



To create a new era, **new media solution** embracing data, content and technology in an always on environment for **global, multi-national, regional and local client and for millennial-driven digital brands.**

THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. THE CONTENTS OF THIS DOCUMENT ARE NOT TO BE CONSTRUED AS LEGAL, FINANCIAL, BUSINESS OR TAX ADVICE. EACH SHAREOWNER OR PROSPECTIVE SHAREOWNER SHOULD CONSULT THEIR OWN LEGAL ADVISER, FINANCIAL ADVISER OR TAX ADVISER FOR LEGAL, FINANCIAL OR TAX ADVICE. If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser who is authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

This Document comprises a prospectus relating to S⁴ Capital plc and the Issue prepared in accordance with the Prospectus Rules. This Document has been approved by the Financial Conduct Authority in accordance with section 87A of the FSMA and has been filed with the Financial Conduct Authority in accordance with Rule 3.2 of the Prospectus Rules. In accordance with paragraph 3.2.2 of the Prospectus Rules, this Document has been made available to the public free of charge at the Company's registered office and the London office of Travers Smith LLP, details of which are set out on page 39 of this Document.

The Open Offer Entitlements, the Application Form and the New Ordinary Shares are only transferable, and this Document may only be distributed, subject to the restrictions set out in paragraph 7 of Part II of this Document. No action has been taken by the Company, HSBC Bank plc or Dowgate Capital Limited that would permit an offer of the New Ordinary Shares, the Open Offer Entitlements or possession or distribution of this Document, the Application Form or any other offering or publicity material in any jurisdiction where action for that purpose is required other than in the United Kingdom.

The Company, each of the Directors and the Proposed Directors, whose names appear on page 39 of this Document, accept responsibility for the information contained in this Document. To the best of the knowledge and belief of the Company, the Directors and the Proposed Directors (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

You should read this Document (including the relevant parts of any document incorporated into it by reference and any accompanying document) in its entirety. In particular, your attention is drawn to the section entitled "Risk Factors" on pages 21 to 36 of this Document for a discussion of the risks that might affect the value of your shareholding.

S⁴ Capital plc

(Incorporated and registered in England and Wales with number 10476913)

Acquisition of MightyHive, Inc.

Firm Placing and Placing and Open Offer of 67,272,727 New Ordinary Shares of £0.25 each at an Issue Price of 110 pence per New Ordinary Share

Admission of New Ordinary Shares to the standard segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities

Joint Broker and Joint Bookrunner

HSBC Bank plc

Joint Broker and Joint Bookrunner

Dowgate Capital Limited

The Existing Ordinary Shares have been admitted to the standard segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities. Applications will be made to the UK Listing Authority and the London Stock Exchange for the New Ordinary Shares to be admitted to the standard segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities respectively. Admission to trading on the Main Market constitutes admission to trading on a regulated market. It is expected that, subject to the conditions of the proposed acquisition of MightyHive, Inc. being satisfied or waived, the Placing Agreement becoming wholly unconditional (save for Admission) and if the Company's applications in relation to Admission are approved, Admission will become effective and dealings in the New Ordinary Shares will commence at 8.00 a.m. on 24 December 2018.

A Standard Listing affords investors in the Company a lower level of regulatory protection than that afforded to investors in companies whose securities are admitted to the premium segment of the Official List, which are subject to additional obligations under the Listing Rules.

It should be noted that the UK Listing Authority will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules and/or those aspects of the Disclosure Guidance and Transparency Rules with which the Company has indicated in this Document that it intends to comply on a voluntary basis, nor to impose sanctions in respect of any failure by the Company to so comply.

If you sell or transfer or have sold or otherwise transferred all of your Existing Ordinary Shares held in certificated form prior to 8.00 a.m. on 4 December 2018 (the date and time when the Existing Ordinary Shares are expected to be marked ex-entitlement to the Open Offer by the London Stock Exchange), please forward this Document, and if relevant, the accompanying Application Form to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was or will be effected, for onward delivery to the purchaser or transferee. However, neither this Document nor any Application Form should be forwarded to or transmitted into any jurisdiction where to do so may constitute a violation of local securities laws or regulations, including, but not limited to, subject to certain exceptions, the Excluded Territories or their respective territories or possessions. If you sell or transfer or have sold or otherwise transferred only part of your registered holding of Existing Ordinary Shares prior to 8.00 a.m. on 4 December 2018, please contact the stockbroker, bank or other agent through whom the sale or transfer was effected immediately and refer to the instructions regarding split applications set out in the Application Form, if

relevant. If your registered holding of Existing Ordinary Shares which were sold or transferred was held in uncertificated form and was sold or transferred before the date that the Existing Ordinary Shares are marked ex-entitlement, a claim transaction will automatically be generated by CREST which, on settlement, will transfer the appropriate number of Open Offer Entitlements to the purchaser or transferee. Please refer to paragraph 7 of Part II (Terms and Conditions of the Open Offer) of this Document if you propose to send this Document and/or the Application Form outside the United Kingdom.

The distribution of this Document and the accompanying documents, and/or the transfer of the Open Offer Entitlements through CREST, into jurisdictions other than the United Kingdom, may be restricted by law or regulation. Therefore persons into whose possession this Document (and/or any accompanying documents) comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws and regulations of any such jurisdiction. In particular, subject to certain exceptions, this Document, the Application Form and any other related documents should not be distributed, forwarded to or transmitted in or into any Excluded Territory or any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law or regulation.

HSBC Bank plc ("**HSBC**"), which is authorised by the Prudential Regulation Authority ("**PRA**") and regulated in the UK by the PRA and the FCA, and Dowgate Capital Limited ("**Dowgate**"), which is authorised and regulated in the UK by the FCA, are each acting exclusively for the Company in connection with the Issue. Neither HSBC nor Dowgate will regard any other person (whether or not a recipient of this Document) as a client in relation to the Issue and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing advice in relation to Issue or any transaction, matter or arrangement described in this Document. Apart from the responsibilities and liabilities, if any, which may be imposed upon HSBC and Dowgate by the FSMA or the regulatory regime established thereunder, none of HSBC, Dowgate or any of their respective affiliates or any of their or their respective affiliates' directors, officers, partners, members, employees or advisers ("**Representatives**") accepts any responsibility whatsoever, and no representation or warranty, express or implied, is made or purported to be made by any of them, or on their behalf, for or in respect of any act or omissions of the Company relating to the Issue and the contents of this Document, including its accuracy, completeness, fairness, verification or sufficiency, or concerning any other document or statement made or purported to be made by it, or on its behalf, in connection with the Company, the New Ordinary Shares, the Issue, and nothing in this Document is, or shall be relied upon as, a warranty or representation in this respect, whether as to the past or future. Each of HSBC, Dowgate and each of their respective affiliates and Representatives disclaim, to the fullest extent permitted by law, all and any liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of the acts or omissions of the Company in relation to the Issue this Document or any such statement.

The Open Offer closes at 11.00 a.m. on 18 December 2018 and payment is required in full by this time. If you are a Qualifying non-CREST Shareowner (other than, subject to certain exceptions, Qualifying non-CREST Shareowners with a registered address in any of the Excluded Territories) and wish to apply or subscribe for Open Offer Shares under the Open Offer, you should complete the accompanying Application Form and return it with your remittance in accordance with the instructions set out in paragraph 5 of Part II (Terms and Conditions of the Open Offer) of this Document and in the Application Form. If you are a Qualifying CREST Shareowner (other than, subject to certain exceptions, Qualifying CREST Shareowners with a registered address in any of the Excluded Territories) the relevant CREST instructions must have settled as explained in Part II (Terms and Conditions of the Open Offer) of this Document by no later than 11.00 a.m. on 18 December 2018. The Application Form is personal to Qualifying non-CREST Shareowners and cannot be transferred, sold or assigned except to satisfy bona fide market claims. Applications under the Open Offer may only be made by the Qualifying Shareowner originally entitled or by a person entitled by virtue of a bona fide market claim.

Investors should only rely on the information contained in this Document and any documents incorporated into it by reference. No person has been authorised to give any information or make any representations in relation to the Company other than those contained in this Document and any document incorporated by reference into it and, if given or made, such information or representation must not be relied upon as having been so authorised by the Company, its Directors, HSBC, Dowgate or any of their Representatives. The Company will comply with its obligation to publish a supplementary prospectus containing further updated information required by law or by any regulatory authority but assumes no further obligation to publish additional information.

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the New Ordinary Shares may decline and investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the New Ordinary Shares and determining appropriate distribution channels.

OVERSEAS TERRITORIES

This Document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities by any person in any circumstances in which such offer or solicitation is unlawful.

Subject to certain exceptions, the Issue is not being made to Shareowners or investors in the United States or any Excluded Territory. Neither this Document nor the Application Form constitutes or forms part of any offer to sell or issue, or any solicitation of any offer to acquire, the New Ordinary Shares offered to any person with a registered address, or who is resident or located in, any jurisdiction in which such an offer or solicitation is unlawful.

The New Ordinary Shares and the Open Offer Entitlements have not been and will not be registered under the applicable securities laws of any Excluded Territory. Accordingly, subject to certain exceptions, the New Ordinary Shares and the Open Offer Entitlements may not be offered or sold in such jurisdictions or to, or for the account or benefit of, any resident of such jurisdictions. There will be no public offer of the New Ordinary Shares, the Open Offer Entitlements in any of the Excluded Territories.

All Overseas Shareowners and any person (including, without limitation, an agent custodian, nominee, or trustee) who is holding Existing Ordinary Shares for the benefit of such persons or who has a contractual or other legal obligation to forward any documents issued by the Company in connection with the Issue including this Document or any Application Form, if and when received to a jurisdiction outside the United Kingdom, should read paragraph 7 of Part II of this Document.

Subject to certain exceptions, this Document and the Application Form should not be distributed, forwarded or transmitted in or into the United States or the Excluded Territories or in or into any jurisdiction or to any person where the extension or availability of the Issue would breach any applicable law.

The New Ordinary Shares and the Open Offer Entitlements have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States and, subject to certain exceptions, may not be offered, sold, pledged, resold, taken up, transferred, delivered or distributed, directly or indirectly, in, into or within the United States. There will be no public offer of the New Ordinary Shares or the Open Offer Entitlements in the United States. The New Ordinary Shares are being offered and sold outside the United States in "offshore transactions" as defined in and pursuant to Regulation S under the US Securities Act ("**Regulation S**"). There will be no public offer of the New Ordinary Shares in the United States.

The New Ordinary Shares, the Application Form and this Document have not been recommended, approved or disapproved by the SEC, any states securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Ordinary Shares or the accuracy or adequacy of the Application Form or this Document. Any representation to the contrary is a criminal offence in the United States.

The New Ordinary Shares and the Open Offer Entitlements have not been registered pursuant to or under any kind of Argentine regulation, and no filing of any kind has been done or requested to perform public offering of the New Ordinary Shares or the Open Offer Entitlements in Argentina in order to offer, sell, deliver, guaranty or transfer in any way the said securities to Argentina or to Argentine residents.

The Issue has not been and will not be registered under Brazilian Federal Law No 6,385/76 or under any other Brazilian securities law. Accordingly, none of the Company, the Ordinary Shares, the New Ordinary Shares, the Open Offer Entitlements or the Issue have been or will be registered with the Comissão de Valores Mobiliários. Therefore, as this Document does not constitute or form part of any public offering to sell or any solicitation of a public offering to take up Open Offer Entitlements or to buy any shares or assets, the Issue, the Open Offer Entitlements and the New Ordinary Shares hereby have not been, and will not be, and may not be offered for sale or sold in Brazil except in circumstances which do not constitute a public offering or distribution under Brazilian laws and regulations. Documents relating to the Ordinary Shares, the New Ordinary Shares and the Open Offer Entitlements, as well as the information contained herein, may not be supplied to the public, as a public offering in Brazil or be used in connection with any offer for subscription or sale any of the New Ordinary Shares and/or the Ordinary Shares to the public in Brazil.

The New Ordinary Shares and the Open Offer Entitlements have not been and will not be registered under any securities laws or regulations of the Netherlands and no general offer of the Existing Ordinary Shares or the New Ordinary Shares is being made into the Netherlands pursuant to this Document.

Any reproduction or distribution of this Document in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the New Ordinary Shares is prohibited, except to the extent such information is available publicly. By accepting delivery of this Document, each offeree of the New Ordinary Shares agrees to the foregoing.

None of the Company, the Directors, the Proposed Directors, HSBC, Dowgate or any of their respective affiliates or any of their or their respective affiliates' Representatives is providing prospective investors with any representations or warranties or any legal, financial, business, tax or other advice. Prospective investors should consult with their own advisers as needed to assist them in making their investment decision and to advise them whether they are legally permitted to purchase the New Ordinary Shares.

No action has been taken by the Company, HSBC or Dowgate that would permit an offer of the New Ordinary Shares or possession or distribution of this Document or any other offering or publicity material or the Application Form in any jurisdiction where action for that purpose is required, other than in the United Kingdom. None of the Company, HSBC and Dowgate or any of their respective affiliates, directors, officers, employees or advisers is making any representation to any offeree, purchaser or acquirer of New Ordinary Shares regarding the legality of an investment in the Issue or the New Ordinary Shares by such offeree, purchaser or acquirer under the laws applicable to such offeree, purchaser or acquirer.

The Company will comply with its obligation to publish a supplementary prospectus containing further updated information required by law or any regulatory authority but assumes no further obligation to publish additional documentation.

AVAILABLE INFORMATION

Copies of this Document will be available on the "Investors" section of the Company's website at www.s4capital.com and are also available for collection free of charge during normal business hours on any weekday (except Saturdays and public holidays) at the offices of the Company, 12 St James's Place, London SW1A 1NX from the date of this Document, and shall remain available for a period of one month from Admission.

This Document is dated 4 December 2018.

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SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A – E (A.1 – E.7). This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted into the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

Section A - Introduction and warnings		
<i>Element</i>	<i>Requirement</i>	<i>Disclosure</i>
A.1	Warning	This summary should be read as an introduction to this Document. Any decision to invest in the securities should be based on consideration of this Document as a whole by the investor. Where a claim relating to the information contained in this Document is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating this Document before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Document or it does not provide, when read together with the other parts of this Document, key information in order to aid investors when considering whether to invest in such securities.
A.2	Resale / final placement through financial intermediaries	Not applicable: the Company is not engaging any financial intermediaries for any resale of securities or final placement of securities after publication of this Document.

Section B - Issuer		
<i>Element</i>	<i>Requirement</i>	<i>Disclosure</i>
B.1	Legal and commercial name	S ⁴ Capital plc, which trades as S ⁴ Capital and/or S ⁴ Capital.
B.2	Domicile, legal form, legislation and country of incorporation	The Company is a public limited company incorporated in England and Wales under the Companies Act 2006 with registered number 10476913. It is subject to the Takeover Code.
B.3	Current operations, principal activities and markets	<p>The Company's strategy is to build a purely digital multi-national advertising and marketing services business, initially by acquisitions.</p> <p>The MediaMonks Group is an international creative content and production business that primarily develops digital content and internal digital channels across several business segments for</p>

		<p>brands and advertising agencies. The MediaMonks Group is headquartered in Hilversum, the Netherlands and has sales offices in New York, Los Angeles, London, Singapore, Dubai, Mexico City, Shanghai and San Francisco, and production hubs in Stockholm, Buenos Aires and Sao Paulo.</p> <p>The MightyHive Group, founded in 2012, is a programmatic solutions provider. MightyHive offers services focusing on implementation and support, campaign management, and consulting. MightyHive is headquartered in San Francisco, California and has offices in New York and internationally including Sydney, London, and Singapore.</p>
B.4a	Recent trends	<p>Advertising spend is shifting towards an increasing number of digital channels, increasing the importance of data and digital brands. Disintermediation in advertising has increased the strength of the relationship between brands and content producers. Consulting companies with strong IT experience are developing or acquiring creative content capabilities. Brands and marketers are focussed on efficiency in the delivery of marketing services. Programmatic advertising, which is predicted by WARC to reach \$84 billion in 2019, accounts for a significant and growing proportion of advertising spending.</p>
B.5	Group structure	<p>The Company is the parent company of the Group. At the date of this Document, the subsidiaries of the Company are: S4 Capital 2 Limited; S4 Capital Acquisitions 1 Limited; S4 Capital Acquisitions 2 Limited; S4 Capital Acquisitions 3 B.V. Limited; MediaMonks Multimedia Holding B.V.; MediaMonks B.V.; MediaMonks, Inc; MediaMonks Films LLC; MediaMonks London Ltd.; MediaMonks Stockholm AB; MediaMonks São Paulo Servicos de Internet para Publicidade Ltda.; MediaMonks Buenos Aires S.R.L.; MediaMonks Singapore Pte Ltd.; MediaMonks Hong Kong Ltd.; MediaMonks Information Technology (Shanghai) Co., Ltd.; MediaMonks FZ-LLC Ltd.; MediaMonks Mexico City S. de R.L. de C.V.; Superhero Cheesecake B.V.; Superhero Cheesecake Inc.; Made.For.Digital Holding B.V.; Bike Film Corporation B.V.; Made for Digital B.V.; Made.For.Digital Pe. Ltd.; Made.For.Digital Inc.; ebuilders B.V.; Blocklevel B.V.; S4 Capital Holdings Limited; S4 Capital US Holdings, LLC; and S4 Capital MergeCo, Inc.</p> <p>Upon Admission, S4 Capital MergeCo, Inc. will merge with and into MightyHive, Inc. ("MightyHive") with the result that MightyHive will become a wholly-owned subsidiary of the Company. From Admission, the Group will therefore also include the following subsidiaries (the "MightyHive Group"): MightyHive, Inc.; MightyHive AU Pty Ltd.; MightyHive Holdings ULC; MightyHive Ltd; MightyHive K.K.</p>
B.6	Notifiable interests, different voting rights and controlling interests	<p>The interests (all of which are or will be beneficial unless otherwise stated) of the Directors, the Proposed Directors and their connected persons in the share capital of the Company as at the date of this Document and as they are expected to be following Admission (assuming full take up under the Open Offer, save for the Available</p>

Shares), are as follows:

Shareowner	At the date of this Document		Following Admission	
	Number of Ordinary Shares	Interests in Ordinary Shares (%)	Number of Ordinary Shares	Interests in Ordinary Shares (%)
Sir Martin Sorrell	46,403,700	18.16%	46,403,700	12.77%
Paul Roy	1,369,258	0.54%	1,592,863	0.44%
Rupert Faure Walker	1,120,754	0.44%	1,303,777	0.36%
Sue Prevezzer	-	-	227,272	0.06%
Victor Knaap / Wesley ter Haar ⁺	39,619,076	15.51%	39,619,076	10.90%
Peter Rademaker	708,132	0.28%	708,132	0.19%
Peter Kim ⁺	-	-	9,718,862	2.67%
Christopher Martin ⁺	-	-	8,532,760	2.35%
Daniel Pinto [§]	232,600	0.09%	27,505,328	7.57%

Sir Martin Sorrell also holds the B Share as a result of which he exercises a significant degree of control over the Company. The holder of the B Share is able, among other rights, to defeat any resolution proposed by the Company. Sue Prevezzer has agreed to subscribe for 227,272 New Ordinary Shares pursuant to the Firm Placing.

⁺ Victor Knaap and Wesley ter Haar hold their interests in Ordinary Shares through (i) Oro en Fools B.V., their joint personal holding vehicle which is owned (indirectly) 50 per cent. by Victor Knaap and 50 per cent. by Wesley ter Haar; and (ii) Zen 2 B.V. the ordinary share capital of which is owned 51 per cent. by Oro en Fools B.V. and 49 per cent. by funds managed by Bencis Capital Partners B.V. The interests in Ordinary Shares of Victor and Wesley noted above are the aggregate totals of the Ordinary Shares held by these entities. Certain of the interests of Christopher Martin and Peter Kim will be held by them through certain family trust arrangements.

[§] Daniel Pinto's holding includes New Ordinary Shares which are expected to be held by Stanhope, which is managed by Stanhope Capital LLP, part of the Stanhope Group, of which Daniel Pinto is the CEO.

The Company is aware of the following persons who are or are expected to be interested, directly or indirectly, in three per cent. or more of the issued share capital of the Company as at the latest practicable date and following Admission (assuming full take up under the Open Offer, save for the Available Shares):

Shareowner	As at the date of this Document		Immediately following Admission	
	Number of Ordinary Shares	Interests in Existing Ordinary Shares (%)	Number of Ordinary Shares	Interests in Enlarged Share Capital (%)
Sir Martin Sorrell	46,403,700	18.16%	46,403,700	12.77%
Toscafund Asset Management	34,081,715	13.34%	41,692,844	11.47%
Oro en Fools B.V.	30,808,225	12.06%	30,808,225	8.48%
Canaccord Genuity Wealth Management	24,213,615	9.48%	33,395,064	9.19%
EBT	11,709,601	4.58%	15,271,032	4.20%
Rathbones	10,058,812	3.94%	12,155,999	3.35%
TT International	9,940,161	3.89%	11,563,427	3.18%
Lansdowne Partners	9,940,161	3.89%	11,563,427	3.18%
Zen 2 B.V.	8,810,851	3.45%	8,810,851	2.42%
Stanhope	-	-	27,272,728	7.50%

B.7

Selected historical key financial information

Summary audited financial information of the Company for the period from incorporation on 14 November 2016 to 31 December 2017 prepared in accordance with IFRS

In the period from incorporation on 14 November 2016 to 31 December 2017, the Company: (i) incurred a total comprehensive loss of £156,009; (ii) issued shares with an aggregate nominal value of £625,000 and a share premium of £1,689,250; taking into account the total comprehensive loss for the period, the Company therefore had total equity of £2,158,241 as at 31 December 2017; and (iii) had net cash flow from financing activities was £2,314,250 and its

		<p>net cash used in operating activities was £142,208; as the Company began the period with a cash balance of nil, it ended the period with cash and cash equivalents of £2,172,042. As at 31 December 2017, the Company had net assets of £2,158,241.</p> <p>During the period from incorporation on 14 November 2016 to 31 December 2017, the Company's shares were admitted to the standard segment of the Official List and to trading on the London Stock Exchange's Main Market on 29 December 2016 when it raised approximately £2.28 million via a placing at 10 pence per Old Ordinary Share. On 31 August 2017, the Company expanded the scope of its investment criteria to include the wider technology sector.</p> <p>On 29 May 2018 the Company entered into a conditional share purchase agreement to acquire all the issued and outstanding S⁴ Limited Ordinary Shares and S⁴ Limited Founder Shares which completed on 28 September 2018.</p> <p>Summary unaudited interim financial information of the Company for the six months ended 30 June 2018 prepared in accordance with IFRS</p> <p>In the six months ended 30 June 2018, the Company: (i) incurred a total comprehensive loss of £138,086 (total comprehensive loss for the period from incorporation on 14 November 2016 to 30 June 2017: £140,211); (ii) as a result of the loss for the period of £138,086, had total equity reduced from £2,158,241 as at 1 January 2018 to £2,020,155 as at 30 June 2018; and (iii) had cash and cash equivalents decreased by £68,008 (net increase in cash and cash equivalents in the period from incorporation on 14 November 2016 to 30 June 2017: £2,193,961), accordingly the Company's cash and cash equivalents of £2,172,042 as at 1 January 2018 (cash and cash equivalents as at 14 November 2016: nil) reduced to £2,104,034 as at 30 June 2018 (cash and cash equivalents as at 30 June 2017: £2,193,961). As at 30 June 2018, the Company had net assets of £2,020,155 (net assets as at 30 June 2017: £2,191,039).</p> <p>On 28 September 2018, the Company acquired S⁴ Limited pursuant to the S⁴ Acquisition Agreement. The S⁴ Acquisition was funded by the issue of 241,285,077 Ordinary Shares and the B Share to the shareowners of S⁴ Limited.</p> <p>On 14 November 2018, the Company announced that the revenue of the Group had increased to €29.3 million (an increase of approximately 45 per cent. over the same quarter in 2017) and that Gross Margin had increased to €20.4 million (an increase of approximately 32 per cent. over the same quarter in 2017). Year to date revenue has also increased over 48 per cent. compared to the first nine months of 2017 to €83.4 million, with Gross Margin increasing approximately 40 per cent. to €59.7 million over the same period.</p> <p>Summary audited financial information for S⁴ Limited for the period from incorporation on 22 May 2018 to 30 June 2018 prepared in accordance with IFRS</p>
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In the period from incorporation on 22 May 2018 to 30 June 2018, S⁴ Limited: (i) incurred a total comprehensive loss of €1,342,000; (ii) issued shares with an aggregate nominal value of €66,000 and a share premium (net of issue costs) of €56,863,000; taking account of the total comprehensive loss for the period, and S⁴ Limited's equity as at incorporation on 22 May 2018 of nil, S⁴ Limited therefore had total equity of €55,587,000 as at 30 June 2018; and (iii) had net cash flow from financing activities was €56,929 and its net cash used in operating and investing activities was €189,000; as S⁴ Limited began the period with a cash balance of nil, it ended the period with cash and cash equivalents of €57,118,000. As at 30 June 2018, S⁴ Limited had net assets of €55,587,000.

On 29 May 2018, S⁴ Limited raised £51 million in cash through the issue of (i) 11,000,000 ordinary shares of £0.001 each in the capital of S⁴ Limited for cash at a price of £1.00 each; (ii) 39,900,000 "B" ordinary shares of £0.001 each in the capital of S⁴ Limited for cash at a price of £1.00 each; and (iii) 4,000 "A2" ordinary shares of £2.00 each in the capital of S⁴ Limited for cash at a price of £25.00 each. On 9 July 2018, S⁴ Limited issued 108,593,040 ordinary shares of £0.001 each in the capital of S⁴ Limited for cash at a price of £1.17 each.

On 9 July 2018 S⁴ Capital Acquisitions B.V. acquired MediaMonks Multimedia Holding B.V for a purchase consideration based on an enterprise valuation of €300 million. Upon completion of the acquisition, a further 47,974,876 ordinary shares of £0.001 each in the capital of S⁴ Limited were issued for cash at a price of £1.17 each to directors and people of the MediaMonks Group (or their affiliated entities) for aggregate proceeds of £56,130,569.80.

Audited financial statements for the MediaMonks Group for the three years to 31 December 2017 prepared in accordance with IFRS

	Years ended 31 December			
	2015 €000	2016 €000	2017 €000	
Consolidated statement of comprehensive income				
Revenue	36,231	65,838	75,655	
Costs of sales	(6,464)	(17,750)	(17,780)	
Gross profit	29,767	48,088	57,875	
Administrative expenses	(27,443)	(45,321)	(50,921)	
EBITDA	4,760	4,515	8,277	
Operating profit	2,324	2,767	6,954	
Profit before tax	2,590	2,100	5,324	
Profit after tax	1,742	1,112	3,302	
Consolidated statement of financial position				
	1 January 2015 €000	31 December 2015 €000	31 December 2016 €000	31 December 2017 €000
Total non-current assets	1,281	6,041	12,557	12,034
Total current assets	7,110	14,637	19,355	21,745
Total current liabilities	(3,640)	(11,779)	(16,809)	(16,294)
Total non-current liabilities	(45)	(2,166)	(6,071)	(5,926)
Net assets	4,706	6,733	9,032	11,559
Total equity	4,706	6,733	9,032	11,559

Consolidated statement of changes in equity	Share capital €000	Share premium €000	Retained earnings €000	Other reserve €000	Foreign exchange reserve €000	total attributable to equity holders of parent €000	Non-controlling interest €000	Total equity €000
At 1 January 2015	18	30	4,701	-	18	4,767	(61)	4,706
Profit for the year	-	-	1,676	-	-	1,676	66	1,742
Other comprehensive income	-	-	-	-	138	138	22	160
Acquired in business combination	-	-	-	-	-	-	138	138
Dividends paid to parent	-	-	-	-	-	(556)	-	(556)
Share-based payments	-	543	(556)	-	-	543	-	543
Equity as at 31 December 2015	18	573	5,821	-	156	6,568	165	6,733
Profit for the year	-	-	560	-	-	560	552	1,112
Other comprehensive income	-	-	-	-	(11)	(11)	-	(11)
Fair value adjustment of initial recognition of loans due to parent	-	-	-	-	-	804	-	804
Increase in non-controlling interest through business combinations	-	-	-	804	-	-	409	409
Dividends paid to non-controlling interests	-	-	-	-	-	-	(15)	(15)
Equity as at 31 December 2016	18	573	6,381	804	145	7,921	1,111	9,032
Profit for the year	-	-	2,580	-	-	2,580	722	3,302
Other comprehensive income	-	-	-	-	(330)	(330)	(11)	(341)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(434)	(434)
Equity as at 31 December 2017	18	573	8,961	804	(185)	10,171	1,388	11,559

Consolidated statement of cash flows	Years ended 31 December		
	2015 €000	2016 €000	2017 €000
Net cash flows from operating activities	3,150	3	6,605
Net cash used in investing activities	(5,488)	(5,064)	(1,585)
Net cash received from financing	1,520	2,712	(777)
Net increase / (decrease) in cash and cash equivalents	(818)	(2,349)	4,243
Cash and cash equivalents at the beginning of the year	775	106	(2,358)
Cash and cash equivalents at the end of the year	106	(2,358)	1,620

Cash and cash equivalents reported in the statement of cash flows differs from that in the statement of financial position as it includes bank overdrafts. In the statement of financial position bank overdrafts are reported in loans and borrowings.

During the three years to 31 December 2017, there were no significant changes to the MediaMonks Group's financial condition and operating results.

On 9 July 2018 MediaMonks Multimedia Holding B.V. acquired the interests in eBuilders B.V., Superhero Cheesecake B.V. and Made.For.Digital Holding B.V. that were not already owned by the MediaMonks Group for an aggregate consideration of €20.83 million. Immediately thereafter, the Group acquired MediaMonks Multimedia Holding B.V. for a purchase consideration derived from an enterprise value of €300 million.

Unaudited interim financial statements of the MediaMonks Group for the six months ended 30 June 2018 and 30 June 2017 prepared in accordance with IFRS

Consolidated statement of comprehensive income	Six months ended 30 June 2017 €000	Six months ended 30 June 2018 €000
Revenue	36,033	54,148
Costs of sales	(8,848)	(14,874)
Gross profit	27,185	39,274
Administrative expenses	(24,799)	(28,866)
Operating profit	2,386	10,408
Profit before tax	1,717	10,290
Profit after tax	1,331	7,548
Consolidated statement of financial position		As at 30 June 2018 €000
Total non-current assets		12,599
Total current assets		27,988
Total current liabilities		(16,057)
Total non-current liabilities		(5,675)
Net assets		18,855
Total equity		18,855

	Six months ended 30 June		
	2017	2018	
	€000	€000	
Consolidated statement of cash flows			
Net cash flows from operating activities	3,631	4,499	
Net cash used in investing activities	(597)	(1,022)	
Net cash received from financing	(309)	(473)	
Net increase / (decrease) in cash and cash equivalents	2,725	3,004	
Cash and cash equivalents at the beginning of the period	(2,358)	1,620	
Cash and cash equivalents at the end of the period	294	4,683	

Cash and cash equivalents reported in the statement of cash flows differs from that in the statement of financial position as it includes bank overdrafts. In the statement of financial position bank overdrafts are reported in loans and borrowings.

	Share capital €000	Share premium €000	Retained earnings €000	Other reserve €000	Foreign exchange reserve €000	Total attributable to equity holders of parent €000	Non-controlling interest €000	Total equity €000
Consolidated statement of changes in equity								
Equity as at 31 December 2017	18	573	8,961	804	(185)	10,171	1,388	11,559
Profit for the period	-	-	6,822	-	-	6,822	726	7,548
Other comprehensive income	-	-	-	-	43	43	11	54
Dividends paid to non-controlling interests	-	-	-	-	-	-	(306)	(306)
Equity as at 30 June 2018	18	573	15,783	804	(142)	17,036	1,819	18,855

	Share capital €000	Share premium €000	Retained earnings €000	Other reserve €000	Foreign exchange reserve €000	Total attributable to equity holders of parent €000	Non-controlling interest €000	Total equity €000
Consolidated statement of changes in equity								
Equity as at 31 December 2016	18	573	6,381	804	145	7,921	1,111	9,032
Profit for the period	-	-	859	-	-	859	472	1,331
Other comprehensive income	-	-	-	-	(205)	(205)	3	(202)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(205)	(205)
Equity as at 30 June 2017	18	573	7,240	804	(60)	8,575	1,381	9,956

During the six months to 30 June 2018, there were no significant changes to the MediaMonks Group's financial condition and operating results.

On 14 November 2018, the Company announced that the unaudited revenue of the Group increased to €29.3 million (an increase of approximately 45 per cent. over the same quarter in 2017) and that unaudited Gross Margin had increased to €20.4 million (an increase of approximately 32 per cent. over the same quarter in 2017). Year to date unaudited revenue has also increased over 48 per cent. compared to the first nine months of 2017 to €83.4 million, with unaudited Gross Margin increasing approximately 40 per cent. to €59.7 million over the same period.

Audited financial statements of the MightyHive Group for the year to 31 December 2017 prepared in accordance with US GAAP

	Year ended 31 December 2017
	\$
Consolidated statement of comprehensive income	
Revenue	24,569,019
Costs of sales	(6,114,460)
Gross profit	18,454,559
Operating expenses	(13,224,323)
Income from operations	5,230,236
Income before income taxes	5,210,224
Income after income taxes	1,840,729
Consolidated balance sheet	
31 December 2017	
\$	
Total assets	64,987,717
Total liabilities	(59,544,059)
Net assets	5,443,658
Total equity	5,443,658

		Year ended 31 December 2017						
		\$						
Consolidated statement of cash flows								
Net cash flows from operating activities		8,971,988						
Net cash used in investing activities		(410,591)						
Net cash received from financing		7,284						
Net increase / (decrease) in cash and cash equivalents (after adjusting for exchange rate movements)		8,590,357						
Cash and cash equivalents at the beginning of the year		9,251,415						
Cash and cash equivalents at the end of the year		17,841,772						
Consolidated statement of changes in equity								
	Convertible preferred stock	Common stock		Additional paid-in capital	Retained earnings (deficit)	Accumulated other comprehensive income (loss)	Total stockholders' equity	
	Shares	Amount (\$)	Shares	Amount (\$)	(\$)	(\$)	(\$)	
Balance at 31 December 2016	2,667,381	2,667	8,132,334	8,097	3,231,693	(104,585)	(15,692)	3,122,180
Issuance of common stock on exercise of stock options	-	-	10,872	11	7,273	-	-	7,284
Stock-based compensation	-	-	-	-	4,517,89	-	-	451,789
Components of comprehensive income:								
- Net income	-	-	-	-	-	1,840,729	-	1,840,729
- Currency translation adjustments	-	-	-	-	-	-	21,676	21,676
Balance at 31 December 2017	2,667,381	2,667	8,143,206	8,108	3,690,755	1,736,144	5,984	5,443,658

There was no significant change to the MightyHive Group's financial condition and operating results during the year to 31 December 2017 and, as at the date of this Document, there has been no such change other than the entry by the MightyHive Group into the Merger Agreement.

B.8	Selected key pro forma financial information	Unaudited pro forma income statement						
		The Company for the year ended 31 December 2017	S ⁴ Limited for the period ended 30 June 2018	The MediaMonks Group for the year ended 31 December 2017	MightyHive for the year ended 31 December 2017 (IFRS)	Other adjustments	Pro forma earnings of the Enlarged Group	
		€000	€000	€000	€000	€000	€000	
		Note (1)	Note (2)	Note (2)	Note (3)			
Revenue		-	-	75,655	22,677	-	98,332	
Cost of sales		-	-	(17,780)	(5,643)	-	(23,423)	
Gross profit		-	-	57,875	17,034	-	74,909	
Total administrative expenses		(192)	(1,356)	(50,921)	(12,569)	(13,962)	(79,000)	
Operating (loss) profit		(192)	(1,356)	6,954	4,465	(13,962)	(4,091)	
Finance income		15	14	-	3	-	32	
Finance cost		-	-	(1,630)	-	380	(1,250)	
(Loss) profit before taxation		(177)	(1,342)	5,324	4,468	(13,582)	(5,309)	
Income tax		-	-	(2,022)	(2,769)	-	(4,791)	
(Loss) profit after taxation		(177)	(1,342)	3,302	1,699	(13,582)	(10,100)	

(1) The results of the Company for the year ended 31 December 2017 have been extracted without material adjustment from the financial statements of the Company for the year then ended, and have then been converted from sterling into euros, the reporting currency of the Company. The average exchange rate for 2017 of €1.14:£1 has been used to convert the sterling amounts in the Company's income statement into euros.

