

MISSION

2023

INTERIM RESULTS  
PRESENTATION

FOR THE SIX MONTHS TO 30 JUNE 2023

AS AT 26<sup>TH</sup> SEPTEMBER 2023

**MISSION**

# CONTENTS

1. Group strategy (reprise) and 6-month creative review
2. Financial Review
3. Business Update and Outlook





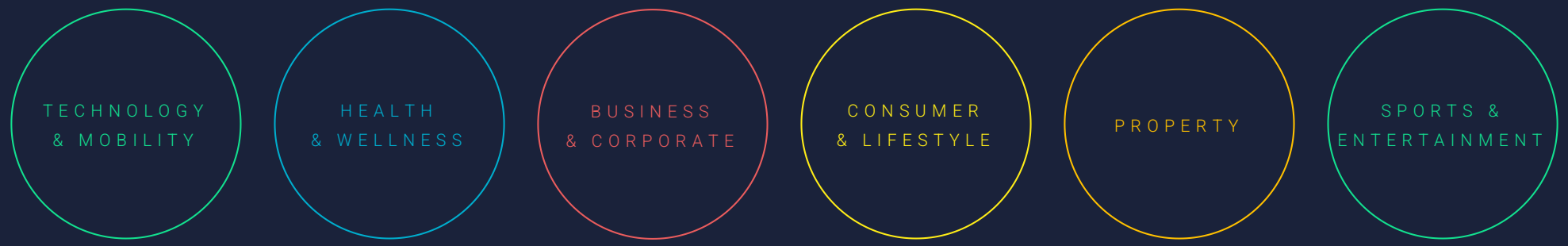
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# THE MISSION

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**TO** be the preferred creative partner for real business growth

**BY** delivering Work That Counts™



MISSION ADVANTAGE



MISSION COMMERCIAL

LEAD CREATIVE AGENCY:



# THE MISSION

**TO** be the preferred creative partner for real business growth

**BY** delivering Work That Counts™

**april6**  
TECHNOLOGY  
& MOBILITY

**SOLARIS**  
health  
HEALTH  
& WELLNESS

**Bray Leino**  
BUSINESS  
& CORPORATE

**.krow**  
CONSUMER  
& LIFESTYLE

**thinkbdw**  
PROPERTY

**mongoose**  
SPORTS & ENTERTAINMENT



MISSION ADVANTAGE



MISSION COMMERCIAL

# Used and ready to do business



Commercial Vehicles

## The challenge

Volkswagen Used Vans come at a premium, they cost more than the average garage and with a cost of living crisis, we needed a way to justify spending that little bit extra for a bit more main dealer reassurance.

## The solution

We show that an Approved Used Vehicle from Volkswagen has 'been there and done it'. Through copy with personality, we personified each vehicle as a trustworthy workhorse. Experienced, dependable and fully checked by our experts. So even though it might be used, giving a van a second lease of life means that it can carry on doing the business for your business long into the future.



# Olbas<sup>®</sup>

## The power to breathe

We wanted to evoke feelings of nostalgia in our audience... those times as a child they were cuddled-up on the sofa feeling a bit poorly. Stop frame animation allowed us to do this; the handmade aesthetic helped us create a huge warm cuddle of an ad.

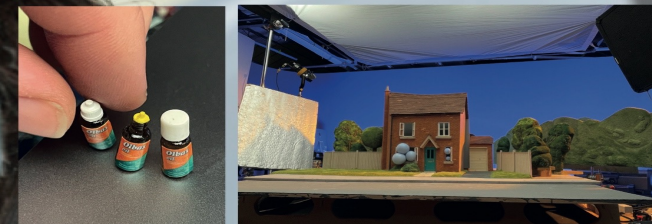
Each piece that made up our world was bespoke. Even Lauren's jumper was hand-knitted with miniature needles and took a week to make. We also needed our 'star' to express emotion with the simplest of movements - we went to great lengths to make sure that Lauren's story, and how she's feeling, was expressed perfectly.

Establishing the dynamics of the balloons was also essential to illicit those feelings of congestion and restriction. After much exploration, a network of tiny tubes, miniature valves and various inflatable fabrics were utilised.

