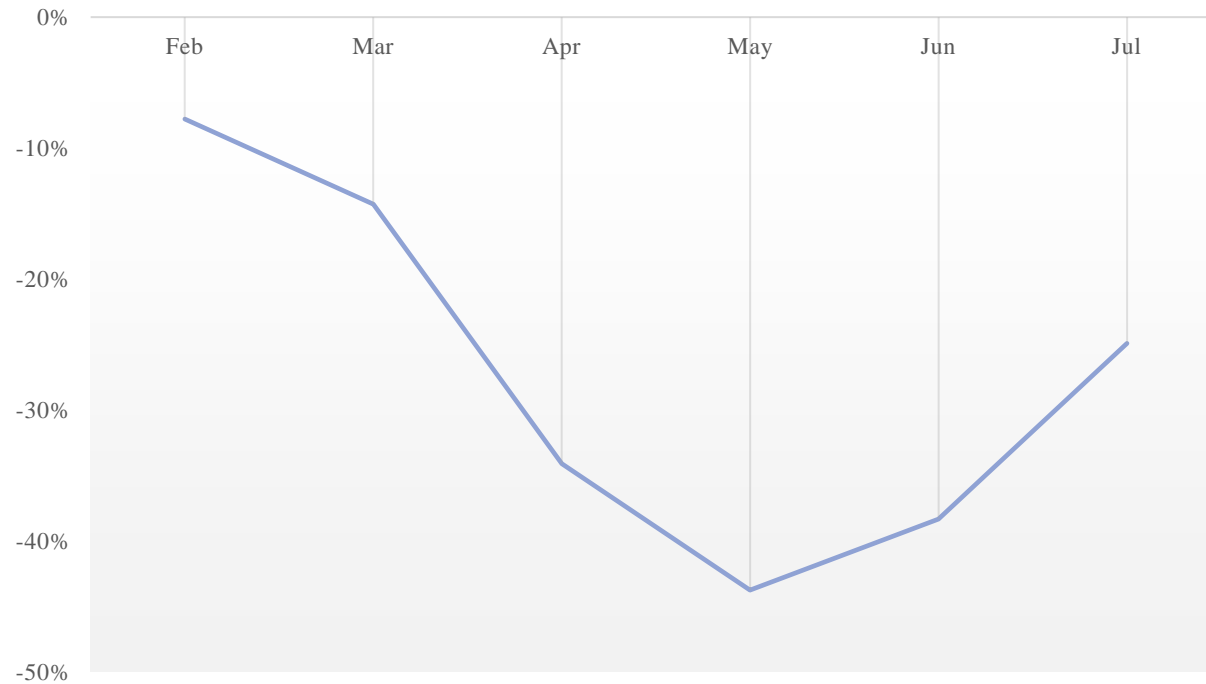
(£M)

	2020	2019
BILLINGS	<u>58.1</u>	<u>82.3</u>
REVENUE	29.1	39.1
OPERATING EXPENSES	<u>(30.9)</u>	<u>(35.5)</u>
HEADLINE OPERATING PROFIT	(1.8)	3.6
SHARE OF ASSOCIATES/JV	-	0.1
INTEREST	<u>(0.4)</u>	<u>(0.3)</u>
HEADLINE PBT	(2.2)	3.4
ADJUSTMENTS	<u>(0.1)</u>	<u>(1.0)</u>
PBT	(2.3)	2.4
TAX	<u>0.5</u>	<u>(0.6)</u>
EARNINGS	<u>(1.8)</u>	<u>1.8</u>

- Year started ahead of expectations but COVID-19 impact felt from Feb, peaking in May
- Revenue down 26% overall, but a blend of very different COVID-19 impacts in different Agencies
- Proactive cash conservation measures including widespread salary reductions, furlough and reduced working hours helped mitigate profit impact
- Lower headline adjustments reflect reduced estimates of earnout liabilities



