

20
22

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MISSION

Annual Results for the year ending 31st December 2022

2022

AGENDA

- 2022 business highlights
 - Strategic progress made to date
- 2023-2025 plan and targets
- 2022 Financial performance
- Questions

2022 BUSINESS HIGHLIGHTS

AND STRATEGIC PROGRESS MADE TO DATE

JAMES CLIFTON, CEO



2022 SUMMARY

- Strong revenue growth driving scale
- Investment in our people, our primary asset
- Investment in new margin enhancing offers
- Arrested cash burn on non-core
- Created a strategy for sustainable revenue and margin growth that will be realised over the next 3 years





2022 TOP-LINE BUSINESS PERFORMANCE

- **Revenue up 10% on 2021**
 - Outperformed consensus Industry growth rate
- **Strong H2**
- **Client retention statistics remain excellent:**
 - 47%+ from Clients of more than 5 yrs
 - 29% from 10+ yrs
- **Headline Operating Profit up 8%**
- **Margins stable**
 - Inflationary environment
 - Investment in Talent attraction & retention
 - Headcount up 10% to 1,087
 - Staff costs up 11%

2022 STRATEGIC POINTS OF NOTE

- Consolidated Story and Chapter to form Story Group
- Successful courting and acquisition of Livity, Populate, Mezzo Labs and Influence
- Innovative thinking to create Turbine
- Expanding the successful **MISSION** Made to **MISSION** Advantage
- Created **MISSION** Hubs – a bespoke approach to the Group's International growth and M&A
- Developed **MISSION** Health proposition with highly credible lead

2022 STRATEGIC POINTS OF NOTE

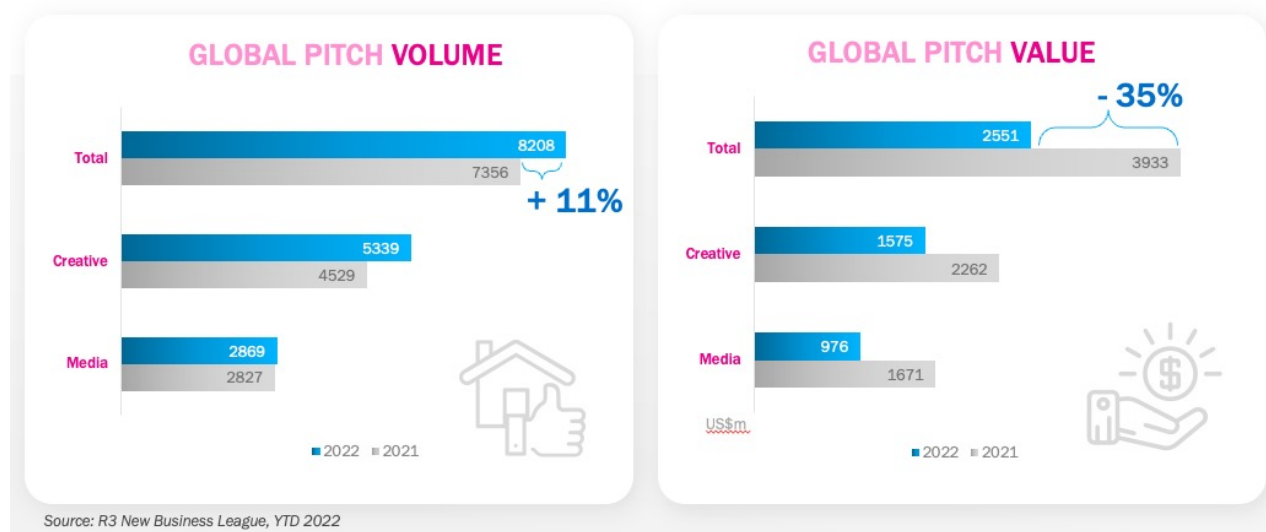
- Appointed a renowned industry figure as our new Non-Executive Director & Deputy Chair, Mark Lund, which has led to the completion of the Board restructure (Appendix 1.)
- Delivered our first ever ESG Report and demonstrated Leadership and Championing of the initiative across our Industry
- Harnessed a real sense of **MISSION** amongst Leadership and the wider employee community. As evidenced by our first ever Global event and the release of **MISSION** Launchpad
- Growth of the **MISSION** brand in the eyes of Intermediaries and Influencers

2022 CONTEXT

NOT THE YEAR THE INDUSTRY EXPECTED FOR A NUMBER OF WELL PUBLICISED REASONS

Resulting in a strange new business market:

2022 ANNUAL RESULTS



- Which is why Group New Business wins totalling over £13m is a great achievement
 - Otonomix, Linked in, ServiceNow, BMW Japan, SimplyHealth, Molson Coors, SCS, Disney+, CheckmyFile, Sanctuary

OUTSTANDING ORGANIC CLIENT GROWTH

By Client:

Client	Revenue £'000s		growth
	2022	2021	
1	6,918	4,809	43.9%
2	6,517	4,947	31.7%
3	3,709	2,897	28.0%
4	2,335	1,724	35.4%
5	1,368	1,180	16.0%
6	1,353	651	107.8%
7	1,175	766	53.4%
8	1,056	1,101	-4.1%
9	1,026	909	12.8%
10	985	477	106.4%

Top 5 Clients = 26% of total revenue (2021: 22%)

Top 10 Clients = 33% of total revenue (2021: 30%)

£7m of Revenue Growth from our Top 10 Clients in 2022

Notable return of Property Clients spend in Top 10

By Sector:

Sector	% share of total revenue	
	2022	2021
Property	24%	26%
Tech	23%	21%
Healthcare	14%	11%
Public sector	11%	10%
Automotive	8%	10%
Food and drink	8%	8%
Financial Services	7%	8%
Retail	5%	7%
Total	100%	100%

Reflects the stated strong growth in April Six and Solaris/RJW

EVENTS AND US LEAD THE WAY IN 2022

By mix:

£'000s	2022	share	2021	share	growth
Ad&Digi	62,045	78%	57,388	79%	8%
PR	7,179	9%	6,973	10%	3%
Events	6,255	8%	4,829	7%	30%
Media	4,335	5%	3,305	5%	31%
Total	79,814	100%	72,495	100%	

Events growth shows recovery post C-19

Media growth aligned to US & April Six performance

By geography:

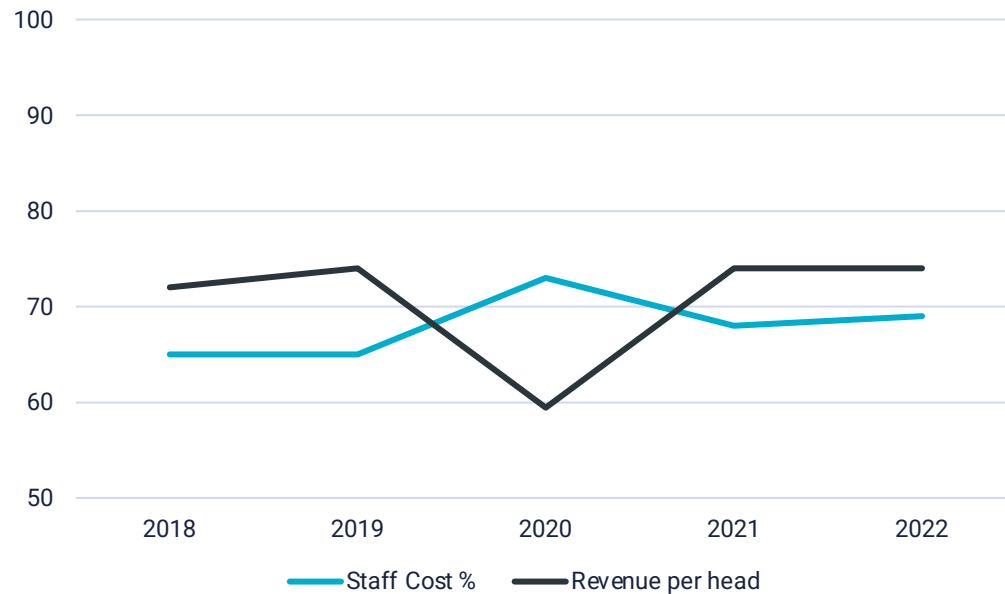
£'000s	2022	2021	growth
UK	67,766	63,160	7%
USA	9,156	6,425	43%
Asia	2,667	2,720	-2%
Europe	225	190	18%
Total	79,814	72,495	10%

US growth continues apace

Asia slowdown addressed with strategic overhaul of BL Splash

2022 OPERATIONAL CHALLENGE

- Managing an increasing staff cost due to talent and inflationary pressures
- Revenue per head broadly back to pre-pandemic levels (2019)
- Need to continue to drive an improvement in Revenue per head in 2023 and beyond



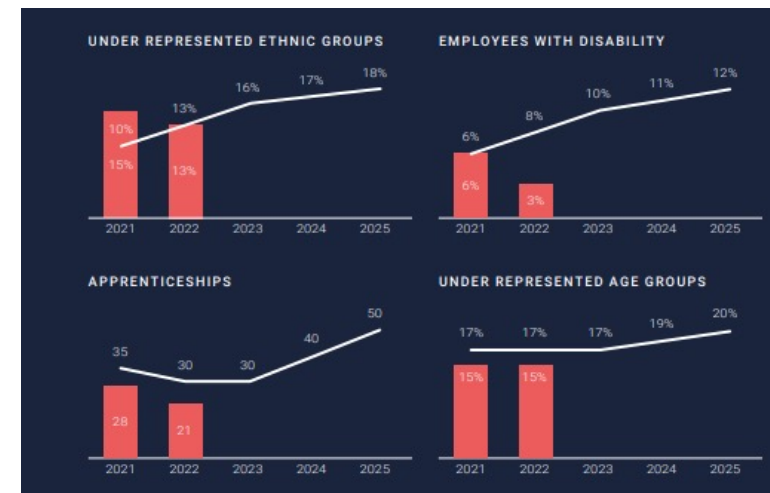
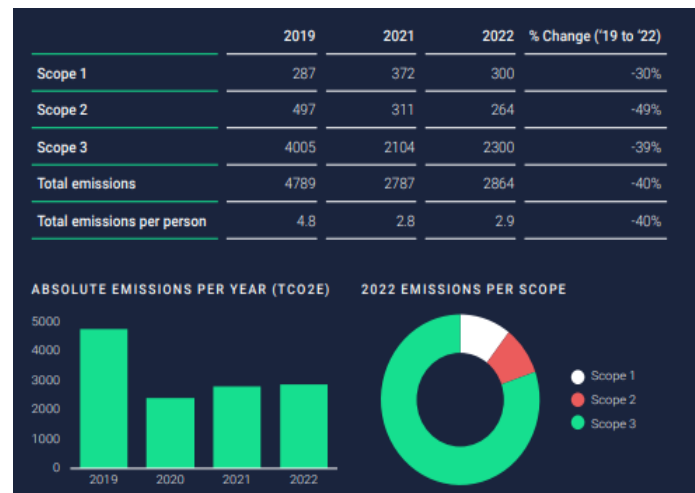


ESG IS A JOURNEY, NOT A DESTINATION



We are focused in ensuring robustness in our reporting, challenging ourselves to meet progressive and impactful targets and holding the whole Group to account in changing behaviours and adopting sustainable & inclusive ways of working.

2022 ESG PROGRESS



912

HOURS OF PRO BONO SUPPORT

120

VOLUNTEERING DAYS

ESG 2023



1

Continue to measure and report social & environmental impacts and hold ourselves accountable to drive focus.

2

Embed sustainability in our decision making and better align all elements of our ESG activity.

3

Support our clients in delivering their sustainable goals.

4

Build partnerships, share learnings and best practice to accelerate our collective carbon reduction journey.