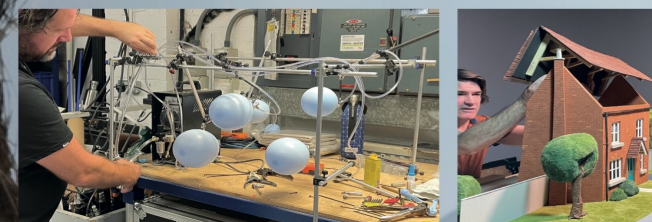
Made to be both surreal and relatable, we showed that with love - and a real eye for detail - you can land your message creatively and impactfully within the category.



MODELLING



TECHNICAL





# THATCHERS

EST. 1904

Craft beer has gone from strength to strength. But cider hasn't kept up. Thatchers wanted to reach more people outside of their heartland, but were being held back by the misconception that it's only drunk by old men in dreary West Country pubs. They needed to widen its appeal, getting a younger drinker into the category by assuring them that their cider has all the craft you could hope for and then some to deliver 'Perfection in every drop'.

Our ad for TV, VOD and cinema tells the story of Tasting Time, a 100-year-old tradition that happens every Friday at 12.30. No other cider company uses taste to gauge the quality of their cider, but Thatchers know it's the only way to assure perfection. This is a journey through the farm, where perfection is around every corner - a heightened, stop-motion, version of a real

## PINT-SIZED PERFECTION

weekly event, beautifully modelled in miniature by Aardman animations. A little drop of perfection in its own right.

We then took that incredible craft and attention to detail into our stunning OOH as key moments from the TVC became our posters. Martin Thatcher arriving in the hot air balloon for tasting time gave us a glorious vista that showcased the incredible detail of Myrtle Farm in miniature; then a close-up of the pint from the end frame delivered taste appeal and put 'The Drop' - our core brand device - front and centre.

Showcasing craft, attention to detail, and a commitment to perfection certainly resonated with audiences. System I, the gold standard for creative testing, gave it 'Ad of the Week' and in their database of around 300 alcohol ads recognised it as the 4th most effective.

 <p><b>Star Rating:</b> <b>Strong</b></p> <p><small>Predicts long-term market share growth</small></p>	 <p><b>Spike Rating:</b> <b>Exceptional</b></p> <p><small>Indicates short-term sales potential</small></p>	 <p><b>Fluency Rating:</b> <b>Strong</b></p> <p><small>Indicates strength of brand recognition</small></p>
<b>SYSTEM I ANALYSIS RESULTS</b>		

REACHING  
**38M**  
ADULTS

**3M**  
MEDIA  
SPEND

**700**  
POSTERS  
NATIONWIDE



Aardman Olive Thatchers An Effectiveness Glow-up | System1 Group | Thatchers https://system1group.com

# FROM LAUGHABLE TO LOVEABLE

## CHALLENGE

Having hit the ceiling for growth, and with core audiences actively rejecting them, ScS needed to shake-off the negative perceptions of a brand that's yelled, 'SALE SALE SALE' for over 100 years, and start building a brand that means something to people.

## SOLUTION

Help ScS live-up to its new brand purpose. Starting with a warm, fuzzy, and homely rebrand and creative executions that bring to life the symbiotic relationship people have with their homes – When you love home, it feels like it loves you back. A feeling we call, The Hug Of Home.

## CHANNELS

TV, OOH, instore POS, logo design, brand guidelines, store fasciae and van livery.

## THE SUCCESS

33% Increase in brand search  
28% Increase in brand demand

5-Star trade press reviews

Pick of the Day on David Reviews





# MACMILLAN CANCER SUPPORT

# 'LET'S DO COFFEE'

One of the UK's best-known charities, we've been working with Macmillan Cancer Support since 2021. In 2023, we were tasked with creating a national campaign to promote their iconic Coffee Morning fundraising event.

We developed a powerful new strategic and creative proposition, encapsulated in a single, simple thought - 'Let's do Coffee'. Before producing a TTL campaign, including a stunning new DRTV.