(2) The results of S⁴ Limited have been extracted without material adjustment from the financial information on S⁴ Limited for the period ended 30 June 2018 and the results of the MediaMonks Group have been extracted without material adjustment

from the financial information on the MediaMonks Group for the year ended 31 December 2017.

(3) The results of MightyHive for the year ended 31 December 2017 have been extracted without material adjustment (save for conversion to Euros) from the US GAAP financial statements of MightyHive for the year then ended. The exchange rate used to convert the income statement is the average rate for the year ended 31 December 2017 of \$1:€0.923, restating the results of MightyHive for the year ended 31 December 2017 onto the IFRS accounting policies adopted by the Company.

(4) Save for the estimated costs of the acquisition of S⁴ Limited and of the acquisition of MightyHive, the trading results of S⁴ Limited and of the MediaMonks Group and of MightyHive and the interest charge on the €50 million term loan are expected to have a continuing effect on the Enlarged Group. No account has been taken of the trading performance of the Company or of the MediaMonks Group or of MightyHive since 31 December 2017, or of S⁴ Limited since 30 June 2018, nor of any other event save as disclosed above.

Unaudited pro forma statement of net assets

	Adjustments						Pro forma net assets of the Enlarged Group €000
	The Company as at 31 December 2017 €000 Note (1)	S ⁴ Limited and MediaMonks as at 30 June 2018 €000	Acquisition of the Enlarged S ⁴ Limited Group €000 Note (2)	MightyHive at 31 December 2017 (IFRS) €000 Note (3)	Acquisition of MightyHive €000 Note (4)	Net Issue proceeds €000	
Assets							
Non-current assets							
Property, plant and equipment	-	2,937	-	365	-	-	3,302
Intangible assets	-	283,313	19,092	-	120,417	-	422,822
Other receivables	-	787	-	205	-	-	992
Deferred tax asset	-	164	-	46	-	-	210
	-	287,201	19,092	616	120,417	-	427,326
Current assets							
Trade and other receivables	-	23,369	-	38,657	-	-	62,026
Cash and cash equivalents	2,378	11,439	-	14,862	(74,971)	82,087	35,795
Total current assets	2,378	34,808	-	53,519	(74,971)	82,087	97,822
Total assets	2,378	322,009	19,092	54,135	45,446	82,087	525,147
Liabilities							
Non-current liabilities							
Trade and other payables	-	(150)	-	(420)	-	-	(570)
Loans and borrowings	-	(48,938)	-	-	-	-	(48,938)
Deferred tax	-	(91)	-	-	-	-	(91)
Total non-current liabilities	-	(49,179)	-	(420)	-	-	(49,599)
Current liabilities							
Trade and other payables	(95)	(15,555)	-	(49,181)	(2,308)	-	(67,139)
Taxation	-	(2,074)	-	-	-	-	(2,074)
Total current liabilities	(95)	(17,629)	-	(49,181)	(2,308)	-	(69,213)
Total liabilities	(95)	(66,808)	-	(49,601)	(2,308)	-	(118,812)
Net assets	2,283	255,201	19,092	4,534	43,138	82,087	406,335

(1) The net assets of the Company at 30 June 2018 have been extracted without material adjustment (other than being converted from sterling into euros) from the interim unaudited financial statements of the Company for the six months ended 30 June 2018. The exchange rate as at 30 June 2018 of €1.13:£1 has been used to convert the Company's net assets from sterling into euros.

(2) The estimated goodwill arising on the acquisition of S⁴ Limited has been extracted from the table set out in note 3 to the pro forma net assets statement set out in Part XI of the Company's prospectus dated 11 September 2018.

(3) The net assets of MightyHive at 31 December 2017 under US GAAP have been extracted without material adjustment (save for the conversion to Euros) from the

		<p>audited financial statements of MightyHive for the year then ended 31 December 2017, convert the net assets with an exchange rate of \$1:€0.833, and restating the net assets of MightyHive as at 31 December 2017 onto the IFRS accounting policies adopted by the Company.</p> <p>(4) For the purposes of this pro forma information, no adjustment has been made to the separate assets and liabilities of MightyHive to reflect their fair value. The estimated value of the intangible assets arising on the acquisition of MightyHive is €120.4 million.</p> <p>(5) No account has been taken of the financial performance of the Company since 31 December 2017 or the Enlarged S⁴ Limited Group since 30 June 2018 or of MightyHive since 31 December 2017 nor of any other event save as disclosed above.</p>
B.9	Profit forecasts	Not applicable; this Document does not contain profit forecasts or estimates.
B.10	Qualifications in the audit report	Not applicable; the audit reports on the historical financial information contained in this Document are not qualified.
B.11	Insufficient working capital	Not applicable; the Company is of the opinion that the Group has sufficient working capital for its present requirements (that is, for at least the next twelve months from the date of this Document).

Section C - Securities

<i>Element</i>	<i>Requirement</i>	<i>Disclosure</i>
C.1	Description of type and class of securities being offered	<p>The Company proposes to raise gross proceeds of £74.0 million (£70.6 million net of expenses) through the issue of 25,549,460 New Ordinary Shares through a Firm Placing and 41,723,267 New Ordinary Shares through a Placing and Open Offer, in each case at 110 pence per new Ordinary Share. The S⁴Capital Employee Benefit Trust will, upon Admission, subscribe for 3,561,431 New Ordinary Shares at nominal value, using a loan advanced to it by the Company out of the Company's distributable reserves.</p> <p>Pursuant to the terms of the Merger Agreement, the Company is also proposing to issue 37,068,087 New Ordinary Shares to the holders of MightyHive Common Shares and to grant Rollover Options over 8,984,159 Ordinary Shares to the holders of MightyHive Options (together, the "MightyHive Equityowners") upon Admission, valued at the Issue Price. The ISIN of the Existing Ordinary Shares (and the New Ordinary Shares once admitted to trading) is GB00BFZZM640 and the SEDOL code is BFZZM64.</p>
C.2	Currency of securities	The Ordinary Shares are denominated in pounds sterling.
C.3	Number of Ordinary Shares issued and par value	The issued and fully paid up share capital of the Company as at 3 December 2018 (being the latest practicable date prior to publication of this Document) was £63,873,669.50 divided into 255,494,678 Ordinary Shares of £0.25 each and one B Share of £1.00.

C.4	Rights attaching to the securities	The New Ordinary Shares will be issued credited as fully paid and will rank <i>pari passu</i> in all respects with the Existing Ordinary Shares, including the right to receive all dividends or other distributions paid or made after Admission. The Ordinary Shares rank equally among themselves for voting purposes. On a show of hands, each Shareowner has one vote and on a poll each Shareowner has one vote per Ordinary Share held. The holder of the B Share has one vote if such holder is voting for a resolution or such number of votes as may be required to the defeat the resolution if voting against. The Ordinary Shares rank equally for dividends declared and for any distributions on a winding-up. The B Share carries no entitlement to dividends. The Ordinary Shares rank equally in the right to receive a relative proportion of shares in the case of a capitalisation of reserves.
C.5	Restrictions on transferability	The Ordinary Shares are freely transferable and there are no restrictions on transfer.
C.6	Admission	Subject to, <i>inter alia</i> , Shareowner approval, application will be made for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities, which is a regulated market. Application will also be made to the FCA for the New Ordinary Shares to be admitted to the standard segment of the Official List. The Ordinary Shares (and the New Ordinary Shares when issued and allotted) are not and will not be listed on any other regulated market.
C.7	Dividend policy	The Directors and the Proposed Directors intend to commence the payment of dividends when it becomes commercially prudent to do so. The payment of dividends will be subject to maintaining an appropriate level of dividend cover and the need to retain sufficient funds for reinvestment in the business, to finance any capital expenditure and for other working capital purposes. Within these parameters, the Company's dividend policy will remain continually under review. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount or timing of such dividends, if any.

Section D - Risks		
<i>Element</i>	<i>Disclosure requirement</i>	<i>Disclosure</i>
D.1	Information on the key risks that are specific to the Company or its industry	Completion of the Merger Agreement is subject to a number of conditions precedent, some of which are not within the control of the Company, accordingly, there can be no guarantee that such conditions will be satisfied and accordingly that the MightyHive Acquisition will complete in accordance with the terms of the Merger Agreement or at all. If the MightyHive Acquisition does not complete, the Group will bear material unrecovered transaction costs of approximately £1.5 million, which may adversely affect the financial

		<p>position and prospects of the Group. Additionally, the Group may suffer reputational damage which may make the identification and execution of further acquisitions materially more difficult.</p> <p>Pursuant to the Merger Agreement, the Group has an obligation (conditional upon the MightyHive Acquisition proceeding to completion) to make payments to the selling security holders of MightyHive in US Dollars. The Issue Price and therefore the proceeds of the Issue will be denominated and settled in pounds sterling. Accordingly, the Group is subject to the risk of adverse movements in the exchange rate between US Dollars and pounds sterling in the period between entry into the Merger Agreement and completion of the MightyHive Acquisition. If there is a material adverse move in the exchange rate between US Dollars and pounds sterling which is not mitigated fully or at all, there is a risk that the proceeds of the Issue will be insufficient to meet the cash consideration due upon completion of the Merger Agreement; in such circumstances the Company would be required to draw down on its Revolving Facility to complete the Merger Agreement.</p> <p>The digital media and communication services industry is highly competitive. The ability to attract new clients and to retain or increase the amount of work from existing clients may also in some cases be limited by client policies on conflicts of interest. Clients moving their accounts to another digital media production company or programmatic services provider on relatively short notice or placing restrictions on the representation or servicing of competing accounts or product lines, could have a material adverse effect on the MediaMonks Group's and/or the MightyHive Group's market share and their business, revenues, results of operations, financial condition or prospects, and therefore those of the Group.</p> <p>Data protection and privacy laws and regulations govern the Group's ability to collect and use personal information. The services currently provided by the Group (or those which may be provided by the Group in future) may derive value from and ultimately incorporate the data held by the Group's clients on such clients' underlying customers. While the Group will seek to implement contractual safeguards, as a result of making platform and data analysis services directly accessible to clients, the Group may not be able to control whether or not personal data is uploaded into its systems by such clients. To the extent that data protection regulation and legislation, in the EU or in any other territory, restricts or prevents the Group and its clients from using underlying customer data to tailor and target marketing and advertisements, the Group's business, revenues, results of operations, financial condition or prospects may be adversely affected.</p> <p>The Directors and the Proposed Directors consider a number of executives key to the management of the Group, including Sir Martin Sorrell, Victor Knaap, Wesley ter Haar, Peter Rademaker and, following Admission, Peter Kim and Christopher Martin. The Directors and the Proposed Directors believe that the loss of any key people could significantly impede the Group's financial plans, product development, project completion, marketing and other plans, which could affect its ability to comply with its financing</p>
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		<p>arrangements and other commitments.</p> <p>Each of the Term Loan and the Revolving Facility has a floating interest rate. As a result of having floating rate debt, the Group is exposed to movements in certain reference interest rates (under the terms of the HSBC Facilities Agreement, EURIBOR and LIBOR). To the extent that such reference rates increase, the amount of interest payable by the Group will increase which may have a material adverse effect on the Company's and the Group's business, prospects, financial condition and results of operations.</p>
D.3	Information on the key risks that are specific to the Ordinary Shares	<p>The market for Ordinary Shares may be, or may become, relatively illiquid, particularly given the lock-in and orderly market arrangements to which such shares are subject and therefore the Ordinary Shares may be or may become difficult to sell. The market price of the Ordinary Shares could be subject to significant fluctuations.</p> <p>The Group has in place an incentivisation scheme through which Sir Martin Sorrell and other executives will be rewarded for increases in shareowner value, subject to certain conditions and performance hurdles. If the performance condition attaching to the Incentive Shares is satisfied the Company could become obliged to issue Ordinary Shares in satisfaction of the rights of the Incentive Shares. In such circumstances, the holders of Ordinary Shares may face significant dilution.</p> <p>Sir Martin Sorrell holds the B Share. As the holder of the B Share, Sir Martin does and will continue to have extensive control rights over the Company, including the right to block shareholder resolutions, certain acquisitions and disposals and executive appointments. Since the control rights that Sir Martin exercises via the B Share are negative in nature, there is a risk that, should the interests of Sir Martin and the Company and/or the other Shareowners come into conflict, the Company would be deadlocked and unable to take any action to further its operations and strategy.</p> <p>The Company may issue additional Ordinary Shares to fund acquisitions. Shareowners may not be offered the right or opportunity to participate in any such future share issues, which may dilute existing Shareowners' interests in the Company.</p> <p>Application will be made for the New Ordinary Shares to be admitted to a Standard Listing on the Official List. A Standard Listing affords Shareowners a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List.</p>

SECTION E - Offer		
<i>Element</i>	<i>Requirement</i>	<i>Disclosure</i>
E.1	Net proceeds and expenses	The Company is proposing to raise net proceeds of £70.6 million pursuant to the Issue. The total costs (including fees and commissions, but exclusive of VAT) payable by the Company in

		<p>connection with Admission are estimated to be £3.4 million. Pursuant to the terms of the Merger Agreement, the Company is also proposing to issue 37,068,087 New Ordinary Shares and to grant Rollover Options over 8,984,159 Ordinary Shares to the MightyHive Equityowners valued at the Issue Price. The Company is also proposing to issue 3,561,431 New Ordinary Shares to the EBT in order to fund future incentive arrangements for MightyHive's people.</p>
E.2a	Reasons for the offer, use of proceeds, estimated net amount of the proceeds	<p>Following Admission, the Company's principal use of the net proceeds of the Issue will be to pay the consideration due under the Merger Agreement and to meet other expenses arising in connection with the MightyHive Acquisition and Admission. Any surplus net proceeds of the Issue will be used for general corporate purposes and to further implement the Company's strategy.</p>
E.3	A description of the terms and conditions of the offer.	<p>The Issue requires Shareowner approval which will be sought at the General Meeting. Irrevocable undertakings to vote in favour of the Resolutions have been received from 8 Shareowners representing 39.60 per cent. of the Existing Ordinary Shares. Sir Martin Sorrell has also given an irrevocable undertaking to vote the B Share in favour of the Resolutions. The Issue Price represents a discount of 4 per cent. to the Closing Price of 114.5 pence per Existing Ordinary Share on 3 December 2018 (being the last business day prior to the announcement of the Issue). Pursuant to the Placing Agreement, the Joint Bookrunners have severally agreed to use their respective reasonable endeavours to procure Firm Placees for 25,549,460 New Ordinary Shares at the Issue Price, representing gross proceeds of approximately £28.1 million. The Firm Placed Shares are not subject to clawback and are not part of the Placing and Open Offer.</p> <p>The Open Offer Shares are being offered to existing Shareowners by way of the Placing and Open Offer (representing gross proceeds of £45.9 million). The Open Offer provides an opportunity for Qualifying Shareowners to participate in the fundraising (subject to compliance with applicable securities laws) by subscribing for their Open Offer Entitlement. Qualifying Shareowners will have an Open Offer Entitlement of 1 Open Offer Shares for every 6.123555 Existing Ordinary Shares registered in the name of the relevant Qualifying Shareowner on the Record Date and so in proportion to any other number of Existing Ordinary Shares held (without taking into account allocations made in respect of the Firm Placing or the Placing). Pursuant to the Placing Agreement, the Joint Bookrunners have severally agreed to use their respective reasonable endeavours to conditionally place all of the Open Offer Shares with institutional investors at the Issue Price subject to clawback to satisfy valid applications by Qualifying Shareowners under the Open Offer (subject to certain exceptions).</p> <p>Sir Martin Sorrell, Peter Rademaker, Daniel Pinto, the EBT, Oro en Fools B.V. and Zen 2 B.V. (being the joint holding companies under the control of Victor Knaap and Wesley ter Haar) have undertaken not to take up any of their respective Open Offer Entitlements which represent (in aggregate 16,113,694 New Ordinary Shares). Such shares will instead be placed with Stanhope by the Joint</p>

		Bookrunners. Stanhope has also agreed to subscribe for 8,431,324 Firm Placed Shares and 3,227,711 Placing Shares. The Placing Shares that are not Available Shares for which Stanhope has agreed to subscribe will be subject to clawback to satisfy Open Offer Entitlements.
E.4	A description of any interest that is material to the issue/ offer including conflicting interests.	The MightyHive Equityowners will in aggregate, pursuant to the Merger Agreement, be allotted 37,068,087 New Ordinary Shares and granted Rollover Options over 8,984,159 Ordinary Shares. Sir Martin Sorrell holds the B Share and the A2 Incentive Shares and is also a material shareholder in WPP plc, which is a potential competitor of the Group.
E.5	Offerors and lock up arrangements	<p>Sir Martin Sorrell, Rupert Faure Walker, Paul Roy and the MediaMonks Subscribers have entered into lock-in arrangements in respect of the Ordinary Shares they received on 28 September 2018 for a period of 24 months from 28 September 2018 in the case of Sir Martin Sorrell and the MediaMonks Subscribers and for a period of 12 months from 28 September 2018 in the case of Rupert Faure Walker and Paul Roy. Sue Prevezer, Rupert Faure Walker and Paul Roy have entered into lock-in agreements in respect of the New Ordinary Shares for which each has agreed to subscribe pursuant to the Issue for a period of 12 months from Admission.</p> <p>The MightyHive Equityowners have entered into (or are expected to do so prior to Admission as a condition of receiving the consideration to which they are entitled under the Merger Agreement) lock-in arrangements in respect of the New Ordinary Shares they will receive on Admission and/or the Ordinary Shares they will receive on exercise of Rollover Options (as applicable), for a period of 24 months from Admission. Stanhope has entered into a lock-in in respect of the New Ordinary Shares it will receive on Admission for a period for a period of 24 months from Admission.</p>
E.6	Immediate dilution resulting from the offer and if they do not subscribe to the new offer.	Following the issue of all New Ordinary Shares pursuant to the Issue, the EBT Subscription and the Consideration Issue, Qualifying Shareowners who do not take up any of their Open Offer Entitlements will suffer a dilution of approximately 18.21 per cent. Qualifying Shareowners who take up their Open Offer Entitlements in full will suffer a dilution of 29.69 per cent.
E.7	Estimated expenses charged to the investor by the issuer or the offeror.	The costs and expenses (including irrecoverable VAT) of, and incidental to, Admission, the Issue and the MightyHive Acquisition payable by the Company are expected to be £3.4 million, or approximately 4.59 per cent. of the gross proceeds of the Issue. Other than such expenses, which the Company intends to pay out of the proceeds of the Issue, there are no commission, fees or expenses to be charged to investors by the Company under the Issue.

RISK FACTORS

Investment in the Company and the New Ordinary Shares carries a significant degree of risk, including risks in relation to the Company's business strategy, potential conflicts of interest, risks relating to taxation and risks relating to the New Ordinary Shares.

Prospective investors should note that the risks relating to the business and operations of the Group, its proposed sector of activity, its financial profile, the New Ordinary Shares and taxation summarised in the section of this Document headed "Summary" are the risks that the Directors and the Proposed Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the New Ordinary Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Document headed "Summary" but also, among other things, the risks and uncertainties described below.

The risks referred to below are those risks the Company, the Directors and the Proposed Directors consider to be the material risks relating to the Group. However, there may be additional risks that the Company, the Directors and the Proposed Directors do not currently consider to be material or of which the Company, the Directors and the Proposed Directors are not currently aware that may adversely affect the Group's business, financial condition, results of operations or prospects. Investors should review this Document carefully and in its entirety and consult with their professional advisers before acquiring any New Ordinary Shares. If any of the risks referred to in this Document were to occur, the results of operations, financial condition and prospects of the Group could be materially adversely affected. If that were to be the case, the trading price of the New Ordinary Shares and/or the level of dividends or distributions (if any) received from the New Ordinary Shares could decline significantly. Further, investors in the New Ordinary Shares could lose all or part of their investment.

1 RISKS RELATING TO THE MIGHTYHIVE ACQUISITION

There can be no guarantee that the MightyHive Acquisition will complete

The Merger Agreement contains a number of conditions precedent to the satisfaction of which completion of the MightyHive Acquisition is subject. Such conditions precedent include, *inter alia*, non-breach of certain representations and warranties made by both MightyHive and the Group, applicable waiting periods under applicable anti-trust law having expired or otherwise having been terminated, no material adverse effect occurring and the Placing Agreement becoming unconditional except as regards the Admission and the conditionality of the Merger Agreement. There can be no guarantee that such conditions will be satisfied and accordingly that the MightyHive Acquisition will complete in accordance with the terms of the Merger Agreement or at all.

If the MightyHive Acquisition does not complete, the Group will bear material unrecovered transaction costs of approximately £1.5 million, which may adversely affect the financial position and prospects of the Group. Additionally, the Group may suffer reputational damage which may make the identification and execution of further acquisitions materially more difficult.

The Group may be subject to foreign exchange risk in the period between entry into the Merger Agreement and completion of the MightyHive Acquisition

Pursuant to the Merger Agreement the Group has an obligation (conditional upon the MightyHive Acquisition proceeding to completion) to make payments to the selling security holders of MightyHive in US Dollars. The Issue Price and therefore the proceeds of the Issue will be denominated and settled in pounds sterling. Accordingly, the Group is subject to the risk of adverse movements in the exchange rate between US Dollars and pounds sterling in the period between entry into the Merger Agreement and completion of the MightyHive Acquisition. While the Company has sought to mitigate this risk by seeking to raise gross proceeds in excess of the amount required at current exchange rates and intends to enter into hedging

products there can be no assurance that such mitigation strategies will work as expected. If there is a material adverse move in the exchange rate between US Dollars and pounds sterling which is not mitigated fully or at all, there is a risk that the proceeds of the Issue will be insufficient to meet the cash consideration due upon completion of the MightyHive Acquisition. In such circumstances, and depending on the size of any shortfall, the Group may seek (among other things) to utilise existing or additional debt facilities and will bear the costs of such arrangements.

The MightyHive Group's contractual arrangements may be subject to change of control provisions

The MightyHive Group may be party to contracts with both suppliers (including landlords) and clients that are subject to change of control provisions that give the relevant counterparty the right to terminate the contract. While the due diligence process carried out by the Company sought to identify such change of control provisions, none of the relevant contractual counterparties have yet been formally approached and there is a risk that there may be a number of contracts subject to change of control provisions that have not been identified through the due diligence process. Equally, while the Merger Agreement contains certain obligations on MightyHive to procure the consent of counterparties to the change of control, the Company may elect to waive such obligations in respect of any or all the relevant contracts.

There is therefore a risk that one or more counterparties may elect to terminate their contractual arrangements with the MightyHive Group as a result of the change of control resulting from the MightyHive Acquisition. To the extent that such counterparties do so, the MightyHive Groups operations may be materially disrupted, and its revenues and profitability and financial position and prospects adversely affected.

2 RISKS RELATING TO THE BUSINESS AND OPERATIONS OF THE GROUP

The MediaMonks Group and the MightyHive Group compete for clients in a highly competitive industry

The digital media and communication services industry is highly competitive. The MediaMonks Group's competitors include large multinational advertising and marketing communication companies, regional and national marketing services companies and new market participants, such as consultancy businesses and technology companies. The MightyHive Group's competitors include digital and strategy consultants, in addition to marketing and communication services agencies and technology companies.

The ability to attract new clients and to retain or increase the amount of work from existing clients may also in some cases be limited by client policies on conflicts of interest which may operate to prohibit the MediaMonks Group and/or the MightyHive Group from working for two or more clients in the same industry or sector. Further, the ability of the MediaMonks Group and/or the MightyHive Group to attract new clients may be limited by contractual provisions entitling existing clients to the most favourable prevailing terms offered by the MediaMonks Group and/or the MightyHive Group (as applicable). In accordance with standard industry terms clients may, in some instances, terminate their contractual relationship with the MediaMonks Group or the MightyHive Group (as applicable) at will or with limited notice periods. Additionally, the MediaMonks Group and/or the MightyHive Group may have engaged certain existing, and may continue to engage, clients on terms which assure such clients that work is carried out on terms no less favourable than those offered to such clients' competitors or generally.

Clients moving their accounts to another digital media production company on relatively short notice, choosing another provider over the MediaMonks Group or the MightyHive Group (as applicable) or placing restrictions on the representation or servicing of competing accounts or product lines, could have a material adverse effect on the MediaMonks Group's and/or the MightyHive Group's market share and their business, revenues, results of operations, financial condition or prospects, and therefore those of the Group.

The MightyHive Group is dependent on relationships with certain third parties with significant market positions

The MightyHive Group is reliant on its relationship with certain third-party platforms, particularly Google Marketing Platform and the rest of the Google advertising ecosystem, but also Amazon and Facebook (collectively "**Third Party Advertising Platforms**"). The services and technology solutions provided by

the MightyHive Group are primarily focussed at enabling brands to execute marketing campaigns through these Third Party Advertising Platforms. A significant proportion of the MightyHive Group's new client wins arise as a result of collaboration these Third Party Advertising Platforms. As it has grown, the MightyHive Group has seen this risk decline by forming and expanding new and existing relationships with even more Third Party Advertising Platforms, typically at the request of clients. Nevertheless, there is a risk that the MightyHive Group's business, revenues, results of operations and financial condition and prospects would be adversely affected if any or all of these Third party Advertising Platforms: (i) ceased to be a market leader or operate at all in the online advertising industry; (ii) were subject to adverse publicity and/or legal, regulatory or governmental action that materially impeded its provision of advertising services and infrastructure; (iii) were to cease to regard the MightyHive Group as a preferred partner (in particular, the MightyHive Group has no contractual assurance as to the duration or terms of its relationship with such counterparties); (iv) expanded its operations such that it competed directly with the MightyHive Group; or (v) otherwise ceased to be available as a technology provider to the MightyHive Group on desirable terms or at all.

The marketing and communication services industry is subject to significant and rapid change

The Directors and the Proposed Directors believe that opportunities exist for the MediaMonks Group, the MightyHive Group and the Group as a whole to take advantage of trends in the marketing and communication services industry such as the shift to digital, disintermediation and increased emphasis on trust and transparency. The Directors and the Proposed Directors further believe that such trends present a challenge to incumbent players in the marketing and communication services industry. Even if the MediaMonks Group, the MightyHive Group and the Group as a whole are able to capitalise on such opportunities (which cannot be assured), there is a risk that future trends in the marketing and communication services industry will present challenges to the Group as an incumbent and corresponding opportunities to disruptive competitors.

The MediaMonks Group and the MightyHive Group receive a material proportion of their revenues from large clients

A relatively small number of clients contribute a significant percentage of the MediaMonks Group's revenues. The MediaMonks Group's largest 10 clients accounted for approximately 37.4 per cent. of revenues in the year ended 31 December 2017. A relatively small number of clients also contribute a significant percentage of the MightyHive Group's revenues. The MightyHive Group's 10 largest clients accounted for approximately 26.6 per cent. of revenues in the year ended 31 December 2017. The clients of the MediaMonks Group and the MightyHive Group are generally able to reduce advertising and marketing spend or cancel projects on short notice or at will. There can be no assurance that all of the clients of the MediaMonks Group or the MightyHive Group will continue to utilise their respective services to the same extent, or at all, in the future. A significant reduction in spend by, or the loss of one or more of the MediaMonks Group's and/or the MightyHive Group's largest clients, if not replaced by new client accounts or an increase in business from existing clients, could have a material adverse effect on the business, revenues, results of operations, financial condition or prospects of the Group.

The MediaMonks Group and the MightyHive Group are subject to credit risk through the default of a client or other counterparty

The MediaMonks Group and the MightyHive Group are subject to credit risk through the default of a client or other counterparty. The MediaMonks Group is generally paid in arrear for a significant proportion of its services and invoices are typically payable within 30 to 60 days for work done for agency clients and up to 120 days for direct-to-brand work, which accounts for an increasing proportion of the MediaMonks Group's business mix. The MightyHive Group is also generally paid in arrear for its services. A relatively small number of clients also make up a significant percentage of the MediaMonks Group's and the MightyHive Group's debtors. There can be no assurance that a significant client or clients may not at any future time file for bankruptcy, become insolvent or otherwise be unable or unwilling to pay sums due. In such event, the MediaMonks Group and/or the MightyHive Group may be unable to collect balances due to it on a timely basis or at all. The damages, costs, expenses or legal fees arising from lack of payment by a significant client or other counterparty could have a material adverse effect on the business, revenues, results of operations, financial condition or prospects of the Group.

Any negative impact on the reputation of and value associated with the MediaMonks or MightyHive trading names could adversely affect their respective businesses

The MediaMonks trading names are important assets of the Group's business and the MightyHive trading names will become important assets of the Group's business upon Admission. Maintaining the reputation of and value associated with these trading names is central to the success of its business, but the Group's business strategy and its execution may not accomplish this objective or adverse media comment may damage its reputation or those of its trading businesses. The reputation of the Group or its trading businesses may also be harmed if it encounters difficulties in the provision of new or existing services, whether due to technical faults, lack of suitably qualified people, changes to its traditional product offerings, financial difficulties, client acceptance or otherwise, which in turn may adversely affect its business, prospects, financial condition and results of operations.

The Group may be vulnerable to hacking, identity theft and fraud

A failure of or breach in cybersecurity ("**cyber incidents**") refers to both intentional and unintentional events that may cause the relevant party to lose proprietary information, suffer data corruption, or lose operational capacity. In general, cyber incidents can result from deliberate attacks ("**cyber-attacks**") or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g. through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption). Cyber-attacks may also be carried out in a manner that does not require gaining unauthorised access, such as denial-of-service attacks on websites (i.e. efforts to make network services unavailable to intended users).

Cyber incidents may cause disruption and impact business operations, potentially resulting in financial losses, impediments to trading, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs.

The Group has in place security measures and guidelines in an effort to prevent hacking, identity theft and fraud, including the loss of intellectual property. However, the Group may not be able to fully protect itself and its customers from unauthorised access or hacking. For example, the Group is subject to the risk that unauthorised persons could access any online payment systems used by the Group and fraudulently transfer funds. If there is unauthorised access to the Group's or the Group's clients' data, whether or not such access results in financial loss, the Group may suffer reputational damage and parties could seek damages from the Group.

The Company, the MediaMonks Group, the MightyHive Group and their respective clients are subject to increasingly complex privacy and data protection laws and may be subject to privacy or data protection failures

The operations of the Company, the MediaMonks Group and the MightyHive Group are subject to a number of laws relating to privacy and data protection governing their ability to collect and use personal information. These data protection and privacy-related laws and regulations are becoming increasingly restrictive and complex and may result in greater regulatory oversight and increased levels of enforcement and sanctions. For example, the European Union's General Data Protection Regulation ("**GDPR**") came into force on 25 May 2018 and constitutes a major reform of the EU legal framework on the protection of personal data, and provides for fines of up to four per cent. of global turnover to be levied for breaches. This complex legal and regulatory framework has resulted in a greater compliance burden for businesses. The Company, the MediaMonks Group and the MightyHive Group have incurred and will continue to incur costs and allocate resources to ensure compliance with applicable data protection laws and regulations. The introduction of new laws and regulations similar to GDPR could further increase costs going forward. In addition, evolving and changing definitions of personal data and personal information under US, UK, EU and other laws, especially relating to classification of Internet Protocol addresses, machine identification, location data, and other information, may limit or inhibit the ability of the MediaMonks Group, the MightyHive Group and any other businesses acquired by the Company to operate or expand their business, including limiting the provision of services and/or development of products that may involve the gathering, analysing and/or sharing of data. Even the perception of privacy concerns, whether or not valid, may harm the reputation of the MediaMonks Group, the MightyHive Group or the Group as a whole and inhibit use of the use of their products and services by current and future clients.

In addition, the services currently provided by the MediaMonks Group and the MightyHive Group (or those which may be provided by them in future) may derive value from and ultimately incorporate the data held by their clients on such clients' underlying customers. While the MediaMonks Group and the MightyHive Group do and will continue to seek to implement contractual safeguards, as a result of making platform and data analytic services directly accessible to clients, it may not be practicable to control whether or not personal data is uploaded by such clients into systems operated or maintained by the MediaMonks Group or the MightyHive Group. To the extent that data protection regulation and legislation, in the EU or in any other territory, restricts or prevents the MediaMonks Group, the MightyHive Group and their clients from using underlying customer data to tailor and target marketing and advertisements, their business, revenues, results of operations, financial condition or prospects may be adversely affected.

Each of the Company, the MediaMonks Group and the MightyHive Group depends and will continue to depend on the ability to attract and retain key people without whom it may not be able to manage its business effectively

The Directors and the Proposed Directors consider a number of executives key to the management of the MediaMonks Group, the MightyHive Group and the execution of the overall strategy of the Company. Such people include Sir Martin Sorrell, Victor Knaap, Wesley ter Haar, Peter Rademaker and, following Admission, Peter Kim and Christopher Martin. In addition, as a result of the manner in which the Company has executed and will execute business combinations, the economic exposure of certain executives to the performance of their business has been reduced, and consequently such executives and people may prove more difficult to incentivise and retain. The Directors and the Proposed Directors believe that the loss of any key people could significantly impede the Group's financial plans, product development, project completion, marketing and other plans, which could affect its ability to comply with its financing arrangements and other commitments. In addition, competition for qualified executives in the digital media and marketing industry is intense. The Group's growth and success in implementing its business plans largely depends on its continued ability to attract and retain experienced senior executives as well as highly skilled people and it may not be successful in doing so. If any of its senior executives or other key people ceases their employment with the Group, its business, prospects, financial position and results of operations could be negatively affected. While the Group may seek to put in place key person insurance in respect of certain individual executives, there can be no assurance that such insurance policies will answer to the loss of key executives as expected or at all, or that the level of cover will offset the impact of the loss of a key executive fully.

In particular, should Sir Martin Sorrell cease to be able to act as the Executive Chairman of the Group there could be a material adverse effect on the business, prospects, financial condition, results of operations and development of the Group as well as the market price of the Ordinary Shares.

The Group may be subject to regulations restricting its activities or effecting changes in taxation

Changes in local or international tax rules, for example prompted by the OECD's Base Erosion and Profit Shifting project (a global initiative to improve the fairness and integrity of tax systems), changes arising from the application of existing rules, or new challenges by tax or competition authorities, for example, the European Commission's State Aid investigation into the UK tax relating to overseas subsidiaries, may expose the Group to significant additional tax liabilities, which would affect the future tax charge.

The Group is and will continue to be subject to the laws of the US, the EU and other jurisdictions that impose sanctions and regulate the supply of services to certain countries

Failure to comply with these laws could expose the Group to civil and criminal penalties including fines and the imposition of economic sanctions against the Group and reputational damage and withdrawal of banking facilities which could materially impact the Group's financial position and prospects as well as its ability to execute its strategy.

The Group is and will continue to be subject to strict anti-corruption, anti-bribery and anti-trust legislation and enforcement in the countries in which it operates

The Group may operate in a number of markets where the corruption risk has been identified as high by organisations such as Transparency International. Failure to comply or to create a corporate environment

opposed to corruption or failing to instil business practices that prevent corruption could expose the Group and senior officers to civil and criminal sanctions.

The Group is subject to prescriptive labour laws in certain jurisdictions

The Group operates in a number of jurisdictions which impose requirements upon employers above a certain size. As a result of the Group's size, it may be subject to more onerous obligations in such jurisdictions than smaller businesses. In particular, the Group is required to form works councils and establish other policies and procedures. To the extent that the Group does not or has not complied with such requirements, there is a risk of enforcement action from the relevant legal authorities. Such enforcement action could adversely affect the financial position and prospects of the Group as well as causing reputational damage that may result in clients reducing or eliminating their relationship with the Group.