COVID-19 IMPACT ON REVENUE AND THE DIFFERENCES BY AGENCY TYPE



- Year-on-year winners include Technology (April Six, up 8% in Q1) and Healthcare (RJW, up 20% in H1)
- Biggest COVID-19 impact felt in Property (ThinkBDW), Events (Bray Leino Events) and cinema-related sales promotions (Mongoose), with a peak impact on a like for like agency basis 80% down on the prior year
- Improving trajectory over the course of the Summer as Client activity levels improved



BALANCE SHEET

(£M)

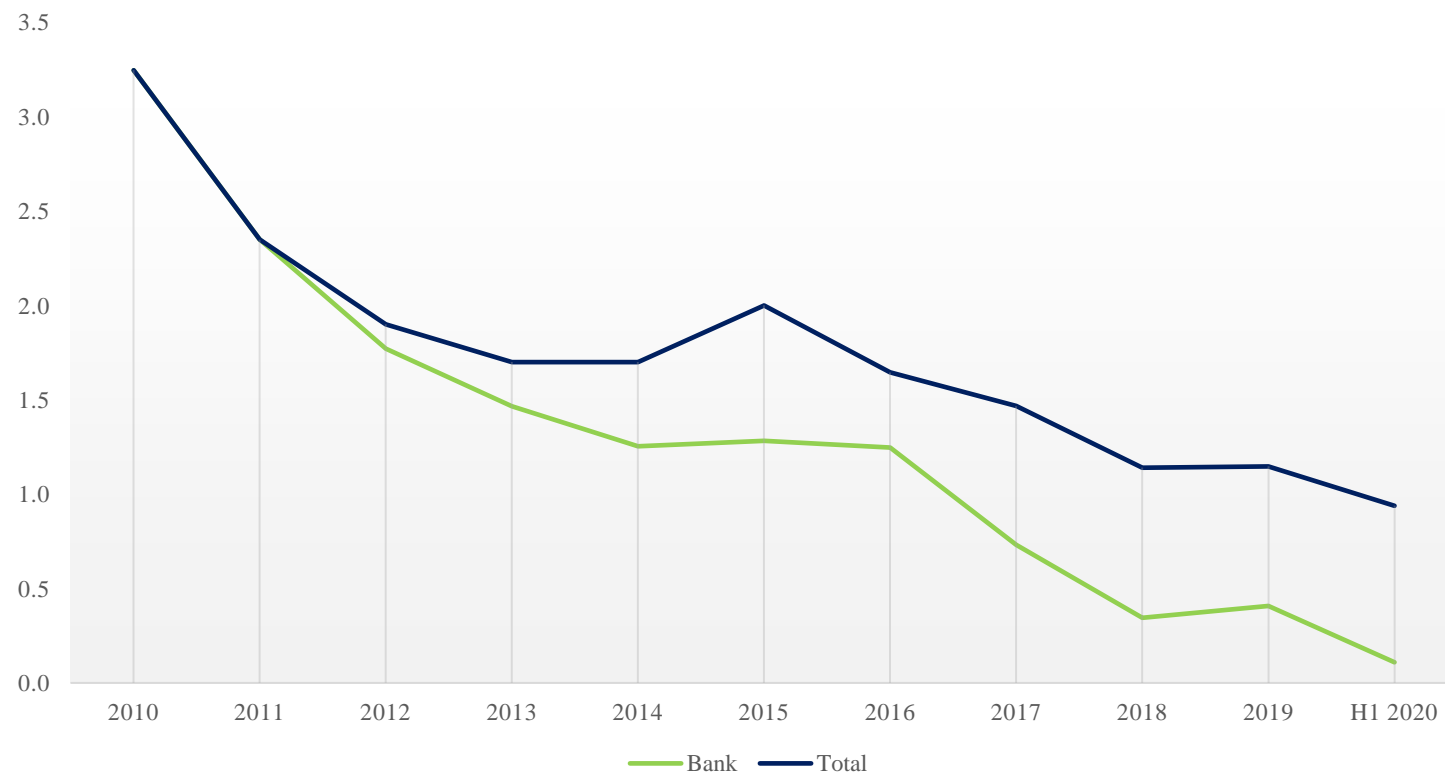
	H1 2020	H1 2019	DEC 2019
INTANGIBLES	95.5	95.6	95.9
FIXED ASSETS/INVESTMENTS	3.1	3.3	3.4
WORKING CAPITAL	1.0	7.4	8.6
NET BANK DEBT	(0.9)	(5.1)	(4.9)
EARN-OUT OBLIGATIONS	(6.8)	(9.1)	(8.9)
TOTAL NET DEBT	(7.7)	(14.2)	(13.8)
RIGHT OF USE ASSETS	12.0	6.9	8.1
LEASE LIABILITIES	(12.5)	(7.6)	(8.8)
ALL OTHERS (MAINLY TAX)	(0.5)	(1.5)	(1.1)
NET ASSETS	90.9	89.9	92.3
BANK DEBT LEVERAGE	x0.1	x0.4	x0.4