'STORY'

## 2. FINANCIAL REVIEW

- Resilient H1 performance
- Revenue up 11% (6% organic)
- Margins impacted by US Tech
- Significant H2 weighting per previous years
- Interest rates & net debt level drive borrowing cost increase
- Continue dividend progression

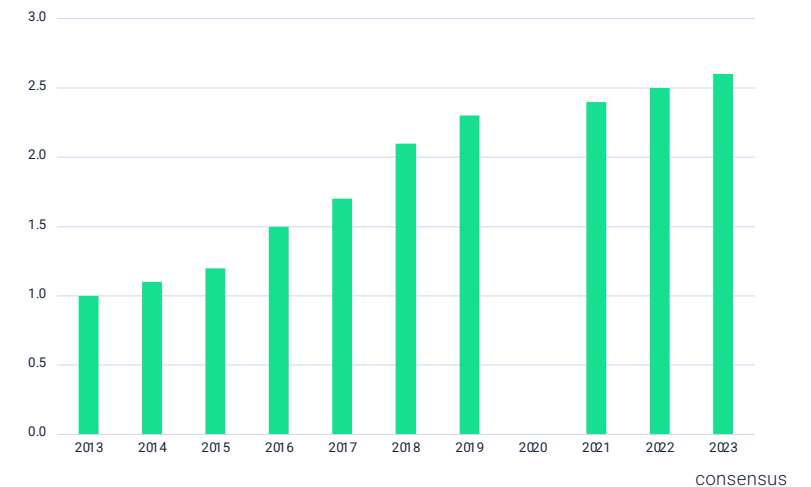


# PROFIT & LOSS

£M

	H1 2023	H1 2022	£ change	%
BILLINGS	92.9	81.2	11.7	
REVENUE	41.8	37.5	4.3	11.4%
OPERATING EXPENSES	(39.8)	(35.3)	(4.5)	
HEADLINE OPERATING PROFIT	2.0	2.2	(0.2)	(11%)
OPERATING MARGIN	4.8%	5.9%	(1.1%)	
SHARE OF ASSOCIATES/JV	0.1	0.1	0.0	
INTEREST	(1.0)	(0.4)	(0.6)	
HEADLINE PBT	1.0	1.9	(0.9)	(46%)
ADJUSTMENTS	(0.9)	(0.3)	(0.6)	
PBT	0.1	1.5	(1.4)	(95)%
TAX	0.0	(0.4)	0.3	
EARNINGS	0.0	1.2	1.1	(97)%
HEADLINE DILUTED EPS (p)	0.81	1.70	0.89	(52%)
INTERIM DIVIDEND DECLARED (p)	0.87	0.83	0.04	5%

DPS PROGRESSION (P)



Adjustments in 2023 reflect investment in Turbine, Livity



# SEGMENTAL ANALYSIS

H1

H1 2023 £m	Business & Corporate	Consumer & Lifestyle	Health & Wellness	Property	Sports & Entert'mnt	Tech & Mobility	MISSION Advntge & Central	Invest-ments	Total
Revenue	10.1	9.2	2.0	6.8	3.0	7.8	2.4	0.4	<b>41.8</b>
Headline op profit	1.4	0.9	0.2	0.6	0.4	0.3	-1.1	-0.6	<b>2.0</b>
margin %	13%	9%	11%	9%	12%	3%			<b>5%</b>
H1 2022 £m	Business & Corporate	Consumer & Lifestyle	Health & Wellness	Property	Sports & Entert'mnt	Tech & Mobility	MISSION Advntge & Central	Invest-ments	Total
Revenue	10.1	9.3	1.5	5.9	1.4	8.2	0.9	0.1	<b>37.5</b>
Headline op profit	0.9	0.9	0.1	0.3	0.2	1.2	-0.8	-0.7	<b>2.2</b>
margin %	9%	10%	9%	5%	17%	15%			<b>6%</b>
Change £m	Business & Corporate	Consumer & Lifestyle	Health & Wellness	Property	Sports & Entert'mnt	Tech & Mobility	MISSION Advntge & Central	Invest-ments	Total
Revenue	0.0	-0.1	0.5	0.9	1.6	-0.4	1.6	0.2	<b>4.3</b>
Headline op profit	0.4	0.0	0.1	0.3	0.1	-0.9	-0.3	0.1	<b>-0.3</b>
margin %	4%	0%	2%	4%	-5%	-11%			<b>-1%</b>

- Diversity of portfolio underpins robust performance
- Highlights margin mix re Tech
- Strong growth in Advantage Margin drag as offers bed in
- All other sectors in growth Property, Events (B&C) recovery
- Resilient margin performance across majority of segments
- Margins up 1.6% excl. Tech



# THE US TECHNOLOGY SECTOR

## H1 VS H2 TRADING

H1 macro uncertainty re fears of inflation, recession, supply chain disruption and industry layoffs,

- Total 2023 US Tech layoffs over 220,000 people by end August

H2 optimism evidenced through:

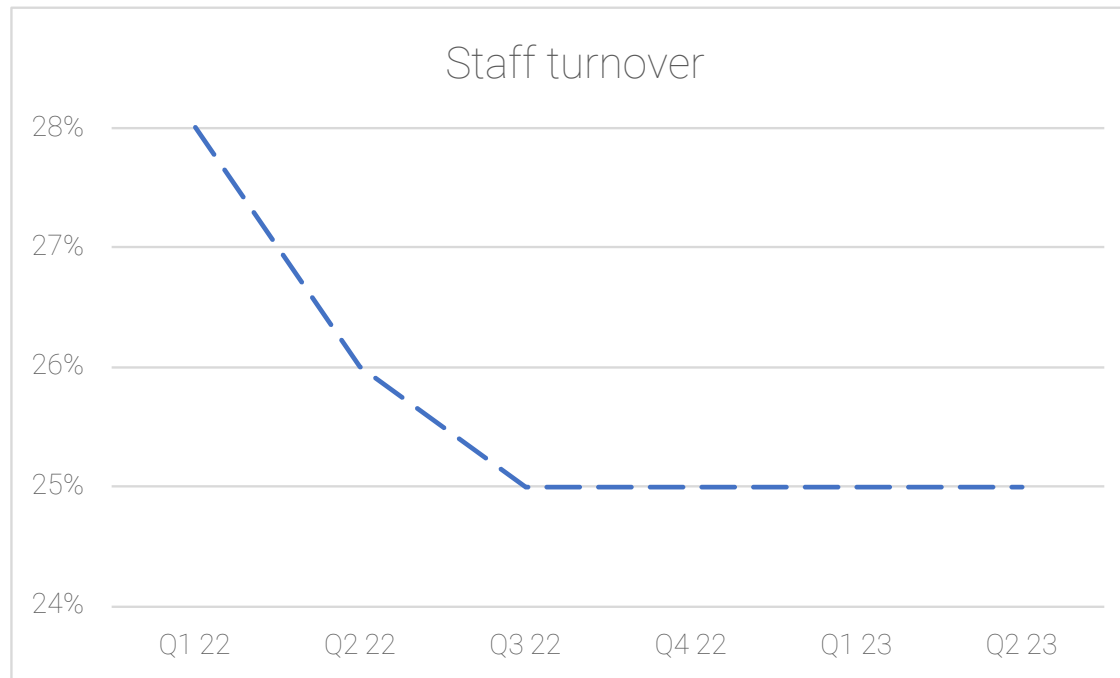
- Nasdaq surge +30%
- Market endorsement of cost-cutting measures
- Improved macro-indicators re inflation, growth vs recession and influence of key technologies
- US Tech still expected to grow 5% in 2023

**MISSION** has taken two key actions to react to the market:

1. Downsized staff to reflect revenue run-rate
2. Changed service offering to refocus on ABM activity. ABM is a key growth area as the sector targets ever more efficient ways to deploy marketing spend

# GROUP STAFF TURNOVER

STABILISING



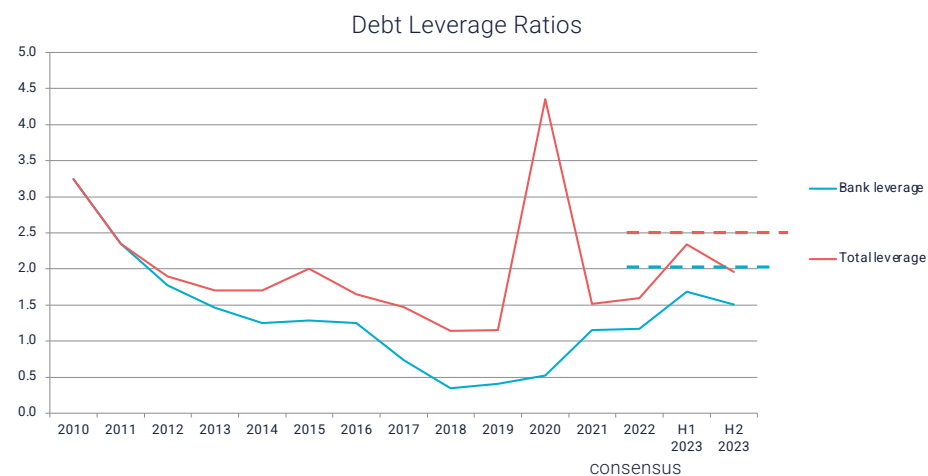
- Churn has settled well following industry-wide 'great resignation'
- Below industry levels (IPA = 26%)
- Wage inflation at 4% yoy

