



MISSION

INTERIM REPORT

For the six months to 30 June 2022



AGENDA

1. Financial Review
2. Initiatives & Outlook

1.

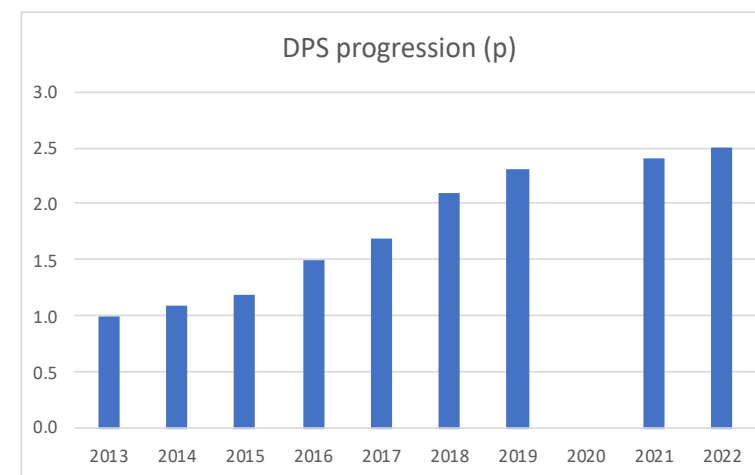
FINANCIAL REVIEW

PROFIT & LOSS

(£'M)

	H1 2022	H1 2021	£ change	%
BILLINGS	81.2	69.5	11.7	
REVENUE	37.5	34.1	3.4	10%
OPERATING EXPENSES	(35.3)	(32.1)	(3.2)	
HEADLINE OPERATING PROFIT	2.2	2.0	0.2	10%
SHARE OF ASSOCIATES/JV	0.1	0.1	0.0	
INTEREST	(0.4)	(0.3)	(0.1)	
HEADLINE PBT	1.9	1.8	0.1	5%
ADJUSTMENTS	(0.3)	(0.4)	0.1	
PBT	1.5	1.4	0.1	9%
TAX	(0.4)	(0.3)	(0.1)	
EARNINGS	1.2	1.1	0.1	9%
HEADLINE DILUTED EPS (p)	1.70	1.68	0.02	2%
INTERIM DIVIDEND DECLARED (p)	0.83	0.80	0.03	4%

- ✓ H1 on track with management expectations
- ✓ Revenue, Profit up 10%
- ✓ Managing cost pressures
- ✓ Continued dividend progression



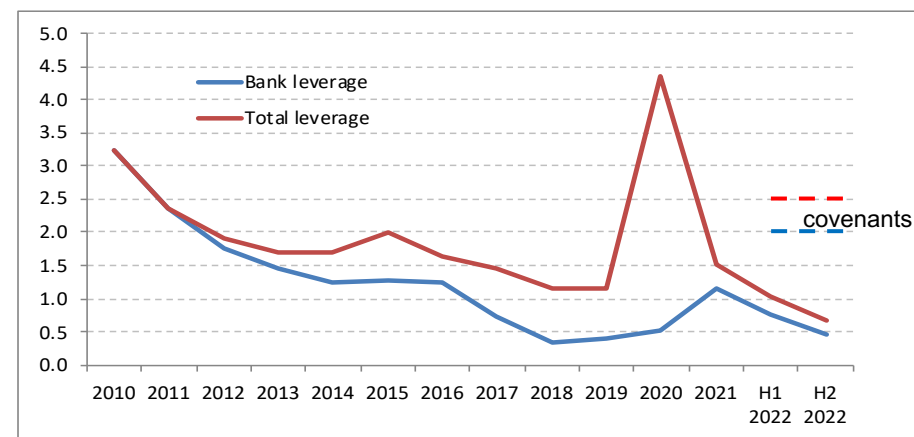
2022 as implied by forecast consensus

BALANCE SHEET

(£'M)

	H1 2022	H1 2021	DEC 2021
INTANGIBLES	99.6	95.9	99.0
FIXED ASSETS/INVESTMENTS	2.6	2.6	2.6
WORKING CAPITAL	3.5	3.5	6.9
NET BANK DEBT	(7.1)	(3.9)	(10.3)
EARN-OUT OBLIGATIONS	(2.5)	(7.3)	(3.3)
TOTAL NET DEBT	(9.6)	(11.2)	(13.6)
RIGHT OF USE ASSETS	8.7	9.9	9.1
LEASE LIABILITIES	(9.2)	(10.5)	(9.7)
ALL OTHERS (MAINLY TAX)	(1.0)	(0.5)	(0.8)
NET ASSETS	94.6	89.7	93.5
BANK DEBT LEVERAGE	x0.8	x0.7	X1.2
TOTAL DEBT LEVERAGE	x1.0	x1.8	X1.5