- Working capital reduction includes benefit from Govt support schemes
- Earn-outs partly rescheduled and partly reduced due to COVID-19
- Increases in lease assets and liabilities result from office lease renewal



DEBT LEVERAGE

**CASH CONSERVATION MEASURES = SIGNIFICANT
REDUCTION IN GROUP NET DEBT POSITION**



CASH FLOW

(£M)

	2020	2019
HEADLINE OPERATING PROFIT	(1.8)	3.6
ADD BACK DEPRECIATION	2.2	1.9
LESS LEASE PAYMENTS	(1.5)	(1.2)
EBITDA	(1.1)	4.3
INTEREST AND TAX	(0.6)	(0.5)
NORMALISED OPERATING CASH FLOW	(1.7)	3.8
WORKING CAPITAL	7.6	(1.4)
CASH FLOW FROM OPERATING ACTIVITIES	5.9	2.4
ACQUISITIONS	(1.5)	(2.7)
CAPEX/SOFTWARE DEVELOPMENT	(0.4)	(0.6)
SHARES BOUGHT FOR THE EBT	-	(0.4)
REDUCTION/(INCREASE) IN NET DEBT	4.0	(1.3)

- MISSION has a good track record of cash conversion, with an 84% average conversion ratio over the past 3 years



BUSINESS REVIEW





SURVIVE



STRIVE



THRIVE



SURVIVE



PLAN FOR THE WORST ...

PEOPLE

- A third of our workforce has benefited from the Government's Job Retention Scheme
- Over a third of that number were in our Property business, ThinkBDW
- Our permanent workforce will shrink by 10% with half of that reduction again coming in our Property business
- All restructuring will be complete before the end of the Government's Job Retention Scheme

PLACE

- Restructuring of our London property portfolio, from four offices within the M25 down to just two
- Will see expected annualised cost savings of c£0.7m
- Further Group-wide reviews of our remaining offices have also been completed

IN IT TOGETHER

- Leveraged other Government support initiatives if they have no business constraints
- 20% Group-wide voluntary salary cuts including Board and Exec team
- All non-essential capital expenditure was put on hold and agreement was reached with vendors of acquired businesses for delayed payment terms
- We have shared our downside scenario (which we are currently trading ahead of) with our bankers, NatWest, and have received commitments to relaxations of covenants and any additional liquidity that might be required

... BEFORE WE CAN STRIVE FOR THE BEST





STRIVE



APRIL6

H1 2020

INDUSTRY FOCUS

Technology and Science are still strong markets and Mobility is strengthening fast