# BALANCE SHEET

£M

	H1 2023	H1 2022	DEC 2022
INTANGIBLES	102.4	99.6	99.7
FIXED ASSETS/INVESTMENTS	4.1	2.6	2.5
WORKING CAPITAL	5.5	3.5	5.4
NET BANK DEBT	(14.9)	(7.1)	(11.4)
EARN-OUT OBLIGATIONS	(5.8)	(2.5)	(4.1)
<b>TOTAL NET DEBT</b>	<b>(20.7)</b>	<b>(9.6)</b>	<b>(15.5)</b>
RIGHT OF USE ASSETS	19.0	8.7	9.5
LEASE LIABILITIES	(19.9)	(9.2)	(10.1)
ALL OTHERS (MAINLY TAX)	(0.4)	(1.0)	(1.3)
NET ASSETS	90.0	94.6	90.2
<b>BANK DEBT LEVERAGE</b>	<b>X1.7</b>	<b>x0.8</b>	<b>X1.2</b>
<b>TOTAL DEBT LEVERAGE</b>	<b>X2.3</b>	<b>x1.0</b>	<b>X1.6</b>

- Working capital increases vs H1 22 driven by £6m reduction in Client prepayments (US Tech)
- Has a direct impact on net bank debt
- Acquisition obligations increase following completion of strategic investment programme
- Leverage ratios increase – expected to reduce in H2



# CASH FLOW

£M

	H1 2023	H1 2022
HEADLINE OPERATING PROFIT	2.0	2.2
ADD BACK DEPRECIATION	1.9	1.9
LESS LEASE PAYMENTS	(0.9)	(1.0)
<b>EBITDA</b>	<b>3.0</b>	<b>3.1</b>
INTEREST AND TAX	(2.1)	(0.4)
<b>NORMALISED OPERATING CASH FLOW</b>	<b>0.9</b>	<b>2.7</b>
<b>WORKING CAPITAL</b>	<b>(0.8)</b>	<b>2.5</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>0.1</b>	<b>5.2</b>
ACQUISITIONS	(0.7)	(0.8)
CAPEX/SOFTWARE DEVELOPMENT	(2.0)	(1.0)
DIVIDENDS PAID	(0.1)	-
SHARES BOUGHT FOR THE EBT	-	(0.2)
START-UP COSTS	(0.5)	-
EXCHANGE DIFFERENCES / OTHER	(0.3)	-
<b>(INCREASE) / REDUCTION IN NET DEBT</b>	<b>(3.5)</b>	<b>3.2</b>

- Interest payments £1m higher than 2022
- Tax payments higher than 2022 re US regime.
- £3.3m swing in working capital flow
- Capex increase re London Office fit-out
- Start up relates to Turbine, Livity



# FINANCIAL REVIEW

## IN SUMMARY

- 11% Revenue growth, 6% organic
- Majority of segments in growth
- US Tech recovering into H2
- Significant H2 weighting per previous years
- Investment phase complete
- Excellent record of Cash conversion
- Progressive Dividend strategy

**MISSION**

# 3. BUSINESS UPDATE & OUTLOOK

## NOTABLE NEW BUSINESS WINS

### The **MISSION** Group:

- Post Office has appointed The **MISSION** Group as the new lead creative Agency.
- The win includes strategic, creative and production services associated with owned and paid advertising, social, digital, in-branch, customer experience, PR, web and email.
- Cloak Lane – an SPV named after the site in the City of London of the first General Post Office in the UK in 1548.

### Our Events Business:

- Department for Business and Trade – Tradeshow and Business Events Services (up to 5-year contract, value £20.8m) AND Ministerial and Specialist Live Events Primary Agency (up to 4-year contract, value £6.4m)
- Goldman Sachs - a multi-show international event programme
- UK Space Agency - for the fifth time we have been appointed to deliver the UK Space Conference 2023
- Worldpay - global events programmes

### Our Operations in Asia:

- M1 Telecom - global data solutions partner for M1 Telecom
- Jägermeister - creating and managing a cocktail and shot tasting bar part of a global campaign for airports the world over.



The logo for April 6, featuring the word "april" in a lowercase, sans-serif font, followed by a large, stylized number "6". The entire logo is rendered in a dark blue color against a bright green background.

