

S⁴Capital plc



("S⁴Capital" or "the Company" or "the Group")
Interim Results for 2025

Net revenue² for six months to June 30 down 12.7% on a reported basis, down 10.0% like-for-like³

Operational EBITDA⁵ £20.8 million, as expected down almost 31% on a reported basis, down approximately 30% like-for-like

Net debt⁷ at £145.9 million, improving £37 million from £182.9 million 30 June 2024, reflecting strong cashflow management

Full year like-for-like³ 2025 net revenue growth rate expected to be down by mid-single digits
Marketing Services net revenue expected to be down low single digits reflecting the timing of significant new business wins, particularly General Motors, Amazon, T-Mobile and a leading US-based FMCG

Technology Services expected to be down more due to longer sales cycles and still reflecting the revenue reduction by a major client, although this will cycle out in the second half of the year

Full year like-for-like³ 2025 operational EBITDA target remains unchanged, broadly similar to 2024, with a greater second half weighting, reflecting the timing of significant new business wins and further cost reduction, which is being actioned.

Our targeted range for year-end net debt remains at £100 million to £140 million.

The Board will consider approving an enhanced final dividend for 2025, if the improved second half performance and liquidity targets are delivered

<i>£ millions</i>	six months ended 30 June 2025	six months ended 30 June 2024	change Reported	change Like-for- like ³	change Pro-forma ⁴
Billings ¹	925.9	908.9	1.9%	5.1%	5.1%
Revenue	360.4	422.5	(14.7%)	(11.9%)	(11.9%)
Net revenue ²	328.2	376.1	(12.7%)	(10.0%)	(10.0%)
Operational EBITDA ⁵	20.8	30.1	(30.9%)	(30.4%)	(30.4%)
Operational EBITDA margin ⁵	6.3%	8.0%	(170bps)	(190bps)	(190bps)
Adjusted operating profit ⁶	16.4	24.8	(33.9%)		
Adjusting items ⁶	(27.3)	(28.5)	4.2%		
Operating loss	(10.9)	(3.7)	(194.6%)		
Loss for period	(22.3)	(13.7)	(62.8%)		
Basic loss per share (<i>pence</i>)	(3.3)	(2.0)	(1.3)		
Adjusted basic earnings per share ⁶ (<i>pence</i>)	0.2	1.2	(1.0)		
Number of Monks	6,879	7,553	8.9%		
Free cash flow	16.0	3.1	12.9		
Net debt ⁷	(145.9)	(182.9)	37.0		

Financial highlights

- / Billings £925.9 million, up 1.9% on a reported basis and up 5.1% like-for-like.
- / Revenue £360.4 million, down 14.7% reported and down 11.9% like-for-like.
- / Net revenue £328.2 million, down 12.7% reported and down 10.0% like-for-like, reflecting the continuing impact of volatile global macroeconomic conditions and more recently uncertainty surrounding eventual tariff levels. Clients remain generally cautious given this uncertainty, with technology clients in particular, which account for almost half our revenue, continuing to prioritise capital expenditure on expanding AI capacity. Technology Services faced longer sales cycles and continues to be affected by a reduction in one of our larger relationships, although this will cycle out in the second half of the year.
- / Operational EBITDA was in line with expectations at £20.8 million, down 30.9% reported and down 30.4% like-for-like. Costs continued to be tightly controlled and the number of Monks at 30 June 2025 was down 4.0% versus December 2024 and down 8.9% versus 30 June 2024.
- / Operating loss of £10.9 million, an increase of £7.2 million on the reported prior year loss.
- / Adjusted basic earnings per share 0.2p per share excluding adjusting items after tax, compared to 1.2p per share last year, a decrease of 83.3%.
- / Basic loss per share of 3.3p, compared to 2.0p basic loss per share in the first half of 2024.
- / The Company generated free cash flow of £16.0 million, an increase of £12.9 million compared to H1 2024.
- / Net debt⁷ ended the period at £145.9 million, compared to £182.9 million at June 30 2024, or 2.0x net debt/pro-forma 12 month operational EBITDA driven by £19.2 million working capital inflow during the period reflecting ongoing focus on working capital management. Our targeted range for year-end net debt remains at £100 million to £140 million.
- / The balance sheet has sufficient liquidity with the maturity of the €375 million term loan in August 2028 and the currently undrawn £100 million RCF in August 2026. There is headroom against the key covenant, that net debt will not exceed 4.5x the pro-forma operational EBITDA⁹.

Strategic and operational highlights

- / The strategy of S⁴Capital remains the same. The Company's unitary, purely digital transformation model, based on first-party data fuelling the creation, production and distribution of digital advertising content, distributed by digital media and built on technology platforms to ensure success and efficiency, resonates with clients.
- / We have rebranded to Monks and are focusing all our current capabilities in two Practices: Marketing Services and Technology Services. Our tagline 'faster, better, cheaper and more' or 'speed, quality, value and more' and a unitary structure both appeal strongly, even more so in challenging economic times.
- / We remain confident in our strategy, business model and talent. These together with scaled client relationships position us well for sustained growth in the longer term, with an emphasis on deploying free cash flow, as and when appropriate, to improve shareowner returns, particularly now that all significant merger payments have been made. Following shareowner approval at the AGM the Company paid a first time final dividend of 1 pence per share on the 10th July, amounting to £6.1 million. As previously, the Board is not proposing an interim dividend and will consider approving an enhanced final dividend for 2025, if the improved second half performance and liquidity targets are delivered. As net debt is reduced and falls below £100 million, our capital allocation policy will return cash to shareowners through a mixture of dividends and share buybacks.
- / We are seeing our AI initiatives improve visualisation and copywriting productivity, deliver considerably more effective and economic hyper-personalisation (better targeted content at greater scale), delivering more automated and integrated media planning and buying, improving general client and agency efficiency and

automated and integrated media planning and buying, improving general client and agency efficiency and democratise knowledge. Monks.Flow is our AI product solution that automates marketing workflows and we are continuing to add applications and expand its capabilities. Our end-to-end suite of Monks.Flow products orchestrates and helps enable our clients to more easily implement AI solutions, particularly in visualisation and copywriting, in hyper-personalisation at scale, in real time focus groups and linking media planning and buying. We are now producing high quality commercials using AI technologies such as Runway, Flux, Omniverse (Nvidia), Substance (Adobe) and Unreal that literally take hours and days to produce at significantly lower cost rather than traditional production techniques, which take weeks and months at significantly greater cost. The quality continues to improve in real time and clients that are exposed to the results of these AI technologies are very excited about their implementation and the commercial impact on their marketing budgets and return on investment. As a result, we are now changing our revenue model from a purely, time-based approach to one more based on outputs - i.e. use of assets.

- / Trading in the first half of the year reflects the continuing impact of volatile global macroeconomic conditions, together with the additional uncertainty around tariffs and their ultimate levels. As a result, clients remain generally cautious given the uncertainty, with technology clients, in particular, which account for almost half our revenue, continuing to prioritise capital expenditure on expanding AI capacity.
- / We are seeing significant opportunities for new business, particularly driven by our AI tools and capability. New business wins so far this year include new or broadened relationships with Asana, Amplifon, Samsung, Square, NCS and Opella. We also continue to expand many of our existing relationships, in particular General Motors and Amazon, which will ramp up significantly in the second half of the year. In April, we won a large "Real Time Brands" assignment with our existing client T-Mobile. In July we were engaged by a leading US-based FMCG, as their Content Studio Agency Partner, which draws on both our "Real Time Brands" and "Orchestration Partner" propositions with a focus on quality creative combined with dimension and cultural relevancy, beyond simply making assets at scale. Both of these new wins will contribute to our second-half performance and over time are expected to be significant relationships for us. We continue to win multiple exploratory assignments, as clients experiment and explore AI applications and develop AI use cases. AI capability is becoming more central to the agency's way of working and new business efforts. In this regard the Company's early adoption of AI and proactive approach to staff training on AI is beginning to pay off.
- / Our new Go-To-Market propositions, Orchestration Partner, Real Time Brands, Glass Box Media and Digital Transformation are all starting to resonate strongly with clients. These are built around hyper-personalisation at scale, social media, brand strategy, transparent media buying and planning and the leveraging of technology.
- / The Company has reduced the number of Monks to circa 6,900, down 9% compared to circa 7,600 as at June 2024 and 4% lower than the December 2024 number of circa 7,150.
- / We maintain a disciplined approach to managing our cost base and have commenced a further significant cost reduction plan in the second half of 2025 to bring our staff cost to revenue ratio from 76% to be more in line with the industry average of 65%.

Outlook

- / As a result of the continued wider market uncertainty and significant volatility in global economic policy, particularly the US-imposed tariffs, full year like-for-like net revenue is now expected to be down by mid-single digits. Marketing Services is forecast to be down by low single digits, and although Technology Services is forecast to be down more due to longer sales cycles and still reflecting the revenue reduction by a major client, although this will cycle out in the second half of this year.
- / We expect an improved performance in the second half of the year with a greater second half weighting than in the prior year, enhanced by the impact of new business revenue, including wins already secured and further incremental cost reduction which is being actioned.
- / We continue to target like-for-like operational EBITDA⁸ to be broadly similar to 2024.
- / Our targeted range for the year end net debt remains £100 million to £140 million. We target medium term financial leverage at the lower end of our previous range of around 1.5 times operational EBITDA. Over the longer term we continue to expect our growth to outperform our markets and operational EBITDA margins to return to historic levels of around 20%⁸.