The intellectual property rights of the MediaMonks Group and the MightyHive Group are important to the business of the Group

The MediaMonks Group's most material intellectual property rights are those which subsist in the creative content it produces for its clients. The MightyHive Group's most material intellectual property rights are those which subsist in the custom software, consulting output and technology solutions it produces for its clients. In practice, such content is created by the people and executives of the MediaMonks Group and/or the MightyHive Group on behalf of the MediaMonks Group and/or the MightyHive Group, as applicable.

The law regarding the assignment of intellectual property rights by employees and sub-contractors is complex and, as a result, there is a risk that the title to the relevant intellectual property rights has not been correctly assigned to the MediaMonks Group and/or the MightyHive Group. Accordingly, there is a risk that such employees and/or sub-contractors may take action to enforce such intellectual property rights against the MediaMonks Group and/or the MightyHive Group and/or their respective clients. In addition, the Group licenses and utilises certain third party "proprietary" and "open source" software as part of its solutions offering. An author or another third party that distributes such third party or open source software could allege that the Group had not complied with the conditions of one or more of these licences. Any such claims, regardless of merit, could (i) result in litigation, which could result in substantial expenses, (ii) divert the attention of management, (iii) cause significant delays, (iv) materially disrupt the conduct of the business and (v) have a material and adverse effect on the Group's financial condition and results of operations. Equally, there is a risk that the MediaMonks Group and/or the MightyHive Group are in breach of their respective contractual obligations to transfer or grant licenses over such intellectual property rights to its clients. To the extent that such risks materialise the Group could be subject to litigation and/or incur reputational damage and, as a consequence, the business, prospects, financial condition and results of operations of the Group could be adversely affected.

The Group is subject to increasing operating costs and inflation risks which may adversely affect its earnings

While the Group attempts to offset increases in operating costs through a variety of measures focused on increasing revenues, there is no assurance that it will be able to do so. Therefore, operating costs may rise faster than associated revenues, resulting in a material negative impact on the Group's cash flow and net profit.

The Group is also impacted by inflationary increases in salaries, wages, benefits and other costs. Increases in the rate of inflation in any currency area of current or proposed future operations could significantly impact the Group's cost base.

The Group is subject to foreign exchange risk

The Group does and may continue to generate a significant proportion of its revenue in US Dollars and other currencies. To the extent that the Group's costs are denominated in Euros or currencies other than those in which it receives payment from clients, the Group is subject to foreign exchange risk. The Group may seek to borrow in US Dollars or otherwise engage in hedging transactions to mitigate such risks, but there is no guarantee that such mitigation strategies (if employed) may work to reduce foreign exchange

risk as intended or at all.

Changes in exchange rates between Euros and other currencies could lead to significant changes in the Group's reported financial results from period to period. Among the factors that may affect currency values are trade balances, levels of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political or regulatory developments. Although the Group may seek to manage its foreign exchange exposure, including by active use of hedging and derivative instruments, there is no assurance that such arrangements will be entered into or available at reasonable cost at all times when the Group wishes to use them or that they (if employed) will be sufficient to cover the risk.

3 RISKS RELATING TO THE COMPANY AND THE GROUP

The Company may not successfully identify and complete, or, if completed, integrate further suitable acquisition opportunities in the future

As part of the Group's strategy, the Directors and the Proposed Directors intend to identify further suitable acquisition opportunities and complete the purchase of the identified businesses. The Company cannot estimate how long this will take. If the Company fails to complete a proposed acquisition (for example, because it has been outbid by a competitor) it may be left with substantial unrecovered transaction costs, including break fees, legal costs or other expenses. Furthermore, even if an agreement is reached relating to a proposed acquisition, the Company may fail to complete such acquisition for reasons beyond its control. Any such event will result in a loss to the Company of the related costs incurred, which could materially adversely affect subsequent attempts to identify and acquire another target business.

It is unlikely that any substantial business operation acquired by the Group will immediately fit the Group's business model or be currently operating exactly in accordance with the Group's requirements. The success of the Group's acquisitions will therefore depend on the Group's ability to implement the necessary strategic, operational and financial programmes in order to integrate any acquisitions with the Group's existing businesses. There is no certainty that the Group will be able to successfully implement such change programmes within a reasonable timescale and cost, and any inability to do so could have a material adverse impact on the Group's performance and prospects. Further, there can be no guarantee that revenue, cost or operational synergies identified in connection with an acquisition will be realised as expected or at all.

No assurance can be given that the Company's strategy will be successful or that the Company will be able to generate positive returns for Shareowners. If the Company's strategy is not successfully implemented, or any amendments or modifications made to such strategy are unsuccessful, this could adversely impact the business, prospects, financial condition, results of operations and development of the Group.

The Group may be unable to complete desired acquisitions or to fund the operations of further target businesses if it does not obtain additional funding

Although the Company cannot currently predict the amount of additional capital that may be required, the Company may be unable to raise the additional funds required to implement its strategy in the future. The Company may not receive sufficient support from its existing Shareowners to raise additional equity, and new equity investors may be unwilling to invest on terms that are favourable to the Company, or at all. Lenders or investors may be unwilling to extend debt financing to the Company on attractive terms, or at all. To the extent that additional equity or debt financing is necessary to implement the Company's strategy and is unavailable or only available on terms that are unacceptable to the Company, the Company may be compelled either to restructure or abandon a particular acquisition target, or proceed with acquisitions on less favourable terms, which may reduce the Company's return on the investment and may impact on the Company's financial strategy, including its ability to pay dividends.

In addition, the Company may require additional capital in the future for the expansion of any of its acquired businesses, their activities and/or business development, whether from equity or debt sources. While the Company would not proceed with an acquisition without arranging funding for the working capital requirements of that business for the execution of its initial strategy, there can be no guarantee that the necessary funds will be available for longer-term strategic goals on a timely basis at a later date, on

favourable terms, or at all, or that such funds if raised, would be sufficient. If additional funds are raised by issuing equity securities, material dilution to the then existing shareholdings may result. The level and timing of future expenditure for any long term strategies will depend on a number of factors, many of which are outside of the Company's control. If the Company is not able to obtain additional capital on acceptable terms, or at all, it may be forced to curtail or abandon such expansion, activities and/or business development or change its financial policies, including dividend payments, which could adversely impact the business, prospects, financial condition, results of operations and development of the Group and the returns to Shareowners.

High-growth businesses may have systems and controls that are less well developed than more established businesses in the same industry

The Company's strategy may result in the Group acquiring digital, technology and other businesses that have been recently established and have experienced rapid growth in the years prior to integration into the Group. Such high-growth businesses may have systems and controls that have not increased in scope and sophistication in line with revenue or other growth. Moreover, high-growth businesses may have, and/or have had, limited negotiating power or experience and therefore may be subject to unusual or onerous contractual terms or exposed to liabilities that larger and/or more developed comparable businesses would not be. The Directors and the Proposed Directors may make a commercial judgement as to the risks of acquiring such high-growth businesses in the overall context of the attractiveness of any such transaction. Accordingly, there is a risk that the Group may acquire businesses that require material effort to integrate and/or continue for a period (or indefinitely) to be subject to adverse contractual provisions and/or material liabilities.

If the Group acquires less than the whole voting control of, or the entire equity interest in, a target company or business, its decision-making authority to implement its plans may be limited and third party minority shareowners may dispute the Company's strategy

The Group may be either an active investor and acquire control of a company or it may acquire non-controlling shareholdings. Although the Company intends to acquire the whole voting control of future target companies or businesses, it may also consider acquiring a controlling interest constituting less than the whole voting control or less than the entire equity interest of a target company or business if such opportunity is considered attractive, or where the Company expects to acquire sufficient influence to implement its strategy. If the Company acquires either less than the whole voting control of, or less than the entire equity interest in, a target company or business, the remaining ownership interest will be held by third parties. Accordingly, the Company's decision-making authority may be limited. Such acquisition may also involve the risk that such third parties may become insolvent or unable or unwilling to fund additional investments in the target company. Such third parties may also have interests which are inconsistent or conflict with the Company's interests, or they may obstruct the Company's strategy for the target company or propose an alternative strategy. Any third party's interests may be contrary to the Company's interests. In addition, disputes between the Company and any such third parties could result in litigation or arbitration. Any of these events could impair the Company's objectives and strategy, which could have a material adverse effect on the continued development or growth of the target company.

Investments in private companies are subject to a number of risks

In the future, the Group may invest in or acquire further privately held companies or assets. These may:

- be highly leveraged and subject to significant debt service obligations, stringent operational and financial covenants and risks of default under financing and contractual arrangements, which may adversely affect their financial condition;
- have limited operating histories and smaller market shares than publicly held businesses making them more vulnerable to changes in market conditions or the activities of competitors;
- be more dependent on a limited number of management and operational people, increasing the impact of the loss of any one or more individuals; and/or
- require additional capital.

All or any of these factors may have a material adverse effect on the business, prospects, financial condition and results of operations of the Group.

Material facts or circumstances may not be revealed in the due diligence process

The Group conducts such due diligence as it deems reasonably practicable and appropriate based on the facts and circumstances applicable to any acquisition under consideration. The objective of the due diligence process is to identify material issues which might affect the decision to proceed with any particular acquisition target or the consideration payable for an acquisition. The Company also uses information revealed during the due diligence process to formulate its business and operational planning for, and its valuation of, any future target company or business. Whilst conducting due diligence and assessing a potential acquisition, the Group relies on:

- (i) publicly available information, if any;
- (ii) information provided by the relevant target company to the extent such company is willing or able to provide such information; and
- (iii) in some circumstances, third party investigations.

There can be no assurance that the due diligence undertaken with respect to a potential acquisition will reveal all relevant facts that may be necessary to evaluate such acquisition, including the determination of the price the Group may pay, or to formulate a business strategy. Furthermore, the information provided during due diligence may be incomplete, inadequate or inaccurate. As part of the due diligence process, the Group will also make subjective judgments regarding the results of operations, financial condition and prospects of a potential opportunity.

If the due diligence investigation fails correctly to identify material issues and liabilities that may be present in a target company or business, or if the Group considers such material risks to be commercially acceptable relative to the opportunity, and the Group proceeds with an acquisition, the Group may subsequently incur substantial impairment charges or other losses. In addition, following an acquisition, the Group may be subject to significant, previously undisclosed liabilities of the acquired business that were not identified during due diligence and which could contribute to poor operational performance, undermine any attempt to restructure the acquired company or business in line with the Group's business plan and have a material adverse effect on the Group's financial condition and results of operations.

Even if the due diligence process identifies material issues and liabilities that may be present in a target company or business, the Company may nevertheless proceed with an acquisition on the basis of contractual protections granted to the Company by the relevant seller pursuant to the acquisition documentation. The Company may seek to enhance such contractual protections through the purchase of warranty and indemnity or other similar insurance products. Where losses arise in connection with identified issues and liabilities, there can be no assurance that the Company will be willing or able to make use of the contractual protections available to it. Further, there can be no guarantee that the Company or its agents will be able to purchase appropriate warranty and indemnity insurance policies on commercially acceptable terms, or at all, or that, if such an insurance policy is purchased, it will answer to losses incurred by the Company as expected, or at all.

The Company is a holding company whose principal source of operating cash is income received from MediaMonks and, following Admission, MightyHive

Although the Group has its own cash resources, it may become dependent on the income generated by the the MightyHive Group and/or other acquired businesses to meet the Group's expenses, operating cash requirements and any finance costs. The amount of distributions and dividends, if any, which may be paid from any operating subsidiary to the Group will depend on many factors, including such subsidiary's results of operations and financial condition, limits on dividends under applicable law, its constitutional documents, documents governing any indebtedness of the Group, and other factors which may be outside the control of the Group. If the MediaMonks Group, the MightyHive Group and/or any other acquired business are unable to generate sufficient cash flow, the Group may be unable to pay its expenses or make distributions, pay dividends on the Ordinary Shares or make necessary capital investments in its existing businesses.

The general economic climate may be adverse for the Group

The Group may acquire or make investments in companies and businesses that are susceptible to economic recessions or downturns. In particular, the Group's strategy is to acquire digital marketing and communications services businesses, a sector in which valuations are typically fuller than other sectors. During periods of adverse economic conditions, spending for services such as digital media and other communications services may decline, thereby potentially decreasing revenues and causing financial losses, difficulties in obtaining access to, and fulfilling commitments in respect of, financing, and increased funding costs. Consumer confidence, recessionary and/or inflationary trends, consumer credit availability, interest rates, consumers' disposable incomes and unemployment rates may impact client demand and sales levels.

Any of the foregoing could cause the value of the investment to decline. In addition, during periods of adverse economic conditions, the Company may have difficulty accessing financial markets, which could make it more difficult or impossible for the Company to obtain funding for additional investments and negatively affect the Group's operating results. Accordingly, adverse economic conditions could adversely impact the business, prospects, financial condition, results of operations and development of the Group.

The Group is subject to risks from legal and arbitration proceedings

The Group may in the future become involved in commercial disputes as well as legal and arbitration proceedings, with public authorities or private entities, which involve claims for damages or other sanctions, for instance arising out of acquisitions or other material contracts entered into by any member of the Group.

In the event of a negative outcome of any material proceedings, whether based on a judgment or a settlement agreement, the Group could also be forced to make substantial payments or accept other sanctions, which could adversely affect its business, prospects, financial condition and results of operations. In addition, the costs related to litigation and arbitration proceedings may be significant.

Indebtedness incurred in connection with any future acquisition could lead to a decline in post-acquisition operating results

The Group having substantial indebtedness in connection with any future acquisitions whether in the near or longer term could ultimately result in:

- default and foreclosure on the Group's assets, if its cash flow from operations was insufficient to pay its debt obligations as they became due, most likely, if at all, at the end of a term facility which is expect to be five years or more; or
- an inability to obtain additional financing, if any indebtedness incurred contained covenants restricting its ability to incur additional indebtedness.

The occurrence of any or a combination of these, or other, factors could have a material adverse effect on the Group's financial condition and results of operations.

Potential dilution from the incentivisation of the Group's executives

The Group has in place an incentivisation scheme through which Sir Martin Sorrell and other executives will be rewarded for increases in Shareowner value, subject to certain conditions and performance hurdles as set out in paragraph 6 of Part III of this Document. Sir Martin Sorrell holds 4,000 A2 Incentive Shares in S⁴ Limited. S⁴ Limited has further authorised the issue of an additional 4,000 A1 Incentive Shares. If the performance condition attaching to the Incentive Shares is satisfied and certain other conditions are satisfied, the Company could become obliged to issue Ordinary Shares in satisfaction of the rights of the Incentive Shares. In such circumstances, the holders of Ordinary Shares may face significant dilution. Further, in certain circumstances, including a sale, merger or liquidation of the Company or S⁴ Limited, the holders of Incentive Shares could become entitled to up to 15 per cent. of the growth in value of S⁴ Limited.

The Company's name is similar to other registered trademarks

The Company trades as "S⁴ Capital" or "S⁴Capital" and it is in the process of investigating the possibility of

securing registered trade marks for this brand in a number of key jurisdictions. Preliminary searches have indicated that there are a number of similar and identical brands in existence (some with registered trade mark status) in various jurisdictions. This might prevent the Group securing trade mark registrations for its brand in some jurisdictions and the use of its brand in those jurisdictions could also give rise to trade mark infringement claims being brought against the Company or its subsidiaries by the owners of pre-existing rights in similar and/or identical brands.

4 RISKS RELATING TO THE GROUP'S FINANCIAL PROFILE AND FINANCIAL INFORMATION

The Group may not be able to generate sufficient cash flow to repay all of its debt obligations at maturity and to the extent the Group cannot repay such debt, it may not be able to refinance its debt obligations or may be able to refinance only on terms that will increase its cost of borrowing

In order to fund the MediaMonks Acquisition, the Company's indirect subsidiary, Bidco, drew down the Term Loan. In addition, Bidco has further drawn down €2 million from the Revolving Facility for general corporate purposes. Both the Term Loan and the Revolving Facility were made available to Bidco pursuant to the HSBC Facilities Agreement.

The Group's ability to repay the Term Loan on maturity in 2023 or to refinance any other bank debt incurred in connection with an acquisition or otherwise will depend on its ability to generate cash. The Group's ability to generate cash in turn depends on many factors, including, among others:

- general economic conditions and conditions affecting client spending;
- competition;
- the demand and price levels for its services;
- its ability to improve its business processes and procedures;
- its future operating performance;
- its level of capital expenditures;
- the availability of financing in the capital markets at attractive rates, or at all; and
- legal, tax, litigation, regulatory and other factors affecting its business.

The Group's ability to raise capital or refinance its debt depends on a number of factors, including the liquidity of the capital markets, and the Group may not be able to do so on satisfactory terms, or at all. In the event that the Group cannot raise additional capital or refinance its debt, it may not be able to meet its debt repayment obligations at maturity. In addition, the terms of any refinancing indebtedness may be materially more burdensome to the Group than the indebtedness it refinances. Such terms, including additional restrictions on the Group's operations and higher interest rates, could have an adverse effect on the Company's and the Group's business, prospects, financial condition and results of operations and could have a material adverse effect on the value of the Ordinary Shares.

The Group is exposed to risks associated with movements in interest rates as a result of having floating rate debt

Each of the Term Loan and the Revolving Facility has a floating interest rate. Although the Group has no current intention to do so within the next 12 months, it may also incur further debt in the future (in particular in connection with any acquisitions) and such debt may have a floating interest rate. As a result of having of floating rate debt, the Group is exposed to movements in certain reference interest rates (under the terms of the HSBC Facilities Agreement, EURIBOR and LIBOR). To the extent that such reference rates (or any replacement reference rate(s) adopted from time to time) increase, the amount of interest payable by the Group will increase. Any such increase will reduce the cash available to the Group to apply in furthering its strategies and developing its business. Such increases may also adversely affect the ability of the Group to comply with the Interest Cover Ratio and Net Debt to EBITDA Ratio financial covenants imposed on the Group by the HSBC Facilities Agreement.

Interest rates are highly sensitive to many factors beyond the Group's control, including central banks' policies, and international and domestic economic and political conditions. The level of interest rates can fluctuate due to, among other things, inflationary pressures, disruption to financial markets or the availability of bank credit. If interest rates rise, the Group will use a greater proportion of its revenues to pay interest expenses on its floating rate debt. While the Group may in the future choose to hedge, totally or partially, its interest rate exposure, any such measures may not be sufficient to protect it from such risks and there can be no assurance that it will be able to enter into hedge agreements in the future on satisfactory terms, or at all. Any hedging arrangements will also expose the Group to credit risk in respect of the hedging counterparty.

Any of the foregoing may have a material adverse effect on the Company's and the Group's business, prospects, financial condition and results of operations.

Restrictions imposed by the Group's debt obligations may limit its ability to take certain actions

The HSBC Facilities Agreement contains provisions that limit the Group's ability to operate its business, including the covenants set out below. For example, some of these provisions are expected to limit the Group's ability to enter into mergers, make material disposals, incur additional financial indebtedness, create security over assets, provide guarantees and indemnities, make loans and make certain investments. In addition, the HSBC Facilities Agreement contains financial covenants that will require the Group to maintain specified financial ratios while either or both of the Term Loan and the Revolving Facility are drawn.

The HSBC Facilities Agreement contains two financial covenants – a Net Debt to EBITDA Ratio (which must not be greater than 3.00 to 1.00) and an Interest Cover Ratio (which must not be less than 3.00 to 1.00). These financial covenants will be tested on each date a compliance certificate is delivered to the lenders. Beginning with the half year ending 30 June 2019, the Group is required to deliver a compliance certificate alongside its consolidated half yearly (within 90 days of such half year-end) and yearly financial statements (within 120 days of such year-end). Accordingly, the first financial covenant test date will be no later than 28 September 2019.

These covenants could adversely affect the Group's ability to finance its future operations and its capital needs, pursue acquisitions and engage in other business activities that may be in the Group's best interest. In addition, a failure to comply with these obligations could lead to a default under the terms of the HSBC Facilities Agreement, which would prevent the Group from borrowing any additional amounts thereunder or the lenders thereunder declaring all outstanding principal and interest becoming immediately due and payable, and there can be no assurance that its assets would be sufficient to repay such debt in full.

5 RISKS RELATING TO THE ORDINARY SHARES

The Ordinary Shares will carry investment risk and will have limited liquidity

There can be no assurance that the Ordinary Shares will be actively traded. The market for Ordinary Shares may be, or may become, relatively illiquid, particularly given the lock-in and orderly market arrangements described in paragraph 12 of Part XIV of this Document and therefore the Ordinary Shares may be or may become difficult to sell. The market price of the Ordinary Shares could be subject to significant fluctuations due to a change in investor sentiment regarding the Ordinary Shares or in response to various factors and events, including the Group's performance generally, variations in the Group's interim or full year operating results, business developments of the Company, the Group and/or its competitors, significant purchases or sales of Ordinary Shares, legislative changes, and general economic, political or regulatory conditions, and other factors outside the control of the Company. Potential investors should be aware that the value of securities and the income from them can go down as well as up, and investors may realise less than, or lose all of, their investment. The market price of the Ordinary Shares may not reflect the underlying value of the Company. The price which investors may realise for their holding of Ordinary Shares, and when they are able to do so, may be influenced by a large number of factors, some of which are specific to the Company and others of which are extraneous.

Orderly market arrangements

The MediaMonks Subscribers have agreed for a 24 month period from 28 September 2018, subject to certain exceptions, not to offer, sell, contract to sell, grant options over or otherwise dispose of, directly or indirectly, the Ordinary Shares they received on 28 September 2018. Although there is no present intention or arrangement to do so, those Shareowners may, following the expiry of the applicable initial lock-in period, sell their Ordinary Shares without restriction. The market price of Ordinary Shares could decline significantly as a result of any sales of Ordinary Shares by such Shareowners following expiry of such period (or otherwise) or the perception that these sales could occur.

In addition, Sir Martin Sorrell, Rupert Faure Walker and Paul Roy have agreed that they will not, for a period of 24 months (in the case of Sir Martin) and 12 months (in the case of Rupert Faure Walker and Paul Roy) following 28 September 2018, subject to certain exceptions, offer, sell, contract to sell, grant options over or otherwise dispose of, directly or indirectly, the Ordinary Shares they received on 28 September 2018. Each of Sue Prevezer, Rupert Faure Walker and Paul Roy has also undertaken not, for 12 month period following Admission, subject to certain exceptions, to offer, sell, contract to sell, grant options over or otherwise dispose of, directly or indirectly, any Ordinary Shares which each receives pursuant to the Issue. Although in the case of Sir Martin, the rights of the B Share are contingent on his retention of the Ordinary Shares he received on Reverse Takeover Admission, and although there is no present intention or arrangement to do so, the Directors may, following the expiry of the applicable initial lock-in period, sell their Ordinary Shares without restriction. The market price of Ordinary Shares could decline significantly as a result of any sales of Ordinary Shares by the Proposed Directors following expiry of such period (or otherwise) or the perception that these sales could occur.

The MightyHive Equityowners will agree for a 24 month period following Admission, subject to certain exceptions, not to offer, sell, contract to sell, grant options over or otherwise dispose of, directly or indirectly, the Ordinary Shares they receive on Admission or upon exercise of their Rollover Options, as applicable. Although there is no present intention or arrangement to do so, those Shareowners may, following the expiry of the applicable initial lock-in period, sell their Ordinary Shares without restriction. The market price of Ordinary Shares could decline significantly as a result of any sales of Ordinary Shares by such Shareowners following expiry of such period (or otherwise) or the perception that these sales could occur.

Stanhope has agreed for a 24 month period following Admission, subject to certain exceptions, not to offer, sell, contract to sell, grant options over or otherwise dispose of, directly or indirectly, the Ordinary Shares it will receive on Admission. Although there is no present intention or arrangement to do so, Stanhope may, following the expiry of the applicable initial lock-in period, sell its Ordinary Shares without restriction. The market price of Ordinary Shares could decline significantly as a result of any sales of Ordinary Shares by Stanhope following expiry of such period (or otherwise) or the perception that these sales could occur.

Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable

Investments in Ordinary Shares may be illiquid. There may be a limited number of Shareowners and this may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange's Main Market and to volatile Ordinary Share price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment.

The interests of significant Shareowners may conflict with those of other Shareowners and Sir Martin Sorrell exercises control over the Company

Following Admission, Sir Martin Sorrell will hold approximately 12.77 per cent. of the issued Ordinary Shares. Moreover, Sir Martin holds the B Share. As the holder of the B Share, Sir Martin has extensive control rights over the Company. Sir Martin has the ability to appoint a director to the board of directors of the Company and to remove and replace that director. The appointment or termination of any executive within the Group and any acquisition or disposal by the Group worth in excess of £100,000 requires the prior written consent of Sir Martin. Sir Martin, through the voting rights attaching to the B Share, has the ability to defeat any resolution proposed to the Shareowners.

The interests of Sir Martin Sorrell may be different from the interests of the Company or the other Shareowners. In particular, the control exercised by Sir Martin means that certain transactions are impossible without the support of Sir Martin and may have the effect of preventing an acquisition or other change in control of the Company.

Since the control rights that Sir Martin Sorrell exercises via the B Share are negative in nature, there is a risk that, should the interests of Sir Martin and the Company and/or the other Shareowners come into conflict, the Company would be deadlocked and unable to take any action to further its operations and strategy. To the extent that the Company does become deadlocked, this will have a material adverse effect on the financial position and prospects of the Company and its results of operations.

Further issues of shares may result in immediate dilution

The Company may issue additional Ordinary Shares to fund acquisitions. In the case of English companies such as the Company, statutory pre-emption rights prevent the issue of shares for cash consideration without such shares being offered to Shareowners first, subject to the disapplication of such pre-emption rights by a special resolution of the Shareowners. Therefore, existing Shareowners may not be offered the right or opportunity to participate in any such future share issues (if such a special resolution is approved by Shareowners or if further Ordinary Shares are issued for non-cash consideration), which may dilute existing Shareowners' interests in the Company.

The Company will be subject to restrictions in offering Ordinary Shares as consideration for an acquisition in certain jurisdictions and may have to provide alternative consideration, which may have an adverse effect on its operations

The Company may offer its Ordinary Shares or other securities as part of the consideration to fund, or in connection with, future acquisitions. However, certain jurisdictions may restrict the Company's use of its Ordinary Shares or other securities for this purpose, which could result in the Company needing to use alternative sources of consideration. Such restrictions may limit the Company's available acquisition opportunities or make certain acquisitions more costly.

Dividend payments on the Ordinary Shares are not expected

The Company's strategy is to build a multi-national digital communication services business, initially by acquisitions. It is therefore anticipated that the Group will apply its free cash flow to the implementation of this strategy for the foreseeable future. There can be no assurance that the Company will pay dividends on the Ordinary Shares.

Market perception of the Company may change

Market perception of the Company may change, potentially affecting the value of investors' holdings and the ability of the Company to raise further funds by the issue of further Ordinary Shares or otherwise.

The Standard Listing of the Ordinary Shares affords Shareowners a lower level of regulatory protection than a Premium Listing

The Ordinary Shares are admitted to a Standard Listing on the Official List. A Standard Listing affords Shareowners a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List, which are subject to additional obligations under the Listing Rules. In particular, Shareowners will not have the opportunity to vote on any future acquisitions, even if Ordinary Shares are being issued as consideration for such acquisitions, save to the extent Shareowner approval is required pursuant to the Act to issue such Ordinary Shares. Further details regarding the differences in the protections afforded by a Premium Listing as against a Standard Listing are set out in the section entitled "Consequences of a Standard Listing" in Part III.

The Company may be unable to transfer to an appropriate listing venue

Following, or at a similar time to, the completion of any further material acquisition, or at another time at the Company's discretion, the Directors and the Proposed Directors may seek to transfer the Company from a Standard Listing to a Premium Listing or other appropriate listing venue, subject to fulfilling the relevant

eligibility criteria at the time. There can be no guarantee that the Company will meet such eligibility criteria or that a transfer to a Premium Listing or other appropriate listing venue will be achieved. For example, such eligibility criteria may not be met, due to the B Share Rights, circumstances and internal control systems of the Group or if the Company acquires less than a controlling interest in a company whose assets and/or results represent a material part of the Group's assets and/or results. In addition there may be a delay, which could be significant, between the completion of an acquisition and the date upon which the Company is able to seek or achieve a Premium Listing or a listing on another stock exchange.

A change of, or failure to change, listing venue in these circumstances may have an adverse effect on the valuation of the Ordinary Shares. Alternatively, in addition to, or in lieu of seeking a Premium Listing, the Company may determine to seek a listing on another stock exchange, which may not have standards of corporate governance comparable to those required by a Standard or Premium Listing, or which Shareowners may otherwise consider to be less attractive or convenient.

6 RISKS RELATING TO TAX

US indirect taxation is a complex area of law, which varies on a state-by-state basis

US indirect taxation is a complex area of law which varies on a state-by-state basis. Sales of the Company's software and related professional services may be subject to state sales tax in a number of states to the extent the Enlarged Group is determined to have a collection and related filing obligation (e.g., "nexus").

The Group's customers are required to pay such tax on all taxable sales absent an exemption (e.g., sale for resale) and the Group is jointly and severally liable with its customers to pay such tax, and may be assessed to such tax by the relevant authorities irrespective of whether the end customer has declared the amount. The Group has sought advice from third-party advisors relative to this enumerated risk. To the extent that the Group is required to charge its customers sales tax in a state, the amount a customer would pay for the Group's services could increase by approximately eight per cent., on average. Although consumers are required to pay sales tax on taxable purchases whether or not such tax is charged by a vendor, the increase in the amount reflected on an invoice may have an adverse effect on customer retention and revenue and/or EBITDA growth. In addition, the Group's competitive position may also be impacted if the Group charges sales tax on its invoices when some or all of its competitors do not.

Adverse changes in the tax position of the Company and its subsidiaries

Any change in the Company's or any of its subsidiaries' or, following any further acquisition, any other member of the Group's tax position or status or in tax legislation or proposed legislation, or in the interpretation of tax legislation or proposed legislation by tax authorities or courts, or tax rates could adversely affect the Company's financial position and prospects and/or the market value of the Ordinary Shares.

Levels of and reliefs from taxation may change

The levels of (and reliefs from) taxation may change. Shareowners should not rely on general guidance and should seek their own advice. There can be no guarantee that the rates of taxation envisaged by the Directors and the Proposed Directors will be the on-going rates of taxation paid by the Company or its Shareowners.

The MightyHive Acquisition or further acquisitions may result in adverse tax, regulatory or other consequences for Shareowners which may differ for individual Shareowners depending on their status and residence

It is possible that completion of the Merger Agreement, the existing structure of the Group, or any acquisition structure determined necessary by the Company to consummate a future acquisition may have adverse tax, regulatory or other consequences for Shareowners which may differ for individual Shareowners depending on their individual status and residence. The value of a Shareowner's interest in the Company may be impacted as a result.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for entitlements under the Open Offer	3 December 2018
Announcement of the Issue	4 December 2018
Ex-entitlement date	4 December 2018
Date of this Document	4 December 2018
Despatch of this Document, Application Form and Forms of Proxy	4 December 2018
Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareowners	5 December 2018
Recommended latest time for requesting withdrawal of Open Offer Entitlements	4.30 p.m. on 13 December 2018
Recommended latest time for depositing Open Offer Entitlements into CREST	3.00 p.m. on 14 December 2018
Recommended latest time for splitting Open Offer Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 14 December 2018
Latest time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 18 December 2018
Latest time and date for receipt of Forms of Proxy and electronic proxy appointments via CREST	11.00 a.m. on 18 December 2018
Announcement of the results of the Open Offer	7.00 a.m. on 19 December 2018
Time and date of the General Meeting	11.00 a.m. on 20 December 2018
Results of General Meeting announced	20 December 2018
Admission and commencement of dealings in the New Ordinary Shares	8.00 a.m. on 24 December 2018
CREST stock accounts expected to be credited for the New Ordinary Shares	24 December 2018
Despatch of definitive share certificates for New Ordinary Shares (where applicable)	within 14 days of Admission

Notes:

- (a) Each of the times and dates in the table above is indicative only and may be subject to change.

- (b) References to times in this Document are to London time.
- (c) The times and dates set out in the table above and mentioned throughout this Document may be adjusted by the Company in consultation with HSBC and Dowgate, in which event details of the new times and dates will be notified to the FCA, the London Stock Exchange and, where appropriate, Shareowners.
- (d) Any Existing Ordinary Shares sold prior to the close of business on 3 December 2018, the date on which the Existing Ordinary Shares will trade with entitlement, will be sold to the purchaser with the right to receive entitlements under the Open Offer.

STATISTICS RELATING TO THE ISSUE

Number of Existing Ordinary Shares in issue as at 4 December 2018 (being the date of this Document)	255,494,678
Issue Price per New Ordinary Share	110 pence
Entitlement under the Open Offer	1 New Ordinary Share for every 6.123555 Existing Ordinary Shares
Number of Firm Placed Shares to be issued pursuant to the Firm Placing	25,549,460
Number of Open Offer Shares to be issued pursuant to the Placing and Open Offer	41,723,267
Number of New Ordinary Shares to be issued to the MightyHive Equityowners pursuant to the Consideration Issue	37,068,087
Number of Ordinary Shares that will be the subject of Rollover Options granted to replace MightyHive Options	8,984,159
Number of New Ordinary Shares to be allotted to the S ⁴ Capital Employee Benefit Trust in connection with the MightyHive Acquisition	3,561,431
Aggregate number of New Ordinary Shares to be issued	107,902,245
Number of Ordinary Shares in the Enlarged Share Capital	363,396,923
Gross proceeds of the Issue	£74.0 million
Estimated expenses of the Issue*	£3.4 million
Estimated net proceeds of the Issue	£70.6 million
New Ordinary Shares as a percentage of the Enlarged Issued Share Capital	29.69 per cent.
ISIN of the Existing Ordinary Shares (and the New Ordinary Shares once admitted to trading)	GB00BFZZM640
SEDOL code	BFZZM64
ISIN of the Open Offer Entitlement	GB00BYWQVY43

Notes:

* Stated inclusive of the maximum payment of Shareowner Commissions pursuant to the Placing.

DIRECTORS, PROPOSED DIRECTORS, COMPANY SECRETARY AND ADVISERS

Directors	Sir Martin Sorrell – Executive Chairman Victor Knaap – Executive Director Wesley ter Haar – Executive Director Peter Rademaker – Executive Director and Group CFO Rupert Faure Walker – Non-Executive Director Paul Roy – Non-Executive Director Sue Prevezer – Non-Executive Director
Proposed Directors	Peter Kim – Proposed Executive Director Christopher Martin – Proposed Executive Director Daniel Pinto – Proposed Non-Executive Director
Registered Office and Business Address of the Directors and the Proposed Directors	12 St James's Place London SW1A 1NX
Company Secretary	Theresa Dadun
Joint Broker and Joint Bookrunner	Dowgate Capital Limited Talisman House, Jubilee Walk Three Bridges Crawley West Sussex RH10 1LQ
Joint Broker, Joint Bookrunner and principal bankers	HSBC Bank plc 8 Canada Square London E14 5HQ
Solicitors to the Company	Travers Smith LLP 10 Snow Hill London EC1A 2AL
Solicitors to the Joint Brokers and Joint Bookrunners	Simmons & Simmons LLP CityPoint One Ropemaker Street London EC2Y 9SS
Reporting Accountants	BDO LLP 55 Baker St London W1U 7EU
Auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
Registrars to the Company and Receiving Agent	Share Registrars Limited The Courtyard, 17 West Street Farnham Surrey GU9 7DR

IMPORTANT INFORMATION

Investment in the Company and Ordinary Shares carries significant risk. There can be no assurance that Admission will occur and that the MightyHive Acquisition will complete. In addition, there can be no assurance that the Company's strategy will be achieved and investment results may vary substantially over time. Investment in the Company is not intended to be a complete investment programme for any investor. The price of the Ordinary Shares and any income from Ordinary Shares can go down as well as up and Shareowners may not realise the value of their initial investment. Prospective investors should carefully consider whether an investment in Ordinary Shares is suitable for them in light of their circumstances and financial resources and should be able and willing to withstand the loss of their entire investment (see Risk Factors).