2023-25 PLAN AND TARGETS

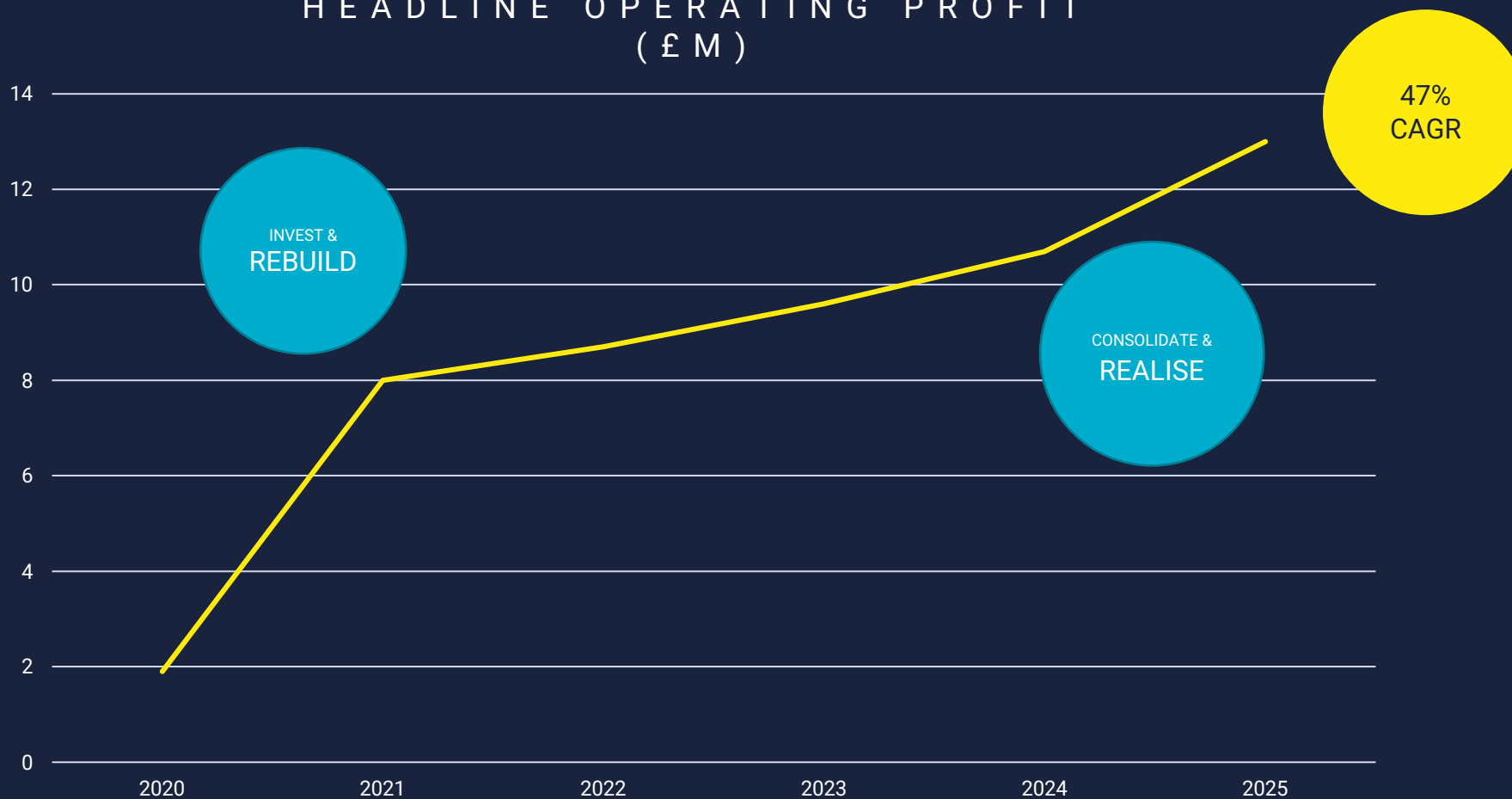
How do we better meet the needs of current
and future Clients?

How do we drive greater value from the
revenue we generate?

Having established there is one how do we
cement and harness the role of the
MISSION?

THE PLAN

HEADLINE OPERATING PROFIT
(£M)



SOME OF OUR BELIEFS

- Promote your specialism (capability) and not your business
 - Our knowledge and expertise of your sector can improve your business and not 'look what I have'
- Savvy Clients will continue to fuel growth
 - "when times are good you should advertise. When times are bad you must advertise"
 - The pandemic significantly accelerated the DTC market, a decade of growth happened in the space of a year
- By combining data, insight and technology we can provide highly accountable, transparent solutions that drive customer acquisition and retention
- The marketing nirvana of an audience of one is nearly upon us
 - Combine the metaverse with the burgeoning power of AI and automation
 - Although its not as new as everyone is making out - 76% of US companies were already using automation in 2021, including 68% of B2B marketers*
- BUT don't forget the communal experiences great advertising can deliver, where a campaign takes on a life far beyond its creators' intentions
 - These shared cultural moments build bonds with consumers, but also between consumers
 - They amplify awareness, extend reach, deepen engagement and build affection
- Where a service is somewhat commoditised a centralised platform allows for more agile resource planning
- You can protect margins by outstanding Client Service
- To win you must nurture, protect and retain your key point of difference – People
- When you have all you need it's about harnessing it and delivering strong organic growth

OUTCOME ...



A CLEAR GO TO MARKET STRATEGY CONSISTENTLY & REPEATEDLY TOLD

DO NOT COMPLICATE OR DEVIATE!



VISION

To be the preferred
creative partner
for real business growth.





MISSION

WORK THAT COUNTS™

Everything we do is designed to get to work that makes the difference Clients are looking for, whatever their ambition.

METHOD



A collective of Agencies that cover all touchpoints and disciplines supported by centrally delivered capabilities and incremental services to widen and deepen Client relationships.



AGENCIES

ALiVE

april6



INFLUENCE
SPORTS & MEDIA



LIVITY

MEZZO LABS

mongoose

Populate

RJW&partners

SOLARIS
health



SPEED

'STORY'

thinkbdw

TURBINE



THE MISSION

TO be the preferred creative partner for real business growth

BY delivering Work that Counts

TECHNOLOGY
& MOBILITY

HEALTH
& WELLNESS

BUSINESS
& CORPORATE

CONSUMER
& LIFESTYLE

SPORTS &
ENTERTAINMENT



MISSION ADVANTAGE



MISSION COMMERCIAL



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MISSION ADVANTAGE



MISSION COMMERCIAL

TECHNOLOGY & MOBILITY

Global tech spend will reach \$4.4 trillion in 2023 as the media, businesses, and governments continue to invest heavily in new technology. Companies are also embedding sustainability as a core value for new tech adoption and nowhere is this more evident than in mobility. By 2030, shared mobility alone could generate up to \$1 trillion in consumer spending. Leading-edge marketing will pave the way.



1

We know our audiences better than anyone. We delivered over £2 billion in sales qualified opportunities to our Clients in 2022 alone.

2

We are experts in activating and mobilising brands' networks using our distributed marketing platform Cortex which is present in all 5,000 Motability dealerships in the UK.