Sir Martin Sorrell, Executive Chairman of S⁴Capital plc said:

"Market conditions in the first half of 2025 reflect the continuing impact of, to say the least, volatile global macroeconomic conditions along with the unsettling effect of tariff negotiations. As a result, clients remain generally cautious given the uncertainty, with technology clients, which account for almost half our revenue, in particular, continuing to prioritise capital expenditure on expanding AI capacity. Our Technology Services Practice faced longer sales cycles and continued to be affected by a reduction in one of our larger relationships, although this will cycle out in the second half of the year. Our liquidity and cashflow continued to be much improved compared with the first half of 2024 and month-end average net debt was down almost 27% by £52 million, from £196 million to £144 million, despite the first half, as usual, seeing lower seasonal levels of activity and reflecting our ongoing focus on working capital and cost control.

With that said, we expect an improved net revenue performance in the second half of the year, aided by the phasing of revenue from new business, particularly from General Motors, Amazon, T-mobile and a leading US-based FMCG and seasonality.

We maintain our operational EBITDA and net debt guidance reflecting continued cost control and cash management. Liquidity is also forecast to improve, which will give us the ability to consider an enhanced final dividend once the results for 2025 are announced.

The global macroeconomic environment has become even more challenging in 2025. Assessing the impact of US imposed tariffs has been added to the three key risks around US/China relations, Russia/Ukraine and Iran/Middle-East. Clients, therefore, are likely to remain cautious. However, once the levels of tariffs are negotiated and the impacts assessed, we believe clients will become much more selective about the geographies in which they operate in order to find growth and focus on implementing technologies, such as, but not only AI, to drive efficiency in a slower growth, higher inflation and higher interest rate environment. This may be the time when AI-adoption accelerates at scale. "

Notes:

1. Billings is gross billings to clients including pass through costs.
2. Net revenue is revenue less direct costs.
3. Like-for-like is a non-GAAP measure and relates to 2024 being restated to show the audited numbers for the previous year of the existing and acquired businesses consolidated for the same months as in 2025 applying currency rates as used in 2025.
4. Pro-forma numbers relate to audited non-statutory and non-GAAP consolidated results in constant currency as if the Group had existed in full for the period and have been prepared under comparable GAAP with no consolidation eliminations in the pre-acquisition period.
5. Operational EBITDA is operating profit or loss adjusted for acquisition related expenses, non-recurring items (primarily acquisition payments tied to continued employment, amortisation and impairment of business combination intangible assets and restructuring and other one-off expenses) and recurring items (share-based payments) and includes right-of-use assets depreciation. It is a non-GAAP measure management uses to assess the underlying business performance. Operational EBITDA margin is operational EBITDA as a percentage of net revenue.
6. Adjusted figures are adjusted for non-recurring and recurring items as defined above in note 5.
7. Net debt excludes lease liabilities.
8. This is a target and not a profit forecast.
9. Net debt/pro-forma operational EBITDA as defined per the facilities agreement.
10. Comparative information for the prior period has been represented to reflect the Group's revised segment structure.

Disclaimer

This announcement includes 'forward-looking statements'. All statements other than statements of historical facts included in this announcement, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to the Company's services) are forward-looking statements.

Forward-looking statements are subject to risks and uncertainties and accordingly the Company's actual future financial results and operational performance may differ materially from the results and performance expressed in, or implied by, the statements. These factors include but are not limited to those described in the Company's prospectus dated 8 October 2019 which is available on the news section of the Company's website. These forward-looking statements speak only as at the date of this announcement. S⁴Capital expressly disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect actual results or any change in the

assumptions, conditions or circumstances on which any such statements are based unless required to do so.

No statement in this announcement is intended to be a profit forecast and no statement in this announcement should be interpreted to mean that earnings per share of the Company for the current or future years would necessarily match or exceed the historical published earnings per share of the Company.

Neither the content of the Company's website, nor the content on any website accessible from hyperlinks on its website for any other website, is incorporated into, or forms part of, this announcement nor, unless previously published by means of a recognised information service, should any such content be relied upon in reaching a decision as to whether or not to acquire, continue to hold, or dispose of, shares in the Company.

Results webcast and conference call

A webcast and conference call covering the results will be held today at 09:00 GMT, followed by another webcast and call at 08:00 EST/ 13:00 GMT. Both webcasts of the presentation will be available at www.s4capital.com during the event.

09:00 BST webcast (watch only) and conference call (for Q&A):

Webcast: https://brmedia.news/SFOR_HY25

Conference call:

UK: +44 (0) 33 0551 0200

US: +1 786 697 3501

08:00 EDT/13:00 BST webcast (watch only) and conference call (for Q&A):

Webcast: https://brmedia.news/SFOR_HY25_US

Conference call:

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Interim results statement overview

As previously highlighted, trading in the first half of the year reflects the continuing impact of volatile global macroeconomic conditions. As a result, clients remain generally cautious given the uncertainty, with technology clients, in particular, which account for almost half our revenue, continuing to prioritise capital expenditure on expanding AI capacity. As anticipated, our Technology Services Practice faced longer sales cycles and continued to be affected by a reduction in one of our larger relationships, although this will cycle out in the second half of the year.

Reported billings were £925.9 million, up 1.9% and up 5.1% like-for-like, reflecting stronger digital media planning and buying activity. Revenue was down 14.7% on a reported basis to £360.4 million, down 11.9% like-for-like. Reported net revenue declined 12.7%, or 10.0% like-for-like.

The Company's proportion of revenue from technology clients decreased slightly to 42% in 2025 from 44% in the first half of 2024.

Operational EBITDA in the first half of the year reflects the lower revenue in both Marketing Services and Technology Services. We continue to maintain a disciplined and active approach to cost management, including the number of Monks and discretionary costs. The number of Monks at the end of June 2025 was circa 6,900 down 9% from circa 7,600 at this time last year.

Performance by Practice

The Company now reports in two Practices: Marketing Services¹⁰ and Technology Services.

2025 net revenue in the first half of 2025 for the Marketing Services Practice was down 6.4% like-for-like and Technology Services down 35.3% like-for-like.

Marketing Services' net revenue declined in the period reflecting ongoing caution and lower activity with some of our larger technology clients. Marketing Services' operational EBITDA was £28.5 million (H1 2024: £33.9 million), down 14.2% like-for-like and on a reported basis down 15.9% versus H1 2024. Marketing Services' operational EBITDA margin was 9.5%, down 90 basis points like-for-like and down 80 basis points reported compared to 10.3% in H1 2024.

Technology Services' performance was impacted by client negotiation delays and the anticipated lower revenue from one key client, as well as longer sales cycles for new business reflecting the challenging ongoing macroeconomic conditions. Reported operational EBITDA was down to £2.6 million (H1 2024: £5.7 million) and operational EBITDA margin was 8.9%, compared to 12.4% in H1 2024 due to the lower revenues.

The Company initiated a cost restructuring programme in the second half of the year to offset and mitigate revenue challenges caused by the continuing impact of volatile global macroeconomic conditions and general client cautiousness, which will result in further incremental cost reductions to support margins in the second half and bring the staff cost to revenue ratio more in line with the industry average of 65%.

Performance by geography

On a like-for-like basis, the Americas net revenue was down 9.1%, but with stronger growth in Latin America. Americas now accounts for 79% of the Company's net revenue. EMEA, accounting for 16%, was down 12.5%, driven by UK and Germany. Asia Pacific (APAC), accounting for the remaining 5% was down 14.6%, affected by Australia and Singapore. China remained stronger. Reported Americas net revenue was £258.2 million, down 12.2%, EMEA net revenue was £51.8 million, down 13.4% and Asia Pacific was £18.2 million, down 18.4%.

New business and AI

We are seeing our AI initiatives improve visualisation and copywriting productivity, deliver considerably more effective and economic hyper-personalisation (better targeted content at greater scale), delivering more automated and integrated media planning and buying, improving general client and agency efficiency and democratise knowledge. Monks.Flow is our AI product solution that automates marketing workflows and we are continuing to add applications and expand its capabilities. Our end-to-end suite of Monks.Flow products orchestrates and helps enable our clients to more easily implement AI solutions, particularly in visualisation and copywriting, in hyper-personalisation at scale, in real time focus groups and linking media planning and buying. We are now producing high quality commercials using AI technologies such as Runway, Flux, Omniverse (Nvidia), Substance (Adobe) and Unreal that literally take hours and days to produce at significantly lower cost rather than traditional production techniques, which take weeks and months at significantly greater cost. The quality continues to improve in real time and clients that are exposed to the results of these AI technologies are very excited about their implementation and the commercial impact on their marketing budgets and return on investment. As a result, we are changing our revenue model from a purely, time-based approach to one more based on outputs - i.e. use of assets.

We are seeing significant opportunities for new business, particularly driven by our AI tools and capability. New business wins so far this year include new or broadened relationships with Asana, Amplifon, Samsung, Square, NCS and Opella. We also continue to expand many of our existing relationships, in particular General Motors and Amazon, which will ramp up significantly in the second half of the year. In April, we won a large "Real Time Brands" assignment with our existing client T-Mobile. In July we were engaged by a leading US-based FMCG, as their Content Studio Agency Partner, which draws on both our "Real Time Brands" and "Orchestration Partner" propositions with a focus on quality creative combined with dispersion and cultural relevance beyond simply

propositions with a focus on quality creative combined with dimension and cultural relevancy, beyond simply making assets at scale. Both of these new wins will also contribute to our second-half performance and over time are expected to be significant relationships for us. We continue to win multiple exploratory assignments, as clients experiment and explore AI applications and develop AI use cases. AI capability is becoming more central to the agency's way of working and new business efforts. In this regard the Company's early adoption of AI and proactive approach to staff training on AI is beginning to pay off.