Prospective investors contemplating an investment in the Ordinary Shares should recognise that the market value of the Ordinary Shares can fluctuate and may not always reflect their underlying value. Returns achieved are reliant upon the performance of the Group. No assurance is given, express or implied, that investors will receive back the amount of their investment in the Ordinary Shares.

This Document should be read in its entirety before making any investment in the Company.

Forward-looking statements

Certain statements contained herein are forward-looking statements and are based on current expectations, estimates and projections about the potential returns of the Company and the Group and the industry and markets in which the Group will operate, the Directors' and Proposed Directors' beliefs, and assumptions made by the Directors and the Proposed Directors. Words such as "expects", "should", "intends", "plans", "believes", "estimates", "projects", "may", "targets", "would", "could" and variations of such words and similar expressions are intended to identify such forward-looking statements and expectations. These statements are not guarantees of future performance or the ability to identify and consummate investments and involve certain risks, uncertainties, outcomes of negotiations and due diligence and assumptions that are difficult to predict, qualify or quantify. Therefore, actual outcomes and results may differ materially from what is expressed in such forward-looking statements or expectations. Among the factors that could cause actual results to differ materially are: the general economic climate, competition, foreign exchange fluctuations, changes of strategic direction, minority shareowner action, failure of internal controls, price and margin pressure, technology developments, systems or network failures, changes in customer requirements, failure of suppliers to deliver against contract, availability of suitable acquisition targets, interest rate levels, loss of key personnel, the result of legal and commercial due diligence, the availability of equity financing and/or debt financing on acceptable terms and changes in the legal or regulatory environment. These forward-looking statements speak only as at the date of this Document. Unless required to do so by applicable law or regulation, the Prospectus Rules, the Listing Rules or the Disclosure Guidance and Transparency Rules, the Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

This Document contains certain forward-looking statements that are subject to certain risks and uncertainties, in particular statements regarding the Group's, the MediaMonks Group's and the MightyHive Group's plans, goals and prospects. These statements and the assumptions that underline them are based on the current expectations of the Directors and the Proposed Directors and are subject to a number of factors, many of which are beyond their control. As a result, there can be no assurance that the actual performance of the Group will not differ materially from the description in this Document.

Investors should therefore consider carefully whether investment in the Company is suitable for them, in light of the risk factors outlined on pages 21 to 36 of this Document, their personal circumstances and the financial resources available to them.

Forward-looking statements contained in this Document do not in any way seek to qualify the working capital statement contained in paragraph 15 of Part XIV this Document.

Market and financial information

The data, statistics and information and other statements in this Document regarding the markets in which the Group, the MediaMonks Group and/or the MightyHive Group operates or will operate are based on the Group's, the MediaMonks Group's and/or the MightyHive Group's records or are taken or reports prepared by advisers on either of their respective behalfs derived from statistical data and information derived from generally available information and certain informed estimates made by the MediaMonks Group's and/or the MightyHive Group's advisers.

In relation to these sources, such information has been accurately reproduced from the published information and, so far as the Company is aware and is able to ascertain from the information provided by the suppliers of these sources, no facts have been omitted which would render such information inaccurate or misleading.

Various figures and percentages in tables in this Document have been rounded and accordingly may not total. Certain financial data has also been rounded. As a result of this rounding, the totals of data presented in this Document may vary slightly from the actual arithmetical totals of such data.

All times referred to in this Document are, unless otherwise stated, references to time in London, England.

Presentation of financial information

Unless otherwise stated, financial information relating to the Company, the MediaMonks Group and S⁴ Limited has been extracted from the audited financial statements of the Company incorporated by reference into this Document as set out in more detail in Part X of this Document.

Unless otherwise stated, financial information relating to the MightyHive Group has been extracted from the audited financial statements for the year to 31 December 2017 set out in Part XI of this Document.

No profit forecast

No statement in this Document is intended as a profit forecast.

Non-IFRS financial measures

The Document includes unaudited non-IFRS measures and ratios, including EBITDA, which are not measures of financial performance under IFRS.

The Group defines EBITDA as profit or loss for the period before net finance costs, income taxes, depreciation and amortisation, impairment and gains/(losses) and disposal of non-current assets, changes in fair value of financial instruments, exchange differences, impairment losses, share-based compensation, gains/(losses) on disposal of financial instruments and other non-recurring costs/income.

Adjusted EBITDA, as defined by the Company, is operating profit adjusted for depreciation and amortisation and, in the case of MediaMonks, signing on bonuses, transaction related costs and, in the case of MightyHive, the staff costs incurred in expanding the network of international offices, share-based payments and adjustments to the bad debt provision. The exclusion of depreciation and amortisation and share-based payments eliminates the non-cash impact of these items and the exclusion of transaction related costs, the signing on bonuses and the staff costs incurred in expanding MightyHive's network of international offices eliminates items which the chief operating decision makers believe are non-recurring.

The Group defines Gross Profit as revenue net of third party costs, including pass-through costs to clients such as media spend, expenses incurred in shooting films, materials purchased for specific installation projects, external line production companies used when capacity is exceeded, and commissions.

EBITDA-based and Gross Profit-based measures and the related ratios are used by management as indicators of the Group's operating performance. The Company is not presenting EBITDA-based or Gross Profit-based measures as measures of the MediaMonks Group's or the MightyHive Group's results of operations. EBITDA-based and Gross Profit-based measures have important limitations as an analytical tool, and should not be considered in isolation or as substitutes for analysis of the MediaMonks Group's or

the MightyHive Group's results of operations.

Some of these limitations are:

- EBITDA-based measures do not reflect the impact of significant interest expense or the cash requirements necessary to service interest or principal payments in respect of any borrowings, which could further increase if the Group incurs more debt.
- EBITDA-based measures do not reflect the impact of income tax expense on the operating performance of the MediaMonks Group and/or the MightyHive Group.
- EBITDA-based measures do not reflect the impact of depreciation of assets on the performance of the MediaMonks Group and/or the MightyHive Group.
- EBITDA-based measures remove the impact of certain non-recurring items from the performance of the MediaMonks Group and/or the MightyHive Group.

The assets of the businesses of the MediaMonks Group and/or the MightyHive Group that are being depreciated will have to be replaced in the future and such depreciation expense may approximate the cost to replace these assets in the future. By excluding this expense from EBITDA-based measures, these measures do not reflect the future cash requirements of the MediaMonks Group and/or the MightyHive Group for these replacements.

EBITDA and other non-IFRS measures should not be considered in isolation or as an alternative to profit from operations, cash flow from operating activities or other financial measures of the MediaMonks Group's or the MightyHive Group's results of operations or liquidity derived in accordance with IFRS. They have not been prepared in accordance with IFRS or the accounting standard of any other jurisdiction. The Company has included EBITDA, Gross Profit and other non-IFRS measures in this Document, because it believes that they are useful measures of the MediaMonks Group's or the MightyHive Group's performance and liquidity. Other companies, including those in the MediaMonks Group's or the MightyHive Group's industry, may calculate similarly titled financial measures in a manner different to that of the Group. Because all companies do not calculate these financial measures in the same manner, the presentation of such financial measures in this Document may not be comparable to other similarly titled measures of other companies. Neither EBITDA nor Adjusted EBITDA is audited.

The Directors consider Adjusted EBITDA to be a useful supplemental tool to assist in evaluating operating performance because it eliminates items related to depreciation, amortisation and exceptional items. As there are no generally accepted accounting principles governing the calculation of non-IFRS measures, other companies may calculate such financial data or operating measures differently or may use such financial data and operating measures for different purposes than the Group does, and such financial data and operating measures should therefore not be used to compare the Group against another company. Prospective investors should not consider such financial data or operating measures in isolation, as a substitute for or superior to financial information prepared in accordance with IFRS or as an indication of operating performance. The Directors intend to report Adjusted EBITDA in the future financial statements of the Group.

MightyHive Group historical financial information

The historical financial information of the MightyHive Group set out in Part XI of this Document has been prepared in accordance with US GAAP. There are material differences between US GAAP and IFRS as adopted by the European Union. Accordingly, the historical financial information of the MightyHive Group should not be considered in isolation. The unaudited pro forma financial information in Part XII contains certain adjustments to present the historical information relating to the MightyHive Group in a manner consistent with that of the Group.

Currency

Unless otherwise indicated, all references in this Document to:

- "£", "pounds sterling", "pounds", "sterling", "pence", or "p", are to the lawful currency of the United

Kingdom;

- "Euros", "euros" or "€" are to the single currency of the Eurozone;
- "US dollars", "US\$" or "\$" are to the lawful currency of the United States;
- "SGD" are to the lawful currency of Singapore; and
- "SEK" are to the lawful currency of Sweden.

Data protection

The information that an investor provides in documents which relates to the investor (if it is an individual) or a third party individual ("**personal data**") will be held and processed by the Company (and any third party to whom it may delegate certain administrative functions in relation to the Company) in compliance with the relevant data protection legislation and regulatory requirements of the UK. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- verifying the identity of the investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures and sanctions compliance;
- carrying out the business of the Group and the administering of interests in the Company;
- meeting the legal, regulatory, reporting and/or financial obligations of the Group in Jersey, England and Wales or elsewhere; and
- disclosing personal data to other functionaries of, or advisers to, the Group to operate and/or administer the Group.

Where appropriate it may be necessary for a member of the Group (or any third party, functionary or agent appointed by a member of the Group) to:

- disclose personal data to third party service providers, agents or functionaries appointed by a member of the Group to provide services to prospective investors; and
- transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the UK.

If a member of the Group (or any third party, functionary or agent appointed by a member of the Group) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data are disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Investors are responsible for informing any third party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

No incorporation of website

The contents of the Company's website past or present, MediaMonks's website or MightyHive's website, or any other website accessible via hyperlinks from the Company's, MediaMonks's or MightyHive's websites are not incorporated into, and do not form part of, this Document.

General

Shareowners and prospective investors should not treat the contents of this Document as advice relating to legal, taxation, investment or any other matters. Shareowners and prospective investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer

or other disposal of Ordinary Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Ordinary Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of Ordinary Shares. Shareowners and prospective investors must rely upon their own legal advisers, accountants and other financial advisers as to legal, tax, investment or any other related matters concerning the Company and any investment therein. Statements made in this Document are based on the law and practice currently in force in England and Wales and are subject to changes therein. This Document should be read in its entirety before making any application for New Ordinary Shares. Shareowners are entitled to the benefit of, and are bound by and are deemed to have notice of, the provisions of the Articles.

In making an investment decision, each Shareowner and prospective investor must rely on its own examination, analysis and enquiry of the Company and the terms of the Issue.

No person has been authorised to give any information or make any representations other than the information contained in this Document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company. Subject to the requirements of the Prospectus Rules, neither the delivery of this Document nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in affairs of the Company since the date of this Document or that the information in this Document is correct at any time subsequent to its date.

HSBC, Dowgate and their respective affiliates have engaged in transactions with and performed various investment banking, financial advisory and other services for the Company and its affiliates, for which they received customary fees, and they and their respective affiliates may provide such services for the Company and its affiliates in the future. As a result, HSBC, Dowgate and their respective affiliates may have a commercial interest in continuing to provide services to the Company and its affiliates that may be material to the Firm Placing and/or Placing and Open Offer.

In connection with the Firm Placing and/or Placing and Open Offer, HSBC, Dowgate and any of their respective affiliates acting as an investor for their own account(s) may subscribe for New Ordinary Shares and, in that capacity, may retain, purchase, sell, offer or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or related investments in connection with the Firm Placing and/or Placing and Open Offer or otherwise. In addition, HSBC, Dowgate and their respective affiliates may enter into derivative transactions in connection with the Firm Placing and/or Placing and Open Offer, acting at the order and for the account of their business and may also purchase or hold New Ordinary Shares as a hedge for these transactions. Accordingly, references in this Document to Ordinary Shares being issued, offered, subscribed or otherwise dealt with should be read as including any issue or offer to, or subscription or dealing by, HSBC, Dowgate or any of their respective affiliates acting as an investor for its or their own account(s). Neither HSBC nor Dowgate (as applicable) intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Definitions

A list of defined terms used in this Document and a glossary of technical terms are set out in Part XV of this Document.

Governing law

Unless otherwise stated, statements made in this Document are based on the law and practice in force in England and Wales on the date of this Document and are subject to the changes therein.

PART I - THE MIGHTYHIVE ACQUISITION AND THE ISSUE

1 INTRODUCTION

S⁴ Capital's strategy is to build a purely digital multi-national advertising and marketing services business, initially by acquisitions. On 9 July 2018, the Company completed the acquisition of the MediaMonks Group, an international creative content and production business that primarily develops digital content and internal digital channels across several business segments for brands and advertising agencies.

The opportunity has now arisen for the Company to acquire MightyHive, Inc. ("**MightyHive**"), a programmatic solutions provider for forward-thinking marketers and agencies which offers services focusing on implementation and support, campaign management, and consulting. The Directors and the Proposed Directors believe that the addition of MightyHive to the Group will create a compelling combined offering in the programmatic and digital media planning and buying sectors. Further information on the MightyHive Group is set out in Part VI of this Document.

The MightyHive Acquisition

On 3 December 2018, the Company and certain of its subsidiaries, including its indirect subsidiary, MergeCo, and MightyHive entered into a merger agreement (the "**Merger Agreement**") pursuant to which, conditional upon Admission occurring, MightyHive will merge with and into MergeCo with the effect that, following Admission, MightyHive will be a wholly-owned indirect subsidiary of the Company. The transaction values MightyHive at \$150 million on a debt-free cash-free basis and with normalised working capital, or at an enterprise value to EBITDA multiple of approximately 13.5x¹. The MightyHive Acquisition is expected to be significantly accretive to earnings per share in the first full financial year following completion.

Pursuant to the Merger Agreement, the Company also agreed to issue 3,561,431 New Ordinary Shares to the S⁴Capital Employee Benefit Trust (the "**EBT**") at nominal value using a loan advanced to the EBT by the Company out of the Company's distributable reserves (the "**EBT Subscription**"). The New Ordinary Shares issued pursuant to the EBT Subscription will be used to fund a \$5 million share option plan for the people of the MightyHive Group.

In the 12 months to 31 October 2018, MightyHive's unaudited revenues were \$40.7 million (CAGR from the financial year ending 31 December 2015 to 31 October 2018: 114 per cent.) and its Adjusted EBITDA was \$11.1 million (CAGR from the financial year ending 31 December 2015 to the twelve month period ended 31 October 2018: 159 per cent.) (source: unaudited management accounts of the MightyHive Group).

Further information on the terms of the Merger Agreement is set out in paragraph 3 of Part III.

The Issue

In order to fund the cash component of the consideration payable in respect of the MightyHive Acquisition, the Company proposes to raise gross proceeds of £74.0 million (£70.6 million net of expenses) through the issue of 67,272,727 New Ordinary Shares by way of a Firm Placing and a Placing and Open Offer at the Issue Price of 110 pence per New Ordinary Share. The Issue Price represents a discount of 4 per cent. to the Closing Price of 114.5 pence per Existing Ordinary Share on 3 December 2018 (being the last business day prior to the announcement of the Issue).

Shareowner approval

The Issue requires Shareowner approval to grant the Directors authority to allot and issue the New Ordinary Shares and the Ordinary Shares that will be subject to the Rollover Options as if the applicable statutory pre-emption rights did not apply. Approval will be sought at a General Meeting convened for 11.00 a.m. on 20 December 2018, notice of which has been sent to Shareowners in a Circular dated on or around the date of this Document (the "**Circular**"). If the Issue Resolution is not passed at the General Meeting, the Issue will not proceed and the MightyHive Acquisition will not complete.

Irrevocable undertakings to vote in favour of the Resolutions have been received from 8 Shareholders

¹ LTM Adjusted EBITDA for MightyHive for October 2018, as extracted from the unaudited management accounts, was \$11.1 million

(including all of the Directors and the Proposed Directors who are Shareowners) representing 39.60 per cent. of the issued Ordinary Shares of the Company.

2 STRATEGIC RATIONALE AND EXPECTED BENEFITS OF THE MIGHTYHIVE ACQUISITION

The Directors and the Proposed Directors believe that the MightyHive Acquisition will further the implementation of the Company's objective of creating a new age / new era, new media solution embracing data, content and technology in an always-on environment for global, multi-national, regional and local clients and for millennial-driven digital brands.

Key industry trends and the opportunity

The Directors and the Proposed Directors have identified a number of key trends in the marketing and communication services industry. These include:

Drive for increased efficiency and effectiveness

Brands and marketers are focussed on efficiency in the delivery of marketing services. This encompasses both cost-effectiveness of premium creative content, technology solutions and consulting work, the speed with which they can be delivered and their responsiveness once employed. The Directors and the Proposed Directors also believe that brands and marketers want to do more with less and are increasingly emphasising return on investment (ROI - i.e. sales generated by advertising spend).

Shift to digital

As set out in more detail in Part IV of this Document, digital advertising spend has grown rapidly since 2017 and is projected to continue this growth and represent a majority of global advertising spend by 2022.

Capability consolidation

Marketing services are frequently procured on a fragmented basis, with specialist agencies and other service providers taking ownership of only a small part of the delivery of a brand's marketing messages. The Directors and the Proposed Directors believe that brands are increasingly emphasising the importance of an end-to-end delivery skill-set of the kind required to implement large scale and global digital transformation programmes and to take full ownership of the deployment of marketing messages.

Decoupling and in-housing

Brands are increasingly considering moving away from traditional agency relationships and considering instead either in-housing capabilities or engaging with creative production and technology services companies directly. The Directors and the Proposed Directors believe the shift to decoupling and in-housing may be driven, in part, by a lack of transparency in the legacy agency model.

Combination benefits

In the context of the trends outlined above, the Directors and the Proposed Directors believe that the combination of the MediaMonks Group and the MightyHive Group presents a compelling opportunity to create a highly-differentiated service offering underpinned by full transparency and encompassing the full technology stack, in-housing, efficient premium creative production across all channels and consulting services.

The Directors and the Proposed Directors further believe that this combined offering would be a disruptive force in the marketing services industry, able to capitalise on the status quo evidenced by the shifts in brand and marketer approaches and priorities set out above. In addition, the Directors and the Proposed Directors believe that the combination of the MediaMonks Group and the MightyHive Group, each a fast growing business, will facilitate additional expansion.

Differentiated service offering

Both MightyHive and MediaMonks are regarded as leaders in their respective fields: MediaMonks is one of the most awarded creative production companies in the world; MightyHive is Google's largest Google

Marketing Platform Partner, a leading Google Analytics Certified Partner and recognised as a leader in programmatic digital media buying. Driven by client requests, it is developing and pursuing partnerships with leading technology companies within the programmatic advertising industry, such as Facebook and Amazon.

While other media companies have bolted on content capabilities and agencies have added media capabilities, the Directors and the Proposed Directors believe that the combination of MediaMonks and MightyHive would be distinguished by the leading nature of both of its creative and media components.

The MightyHive Acquisition would therefore help create a differentiated market offer with a unified service suite including premium creative production, full technology stack expertise, in-housing know-how and consulting. This would represent end-to-end capability with efficiently produced marketing assets delivered by programmatic digital media buying and informed and refined by data.

The Directors and the Proposed Directors further believe that a differentiated service offering may also enable the MightyHive Group and the MediaMonks Group to distinguish itself from competitors offering commoditised services and therefore retain pricing power.

Early-mover advantage and barriers to entry

As noted above, the Directors and the Proposed Directors regard transparency issues as a key challenge for incumbents. By offering an integrated solution of uniformly high quality that is fully transparent, highly efficient and customer-focussed, the Directors and the Proposed Directors believe that the Group will be among the first credible alternatives to incumbents and therefore able to capture an early-mover advantage as brands restructure the way they procure marketing services.

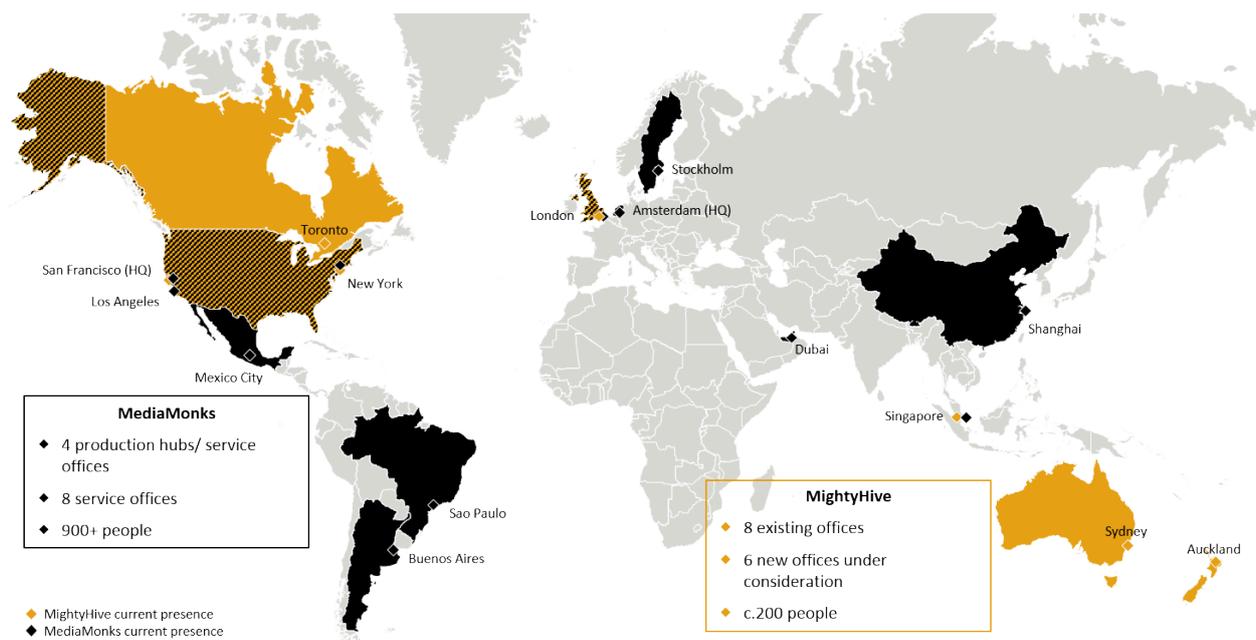
Moreover, the Directors and the Proposed Directors believe that, while the combination of high-quality programmatic digital media buying and creative will be emulated, displacing client relationships formed by early-movers will be materially more challenging in future and therefore that the Group will benefit from material barriers to entry.

Benefits of scale and expansion of global offering

The Directors and the Proposed Directors believe that the increased scale of the Enlarged Group will increase the profile of both the MediaMonks Group and the MightyHive Group, as has already been shown since the Company's merger with the MediaMonks Group, improving talent acquisition and awareness among potential clients. MediaMonks has over 900 people, and MightyHive over 200, meaning that in combination they would have over 1,100 people across 15 locations.

Both the MediaMonks Group and the MightyHive Group have growth strategies which include geographic expansion. Where only one of the MediaMonks Group and the MightyHive Group has a presence (for example the MightyHive Group in Australia or the MediaMonks Group in Brazil), the expansion of the other into the same territory can be supported by the existing office. In cases where neither the MediaMonks Group nor the MightyHive Group has a current presence, the combination of the MediaMonks Group and the MightyHive Group will facilitate their combined expansion into new geographies by sharing overheads and office establishment costs.

An overview of the international presence and potential expansion of the MediaMonks Group and the MightyHive Group is set out below:



Cross- and up-selling opportunities

The MediaMonks Group and the MightyHive Group have complementary client portfolios and new business pipelines. The Directors and the Proposed Directors therefore believe that the combination of the MediaMonks Group and the MightyHive Group would deliver an opportunity to leverage existing and future relationships to cross- and up-sell to existing and future clients.

MediaMonks has over 300 current clients; MightyHive has over 700. Adjusting for the minimal number of overlapping clients, in combination, MediaMonks and MightyHive would have over 1,000 clients, offering significant scope for cross-selling between the two groups, as well as increased profile.

Costs synergies

While the focus of the MediaMonks Group, the MightyHive Group and the Group as a whole is currently on revenue and Gross Margin growth, the Directors and the Proposed Directors believe that the combination will present a number of opportunities to realise efficiencies. Such efficiencies may include combining certain central services of the Group and opportunistically exploring real estate synergies in certain locations.

Case studies of combined benefits - dynamic creative optimisation

As outlined above, the Directors and the Proposed Directors believe that the service suites of MediaMonks and MightyHive are highly complementary and that there is a clear business rationale to present these to clients as an integrated offering. MediaMonks creates premium digital content, but clients need to know how best to deploy it. MightyHive teaches and helps clients how to deploy content and stories in a targeted way across digital media and plan their media buying in the most effective way. MightyHive's clients need more content which is digital focused and targeted. In combination, MediaMonks and MightyHive will provide both in order to deliver effective campaigns optimised for the digital ecosystem.

MightyHive empowers clients to use their first-party data to understand their audience and to segment it by interests and past behaviour, and then to act on that understanding by delivering the right advertisement at the right time.

In combination, therefore, MediaMonks and MightyHive would be able to offer clients premium creative production informed by first-party data and delivered by programmatic media buying and analysis. The Directors and the Proposed Directors consider that the Enlarged Group should provide a compelling service offering, enhancing the ability of MediaMonks and MightyHive to win new engagements, better

service existing clients and capture a larger combined share of the digital marketing value chain.

MediaMonks and Netflix

MediaMonks works with its long-standing client Netflix to promote their new series. To do so, MediaMonks created tailored dynamic scalable content based on personas derived from first party data, platforms and languages. MediaMonks constructed the content on the basis of 115 scenes, three storylines in 14 markets and delivered it in a six-segment structure for digital ads (intro, segments 1-4 and outro). As a result of MediaMonks' dynamic content capabilities, Netflix has been able to achieve:

- creative display advertisements that effectively connect audience interests to Netflix titles;
- a global reduction in Netflix's costs (approximately 40 per cent.) and in advertising turnaround time (12 weeks reduced to 4 weeks); and
- increased interactions, display times and click-through-rates.

MightyHive's capabilities would add value to this offering for clients like Netflix by assisting them with the analysis of its first party data. This would enable the client to better understand how to target its audience more effectively, deploying the right content to the right people at the right time.

MightyHive and Sprint

In 2017, Sprint and MightyHive began work on bringing Sprint's programmatic advertising in-house. Sprint needed a partner to advise on the optimal deployment of the organisation's ad-tech stack, transition media buying capabilities from its previous full-service agency, and train and hire marketing team members.

By employing MightyHive's highly differentiated approach based on ad-tech, data strategy, media strategy and training and hiring, Sprint achieved:

- a significant year-over-year reduction in cost-per-click and cost per acquisition as well as a material year-over-year increase in quality traffic;
- double-digit improvements in KPIs for search and programmatic campaigns; and
- business results which significantly contributed to approximately \$150 million in cost savings.

Rob Roy, Sprint's Chief Digital Officer told *Campaign* in an interview, "Quite honestly, moving in-house has blown away our expectations in terms of how much year-over-year improvement we've been able to see, both from a top-line and a bottom-line perspective."

MediaMonks' capabilities would add value to this offering by creating highly tailored and bespoke digital content to address different customers, which could then be delivered using the programmatic systems embedded by MightyHive.

Further information on the MediaMonks Group and the MightyHive Group

Further information on the MediaMonks Group and the MightyHive Group is set out in Part V, Part VI and Part X of this Document, respectively.

3 REASONS FOR THE ISSUE AND USE OF PROCEEDS

The net proceeds of the Issue (expected to be approximately £70.6 million) will be applied to the payment of the cash component of the consideration payable to the selling security owners of MightyHive and to meet the expenses arising in connection with the MightyHive Acquisition and Admission. Any surplus net proceeds of the Issue will be used for general corporate purposes and to further implement the Company's strategy.

4 CURRENT TRADING AND PROSPECTS OF THE GROUP

On 14 November 2018, the Company announced that the unaudited revenue of the Group for the quarter

ended 30 September 2018 increased to €29.3 million (an increase of approximately 45 per cent. over the same quarter in 2017) and that unaudited Gross Margin had increased to €20.4 million (an increase of approximately 32 per cent. over the same quarter in 2017). Unaudited year to date revenue has also increased over 48 per cent. compared to the first nine months of 2017 to €83.4 million, with unaudited Gross Margin increasing approximately 40 per cent. to €59.7 million over the same period.

EBITDA for the quarter expressed as a percentage of Gross Margin was 20 per cent. (approximately the same as the same quarter in 2017), and up to 25 per cent. for the nine months to 30 September 2018 (a ten percentage point increase over the first nine months of 2017) (unaudited in each case).

Since 30 September 2018, the Company has, in accordance with its strategy (which is described more fully in paragraph 2 of Part III of this Document) been focussing on sourcing, evaluating and consummating the MightyHive Acquisition. The Company continues to review a number of other complementary opportunities to further expand the Group and deliver the Company's strategy of building a multi-national digital communication services business.

Since 30 September 2018, the business of the MediaMonks Group has continued to grow in comparison to the year ended 31 December 2017 with new client wins and greater revenues from existing clients. Accordingly, it has continued to perform in line with the expectations of its management and those of the Directors and the Proposed Directors.

Since 31 December 2017, the MightyHive Group has also continued its growth trajectory and is performing in line with the expectations of its management for the year to date. Further information on the trading performance of the MightyHive Group for since 2017 is set out in paragraph 1 of this Part I.

5 STANHOPE STRATEGIC RELATIONSHIP

Stanhope Capital LLP is an investment firm providing asset management and advisory services to private clients, institutions and charities globally. Stanhope Capital LLP's private investment team is active in private equity, real estate and private credit. Stanhope Capital LLP invests on behalf of its clients through in-house managed funds or by creating special purpose vehicles. Stanhope Capital LLP, acting in its capacity as the investment manager of Stanhope, intends to support the Company through its growth by providing strategic investment and advice to the Company. Accordingly, from Admission, the founder and CEO of the Stanhope Group, Daniel Pinto, will join the board of the Company.

Stanhope will initiate its strategic investment in the Company through participation in the Issue. Stanhope has agreed to subscribe for 27,772,729 New Ordinary Shares with an aggregate value of £30.6 million, comprised of:

- 8,431,324 New Ordinary Shares pursuant to the Firm Placing;
- 16,113,694 New Ordinary Shares pursuant to the Placing. These New Ordinary Shares represent the Open Offer Entitlements that Sir Martin Sorrell, Peter Rademaker, Daniel Pinto, the EBT and Oro en Fools B.V. and Zen 2 B.V. (being the joint holding companies under the control of Victor Knaap and Wesley ter Haar) have irrevocably undertaken not to take up (the "**Available Shares**"). Stanhope's subscription for the Available Shares will not be subject to clawback in order to satisfy valid applications of Qualifying Shareowners under the Open Offer; and
- 3,227,711 New Ordinary Shares pursuant to the Placing, which will be subject to clawback in order to satisfy valid applications of Qualifying Shareowners under the Open Offer.

Stanhope has, pursuant to a lock-in deed with the Company, HSBC and Dowgate dated 4 December 2018 (the "**Stanhope Lock-in Deed**") agreed for a 24 month period following Admission, subject to certain exceptions, not to offer, sell, contract to sell, grant options over or otherwise dispose of, directly or indirectly, the New Ordinary Shares it receives on Admission. Although there is no present intention or arrangement to do so, Stanhope may, following expiry of the 24 month lock-in period, sell its New Ordinary Shares without restriction.

Sir Martin Sorrell has been a member of Stanhope Capital LLP's Advisory Board since September 2011 but is not involved in its investment decision in relation to the Company.

6 PRINCIPAL TERMS OF THE ISSUE

The Company proposes to raise gross proceeds of £74.0 million (£70.6 million net of expenses) through the issue of 67,272,727 New Ordinary Shares by way of a Firm Placing and a Placing and Open Offer at the Issue Price of 110 pence per New Ordinary Share. The Issue Price represents a discount of 4 per cent. to the Closing Price of 114.5 pence per Existing Ordinary Share on 3 December 2018 (being the last business day prior to the announcement of the Issue).

Firm Placing

Pursuant to the Placing Agreement, the Joint Bookrunners have severally agreed to use their respective reasonable endeavours to procure Firm Placees for 25,549,460 New Ordinary Shares at the Issue Price representing gross proceeds of £28.1 million. The Firm Placed Shares are not subject to clawback and are not part of the Placing and Open Offer.

The terms and conditions of the Firm Placing are set out in placing letters that have been sent to each Firm Placee.

Placing and Open Offer

The Open Offer Shares have been conditionally placed with institutional investors by the Joint Bookrunners, subject to clawback (save in relation to the Available Shares that will be allocated to Stanhope as described above) to satisfy valid applications by Qualifying Shareowners under the Open Offer.

The Open Offer Shares are being offered to Qualifying Shareowners by way of the Placing and Open Offer (representing gross proceeds of £45.9 million at the Issue Price). Excluded Overseas Shareowners will not be able to participate in the Open Offer. The Open Offer provides an opportunity for Qualifying Shareowners to participate in the fundraising (subject to compliance with applicable securities laws) by subscribing for their Open Offer Entitlement. Qualifying Shareowners will have an Open Offer Entitlement of:

1 Open Offer Share for every 6.123555 Existing Ordinary Shares

registered in the name of the relevant Qualifying Shareowner on the Record Date and so in proportion to any other number of Existing Ordinary Shares held (that is, not including any allocations made in respect of the Firm Placing or the Placing).

Open Offer Entitlements will be rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will not be allocated but will be aggregated and made available in the Placing.

The Open Offer is being made on a pre-emptive basis to Qualifying Shareowners and is not subject to scaling back. Pursuant to the Placing Agreement the Joint Bookrunners have severally agreed to use their respective reasonable endeavours to conditionally place all of the Open Offer Shares with institutional investors at the Issue Price subject to clawback to satisfy valid applications by Qualifying Shareowners under the Open Offer. Any New Ordinary Shares that are available under the Open Offer and are not taken up by Qualifying Shareowners pursuant to their Open Offer Entitlements will be placed under the Placing.

Application Forms for Qualifying non-CREST Shareowners are expected to be posted to Qualifying non-CREST Shareowners on 4 December 2018 and Open Offer Entitlements are expected to be credited to stock accounts of Qualifying CREST Shareowners in CREST by 5 December 2018. The latest time and date for receipt of completed Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate) is 11.00 a.m. on 18 December 2018, with Admission expected to take place on 24 December 2018.

Shareowners should note that the Open Offer is not a rights issue. Qualifying Shareowners should be aware that in the Open Offer, unlike with a rights issue, any Open Offer Shares not applied for by Qualifying Shareowners under their Open Offer Entitlement will not be sold in the market on behalf of, or placed for the benefit of, Qualifying Shareowners who do not apply under the Open Offer, but will be placed under the Placing.

Any Qualifying Shareowner who has sold or transferred all or part of his registered holding(s) of Existing

Ordinary Shares prior to the close of business on 3 December 2018 is advised to consult his stockbroker, bank or other agent through whom the sale or transfer was effected as soon as possible since the invitation to apply for Open Offer Shares under the Open Offer may be a benefit which may be claimed from him under the rules of the London Stock Exchange by those who purchased his holding(s) or part thereof.

Further information on, and the terms and conditions of, the Open Offer are set out in Part II of this Document. The terms and conditions of the Placing are set out in placing letters that have been sent to each Placee.

7 DIRECTOR AND PROPOSED DIRECTOR PARTICIPATION

The Directors are interested in an aggregate of 89,220,920 Ordinary Shares (representing approximately 34.92 per cent. of the Existing Ordinary Shares). Rupert Faure Walker and Paul Roy have irrevocably undertaken to take up their respective Open Offer Entitlements (representing 183,023 New Ordinary Shares and 223,605 New Ordinary Shares, respectively). Sue Prevezer has agreed to subscribe for 227,272 New Ordinary Shares pursuant to the Firm Placing. Sir Martin Sorrell, Peter Rademaker, Daniel Pinto, the EBT, Oro en Fools B.V. and Zen 2 B.V. (being the joint holding companies under the control of Victor Knaap and Wesley ter Haar) have each undertaken not to take up their respective Open Offer Entitlements in order to enable the subscription of such Available Shares by Stanhope as described above.