3

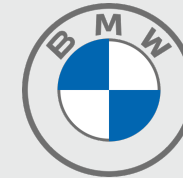
We don't just launch products, we sell out! Our launch for a major global brand's new high value product to EMEA sold all stock in just 72 hours versus three months.

4

We believe that creating deep, valuable, and long-term brand engagement requires activation at every level of the buying journey. In 2022, we delivered over 1 billion VP/executive level impressions as part of our global Thought Leadership Programme – 300% over expectation.

5

We believe that media should be integrated and drive powerful business outcomes. In 18 months, we have built a \$30 million media practice that delivers significant industry-smashing results across all three continents.



HEALTH & WELLNESS

The pharma industry faces a series of serious challenges - new modalities, pressure to innovate, shifting power dynamics, and an explosion of digital and analytics tools. But there is everything to play for. The global wellness market is worth more than \$1.5 trillion, according to McKinsey, with annual growth forecast at 5-10%.

1

Drove to relieve pressure on the healthcare system in women's health by framing the GP HRT consultation around 2-6 guiding questions, greatly increasing treatment rates and reducing referral delay.

2

Combined global health and human insight to help NTUC Health (Singapore's largest wellness provider) build a care infrastructure fit for the future, driving employee applications up by 10%.

3

Using our proprietary 'just right' scale to be truly agile and layer specialist insights, customer journey expertise and AI ingenuity to deliver a Marketing Week Masters award-winning campaign that surpassed all revenue targets for Stada's Covonia.

4

Built a high profile, inaugural integrated campaign for one of the UK's Top health and wellness start-ups MyOnlineTherapy, beating all lead generation targets and winning ITV's TV Ad of the Month.

5

Moved Novo Nordisk from HCP to consumer-first. An integrated specialist-consumer team successfully supported UK launches of its paradigm-disrupting, first-in-pharmacy obesity and women's health innovations Wegovy and Gina – the only HRT product available without prescription.



BUSINESS & CORPORATE

The global B2B market will grow 11.8% annually to reach \$48 trillion by 2030, six times larger than the B2C market according to Straits Research. As businesses globally transition towards net zero, a sustainability mindset will be critical to success.

1

Top 5 UK B2B marcomms Agency (2022).

2

We have helped the Department for International Trade boost investment in the UK by over £10 Bn and created over 30,000 jobs.

3

Successfully delivered integrated campaigns for some of the world's largest B2B businesses

- Powered Castrol's wind energy division to be global leader in two years (50% faster than projected).
- Launched and built a Top 5 sanitiser global brand for Ineos Hygienics within 12 months of launch.

4

Experts in podcast production

- 13 series of 'Talks Energy' created for DNV Energy Systems (global expert in assurance and risk management)
- Over 3/4 million global listens on electrification, rise of renewables, new technologies etc.

5

At the forefront of sustainability comms and building Client's sustainability strategies, led by a B-Leader and supported by Agencies fully proficient in the principles of #ChangeTheBrief, IPA Media Climate Charter, AdGreen and AdNetZero .



CRODA



CONSUMER & LIFESTYLE

Customer expectations from brands are changing. Consumers move rapidly between mindsets for different products and companies need to keep up with their changing moods. And despite a cost-of-living crisis, people still want to spend. It's the companies that can match moods and mindsets that will succeed in 2023 and beyond.



1

Digital first campaign for Speedo, 'Swim United', reached over 13 million people and empowered 1,250 children from marginalised backgrounds to learn to swim.

2

The business re-engineering of Ardbeg Whisky took them from a mothballed distillery to No.1 selling malt whisky globally in its sector .

3

Took I Heart Wines from a start-up that was struggling to secure listings, to a Top 10 wine brand and media favourite.

4

Gave Revlon cult status, market-leading growth and over 418 million hashtag views on TikTok, despite being massively outspent by Dyson.

5

By encouraging Scotland's smokers to 'take it right outside', we met Government targets to protect children from second-hand smoke a full 5 years early. Resulting in a significant reduction in hospital admissions and a citation in The Lancet.











SPORTS & ENTERTAINMENT

The global sports sponsorship market totalled USD 77.69 billion in 2022 and is projected to grow at a CAGR of 8.32% to reach USD 116.17 billion by 2027.

Growth has consistently outstripped traditional marketing over the past 20 years – it will only accelerate further as we see more events from ever more sports arranged around the globe.

1

A specialist sports and entertainment Agency founded by the marketing leaders that established the like of Formula 1, the WTA and ATP Tours and London Fashion Week as global sponsorship platforms.

2

The only sports and entertainment Agency with a dedicated social media specialist Agency working at the heart of every scope making brands more culturally relevant.

3

Brokering multi-million pound, multi-year naming rights partnerships for the world's most iconic landmarks and sports.

4

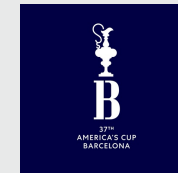
Delivering unforgettable live brand experience and activation programmes at the UK's Top 3 best attended sports events- London Marathon, Boat Race, Silverstone F1.

5

Retained by the best brands in sport – Rolex, Mercedes F1, The North Face, Under Armour and Bridgestone.



lastminute.com



BRIDGESTONE





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MISSION ADVANTAGE



MISSION COMMERCIAL



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 complements 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.