Our new Go-To-Market propositions, Orchestration Partner, Real Time Brands, Glass Box Media and Digital Transformation are all starting to resonate strongly with clients. These are built around hyper-personalisation at scale, social media, brand strategy, transparent media buying and planning and the leveraging of technology.

Balance Sheet

Net debt⁷ ended the first half at £145.9 million, or 2.0x net debt/pro-forma 12 month operational EBITDA. This compared to £182.9 million at the end of June 2024 reflecting on going focus on cashflow and improving liquidity. The 12 month pro-forma EBITDA was £74.6 million. The balance sheet has sufficient liquidity and long-dated debt maturities to facilitate growth and our key covenant is net debt not to exceed 4.5x the 12 month pro-forma EBITDA.

ESG

We remain committed to the pillars of our ESG strategy: people fulfilment, our responsibility to the world and one brand. We continue to focus on improving our external reporting, our reporting tools and governance to help us move towards increased transparency and effective reporting and to comply with future global regulatory requirements.

We continue to enjoy and maintain our B Corp status. This certification recognises our achievements in governance and accountability, environmental performance, social impact and DE&I, that we are accountable to all stakeholders, not just shareowners and that we are transparent in our reporting.

Summary and outlook

Due to the wider market uncertainty and significant volatility in global economic policy, particularly as a result of the US-imposed tariffs, full year like-for-like net revenue is now expected to be down by mid-single digits. Marketing Services is forecast to be down low single digits, and although Technology Services is forecast to be down more due to longer sales cycles and the impact of the reduction in spending by one major client, which will cycle out in the second half of this year.

We expect an improved performance in the second half of the year and a greater second half weighting than in the prior year, impacted by the phasing of new business revenue, including wins already secured and further incremental cost reduction actions taken. We will continue to focus on our cost base and have taken further action to support profitability.

We continue to target like-for-like operational EBITDA⁴ to be broadly similar to 2024.

Our targeted range for the year end net debt remains £100 million to £140 million. We target medium term financial leverage at the lower end of our previous range of around 1.5 times operational EBITDA. Over the longer term we continue to expect our operational EBITDA margins to return to historic levels of around 20%⁸.

The strategy of S⁴Capital remains the same. The Company's unitary, purely digital transformation model, based on first-party data fuelling the creation, production and distribution of digital advertising content, distributed by digital media and built on technology platforms to ensure success and efficiency, resonates with clients.

We have rebranded to Monks and are focusing all our current capabilities into two Practices: Marketing Services¹⁰ and Technology Services. Our tagline 'faster, better, cheaper and more' or 'speed, quality, value and more' and a unitary structure both appeal strongly, even more so in challenging economic times.

Financial review

Summary of results

£ millions	six months ended 30 June 2025	six months ended 30 June 2024	change Reported	change Like-for-like ³	change Pro-forma ⁴
Billings ¹	925.9	908.9	1.9%	5.1%	5.1%
Revenue	360.4	422.5	(14.7%)	(11.9%)	(11.9%)
Net revenue ²	328.2	376.1	(12.7%)	(10.0%)	(10.0%)
Operational EBITDA ⁵	20.8	30.1	(30.9%)	(30.4%)	(30.4%)
Operational EBITDA margin ⁵	6.3%	8.0%	(170bps)	(190bps)	(190bps)
Adjusted operating profit ⁶	16.4	24.8	(33.9%)		
Adjusting items ⁶	(27.3)	(28.5)	4.2%		
Adjusted operating profit margin ⁶	5.0%	6.6%	(160bps)		
Net finance expenses and loss on net monetary position	(14.2)	(13.5)	(5.2%)		
Adjusted result before income tax ⁶	2.2	11.3	(80.5%)		
Adjusted income tax expenses ⁶	(0.7)	(3.4)	79.4%		
Adjusted result for the period ⁶	1.5	7.9	(81.0%)		
Adjusted basic earnings per share ⁶ (pence)	0.2	1.2	(1.0)		

Financial summary

The first half of 2025 saw challenges in our net revenue performance, however in addition to the top line we focused on tight management of costs, aligning headcount more closely with activity levels and working capital management and cash, and lowering net debt. We have continued our finance transformation and are making good progress with the roll out of our global finance system, rationalising legal entities, integrating the finance team and aligning it to the new two Practice structure.

In the second half of the year, the Group initiated a cost restructuring programme to mitigate revenue challenges caused by the continuing impact of volatile global macroeconomic conditions and general client cautiousness and bring the staff cost to revenue ratio down from 76% towards the industry averages of 65%.

The programme has been primarily focused on a range of non-billable roles across the business and further back-office efficiencies. The Company's continued investment in finance transformation projects will continue to enable streamlining of support functions. These actions are delivering in-year benefits and contributing to the right-sizing of the business in preparation for 2026.

The Group is still forecasting to meet the operational EBITDA guidance.

Reported billings were £925.9 million, up 1.9% on a reported basis, up 5.1% like-for-like.

Reported revenue was £360.4 million, down 14.7% from £422.5 million, down 11.9% like-for-like.

Reported net revenue was £328.2 million, down 12.7%, down 10.0% like-for-like.

Operational EBITDA was £20.8 million compared to £30.1 million in the prior year, a reported decrease of 30.9% and down 30.4% like-for-like. We have continued to maintain a disciplined and active approach to cost management, including headcount and discretionary costs. These controls have resulted in the number of Monks at half year being circa 6,900, down 9% from circa 7,600 at this time last year.

Operational EBITDA margin was 6.3%, down 170 basis points versus 8.0% in the first half of 2024 and down 190 basis points like-for-like, reflecting lower revenue in Marketing Services¹⁰ and Technology Services.

There was a working capital inflow of £19.2 million in the first half of 2025 compared to an inflow of £4.2 million in the first half of 2024. This reflects both the ongoing focus on working capital management and our known seasonality.

The reported operating loss was £10.9 million versus £3.7 million in the first half of last year, primarily reflecting the downturn in revenue due to the global macroeconomic environment and client caution. The loss for the period was £22.3 million (H1 2024: £13.7 million).

<i>£ millions</i>	Period ended 30 June 2025 Statutory results	Period ended 30 June 2025 Adjusting items	Period ended 30 June 2025 Adjusted Results	Period ended 30 June 2024 Statutory results	Period ended 30 June 2024 Adjusting items	Period ended 30 June 2024 Adjusted results
Billings ¹	925.9	-	925.9	908.9	-	908.9
Revenue	360.4	-	360.4	422.5	-	422.5
Net revenue ²	328.2	-	328.2	376.1	-	376.1
Operational EBITDA ⁵	20.8	-	20.8	30.1	-	30.1
Operational EBITDA margin ⁵	6.3%	-	6.3%	8.0%	-	8.0%
Depreciation, amortisation and impairment	(27.2)	22.8	(4.4)	28.3	(23.0)	5.3
Acquisition expenses	0.1	(0.1)	-	(2.1)	2.1	-
Share-based payments	(2.6)	2.6	-	3.8	(3.8)	-
Restructuring and other one-off expenses*	(2.0)	2.0	-	3.8	(3.8)	-
Operating profit/ (loss)	(10.9)	27.3	16.4	(3.7)	28.5	24.8
Net finance expense and loss on net monetary position	(14.2)	-	(14.2)	(13.5)	-	(13.5)
Result before income tax	(25.1)	27.3	2.2	(17.2)	-	11.3
Income tax expense	2.8	(3.5)	(0.7)	3.5	(6.9)	(3.4)
Result for the period	(22.3)	23.8	1.5	(13.7)	(6.9)	7.9
Basic loss per share (<i>pence</i>)	(3.3)	3.5	0.2	(2.0)	3.2	1.2
Number of Monks	6,879	-	6,879	7,553	-	7,533
Net debt ⁷	(145.9)	-	(145.9)	(182.9)	-	(182.9)

*Depreciation, amortisation and impairment excludes £5.8 million (H1 2024: £7.2 million) right-of-use asset depreciation. Restructuring and other one-off expenses includes £1.5 million (H1 2024: £nil) reversal of impairment on right-of-use assets.

A full list of alternative performance measures and non-IFRS measures together with reconciliations to IFRS or GAAP measures is set out in the Alternative Performance Measures.

Adjusted operating profit was down 33.9% to £16.4 million from £24.8 million, before adjusting items of £27.3 million compared to £28.5 million. Adjusting items comprises amortisation of £22.8 million (H1 2024: £23.0 million), acquisition expenses of £0.1 million gain (H1 2024: £2.1 million gain), share-based payments of £2.6 million (H1 2024: £3.8 million) and restructuring and other one-off expenses of £2.0 million (H1 2024: £3.8 million).

Adjusted basic earnings per share was 0.2p, versus adjusted basic earnings per share of 1.2p in the first half of 2024, down 83.3%.