Further details of the Directors', the Proposed Directors' and PDMRs' participation in the Issue, their shareholdings as at the date of this Document and their anticipated shareholdings at Admission are set out in paragraph 9 of Part XIV of this Document.

8 IMPACT OF DILUTION

Shareowners will experience dilution in their ownership and voting interests pursuant to the Firm Placing whether or not Qualifying Shareowners take up their Open Offer Entitlements. If Qualifying Shareowners take up the offer of New Ordinary Shares under the Open Offer in full, as a result of the Issue and the MightyHive Acquisition their proportionate ownership and voting interests in the Ordinary Shares will be diluted by 18.21 per cent. If they do not take up any of their Open Offer Entitlement their holdings will be diluted by 29.69 per cent. The percentage of the Company's issued share capital that the Existing Ordinary Shares represent will be reduced by 29.69 per cent. to 70.31 per cent. as a result of the Issue and the MightyHive Acquisition.

9 GENERAL MEETING

The Notice convening a General Meeting to be held at the offices of Travers Smith LLP, 10 Snow Hill, London EC1A 2AL at 11.00 a.m. on 20 December 2018 has been sent to Shareowners in the Circular. The purpose of the General Meeting is to consider, and if thought fit, pass the Resolutions, to (among other things) approve the Issue as set out in full in the Notice of General Meeting.

The Issue Resolution proposes that the Directors be authorised to allot and issue up to 107,902,245 New Ordinary Shares and the 8,984,159 Ordinary Shares that will be subject to Rollover Options on a non-pre-emptive basis in connection with the Issue, the EBT Subscription and the MightyHive Acquisition.

Sir Martin Sorrell holds the B Share, which, when voted against a resolution proposed at a general meeting of the Company, carries the right to such number of votes as may be required to defeat the relevant resolution. Sir Martin has given an irrevocable undertaking to vote the B Share in favour of all resolutions at the General Meeting, and accordingly it shall carry one vote.

Irrevocable undertakings to vote in favour of the Resolutions have been received from 8 Shareowners representing 39.60 per cent. of the Existing Ordinary Shares.

Neither the Issue nor the MightyHive Acquisition will proceed unless the Issue Resolution is passed by the requisite majority.

10 OVERSEAS SHAREOWNERS

The availability of the New Ordinary Shares under the terms of the Open Offer to Shareowners not resident

in the UK may be affected by the laws of the relevant jurisdiction where they are resident. Such persons should inform themselves about and observe any applicable requirements. Further details in relation to Overseas Shareowners are contained in Part II of this Document.

11 TAXATION

Information regarding certain aspects of UK taxation is set out in Part XIII of this Document. This information is, however, intended only as a general guide to certain aspects of the current tax position under UK taxation law. Shareowners who are in any doubt as to their tax position, or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own independent professional adviser without delay.

12 RISK FACTORS

Shareowners and investors should consider fully the risk factors associated with the Company, Group, its business, the New Ordinary Shares and the Issue. Your attention is drawn to the Risk Factors set out on pages 21 to 36 in this Document.

PART II - TERMS AND CONDITIONS OF THE OPEN OFFER

1 INTRODUCTION

As explained in Part I of this Document, the Board proposes to raise £70.6 million (net of expenses) by the issue of 25,549,460 New Ordinary Shares pursuant to a Firm Placing and 41,723,267 New Ordinary Shares through a Placing and Open Offer all at 110 pence per New Ordinary Share.

Pursuant to the Placing Agreement, the Joint Bookrunners have severally agreed to use their respective reasonable endeavours to conditionally place all of the Open Offer Shares with institutional investors at the Issue Price, subject to clawback (save in relation to the Available Shares that will be allocated to Stanhope as described in paragraph 5 of Part I) to satisfy valid applications by Qualifying Shareowners under the Open Offer.

To the extent that any Firm Placee or Placee procured by the Joint Bookrunners (other than Stanhope) fails to subscribe for any or all of the Firm Placed Shares and/or Placing Shares which have been allocated to it, pursuant to the Placing Agreement, each of the Joint Bookrunners shall severally subscribe, as principal, for such Firm Placed Shares and/or Placing Shares at the Issue Price. Each Joint Bookrunner's obligation to subscribe for Firm Placed Shares and/or Placing Shares is subject to certain conditions in the Placing Agreement. A summary of the Placing Agreement is set out in paragraph 12 of Part XIV of this Document.

This Document and, for Qualifying non-CREST Shareowners only, the accompanying Application Form contain the formal terms and conditions of the Open Offer.

2 THE OPEN OFFER

Subject to the terms and conditions set out below and, where relevant, in the Application Form, and pursuant to the Placing Agreement, Qualifying Shareowners are invited to apply for Open Offer Shares at a price of 110 pence per New Ordinary Share, payable in full on application, free of all expenses, on the basis of:

1 New Ordinary Share for every 6.123555 Existing Ordinary Shares

held by them and registered in their names on the Record Date and so in proportion for any other number of Existing Ordinary Shares then held (that is, not including any allocations made in respect of the Firm Placing or the Placing).

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating Qualifying Shareowners' entitlements under the Open Offer.

Fractions of Ordinary Shares will not be allocated to Qualifying Shareowners and entitlements to apply for New Ordinary Shares will be rounded down to the nearest whole number of New Ordinary Shares. Fractional entitlements under the Open Offer will be aggregated and placed in the Placing.

If you have received an Application Form with this Document please refer to paragraph 5.1 and paragraphs 6 to 10 of this Part II.

If you hold your Existing Ordinary Shares in CREST and have received a credit of Open Offer Entitlements to your CREST stock account, please refer to paragraph 5.2 and paragraphs 6 to 10 of this Part II and also to the CREST Manual for further information on the CREST procedures referred to below.

The Open Offer is not a rights issue. Qualifying CREST Shareowners should note that although the Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareowner originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Shareowners should note that the Application Form is not a negotiable document and cannot be traded.

Before making any decision to acquire Open Offer Shares, you are asked to read and carefully consider all the information in this Document including, in particular, the important information set out in Part I of this

Document, as well as this paragraph 2 of Part II and the Risk Factors in this Document. Shareowners who do not participate in the Open Offer will experience dilution of their shareholdings. The material terms of the Issue are contained in this Document.

The Existing Ordinary Shares are listed on the standard segment of the Official List and traded on the London Stock Exchange's Main Market. Application will be made to the FCA and to the London Stock Exchange for the New Ordinary Shares to be issued in the Issue to be admitted to the standard segment of the Official List and to trading on the London Stock Exchange's Main Market. It is expected that Admission will become effective on 24 December 2018 and that dealings for normal settlement in the New Ordinary Shares will commence at 8.00 a.m. on the same day.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the New Ordinary Shares; all such shares, when issued and fully paid, may be held and transferred by means of CREST.

An application has been made for the Open Offer Entitlements to be admitted to CREST. The conditions for such admission having already been met, the Open Offer Entitlements are expected to be admitted to CREST with effect from 5 December 2018.

The Open Offer Shares will when issued and fully paid be identical to and rank in full for all dividends or other distributions declared made or paid after Admission and in all other respects will rank *pari passu* with the Existing Ordinary Shares in issue. No temporary documents of title will be issued.

3 CONDITIONS OF THE ISSUE

The Issue is conditional upon, amongst other things, Shareowner approval of the Issue Resolution and the Placing Agreement becoming or being declared unconditional in all respects by 8.00 a.m. on 24 December 2018 (or such later time and/or date as the Joint Bookrunners may agree, being not later than 8.00 a.m. on 31 January 2019) and the Placing Agreement not being terminated in accordance with its terms. The Placing Agreement is subject to the satisfaction of certain material conditions, details of which are set out in paragraph 12 of Part XIV (Additional Information) of this Document.

It is expected that all these conditions will be satisfied by 8.00 a.m. on 24 December 2018 and that Admission will become effective at 8.00 a.m. on 24 December 2018, and that dealings in the New Ordinary Shares will commence at 8.00 a.m. on 24 December 2018. Definitive certificates in respect of New Ordinary Shares will be prepared and are expected to be posted to those allottees who have validly elected to hold their shares in certificated form within 14 days of Admission. In respect of those allottees who have validly elected to hold their shares in uncertificated form, the New Ordinary Shares are expected to be credited to their accounts maintained in the CREST system as soon as possible after 8.00 a.m. on 24 December 2018.

If the Placing Agreement is not declared or does not become unconditional in all respects, or if it is terminated in accordance with its terms, the Issue will be revoked and will not proceed. In such event, no New Ordinary Shares will be issued, and all monies received by the Receiving Agent in connection with the Open Offer will be returned to applicants without interest and at their risk as soon as practicable and any Open Offer Entitlements admitted to CREST will thereafter be disabled.

4 BASIS OF ALLOCATION

The Open Offer is being made on a pre-emptive basis to Qualifying Shareowners and is not subject to scaling back. Any Ordinary Shares that are available under the Open Offer and are not taken up by Qualifying Shareowners pursuant to their Open Offer Entitlements will be placed in the Placing.

5 PROCEDURE FOR APPLICATION AND PAYMENT

The action to be taken by you in respect of the Open Offer depends on whether, at the relevant time, you have an Application Form in respect of your entitlement under the Open Offer or you have Open Offer Entitlements credited to your CREST stock account in respect of such entitlement.

CREST-sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be

able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

If for any reason it becomes necessary to adjust the expected timetable as set out in this Document, the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

5.1 *If you hold your shares in certificated form (not in CREST) in respect of your entitlement under the Open Offer*

(a) *General*

Qualifying non-CREST (certificated) Shareowners will have received an Application Form enclosed with this Document. The Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date. It also shows the maximum number of New Ordinary Shares for which you are entitled to apply on a *pro rata* basis under the Open Offer, as shown by the total number of Open Offer Entitlements allocated to you. You may also hold such an Application Form by virtue of a *bona fide* market claim.

The instructions and other terms set out in the Application Form form part of the terms of the Open Offer.

The Application Form has not been, and will not be, sent to Overseas Shareowners in, or with registered addresses in any Excluded Territories. Brokers, banks and other agents may not send an Application Form to, or submit Application Forms on behalf of, Overseas Shareowners in, or with addresses in any of these countries or a person (including, without limitation, stockbrokers, banks or other agents) who has a contractual or other legal obligation to forward this Document into a jurisdiction other than the United Kingdom.

(b) *Market claims*

Applications may only be made on the Application Form and may only be made by the Qualifying Shareowner named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to the Open Offer by the London Stock Exchange, being 4 December 2018. Application Forms may be split up to 3.00 p.m. on 14 December 2018. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying non-CREST Shareowner who has sold or transferred all or part of his holding of Existing Ordinary Shares prior to 4 December 2018, being the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to the Open Offer by the London Stock Exchange, should consult his or her broker or other professional adviser as soon as possible, as the invitation to acquire New Ordinary Shares under the Open Offer may be a benefit which may be claimed by the transferee from his or her counterparty pursuant to the rules of the London Stock Exchange. Qualifying Shareowners who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box J on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Application Form should not, however, be forwarded to or transmitted in or into any of the Excluded Territories.

If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph 5.2 below.

(c) *Application procedures*

If you are a Qualifying non-CREST Shareowner and wish to apply for all or some of your entitlement

to New Ordinary Shares under the Open Offer you should complete and sign the Application Form in accordance with the instructions on it and send it, together with the appropriate remittance and in accordance with the instructions in this Part II, paragraph 5 by post, or by hand (during normal business hours only) to the Receiving Agent, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR.

Please note that the Receiving Agent cannot provide financial advice on the merits of the Open Offer or as to whether or not you should take up your entitlement to New Ordinary Shares under the Open Offer. If any Application Form is sent by first-class post within the United Kingdom, Qualifying non-CREST (certificated) Shareowners are recommended to allow at least four Business Days for delivery. Applications in respect of which remittances are received prior to 11.00 a.m. on the final date for acceptance and payment of the Open Offer from an authorised person (as defined in FSMA) specifying the number of New Ordinary Shares concerned and undertaking to lodge the relevant Application Form duly completed by not later than 11.00 a.m. on the second Business Day immediately following the final date for acceptance and payment of the Open Offer may be accepted.

(d) *Payments*

All payments must be in Sterling and cheques or banker's drafts should be made payable to "Share Registrars Limited Receiving Agent Account" and crossed "A/C payee only". Cheques or banker's drafts must be drawn on an account at a branch of a bank or building society in the United Kingdom, the Channel Islands or the Isle of Man which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which is a member of either of the Committees of Scottish or Belfast clearing houses or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees. Such cheques or banker's drafts must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application.

Cheques must be drawn on the personal account of the individual investor where they have sole or joint title to the funds. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the back of the building society cheque/banker's draft to such effect. The account name should be the same as that shown on the application.

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. No interest will be allowed on payments made as funds are held in a non-interest bearing account. It is a term of the Open Offer that cheques shall be honoured on first presentation, and the Company may elect in its absolute discretion to treat as invalid acceptances in respect of which cheques are not so honoured. Post-dated cheques and payment via CHAPS, BACS or electronic transfer will not be accepted.

Application monies will be paid into a separate non-interest bearing bank account pending the Open Offer becoming unconditional. In the event that it does not become unconditional by 8.00 a.m. on 24 December 2018 (or such later time and/or date as the Joint Bookrunners may agree, being not later than 8.00 a.m. on 31 January 2019), the Issue will lapse and application monies will be returned by post to applicants, at the applicants' risk and without interest, to the address set out on the Application Form, within 14 days thereafter.

(e) *Effect of application*

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering an Application Form, you (as the applicant(s)):

- (i) agree that all applications, and contracts resulting therefrom, under the Open Offer shall be governed by, and construed in accordance with, the laws of England;

- (ii) confirm that in making the application you are not relying on any information or representation other than that contained in this Document, and you accordingly agree that no person responsible solely or jointly for this Document or any part thereof shall have any liability for any such information or representation not so contained;
- (iii) represent and warrant to the Company, HSBC and Dowgate that if you have received some or all of your Open Offer Entitlements from a person other than the Company, you are entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim;
- (iv) represent and warrant to the Company, HSBC and Dowgate that you are not a person who by virtue of being resident in or a citizen of any country outside the United Kingdom is prevented by the law of any relevant jurisdiction from lawfully applying for New Ordinary Shares;
- (v) represent and warrant to the Company, HSBC and Dowgate that you are acquiring New Ordinary Shares in an "offshore transaction" as defined in and in accordance with Regulation S and furthermore that, (i) you are not in the United States, or in any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares or to use the Application Form in any manner in which you have used or will use it; (ii) you are not acting for the account or benefit of a US Person, a person located within the United States, or a person within any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares, and were not acting for the account or benefit of such a person at the time the instruction to apply for the New Ordinary Shares was given; and (iii) you and any person for whom you are acting are not acquiring New Ordinary Shares with a view to the offer, sale, resale, delivery or transfer, directly or indirectly, of any such New Ordinary Shares into the United States, or any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares, except in each case of (i), (ii) and (iii) where proof satisfactory to the Company, HSBC and Dowgate has been provided that you and any person for whom you are acting are entitled to take up your entitlement without any breach of applicable law; and
- (vi) represent and warrant to the Company, HSBC and Dowgate that you are not, and nor are you applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986.

Further representations and warranties are contained in the Application Form. Each subscriber or purchaser acknowledges that the Company, HSBC and Dowgate will rely upon the truth and accuracy of the foregoing agreements, confirmations, representations and warranties and agrees that if any of the agreements, confirmations, representations or warranties made by such subscriber or purchaser are no longer accurate he shall promptly notify the Company, HSBC and Dowgate. If such subscriber or purchaser is subscribing for, or purchasing, New Ordinary Shares as a fiduciary or agent for one or more investor accounts, each subscriber or purchaser represents that he has sole investment discretion with respect to each such account and full power to make the foregoing representations and agreements on behalf of each such account.

If you do not wish to apply for any of the New Ordinary Shares to which you are entitled under the Open Offer, you should not complete and return the Application Form.

If you are in doubt as to whether or not you should apply for any of the New Ordinary Shares under the Open Offer, you should consult your independent financial adviser immediately. All enquiries in relation to the procedure for application for Qualifying non-CREST (certificated) Shareowners under the Open Offer should be addressed to the Receiving Agent, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR. Please contact Share Registrars Limited on 01252 821390. Calls are charged at the standard rate. If you are outside the United Kingdom, please call +44 1252 821390. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding

public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the proposals nor give any financial, legal or tax advice.

5.2 ***If you have Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer***

(a) *General*

Save as provided in paragraph 7 of this Part II in relation to certain Overseas Shareowners, each Qualifying CREST Shareowner will receive a credit to his stock account in CREST of his Open Offer Entitlements equal to the basic number of New Ordinary Shares for which he is entitled to apply under the Open Offer.

The CREST stock account to be credited will be an account under the Participant ID and Member Account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareowner in respect of which the Open Offer Entitlements have been allocated.

If for any reason the Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareowners cannot be credited by 3.00 p.m. on 5 December 2018 or such later time as the Company may decide, an Application Form will be sent out to each Qualifying CREST Shareowner in substitution for the Open Offer Entitlements which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this Document will be adjusted as appropriate and the provisions of this Document applicable to Qualifying non-CREST (certificated) Shareowners with Application Forms will apply to Qualifying CREST Shareowners who receive Application Forms.

CREST members who wish to apply for some or all of their entitlements to New Ordinary Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact the Receiving Agent, Share Registrars Limited on 01252 821390. Calls are charged at the standard rate. If you are outside the United Kingdom, please call +44 1252 821390. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the proposals nor give any financial, legal or tax advice.

If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for New Ordinary Shares as only your CREST-sponsor will be able to take the necessary action to make this application in CREST.

(b) *Market claims*

The Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements may only be made by the Qualifying Shareowner originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as "cum" the Open Offer Entitlements will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) will thereafter be transferred accordingly.

(c) *USE Instructions*

Qualifying CREST Shareowners who wish to apply for New Ordinary Shares in respect of all or some of their Open Offer Entitlements in CREST must send (or, if they are a CREST sponsored member, procure that their CREST sponsor sends) an Unmatched Stock Event ("**USE**") instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of Share Registrars Limited under the Participant ID and Member Account ID specified below, with a number of Open Offer Entitlements corresponding to the number of New Ordinary Shares applied for; and
 - (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements, in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of New Ordinary Shares referred to in (i) above.
- (d) *Content of USE Instructions in respect of Open Offer Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of New Ordinary Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Open Offer Entitlements – GB00BYWQVY43;
- (iii) the Member Account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (iv) the CREST Participant ID of the accepting CREST Member;
- (v) the CREST Participant ID of the Receiving Agent, in its capacity as CREST receiving agent – 7RA36;
- (vi) the Member Account ID of the Receiving Agent, in its capacity as CREST receiving agent – RECEIVE;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of New Ordinary Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 18 December 2018; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 18 December 2018.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (A) a contact name and telephone number (in the free-format shared note field); and
- (B) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle in order to be valid is 11.00 a.m. on 18 December 2018.

If the Issue does not become unconditional by 8.00 a.m. on 24 December 2018 (or such later time and/or date as the Joint Bookrunners may agree, being not later than 8.00 a.m. on 31 January 2019), the Issue will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareowner by way of a CREST

payment, without interest, within 14 days thereafter.

(e) *Deposit of Open Offer Entitlements into, and withdrawal from, CREST*

A Qualifying non-CREST Shareowner's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareowner named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim). Similarly, Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing to deposit the entitlement set out in such form as per the foregoing is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 18 December 2018. Shortly after depositing their Open Offer Entitlement into their CREST account, CREST holders will receive a credit for their Open Offer Entitlement which will be managed by the Receiving Agent.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements in CREST, is 3.00 p.m. on 14 December 2018, and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4.30 p.m. on 13 December 2018, in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements prior to 11.00 a.m. on 18 December 2018. CREST holders inputting the withdrawal of their Open Offer Entitlement from their CREST account must ensure that they withdraw their Open Offer Entitlement.

Delivery of an Application Form with the CREST Deposit Form duly completed whether in respect of a deposit into the account of the Qualifying Shareowner named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company, HSBC, Dowgate and the Receiving Agent from the relevant CREST member(s) that you are acquiring New Ordinary Shares in an "offshore transaction" as defined in and in accordance with Regulation S and furthermore that, (i) you are not in the United States, or in any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares or to use the Application Form in any manner in which you have used or will use it; (ii) you are not acting for the account or benefit of a US Person, a person located within the United States, or a person within any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares, and were not acting for the account or benefit of such a person at the time the instruction to apply for the New Ordinary Shares was given; and (iii) you and any person for whom you are acting are not acquiring New Ordinary Shares with a view to the offer, sale, resale, delivery or transfer, directly or indirectly, of any such New Ordinary Shares into the United States, or any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares, except in each case of (i), (ii) and (iii) where proof satisfactory to the Company, HSBC and Dowgate has been provided that you and any person for whom you are acting are entitled to take up your entitlement without and breach of applicable law; and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

Each subscriber or purchaser acknowledges that the Company, HSBC and Dowgate will rely upon the truth and accuracy of the foregoing agreements, confirmations, representations and warranties and agrees that if any of the agreements, confirmations, representations or warranties made by such subscriber or purchaser are no longer accurate he shall promptly notify the Company, HSBC and

Dowgate. If such subscriber or purchaser is subscribing for, or purchasing, New Ordinary Shares as a fiduciary or agent for one or more investor accounts, each subscriber or purchaser represents that he has sole investment discretion with respect to each such account and full power to make the foregoing representations and agreements on behalf of each such account.

(f) *Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 18 December 2018 will constitute a valid application under the Open Offer.

(g) *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 18 December 2018. In this connection, CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(h) *Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company through the Receiving Agent reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question;
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of New Ordinary Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question; or
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the New Ordinary Shares referred to in the USE instruction refunding any unutilised sum to the CREST member in question.

(i) *Effect of valid application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

- (i) pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (ii) request that the New Ordinary Shares to which he will become entitled be issued to him on the terms set out in this Document and subject to the Articles;
- (iii) agree that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- (iv) represent and warrant to the Company, HSBC and Dowgate that he is acquiring New Ordinary Shares in an "offshore transaction" as defined in and in accordance with Regulation

S and furthermore that, (i) he is not in the United States, or in any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares or to use the Application Form in any manner in which he has used or will use it; (ii) he is not acting for the account or benefit of a US Person, a person located within the United States, or a person within any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares, and was not acting for the account or benefit of such a person at the time the instruction to apply for the New Ordinary Shares was given; and (iii) he and any person for whom he is acting are not acquiring New Ordinary Shares with a view to the offer, sale, resale, delivery or transfer, directly or indirectly, of any such New Ordinary Shares into the United States, or any of the Excluded Territories or any other territory in which it is unlawful to make or accept an offer to apply for New Ordinary Shares, except in each case of (i), (ii) and (iii) where proof satisfactory to the Company, HSBC and Dowgate has been provided that he and any person for whom he is acting are entitled to take up an entitlement without any breach of applicable law;

- (v) represent and warrant to the Company, HSBC and Dowgate that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986;
- (vi) confirm that in making such application he is not relying on any information in relation to the Company other than that contained in this Document and agrees that no person responsible solely or jointly for this Document or any part thereof or involved in the preparation thereof shall have any liability for any such other information and further agree that having had the opportunity to read this Document, he will be deemed to have had notice of all the information concerning the Company contained herein; and
- (vii) represent and warrant to the Company, HSBC and Dowgate that he is the Qualifying Shareowner originally entitled to the Open Offer Entitlements or that he has received such Open Offer Entitlements by virtue of a *bona fide* market claim.

Each subscriber acknowledges that the Company, HSBC and Dowgate will rely upon the truth and accuracy of the foregoing agreements, confirmations, representations and warranties and agrees that if any of the agreements, confirmations, representations or warranties made by such subscriber or purchaser are no longer accurate he shall promptly notify the Company, HSBC and Dowgate. If such subscriber or purchaser is subscribing for, or purchasing, New Ordinary Shares as a fiduciary or agent for one or more investor accounts, each subscriber or purchaser represents that he has sole investment discretion with respect to each such account and full power to make the foregoing representations and agreements on behalf of each such account.

(j) *The Company's discretion as to rejection and validity of applications*

The Company may in its sole discretion:

- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part II;
- (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (iii) treat a properly authenticated dematerialised instruction (in this subparagraph the "**first instruction**") as not constituting a valid application if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual

notice from Euroclear of any of the matters specified in Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and

- (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for New Ordinary Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

6 UK MONEY LAUNDERING REGULATIONS

6.1 *Holders of Application Forms*

It is a term of the Open Offer that to ensure compliance with the Money Laundering Regulations, the Receiving Agent may require, in its absolute discretion, verification of the identity of the person by whom or on whose behalf an Application Form is lodged with payment (which requirements are referred to below as the "verification of identity requirements").

The person(s) (the "**Applicant**") who, by lodging an Application Form with payment, and in accordance with the other terms as described above, accept(s) the Open Offer in respect of the New Ordinary Shares (the "**relevant shares**") comprised in such Application Form shall thereby be deemed to agree to provide the Receiving Agent with such information and other evidence as it may require to satisfy the verification of identity requirements.

The Receiving Agent may therefore undertake requests for proof of identity.

If the Receiving Agent determines that the verification of identity requirements apply to any applicant or application, the relevant shares (notwithstanding any other term of the Open Offer) will not be issued to the applicant unless and until the verification of identity requirements have been satisfied in respect of that application. The Receiving Agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any applicant or application and whether such requirements have been satisfied, and none of the Receiving Agent, the Company, HSBC and Dowgate will be liable to any person for any loss, expense or damage suffered or incurred (or alleged), directly or indirectly as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If satisfactory verification of identity has not been received by Share Registrars Limited within a reasonable period of time, then the Application Form or USE message through CREST in question may be rejected, in which event the application will not proceed any further and the application monies (without interest) will be returned to the bank account on which the cheque was drawn at the Applicant's own risk.

The above information is provided by way of guidance to reduce the likelihood of difficulties, delays and potential rejection of an Application Form (but without limiting Share Registrars Limited's right to require verification of identity as indicated above).

Submission of an Application Form with the appropriate remittance will constitute a warranty from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

The verification of identity requirements will not usually apply:

- (i) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on the prevention of the use of the financial system for the purpose of money

laundering or terrorist financing (no. 2015/849/EU)); or

- (ii) if the applicant is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations; or
- (iii) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the name of such applicant; or
- (iv) if the aggregate subscription price for the relevant shares is less than the sterling equivalent of €15,000.00 (approximately £13,000.00).

In other cases the verification of identity requirements may apply. The following guidance is provided in order to assist in satisfying the verification of identity requirements and to reduce the likelihood of difficulties or delays and potential rejection of an application (but does not limit the right of the Receiving Agent to require verification of identity as stated above). Satisfaction of the verification of identity requirements may be facilitated in the following ways:

- (A) if payment is made by building society cheque (not being a cheque drawn on an account of the applicant) or banker's draft, by the building society or bank endorsing on the cheque or draft the applicant's name and the number of an account held in the applicant's name at such building society or bank, such endorsement being validated by a stamp and an authorised signature by the building society or bank on the reverse of the cheque or banker's draft; or
- (B) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which are Argentina, Australia, Brazil, Canada, China, Hong Kong, Iceland, India, Japan, the Republic of Korea, Mexico, New Zealand, Norway, Russian Federation, Singapore, South Africa, Switzerland, Turkey, the United States of America and, by virtue of their membership of the Gulf Cooperation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should provide written confirmation that it has that status with the Application Form and written assurance that it has obtained and recorded evidence of the identity of the persons for whom it acts and that it will on demand make such evidence available to the Receiving Agent or the relevant authority.

In order to confirm the acceptability of any written assurance referred to in (B) above or any other case, the applicant should contact the Receiving Agent; or

- (C) if (an) Application Form(s) is/are in respect of relevant shares with an aggregate subscription price of the sterling equivalent of €15,000.00 (approximately £13,000) or more and is/are lodged by hand by the applicant in person, he should ensure that he has with him evidence of identity bearing his photograph (for example, his passport) and evidence of his address.

Third-party cheques will not be accepted.

6.2 **Open Offer Entitlements in CREST in CREST**

If you hold your Open Offer Entitlements in CREST and apply for New Ordinary Shares in respect of all or some of your Open Offer Entitlements in CREST as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then irrespective of the value of the application, the Receiving Agent is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application.

You must therefore contact the Receiving Agent before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to

identity, the Registrar may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the New Ordinary Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the New Ordinary Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

7 OVERSEAS SHAREOWNERS

The making of the Open Offer to Overseas Shareowners may be affected by the laws or regulatory requirements of the relevant jurisdiction. The comments set out in this paragraph 7 are intended as a general guide only and any Overseas Shareowners who are in any doubt in this respect should consult their professional advisers. No person receiving a copy of this Document and/or an Application Form and/or receiving a credit of Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him, nor should he in any event use such Application Form and/or credit of Open Offer Entitlements to a stock account in CREST, unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such Application Form or credit of Open Offer Entitlements to a stock account in CREST could lawfully be used without contravention of any legislation or other local regulatory requirements. Receipt of this Document and/or an Application Form or the crediting of Open Offer Entitlements to a stock account in CREST does not constitute an invitation or offer to Overseas Shareowners in the territories in which it would be unlawful to make an invitation or offer and in such circumstances this Document and/or any Application Forms are sent for information only. It is the responsibility of any person receiving a copy of this Document and/or an Application Form and/or receiving a credit of Open Offer Entitlements to a stock account in CREST outside the United Kingdom and wishing to make an application for any New Ordinary Shares to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant territory in connection therewith, including obtaining any governmental or other consents which may be required or observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such other territory.

Persons (including, without limitation, stockbrokers, banks and other agents) receiving an Application Form and/or receiving a credit of Open Offer Entitlements to a stock account in CREST should not, in connection with the Open Offer, distribute or send the Application Form or transfer the Open Offer Entitlements into any jurisdiction where to do so would or might contravene local securities laws or regulations.

If an Application Form or a credit of Open Offer Entitlements to a stock account in CREST is received by any person in any such jurisdiction or by the stockbrokers, banks and other agents or nominees of such person, he or she must not seek to take up the New Ordinary Shares except pursuant to an express agreement with the Company. Any person who does forward an Application Form or transfer the Open Offer Entitlements into any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this paragraph. The Company, HSBC and Dowgate reserve the right to reject an Application Form or transfer of Open Offer Entitlements from or in favour of Shareowners in any such jurisdiction or persons who are acquiring New Ordinary Shares for resale in any such jurisdiction.

The Company, HSBC and Dowgate reserve the right in their absolute discretion to treat as invalid any application for New Ordinary Shares under the Open Offer if it appears to the Company, HSBC and Dowgate and their agents that such application or acceptance thereof may involve a breach of the laws or regulations of any jurisdiction or if in respect of such application the Company, HSBC and Dowgate have not been given the relevant warranty concerning overseas jurisdictions set out in the Application Form or in this Document, as appropriate. All payments under the Open Offer must be made in Sterling.

7.1 *European Economic Area*

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive, an offer to the public of any New Ordinary Shares may not be made in that Relevant Member State pursuant to the Firm Placing, Placing and Open Offer prior to the publication of a prospectus in relation to the New Ordinary Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in the first Relevant Member State, all in accordance with the Prospectus Directive,

except that an offer to the public in that Relevant Member State of any New Ordinary Shares may be made at any time:

- (i) to any legal entity which is a "qualified investor" within the meaning of Article 2(1)(e) of the Prospectus Directive;
- (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or
- (iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of New Ordinary Shares shall result in a requirement for the Company or any Joint Broker to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive and each person who initially acquires any New Ordinary Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the Company and the Joint Bookrunners that it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any New Ordinary Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Open Offer and any New Ordinary Shares to be offered so as to enable a prospective investor to decide to purchase any New Ordinary Shares, as the same may be varied for that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

In the case of any New Ordinary Shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, warranted and agreed that it is a "qualified investor" within the meaning of Article 2(1)(e) of the Prospectus Directive and (i) the New Ordinary Shares acquired by it have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, or in circumstances in which the prior consent of the Joint Bookrunners has been obtained to each such proposed offer or resale; or (ii) where New Ordinary Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those New Ordinary Shares to it is not treated under the Prospectus Directive as having been made to such persons. The Company and the Joint Bookrunners and each of their respective affiliates and others will rely upon the truth and accuracy of the foregoing representation, warranty and agreement.

7.2 United States of America

The New Ordinary Shares (whether Firm Placed Shares, Placing Shares or Open Offer Shares) and the Open Offer Entitlements and the Existing Ordinary Shares have not been, and will not be, registered under the US Securities Act or with any securities regulatory authority of or under the applicable securities laws or regulations of any state or other jurisdiction of the United States and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of the New Ordinary Shares or the Open Offer Entitlements in the United States.

Accordingly, the Company is not extending the Open Offer into the United States and none of this Prospectus, the Application Form nor the crediting of Open Offer Entitlements to a stock account in CREST constitutes or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire or subscribe for any New Ordinary Shares in the United States. The Application Form will not be sent to, and neither Open Offer Entitlements nor New Ordinary Shares will be credited to a stock account in CREST of, any Qualifying Shareowner with a registered address in the United States. Application Forms sent from or postmarked in the United States, or including a United States registered address, will be deemed to be invalid and all persons acquiring Open Offer Shares and wishing to hold such Open Offer Shares in registered form must provide an address outside the United States for registration of the Open Offer Shares.

The Company reserves the right to treat as invalid any Application Form that appears to the Company or its agents to have been executed in, or dispatched from, the United States, or that provides an address in the United States for the receipt of New Ordinary Shares, or which does not make the warranties set out in the Application Form or where the Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements. In addition, except as set out below, any person exercising Open Offer Entitlements must make the representations and warranties set out in this Part II, as appropriate. Accordingly, except as set out below, the Company reserves the right to treat as invalid (i) any Application Form which does not make the representations and warranties set out in this Part II; and (ii) any USE instruction which does not make the representations and warranties set out in this Part II. In addition, the Company reserves the right to reject any USE instruction sent by or on behalf of any CREST member with a registered address in the United States or which appears to the Company to have been dispatched from the United States or any other Excluded Territory, in a manner which may involve a breach of the laws of any jurisdiction or it or its agents believe may violate any applicable legal or regulatory requirement, or which does not make the representations and warranties set out in this Part II.

Any person in the United States into whose possession this Document comes should inform himself about and observe any applicable legal restrictions.

7.3 Other overseas territories

Qualifying Shareowners in jurisdictions other than the United States or the Excluded Territories may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this Prospectus and, if relevant, the Application Form. Each person to whom the New Ordinary Shares or the Application Form are distributed, offered or sold outside the United States will be deemed by its subscription for, or purchase of, the New Ordinary Shares to have represented and agreed to the representations and warranties set out in this Part II.

7.4 Waiver

The provisions of this paragraph 7 and of any other terms of the Open Offer relating to Overseas Shareowners may be waived, varied or modified as regards specific Shareowners or on a general basis by the Company in its absolute discretion (after consultation with the Joint Bookrunners). Subject to this, the provisions of this paragraph 7 supersede any terms of the Open Offer inconsistent herewith. References in this paragraph 7 to Shareowners shall include references to the person or persons executing an Application Form and, in the event of more than one person executing an Application Form, the provisions of this paragraph 7 shall apply to them jointly and to each of them.

8 WITHDRAWAL RIGHTS

Qualifying Shareowners wishing to exercise statutory withdrawal rights after publication by the Company of a prospectus supplementing this Document must do so by lodging a written notice of withdrawal which must include the full name and address of the person wishing to exercise statutory withdrawal rights and, if such person is a CREST member, the Participant ID and the Member Account ID of such CREST member, with the Receiving Agent, so as to be sent by the Qualifying Shareowner no later than two Business Days after the date on which the supplementary prospectus is published or by post or by hand (during normal business hours only) to the Receiving Agent, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR. Notice of withdrawal given by any other means or which is deposited with or received by the Receiving Agent after expiry of such period will not constitute a valid withdrawal, provided that the Company will not permit the exercise of withdrawal rights after payment by the relevant Qualifying Shareowner of its subscription in full and the allotment of New Ordinary Shares to such Qualifying Shareowner becoming unconditional save to the extent required by statute. In such event Shareowners are advised to seek independent legal advice.