- ✓ **Reduced working capital driving improved net debt**
£11m increase in debtors & £13m increase in creditors =
US Clients pre-paid media & DIT/CWG events
- ✓ Acquisition obligations at ten year low
- ✓ **TOTAL NET DEBT AT AN ALL TIME LOW**
- ✓ Leverage ratios well within covenants



H2 2022 as implied by forecast consensus

CASH FLOW

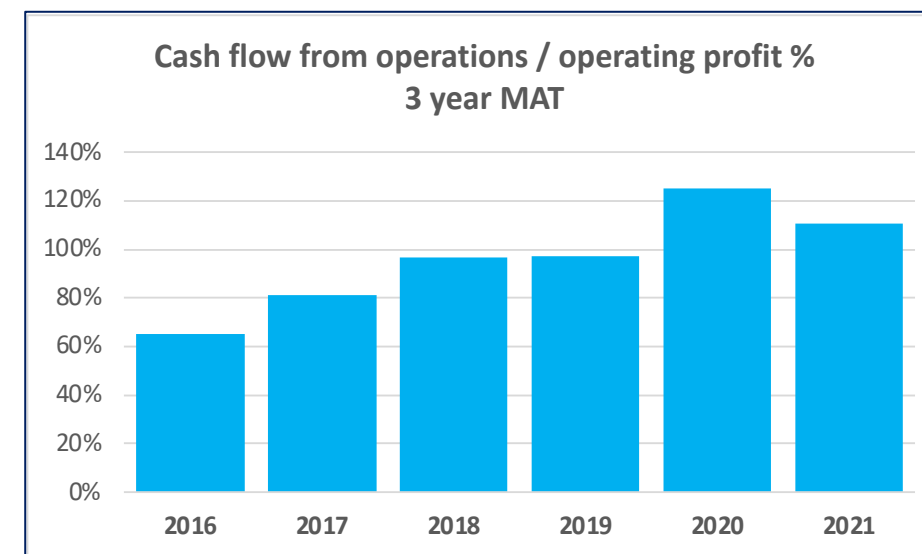
(£'M)

	H1 2022	H1 2021
HEADLINE OPERATING PROFIT	2.2	2.0
ADD BACK DEPRECIATION	1.9	1.9
LESS LEASE PAYMENTS	(1.0)	(1.0)
EBITDA	3.1	2.9
INTEREST AND TAX	(0.4)	(1.1)
NORMALISED OPERATING CASH FLOW	2.7	1.8
WORKING CAPITAL	2.5	(1.3)
CASH FLOW FROM OPERATING ACTIVITIES	5.2	0.5
ACQUISITIONS	(0.8)	(1.2)
CAPEX/SOFTWARE DEVELOPMENT	(1.0)	(0.5)
DIVIDENDS PAID	-	(1.4)
SHARES BOUGHT FOR THE EBT	(0.2)	(0.2)
REDUCTION/(INCREASE) IN NET DEBT	3.2	(2.8)

H1 2021 incl £3.1m of HMRC C-19 outflows

EFFICIENT CASH CONVERSION

110% average conversion ratio over the three years to 2021



IN SUMMARY

- ✓ H1 trading in line with expectations
- ✓ 10% Revenue growth
- ✓ 10% Profit conversion
- ✓ Low level of outstanding earn-outs
- ✓ Total Debt at all-time low
- ✓ Excellent record of Cash conversion
- ✓ Progressive Dividend strategy

2.

INITIATIVES & OUTLOOK

INVESTED FOR GROWTH

- New Non-Exec Deputy Chair appointed (Mark Lund)
 - Catalyst for next 5-year business planning cycle
- First 'Group' Vertical specialism created in Healthcare
- International Growth, particularly US, continues
 - Partnerships working well but more to come
- Central Services enhanced and looking to leverage this advantage further
- Consolidation and new offers successfully launched
- Active and engaged in a very interesting M&A landscape
- Making significant progress against our critical ESG Agenda

MARK LUND

APPOINTED AS NON-EXEC AND DEPUTY CHAIR

Recognised widely as an industry leader, Mark has a powerful reputation of delivering tremendous success and growth. He has spent over 25 years leading and founding great companies, as an entrepreneur and executive, and joins The **MISSION** Group to support further innovation and growth.