Practice and Geographic Performance

<i>£ millions</i>	six months ended 30 June 2025	Restated ¹⁰ six months ended 30 June 2024	change Reported	change Like-for-like ³	change Pro-forma ⁴
Marketing Services ¹⁰	299.0	330.0	(9.4%)	(6.4%)	(6.4%)
Technology Services	29.2	46.1	(36.7%)	(35.3%)	(35.3%)
Net revenue²	328.2	376.1	(12.7%)	(10.0%)	(10.0%)
Americas	258.2	294.0	(12.2%)	(9.1%)	(9.1%)
EMEA	51.8	59.8	(13.4%)	(12.5%)	(12.5%)
Asia-Pacific	18.2	22.3	(18.4%)	(14.6%)	(14.6%)
Net revenue²	328.2	376.1	(12.7%)	(10.0%)	(10.0%)

Marketing Services ¹⁰	28.5	33.9	(15.9%)	(14.2%)	(14.2%)
Technology Services	2.6	5.7	(54.4%)	(57.4%)	(57.4%)
S ⁴ Central	(10.3)	(9.5)	8.4%	9.6%	9.6%
Operational EBITDA⁵	20.8	30.1	(30.9%)	(30.4%)	(30.4%)
Marketing Services ¹⁰	9.5%	10.3%	(80bps)	(90bps)	(90bps)
Technology Services	8.9%	12.4%	(350bps)	(460bps)	(460bps)
Operational EBITDA margin⁵	6.3%	8.0%	(170bps)	(190bps)	(190bps)

Practice performance

Marketing Services Practice reported operational EBITDA was £28.5 million, down 15.9% versus the first half of 2024, down 14.2% like-for-like. The Marketing Services Practice operational EBITDA margin was 9.5%, compared to 10.3% in the first half of 2024, reflecting the lower revenue, despite the significant reduction in the number of Monks and other cost savings as compared to 2024.

Technology Services Practice reported operational EBITDA of £2.6 million was down 54.4% from the prior year, down 57.4% like-for-like and delivered an operational EBITDA margin of 8.9% compared to 12.4% in the first half of 2024. This primarily relates to the anticipated reduction in revenue from one large client, as well as longer sales cycles for new business.

Geographic performance

The Americas reported net revenue was £258.2 million (79% of total), down 12.2% from last year. Like-for-like, the Americas net revenue was down 9.1%, reflecting lower revenue from one large Technology Services client and continuing client caution particularly with our technology clients. We saw strong growth in Latin America, reflecting success with our local business.

EMEA reported net revenue was £51.8 million (16% of total), down 13.4% from last year. Like-for-like, EMEA net revenue was down 12.5%, primarily reflecting slower growth and client caution across the region.

APAC reported net revenue was £18.2 million (5% of total), down 18.4%. Like-for-like, Asia Pacific net revenue was down 14.6%, affected by Australia and Singapore, with China remaining strong, but also reflecting client caution and local market conditions.

Cash flow

<i>£ millions</i>	six months ended 30 June 2025	six months ended 30 June 2024
Operational EBITDA	20.8	30.1
Capital expenditure ²	(2.1)	(4.1)
Interest and facility fees paid	(11.9)	(15.2)
Interest received	1.0	1.2
Income tax paid	(1.8)	(7.5)
Restructuring and other one-off expenses paid	(9.2)	(5.6)
Change in working capital ³	19.2	4.2
Free cashflow	16.0	3.1
Mergers & Acquisitions	-	(9.7)
Share buybacks	-	(2.5)
Other ⁴	(19.0)	7.0

Movement in net debt	(3.0)	(2.1)
Opening net debt	(142.9)	(180.8)
Net debt	(145.9)	(182.9)

Notes:

1. The table reflects how the business is managed, and this is a non-statutory cash flow format. See page 18 for statutory cash flow format.
2. Includes purchase of intangible assets, purchase of property, plant and equipment and security deposits.
3. Working capital primarily includes movement on receivables, payables, principal elements of lease payments and depreciation of right-of-use assets.
4. Other includes foreign exchange loss of £18.0 million (H1 2024: £5.8 million gain) and hyperinflation loss of £0.8 million (H1 2024: £1.2 million gain).

Free cashflow for the period was £16.0 million, an improvement of £12.9 million compared to the first half of 2024, with a higher working capital inflow and lower cash tax paid.

Cash paid in relation to combinations (M&A) decreased to nil versus the prior year of £9.7 million, as the Group materially completed payments for prior year combinations.

Working capital inflow of £19.2 million on H1 2025 compares to an inflow of £4.2 million in H1 2024. This reflects the ongoing focus on working capital management and our known seasonality.

Treasury and net debt

	six months ended 30 June 2025	six months ended 30 June 2024
Net debt reconciliation		
<i>£ millions</i>		
Cash and cash equivalents	175.1	135.0
Loans and borrowings (including bank overdrafts)	(321.0)	(317.9)
Net debt	(145.9)	(182.9)

The half year net debt was £145.9 million (H1 2024: £182.9 million) or 2.0x net debt/12 month pro-forma operational EBITDA. The balance sheet has sufficient liquidity and long dated debt maturities. During the period S⁴Capital Group complied with the covenants set in its loan agreement. The pro-forma 12 month operational EBITDA for the period to 30th June 2025 was £74.6 million.

S⁴Capital Group's key covenant is that the net debt should not exceed 4.5:1 of the pro-forma earnings before interest, tax, depreciation and amortisation. This ratio is measured at the end of any relevant period of 12 months ending each semi-annual date in a financial year, as defined in the facility agreement. As at 30 June 2025, the net debt/pro-forma EBITDA, as defined by the facilities agreement, was 1.9x.

The duration of the 2021 facilities agreement is seven years in relation to the Term Loan B and the termination date is August 2028. The term of the RCF is five years and the termination date was August 2026. £80 million of the RCF facility has been extended to February 2028, with all four relationship banks extending on the same terms, with the remaining £20 million terminating in August 2026. The RCF remains undrawn as at 30 June 2025.

Interest and tax

Consolidated net finance costs and loss on net monetary position were £14.2 million (H1 2024: £13.5 million), an increase of £0.7 million. This was driven by adverse foreign exchange movements, partially offset by a reduction in interest on bank loan. The profit or loss tax credit for the period was £2.8 million (H1 2024: £3.5 million).

Balance sheet

Overall the Group reported net assets of £501.6 million as at 30 June 2025, which is a decrease of £75.9 million compared to 31 December 2024, driven mainly by amortisation of intangible assets and foreign exchange losses.

Dividend

A final dividend of 1.0 pence per share was declared during the period, and was subsequently paid to shareholders on the 10 July 2025, amounting to £6.1 million. The Board is not proposing an interim dividend and will consider approving an enhanced final dividend for 2025, if the improved second half performance and liquidity targets are delivered.

Acquisitions

No acquisitions were made in the six months ended 30 June 2025.

Responsibility Statement

The directors confirm that these condensed unaudited consolidated interim financial statements have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- / an indication of important events that have occurred during the first six months and their impact on the condensed unaudited consolidated interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- / material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

The maintenance and integrity of the S⁴Capital plc website is the responsibility of the directors; the work carried out by the authors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that might have occurred to the condensed unaudited consolidated interim financial statements since they were initially presented on the website. The directors of S⁴Capital plc are listed in the S⁴Capital plc Annual Report and Accounts for the year ended 31 December 2024, with the exception of the following changes in the period: Radhika Radhakrishnan and Nirvik Singh were appointed and Mary Basterfield stepped down from the Board. A list of current directors is maintained on the S⁴Capital plc website: www.s4capital.com.

By order of the Board

Sir Martin Sorrell
Radhakrishnan

Radhika

Chairman
Officer

Chief Financial

About S⁴Capital

Our strategy is to build a purely digital advertising and marketing services business for global, multinational, regional, and local clients, and millennial-driven influencer brands. This will be achieved by integrating leading businesses in two synchronised Practices: Marketing Services and Technology services, along with an emphasis on 'faster, better, cheaper, more' execution in an always-on consumer-led environment, with a unitary structure.

The Company now has approximately 7,000 people in 33 countries with approximately 80% of net revenue across the Americas, 15% across Europe, the Middle East and Africa and 5% across Asia-Pacific. The longer-term objective is a geographic split of 60%:20%:20%. Marketing Services accounted for approximately 90% of net revenue, and Technology Services 10%. The longer term objective is a practice split of 75%:25%.

Sir Martin was CEO of WPP for 33 years, building it from a £1 million 'shell' company in 1985 into the world's largest advertising and marketing services company, with a market capitalisation of over £16 billion on the day he left. Prior to that Sir Martin was Group Financial Director of Saatchi & Saatchi Company Plc for nine years.

Unaudited consolidated interim statement of profit or loss

For the six month period ended 30 June 2025

		Six months ended 30 June 2025	Six months ended 30 June 2024
		£m	£m
	Note		
Revenue	7	360.4	422.5
Direct costs		(32.2)	(46.4)
Net revenue	7	328.2	376.1
Personnel costs		(262.4)	(301.1)
Other operating expenses		(41.8)	(41.6)
Acquisition, restructuring and other one-off expenses		(3.4)	(1.7)
Depreciation, amortisation and impairment		(31.5)	(35.5)
Share of profit of joint ventures and associates		-	0.1
Total operating expenses		(339.1)	(379.8)
Operating (loss)/profit		(10.9)	(3.7)
Adjusted operating profit		16.4	24.8
Adjusting items ¹		(27.3)	(28.5)
Operating (loss)/profit		(10.9)	(3.7)
Finance income		1.2	1.5
Finance costs		(15.1)	(14.4)
Net finance costs		(13.9)	(12.9)
Loss on the net monetary position		(0.3)	(0.6)
Loss before income tax		(25.1)	(17.2)
Income tax credit		2.8	3.5
Loss for the period		(22.3)	(13.7)
Attributable to owners of the Company		(22.3)	(13.7)
Attributable to non-controlling interests		-	-
		(22.3)	(13.7)

Loss per share is attributable to the ordinary equity holders of the Company

Basic loss per share (pence)	(3.3)	(2.0)
Diluted loss per share (pence)	(3.3)	(2.0)

Notes:

1. Adjusting items comprises amortisation of £22.8 million (H1 2024: £23.0 million), acquisition expenses of £0.1 million gain (H1 2024: £2.1 million gain), share-based payments of £2.6 million (H1 2024: £3.8 million) and restructuring and other one-off expenses of £2.0 million (H1 2024: £3.8 million).