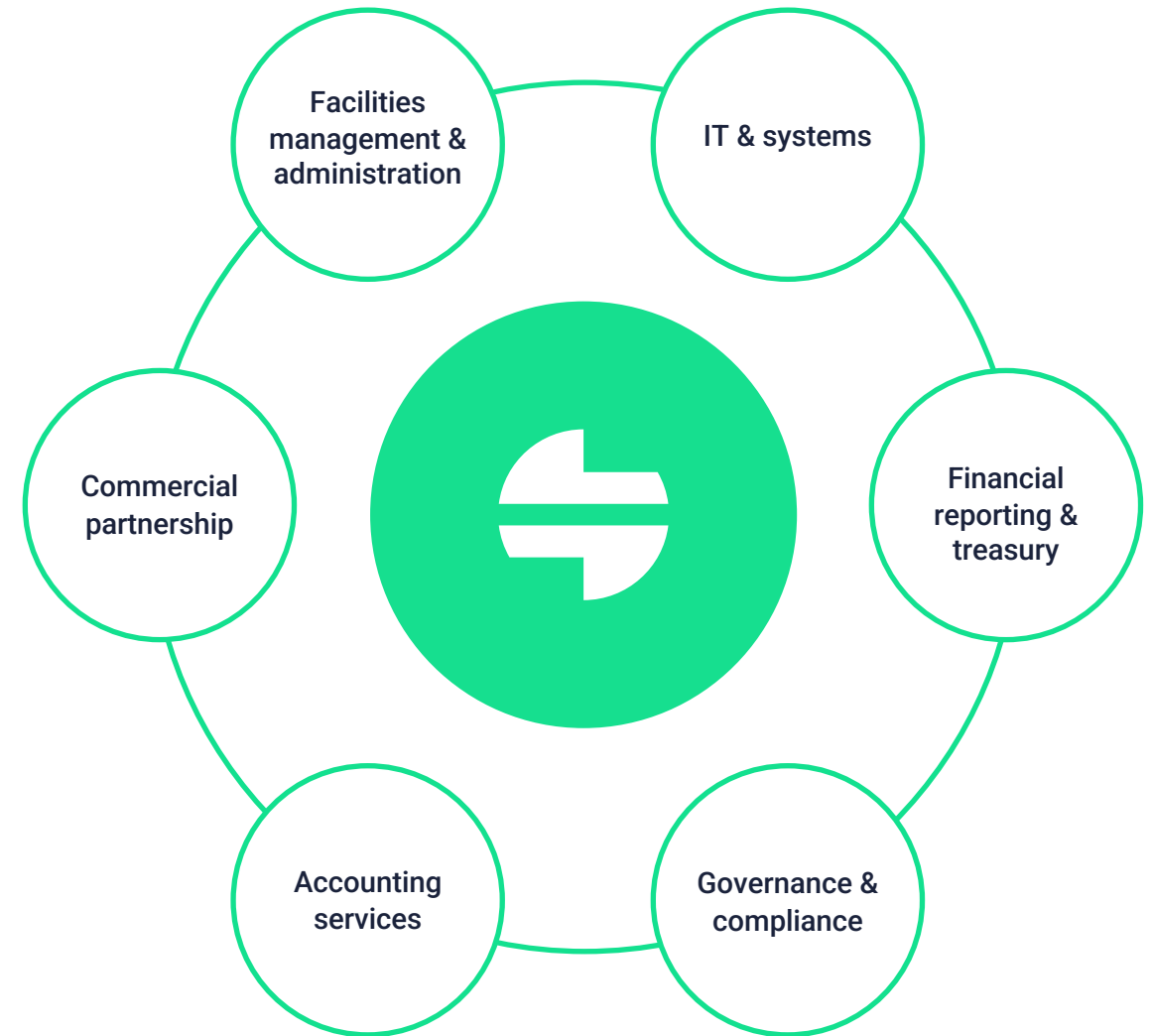


An array of cost-effective, shared provisions designed to deliver scalable, best-in-class support services and expertise to our Agencies.

MISSION Commercial incorporates teams across Facilities management & administration, IT & systems, Accounting services, Financial reporting, Governance & compliance and Commercial partnership. Our people are experts in their fields and are driven to provide value, safety and security across the Group.

MISSION Commercial supports the wider Group endeavour, ensuring that every Agency team is dedicated to delivering Work that Counts™. New Agency additions to the Group are able to quickly focus directly on growth and opportunity whilst handing off their own support services safely and securely.

By simplifying and sharing these services and creating scalable centres of excellence the Group is well positioned to delivery sustainable margin growth as revenues rise.



REVENUE SPLITS



THE MISSION

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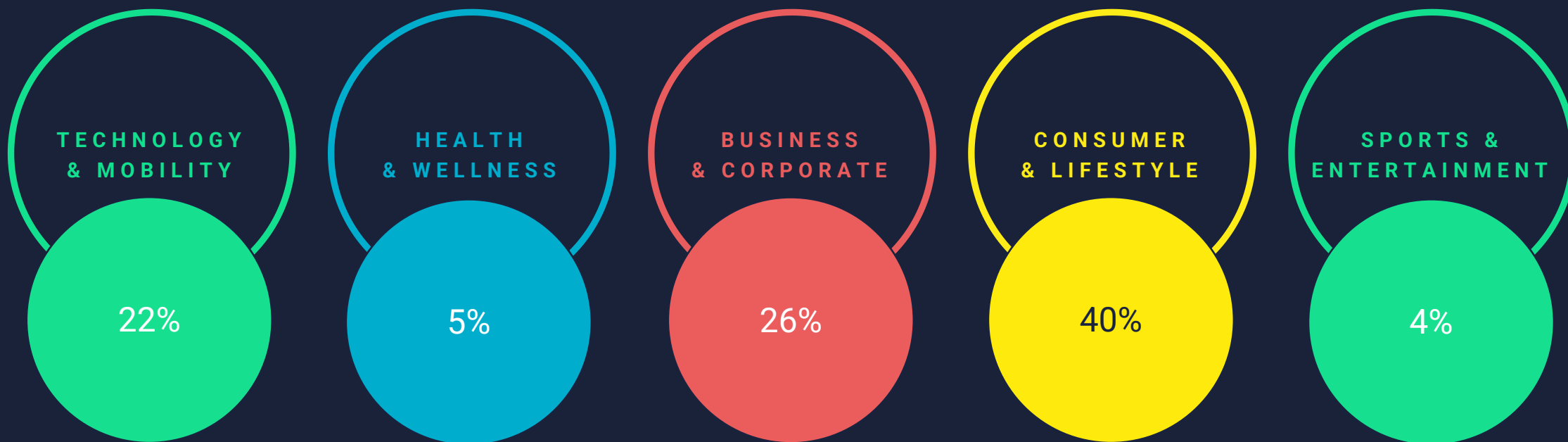


MISSION ADVANTAGE

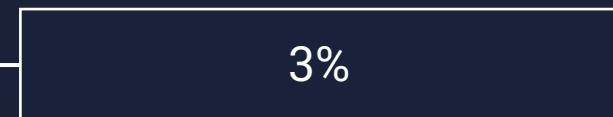
2022 REVENUE SPLIT



THE MISSION



MISSION ADVANTAGE



2023 – 2025

TARGETS

£100m REVENUE

OP MARGIN INCREASED TO 13%

HEADLINE OPERATING PROFIT OF £13m

14% CAGR (v 2022)