Most recently, Mark was President of McCann Worldgroup UK and Europe (2014-2022) where he led a 5,000+ strong organisation across 45 countries. He united them all under a single banner for delivery at scale across all aspects of business communications and reputation building.

Prior to this, he co-founded two independent advertising businesses, one of which, Delaney Lund Knox Warren, became a top 10 UK agency (Mullen Lowe). He was also Chief Executive of the Central Office of Information (COI), the UK government's marketing and communications arm and behaviour change centre.

Mark has been Chairman of the Advertising Association and served on the councils of both the ISBA and the IPA and as Chair of the AA's Media Smart and Children's Panel. He still sits on the AA council. Mark is currently Chairman of Asbof, the funding body for the UK's advertising self-regulation system and of Smart Energy GB, the body overseeing the consumer outreach for the Smart Meter rollout. He has an OBE for services to the advertising industry.



TIM PASSEY

APPOINTED AS CEO, MISSION HEALTH

BACKGROUND:

WPP Health Practice, most recently as Director of Strategic Partnerships responsible for aligning health ambition across multiple agencies with a view to significant enhancement of an end-to-end client offer based around improved CX

Previously Managing Director of WPP's health joint venture in MENA, bringing a coherent structure to PR, med comms and creative agency utilisation.

Ten years of Regional Director roles in APAC, building operations for Nucleus Group and McCann Health, launching agencies and developing new business from a low base.

ROLE:

To shape a proposition that responds efficiently and intuitively to sector specific challenges with more effective, succinct solutions than our competitors. To do this we need a genuinely consulting and partnering foundation.

Aligning with our clients' vision for health care delivery and having a clear purpose in the context of rapidly changing global healthcare provision.

Understanding the end-to-end stakeholder journeys that helps brands be effectively and economically deployed in a system that offers an experience to customers or patients that approaches the same level of seamlessness we are used to in other aspects of our lives.