GLOBAL NETWORK

50%+ of revenue generated outside of the UK

RAPID RESPONSE

10% redundancies, 10% furlough and 20% salary sacrifice for 3 months

Income: £500k+
on previous year

18 New Client wins so far
in 2020 worth £3m+ this
year

Recruiting again.
10 new open positions

Profit: 24%+ on
previous year

2 of our top 5 existing
Clients grown by 60%
YOY

Launched a New
Brand identity 
globally

20+ opportunities in the
pipeline worth £10m+

130 staff working remotely and
seamlessly from March with
improved productivity

Recognised as Top 10 B2B
Agency in the world



Pathfindr

WEARABLE TECH AS A WEAPON IN THE FIGHT AGAINST COVID-19

Tech start-up Pathfindr acted fast when COVID-19 hit by developing a wearable Safe Distancing Assistant device to keep staff safe at work.

Fellow **MISSION** Agency Speed (PR) acted just as quickly to spread the word about this life-saving innovation to 86m people worldwide with a global, multimedia campaign, centred on case studies and broadcast interviews to showcase the Assistant in action.



More than 200 orders have already been placed and 15,000 devices have been shipped to companies including Bentley Motors and GlaxoSmithKline.

PATHFINDR SDA & THINKBDW

HELP YOUR TEAM
STAY SAFE & FEEL
SAFE AT WORK

Introducing the Social Distancing Assistant (SDA)

THE EFFECTIVE WAY
TO HELP MAINTAIN
SOCIAL DISTANCING

The market leading social distancing tool that keeps your office and site colleagues safe

Developed to assist businesses with the challenges of COVID-19, the effective & easy to use Safe Distancing Assistant from Pathfindr is a proven way to help all of your staff maintain safe social distancing under the Health and Safety Guidelines.

Already used by a host of blue-chip companies, it's a simple, small, low cost device that warns users by a short audible or vibrating alert whenever they come within the chosen distance of anyone else wearing the same device. What's more, it can be used in any environment, inside or out.

Available at a low cost of £49.99 per unit, there are no ongoing subscription or service fees, making the Safe Distancing Assistant the most effective and affordable way to keep your workforce safe.

Key features

- Low power Ultra-wideband (UWB) technology
- Discrete, lightweight design with flexible attachment system
- Selectable audible or vibrating alerts
- Easily adjustable distance control
- 4-5 day battery life
- Multiple unit re-charging facility
- Non-intrusive – does not track a user
- Robust design which is hygienic and wipe clean
- Units can be client branded
- CE marked - Product complies with EU safety, health and environmental requirements
- Coolant and oil resistant



"I believe this is one of the most effective Social Distancing devices currently available, with so many people nervous about their return to work, this device will help reassure them that they are safe"

Peter Andrew MBE
Former Deputy Chairman of the HBF

Purchase online today at <https://pathfindr.io/shop>

For more information, please visit <https://pathfindr.io/sda>
Alternatively, contact us at enquiries@pathfindr.co.uk
or call +44(0)870 448 3670.

Pathfindr



LAUNCHING THE UK'S FIRST VIRTUAL PSYCHOLOGY CLINIC

The My Online Therapy campaign is a collaboration between four **MISSION** Agencies: krow, Bray Leino, Speed, Story

Fastest growing online therapy app. Listed in the Top 100 start-ups of 2020

Secured fourth round of investor funding within 5 months our appointment

Doubled web-traffic and social content average engagement +427% in two months since launch

ITV's TV Ad of the Month



my online therapy

A playlist to...
Relax & unwind
PROFESSOR GREEN

Spotify

We're all ears

BEGIN.

has it only been four weeks?!

my face-to-face wherever I am

my online therapy my way

get a face-to-face with a highly qualified therapist when and wherever it's good time to tap into you

my face-to-face therapy wherever I am

my therapist matched to me

my early or after hours check-in

my initial session just £49

my extra help and guidance

1. Wake at the same time to keep your internal clock in check

2. Get some tunes on (not tooooo loud)

3. Rehydrate - all that sleeping is thirsty work

4. Breakfast. Like. A. King.

5. Tap into you with an early My Online Therapy face-to-face

Download the app to get more tips or chat to a highly qualified therapist.