NOTE: Organic growth as assumes no significant M&A

STRATEGY

DRIVE SCALE whilst leveraging SYNERGY from the central platforms

%age revenue growth rate outstrips expenditure due to EFFICIENCY of MISSION Advantage & Commercial models = improved operating margin

Drive Direct Opex benefit through continued SIMPLIFICATION & higher margin offers

2022 FINANCIAL PERFORMANCE

GILES LEE, CFO



PROFIT & LOSS (£M)

	2022	2021	£	% change
BILLINGS	<u>182.7</u>	<u>153.3</u>	<u>29.4</u>	
REVENUE	79.8	72.5	7.3	10%
OPERATING EXPENSES	<u>(71.1)</u>	<u>(64.5)</u>	<u>(6.6)</u>	
HEADLINE OPERATING PROFIT	8.7	8.0	0.6	8%
OPERATING PROFIT MARGIN	10.8%	11.1%	(0.3)%	
INTEREST/JV SHARE	<u>(0.9)</u>	<u>(0.6)</u>	<u>(0.3)</u>	
HEADLINE PBT	7.8	7.5	0.3	4%
ADJUSTMENTS	<u>(7.0)</u>	<u>(0.7)</u>	<u>(6.3)</u>	
PBT	0.7	6.8	(6.0)	
TAX	<u>(0.7)</u>	<u>(1.4)</u>	<u>0.7</u>	
EARNINGS	<u>0.0</u>	<u>5.3</u>	<u>(5.3)</u>	
DILUTED HEADLINE EPS (p)	6.7	6.5	0.2	4%
PROPOSED DIVIDEND (p)	2.5	2.4	0.1	4%

- **Revenue up 10% on 2021**
- **Strong H2** – up 10% on H2 2021
- Client retention statistics remain excellent:
 - 47%+ from Clients of more than 5 yrs
 - 29% from 10+ yrs, 19% from 20+ yrs
- **Headline Operating Profit up 8%**
- In line with expectation
- Margins stable
 - Inflationary environment
 - Investment in Talent attraction & retention
 - Headcount up 10% to 1,087
 - Staff costs up 11% (68% to 69% of revenue)
- Interest charges up
 - Higher SONIA rates
- Headline tax rate in line with 2021
- **HPBT up 4%, DHEPS up 4%**
- Adjustments; see over...

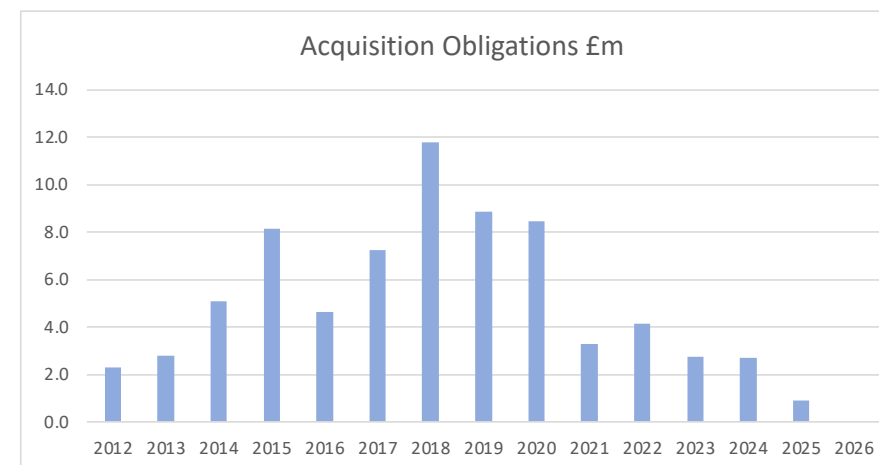
ADJUSTMENTS

	2022	2021	
SPLASH	£2.4m	-	Restructure costs & goodwill impairment
PATHFINDER	£2.9m	-	Impairment of R&D & inventory costs to date
START-UPS	£0.8m	£0.4m	Livity, Turbine, Data, Health
M&A COSTS	£0.9m	(£0.2m)	Amortisation, Prof fees, changes to AC
RESTRUCTURE	-	£0.5m	2021 Board restructure costs
TOTAL	£7.0m	£0.7m	(2019 = £1.9m)

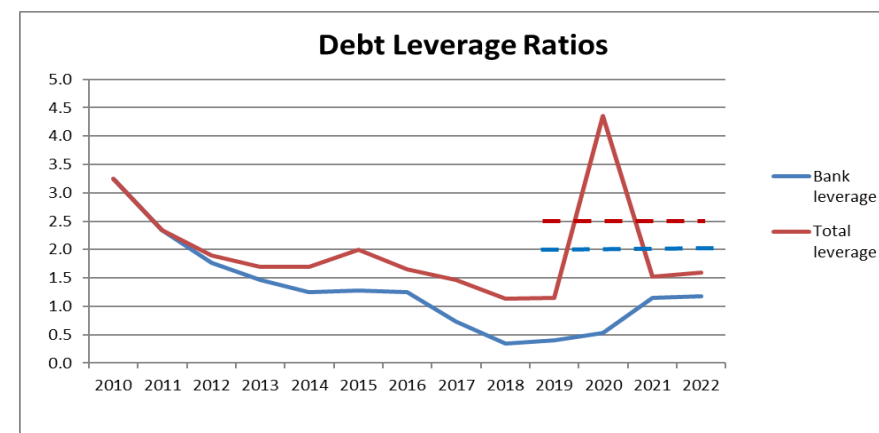
BALANCE SHEET (£M)

	2022	2021
INTANGIBLES	99.7	99.0
FIXED ASSETS/INVESTMENTS	2.5	2.6
WORKING CAPITAL	5.4	6.9
NET BANK DEBT	(11.4)	(10.3)
EARN-OUT OBLIGATIONS	(4.1)	(3.3)
TOTAL NET DEBT	(15.5)	(13.6)
RIGHT OF USE ASSETS	9.5	9.1
LEASE LIABILITIES	(10.1)	(9.7)
ALL OTHERS (MAINLY TAX)	(1.3)	(0.8)
NET ASSETS	90.2	93.5
BANK DEBT LEVERAGE	x1.2	x1.2
TOTAL DEBT LEVERAGE	x1.6	x1.5