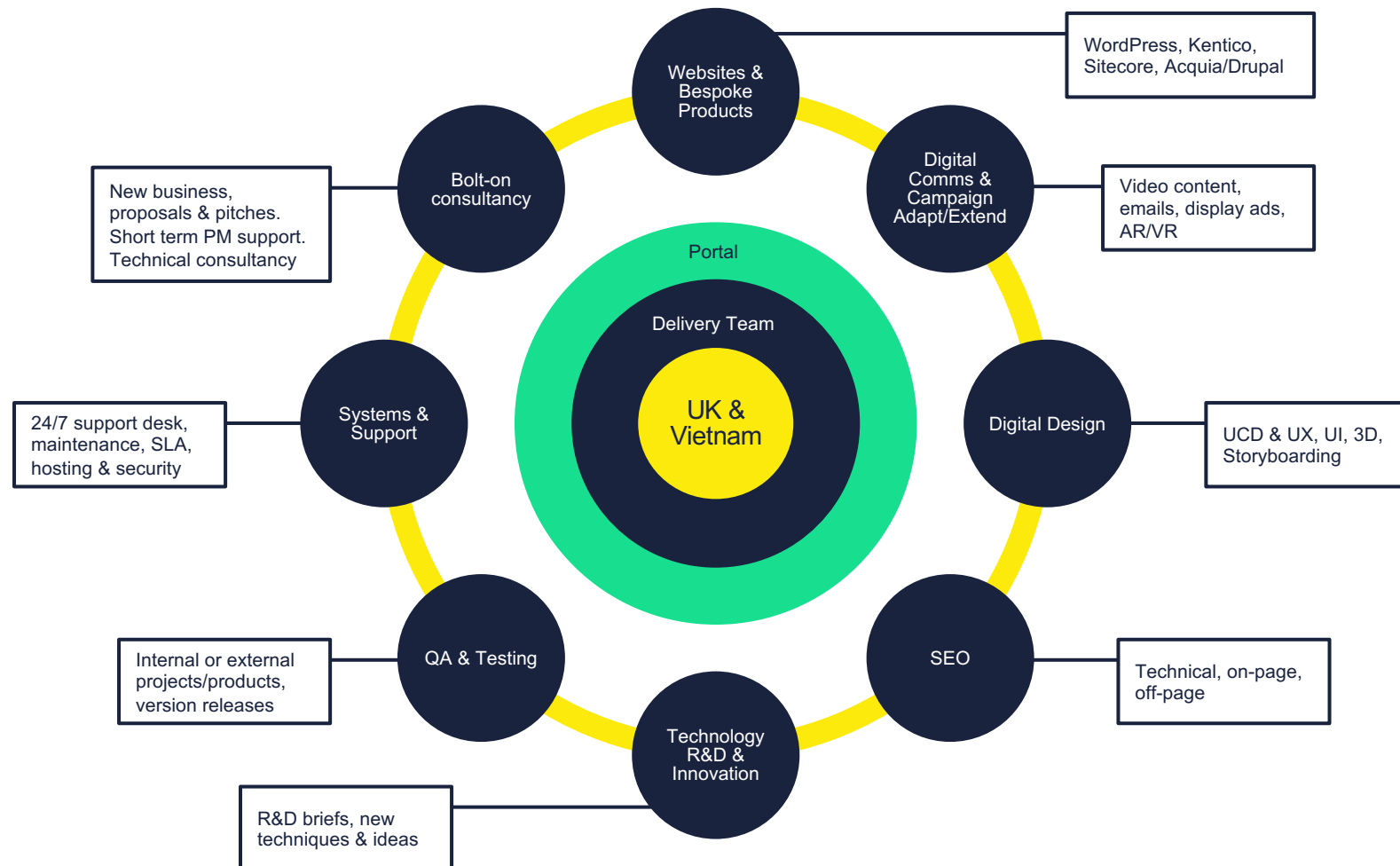
CONTINUED INTERNATIONAL GROWTH

ORGANIC AND THROUGH PARTNERSHIPS

	Six months to 30 June 2022	Six months to 30 June 2021	Year ended 31 December 2021
	Unaudited £'000	Unaudited £'000	Audited £'000
UK	32,124	29,681	63,160
USA	4,144	3,163	6,425
Asia	1,148	1,196	2,720
Rest of Europe	98	98	190
	37,514	34,138	72,495

AN ENHANCED MISSION MADE

FOLLOWING THE INTEGRATION OF OUR VIETNAM SERVICES (01.07.22)



SUCCESSFULLY LAUNCHED STORY GROUP (17.05.22)



Make believers

- 60 people across three offices with a strong offering born of our combined experience
- Growth from existing clients that are reassured by the larger business eg. LVMH and Ardbeg Prestige appointment
- Responding to more, and more varied, Government framework opportunities with the expanded team/capability
- Significant uplift in new business conversations generated by the launch and our enhanced profile (on and offline), incl. more regional enquiries across Scotland, the North East and the Midlands
- The momentum generated by the Story Group launch has also stimulated additional partnership opportunities with sister Mission agencies eg. Braun win with Speed PR

Meaningful
creative.

Intelligently
joined up.

We are the creative agency underpinned by Customer Experience thinking.

CX insight and tools fuel our creativity, and creativity elevates our CX approach.

We deliver what clients of today need: Fresh, effective and efficient creative work across multiple channels, based on audience, insight, evidence and understanding. Ensuring people are moved... in the right direction.