camera on

camera off

make people feel loved today

Going full lockdown lol

Best and recharge

My Online Therapy

Check up with the things on your mind a much easier than you might think.

for my lows

my anxieties

in the middle of my book

my online therapy my way

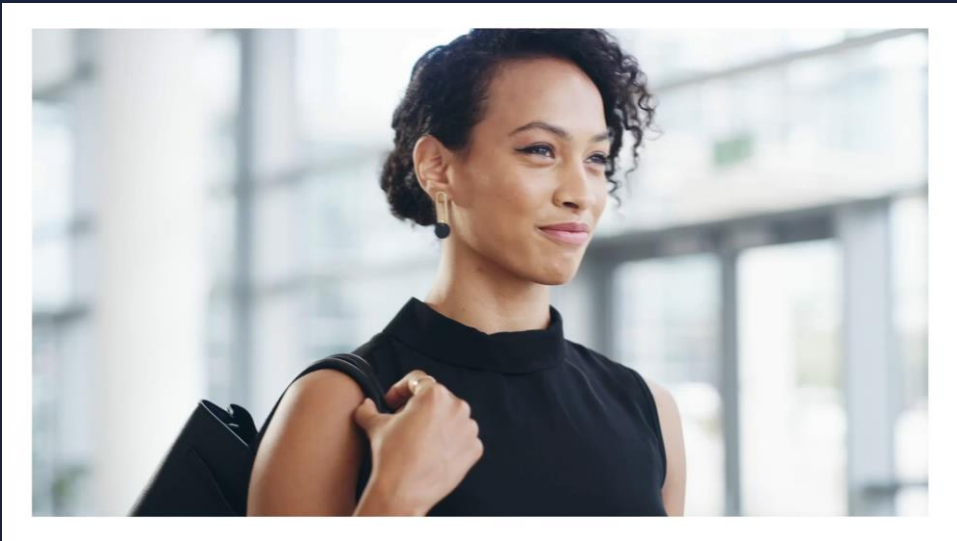
Discover modern Therapy for modern lives.

Discover modern Therapy for modern lives.

Discover modern Therapy for modern lives.

Book your session when and wherever suits you.

It's time to tap into you.



my online therapy

Head Coach & Co-therapist
Katie Taylor MSc
Cognitive Behavioural Therapist

This is my page face

This is my real face

My mental health

My time to enjoy time

BRAY LEINO EVENTS

FINDING A WAY

‘THE SHOW MUST GO ON’

- **LARGE NEW PROJECT WIN.** Bray Leino Events has been contracted to deliver the UK Pavilion activity at Expo 2020 Dubai. Labelled the ‘World’s Greatest Show’ Expo 2020 Dubai will attract some 25 million visitors and the UK Pavilion will be a truly outstanding platform to showcase the very best of the UK. C.400 events and activations are being planned between October 2021 – March 2022.
- **STRONG AND LONG PIPELINE.** Our multi-year contracts with Government have enabled us to launch significant event programmes for 2021 and 2022. Working at a strategic level with key decision makers we are able to continue to deliver on postponed activity with confidence, plus kick-off large global events (such as the UK Business House at the Commonwealth Games 2022).
- **PIVOT TO VIRTUAL.** Back in February we saw the shift would be to virtual events and we dedicated a lot of resource to upskill in this area. We are now becoming the experts. Exploring a variety of virtual communication options with all of our clients and have multiple tenders in play. 10 virtual projects won to date, 1 already delivered and 12 more in the pipeline.
- **HYBRID IS COMING.** Hybrid (physical combined with virtual) events will be the next evolution as we move through these uncertain times in our industry. This will be a culmination of all our skills and expertise as we develop content and bring together selected in-person delegates (in a secure and safe environment) alongside potentially thousands of virtual participants.