9 TAXATION

Information regarding certain aspects of UK taxation is set out in Part XIII of this Document. This information is, however, intended only as a general guide to certain aspects of the current tax position under UK taxation law. Shareowners who are in any doubt as to their tax position, or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own independent professional

adviser without delay.

10 LISTING, SETTLEMENT, DEALINGS AND PUBLICATION

Application will be made to the FCA for the New Ordinary Shares to be admitted to listing on the standard segment of the Official List and to the London Stock Exchange for the same to be admitted to trading on the Main Market subject to the fulfilment of the conditions of the Open Offer. Subject to the Issue becoming unconditional in all respects (save only as to Admission) it is expected that admission of the New Ordinary Shares to the standard segment of the Official List and to trading on the London Stock Exchange's Main Market will become effective and that dealings therein for normal settlement will commence at 8.00 a.m. on 24 December 2018.

Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 18 December 2018 (the latest date for applications under the Open Offer). If the conditions to the Open Offer described above are satisfied, New Ordinary Shares will be issued in uncertificated form to those persons who submitted a valid application for New Ordinary Shares by utilising the CREST application procedures and whose applications have been accepted by the Company on the day on which such conditions are satisfied (expected to be 24 December 2018). On this day, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons, entitlement to New Ordinary Shares with effect from Admission (expected to be 24 December 2018).

The stock accounts to be credited will be accounts under the same Participant IDs and Member Account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this Document, the Company reserves the right to send Qualifying CREST Shareowners an Application Form instead of crediting the relevant stock account with Open Offer Entitlements, and to allot and/or issue any New Ordinary Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST), or on the part of the facilities and/or systems operated by the Registrars in connection with CREST.

For Qualifying non-CREST Shareowners who have applied by using an Application Form, definitive share certificates in respect of the New Ordinary Shares validly applied for are expected to be despatched by post within seven days of Admission. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers of the New Ordinary Shares by Qualifying non-CREST (certificated) Shareowners will be certified against the share register. All documents or remittances sent by or to applicants, or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Qualifying non-CREST (certificated) Shareowners are referred to the Application Form.

Qualifying CREST Shareowners should note that they will be sent no confirmation of the credit of the New Ordinary Shares to their CREST stock account nor any other written communication by the Company in respect of the issue of the New Ordinary Shares.

The completion and results of the Issue will be announced and made public through an announcement on a Regulatory Information Service as soon as possible after the results are known on or around 19 December 2018.

The terms and conditions of the Open Offer as set out in this Document, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, English law. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of, or in connection with, the Open Offer, this Document or the Application Form (including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer, this Document or the Application Form). By taking up the Open Offer Shares, in accordance with the instructions set out in this Document and, where applicable, the Application Form, Qualifying Shareowners irrevocably submit to the jurisdiction of the courts of England and Wales (including, without limitation, in relation to disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer, this Document or the Application Form) and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

PART III - INFORMATION ON THE COMPANY

1 HISTORY AND OVERVIEW

The Company was formed in 2016 with the objective of creating value for its Shareowners through an acquisition-led growth strategy with an initial focus on acquiring businesses operating in the medical products and devices sector. The Company's shares were admitted to the Official List and to trading on the London Stock Exchange's Main Market on 29 December 2016 when it raised approximately £2.28 million via a placing at 10 pence per Old Ordinary Share. On 31 August 2017, the Company expanded the scope of its investment criteria to include the wider technology sector.

In May 2018 the opportunity to work with Sir Martin Sorrell arose. Sir Martin was previously Chief Executive of WPP plc, the longest-serving director of a FTSE 100 company. Sir Martin acquired a significant stake in WPP in 1985 when its market capitalisation was approximately £1 million; WPP had a market capitalisation of in excess of £15 billion when he left in 2018.

The then Directors considered that a new strategy of building a digital multi-national business in the communication services sector, initially by acquisitions, under the leadership of Sir Martin would provide an accelerated route to grow the Company and deliver value to Shareowners.

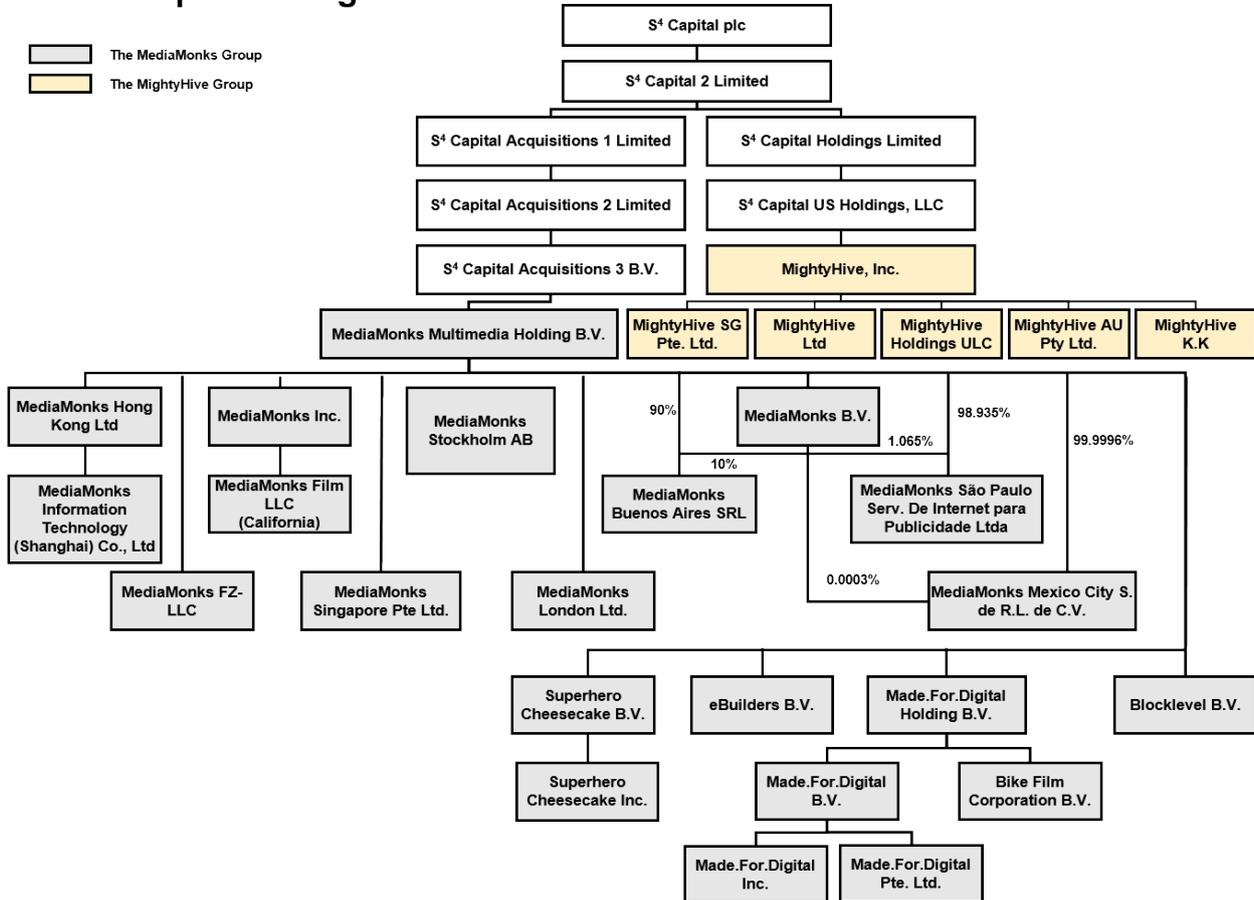
As a consequence, on 30 May 2018 the Company entered into an agreement to acquire S⁴ Capital 2 Limited (formerly S⁴ Capital Limited) ("**S⁴ Limited**") which had been established by Sir Martin with the objective of building a purely digital multi-national communications services business. As at 30 May 2018, S⁴ Limited was owned 78 per cent. by Sir Martin Sorrell and the balance by institutional and other investors. S⁴ Limited had no trading activities but had on 29 May 2018 completed an equity issue to raise £51 million in cash. The acquisition of S⁴ Limited was subject to a number of conditions, including the publication of a prospectus, which were not expected to be satisfied for a number of months.

On 9 July 2018, S⁴ Limited acquired MediaMonks, a creative digital content production company, for a consideration of €288 million, which was derived from an enterprise value of €300 million. The consideration was funded by: drawdown of the Term Loan (€50 million), the net proceeds of the July Placing (€143.34 million), the MediaMonks Subscription (€63.33 million) and the balance from the existing cash resources of S⁴ Limited.

On 28 September 2018, the Company acquired S⁴ Limited pursuant to the S⁴ Acquisition Agreement. The S⁴ Acquisition was funded by the issue of 241,285,077 Ordinary Shares and the B Share to the shareowners of S⁴ Limited. At the same time, the S⁴ Capital Employee Benefit Trust (the "**EBT**"), using funds loaned to it out of the Company's distributable reserves, subscribed for 11,709,601 Ordinary Shares at nominal value. The Ordinary Shares were then re-admitted to a Standard Listing and to trading on the London Stock Exchange's Main Market simultaneously with such issues of Ordinary Shares.

On Admission, the Company will be the parent company for a group comprising S⁴ Limited (and its subsidiaries), the MediaMonks Group and the MightyHive Group. The MediaMonks Group and the MightyHive Group will, following Admission, be the only trading businesses within the Group. The structure of the Group will, following Admission, be as set out below.

The Group following Admission



Source: the Company

2 STRATEGY OF THE GROUP

The strategy of the Group is to provide global, multi-national, regional and local clients and millennial-driven influencer brands with digital marketing services, which are agile, efficient, and of premium creative quality, in other words faster, better and cheaper. The Group will initially place emphasis on further geographic and functional development of its existing digital content platform; on data analytics to fuel creative content and digital media planning; and on digital media buying. The Group will be run on a unitary or single profit centre basis, rather than multiple ones. The Group will seek to implement this strategy in the short- and medium-term (that is, in the next two to three years) through acquisitions as well as investment in and the expansion of the MediaMonks Group, the MightyHive Group and other businesses owned by the Group in time.

The Group's strategy with regard to acquisitions is, and will continue to be, implemented by way of a two-stage process. The first stage will comprise the identification of acquisition opportunities in various segments of the communication services market. As noted above, targeted sectors will include content, data analytics, media planning and digital media buying. The second stage will comprise a rigorous and disciplined analysis of identified target businesses (including as to their ongoing funding requirements). The Group may run either or both stages of this process in respect of more than one potential acquisition opportunity at any one time as it is seeking to acquire content, data analytics capabilities and media planning and digital media buying capacity as a priority, with international expansion naturally following

such capacity expansion.

The Group will be global in outlook and structure and seek to grow revenues in markets and functions which the Directors and the Proposed Directors believe have the greatest growth potential.

Whilst the Company will continue to review acquisition opportunities given the narrowness of its current base, the Group will also focus on organic growth, by seeking to broaden and deepen existing client relationships and developing new ones. The Company will maintain a disciplined approach to acquisitions, both as to any acquisition consideration payable and the working capital requirements of any acquired business. However, given its focus on digital opportunities, valuations are likely to be full. Where possible, the Company will seek to align the management objectives of any acquired business with Shareowners, by offering a substantial proportion of any consideration to management in the form of equity in the Company or by requiring that management invest in the Company.

The Directors and the Proposed Directors expect that a material proportion of any cash consideration required for any substantial acquisition is likely to be provided from the proceeds of issue of further Ordinary Shares.

3 ACQUISITION OF MIGHTYHIVE BY THE COMPANY

MightyHive, Inc. ("**MightyHive**"), incorporated in the state of Delaware on February 22, 2012, is a programmatic solutions provider for future-thinking marketers and agencies. MightyHive offers services focusing on implementation and support, campaign management, and consulting. MightyHive is headquartered in San Francisco, California and has offices in several other locations in the US and internationally including Sydney, London, and Singapore.

MightyHive established wholly-owned subsidiaries in Sydney, Australia and London, United Kingdom in 2016 and in Singapore in 2017. The subsidiaries are primarily sales, marketing, and service operation offices, and are expected to operate independently as an extension of the parent Company's operations.

The MightyHive Group provides programmatic services and support to clients including Sprint, Nationwide, Sephora, and Yamaha.

On 3 December 2018, the Company, its indirect subsidiaries, S⁴ Capital Holdings Limited, US Holdco and MergeCo, MightyHive and a representative of the selling security holders of MightyHive entered into a merger agreement (the "**Merger Agreement**") pursuant to which MightyHive will merge with and into MergeCo with the effect that, following Admission, MightyHive will be a wholly-owned indirect subsidiary of the Company.

The MightyHive Acquisition values MightyHive at \$150 million on a debt-free cash-free basis and with normalised working capital.

The holders of the MightyHive Common Shares will, upon Admission, be allotted 37,068,087 New Ordinary Shares having an aggregate value of £40.77 million at the Issue Price. Valued at the Issue Price, such shares will represent (i) 50 per cent. of the consideration due to the holders of MightyHive Common Shares other than Peter Kim under the Merger Agreement and (ii) 50 per cent. of the aggregate consideration payable to Peter Kim (including in respect of his MightyHive Preferred Shares) pursuant to the Merger Agreement, as modified by the PK Side Letter. The remaining consideration payable to the holders of MightyHive Common Shares (£39.62 million, or 50 per cent. in respect of holders other than Peter Kim) will be settled in cash upon Admission.

The holders of MightyHive Options will, upon Admission, be granted options over 8,984,159 Ordinary Shares of the Company having an aggregate value of £8.07 million at the Issue Price ("**Rollover Options**"). Valued at the Issue Price, such Rollover Options will represent in aggregate (i) 50 per cent. of the consideration due to the holders of vested MightyHive Options and (ii) 100 per cent. of the consideration due to the holders of unvested MightyHive Options. The remaining consideration payable to the holders of vested MightyHive Options (£2.98 million, or 50 per cent.) will be settled in cash following Admission. The Ordinary Shares that will be subject to the Rollover Options granted to the holders of MightyHive Options will, valued at the Issue Price, have an aggregate value of £9.88 million. The holders of unvested

MightyHive Options will not receive any cash consideration.

Rollover Options will be granted on the same terms as the MightyHive Options in place of which they will be granted. Accordingly, the Rollover Options will have a strike price equivalent to that of the MightyHive Options which they replace, converted into a sterling value using the exchange rate as at close of business on the business day prior to signing of the Merger Agreement. Additionally, Rollover Options granted in respect of vested MightyHive Options will be exercisable immediately following grant, while Rollover Options granted in respect of unvested MightyHive Options will vest subject to the same conditions as such MightyHive Options.

The holders of MightyHive Preferred Shares will receive the consideration payable to them 100 per cent. in cash upon Admission.

Any adjustments to the consideration required to take account of the indebtedness and working capital position of MightyHive at completion will be reflected in the cash consideration only (and not in the consideration payable as equity in the Company).

As a condition to receiving their consideration pursuant to the Merger Agreement, the MightyHive Equityowners will (to the extent that they have not done so as at the date of this Document) enter into lock-in arrangements in which they will undertake (subject to certain exceptions) that they will not sell the New Ordinary Shares they receive pursuant to the Consideration Issue or the Ordinary Shares they receive pursuant to the exercise of their Rollover Options for a period of 24 months following Admission. Key MightyHive executives will also enter into long-term employment arrangements in connection with the MightyHive Acquisition.

The Company has also agreed to pay \$5 million in restricted cash bonuses to the people of the MightyHive Group in connection with the MightyHive Acquisition. These restricted cash bonuses will be paid out of the cash resources of the Group following Admission. This payment has been taken into account by the Directors and the Proposed Directors in their making of the working capital statement in paragraph 15 of Part XIV.

Under the Merger Agreement, the Group has the benefit of certain representations and warranties relating to the MightyHive Group, its business and operations. Certain of these representations and warranties will, with effect from Admission, be supported by a warranty and indemnity insurance policy, as described more fully in paragraph 12 of Part XIV. In addition, \$1.5 million of the cash payable upon closing of the Merger Agreement will be paid into an escrow account, from which, subject to the applicable deductible, the Group will be able to recover general losses arising from a breach of warranty. In addition, a further \$2.7 million of the cash payable on closing of the Merger Agreement will be paid into an escrow account in respect of certain identified potential tax liabilities of the MightyHive Group. Under the Merger Agreement, the Group has also made certain warranties and representations as to its capacity and authority and as to the accuracy and completeness of this Document. If such warranties and representations are breached, the Group has agreed to indemnify the selling securityowners of MightyHive for losses caused by such breach.

Completion of the MightyHive Acquisition pursuant to the Merger Agreement is conditional upon, *inter alia*: the representations and warranties made by the parties remaining true and correct; key executives of MightyHive having entered into and not repudiated their service agreements, non-competition agreements and MightyHive Equityowner Lock-in Deeds; the Issue Resolution passing; and Admission occurring.

Pursuant to the Merger Agreement, the Company has also agreed to issue 3,561,431 New Ordinary Shares to the S⁴Capital Employee Benefit Trust (the "**EBT**") at nominal value using a loan advanced to the EBT by the Company out of the Company's distributable reserves (the "**EBT Subscription**"). The New Ordinary Shares issued pursuant to the EBT Subscription will be used to fund a \$5 million share option plan for the people of the MightyHive Group.

4 GOVERNANCE

The B Share

Sir Martin Sorrell, as the holder of the B Share, has the right to:

- appoint one Director of the Company from time to time and remove or replace such Director from time to time;
- ensure no executives are appointed or removed without his consent;
- ensure no shareowner resolutions are proposed (save as required by law) or passed without his consent; and
- save as required by law, ensure no acquisition or disposal by the Company or any of its subsidiaries of an asset with a market or book value in excess of £100,000 (or such higher amount as Sir Martin may agree) may occur without his consent.

The B Share will lose the B Share Rights if it is transferred by Sir Martin and also: (i) in any event after 14 years from 28 September 2018 (being the date of Reverse Takeover Admission) (or, if earlier, the date on which Sir Martin retires or dies); or (ii) if Sir Martin sells any of the Ordinary Shares that he received on 28 September 2018 (other than in order to pay tax arising in connection with his holding of such shares).

Relationship Agreement

Sir Martin entered into the Relationship Agreement with the Company which took effect on 28 September 2018. The Relationship Agreement regulates aspects of the ongoing relationship between the Company and Sir Martin and his associates (as defined by the Listing Rules). The Relationship Agreement includes (amongst other things) provisions to ensure that:

- transactions and arrangements with Sir Martin (and/or any of his associates) will be conducted at arm's length and on normal commercial terms;
- neither Sir Martin nor any of his associates will take any action that would have the effect of preventing the Company from complying with its obligations under the Listing Rules; and
- neither Sir Martin nor any of his associates will propose or procure the proposal of a Shareowner resolution, which is intended or appears to be intended to circumvent the proper application of the Listing Rules.

The Relationship Agreement will apply for so long as Sir Martin (and/or any of his associates) controls at least 30 per cent. of the issued ordinary share capital of the Company and/or the rights attaching to the B Share remain in force.

Lock-in Arrangements

Under the S⁴ Acquisition Agreement, Sir Martin Sorrell, Rupert Faure Walker and Paul Roy (the Directors of the Company), agreed that they will not, for a period of 24 months (in the case of Sir Martin) and 12 months (in the case of the Non-Executive Directors) following 28 September 2018, subject to certain exceptions, offer, sell, contract to sell, grant options over or otherwise dispose of, directly or indirectly, the Ordinary Shares. Each of Rupert Faure Walker, Paul Roy and Sue Prevezer has entered into a lock-in agreement in respect of the New Ordinary Shares for which each has agreed to subscribe pursuant to the Issue for the period of 12 months following Admission.

Under the MediaMonks Subscriber Lock-in Deeds, the MediaMonks Subscribers have agreed that they will not, for a period of 24 months following 28 September 2018, subject to certain exceptions, offer, sell, contract to sell, grant options over or otherwise dispose of, directly or indirectly, their Ordinary Shares.

Under the MightyHive Equityowner Lock-in Deeds, the MightyHive Equityowners have agreed (or in the case of those MightyHive Equityowners who have not yet done so, are expected to agree as a condition of receiving the consideration to which they are entitled under the Merger Agreement) that they will not, for a period of 24 months following Admission, subject to certain exceptions, offer, sell, contract to sell, grant options over or otherwise dispose of, directly or indirectly, the Ordinary Shares they receive under the Merger Agreement or upon exercise of their Rollover Options (as applicable).

Under the Stanhope Lock-in Deed, Stanhope has agreed that it will not, for a period of 24 months following

Admission, subject to certain exceptions, offer, sell, contract to sell, grant options over or otherwise dispose of, directly or indirectly, its Ordinary Shares.

5 ACQUISITION OF MEDIAMONKS BY THE GROUP

MediaMonks Multimedia Holding B.V. ("**MediaMonks**") is the parent company for a group of digital content and production companies with over 900 people and which operates through 12 offices in 10 countries spanning the United States, Europe, Asia, Latin America and the Middle East.

The MediaMonks Group is headquartered in Hilversum in the Netherlands and was founded in 2001 by Wesley ter Haar, with Victor Knaap joining in 2003.

The MediaMonks Group's strategy is to provide its clients with digital services which are fast, efficient and of premium creative quality. The MediaMonks Group aims to provide a global and locally relevant approach that serves multi-national, regional and local clients, along with millennial-driven influencer brands by locating resources at both agency and client.

The MediaMonks Group provides advertising and marketing campaigns and content and e-commerce services and its clients include Adidas, Amazon, GE, Google, Hyundai, IBM, JAB, Johnson & Johnson, 3G and Weber.

In the year ended 31 December 2017, the MediaMonks Group had consolidated revenues of approximately €75.66 million. Further information on the MediaMonks Group is set out in Part IV, Part V and incorporated by reference into this Document as set out more fully in Part X of this Document.

On 6 July 2018, S⁴ Limited, its subsidiary, Bidco, and Zen B.V., the immediate parent company of MediaMonks Multimedia Holding B.V. ("**Zen**"), entered into the MediaMonks Acquisition Agreement pursuant to which Bidco acquired the entire issued share capital of MediaMonks Multimedia Holding B.V., the holding company of the MediaMonks Group. The MediaMonks Acquisition was completed on 9 July 2018.

Prior to the MediaMonks Acquisition, the MediaMonks Group held 51 per cent. interests in each of Superhero Cheesecake B.V., Made.For.Digital Holding B.V. and eBuilders B.V. (together, the "**MediaMonks Affiliates**"), with the remaining 49 per cent. being owned by the founders and/or managers of the MediaMonks Affiliates (the "**Minority Interests**"). It was a term of the MediaMonks Acquisition Agreement that MediaMonks acquire the Minority Interests prior to completion of the MediaMonks Acquisition. Accordingly, MediaMonks entered into acquisition agreements with the holders of the minority interests in each of Superhero Cheesecake B.V. and Made.For.Digital Holding B.V. and additionally entered into a notarial deed of transfer relating to the minority interests in eBuilders B.V. (together, the "**MediaMonks Affiliate Acquisition Agreements**"). The MediaMonks Affiliate Acquisition Agreements were completed on 9 July 2018 immediately prior to the MediaMonks Acquisition. The MediaMonks Affiliate Acquisition Agreements valued the MediaMonks Affiliates at an aggregate enterprise value of €57.28 million, which was derived from the same enterprise value to EBITDA multiple implied by the MediaMonks Acquisition. The consideration payable by MediaMonks to the holders of the Minority Interests was €20.83 million. Under the MediaMonks Affiliate Acquisition Agreements, the sellers of the Minority Interests in each of Superhero Cheesecake B.V. and Made.For.Digital Holding B.V. made certain representations and warranties to MediaMonks and provided an indemnity in relation to certain tax liabilities.

Under the MediaMonks Acquisition Agreement, Bidco has the benefit of certain representations and warranties relating to the operation of the MediaMonks Group and its business. Certain of these representations and warranties and an indemnity in relation to taxation are supported by the W&I Policy that is described more fully in paragraph 12 of Part XIV of this Document. Certain other liabilities of Zen under the MediaMonks Acquisition Agreement have been severally guaranteed by funds managed by Bencis Capital Partners up to an aggregate maximum of €10 million.

The consideration payable to Zen by Bidco under the MediaMonks Acquisition Agreement was derived from an enterprise value of MediaMonks of €300 million. The consideration payable for the equity in MediaMonks was €288 million in cash which was paid on completion of the MediaMonks Acquisition. The consideration was paid from:

- the proceeds of the July Placing, pursuant to which 108,539,040 S⁴ Limited Ordinary Shares were issued to certain institutional and other investors for aggregate cash proceeds of €143.34 million which completed on 9 July 2018;
- the subscription by the MediaMonks Subscribers for 40,083,570 S⁴ Limited Ordinary Shares for aggregate cash proceeds of €52.90 million which completed on 9 July 2018;
- the subscription by the Affiliate Subscribers for 7,891,276 S⁴ Limited Ordinary Shares for aggregate proceeds of €10.42 million which completed on 9 July 2018;
- the draw down of the €50 million Term Loan on 9 July 2018; and
- the balance from S⁴ Limited's existing cash resources.

As part of the arrangements for the acquisition of MediaMonks, S⁴ Limited agreed in the MediaMonks Acquisition Agreement to the creation of a €25 million incentive arrangement for the senior management of MediaMonks. At completion of the MediaMonks Acquisition €3 million was paid to each of Victor Knaap and Wesley ter Haar and a further €3 million will be paid to each of Victor Knaap and Wesley ter Haar on the first anniversary of the MediaMonks Acquisition. The balance of the incentive arrangement remains available to incentivise other members of the management of the MediaMonks Group over the four year period from completion of the MediaMonks Acquisition.

6 INCENTIVE ARRANGEMENTS

Arrangements were put in place shortly after S⁴ Limited's formation to create incentives for those executives who are expected to make key contributions to the success of the Group. The Group's success depends upon the sourcing of attractive investment opportunities and the improvement of the performance of any businesses that are acquired. Accordingly, an incentive scheme was created to reward key contributors for the creation of value. The initial incentive scheme was structured as summarised below.

Incentive Shares

The incentive arrangement has been implemented by the creation of the A1 Incentive Shares and the A2 Incentive Shares. The Incentive Shares provide a financial reward to executives of the Group for delivering shareowner value, conditional on achieving a preferred rate of return.

The Incentive Shares entitle the holders, subject to certain vesting criteria and leaver provisions, to up to 15 per cent. of the growth in value of S⁴ Limited provided that the performance condition (as described below) has been met. The Company will not acquire the Incentive Shares pursuant to the S⁴ Acquisition Agreement and so they will remain in issue to incentivise Sir Martin Sorrell and future executives to whom they are issued or sold. The only Incentive Shares in issue at the date of this Document are the 4,000 A2 Incentive Shares held by Sir Martin Sorrell. The directors of S⁴ Limited have the authority to issue a further 4,000 A1 Incentive Shares. The issue of further Incentive Shares will not increase the aggregate entitlement of the holders of incentive shares above 15 per cent. of the growth in value of S⁴ Limited and will instead operate to dilute the interests of existing holders of the Incentive Shares.

Provided that the growth condition has been satisfied, the Incentive Shares entitle the holders to their return upon a sale or merger of S⁴ Limited, its liquidation, the takeover or merger of the Company or, if none of those events has occurred prior to 9 July 2023 (being the fifth anniversary of the MediaMonks Acquisition), if Sir Martin Sorrell serves notice on the Company requiring it to acquire all of the Incentive Shares eligible for sale on or before 9 July 2025 (being the seventh anniversary of the MediaMonks Acquisition). If Sir Martin serves such a notice, the growth in value of the S⁴ Limited is measured against the market capitalisation of the Company based on an average of the mid-market closing price of the Ordinary Shares over the preceding 30 trading days, plus any dividends or distributions over time. Once triggered, all of the Incentive Shares eligible for sale receive value at the same time on a pro rata basis and then automatically reset such that they may receive the same return over a second period of up to seven years.

The consideration payable if the Incentive Shares are triggered, save on a takeover, liquidation or merger of S⁴ Limited, will be satisfied by the issue of Ordinary Shares at their market price on the trading day prior

to the triggering of the Incentive Shares.

Growth condition

The growth condition is the compound annual growth rate of the invested capital in S⁴ Limited being equal to or greater than 6 per cent. per annum. The growth condition takes into account the date and price at which shares in S⁴ Limited have been issued, the date and price of any subsequent share issues and the date and amount of any dividends paid or capital returned by S⁴ Limited to the Company. Any cash raised by the Company from time to time will be invested in S⁴ Limited so that the growth condition will apply to that capital also.

Vesting conditions

The Incentive Shares are subject to certain vesting conditions, at least one of which must be (and continue to be) satisfied in order for Sir Martin Sorrell (as the holder of the majority of the A2 Incentive Shares) to elect for the Incentive Shares to be sold to the Company. The vesting conditions are as follows:

- (a) a sale of all or a material part of the business of S⁴ Limited;
- (b) a sale of all of the issued S⁴ Limited Ordinary Shares by the Company;
- (c) a winding up of S⁴ Limited occurring;
- (d) a sale or change of control of S⁴ Limited or the Company; or
- (e) it is later than 9 July 2023 (being the fifth anniversary of the MediaMonks Acquisition).

Compulsory redemption

If the growth condition is not satisfied on or before 9 July 2025 (being the seventh anniversary of the MediaMonks Acquisition), or such later date as the Company and each of the Incentive Share classes agree, the Incentive Shares must be sold to the Company at a price per Incentive Share equal to the subscription price.

Leaver provisions

The Incentive Shares are subject to leaver provisions, as set out in the articles of association of S⁴ Limited. If a holder of Incentive Shares ceases to be employed by or hold office with the Group, that holder will become a "Leaver" for the purposes of the Articles.

Leaver provisions applying to the A1 Incentive Shares

Leavers who hold A1 Incentive Shares ("**A1 Leavers**") will, according to the reason for their become a leaver, be categorised as a "Good Leaver", a "Bad Leaver" or an "Intermediate Leaver". An A1 Leaver who has become a Leaver by reason of death, illness or disability (subject to (i) exclusions relating to illness caused by drugs and alcohol and (ii) the discretion of the A2 Majority) will be treated as an "A1 Good Leaver". An A1 Leaver who has become a Leaver by reason of resignation (subject to the discretion of the A2 Majority) will be treated as an "A1 Intermediate Leaver".

A1 Good Leavers and A1 Intermediate Leavers are entitled to retain a proportion of their Incentive Shares determined by reference to when they have become Leavers. If such persons become Leavers on or after the fifth anniversary of the MediaMonks Acquisition they will retain their entire holding (subject always to the discretion of the A2 Majority). Any Incentive Shares that such persons are obliged to sell will be acquired by the Company at a price per Incentive Share equal to the subscription price. Leavers who are deemed to be "A1 Bad Leavers" will be obliged to sell their entire holding of A1 Incentive Shares to the Company for an aggregate price of £1.00.

Leaver provisions applying to the A2 Incentive Shares

Holders of A2 Incentive Shares who become Leavers ("**A2 Leavers**") will be treated as "A2 Bad Leavers" in circumstances where the relevant A2 Leaver has become a Leaver by reason of termination for Cause. A2 Bad Leavers will be obliged to sell their entire holding of A2 Incentive Shares to the Company for an aggregate price of £1.00. In all other circumstances, A2 Leavers will be "A2 Good Leavers" and will be entitled to retain their entire holding of A2 Incentive Shares.

EBT

Pursuant to the MediaMonks Acquisition Agreement, S⁴ Limited agreed to establish an incentive arrangement for the people of the MediaMonks Group with an aggregate value of €13 million over four years. In order to facilitate the funding of that commitment and to provide a pool of equity which can be used to incentivise other people of the Group, the Company established the S⁴Capital Employee Benefit Trust prior to Reverse Takeover Admission. The Company funded the EBT by way of a loan of £2,927,400.25 out of its distributable reserves in order to subscribe for 11,709,601 Ordinary Shares at their nominal value on 28 September 2018. The EBT will utilise such shares (which had at the time of issue a value at £1 per Ordinary Share of approximately €13 million) to grant share awards and other options to people of the Group.

Pursuant to the Merger Agreement, the Company has agreed to issue 3,561,431 New Ordinary Shares to the S⁴Capital Employee Benefit Trust (the "**EBT**") at nominal value using a loan advanced to the EBT by the Company out of the Company's distributable reserves (the "**EBT Subscription**"). The New Ordinary Shares issued pursuant to the EBT Subscription will be used to fund a \$5 million share option plan for the people of the MightyHive Group. The Company has also agreed to pay \$5 million in restricted cash bonuses to the people of the MightyHive Group in connection with the MightyHive Acquisition. These restricted cash bonuses will be paid out of the cash resources of the Group following Admission.

7 CONSEQUENCES OF A STANDARD LISTING

The Ordinary Shares are, and application will be made for the New Ordinary Shares to be, admitted to listing on the standard segment of the Official List. A Standard Listing provides Ordinary Shareowners in the Company with a lower level of regulatory protection than that afforded to investors in companies whose securities are admitted to the premium segment of the Official List, which are subject to additional obligations under the Listing Rules.

The Ordinary Shares are, and the New Ordinary Shares will be, admitted to listing on the standard segment of the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings and does not require the Company to comply with, *inter alia*, the provisions of Chapters 6 to 13 of the Listing Rules. The FCA does and will monitor the Company's compliance with the first two Listing Principles: taking reasonable steps to establish and maintain adequate procedures, maintain adequate systems and controls to enable it to comply with its obligations and dealing with the FCA in an open and cooperative manner.

The UKLA does not and will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules or those aspects of the Disclosure Guidance and Transparency Rules which the Company may indicate that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company to so comply.

Listing Rules which are not applicable to a Standard Listing

Listing Rules that do not apply to a Standard Listing include:

- Chapter 8 of the Listing Rules regarding the appointment of a listing sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. In particular, the Company is not required to appoint a sponsor in relation to the publication of any prospectus or Admission;
- Chapter 9 of the Listing Rules relating to further issues of shares, issuing shares at a discount in excess of 10 per cent. of market value, notifications and contents of financial information;

- Chapter 10 of the Listing Rules relating to significant transactions which requires shareowner consent for certain acquisitions;
- Chapter 11 of the Listing Rules regarding related party transactions;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to the holders of Ordinary Shares.

Listing Rules which are applicable to a Standard Listing

There are, however, a number of continuing obligations set out in Chapter 14 of the Listing Rules that are applicable to the Company. These include requirements as to:

- the forwarding of circulars and other documentation to the UKLA for publication through the document viewing facility and related notification to a regulatory information service;
- the provision of contact details of appropriate persons nominated to act as a first point of contact with the UKLA in relation to compliance with the Listing Rules and the Disclosure Guidance and Transparency Rules;
- the form and content of temporary and definitive documents of title;
- the appointment of a registrar;
- the making of regulatory information service notifications in relation to a range of debt and equity capital issues; and
- at least 25 per cent. of the Ordinary Shares being held by the public.

In addition, as a company whose securities are admitted to trading on a regulated market, the Company will be required to comply with the Disclosure Guidance and Transparency Rules.

8 TAKEOVER PANEL

The Company is subject to the City Code. Under Rule 9 of the City Code, any person who acquires an interest (as defined in the City Code) in shares which, taken together with shares in which he is already interested in and which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, is normally required to make a general offer to all the remaining shareowners to acquire their shares.

Sir Martin Sorrell will be interested in 46,403,700 Ordinary Shares (representing 12.77 per cent. of the Ordinary Shares expected to be in issue immediately following Admission) and the B Share. In addition to the exercise of voting rights in respect of his Ordinary Shares, Sir Martin would, as noted in paragraph 4 above, exercise the B Share Rights. The issue of the B Share would result in Sir Martin being able to exercise over 50 per cent. of the voting rights of the Company in relation to any resolutions which he votes against.

Further information regarding Sir Martin Sorrell and persons considered to be acting in concert with him for the purposes of the City Code (the "**Concert Party**") at the time of Reverse Takeover Admission and the application of the City Code to the Company is set out in the Whitewash Circular which was sent to Shareowners on 11 September 2018.