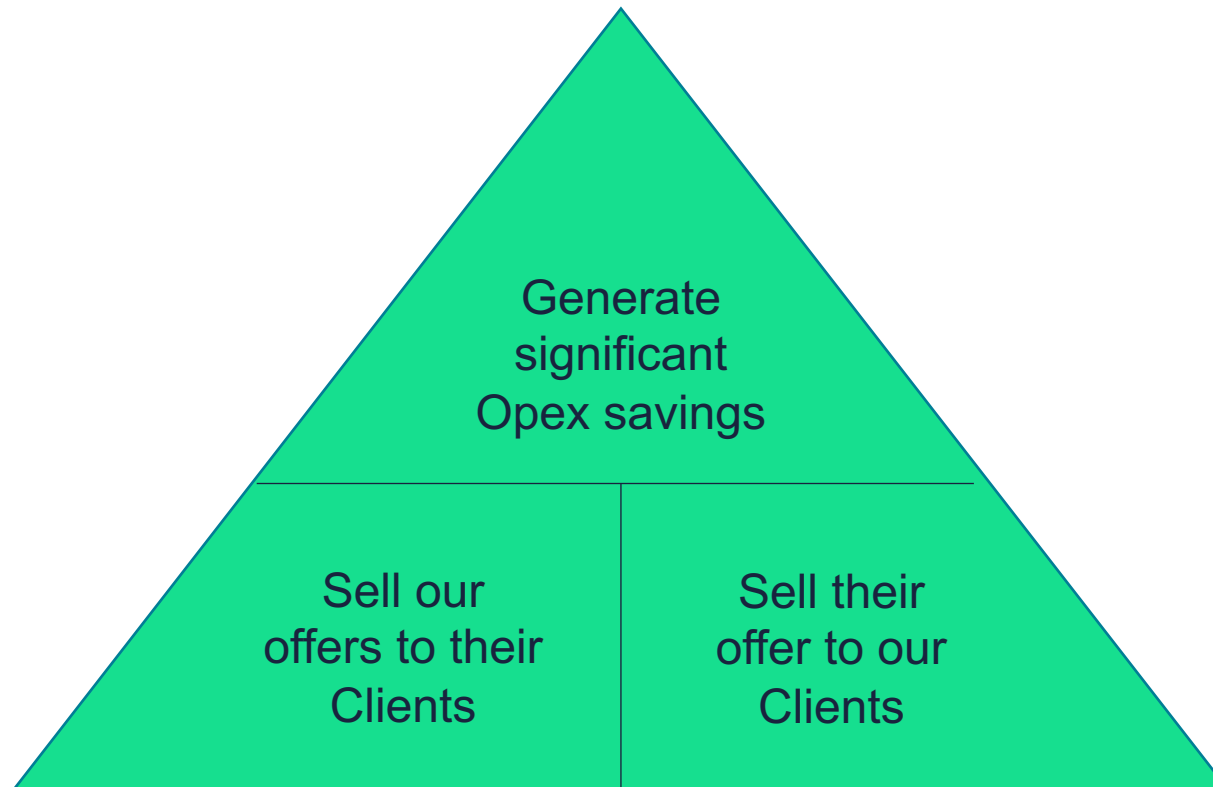
Part of krow Group

**SUCCESSFULLY
LAUNCHED
KROW.X
(01.02.22)**



M&A A KEY DRIVER OF FUTURE GROWTH

AND WE KISS A LOT OF FROGS!



HOW MANY OF THESE THREE FACTORS DOES THE TARGET CLEARLY PROVIDE?

- 0 = STOP HERE; very low chance of creating accretive value from the deal.
- 1 = Continue with 50 points.
- 2 = Continue with 65 points.
- 3 = Continue with 75 points.

- Opex savings could come from: MSS costs, in-housing production, senior team synergy. With those savings arising within the target itself or our wider Group.
- 'Offers' could also encompass 'territories'.

2. BONUS POINTS

WHICH OF THESE (OR OTHER UNIDENTIFIED) STRATEGIC BENEFITS DOES THE TARGET BRING?

5 points for each one to a maximum of 25 points

- High value/high demand **offer** that we don't already have
- Clear access to a new, strategically relevant **sector** for the Group
- Strong in a new, strategically relevant **territory** for the Group
- Improves the **diversity** of our senior management team
- Offers sustainable **margin** enhancement for the Group
- Significantly enhances our **environmental** credentials
- Provides strong **cultural** fit at all levels

Focus areas remain:

- Sports and eSports
 - Social
- Performance Media
 - Data & Analytics
- Vertical enhancements

1 + 2 provides a score out of 100

If the score is above the threshold of 70 points then we explore it further
The higher the score the greater the multiple we may be happy to apply

MISSION

SOCIAL IMPACT 2022

VOLUNTEERING

Many of our **MISSION** team take paid time off for volunteering, either by supporting a charity or cause of their choice or by helping their Agency's nominated charity. In the last three years, our pro bono work was worth £317,000 alongside charity cash donations through fund raising of over £45,000. We also totted up over 360 volunteering days across the Group.