THRIVE



How we will **THRIVE**

- Ability to curate a bespoke team from 15 Agencies across 3 continents
- c1,000 employees covering all disciplines including CX and Behavioural Science
- Lean PLC structure ensuring swift and empowered decision making
- Unusually strong in B2B whilst retaining market leading Consumer brands
- Technology and Innovation hub creating products, not just services
- UK Geographic diversity
- Long term business partner to our Clients
- Optimising our Shared Services approach
- Leveraging this Shared Services ethos through the launch of **MISSION MADE**



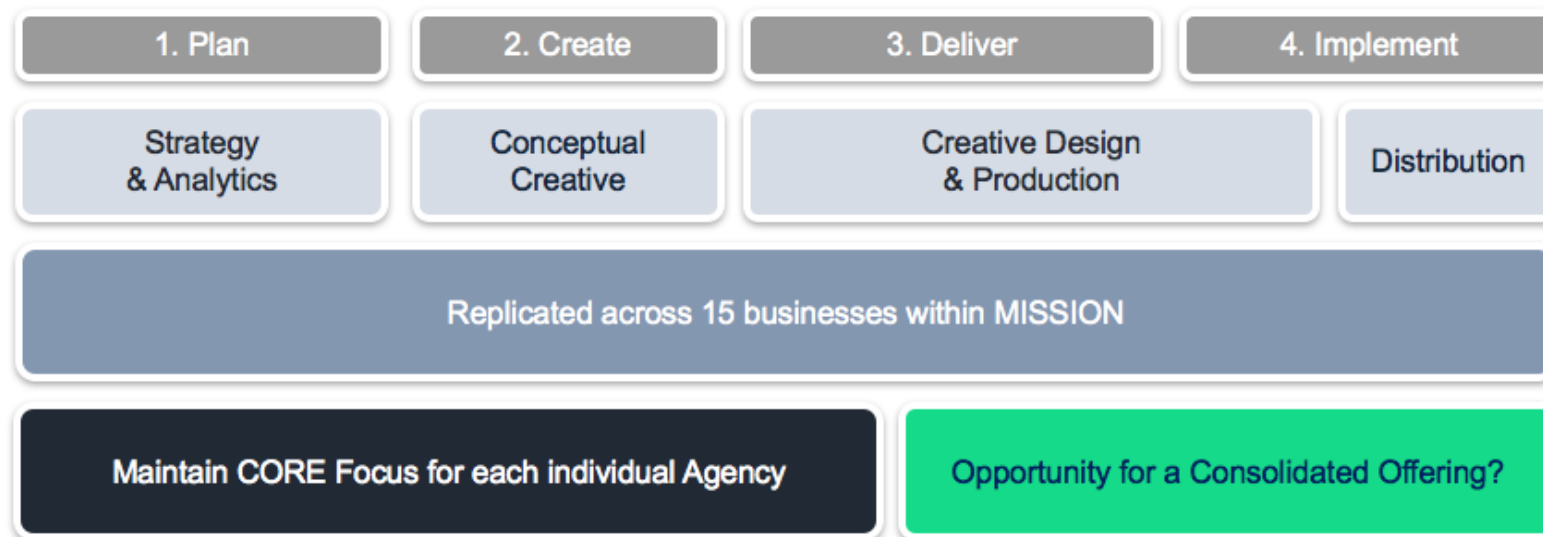
MISSION MADE

WHAT IS IT?