## H2 NA TECHNOLOGY NEW BUSINESS WINS

Indicative value for initial SoW only:

**Client A:** \$2.2M (+ additional \$800k to be specified)

- Develop, deploy, and optimise a comprehensive one-to-few Global ABM program

**Client B:** \$175,000

- Reinvent their brand story & identity and bring it to life in a new website

**Client C:** \$180,000

- Reinvent their brand story & identity and bring it to life in a new website

**Client D:** \$200,000

- Develop demand generation campaign content to support a range of ABM campaigns

**Client E:** \$125,000

- Develop demand generation content to support multiple product campaigns



# THE PROPERTY MARKET

THE NEXT 12 MONTHS

Despite the well-publicised and considerable challenges currently facing new homes developers, ThinkBDW is well-placed:

- The need for housebuilders to attract and convert a shrinking pool of buyers will require increased marketing efforts
- As a specialist in the sector, we can leverage this situation by our ability to offer a complete integrated marketing service in-house
- Our cloud-based UX system, ThinkOnline, offers a more immersive and personalised buying experience (one demanded by more and more customers), and the ability for clients to launch developments faster (and cross-sell) more cost efficiently without the need for a physical sales presence
- When a physical sales presence is needed our new range of relocatable modular marketing suites can deliver an attractive branded turnkey sales environment to meet both short and long-term rental needs
- Looking ahead, our ambitions to enter other sectors and industries can be met by repurposing our current offerings. Most notably the commercial property market where we are already seeing significant interest.

**thinkbdw**



# THE PROPERTY MARKET

## BEYOND RESIDENTIAL



**Client:**

GHD Global Utilities



**Who are they?**

• Global employee-owned multinational technical professional services firm providing advisory, architecture and design, buildings, digital, energy and resources, environmental, geosciences, project management, transportation and water services

• GHD employs more than 11,000 people—engineers, architects, planners, scientists, project managers and economists—operating in over 200 offices across five continents serving clients in water, energy and resources, environment, property and buildings, and transportation markets

• Recognised worldwide

**Scope of work:**

- Office interior design and fit out
- Brochure/Report designs
- Videos
- Event collateral

# THE PROPERTY MARKET

## BEYOND RESIDENTIAL



23



**Client:**  
St. Modwen Logistics



**Who are they?**

St. Modwen Logistics provide high-quality warehousing across the UK, from smaller units through to big box warehousing. They have one of the UK's largest logistics development pipelines at c. 19m sq ft. They deliver a whole solution from land acquisition, planning and design through to construction, leasing and asset management.

St. Modwen Logistics provide space to some of the UK's biggest household names including DHL, Amazon and ProCook. St. Modwen Parks, designed by St. Modwen themselves, deliver industry leading space, with an emphasis on sustainability and wellbeing.

**Scope of work:**

- Nationwide wayfinding signage
- Nationwide marketing signage
- Sales collateral including brochures, email campaigns and video
- Proposal documents
- Corporate documents
- Technical documents
- Event marcoms
- Targeted BTB campaigns



# **MISSION** ADVANTAGE

A portfolio of strategic services built to drive positive change and dramatically extend the scale and scope of our offer.

Teams of experts in HR, global digital production, data science and research, regional expansion and promotion - positioned around the globe and ready to mobilise in support of our Agencies.

**MISSION ADVANTAGE** compliments the strategic and creative strength of our Agencies allowing them to offer wider, deeper, and highly credible services in support of their own unique propositions and aspirations.

**ADVANTAGE** is built as the platform for change, operating on a cost only basis to ensure the profitability, relationships and opportunity remain with our Agencies.







# MISSION HUBS

MORE PARTNERS, MORE PLACES, MORE SOLUTIONS



An **affordable** way for any Agency to benefit from **international partnerships** and collaboration.

Low level annual partnership fee

%age commission payable on successful business introductions between Partner agencies

Projects from **MISSION** Group Agencies delivered on a pre-agreed cost + basis

Participate in the inter-agency talent exchange program.

Events, consultancy, and services provided by third-party providers charged separately

Option to become a **MISSION** Affiliate Agency, benefit from **MISSION** Advantage services at cost



Grow your agency quickly. **Increase revenue**. Access best-in-class **resources at cost**. Plan for *your* business and personal future.