The results for the period are wholly attributable to the continuing operations of the Group.

Unaudited consolidated interim statement of comprehensive income

For the six month period ended 30 June 2025

	Six months ended 30 June 2025	Six months ended 30 June 2024
	£m	£m
Loss for the period	(22.3)	(13.7)
Other comprehensive expense		
<i>Items that may be reclassified to profit or loss</i>		
Foreign operations - foreign currency translation differences	(51.4)	(5.1)
Other comprehensive expense	(51.4)	(5.1)
Total comprehensive expense for the period	(73.7)	(18.8)
Attributable to owners of the Company	(73.7)	(18.8)
Attributable to non-controlling interests	-	-
	(73.7)	(18.8)

Unaudited consolidated interim balance sheet

As at 30 June 2025

	Note	30 June 2025	31 December 2024
		£m	£m
Assets			
Goodwill	8	374.1	391.2
Intangible assets		278.0	315.2
Right-of-use assets		30.3	34.7
Property, plant and equipment		13.1	16.4
Interest in joint ventures and associates		0.8	0.8
Deferred tax assets		47.8	49.0
Other receivables		4.2	9.2
Non-current assets		748.3	816.5
Trade and other receivables		352.2	450.8
Current tax assets		8.5	9.6
Cash and cash equivalents		175.1	168.4
Current assets		535.8	628.8
Total assets		1,284.1	1,445.3
Liabilities			
Deferred tax liabilities		(17.1)	(18.6)
Loans and borrowings		(317.2)	(307.2)
Lease liabilities		(22.9)	(29.7)
Contingent consideration and holdbacks	9	-	(4.8)
Provisions		(2.4)	(3.5)
Non-current liabilities		(359.6)	(363.8)
Trade and other payables		(396.8)	(482.0)
Contingent consideration and holdbacks	9	(8.6)	(4.7)
Loans and borrowings		(0.1)	(0.2)
Lease liabilities		(12.7)	(12.8)
Provisions		(1.7)	(0.8)
Current tax liabilities		(3.0)	(3.5)
Current liabilities		(422.9)	(504.0)
Total liabilities		(782.5)	(867.8)
Net assets		501.6	577.5

Equity		
Share capital	154.9	154.9
Share premium	164.9	164.9
Other reserves	72.2	70.7
Foreign exchange reserves	(74.3)	(22.9)
Retained earnings	183.8	209.8
Attributable to owners of the Company	501.5	577.4
Non-controlling interests	0.1	0.1
Total equity	501.6	577.5

Unaudited consolidated interim statement of changes in equity

For the period ended 30 June 2025

	Share capital ¹ £m	Share premium £m	Other reserves ² £m	Foreign exchange reserves £m	Retained earnings/ (accumulated losses) £m	Attributable to owners of the Company £m	Non-controlling interests £m	Total equity £m
At 1 January 2024	145.9	80.4	162.7	(6.1)	508.9	891.8	0.1	891.9
Hyperinflation restatement	-	-	3.5	-	-	3.5	-	3.5
Adjusted opening balance	145.9	80.4	166.2	(6.1)	508.9	895.3	0.1	895.4
Comprehensive expense for the period								
Loss for the period	-	-	-	-	(13.7)	(13.7)	-	(13.7)
Other comprehensive expense	-	-	-	(5.1)	-	(5.1)	-	(5.1)
Total comprehensive expense for the period	-	-	-	(5.1)	(13.7)	(18.8)	-	(18.8)
Transactions with owners of the Company								
Business combinations	7.6	75.5	(83.7)	-	0.6	-	-	-
Share-based payments	-	-	0.3	-	3.5	3.8	-	3.8
Share buy-backs	-	-	(2.5)	-	-	(2.5)	-	(2.5)
At 30 June 2024	153.5	155.9	80.3	(11.2)	499.3	877.8	0.1	877.9
Hyperinflation restatement	-	-	1.0	-	-	1.0	-	1.0
Adjusted opening balance	153.5	155.9	81.3	(11.2)	499.3	878.8	0.1	878.9
Comprehensive expense for the period								
Loss for the period	-	-	-	-	(293.2)	(293.2)	-	(293.2)
Other comprehensive income	-	-	-	(11.7)	-	(11.7)	-	(11.7)
Total comprehensive expense for the period	-	-	-	(11.7)	(293.2)	(304.9)	-	(304.9)
Transactions with owners of the Company								
Business combinations	1.4	9.0	(11.2)	-	1.2	0.4	-	0.4
Share-based payments	-	-	0.6	-	2.5	3.1	-	3.1
Share buy-backs	-	-	-	-	-	-	-	-
At 31 December 2024	154.9	164.9	70.7	(22.9)	209.8	577.4	0.1	577.5
Hyperinflation restatement	-	-	1.3	-	-	1.3	-	1.3
Adjusted opening balance	154.9	164.9	72.0	(22.9)	209.8	578.7	0.1	578.8
Comprehensive expense for the period								
Loss for the period	-	-	-	-	(22.3)	(22.3)	-	(22.3)
Other comprehensive income	-	-	-	(51.4)	-	(51.4)	-	(51.4)
Total comprehensive expense for the period	-	-	-	(51.4)	(22.3)	(73.7)	-	(73.7)
Transactions with owners of the Company								
Business combinations	-	-	-	-	-	-	-	-
Dividends ³	-	-	-	-	(6.1)	(6.1)	-	(6.1)
Share-based payments	-	-	0.2	-	2.4	2.6	-	2.6
At 30 June 2025	154.9	164.9	72.2	(74.3)	183.8	501.5	0.1	501.6

Notes:

1. At 30 June 2025, the share capital of the Company is £154.9 million (2024: £154.9 million).

- At the end of the reporting period, the issued and paid up share capital of S⁴Capital plc consisted of 619,636,656 (H1 2024: 613,789,301) Ordinary Shares having a nominal value of £0.25 per Ordinary Share.
- Other reserves primarily includes the deferred equity consideration arising from business combinations of £61.3 million (H1 2024: £72.5 million), made up of the following: TheoremOne for £26.4 million, Raccoon for £17.4 million, XX Artists for £17.5 million, the treasury shares issued in the name of S⁴Capital plc to an employee benefit trust for the amount of £2.6 million (H1 2024: £0.9 million), share buy-backs of £nil (H1 2024: £2.5 million) and hyperinflation restatement in Argentina of £13.3 million (H1 2024: £11.0 million).
- The £6.1 million dividend represents a final dividend of 1.0p per ordinary share in respect of the year ended 31 December 2024 which was approved during the period and subsequently paid on 10 July 2025.

Unaudited consolidated interim statement of cashflows

For the period ended 30 June 2025

	Note	Six months ended 30 June 2025	Six months ended 30 June 2024
		£m	£m
Cash flows from operating activities			
Loss before income tax		(25.1)	(17.2)
Net finance costs		13.9	12.9
Depreciation, amortisation and impairment		31.5	35.5
Share-based payments		2.6	3.8
Acquisition, restructuring and other one-off expenses		3.4	1.7
Employment linked contingent consideration paid ¹		-	(2.9)
Restructuring and other one-off expenses paid		(9.2)	(5.6)
Share of profit in joint venture		-	(0.1)
Loss on the net monetary position		0.3	0.6
Other non-cash items		(0.8)	1.2
Decrease in trade and other receivables		73.5	31.3
Decrease in trade and other payables		(53.5)	(27.6)
Cash flows from operations		36.6	33.6
Income taxes paid		(1.8)	(7.5)
Net cash flows generated from operating activities		34.8	26.1
Cash flows from investing activities			
Purchase of intangible assets		(0.6)	(1.9)
Purchase of property, plant and equipment		(1.6)	(2.6)
Acquisition of subsidiaries, net of cash acquired ¹	6, 9	-	(6.8)
Interest received		1.0	1.2
Amounts withdrawn from security deposits		0.1	0.4
Cash flows used in investing activities		(1.1)	(9.7)
Cash flows from financing activities			
Share buy-backs		-	(2.5)
Principal element of lease payments		(6.5)	(6.6)
Repayments of loans and borrowings		(0.1)	(0.1)
Transaction costs on borrowings		(0.4)	-
Interest and facility fees paid		(11.9)	(15.2)
Cash flows used in financing activities		(18.9)	(24.4)
Net movement in cash and cash equivalents		14.8	(8.0)
Cash and cash equivalents at the beginning of the period		168.4	145.7
Exchange loss on cash and cash equivalents		(8.1)	(2.7)
Cash and cash equivalents at the end of the period		175.1	135.0

Note:

- Comprises contingent consideration and holdback payments, net of cash released from escrow accounts of £nil (H1 2024: £3.5 million).

1. General information

S⁴Capital plc ('S⁴Capital' or 'Company') is a public limited company incorporated on 14 November 2016 in the United Kingdom. The Company has its registered office at 12 St James's Place, London, SW1A 1NX, United Kingdom. Its shares are listed on the London Stock Exchange. The new UK Listing Rules, which came into force on 29 July 2024, have removed the distinction between standard and premium listing categories, which are now categorised as equity shares commercial companies (ESCC). As at the date of approval of the condensed unaudited consolidated interim financial statements, S⁴Capital plc is in the Transition category.

The condensed unaudited consolidated interim financial statements represent the results of the Company and its subsidiaries (together referred to as 'S⁴Capital Group' or the 'Group').

S⁴Capital Group is a tech-led, new age/new era digital advertising and marketing and technology services company.

2. Basis of preparation

A. Statement of compliance

This report is to be read in conjunction with the Annual Report and Accounts of S⁴Capital plc for the year ended 31 December 2024 and has been prepared in accordance with UK adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The condensed unaudited consolidated interim financial statements for the 6 months period ended 30 June 2025 are a condensed set of financial information and have been prepared on the basis of the policies set out in the 2024 annual financial statements and in accordance with UK adopted IAS 34 and the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority.