9 ADMISSION

Applications will be made to the London Stock Exchange and the UKLA for the New Ordinary Shares to be admitted to trading on the Main Market of the London Stock Exchange and admitted to listing on the standard segment of the Official List. If approved, and subject to the conditions of the Placing Agreement being satisfied or waived and the conditions of the Merger Agreement being satisfied or waived, Admission is expected to become effective and dealings in the Ordinary Shares to commence on 24 December 2018.

10 **CURRENT TRADING AND PROSPECTS**

Information on the current trading and prospects of the Group is set out in paragraph 4 of Part I of this Document.

11 **DIVIDEND POLICY**

The Proposed Directors intend to commence the payment of dividends when it becomes commercially prudent to do so. The payment of dividends will be subject to maintaining an appropriate level of dividend cover and the need to retain sufficient funds for reinvestment in the business, to finance any capital expenditure and for other working capital purposes.

Within these parameters, the Company's dividend policy will remain continually under review. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount or timing of such dividends, if any.

12 **FURTHER INFORMATION AND RISK FACTORS**

Prospective investors should read the whole of this Document which provides additional information on the Company and the Group and not rely on summaries or individual parts only. In particular, the attention of prospective investors is drawn to the Risk Factors set out on pages 21 to 36 of this Document which contains a summary of the risk factors relating to an investment in the Company and the Ordinary Shares.

PART IV - MARKET OVERVIEW

1 OVERVIEW OF THE ADDRESSABLE MARKET OF THE MEDIAMONKS GROUP AND THE MIGHTYHIVE GROUP

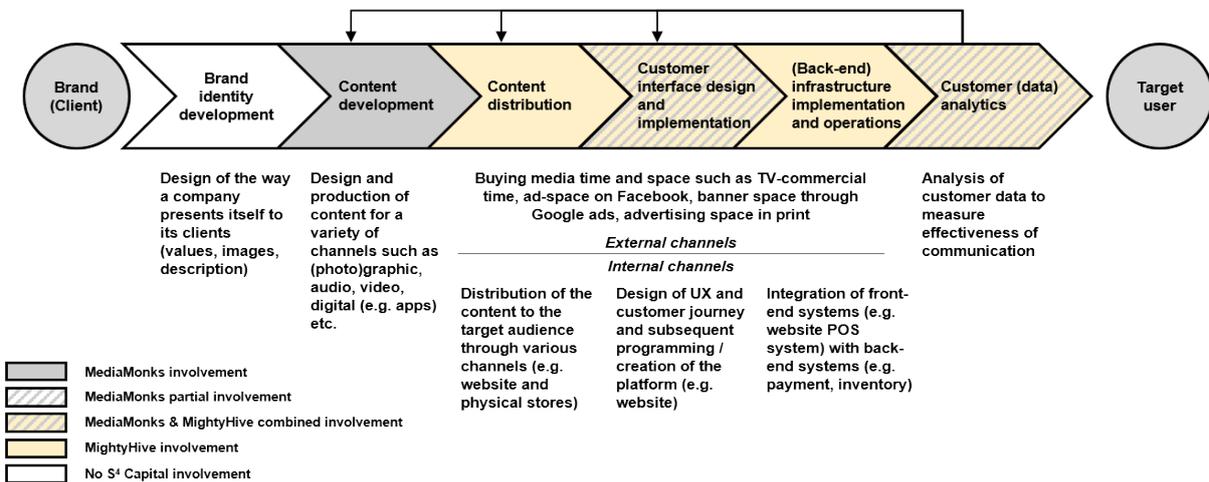
The MediaMonks Group is active in sections of the advertising and marketing services industry relating to the design and development of digital creative content and internal digital media channels (e.g. website development).

The MightyHive Group is active in sections of the advertising and marketing services industry relating to technology solutions, in-housing assistance and training, programmatic digital media buying and consulting.

Advertising delivery chain

The areas in which the MediaMonks Group and the MightyHive Group are active in the advertising and marketing services industry are depicted graphically below.

Advertising delivery chain



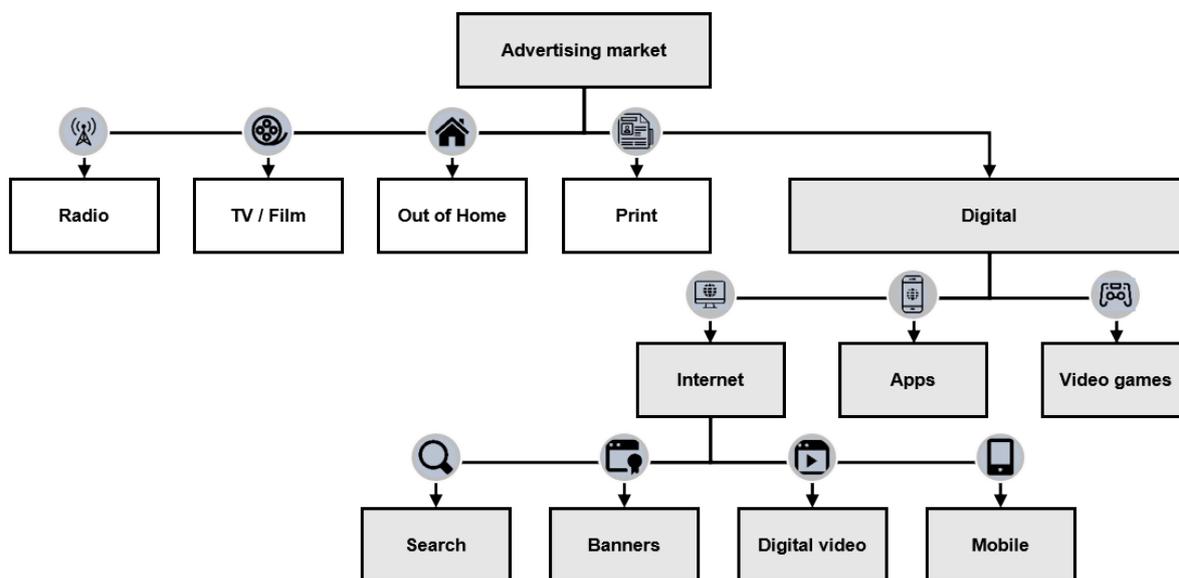
Source: the Company

Traditionally, brands and advertising agencies addressed end-customers and worked with advertising and media production houses. However, with the growth of online advertising, brands are seeking to engage directly with companies that develop online marketing materials and educate and empower brands to deploy those materials in an effective and efficient manner.

Segmentation of the advertising Market

The advertising market is segmented into traditional (TV, print, radio and out of home) and digital (internet, apps, games) channels, which is represented graphically below.

Segmentation of the advertising market

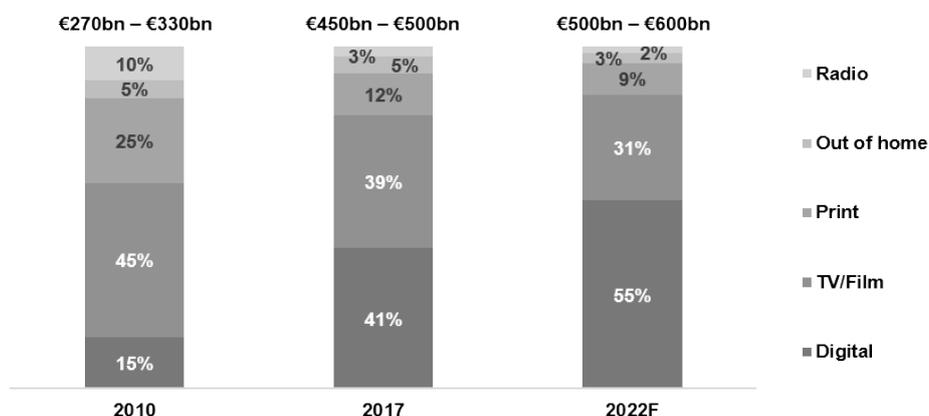


Source: the Company

Trends in the advertising market

Digital is by far the fast growing segment of the advertising market. The Group estimates that in 2017 digital accounted for approximately 40 per cent. of total global advertising spend and by 2022 the Group projects this share will grow to approximately 55 per cent.

Global advertising spend, 2010-2022F



Source: Company estimates

Alongside the growth in digital shown above, automated (i.e. programmatic) processing of ad sales and campaign execution has come to represent a significant and growing share of the digital market. The Group estimates that global programmatic spending grew 31 per cent. in 2017, and projects that 2018 programmatic spending will reach over \$60 billion in 2018. The Group estimates that programmatic advertising spending will continue to grow at a rate of approximately 20 per cent. per year.

The Directors and the Proposed Directors believe that the digital and programmatic segments of the advertising market benefits from the following drivers of growth:

Increased mobile penetration

The rapidly declining cost of smartphones, tablets and broadband is leading to increased mobile penetration.

Programmatic benefits

Data analytics enables digital content too be targeted at specific viewers based on focused criteria (e.g. age, sex, location, income and interests). However, accessing these programmatic benefits often requires significant implementation, training and monitoring, as well as technology services that facilitate interfaces with ad exchanges.

Efficiency

Digital advertising assets are comparatively cheap to produce. Services such as trans-creation and localisation can further drive down the cost per asset by multiplying the number of assets generated by e.g. a single photo or film shoot. In addition, many digital advertising assets are short clips, which are cheaper to produce.

Increased adoption of social media

The development of new social media platforms, apps and games, as well as growing comfort with online shopping means people are spending more time online. This in turn makes digital advertising more attractive to brands.

Decoupling and in-housing

Brands may be increasingly moving away from traditional agency relationships and instead either in-housing capabilities or engaging with creative production and technology services companies directly. The Directors and the Proposed Directors believe the shift to decoupling and in-housing is driven in part by a lack of trust and transparency in the legacy agency model.

Fragmentation in the programmatic market

The current programmatic landscape is highly fragmented and is currently under-served by incumbent solutions providers.

The MightyHive Group's addressable market size and growth

The MightyHive Group is active in programmatic advertising technology solutions, training and consulting. Programmatic advertising spend is forecast by the Group to reach \$84 billion in 2019 growing at approximately 20 per cent. year-over-year to reach \$98 billion in 2020.

The MightyHive Group participates in this sizeable and growing market by empowering brands to make use of programmatic advertising platforms through its technology solutions, training and consulting services.

MediaMonks' addressable market size and growth

MediaMonks is active in digital content development and production, a segment estimated by the Group to have an approximate value of €25 to €30 billion in the approximately €450 to €500 billion overall global advertising market.

Market segments

As noted above, digital advertising, in which MediaMonks is primarily active, is by far the fastest growing segment of the advertising market and the Group estimates that in 2017 it accounted for approximately 40 per cent. of total global advertising spend. By 2022 this share is projected by the Group to grow to approximately 55 per cent.

Within the internal digital channels space, MediaMonks is principally active in the approximately €50 to €75 billion market of the development and support of internal platforms (primarily websites and apps) (source: Group estimates). MediaMonks is not active in segments relating to integration with ERP (enterprise

resource planning) software or hosting.

Target market

MediaMonks primarily focuses on multinational companies. It is estimated by the Group that the size of the target market for digital content development is approximately €15 billion to €17 billion, and the Group estimate that it will grow at a CAGR of 3 per cent. from 2017 to 2022. For platform development the size of the target market is approximately €2 billion to 4 billion, forecast to grow at a CAGR of over 10 per cent. from 2017 to 2022 (source: Group estimates).

Regional segments

The size of the global and/or multinational advertising market in the principal regions in which MediaMonks operates are estimated to be as follows:

- **US** - between €3 billion and €8 billion;
- **Europe** - between €3 billion and €7 billion;
- **Asia-Pacific** - between €4 billion and €10 billion.

These market sizes have been estimated by the Group by reference to Fortune (Global) 500 revenue split by location of headquarters.

Market share of the MediaMonks Group's business segments

As discussed in more detail in Part V below, the MediaMonks Group operates in three segments: Creative Content & Innovation, Assets at Scale and Platforms & e-Commerce. The market share of the MediaMonks group in respect of each of these business segments is set out below.

Creative Content & Innovation

Creative Content & Innovation includes the design and production of high quality digital creative content (typically project-based or "one-off"), usually for advertising campaigns. The Group estimates that the target market for digital creative content design and production is approximately €1.5 billion to €2.5 billion per year, and the Group expect it to grow at a CAGR of approximately 9 per cent. from 2017 to 2022 (source: Group estimates). The Group estimates that MediaMonks' market share in Creative Content & Innovation is approximately 1 to 2 per cent.

Assets at Scale

Assets at Scale focuses on asset production across programmatic advertising, precision marketing, content production and the localisation and trans-creation of rollouts (i.e. the use of technology to increase the number of assets created from a single photo shoot). As a result of the frequent need for adapted content, optimised through marketing automation, Assets at Scale revenue is typically recurring in nature and not "one-off". The target market for recurring digital content for Assets at Scale is approximately €12 billion to €15 billion per year, growing at a CAGR of 9 per cent. from 2017 to 2022 (source: Group estimates). The Group estimates that MediaMonks' market share in Assets at Scale is approximately 0.15 to 0.2 per cent.

Platforms & e-Commerce

Platforms & e-Commerce is engaged in the development of websites, apps and other internal e-commerce platforms, primarily for multinational brands. The addressable market for creating these platforms is estimated by the Group to be approximately €50 billion to €75 billion, and the Group expect it to grow at a CAGR of more than 10 per cent. from 2017 to 2022 (source: Group estimates). MediaMonks believes that it is well-positioned in the internal digital channel market by combining its creative skill-set with strong in-house programming capabilities to create user-friendly platforms designed to optimise the user experience and result in guiding users to make sales. The Group estimates that within the addressable market size noted above, MediaMonks' target market size is approximately €2 billion to €4 billion and that MediaMonks' market share in Assets at Scale is approximately 0.5 to 1 per cent.

2 COMPETITION

The markets in which the MediaMonks Group and the MightyHive Group operate are highly competitive and are becoming more complex. In particular the integration of creative services and technology and the ability to deliver globally are viewed as being key to success. Moreover, a number of organisations that have traditionally been regarded as consultancy businesses with an emphasis on technological services in the digital marketing arena have begun to acquire creative operations and are therefore moving more directly to compete with combined operators such as MediaMonks. Such organisations include IBM, Accenture, Deloitte and PwC.

The MediaMonks Group and the MightyHive Group offer (and will, following Admission, offer on a unified basis) clients a combination of creative and technology-based services, and therefore are subject to competition locally, regionally and globally from pure-play creative companies, combined companies and pure-play technology companies.

Creative competitors

MediaMonks competes with both global production houses specialising in high-end content and local or regional businesses focused primarily on UX (user experience) and high-tech production. Global production houses with which the MediaMonks Group competes include B-Reel (independent), and Stink (owned by Group 2020). Regional competitors include Acne (owned by Deloitte) and Psyop.

Other categories of creative competitors include specialist marketing implementation companies and trans-creation specialists such as Craft (owned by IPG), EG+ (owned by Omnicom), Hogarth (owned by WPP) and Prodigious (owned by Publicis).

Marketing technology and combined competitors

MediaMonks' and MightyHive's competitors for the technology-based services that they provides (such as in the Platforms and e-Commerce pillar described in more detail in Part V of this Document and the technology solutions described in more detail in Part VI of this Document) are primarily comprised of large consultancy houses such as PwC, Deloitte, IBM and Accenture. As noted above, there is a recent trend for businesses such as these to acquire and/or develop creative capabilities in order to compete with the combined offering that has, to date, been a differentiating factor of the services provided by the MediaMonks Group.

Web development businesses and technology innovation platforms also compete with the MediaMonks Group. This category includes R/GA (owned by IPG), Sapient Razorfish and DigitasLBi (both owned by Publicis), AKQA (owned by WPP) and Hearts & Science (owned by Omnicom).

PART V - INFORMATION ON THE MEDIAMONKS GROUP

1 INTRODUCTION AND OVERVIEW

MediaMonks is an international digital creative content and production company that primarily develops digital content and digital ecosystems and experiences across several business segments for brands and advertising agencies. The MediaMonks Group is headquartered in Hilversum, the Netherlands and has sales offices in New York, Los Angeles, London, Singapore, Dubai, Mexico City, San Francisco and Shanghai, and production hubs in Stockholm, Buenos Aires and Sao Paulo. It seeks to leverage this scale to win projects with leading brands and companies, especially those with a multi-national footprint. Sales to multi-national brands accounted for approximately 72 per cent. of 2017 revenue, up from 68 per cent. in 2015. Sales to multi-national brands have increased by a CAGR of 40 per cent. in the same period, compared to a CAGR of 27 per cent. for sales to other clients.

MediaMonks increasingly works with brands and clients directly (rather than through advertising agencies). In 2017, approximately 83 per cent. of revenue was derived from direct engagement with brands. This compares to 32 per cent. in 2015.

MediaMonks has approximately doubled its revenues from €36.2 million in 2015 to €75.7 million in 2017. In the same time period EBITDA increased from €4.8 million to €8.3 million, representing a CAGR of approximately 31 per cent. In the six months to 30 June 2018, MediaMonks had revenues of €54.1 million (six months to 30 June 2017: €36.0 million) and EBITDA of €11.11 million (six months to 30 June 2017: €2.99 million). From the financial year ended 31 December 2015 to the twelve month period ended 31 October 2018, MediaMonks' revenues have grown at a CAGR of 47 per cent. and its EBITDA at a CAGR of 58 per cent. (source: unaudited management accounts of the MediaMonks Group).

MediaMonks' services are segmented into three complementary pillars. The purpose of this segmentation is to create leadership responsibility, accountability, organisational governance and a go-to-market proposition. Projects are allocated to a pillar at the initial proposal phase, with the leadership team of the relevant pillar taking ownership of the project throughout its life cycle.

Creative Content & Innovation pillar

The Creative Content & Innovation pillar focuses on award-winning, eye-catching campaigns involving virtual reality ("**VR**"), augmented reality ("**AR**") and experiential content, such as interactive films and games. MediaMonks aims to use this pillar to showcase emerging technologies and is supported internally by a new "Lab" team.

Projects in this pillar are characterised by a life-cycle of two to four months, fixed prices and a comparatively lower EBITDA margin than the other pillars. The aim of the Creative Content & Innovation pillar is to create business opportunities in the other pillars and attract talent to MediaMonks through the exposure and brand awareness that is generated as a result of the successful execution of projects within this pillar. It also serves the role of building up experience and expertise in new technologies and platforms, ensuring continued relevance and continuous business opportunities as brands adopt the likes of AR, AI and Voice into their marketing mix.

The external revenues attributable to the Creative Content & Innovation pillar were €30.98 million in 2017, a slight decrease from 2016 (€32.27 million). Creative Content & Innovation accounted for 41 per cent. of external revenues in 2017 (2016: 55 per cent.).

Assets at Scale pillar

The Assets at Scale pillar focuses on asset production across programmatic advertising, precision marketing, content production and the localisation and transcreation of rollouts. Localisation and transcreation typically involve customising visuals and texts for different regions and targeted consumer groups. Services provided under the Assets at Scale pillar are aimed at assisting clients with the large-scale roll-out of content across multiple markets, channels and/or touch-points, and helping them utilise data (their own

and from third parties) to better personalise their message and marketing.

Clients' frequent need for adapted content that has been optimised by marketing automation is reflected in recurring engagements under the Assets at Scale pillar. Projects in this pillar have an average duration of one to two months, but many fall within the framework of a retained relationship with the ongoing goal being the delivery of quality and efficiency through the use of technology.

The external revenues attributable to the Assets at Scale pillar have more than doubled since 2016 to €22.97 million in 2017 (2016: €10.96 million). Assets at Scale accounted for 30 per cent of external revenues in 2017 (2016: 17 per cent.).

Platforms & e-Commerce pillar

The Platforms & e-Commerce pillar develops websites and apps with a focus on e-commerce, primarily for multi-national brands. Services provided under the Platforms & e-Commerce pillar aim to create a user experience through digital design and development that enhances the client's "customer funnel". MediaMonks is able to combine its creative skill-set and its in-house programming capabilities to deliver user-friendly platforms for clients, and in many cases help them through a digital transformation process of their business and services.

Core activities of this pillar include design, development, maintenance, testing and hosting of large-scale digital ecosystems that include websites, CMS and CRM implementation and e-commerce. The nature of these services results in recurring work streams, often with long term engagement of agile teams with prices being set by reference to the actual time spent on projects (time and material).

The external revenues attributable to the Platforms and e-Commerce pillar have grown 16.6 per cent. since 2016 to €21.7 million in 2017 (2016: €18.60 million). Platforms & e-Commerce accounted for 29 per cent of external revenues in 2017 (2016: 28 per cent.).

2 STRENGTHS

The Directors and the Proposed Directors believe that MediaMonks benefits from the following key competitive strengths:

Industry awards and recognition

MediaMonks has received significant industry recognition for its work and is one of the most awarded digital production companies in the industry.

At the Cannes Lions International Festival of Creativity 2017, MediaMonks won a substantial number of awards including a grand prix, thirteen gold, four silver and five bronze Lions, alongside another fifteen jury nominations. At the Cannes Lions International Festival of Creativity 2018, MediaMonks won 18 gongs, including one Grand Prix for Entertainment.

At the Webby Awards 2017, MediaMonks won eight awards across five projects. MediaMonks' wins included:

- a People's Voice and overall win for its *Greenpeace: A Journey to the Arctic* project in the category of Online Film & Video, VR: Cinematic or Pre-Rendered (Branded);
- a win for the *Helping Heart* campaign in the category of Mobile Sites & Apps, Technical Achievement; and
- and a win for the project *Uber: Where To?* in the category of Advertising & Media, Products & Services.

MediaMonks followed this performance in 2018 with further wins including:

- for the *Real Estate - Stained Glass* music video, an overall Webby Winner in the category Best Use of Animation or Motion Graphics and a further win in the category Best User Experience;

- for the *Audi: VR Sandbox* project, an overall Webby Winner in the category VR: Branded Interactive, Game or Real-Time and a further win in the Technical Achievement Category; and
- a People's Voice award for Technical Achievement for the Red Bull Air Race Live VR project.

The New York Times described the Webby Awards as the "Internet's highest honour"; over 13,000 entries from 70 countries were received in 2017 alone and in the end, only 9 per cent. of entries reach nominations.

At the Ciclope Festival 2017, MediaMonks was recognised as "Digital Company of the Year" and, among other awards, won the Grand Prix for an interactive VR campaign for Audi which is described in greater detail in paragraph 5 of this Part V.

The Group believes that this industry recognition enhances the ability of MediaMonks to retain and win new clients across all three pillars of Creative Content & Innovation, Assets at Scale and Platforms & e-Commerce. The Group further believes that industry recognition is an important factor in MediaMonks' attraction, recruitment and retention of talent and key people across creative and other roles.

Technological capabilities

MediaMonks has, both through acquisitions and organically, developed the capability to deliver services to clients that depend upon:

- efficient production at scale;
- technical platform programming capabilities;
- data analysis; and
- combinations of high-end UX (user experience) and design skills with engineering related to core client platforms like AEM and Salesforce.

Scale

MediaMonks has a global footprint with a local presence in certain key markets. This enables MediaMonks to offer clients a single global supplier for digital creative content and positions MediaMonks as an efficient way for international brands to present consistent content across global campaigns. MediaMonks' scale represents a key differentiating factor in the market for digital creative content as much of its current competition is from local specialists.

MediaMonks' structure, with international sales and production offices, allows for stronger local relationships with international brands and enables MediaMonks to tailor both pitches for new business and the services that result according to territory-specific knowledge. The decentralised production model benefits from being located in low(er) cost regions. The Company expects that MediaMonks will benefit from further economies of scale, particularly within the Assets at Scale pillar, and that these may contribute to an improvement in EBITDA margin in the medium term.

Furthermore, MediaMonks focuses on working with multinational companies and millennial-driven influencer brands. Barriers to entry to serve these multinational companies are high as they tend to require scale and/or international footprint and increasingly demand innovative creative content and the ability to roll-out quickly large volumes of content at a cost effective price per asset based on data analytics. MediaMonks' scale therefore means that it is well-positioned with multinational companies as it has a broad geographic footprint and UX (user experience) focus.

In the three years to 31 December 2017, MediaMonks' revenues by region were as follows:

Year to 31 December 2015 €000	Year over year growth %	Year to 31 December 2016 €000	Year over year growth %	Year to 31 December 2017 €000

The Netherlands	12,203	105%	25,062	(6%)	23,510
Other EU Countries	6,893	30%	8,985	1%	9,062
United States	14,032	78%	24,996	27%	31,743
Asia	2,976	12%	3,339	90%	6,346
South America	-	-	2,208	84%	4,068
Middle East	127	883%	1,248	(26%)	926
Total	36,231	82%	65,838	15%	75,655

Trends in the advertising market

The Group believes that MediaMonks is well positioned to capitalise on the following trends in its markets:

- **Shift to digital.** The Group estimates that digital advertising spend grew at a CAGR of 23 per cent. between 2010 and 2017 and projects that it will account for 55 per cent. of global advertising spend by 2022. MediaMonks' focus is on digital assets and content, and accordingly the Group believes it stands to benefit from the increasing importance of digital in the advertising spend mix.
- **Consolidation.** Brands are increasingly demanding large scale global digital transformation programmes that require an end-to-end delivery skill set of the kind which MediaMonks is able to offer.
- **Decoupling.** Brands are increasingly engaging directly with digital media companies such as MediaMonks (rather than through advertising agencies). The Group believes that this provides MediaMonks with the opportunity to build stronger relations with clients and improve its Gross Profit.

Market size and growth opportunity

As described in greater detail in Part IV of this Document, MediaMonks is active in digital content development & production, a growing approximately €25 billion to €30 billion segment in the overall approximately €450 billion to 500 billion global advertising market. Although MediaMonks has grown significantly in recent years, it still has only a small market share of a large and fragmented market. In particular, the top five companies by global advertising spend did not, until completion of the MediaMonks Acquisition, feature in MediaMonks' top 20 clients. The Directors and the Proposed Directors believe that this provides MediaMonks with substantial opportunities to grow in the future by winning business from such companies.

The estimated sizes of the regional markets in which MediaMonks principally operates, together with MediaMonks' revenues in those regions are as follows:

Region	Target market size (€m)	MediaMonks 2017 revenue (€m)
North America	3,000 to 8,000	31.7
Europe	3,000 to 7,000	32.6
APAC	4,000 to 10,000	6.3

Source: Group estimates

Further, MediaMonks has significant scope to grow its market share in each of its pillars. The estimated global market size of each of the pillars, together with MediaMonks' estimated market share of each is as follows:

Pillar	Target market size (€m)	MediaMonks share of target market (%)
Creative Content & Innovation	1,500 to 2,500	1% to 2%
Assets at Scale	12,000 to 15,000	0.15% to 0.2%
Platforms and e-Commerce	2,000 to 4,000	0.5% to 1%

Source: Group estimates

Retention and recruitment of people

MediaMonks' ability to attract, recruit and retain skilled people at all levels is key to its continued success and MediaMonks' recognition within the industry is an important factor in its ability to do so. In a 2017 survey of creatives by Working Not Working magazine, MediaMonks was ranked as one of the top 50 "Companies Creatives Would Kill to Work for Full-Time 2017". Other companies recognised included Nike, Google, Pixar, Apple, Facebook and Spotify.

Client relationships

As noted above, the trend towards decoupling has provided MediaMonks with an opportunity to develop direct relationships with key customers. MediaMonks has capitalised on this trend to secure special relationships with leading digital brands (including a global creative partnership with Google), and continues to win recurring and project-based work from the global business that are its core clients.

MediaMonks client list includes some of the largest and most high-profile brands in the world, including the top 10 clients for each of the years set out below:

Top 10 customers per year

	FY15	FY16	FY17
1	confidential	confidential	confidential
2	Google	Google	Google
3	N	Heineken	adidas
4	DIAGEO	ETIHAD AIRWAYS	Samsung
5	Samsung	N	GE
6	SONOS	Samsung	weber
7	adidas	weber	Heineken
8	Yallahs	GE	K
9	Jumeirah	LEGO	N
10	intel	Nike	JUMBO

3 STRATEGY

In addition to the combination benefits identified in Part I of this Document, MediaMonks' management have the following key business strategies:

Leverage reputation as a leader in Creative Content & Innovation to win new mandates and up-sell and cross-sell in and into higher-margin pillars and bigger markets

As noted in paragraph 2 of this Part V, MediaMonks has won numerous awards for its creative content and experiential marketing projects. While in the year to 31 December 2017 the Creative Content & Innovation pillar had an EBITDA margin (calculated as EBITDA divided by Gross Profit) of (3.7) per cent., MediaMonks' strategy is to use the profile generated by awards such as those referred to in paragraph 2 above to win new business in its Assets at Scale pillar (2017 EBITDA margin: 29.6 per cent.) and Platforms

& e-Commerce pillar (2017 EBITDA margin: 19.3 per cent.). The Group believes that as revenues grow in the Assets at Scale and Platforms & e-Commerce pillars, EBITDA margins will increase in those pillars.

The Group considers that success in cross-and up-selling into larger and more profitable markets will create a positive feedback loop as MediaMonks' profile and reputation across all of its business segments continue to increase among brands and agencies.

MediaMonks' strategy of up-selling and cross-selling is supported by a proprietary client relationship management and productivity tool, Sanskrit. Sanskrit supports MediaMonks' management and sales personnel by integrating third-party productivity tools and providing up-to-date information on the full life-cycle of projects (from pitch to delivery) on a world-wide basis.

Maintain and enhance reputation as a leader in the field of cutting-edge content and experiential marketing

MediaMonks' creative credentials are a key component of the strategy of leveraging its leadership in Creative Content & Innovation. It is therefore a key business strategy of MediaMonks to maintain and enhance its position as a leader in the field of cutting-edge content and experiential marketing.

MediaMonks seeks to deliver eye-catching and innovative content and experiential marketing, such as interactive videos and games. This will involve the first-mover use of cutting-edge technologies, such as AR and VR, sometimes in partnership with leading tech partners. The Group considers the delivery of projects of this kind as an important investment in the profile and reputation of MediaMonks for reasons set out above.

Continue to advance strategy of decentralising production hubs and sales offices

The ability to deliver services to clients across all three pillars of MediaMonks' business cost-effectively depends in part on MediaMonks' ability to reduce the costs of providing such services. MediaMonks therefore operates a business model that utilises production hubs in low(er)-cost regions. Production hubs are complemented by local sales offices in MediaMonks' key markets (such as the US) which are able to develop stronger local relationships and tailor pitches using local knowledge to improve win-rate and revenue generation.

The acquisitions of production operations in Stockholm in 2015 (Stopp Family AB) and in Latin America (the business of inTacto SRL in Buenos Aires and Cricket Brasil Servicos de Internet para Publicidade Ltda in Sao Paulo) in the first half of 2016 accelerated this strategy. From and including 2015, sales offices have been opened in Los Angeles, Dubai, Shanghai and Mexico City. A new office in San Francisco was also opened during the course of 2018.

Build on existing client relationships to drive higher recurring and one-off sales with leading global brands

MediaMonks works with some of the most recognisable brands in the world. However, MediaMonks accounts for a comparatively small amount of such brands' respective digital marketing budgets. MediaMonks is actively seeking to increase the services that it provides to these brands in order to grow the revenue generated from its key relationships.

Successful implementation of this strategy of driving higher recurring and one-off sales with leading global brands would be expected to increase the working capital requirements of the MediaMonks Group as the payment terms of direct-to-brand work are typically less favourable than for agency work. Accordingly, this strategy will be prudently implemented in the context of the MediaMonks Group's overall working capital requirements.

Continue to grow in key markets and follow brands into new markets

North America is MediaMonks' largest growth market, accounting for 42 per cent. of revenue in 2017 (2016: 38 per cent.). MediaMonks intends to expand its presence in the US with the aim of increasing sales across all three pillars in this region. Separately MediaMonks will seek to strengthen its market position as a viable production partner to global brands by expanding its presence in the Latin America and Asia Pacific

regions. In particular, MediaMonks has identified Japan and India as key markets which it will evaluate for potential new sales offices, and has the extension of services into Germany under consideration.

The growth of MediaMonks in its existing markets and expansion into new markets is expected to be led by client demand (and therefore to benefit from revenue streams shortly after opening). Accordingly this strategy is not expected to have a material effect on the working capital requirements of the MediaMonks Group. Nevertheless, in considering any expansion of existing operations or the establishment of new operations, regard will be had to the overall working capital requirements of the MediaMonks Group.

Opportunistic bolt-on M&A to accelerate other key strategies

MediaMonks has in the past and will continue to use M&A opportunistically to accelerate its other key strategies. The MediaMonks Group will maintain a disciplined approach to acquisitions, both as to any acquisition consideration payable and the working capital requirements of any acquired business. The MediaMonks Group's engagement in M&A activity will be subject to the working capital requirements of the MediaMonks Group and the Group as a whole.

Previous acquisitions include:

- **2014** - the acquisition 51 per cent. of eBuilders B.V. (a localization and transcreation hub) for an initial consideration of €40,000;
- **2015** -
 - the acquisition of an 80 per cent. interest in Blocklevel B.V. (front-end development) for a consideration of approximately €20,000;
 - the acquisition of 100 per cent. of Bike Film Corporation B.V. through Made.For.Digital Holding B.V. (director-driven linear & long-form film) for a consideration of €640,000. The acquisition of Bike Film Corporation B.V. was effected through Made.For.Digital Holding B.V., a joint venture in which the MediaMonks had a 51 per cent. interest; and
 - the acquisition of 100 per cent. Stopp Family AB (a production hub based in Stockholm which has since been renamed MediaMonks Stockholm AB) for a consideration of approximately €3.1 million;
- **2016** -
 - the acquisition of 51 per cent. of Superhero Cheesecake (specialises in crafting best-in-class interactive experiences) for a consideration of €800,000;
 - the acquisition of Cricket Brasil Servicos de Internet para Publicidade Ltda (a production hub based in Sao Paulo, Brazil, which has since been renamed MediaMonks São Paulo Serv. De Internet para Publicidade Ltda) for a consideration of €1.4 million; and
 - the acquisition of the business of inTacto SRL (a production hub based in Buenos Aires, which business is now carried on by MediaMonks Buenos Aires SRL) for an aggregate consideration of €3.12 million.

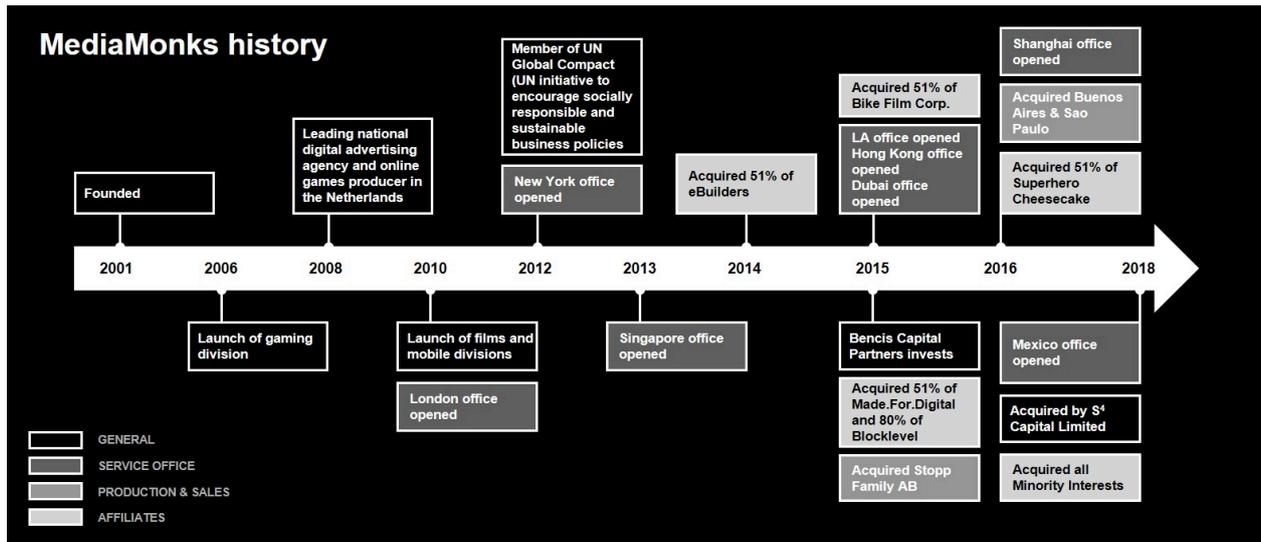
As at the date of this Document, the MediaMonks Group owns 100 per cent. of the interests in each of the above-named entities. The Minority Interests in each of eBuilders B.V., Made.For.Digital Holding B.V. and Superhero Cheesecake were acquired by the MediaMonks Group on 9 July 2018 pursuant to the Affiliate Acquisition Agreements described more fully in paragraph 5 of Part III of this Document.

