

24th July 2025

THE MISSION GROUP plc
("MISSION", the "Group")

Trading Update

H1 TRADING INLINE WITH EXPECTATIONS
STRONG H2 PIPELINE UNDERPINS CONFIDENCE

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 2025 (the "**Period**" or "**H1**").

Interim Chief Executive of MISSION, Mark Lund, commented: "I am pleased to report our first half performance is in line with Board expectations. We enter H2 in a positive mood with a focus on operating margin, a strong pipeline of new business opportunities and confidence in the long-term outlook for the Group."

OVERVIEW

MISSION is pleased to announce that H1 trading has continued in line with the Board's expectations. The Group has seen notable new Client wins across all business segments including Google, TikTok International, Accenture and the Federal Reserve Bank of Chicago, with good progress in Property and Business & Corporate offset by continued challenging trading conditions in Consumer & Lifestyle.

Group profitability is, as in prior years, expected to be H2 weighted. We enter H2 with a strong new business pipeline which provides the Board with confidence in delivering profitable growth across all business segments. The Group remains on track to deliver full year revenue targets broadly in line with expectations* and at least to meet full-year headline operating profit and margin expectations*.

FINANCIALS

Profit & Loss

The Group expects to report H1 organic revenue of £34.5m (30 June 2024: £35.3m from continuing operations**, £42.2m from all operations) for the Period, with improved headline operating profit before adjustments of £2.1m (30 June 2024: £1.9m from continuing operations, £2.6m from all operations).

Headline profit before tax for the Period has benefitted from much reduced interest charges compared to 2024 and is expected to be £1.0m (30 June 2024: £0.5m from continuing operations, £1.3m from all operations).

Balance Sheet

Total debt has reduced compared to the equivalent period in 2024 with debt including outstanding acquisition obligations estimated to be £16.1m on 30 June 2025. This represents a reduction of £7.9m compared to the position of £24.0m on 30 June 2024. Total debt (including outstanding acquisition obligations) on 31 December 2024 stood at £14.2m.

Net bank debt is estimated to be £13.6m on 30 June 2025. This compares to £19.6m on 30 June 2024, and £9.5m on 31 December 2024 following the April Six disposal. The increase from 31 December 2024 is primarily a result of the settlement of outstanding acquisition obligations of £2.2m in H1, the cash cost of the restructuring programme noted below (£1.6m) and the shares bought back in the Period totalling

£0.4m. The Board has paused the share buyback programme announced on 2 January 2025 but remains alert to resume the buyback should opportunities arise over the remaining half year.

H1 Adjustments

Following the disposal of April Six in December 2024 we commenced a restructuring programme with the objective of further streamlining the Group and driving efficiency. This has been completed, and the Group is now organised by four Agency pillars, each of which are focused on securing the growth potential of their respective agency brands and, importantly, on improving their respective operating margin. The £1.6m cost incurred as part of this restructure, both at the Agency level as well as central, are directly related to reducing ongoing operating expenditure (primarily headcount) and improving efficiency and operating margin. As a result, the payback on this cost is expected to be recovered within 12 months and should support an overall improved operating margin.

As part of this restructuring we also disposed of our 70% majority shareholding of Bray Leino Splash PTE Ltd, our Bray Leino Asia operations, for a nominal sum and below our last reported book value, which further simplifies the Group's operations.

The disposal of April Six Ltd, our US Technology specialist agency, on 31 December 2024 included an earn-out component based on earnings for December 2024, January 2025 and February 2025. The earn-out was capped at £4.2m and estimated in the 2024 report and accounts at £2.0m, but the downturn in Q1 2025 in the US Technology sector has resulted in a final payment of only £0.1m. As a consequence, a £1.9m reduction to the reported profit/loss on the sale of April Six will be recognised in H1.

Summary of H1 Adjustments

As detailed above, adjustments of £4.4m will be incurred in H1 as follows

- £1.6m cash cost of the Group restructuring following the April Six disposal, including associated redundancy costs.
- £2.8m non-cash adjustment related to the disposal of Splash Interactive PTE (£0.9m) and April Six (£1.9m).

NOTICE OF RESULTS

The Group expects to announce its interim results for the six months ended 30 June 2025 towards the end of September 2025.

* The Group believes market expectations for the year ended 31 December 2025 to be revenues of £79.2m and 2025 headline operating profit: £8.5m (2024 (statutory): £7.6m from continuing operations, £9.1m reported.)

** Continuing operations in 2024 excludes the disposal of April Six on 31 December 2024

ENQUIRIES:

Mark Lund, Interim Chief Executive
Giles Lee, Chief Financial Officer
The **MISSION** Group PLC

Via Houston

Simon Bridges/Andrew Potts/Harry Rees
Canaccord Genuity Limited
(Financial Adviser, Nominated Adviser and Broker)

020 7523 8000

Peter Tracey
Blackdown Partners Limited
(Financial Adviser)

020 3807 8484

Kate Hoare/India Spencer
E: mission@houston.co.uk
Houston PR

0204 529 0549

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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