The Group has undertaken a detailed going concern assessment, reviewing its current and projected financial performance and position. The Directors believe that the Group's forecasts have been prepared on a prudent basis. Considering the Group's bank covenant and liquidity headroom and cost mitigation actions which could be implemented, the Directors have concluded that the Group will be able to operate within its facilities and comply with its banking covenants for the foreseeable future and therefore believe it is appropriate to prepare the financial statements of the Group on a going concern basis and that there are no material uncertainties which gives rise to a significant going concern risk. Given its debt maturity profile and available facilities, the Directors believe the Group has sufficient liquidity to match its requirements for at least 12 months from the reporting date.

The condensed unaudited consolidated interim financial statements were authorised for issue by the Board of Directors on 14 September 2025.

B. Functional and presentation currency

The condensed unaudited consolidated interim financial statements are presented in Pound Sterling (GBP or £), the Company's functional currency. All financial information in Pound Sterling has been rounded to the nearest million unless otherwise indicated.

C. Re-presentation of segment information

Following our organisational announcement, effective 1 January 2025, the Group's reportable segments under IFRS 8 'Operating Segments' comprise two practices; Marketing Services and Technology Services. Marketing Services comprises the previously reported Content and Data&Digital Media segments. The information presented for prior periods have been re-presented to be on a consistent basis with the new segments.

D. Principal risks and uncertainties

The principal risks and uncertainties facing the Group at the 2024 year end are set out in detail on pages 20 to 22 of the Annual Report and Accounts 2024. The principal risks and uncertainties facing the Group at the 30 June 2025 remain the same and relate to the following:

- / Macroeconomic headwinds
- / Operational decision making and internal efficiencies
- / Talent lifecycle
- / Governance and compliance
- / Artificial intelligence
- / Business transformation
- / Key customers
- / Reputation risk
- / Information security and data privacy
- / Competitive environment

3. Significant accounting policies

The condensed unaudited consolidated interim financial statements have been prepared on a consistent basis with the accounting policies of the Group which were set out on pages 122 to 131 of the Annual Report and Accounts 2024, excluding the impact of amended standards as detailed below.

The following amended standard became applicable for the current reporting period. This is as follows:

Lack of exchangeability - Amendments to IAS 21

In August 2023, the Board issued Lack of Exchangeability (Amendments to IAS 21). The amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendment is effective for annual reporting periods beginning on or after 1 January 2025. The Group adopted these amendments as of 1 January 2025. The adoption of this had no material impact on the Group's condensed unaudited consolidated interim financial statements.

4. Critical accounting judgements and estimates

In preparing these condensed unaudited consolidated interim financial statements, the critical accounting judgements and estimates made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Annual Report and Accounts 2024.

5. Statutory information and independent review

The condensed unaudited consolidated interim financial statements for the six months period ended 30 June 2025 do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 December 2024 have been delivered to the Registrar of Companies and received an unqualified auditors' report, did not include a reference to any matters to which the auditors drew attention by way of an emphasis of matter and did not contain a statement under sections 498 (2) or (3) of the Companies Act 2006. The condensed consolidated interim financial statements are unaudited but have been reviewed by the auditors and their report is set out on the last page.

6. Acquisitions

Current year acquisitions

There were no acquisitions during the period ended 30 June 2025.

Prior year acquisitions

TheoremOne

Included within other reserves as at 30 June 2025 is £26.4 million, comprised of £26.4 million recognised as deferred equity consideration in 2023.

As at 30 June 2025, £5.6 million of holdbacks remain relating to amounts held back due to cover and indemnify the Group against certain acquisition costs and damages. The Group currently expects to settle the maximum holdback amount. The amount payable would be dependent on the amount of these acquisition costs and damages, with the minimum amount payable being £nil.

7. Segment information

A. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM has been identified as the Board of Directors of S⁴Capital Group.

Following our organisational announcement, effective 1 January 2025, the Group's reportable segments comprise two practices: Marketing Services and Technology Services. Marketing Services comprises the previously reported Content and Data&Digital Media segments. The information presented for prior periods have been re-presented to be on a consistent basis with the new segments.

During the period, S⁴Capital Group has two reportable segments as follows:

- Marketing Services practice: Creative content, campaigns, and assets at a global scale for paid, social and earned media - from digital platforms and apps to brand activations that aim to convert consumers at every possible touchpoint. Full-service campaign management analytics, creative production and ad serving, platform and systems integration and transition, training and education.
- Technology Services practice: digital transformation services in delivering advanced digital product design, engineering services and delivery services.

The customers are primarily businesses across technology, FMCG and media and entertainment. Any intersegment transactions are based on commercial terms.

The Board of Directors monitor the results of the reportable segments separately for the purpose of making decisions about resource allocation and performance assessment prior to charges for tax, depreciation and amortisation.

The Board of S⁴Capital Group uses net revenue rather than revenue to manage the Company due to the fluctuating amounts of direct costs, which are recharged as part of revenue.

The following is an analysis of the Group's net revenue and results by reportable segments:

	Marketing Services £m	Technology Services £m	Total £m
Six months ended 30 June 2025			
Revenue	331.1	29.3	360.4
Net revenue	299.0	29.2	328.2
Segment profit ^{2,3}	28.5	2.6	31.1
Overhead costs			(10.3)
Adjusted non-recurring and acquisition related expenses ⁴			(4.5)
Depreciation, amortisation and impairment ⁵			(27.2)
Net finance costs and gain on net monetary position			(14.2)
Loss before income tax			(25.1)

	Restated ¹ Marketing Services £m	Technology Services £m	Total £m
Six months ended 30 June 2024			
Revenue	376.3	46.2	422.5
Net revenue	330.0	46.1	376.1
Segment profit ^{2,3}	33.9	5.7	39.6
Overhead costs			(9.5)
Adjusted non-recurring and acquisition related expenses ⁴			(5.5)
Depreciation and amortisation ⁵			(28.3)
Net finance costs and loss on net monetary position			(13.5)
Loss before income tax			(17.2)

Notes:

- Comparative information for the prior period has been represented to reflect the Group's revised segment structure.
- Including £5.8 million (H1 2024: £7.2 million) depreciation and £1.5 million (H1 2024: £nil) reversal of impairment on right-of-use assets.
- In arriving at segment profit, personnel costs of £231.5 million (H1 2024: £257.2 million) and £24.2 million (H1 2024: £37.0 million) were deducted from Marketing Services and Technology Services respectively.
- Composed of acquisition and restructuring expenses of £1.7 million (H1 2024: £0.3 million credit), share-based payment costs of £2.6 million (H1 2024: £3.8 million), transformation costs of £2.6 million (H1 2024: £2.0 million), reversal of impairment of right-of-use assets of £1.5 million (H1 2024: £nil) and reversal of onerous lease provision of £0.9 million gain (H1 2024: £nil).
- Excluding £5.8 million (H1 2024: £7.2 million) depreciation and £1.5 million (H1 2024: £nil) reversal of impairment on right-of-use assets.

Segment profit represents the profit earned by each segment without allocation of the share of loss of joint ventures, central administration costs including Directors' salaries, finance income, non-operating gains and losses, and income tax expense. This is the measure reported to the Group's Board of Directors for the purpose of resource allocation and assessment of segment performance.

B. Information about major customers

One (H1 2024: one) customer accounted for more than 10% of the Group's revenue during the period, contributing £63.1 million (H1 2024: £73.3 million). The revenue from this customer was attributable to the Marketing Services segment.

8. Goodwill

Cost	Six months ended 30 June 2025 £m	Year ended 31 December 2024 £m
At the start of the period	697.3	706.5
Acquired through business combinations	-	-
Foreign exchange differences	(30.5)	(9.2)
At the end of the period	666.8	697.3

Accumulated impairment	Six months ended 30	Year ended 31
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	June 2025 £m	December 2024 £m
At the start of the period	(306.1)	(15.2)
Impairment charge in period	-	(280.4)
Foreign exchange differences	13.4	(10.5)
At the end of the period	(292.7)	(306.1)

Net book value	Six months ended 30 June 2025 £m	Year ended 31 December 2024 £m
At the start of the period	391.2	691.3
At the end of the period	374.1	391.2

Goodwill represents the excess of consideration over the fair value of the Group's share of the net identifiable assets acquired.

9. Financial instruments

Financial instruments by category

Financial assets	Six months ended 30 June 2025 £m	Year ended 31 December 2024 £m
Financial assets held at amortised cost		
Cash and cash equivalents	175.1	168.4
Trade receivables	220.2	364.7
Accrued income	41.4	31.1
Other receivables	84.1	48.2
Total	520.8	612.4

Financial liabilities	Six months ended 30 June 2025 £m	Year ended 31 December 2024 £m
Financial liabilities held at amortised cost		
Trade and other payables	(324.4)	(412.8)
Loans and borrowings	(317.4)	(307.4)
Lease liabilities	(35.6)	(42.5)
Financial liabilities held at fair value through profit and loss		
Contingent consideration and holdbacks	(8.6)	(9.5)
Total	(686.0)	(772.2)

The following table categorises the Group's financial liabilities held at fair value on the unaudited consolidated balance sheet. There have been no transfers between levels during the period (H1 2024: none).

Financial liabilities	Six months ended 30 June 2025 Fair value £m	Six months ended 30 June 2025 Level 3 £m	Year ended 31 December 2024 Fair value £m	Year ended 31 December 2024 Level 3 £m
Contingent consideration and holdbacks	(8.6)	(8.6)	(9.5)	(9.5)
Total	(8.6)	(8.6)	(9.5)	(9.5)

The following table shows the movement in contingent consideration and holdbacks.

