

25th July 2024

The Mission Group plc
("MISSION" the "Company" or the "Group")

Trading Update

The **MISSION** Group plc (AIM: TMG), creator of **Work That Counts**TM, comprising a group of digital marketing and communications Agencies, provides a trading update for the six months ended 30 June 2024 ("the Period" or "H1").

TRADING

Trading in the Period has continued in line with the Board's expectations. **MISSION** is pleased to report further, notable new Client wins in the weeks since its 17 June Trading Update across all business segments. Looking ahead into H2, the new business pipeline remains strong.

FINANCIAL PERFORMANCE

The Group expects to report organic revenue growth of 2.5 percent to £42.5m (30 June 2023: £41.4m) for the Period, with headline¹ operating profit of £2.6m (30 June 2023: £2.0m reported, £2.5m from continuing activities²), in line with management expectations. Headline profit before tax for the period has been impacted by higher interest rates and is expected to be £1.1m (30 June 2023: £1.0m reported, £1.5m from continuing activities).

Revenue growth has been driven by strong progress across **MISSION**'s Property and Sports & Entertainment sectors whilst the timing of the UK general election delayed some government expenditure compared to H1 2023.

MISSION has a significant second-half weighting with respect to profitability. Revenue growth is anticipated across all sectors and the Group remains on track to meet full-year headline operating profit expectations.

BALANCE SHEET

Total debt has reduced significantly, with debt including outstanding acquisition obligations estimated at £23.7m on 30 June 2024. This represents a reduction of £1.5m compared to the position of £25.2m at 31 December 2023.

Net bank debt is estimated at £19.6m at 30 June 2024. The HMRC Time To Pay creditor which stood at £4.3m as at 31 December 2023 has been fully repaid.

VALUE RESTORATION PLAN

The Group continues to make good progress against the Value Restoration Plan announced on 17 January 2024, with the vast majority of the £5.0m of annualised projected profit improvements already secured for the year. Planned cost savings and operating efficiency improvements are tracking to expectations for full delivery by the end of 2024.

Alongside the successful refinancing of the existing debt facility with long-standing lender

NatWest announced on 28 March 2024, the Group also continues to progress discussions regarding options to deleverage its balance sheet. A further update will be provided when appropriate.

NOTICE OF RESULTS

The Group expects to announce its interim results for the six months ended 30 June 2024 towards the end of September 2024.

Chief Executive of MISSION, James Clifton, commented: "I am pleased to report ongoing momentum across the Group, with new Client wins driving revenue growth alongside continued debt reduction and increased efficiency across our operations.

We are delivering on our strategy for 2024 and 2025 to create value for all stakeholders.

We enter H2 in a positive mood with a strong pipeline of new business opportunities and robust confidence in the long-term outlook for the Group."

ENDS

1. Headline results are calculated before acquisition adjustments, start-up costs and exceptional restructuring costs.
2. Continuing activities exclude the results of the Group's 80% interest in Pathfinder which was sold in December 2023.

ENQUIRIES

James Clifton, Chief Executive Officer
Giles Lee, Chief Financial Officer
The **MISSION** Group plc

Via Houston

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NOTES TO EDITORS

The **MISSION** Group Plc. is **The Brand Performance Group**.

Delivering measurable, results-driven campaigns as the preferred creative partner for real business growth. We offer top-tier agencies, strategic specialisms and global reach delivering outstanding performance for brands. We call it **Work That Counts™**
www.themission.co.uk

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