A 24/7 CENTRALISED PRODUCTION, PRODUCT & INNOVATION STUDIO

- Created in response to the new COVID reality
- Serve all of MISSION with Digital and Motion Graphics Production services
- Refocus existing resource to create dedicated hubs and new centres of excellence across time zones
- Extend the range of services and platforms offered, e.g. ecommerce, enterprise platforms, additional certifications and accreditations



MISSION MADE OVERVIEW



WHAT IT COVERS

- Project Management and Agency liaison
- Web and Mobile Development
- Motion Graphics
- Digital Strategy
- Digital Design
- Technical Management
- Testing and QA
- Analytics and performance reporting

THE BENEFITS

- **MISSION Made** can drive efficiency from that pooled Central Cost with further efficiency from leveraging off-shore resource
- Minimise Agency freelance expenditure
- Creating a Virtual Digital Agency to drive business development and service our future demands – singular rather than multiple investment in new skills and services
- As **MISSION Made** becomes mature it can handle more with the same as per the Share Services model

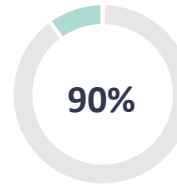
WHEN?

- Phase 1 live 1st October 2020
- To serve 4 Agencies: krow, Chapter, Mongoose, Solaris



WHO ARE INNOVATIONBUBBLE?

A TEAM OF PSYCHOLOGISTS AND BEHAVIOURAL SCIENTISTS WHO UNDERSTAND HOW TO ACCESS AND MEASURE THE SUBCONSCIOUS FACTORS THAT DRIVE PEOPLE'S DECISION MAKING.



IT'S BEEN PROVEN THAT 90% OF DECISIONS ARE MADE BY THE SUBCONSCIOUS.

As psychologists and behavioural scientists, they're experts on the human brain. They know how it works and understand the factors that actually drive decision making.

They call these factors the 'whys' and they're hidden deep inside the subconscious.

Using their proprietary methodologies and tools they can reveal these 'whys' and use them to create powerful, actionable insights.

These insights enable organisations to connect with customers and/or employees on a deeper, subconscious level where 90% of decisions are actually made.



DEUTSCHE BANK

CHALLENGE:

Deutsche Bank believed that customers do not inherently trust financial institutions and that they need to gain the trust of their customers.

SOLUTION:

Psychological interviews revealed Clients did intuitively trust the bank but they actually didn't trust themselves managing their money. They also felt 'silly' and 'stupid' in not being able to use the banks online and App based customer support tools. They also felt the bank was taking control away from their ability to manage their own money.

Innovationbubble designed training workshops for customer facing & digital staff to consolidate their ability to support customers rather than demonstrate superiority of leadership.

OUTCOME:

1. A significant reduction (17%) of burden on customer call centre resolution time.
2. A reduction by 11% in churn.
3. An 8% increase in market growth.

SUMMARY & OUTLOOK

2020

Challenging market conditions

Property and Events based businesses most affected

Technology and Healthcare performing well

Effective cash management

Already re-structured and implemented new initiatives to mirror market conditions