ACQUISITION OBLIGATIONS WELL PLACED

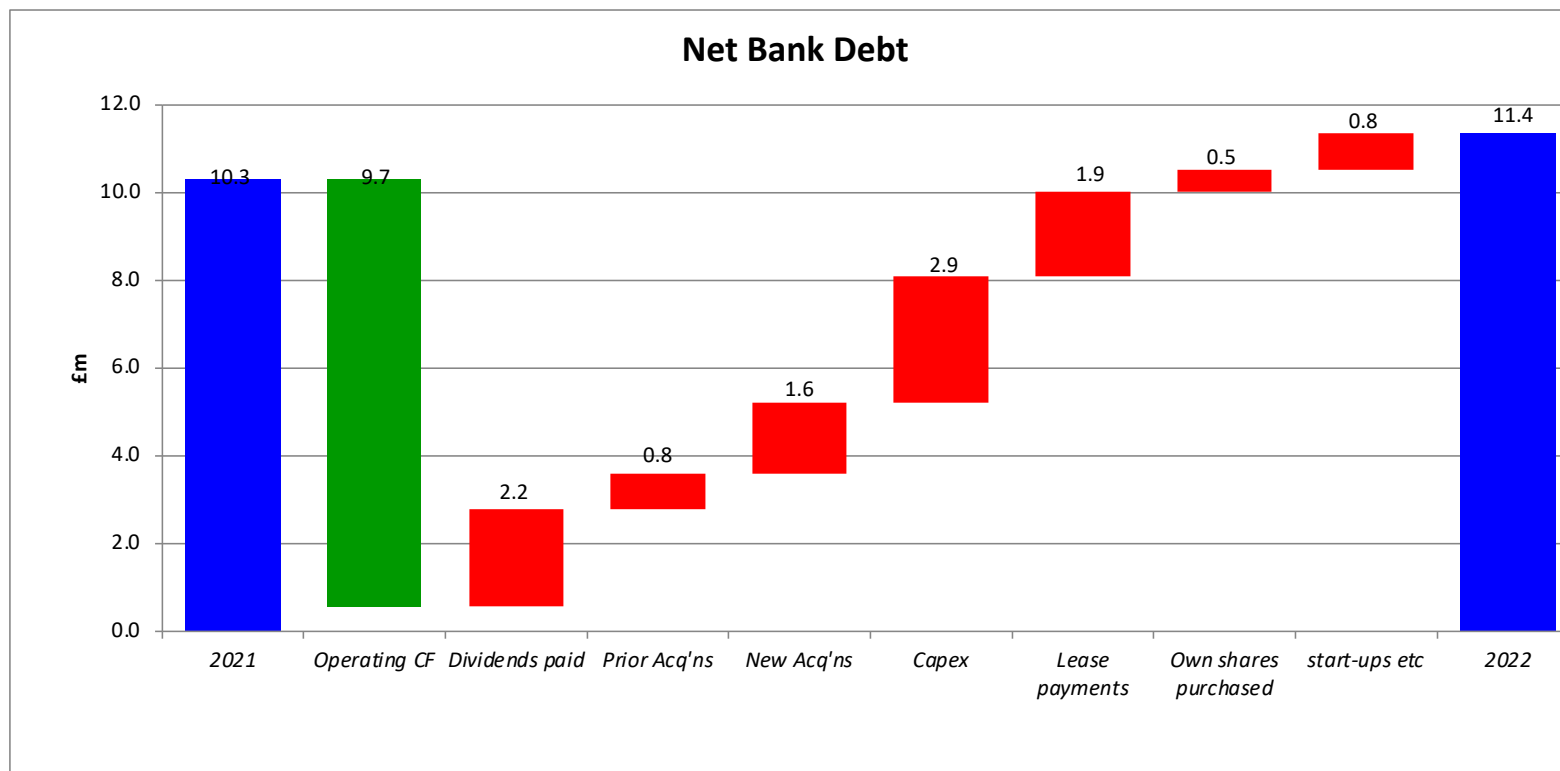


LEVERAGE RATIOS WELL WITHIN COVENANTS



Bank facilities renewed to April 2025:
£20m facility agreed with 3+1 term & £5m accordion option.

NET BANK DEBT MOVEMENT (£M)



Strong Op cash generation:

- £9.7m inflow
- £1.1m working capital inflow
- Working cap days reduced to 9 days (2021: 15 days)
- c£2.0m of Client pre-payments held at 31/12/22

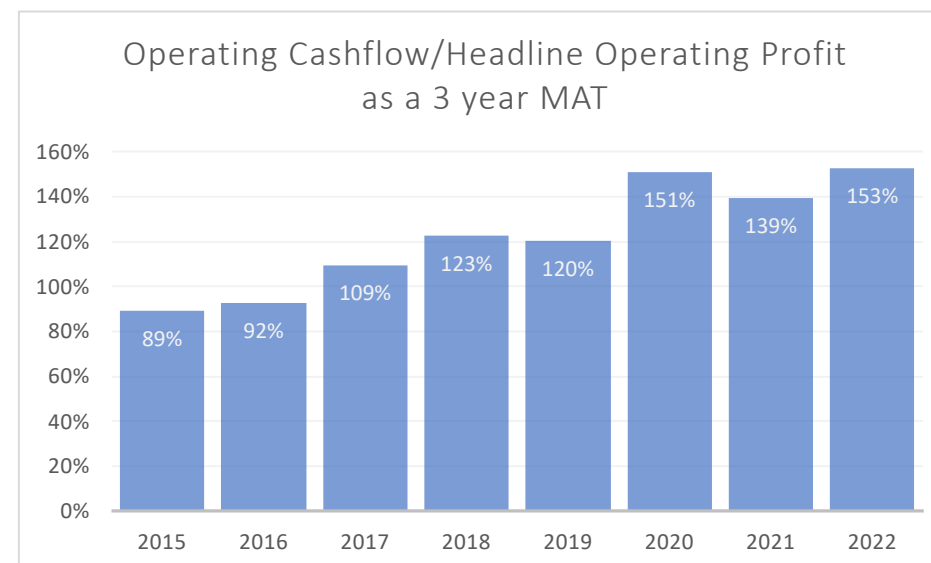
Atypical outgoings:

- New M&A £1.6m
- Capex £2.9m
 - £1.5m higher than usual
 - ThinkBDW digital offer
 - Pathfindr now written down
- Own shares £0.5m

CASH FLOW (£M)