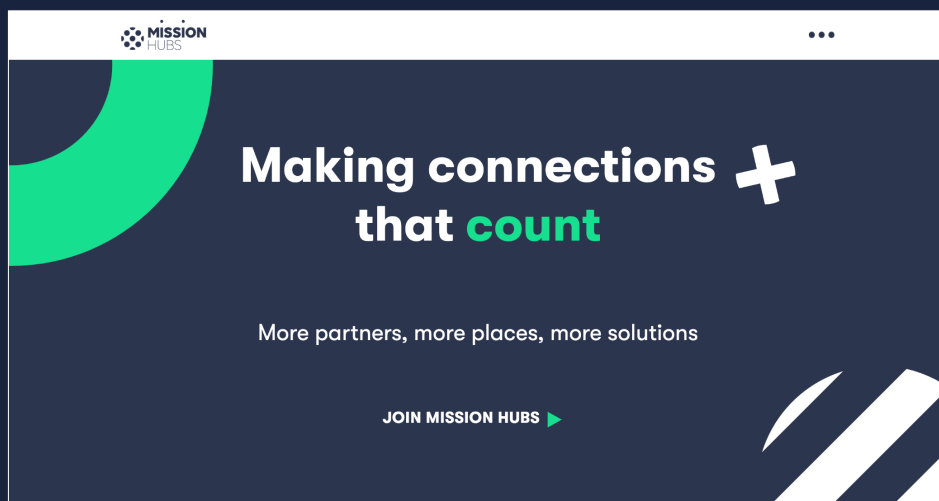
Annual affiliate fee

In addition to the Partner benefits, **MISSION** Affiliate Agencies have access to **MISSION** Advantage and 130 specialists, on- demand, AT COST providing:

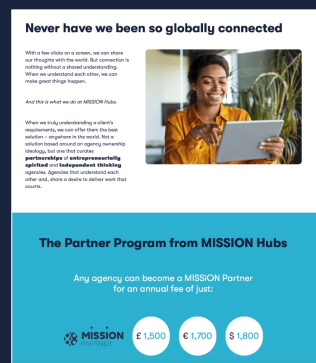
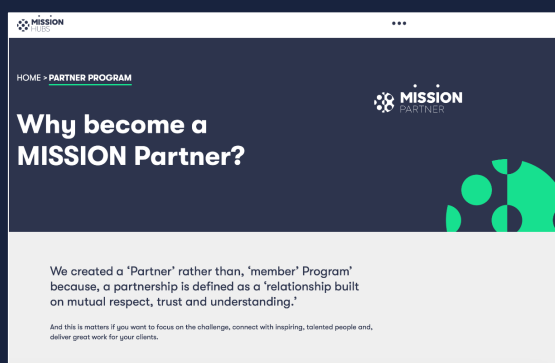
- Marketing automation and martech
- Behavioural insights
- Data science and engineering
- Digital media planning, buying and SEO
- Production, digital comms & applications
- Creative technology and campaign support
- International partner and pitch support
- Promotions and retention campaign planning and activation
- Financial planning and business growth consulting



# LAUNCHING THIS MONTH



External Partner & Affiliate 'sales' website ([www.missionhubs.co.uk](http://www.missionhubs.co.uk)) and [www.themission.co.uk](http://www.themission.co.uk)



Boston & Philadelphia



Melbourne & Sydney



Milwaukee & Madison



Madrid, Paris, London, Casa Blanca



Miami, New York, Philadelphia & San Francisco



Milan, Rome & London



Tel Aviv



London



Pune & Mumbai

Joining Jan '24



# MISSION HUBS

## OUR GROWING GLOBAL FOOTPRINT

Albania	Chile	Iceland	Macedonia	Portugal	Turkey
Algeria	China	India	Malaysia	Qatar	Uganda
Angola	Colombia	Indonesia	Malta	Romania	Ukraine
Argentina	Costa Rica	Iran	Mauritius	Rwanda	UAE
Australia	Croatia	Iraq	Mexico	Saudi Arabia	United Kingdom
Austria	Cyprus	Ireland	Morocco	Serbia	USA
Azerbaijan	Czech Republic	Israel	Myanmar	Singapore	Uruguay
Bahrain	Denmark	Italy	Nepal	Slovakia	Venezuela
Bangladesh	Dominican Republic	Japan	Netherlands	Slovenia	Vietnam
Belarus	Ecuador	Jordan	New Zealand	South Africa	Yemen
Belgium	Egypt	Kazakhstan	Nigeria	South Korea	Zambia
Bolivia	Finland	Kenya	Norway	Spain	
Botswana	France	Kosovo	Oman	Sri Lanka	
Bosnia	Georgia	Kuwait	Pakistan	Sweden	
Brazil	Germany	Laos	Panama	Switzerland	
Bulgaria	Ghana	Latvia	Paraguay	Taiwan	
Cambodia	Greece	Lebanon	Peru	Tanzania	
Canada	Hungary	Lithuania	Philippines	Thailand	
Cameroon			Poland	Tunisia	