H2 trading improvement forecast

Returning to profit for full year

LONGER TERM

Realise benefits of office portfolio review and **MISSION MADE**

Continue to re-build revenue from loyal Client base

Leverage diverse and complete Group skill-set

Return to pre-pandemic profit levels

Look for growth through acquisition



THANK YOU



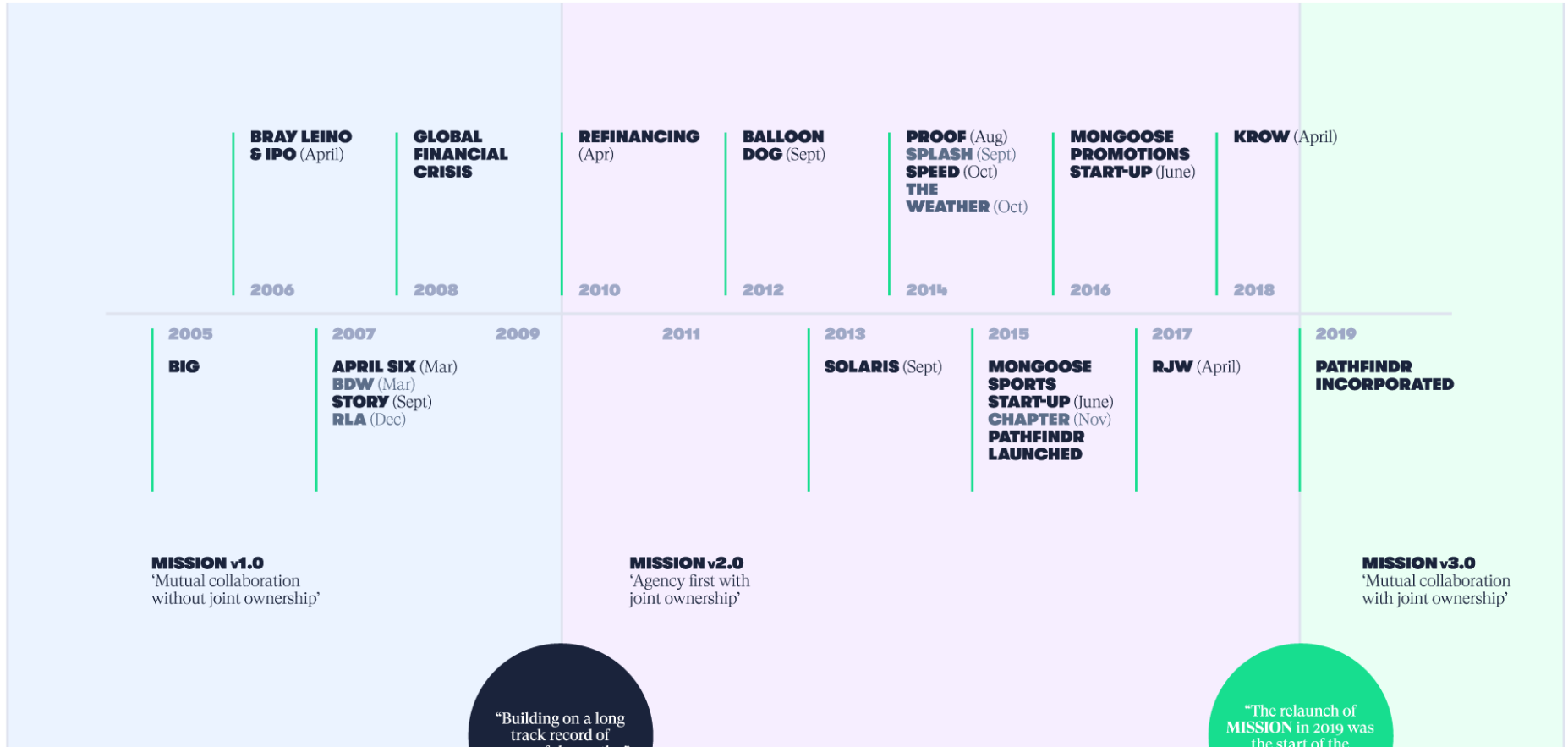
MISSION

APPENDIX

A bit about us for those that don't know us



MISSION 3.0



"Building on a long track record of successful growth..."

"The relaunch of MISSION in 2019 was the start of the next phase of growth"



WHY WE ARE DIFFERENT:

THE ALTERNATIVE GROUP FOR AMBITIOUS BRANDS

A TRUE COLLECTIVE

- A collective of creative Agencies led by founders who encourage an independent spirit
- Over 1,000 people, 31 offices
- Strong **MISSION** share ownership among employees and their friends

WE TREAT EVERY CLIENT LIKE IT'S OUR FIRST

- 50% of our revenue comes from Clients who have been with us for 5 years or more
- 30% for 10+ years
- 20% for 20+ years

SERVICE, NOT MEDIA

- Revenue, not Billings focus
- Consultative sell
- Establishing trusted creative partnerships that deliver real business growth



ORGANISATION STRUCTURE: COLLECTIVE SPECIALISTS



ORGANISATION STRUCTURE: OUR BUSINESSES