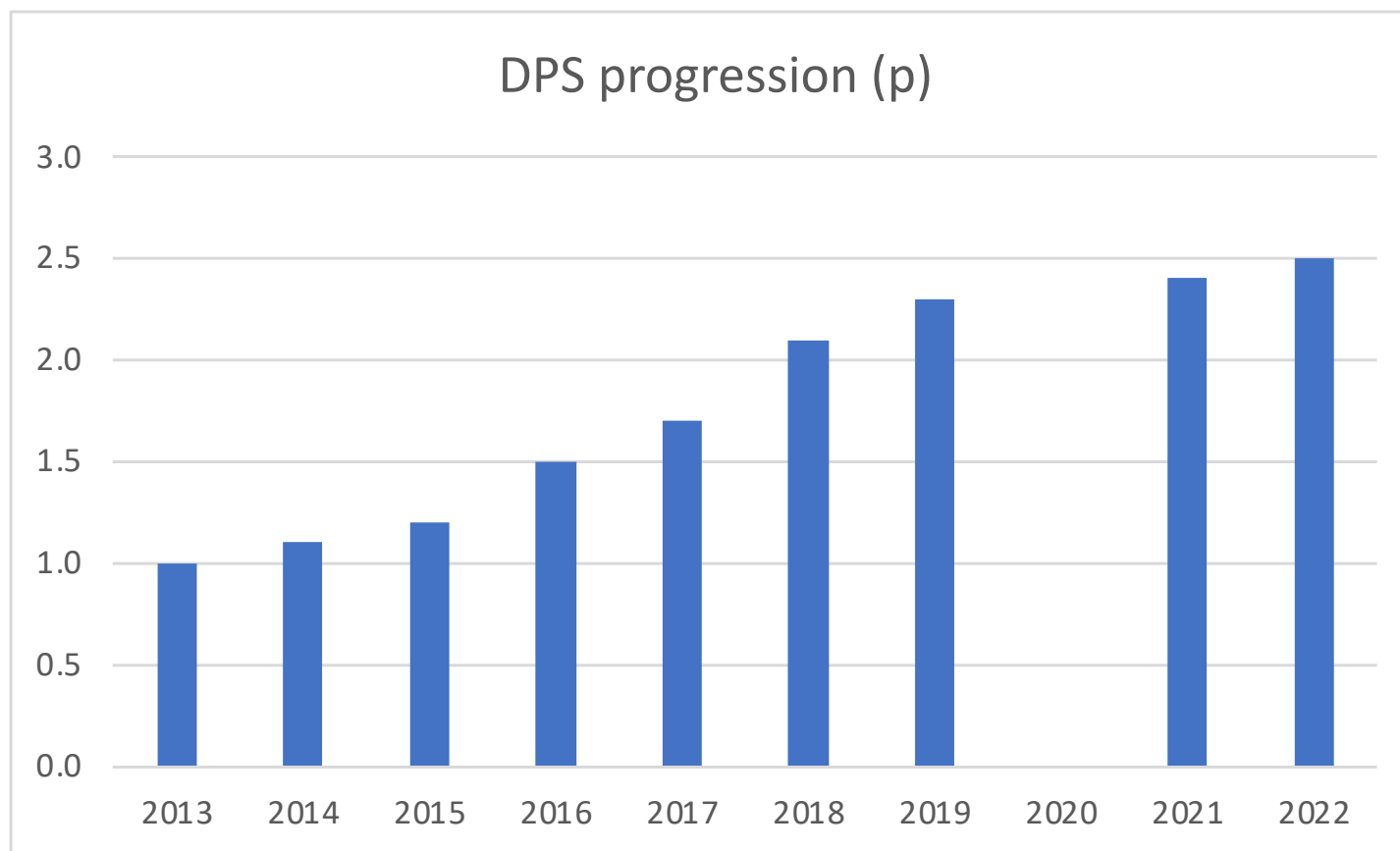
	2022	2021
HEADLINE OPERATING PROFIT	8.7	8.0
ADD BACK DEPRECIATION	3.3	3.6
LESS LEASE PAYMENTS	(1.9)	(2.0)
EBITDA	10.1	9.6
INTEREST AND TAX	(1.5)	(2.1)
NORMALISED OPERATING CASH FLOW	8.6	7.5
WORKING CAPITAL	1.1	(4.8)
CASH FLOW FROM OPERATING ACTIVITIES	9.7	2.7
ACQUISITIONS	(2.8)	(6.9)
CAPEX/SOFTWARE/PRODUCT DEVELOPMENT	(2.9)	(1.9)
DIVIDENDS PAID	(2.2)	(2.1)
PURCHASE OF OWN SHARES	(0.5)	-
RESTRUCTURING COSTS	(0.4)	(0.5)
START-UP COSTS	(0.8)	(0.4)
EXCHANGE DIFFERENCES/OTHER	(1.1)	(0.1)
INCREASE IN NET DEBT	(1.0)	(9.2)

EFFICIENT OPERATING CASH CONVERSION



PROGRESSIVE DIVIDEND STRATEGY

2022 ANNUAL RESULTS



2022: Final dividend of 1.67p proposed.

Total dividend **2.50p, up 4%** on 2021

2.7x cover on Headline Diluted EPS (per 2021)

SUMMARY & OUTLOOK

- 2022
 - Strong revenue growth driving scale
 - Investment in our people, our primary asset
 - Investment in new margin enhancing offers
 - Arrested cash burn on non-core
- 2023 to 2025
 - Drive scale whilst leveraging synergy from the central platforms
 - %age revenue growth rate outstrips expenditure due to EFFICIENCY of MISSION Advantage & Commercial models = improved operating margin
 - Drive Direct Opex benefit through continued simplification & higher margin offers



THANK YOU

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GILES LEE, GROUP CFO
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APPENDIX 1.

MISSION PLC BOARD STRUCTURE EFFECTIVE 01.01.23



THE MISSION GROUP PLC BOARD

MARK LUND

Non-Exec Deputy Chair
Industry Specialist
Audit & Risk Chair

JULIAN HANSON SMITH

Non-Exec Chair
Finance and governance
Nominations chair

DR ELIZA FILBY

Non-Exec Director
Social and consumer insight
Remuneration chair

JAMES CLIFTON

Group CEO

DYLAN BOGG

CCO
Creative

FIONA SHEPHERD

COO
Collective

GILES LEE

CFO
Commercial