Contingent consideration and holdbacks	Performance linked contingent consideration £m	Employment linked contingent consideration £m	Holdbacks ¹ £m	Total £m
Balance at 1 January 2024	(9.0)	(3.0)	(13.5)	(25.5)
Recognised in consolidated statement of profit or loss	-	(0.7)	3.0	2.3
Cash paid	6.7	2.9	3.9	13.5
Equity settlement	-	-	0.2	0.2
Exchange rate differences	(0.1)	-	0.1	-
Balance at 31 December 2024	(2.4)	(0.8)	(6.3)	(9.5)
Cash paid	-	-	0.2	0.2
Equity settlement	-	-	-	-
Exchange rate differences	0.1	0.1	0.5	0.7
Balance at 30 June 2025	(2.3)	(0.7)	(5.6)	(8.6)

Included in current liabilities	(2.4)	(0.8)	(1.5)	(4.7)
Included in non-current liabilities	-	-	(4.8)	(4.8)
Balance at 31 December 2024	(2.4)	(0.8)	(6.3)	(9.5)
Included in current liabilities	(2.3)	(0.7)	(5.6)	(8.6)
Included in non-current liabilities	-	-	-	-
Balance at 30 June 2025	(2.3)	(0.7)	(5.6)	(8.6)

Notes:

1. Holdback payments of £0.2 million (2024: £3.5 million) includes £0.2 million (2024: £3.5 million) of cash paid out of escrow accounts

Where the contingent consideration conditions have been satisfied, consideration that is payable as equity is recognised within other reserves as deferred equity consideration.

The fair value of the performance linked contingent consideration has been determined based on management's best estimate of achieving future targets to which the consideration is linked. The most significant unobservable input used in the fair value measurements is the future forecast performance of the acquired business. The fair value is assessed and recognised at the acquisition date, and reassessed at each balance sheet date thereafter, until fully settled, cancelled or expired. Any change in the range of future outcomes is recognised in the consolidated statement of profit or loss. During the period ended 30 June 2025, a fair value gain of £nil (H1 2024: £nil) was recognised in the consolidated statement of profit or loss.

The fair value of the employment linked contingent consideration has been determined based on management's best estimate of achieving future targets to which the consideration is linked. The most significant unobservable input used in the fair value measurements is the future forecast performance of the acquired business. The fair value is assessed at the acquisition date, and systematically accrued over the respective employment term. Any changes in the range of future outcomes are recognised in the consolidated statement of profit or loss. During the period ended 30 June 2025, a £nil (H1 2024: £0.3 million charge) was recognised in the consolidated statement of profit or loss. The £nil charge (H1 2024: £0.3 million charge) comprised a charge of £nil (H1 2024: £0.3 million) relating to the systematic accrual of the employment linked contingent consideration and a fair value gain of £nil (H1 2024: £nil).

Holdbacks relate to amounts held by the Group to cover and indemnify the Group against certain acquisition costs and damages. The fair value of the holdbacks has been determined based on management's best estimate of the level of the costs incurred and damages expected to which the holdback is linked, which is the most significant unobservable input used in the fair value measurement. During the period ended 30 June 2025, £nil (H1 2024: £2.5 million gain) has been recognised in the consolidated statement of profit or loss, which related to holdbacks liabilities linked to employment.

10. Net debt reconciliation

The following table shows the reconciliation of net cash flow to movements in net debt:

	Borrowings and overdrafts £m	Cash £m	Net debt £m	Leases £m	Net debt including lease liabilities £m
Net debt as at 1 January 2024	(326.5)	145.7	(180.8)	(49.0)	(229.8)
Financing cash flows	(0.1)	(8.0)	(8.1)	6.6	(1.5)
Lease additions	-	-	-	(0.8)	(0.8)
Foreign exchange adjustments	8.7	(2.7)	6.0	0.8	6.8
Interest expense	(12.3)	-	(12.3)	(1.2)	(13.5)
Interest payment	12.3	-	12.3	1.2	13.5
Other	-	-	-	(2.5)	(2.5)
Net debt as at 30 June 2024	(317.9)	135.0	(182.9)	(44.9)	(227.8)
Financing cash flows	0.3	35.3	35.6	6.1	41.7
Lease additions	-	-	-	(1.2)	(1.2)
Foreign exchange adjustments	6.3	(1.9)	4.4	0.8	5.2
Interest expense	(13.2)	-	(13.2)	(1.3)	(14.5)
Interest payment	13.2	-	13.2	1.3	14.5
Other	-	-	-	(3.3)	(3.3)
Net debt as at 31 December 2024	(311.3)	168.4	(142.9)	(42.5)	(185.4)
Financing cash flows	0.1	14.8	14.9	6.5	21.4
Lease additions	-	-	-	(0.9)	(0.9)
Foreign exchange adjustments	(9.9)	(8.1)	(18.0)	0.9	(17.1)
Interest expense	(9.8)	-	(9.8)	(1.1)	(10.9)
Interest payment	9.9	-	9.9	1.1	11.0
Other	-	-	-	0.4	0.4
Net debt as at 30 June 2025	(321.0)	175.1	(145.9)	(35.6)	(181.5)

11. Related party transactions

Details of compensation for key management personnel for the 12 months to 31 December 2024 are disclosed on

pages 84 to 100 of the Annual Report and Accounts 2024. Apart from the key management personnel compensation and the interest in S4S Ventures and Hoorah detailed in the Annual Report and Accounts 2024, S⁴Capital Group did not have any other related party transactions during the financial period (H1 2024: nil).

On 2 January 2025, the Group and Alvear Ltd became equal shareholders in a joint venture entity, Monkfilms Ltd ("Monkfilms"). The primary commercial objective of the joint venture is to secure a production and distribution deal with a major media company for a World Cup 2026 documentary film with FIFA.

12. Events occurring after the reporting period

A £6.1 million dividend was paid on 10 July 2025, representing a final dividend of 1.0p per ordinary share in respect of the year ended 31 December 2024 which was approved during the period and subsequently paid. There were no other material post balance sheet events, that require adjustment or disclosure, occurring between the reporting period and the 14 September 2025.

Appendix- Alternative Performance Measures

The Group has included various alternative performance measures (APMs) in its condensed unaudited consolidated interim financial statements. The Group includes these non-GAAP measures as it considers these measures to be both useful and necessary to the readers of these condensed unaudited consolidated interim financial statements to help them more fully understand the performance and position of the Group. The Group's measures may not be calculated in the same way as similarly titled measures reported by other companies. The APMs should not be viewed in isolation and should be considered as additional supplementary information to the IFRS measures. Full reconciliations have been provided between the APMs and their closest IFRS measures.

The Group has concluded that these APMs are relevant as they represent how the Board assesses the performance of the Group and they are also closely aligned with how shareowners value the business. They provide like-for-like, year-on-year comparisons and are closely correlated with the cash inflows from operations and working capital position of the Group. They are used by the Group for internal performance analysis and the presentation of these measures facilitates comparison with other industry peers as they adjust for non-recurring factors which may materially affect IFRS measures. Adjusting items for the Group include amortisation of acquired intangibles, acquisition related expenses costs, share-based payments, employment-related acquisition costs and restructuring costs. Whilst adjusted measures exclude amortisation of intangibles, acquisition costs and restructuring costs they do include the revenue from acquisitions and the benefits of the restructuring programmes and therefore should not be considered a complete picture of the Group's financial performance, that is provided by the IFRS measures.

The adjusted measures are also used in the calculation of the adjusted earnings per share and banking covenants as per our agreements with our lenders.

APM	Closest IFRS measure	Adjustments to reconcile to IFRS Measure	Reason for use
Unaudited consolidated interim statement of profit or loss			
Controlled Billings	Revenue	Includes media spend contracted directly by clients with media providers and pass-through costs (see reconciliation A1 below)	To help understand the scale of the activities that Group has managed on behalf of its clients, in addition to the activities that are directly invoiced by the Group.
Billings	Revenue	Includes pass through costs (see reconciliation A1 below)	To understand the activities that are directly invoiced by the Group to its clients.
Net Revenue	Revenue	Excludes direct costs (see reconciliation A2 below)	This is more closely aligned to the fees the Group earns for its services provided to the clients. This is a key metric used by the Group when looking at the Practice performance.
Operational EBITDA	Operating loss	Excludes acquisition related expenses, non-recurring items (primarily acquisition payments tied to continued employment, amortisation of business combination intangible assets and restructuring and other one-off expenses) and recurring share-based payments, and includes right-of-use assets depreciation. (see reconciliation A3 below)	Operational EBITDA is Operating profit or loss before the impact of adjusting items, amortisation of intangible assets and PPE depreciation. The Group considers this to be an important measure of Group performance and is consistent with how the Group is assessed by the Board and investment community.
APM	Closest IFRS measure	Adjustments to reconcile to IFRS Measure	Reason for use

Like-for-Like	Revenue and operating profit	Is the prior year comparative, in this case 2024, restated to include acquired businesses for the same months as 2025, and restated using same FX rates as used in 2025 (see reconciliations A4 below)	Like-for-like is used by the Board and investors when looking at Group performance. It provides a comparison that reflects the impact of acquisitions and changes in FX rates during the period.
Pro-forma	Revenue and operating profit	Is the period consolidated results in constant currency and for acquisitions as if the Group had existed in full for the period (see reconciliations A5 below)	Pro-forma figures are used extensively by management and the investment community. It is a useful measure when looking at how the Group has changed in light of the number of acquisitions that have been completed and to understand the performance of the Group.
Adjusted basic earnings per share	Basic earnings per share	Excludes amortisation of intangible assets, acquisition related expenses, share-based payments and restructuring and other one-off expenses (see reconciliation A6 below)	Adjusted basic earnings per share is used by management to understand the earnings per share of the Group after removing non-recurring items and those linked to combinations.
Adjusted (loss)/profit for the period	(Loss)/profit for the period	Excludes amortisation of intangible assets, acquisition related expenses, share-based payments and restructuring and other one-off expenses (see reconciliation A6 below)	Adjusted (loss)/profit for the period is used by management to understand the (loss)/profit for the Group after removing non-recurring items and those linked to combinations.