Current **MISSION** Partners & Agencies  
 Discussing Partnership with Agencies  
 Extended network where we know Agencies



# PEOPLE, PROFIT AND PLANET

H2 we're focused on delivering against our ESG commitments to meet our 2025 milestone social goals and shore up our net zero ambitions; embracing learnings from external validation and engaging the whole group to support positive change.

1. Continue to measure and report impacts and hold ourselves accountable to drive focus
2. Embed sustainability in our Group decision-making and better align all elements of our ESG activity
3. Secure independent, external validation and work to address gaps and recommendations provided
4. Focus on our day-to-day behaviours at agency level to create impact driven by our people.

- Group wide Employee Engagement Survey to run in October benchmarked against 2022 with resulting action plan
- New Thanks Ben benefit platform launched this month
- Continue to build our **MISSION** communities spanning ethnicity, sexuality, age, neurodiversity and faith
- 2024 introduction of new Group-wide Apprenticeship programme



# LEVERAGING OUR JOURNEY AND EXPERTISE

## TO WORK WITH CLIENTS

### SUSTAINABILITY



#### Discovery

Materiality assessments  
B Corp Impact Assessment  
Category analysis  
Audience research



#### Sustainability Strategy

Net Zero strategy  
Sustainability strategy

### MARKETING



#### Brand & Communications

Positive impact brand development  
Purpose Gap analysis  
Sustainability communications strategy (audience, internal, investor)  
Behavioural change campaigns



#### Learning & Development

Tea & Learns  
Workshops  
Training courses – environmental & social



#### Innovation

Sustainable product/service ideation & positioning  
Tech innovation  
Packaging design (reduce materials, improve recyclability, reuse)

### REPORTING



#### Measurement & Reporting

Carbon calculations: production, websites, media  
Campaign measurement – environmental and social impact, alongside financial metrics  
Impact reports



## THE BIG M's

CELEBRATING WORK THAT COUNTS™

A creative awards initiative that celebrates WORK THAT COUNTS™ from all **MISSION** Agencies.

The awards ceremony will take place early December in London and will see 150 of the team come together to view a showcase of the work and to reveal the winners.

There will be approximately 10 categories, each receiving a bronze, silver and gold award.

There will also be a “grand M” award and a people's award that is voted for on the night.

Chair of Judges: Industry legend and creative entrepreneur Bil Bungay.



# INFLUENCE NYC

## MONGOOSE GROUP EXPANSION

- Headquartered in New York, the US branch of Influence Sports will be led by Managing Director, Dirk De Vos, who has previously held Senior Executive Commercial roles at Heineken, Diageo and Unilever.
- Influence Sports has a wealth of experience and long-standing relationships in motor sport, sailing and pro-cycling, bringing expertise from topflight sporting events including Formula 1, the America's Cup and the Tour de France.
- This strategic move comes in advance of a high-profile international sporting events calendar, scheduled to take place in the US in the immediate years ahead. These include the five Formula 1 Grand Prix in the region (Miami, Montreal, Austin, Mexico City and Las Vegas), the 2024 Copa América, the 2026 FIFA World Cup and the 2028 Summer Olympics.
- Influence Sports will focus on offering strategic consultancy, commercial sales, partnership activation and PR & communications.





# SUMMARY

## AND OUTLOOK

- Resilient H1 performance despite Technology sector impact
- Strong revenue growth from our other specialist sectors
- Superb integration of late 2022/3 acquisitions and start-ups
- Attracting a greater share of Client spend through our **MISSION** Advantage platform
- Greater International reach, at no cost, through **MISSION** Hubs
- As previously stated no planned capability M&A in H2 – we have all we need
- Profits heavily H2 weighted as per previous years
- Tough trading environment but recent new business performance underpins outlook
- Technology revenue run rate expected to return to 2022 levels in H2
- Continued revenue growth across all other sectors



THANK YOU