2019-2021 we gave:



CHARITIES WE SUPPORT



INVESTING IN THE NEXT GENERATION



Education and mentoring partnerships:



MISSION

ENVIRONMENTAL IMPACT 2022

CARBON HOTSPOTS



Business Travel



Electricity and Gas Consumption



Computer Purchases and IT Services Contracts



Agencies with the Highest Carbon Emissions

PARTNERS FOR SUCCESS

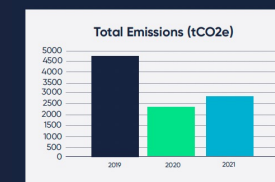
To help us on our journey to reduce environmental impact and adopt best practice and behaviours across our Agencies, we have sought out partners to help us advance our journey. This has also seen us invest in our people working with our partners to increase educational levels and awareness through training and knowledge sharing.



CARBON FOOTPRINT

In early 2021, we began environmental impact measurement. Due to the global pandemic, we took 2019, where the majority of staff worked in our offices, as the base year for target setting as well as capturing our greenhouse gas emissions for the past three years. We are on track to meet our 2024 Science-Based Targets. The main goal is 2029 and our ambition is to keep emissions as close to the 2021 level as possible.

	2019	2020	2021	% Change ('19 to '21)
Scope 1	428	300	372	-13%
Scope 2	522	390	311	-40%
Scope 3	3796	1697	2104	-45%
Total emissions	4746	2388	2787	-41%
Total emissions per person	4.7	2.4	2.8	-41%



PEOPLE THAT COUNT

- The fight for talent remains and wage inflation alongside a contraction in the employment market are creating challenges for the whole industry. We foresaw this impact and are benefitting from our early action to best mitigate
- 158 people were recruited by the central team during the period. This equates to 80% of all hires
- 67% of hires were female
- £616,000 has been saved YTD in Recruitment Agency fees
- Cost per hire has increased to £2,036 but still significantly below external estimates of £3,000+ (CIPD)

PATHFINDR: TIME TO STEP UP

Given the nature of the solution Pathfindr has inevitably been affected by Global supply chain issues and the wider economic uncertainty. However 2 key new product initiatives see a clear focus for H2:

1. Pathfindr are working with Petronas on a European wide supply chain digital integration project
2. Zonr, the smart safety system which creates virtual exclusion zones to protect worker safety in heavy industry, will be adopted by engineering contractor QTS Group across all its UK sites following a successful trial (extract from Press Release 23.09.22)

Zonr alerts workers through a proximity alarm when a vehicle or other hazard comes close, or if they step into a high-risk area - guiding them through a workplace to avoid potential incidents. It gives site operators real-time data over incursions, enabling interventions to be made in the moment, as well as providing holistic data to enable overall health and safety processes to be improved.

QTS has trialed the system at a number of varied sites across the country, and will now implement the system more widely across its rail engineering, infrastructure and electrification operations throughout the UK.

Alan McLeish, Managing Director of QTS Group, said: "Initial trials have gone extremely well, and we've been able to clearly demonstrate the simplicity and functionality of the system. Work sites are fast-moving, dynamic environments, and through using this system to automatically alert workers to dangers, we're highly confident we can further improve safety across our sites."



MISSION GROUP OUTLOOK

POSITIONED FOR DEFENCE AND ATTACK

- As in previous years, the Group expects the majority of its profit to be generated in H2
- Despite the heightened level of global macro-economic uncertainty, we remain strong

Key Criteria	Defence	Offence
Balance Sheet	Low total debt	Significant headroom and strength of banking relationship
Centralised Services	Established, efficient and effective	Margin enhancing at scale
Senior Team	Long standing, collaborative and driven	Bandwidth for more
Sector Specialisms	Technology and B2B resilience. Property repaired and future-proofed	Healthcare proposition. Active M&A pipeline
Agency Specialisms	Consolidated, diverse	Infrastructure makes M&A in-fills and start-ups very attractive
International Reach	Low-cost US/Asia operations. Pent up US demand	UK pricing competitive. Enter additional markets with sector specialists

IN SUMMARY



10% REVENUE
GROWTH

10% PROFIT
CONVERSION

TOTAL DEBT AT
ALL TIME LOW

APPOINTMENT OF
INDUSTRY LEADER,
MARK LUND, TO
BOARD AS DEPUTY
CHAIR

ON TRACK HAVING
MADE
SIGNIFICANT
PROGRESS
AGAINST SCIENCE
BASED ESG
TARGETS

TRADITIONAL H2
WEIGHTING WITH
STRENGTH OF
GROUP GIVING
CONFIDENCE
DESPITE
ECONOMIC
UNCERTAINTY





● ●
MISSION

THANK YOU