Unaudited consolidated interim balance sheet

Net debt	Cash and loans and borrowings	Net debt is cash less gross bank loans (excluding transaction costs and lease liabilities). This is a key measure used by management and in calculations for bank covenants (see reconciliation A7 below)	Net debt is a commonly used metric to identify the debt obligations of the Group after utilising cash in bank.
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Unaudited consolidated interim statement of cashflows

Free cash flow	Net cash (used in)/from operating activities	Net cash flow from operating activities adjusted for investments in intangibles and property, plant and equipment, lease liabilities, interest and facility fees paid, security deposits and employment linked contingent consideration paid.	Free cash flow is a commonly used metric used to identify the amount of cash at the disposal of the Group.
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Billings and controlled billings (A1)	Six months ended 30 June 2025 £m	Six months ended 30 June 2024 £m
Revenue	360.4	422.5
Pass-through expenses	565.5	486.4
Billings¹	925.9	908.9
Third party billings direct to clients	1,377.1	1,531.8
Controlled billings²	2,303.0	2,440.7

Notes:

1. Billings is gross billings to clients including pass-through expenses.
2. Controlled billings are billings we influenced.

Net revenue (A2)	Six months ended 30 June 2025 £m	Six months ended 30 June 2024 £m
Revenue	360.4	422.5
Direct costs	(32.2)	(46.4)
Net revenue	328.2	376.1

Reconciliation to operational EBITDA (A3)	Six months ended 30 June 2025 £m	Six months ended 30 June 2024 £m
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Operating loss	(10.9)	(3.7)
Amortisation of intangible assets	22.8	23.0
Acquisition expenses	(0.1)	(2.1)
Share-based payments	2.6	3.8
Restructuring and other one-off expenses ¹	2.0	3.8
Depreciation of property, plant and equipment ²	4.4	5.3
Operational EBITDA	20.8	30.1

Notes:

1. Restructuring and other one-off expenses relate to restructuring costs of £1.8 million (H1 2024: £1.7 million), transformation costs of £2.6 million (H1 2024: £2.1 million), reversal of impairment of right-of-use assets of £1.5 million (H1 2024: £nil), reversal of onerous lease provision of £0.9 million (H1 2024: £nil).
2. Depreciation of property, plant and equipment is exclusive of depreciation on right-of-use assets.

Like-for-Like (A4)

Like-for-like revenue

Six months ended 30 June 2024	Restated ² Marketing Services £m	Technology Services £m	Total £m
Revenue	376.3	46.2	422.5
Impact of foreign exchange	(12.0)	(1.1)	(13.1)
Like-for-like revenue₁	364.3	45.1	409.4
% like-for-like revenue change	(9.1%)	(35.0%)	(11.9%)

Like-for-like net revenue

Six months ended 30 June 2024	Restated ² Marketing Services £m	Technology Services £m	Total £m
Net revenue	330.0	46.1	376.1
Impact of foreign exchange	(10.5)	(1.0)	(11.5)
Like-for-like net revenue₁	319.5	45.1	364.6
% like-for-like net revenue change	(6.4%)	(35.3%)	(10.0%)

Like-for-like operational EBITDA

Six months ended 30 June 2024	Total £m
Operational EBITDA	30.1
Impact of acquisitions	-
Impact of foreign exchange	(0.2)
Like-for-like operational EBITDA₁	29.9
% like-for-like operational EBITDA change	(30.4%)

Note:

1. Like-for-like is a non-GAAP measure and relates to 2024 being restated to show the audited numbers for the previous year of the existing and acquired businesses consolidated for the same months as in 2025, applying currency rates as used in 2025.
2. Comparative information for the prior period has been represented to reflect the Group's revised segment structure.

Pro-forma (A5)

Pro-forma revenue

	Restated ² Marketing Services £m	Technology Services £m	Total £m
HY25 Revenue	331.1	29.3	360.4
HY25 Pro-forma revenue₁	331.1	29.3	360.4
HY24 Revenue	376.3	46.2	422.5
Impact of foreign exchange	(12.0)	(1.1)	(13.1)
HY24 Pro-forma revenue₁	364.0	45.1	409.1
% pro-forma revenue change	(9.1%)	(35.0%)	(11.9%)

Pro-forma net revenue

	Restated ² Marketing Services £m	Technology Services £m	Total £m
HY25 net revenue	299.0	29.2	328.2
HY25 Pro-forma net revenue¹	299.0	29.2	328.2
HY24 net revenue	330.0	46.1	376.1
Impact of foreign exchange	(10.5)	(1.0)	(11.5)
HY24 Pro-forma net revenue¹	319.5	45.1	364.6
% pro-forma net revenue change	(6.4%)	(35.3%)	(10.0%)

Pro-forma operational EBITDA

	Total £m
HY25 operational EBITDA	20.8
HY25 Pro-forma operational EBITDA₁	20.8
HY24 operational EBITDA	30.1
Impact of foreign exchange	(0.2)
HY24 Pro-forma operational EBITDA₁	29.9
% pro-forma operational EBITDA change	(30.4%)

Notes:

Notes:

1. Pro-forma relates to audited non-statutory and non-GAAP consolidated results in constant currency as if the Group had existed in full, for the period and have been prepared under comparable GAAP with no consolidation eliminations in the pre-acquisition period.
2. Comparative information for the prior period has been represented to reflect the Group's revised segment structure.

Adjusted basic earnings per share (A6)

Six month period ended 30 June 2025	Reported £m	Amortisation ¹ £m	Impairment of intangibles £m	Acquisition expenses ² £m	Share-based payments £m	Restructuring and other one-off expenses ³ £m	Adjusted £m
Operating (loss)/profit	(10.9)	22.8	-	(0.1)	2.6	2.0	16.4
Net finance expenses	(13.9)	-	-	-	-	-	(13.9)
Loss on net monetary position	(0.3)	-	-	-	-	-	(0.3)
(Loss)/profit before income tax	(25.1)	22.8	-	(0.1)	2.6	2.0	2.2
Income tax credit/(expense)	2.8	(6.5)	-	-	3.4	(0.4)	(0.7)
(Loss)/profit for the period	(22.3)	16.3	-	(0.1)	6.0	1.6	1.5

Notes:

1. Amortisation relates to the intangible assets recognised as a result of the acquisitions.
2. Acquisition expenses relate to acquisition related advisory fees of £0.1 million gain.
3. Restructuring and other one-off expenses relate to restructuring costs of £1.8 million, transformation costs of £2.6 million, reversal impairment of right-of-use assets of £1.5 million and reversal of onerous lease provision of £0.9 million.

Six month period ended 30 June 2024	Reported £m	Amortisation and impairment ¹ £m	Acquisition expenses ² £m	Share-based payments £m	Restructuring and other one-off expenses ³ £m	Adjusted £m
Operating profit	(3.7)	23.0	(2.1)	3.8	3.8	24.8
Net finance expenses	(12.9)	-	-	-	-	(12.9)
Loss on net monetary position	(0.6)	-	-	-	-	(0.6)
(Loss)/profit before income tax	(17.2)	23.0	(2.1)	3.8	3.8	11.3
Income tax expense	3.5	(6.9)	-	-	-	(3.4)
(Loss)/profit for the period	(13.7)	16.1	(2.1)	3.8	3.8	7.9

Notes:

1. Amortisation and impairment relates to the intangible assets recognised as a result of the acquisitions.
2. Acquisition expenses relate to acquisition related advisory fees of £0.1 million, contingent consideration as remuneration of £0.3 million and remeasurement gain on contingent considerations of £2.5 million.
3. Restructuring and other one-off expenses relate to restructuring costs of £1.7 million and transformation costs of £2.1 million.

Adjusted basic result per share

	Six months ended 30 June 2025	Six months ended 30 June 2024
Adjusted profit attributable to owners of the Company (£m)	1.5	7.9
Weighted average number of ordinary shares for the purpose of basic EPS (shares)	674,189,080	671,233,751
Adjusted basic earnings per share (pence)	0.2	1.2

	Six months ended 30 June 2025 £m	Year ended 31 December 2024 £m
Net debt (A7)		
Cash and bank	175.1	168.4
Loans and borrowings	(321.0)	(311.3)
Net debt	(145.9)	(142.9)
Lease liabilities	(35.6)	(42.5)
Net debt including lease liabilities	(181.5)	(185.4)

Six months
ended 30
Six months
ended 30

	June 2025	June 2024
	£m	£m
Free cash flow (A8)		
Net cash inflow from operating activities	34.8	26.1
Employment linked contingent consideration paid	-	2.9
Interest and facility fees paid	(11.9)	(15.2)
Interest received	1.0	1.2
Purchase of intangible assets	(0.6)	(1.9)
Purchase of property, plant and equipment	(1.6)	(2.6)
Amounts withdrawn from security deposits	0.1	0.4
Principal element of lease payments	(6.5)	(6.6)
Other non-cash items	0.7	(1.2)
Free cash flow	16.0	3.1



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