4 CORPORATE HISTORY

MediaMonks was founded in 2001 and is headquartered in the Netherlands.

Bencis Capital Partners invested in MediaMonks in 2015 and established Zen B.V. as the new holding company of the MediaMonks Group.

Key company events since MediaMonks was founded are shown in the following diagram.



Each of the acquisitions referred to in the diagram above is described more fully in paragraph 3 of this Part V.

5 SERVICES

Creative Content & Innovation

The Creative Content & Innovation pillar offers clients premium content generation and cutting-edge VR, AR and experiential projects.

Case study - Audi Q5: Enter Sandbox

Audi's objective was to demonstrate what the new Audi Q5 and its Quattro technology had to offer, in a fun and playful way. The initial brief was to produce a 360° film and a TV commercial, with the purpose of reconnecting with the childhood memory of playing with cars in a sandbox.

MediaMonks' approach was to use the power of VR to turn a physical sandbox into a virtual playground where users could test drive the new Audi Q5. As part of an in-store installation, users could shape the terrain of the physical sand box. This was then scanned (in real time) in 3D, based on 200,000 measure points. To capture the sandbox at such detail, the sandbox was analysed with bursts of infrared light that are captured by a camera, measuring the height differences relative to the camera. This height-depth-scan was then rendered into a 3D model of the sandbox, which users can explore in VR, sitting in a virtual Audi Q5.

The end result was a real-time VR experience, connecting the physical and virtual world: by first the creation of a unique driving experience in the sandbox, then giving users the opportunity to enter the same world in VR.

Starting its life in European showrooms, the VR experience has gone on to become a travelling installation across Europe and the US, and has been viewed more than 25 million times across social media. It also became one of the most awarded projects of 2017, including winning FWA of the Day, FWA of the Month, the Yellow D&AD Branded Content Pencil, 5 Cannes Lions, Ciclope Grand Prix, Gold at the CLIO awards, and 5 Eurobest awards.

Assets at Scale

The Assets at Scale pillar focuses on asset production across programmatic advertising, precision marketing, content production and the localisation and transcreation of rollouts. Localisation and transcreation typically involve customising visuals and texts for different regions and targeted consumer groups. Services provided under the Assets at Scale pillar are aimed at assisting clients with the largescale

roll-out of content across multiple markets, channels and/or touch-points.

Case study - Dr.Ci:Labo: Online Rebranding

To relaunch Johnson & Johnson's newly acquired Dr.Ci:Labo line across the Asia-Pacific region with a fresh and more consistent look, MediaMonks produced three videos to help establish a new online branding for Dr.Ci:Labo. In addition to the videos, MediaMonks created 200 high-end assets from the same shoot which were used to promote the new branding on social media channels.

From a single shoot, MediaMonks created over 192 content assets within three weeks. These were pre-tailored for placement on multiple channels using the Hero (one-off, high-impact), Hub (targeted at specific groups), and Hygiene (regular content with a practical angle) approach to content generation. MediaMonks' ability to render a large number of assets from a single shoot brought the cost per asset down to under two per cent. of the initial cost of the videos.

Platforms and e-Commerce

The focus of this pillar is on the development of websites, apps and other internal e-commerce platforms, primarily for multi-national brands. Services provided under the Platforms & e-Commerce pillar aim to create a user experience through digital design and development that enhances the customer funnel of clients. MediaMonks is able to combine its creative skill-set and its in-house programming capabilities to deliver user-friendly platforms for clients.

Case study: Weber

Localized across domains, the all-new Weber.com represents the global hub for the brand's digital transformation. To actualize the Weber's ambition of being the ultimate grilling brand, MediaMonks created a platform that offers visitors localised content to drive sales.

Case study: US Air Force

MediaMonks' user research and testing revealed that prospective recruits for the US Air Force had a variety of interests and priorities, so MediaMonks developed a UX (user experience) that fluidly adapts to each potential recruit. With every new data point that the site learns about users, the content adapts to match the characteristic of that individual. This includes new images, new headlines and new body copy - each visitor's journey through the site is tailored to them. Where most sites use a single user flow for all people, MediaMonks created a site that dynamically routes users toward a decision based upon their specific circumstances and priorities.

6 PEOPLE

MediaMonks had on average 528.7 full-time equivalent ("**FTE**") people (total headcount: 547) across its various pillars and territories in the financial year ended 31 December 2017 with an average age of 33.

The average number of FTE people of the MediaMonks Group (broken down by location) for the MediaMonks Group's last three financial years is as follows:

	FYE 31 December 2015	FYE 31 December 2016	FYE 31 December 2017
The Netherlands	225.9	338.6	364.9
Americas	12.8	110.5	113.0
EU countries	16.0	43.0	38.0
Other	3.8	15.4	12.8
Total	258.5	507.5	528.7
<i>Headcount</i>	532	456	547

The average number FTE people of the MediaMonks Group (broken down by function) for the MediaMonks Group's last three financial years is as follows:

	FYE 31 December 2015	FYE 31 December 2016	FYE 31 December 2017
Frontend	28.5	39.8	48.0
Programming	-	19.0	29.1
Producers	22.7	42.8	45.3
Creative	43.8	48.7	42.1
Project Management	19.5	28.7	36.9
Design	-	27.1	32.3
Animation	24.0	35.8	30.5
Post Production	2.2	26.7	30.3
Rich Media	-	14.6	19.2
Other*	7.3	12.4	14.1
UX Design	-	14.4	17.3
Films	20.7	21.1	13.8
Unity Development	-	19.0	13.8
Mobile	3.8	10.9	12.1
Quality Assurance	4.0	10.5	10.7
Technical Direction	1.0	9.4	10.0
Big Build / Platform	17.6	15.7	8.7
Sound	3.2	7.6	7.0
Games	13.0	15.3	6.6
Virtual Reality	-	3.8	3.4
Hosting	2.9	2.9	2.9
Direct	217.2	424.2	433.9
Back offices	21.5	42.0	47.3
Other*	19.7	39.3	43.2
R&D	-	1.6	3.5
Strategy	-	0.3	0.9
Indirect	41.2	83.3	94.8
Total	258.5	507.5	528.7

*Other primarily includes public relations, new business and global operations

PART VI - INFORMATION ON THE MIGHTYHIVE GROUP

1 INTRODUCTION AND OVERVIEW

MightyHive, Inc. ("**MightyHive**") is a market-leading programmatic solutions provider for future-thinking marketers and agencies. MightyHive offers services focussing on implementation and support, campaign management and consulting. Founded in 2012 and with over 200 current people, MightyHive is headquartered in San Francisco, California and has offices in several other locations in the US and internationally including Sydney, London, and Singapore. MightyHive is led by a highly experienced management team with over one hundred years of combined sector experience.

One of the largest and fastest-growing programmatic businesses, MightyHive has a highly differentiated integrated programmatic solutions offering, empowering brands to navigate the highly complex programmatic advertising ecosystem. Where other programmatic service providers have narrow capabilities, MightyHive combines consultancy knowhow with programmatic expertise, technology platform proficiency and the service capabilities required to educate and support clients. This enables MightyHive to deliver end-to-end programmatic consulting, full service campaign management and expert-driven implementation and support capability efficiently and transparently.

MightyHive has achieved significant revenue and Adjusted EBITDA growth since 2015.

2015 unaudited revenue was \$4.7 million, increasing to \$11.4 million for unaudited 2016 revenue, and again more than doubling to \$24.6 million in 2017 (source: unaudited management accounts of the MightyHive Group). This equates to a CAGR of approximately 129 per cent from the financial year ended 31 December 2015 to the financial year ended 31 December 2017.

2015 unaudited Adjusted EBITDA was \$0.7 million, increasing to \$2.1 million for unaudited 2016 Adjusted EBITDA, and again more than doubling to \$6.6 million in 2017 (source: unaudited management accounts of the MightyHive Group). This equates to a CAGR of approximately 196 per cent from the financial year ended 31 December 2015 to the financial year ended 31 December 2017.

In the 12 months to 31 October 2018, MightyHive's unaudited revenues were \$40.7 million (CAGR from the financial year ended 31 December 2015 to the twelve month period ended 31 October 2018: 114 per cent.) and its Adjusted EBITDA was \$11.1 million (CAGR from the financial year ended 31 December 2015 to the twelve month period ended 31 October 2018: 159 per cent.) (source: unaudited management accounts of the MightyHive Group).

MightyHive's services are grouped into two groupings: strategic consulting, and technology and services.

Strategic consulting

MightyHive's strategic consulting business helps clients navigate the programmatic advertising ecosystem. This involves conducting efficiency audits of brands' existing programmatic operations; providing custom integration and dashboards to empower marketers to execute and monitor programmatic advertising campaigns; and facilitating the in-housing of advertising operations and sales support. The services offered under the strategic consulting umbrella are as follows:

- **Programmatic audits** – review of data flow and architecture;
- **Custom integrations and dashboards** – API integration and customised dashboards that connect technology platforms and help clients access critical business intelligence;
- **In-housing support** – guidance on team architecture and technology platform selection for organisations launching their own programmatic teams; and
- **Ongoing strategic advisory** – facilitating optimal execution and consistent technological innovation and client fluency in the latest innovations.

Technology and services

MightyHive's technology and services pillar encompasses full-service campaign management, analytics, creative production and ad serving, platform and systems integration and transition and training and education. The services offered under the technology and services umbrella are as follows:

- **Platform implementation** – platform development, QA and on-demand troubleshooting;
- **Platform migration** – transition to Google Marketing Platform and other technology platforms;
- **Systems integration** – integration of new platforms into existing tech stacks, ensuring full interoperability;
- **Training** – end-to-end training, from fundamentals to advanced techniques and ongoing new feature support;
- **Full-service campaign management** – set-up and optimization for search, display, mobile and video campaigns;
- **Analytics** – integration and analyse data to provide insights to inform better decision making; and
- **Creative production and ad serving** – management of global ad serving across all digital buying (both programmatic and direct) and enabling of design and deployment of rich media creative and search engine marketing ("**SEM**") copy.

2 STRENGTHS

The Directors and the Proposed Directors believe that MightyHive benefits from the following key competitive strengths:

Partnership with Google

While Google platforms account for a significant proportion of global ad sales, Google does not choose to engage directly with the majority of the marketers who use the Google advertising ecosystem. MightyHive's relationship with Google was established to assist such marketers with their digital advertising spend and to achieve greater transparency and optimisation.

MightyHive was Google Marketing Platform's first certified marketing partner in 2012 and has since then become a leading programmatic partner to Google across buying, creative, audience, business intelligence, measurement and attribution and analytics, and tag management. As a result of this relationship with Google, MightyHive has worked with brands and agencies to integrate approximately 50,000 end marketers with the platforms it works with, including Google Marketing Platform.

Client base and service offering

The MightyHive Group has strong relationships with its broad spread of existing clients. This provides the MightyHive Group with opportunities to cross- and up-sell between and within its service offerings. Where clients engage MightyHive on a specific piece of work (such as a programmatic efficiency audit), in a number of cases, this leads to additional workstreams for the same client (such as systems integration, platform implementation and training).

Moreover, MightyHive's client retention rates in the half year to 30 June 2018 are high, especially among higher-value accounts. The low levels of churn enjoyed by the MightyHive Group are set out below.

	H1 2017	H2 2017	H1 2018
Clients generating net revenue over \$100,000	96%	100%	97%
Clients generating net revenue over \$25,000	92%	98%	96%

All clients	79%	86%	88%
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New business represents a significant proportion of the MightyHive Group's net revenue, with 82 per cent. of the top 50 net revenue opportunities in 2018 arising in connection with new clients and 18 per cent. from existing clients (excluding recurring spend by existing clients).

Partnership pipeline

Driven by client requests, MightyHive is developing and pursuing partnerships with leading technology companies within the programmatic advertising industry in an ongoing effort to develop Google-calibre relationships throughout the programmatic technology ecosystem.

Facebook

Facebook is the world's largest social media platform and its demand side platform ("**DSP**"), Facebook Audience Network, manages \$1 billion in gross annual billings.

Facebook Audience Network offers access to native inventory on the social network and many other publishers across the web.

Amazon

Amazon is one of the world's largest technology companies and has access to large volumes of consumer data. The Amazon Advertising Platform ("**AAP**") DSP handles \$1.5 billion in gross billings annually.

AAP offers ad tech solutions that help MightyHive's third party retailers reach customers anywhere on the web. AAP has certified over 100 ad serving technology partners, but the MightyHive management believe that the DSP would benefit from the provision of programmatic consulting services.

Salesforce.com

Salesforce.com is the world's leading Customer Relationship Management solutions provider. Salesforce.com's Marketing and Commerce Cloud generated revenue of approximately \$1.35 billion in the year to 31 January 2018.

Through the Marketing Cloud, Salesforce enables companies to plan, personalize and optimize one-to-one customer marketing journeys, including interactions across email, mobile, social, web and connected products.

Expertise on all major platforms

MightyHive's service offering encompasses all major platforms, including:

- buying (Google DV360, Amazon, Facebook etc);
- creative (Google Studio, Amazon, Google Web Designer, SalesForce, Amazon, Facebook, Criteo);
- audience (Google Ads Data Hub, Audience Center 360, SalesForce, LiveRamp);
- measurement and attribution (Google Campaign Manager, DoubleVerify, PlacelIQ, MOAT, Placed); and
- site analytics and tag management (Google Tag Manager, Optimize 360, Analytics 360, Adobe Analytics).

The breadth of MightyHive's service capabilities enables MightyHive to act as a one-stop-shop for programmatic solutions and consulting, differentiating its offering to clients.

Growth opportunity in programmatic

Global programmatic advertising spend is growing at more than 20 per cent. per year and is expected to

reach more than \$84 billion in 2019 (source: Group estimates).

Compared to traditional methods, programmatic media buying offers marketers superior efficiencies, increased transparency, and improved targeting and measurement capabilities. Marketers utilize programmatic campaigns to efficiently deliver advertisements to the most relevant audiences at the most appropriate times.

The current programmatic landscape is highly fragmented, with a significant addressable market that the Directors and the Proposed Directors believe is currently underserved by incumbent solution providers. Global programmatic penetration is on pace to reach 68 per cent. by 2020 (source: Group estimates), leaving significant room for MightyHive to grow further.

MightyHive talent and culture

MightyHive strongly emphasises the importance of talent acquisition and training. New people undergo a training programme designed to provide them with the necessary foundation to become programmatic experts. All people are trained in-house through MightyHive's structured "MightySchool" programme in order to develop a workforce that is talented, diverse (52 per cent. female) and committed to elevating programmatic for each client in a thoughtful and personalised manner.

In order to retain talent, MightyHive's founders developed and implemented a custom form of career coaching to develop an aligned people base that is incentivised by career development. The "MightyResume" approach is based identifying, supporting and actualising key professional, educational and life goals of people, leveraging the skill base and network of MightyHive's leadership team.

3 STRATEGY

The Directors and the Proposed Directors believe that MightyHive operates a scalable platform well-positioned to deliver future growth.

A number of opportunities presented by the combination with MediaMonks are set out in more detail in Part I of this Document. The key growth strategies for MightyHive are as set out below. As at the date of this Document, the MightyHive Group has not committed capital to these strategies.

Continued geographic expansion

Over the next two years, MightyHive plans to expand operations in Western Europe and the Asia-Pacific ("**APAC**"), two rapidly growing regions that the Directors and the Proposed Directors believe are underserved by programmatic technology experts. This expansion can be delivered in a cost-effective manner thanks to the operational synergies that will be derived from the MightyHive Acquisition: MediaMonks and MightyHive may explore sharing office space in new territories.

Locations targeted for new office openings for MightyHive include Stockholm, Mexico City and Sao Paulo (in each of which MediaMonks already has a presence) and Tokyo and New Delhi, where MediaMonks is also looking to establish a presence. While new office openings are planned, no firm commitments have been entered into by the MightyHive Group in respect of such new offices. When such new offices are opened, the required capital investments is not expected to be material in the context of the MightyHive Group as a whole and will be funded out of cashflow generated by the MightyHive Group.

Western Europe

Programmatic spending in the UK alone is expected to reach \$5.6 billion in 2018 (source: Zenith). With uncertainty surrounding Brexit and the dynamic regulatory landscape caused by GDPR, MightyHive will look to meet the needs of European marketers who want programmatic experts with a distributed regional presence.

APAC

With \$7.9 billion of programmatic spending projected for 2018 in China alone (source: Zenith), APAC is the second largest region by programmatic investment worldwide. The programmatic industry in APAC is

expected to continue to increase as marketers increase ad spend to reach the region's growing middle class.

Further penetration of enterprise client segment

MightyHive has already begun concentrating on deepening and developing relationships with global enterprise clients, who will be a key component of MightyHive's future growth plans.

MightyHive has formed and is growing relationships with a number of global enterprise clients, who will be the focus of its client acquisition strategy going forward. MightyHive is able to meet the diverse marketing needs of global enterprise clients, leading to well-known brand referrals from programmatic technology clients. MightyHive also looks to supplement inbound referrals from technology partners with in-house sales and marketing efforts.

Large and mid-size media companies and broadcast and cable networks will be a high priority client segment for MightyHive. Google Ad Manager has been widely adopted by media companies, but the Directors and the Proposed Directors believe that the vertical is relatively underserved by experienced Google programmatic solutions partners. As broadcasters and cable networks adopt the advertising strategies of connected TV providers, programmatic ad trafficking solutions are expected by the Directors and the Proposed Directors to play a larger role in the industry, allowing MightyHive to gain an early-mover advantage.

Expansion of technology partner relationships

MightyHive will continue to form new partnerships, largely at the request of clients.

Near term demand-side platform partnerships

As MightyHive has continued winning global enterprise clients, major technology companies have expressed interest in expanding the scope of their relationships with MightyHive. MightyHive carefully reviews each potential partnership with the goal of curating the best advertising software for its clients.

The Directors and the Proposed Directors regard potential partnerships as important growth opportunities for MightyHive.

Marketing technology partnership opportunities

MightyHive also plans to develop relationships within the established partnership frameworks of the world's largest marketing technology ("**MarTech**") companies.

MarTech providers such as Salesforce, Adobe, and Oracle have established partnership programs, but are underserved in their ability to onboard and provide ongoing consulting services to programmatic marketers. Many marketing technologies offered by these companies, such as Digital Monitoring Products, Customer Data Platforms, marketing automation, sales enablement, and analytics, are natural complements to MightyHive's programmatic technologies expertise. By developing a diversified marketing technology expertise MightyHive would enhance its value proposition to both clients and marketing technology providers.

The Directors and the Proposed Directors regard potential partnerships as important growth opportunities for MightyHive.

Expansion of MightyHive's suite of proprietary technology

As set out in paragraph 4 below, MightyHive's client offering includes a number of tools to empower account managers to target, deploy, monitor and evaluate programmatic advertising.

The Directors and the Proposed Directors see growth potential in expanding this proprietary suite in order to further improve internal campaign efficiency and improve MightyHive's value proposition to clients. Possible areas of expansion identified by MightyHive Management include:

- developing further in-housing toolkits;

- cross-platform DSP campaign performance and management analytics;
- full-stack ad-monitoring and alerting; and
- machine learning insights for auction prices and inventory.

Development of new technology tools is carried out in-house by the MightyHive Group and is not expected to represent a capital commitment that is material in the context of the MightyHive Group as a whole.

4 SERVICES

Technology Services

MightyHive leverages its broad expertise to advise clients on the optimal deployment of new vendors within an existing technology suite. All implementations are sold in conjunction with additional MightyHive services. Clients are able to choose between various service and pricing tiers dependent on the level of training, technical support, and ongoing platform education they require.

- **Platform implementation** - MightyHive provides platform development, QA, and on-demand troubleshooting to support organizations who want ongoing assistance, new feature training, and best practice guidance.
- **Systems integration** - MightyHive provides hands-on-keyboard incorporation of new technology into existing ad-tech and MarTech stacks ensuring interoperability and maximum effectiveness.
- **Training** - MightyHive provides end-to-end training to help clients leverage their technologies most effectively and gain the expertise required to optimize their marketing efforts.

MightyHive technology services clients include Mondelez International, Yamaha and Sprint.

Strategic Consulting

MightyHive provides ongoing expert advisory and custom solutions to help clients build, expedite, and optimize their internal programmatic platforms and execution capabilities.

Programmatic efficiency audit - An independent, comprehensive evaluation of the entirety of a marketer's technology stack for efficiency, transparency, efficacy and risk in order to guide future development

In-housing support - MightyHive provides expert-driven guidance on team architecture, timelines, staffing solutions and technology platforms selection, as well as general programmatic best practices.

Programmatic-as-a-service - An extended engagement in which MightyHive develops a bespoke transition strategy and then manages a marketer's shift towards bringing programmatic in-house. Programmatic as a service typically runs in four stages: (i) a diligence phase covering technology and contract audit and GAP analysis; (ii) the development of a transition strategy, evaluating new technology, carrying out support-planning and cost/benefit analysis; (iii) on-site training for clients; and (iv) transition and implementation.

MightyHive strategic consulting clients include Mondelez International, US Bank, Sprint, and Electrolux.

MightyDesk

MightyDesk is a proprietary, web-based workflow and reporting interface used by MightyHive account managers ("**AMs**") to monitor and manage clients' programmatic campaigns. MightyDesk is fully integrated with the leading programmatic technology platforms and marketing clients' CRMs, granting MightyHive access to hundreds of terabytes of data MightyHive uses to better inform targeting and ad placement strategy across its entire client portfolio.

MightyDesk accelerates the trafficking of advertising media across client data repositories, ad-tech platforms, and inventory sources while ensuring consistently high campaign quality and reporting coverage.

MightyDesk's intuitive user interface and web-based design are key to MightyHive's ability to rapidly onboard programmatic talent and scale the business worldwide.

Site Tool - tag deployment

MightyHive's Site Tool is a Google Chrome extension that tracks pixel activity and associated data, allowing account managers and MightyHive clients to understand webpage and third party browsing activity.

Site Tool monitors network activity and tracks query parameters to help AMs identify performance and data leakage issues. Site Tool is distributed publicly to all MightyHive advertiser and agency clients so they can visualize the data activity behind the content they create and consume.

Site Tool has a simple user interface with additional customization features for sophisticated users. It enhances AMs' ability to identify and resolve page performance issues and elevates MightyHive's brand presence with clients.

Custom Audience Tool - audiences

Custom Audience Tool is the fastest and easiest way for marketers to create and target custom audiences using both offline and online data.

Its intuitive, web-based design enables clients to sign up in under five minutes and launch targeted campaign in as little as one day. Custom Audience Tool runs on a cloud architecture designed to protect client data; only the client has the access to manage and use data. Through the Custom Audience Tool, MightyHive provides industry leading techniques marketers can rely on to improve the performance of campaigns and increase revenues.

Custom Audience Tool has processed over 12,000 custom audiences and is used by over 90 of MightyHive's current clients to target their campaigns using first-party CRM data.

Mighty PACK - campaign deployment

Mighty PACK is a suite of tools designed to accelerate the trafficking of campaigns on client platforms that do not have pre-existing bulk ad deployment tools. With Mighty PACK, campaigns that used to take 24 hours to create can be built and edited in less than five minutes.

AMs use Mighty PACK to create new advertiser accounts across the entire programmatic ecosystem. Mighty PACK is the only API to allow programmatic creation of advertiser accounts by simulating user interaction using a simple, form-based interface that eliminates potential for human error.

Waldo - campaign management

Waldo is a campaign management tool MightyHive AMs use to monitor client spend and activity across the AM's entire book of business.

Waldo generates highly customizable, dynamic reports related to client spend, campaign performance and data from multiple ad-tech platforms into a single source. It integrates with clients' finance and business operations systems, allowing MightyHive to automatically populate report data fields related to the client's entire digital advertising activities.

Apollo - campaign insights

Apollo is a high volume data capture infrastructure that collects impression-level transactions from Google to allow for detailed analysis of campaign, inventory, and creative collateral performance.

Apollo is a secure, scalable, and a convenient solution for interfacing with Google advertising products. Data visualization tools support detailed performance information reporting used to develop insights based on client queries. Joint integration with client data systems and Google Cloud allow for configuration of impression-level Google Data Transfer reporting, which is typically too large and complex for clients or agencies to manage directly.

5 PEOPLE

MightyHive employs approximately 200 people. The average annual headcount by location of the MightyHive Group for the three years to 2017 and as of October 2018 is as follows:

Territory	2015	2016	2017	Year to October 2018
USA	27	54	86	144
Australia	1	5	15	21
UK	-	2	5	12
Singapore	-	1	2	5
Sweden	-	-	1	1
Canada	-	-	-	1
New Zealand	-	-	-	2
Total	28	62	109	186

PART VII - DIRECTORS, PROPOSED DIRECTORS AND CORPORATE GOVERNANCE

1 DIRECTORS

The Directors are responsible for the overall management and control of the Company. The Directors review the operations of the Company at regular meetings.

The Directors provide the Company with the necessary combination, at this stage of its development, of specialist business sector and corporate and acquisition experience that is key to the successful execution of the Company's strategy. The Board comprises Sir Martin Sorrell as Executive Chairman, Victor Knaap and Wesley ter Haar as executive Directors, Peter Rademaker as Group CFO, and Rupert Faure Walker, Paul Roy and Sue Prevezer as Non-Executive Directors. Details on each of them are set out below.

Sir Martin Sorrell – Executive Chairman | Age: 73

Sir Martin was from 1986 until April 2018 the chief executive of WPP plc. He was a non executive director of Arconic Inc. from 18 January 2012 until 10 March 2017 and Delta Topco Limited from 14 September 2006 until 31 January 2017. Delta Topco was backed by CVC Capital Partners and was the holding company of Formula One until its sale to Liberty Media in 2017.

Victor Knaap - Executive Director and MediaMonks CEO | Age: 41

Victor is Chief Executive Officer and Partner of MediaMonks. Since joining in 2003, his role in leading MediaMonks' intercontinental expansion has seen the company's workforce grow to over 900 people worldwide. As well as his international business success, his experience makes him a sought-after speaker and opinion leader for the digital industry.

Wesley ter Haar - Executive Director and MediaMonks Founder and COO | Age: 40

Wesley is Chief Operations Officer and Co-founder of MediaMonks (since 2001). Under his leadership the company has grown into a global platform spanning 12 offices in 10 countries. He is a member of SoDa's Board of Directors – the international organisation for the Digital Society – and has spoken at and judged for various industry events including Cannes Lions Festival of Creativity and the Webbys, the leading international award honouring excellence on the Internet.

Peter Rademaker - Executive Director and Group CFO | Age: 55

Peter joined MediaMonks as Chief Financial Officer in September 2015 with over 20 years' experience as a financial officer in the media and entertainment industry. Before joining MediaMonks, he was CFO, and later on CEO, at CMI Holding. Prior to this, he held various CFO positions at prominent Dutch media companies including Eyeworks, and Talpa.

Rupert Faure Walker – Non-Executive Director | Age: 71

Rupert qualified as a Chartered Accountant with Peat Marwick Mitchell in 1972. He joined Samuel Montagu in 1977 to pursue a career in Corporate Finance. Over a period of 34 years advising major corporate clients on mergers, acquisitions, IPOs and capital raisings, including advising WPP on its acquisitions of JWT, Ogilvy & Mather and Cordiant, together with related funding. He was appointed a director of Samuel Montagu in 1982 and was head of Corporate Finance between 1993 and 1998. He was a Managing Director of HSBC Investment Banking until his retirement in 2011.

Paul Roy – Non-Executive Director | Age: 71

Paul has over 40 years' experience in the banking, brokerage and asset management industries. In 2003, he co-founded NewSmith Capital Partners LLP, an independent investment management company which was acquired by Man Group in 2015. Prior to founding NewSmith, he was Co-President of the Global Markets and Investment Banking division at Merrill Lynch & Co and had responsibility for worldwide

Investment Banking, Debt and Equity Markets. Paul joined Merrill Lynch in 1995 when it acquired Smith New Court Plc a leading market making and brokerage firm on the London Stock Exchange where he was Chief Executive Officer. Between 2007 and 2013, Paul served as Chairman of the British Horseracing Authority responsible for governance and regulation of the sport and is now Chairman of Retraining of Racehorses, racing's main equine charity.

Sue Prevezer - Non-Executive Director | Age: 59

Sue Prevezer QC, Co-Managing Partner of Quinn Emanuel Urquhart & Sullivan (UK) LLP has over 25 years of experience of arguing and managing large complex commercial cases at every level of the UK judicial system and in arbitration. She is a qualified solicitor and barrister, and sits as a Deputy High Court Judge, an arbitrator and as a CEDR Mediator. Sue has co-managed the London office of Quinn Emanuel since its inception in 2008. Sue's clients include major corporates, funds, investors, trustees, office holders and high net worth individuals, for whom she manages complex, high value, domestic and international litigation. Sue has particular expertise in company, insolvency related, securitisation and restructuring litigation.

2 PROPOSED DIRECTORS

It is proposed that, immediately following Admission, the key executives of the MightyHive Group and Daniel Pinto (as representative of Stanhope Capital) join the board of the Company. Details on each of them are set out below.

Peter Kim - Proposed Executive Director and CEO of MightyHive | Age: 45

Pete Kim, an experienced advertising technology executive with over a decade of industry leadership experience, has served as CEO of MightyHive since its founding in 2012.

Pete was formerly Head of Business Development for Google's Media Platforms, and Director of Product Management at Yahoo!, where he helped pioneer the use of dynamic creative in marketing.

Pete received his undergraduate degree in Biomechanical Engineering at UC Berkeley, and an MBA from the Wharton School at the University of Pennsylvania.

Christopher Martin - Proposed Executive Director and COO and CFO of MightyHive | Age: 40

Christopher Martin, COO of MightyHive since its founding in 2012, has a 14-year track record of building and leading successful Operations and Client Services organisations.

Prior to founding MightyHive, Christopher held multiple leadership positions at Yahoo!, including Chief of Staff to the Controllership and Director of Targeting Operations for Dynamic Creative and Audience Targeting Ad Products, where he was responsible for multi-billion dollar P&Ls.

Christopher received his undergraduate degree in Computer Engineering from Lehigh University, and an MBA from the Wharton School at the University of Pennsylvania.

Daniel Pinto - Proposed Non-executive Director | Age: 52

Daniel Pinto is Chief Executive and Founding Partner of Stanhope Capital.

He chairs the firm's Executive Committee. He has considerable experience in wealth management and merchant banking having advised some of Europe's most prominent families and industrialists for over 25 years. Formerly Senior Banker at UBS Warburg in London and Paris concentrating on mergers and acquisitions, he was a member of the firm's executive committee in France. He was also Chief Executive of a private equity fund backed by CVC Capital Partners.

Daniel founded the New City Initiative, a think tank comprised of the leading independent UK and European investment management firms. He is the author of 'Capital Wars' a book which won the prestigious Prix Turgot ("Prix du Jury") and the HEC/Manpower Foundation prize.

Daniel holds an MBA from Harvard Business School, an MA in Economics from Institut d'Etudes Politiques de Paris and an MSc in Finance from Université Paris-Dauphine.

3 CORPORATE GOVERNANCE

The Directors and the Proposed Directors recognise the importance of sound corporate governance commensurate with the size of the Group following Admission and the interests of Shareowners. Save as set out below, the Board will continue to comply with the UK Corporate Governance Code dated September 2016 issued by the Financial Reporting Council for companies below the FTSE 350 so far as practicable. The UK Corporate Governance Code sets out a number of principles in relation to board leadership, effectiveness, accountability, remuneration and relations with Shareowners. The Board has established two committees: an audit and risk committee and a nomination and remuneration committee. If the need should arise, the Board may set up additional committees as appropriate.

The UK Corporate Governance Code recommends that, as a UK listed company, which is below the FTSE 350, the Company should have at least two non-executive directors determined by the board of directors to be independent in character and judgement and free from relationships or circumstances which may affect, or could appear to affect, the director's judgement. The Board considers Rupert Faure Walker, Paul Roy and Sue Prevezer to be independent for these purposes.

Audit and risk committee

The audit and risk committee's role is to assist the board of the Company with the discharge of its responsibilities in relation to internal and external audits and controls, including reviewing the Group's annual financial statements, considering the scope of the annual audit and the extent of the non audit work undertaken by external auditors, advising on the appointment of external auditors and reviewing the effectiveness of the internal control systems in place within the Group. The audit and risk committee seeks to meet not fewer than three times a year.

The audit and risk committee is chaired by Rupert Faure Walker and its other members are Sir Martin Sorrell, Paul Roy and Sue Prevezer. The UK Corporate Governance Code recommends that an audit committee should consist of at least two independent non-executive directors who are independent in character and judgement and free from any relationship or circumstance which may, could or would be likely to, or appear to, affect their judgment. The Board considers Rupert Faure Walker, Paul Roy and Sue Prevezer to be independent for these purposes.

Nomination and remuneration committee

The nomination and remuneration committee assists the board of the Company in determining the composition and make up of the board of the Company and recommends what policy the Company should adopt on executive remuneration, determines the levels of remuneration for each of the directors of the Company and recommends and monitors the remuneration of members of senior management. It is also responsible for periodically reviewing the structure of the Company's board and identifying potential candidates to be appointed as directors, as the need may arise and for producing an annual remuneration report to be approved by the members of the Company at the annual general meeting. The nomination and remuneration committee also determines succession plans for the Executive Chairman. The nomination and remuneration committee meets when appropriate and not fewer than twice a year.

The nomination and remuneration committee is chaired by Paul Roy and its other members are Sir Martin Sorrell, Rupert Faure Walker and Sue Prevezer. The UK Corporate Governance Code recommends that a majority of nominations committee be composed of independent non-executive directors independent in character and judgement and free from any relationship or circumstance which may, could or would be likely to, or appear to, affect their judgment. The Board considers Rupert Faure Walker, Paul Roy and Sue Prevezer to be independent for these purposes.

Share dealing

The Company has in place systems to ensure compliance by the Board, the Group, and its applicable people with the provisions of the Market Abuse Regulation relating to dealings in securities of the Company

and has adopted a share dealing code for this purpose.

PART VIII - OPERATING AND FINANCIAL REVIEW

This Part VIII "Operating and Financial Review" should be read in conjunction with Part IV "Market Overview", and the "Historical Financial Information relating to the MediaMonks Group" incorporated into this Document as set out more fully in Part X. The financial information considered in this Part VIII "Operating and Financial Review" is extracted from the "Historical Financial Information relating to the MediaMonks Group" incorporated into this Document as set out more fully in Part X. The consolidated financial statements referred to in this discussion have been prepared in accordance with IFRS.

OVERVIEW

The Company's strategy is to seek to build a multi-national digital communication services business, initially through acquisitions, but also through organic growth. The first of such opportunities was the acquisition of the MediaMonks Group in July 2018 for €300 million.

MediaMonks is an international digital creative content and production company that primarily develops digital content and internal digital channels across several business segments for brands and advertising agencies.

For the year ended 31 December 2017, MediaMonks generated total revenues of €75.66 million, Gross Profit of €57.88 million, EBITDA of €8.28 million and operating profit of €6.95 million.

MEDIAMONKS

1 KEY FACTORS AFFECTING OPERATIONS

See the Risk Factors under the heading "Risks Relating to the Business and Operations of the Group" on page 22 for a summary of economic and market risks affecting the results of operations.

MediaMonks' commercial strategy

See Part V of this Document for the value growth strategy of the Proposed Directors for MediaMonks.

Operating Key Performance Indicators ("KPIs")

MediaMonks uses several operating KPIs, including Gross Profit and EBITDA. None of these terms are measures of financial performance under IFRS, nor have these measures been audited or reviewed by an auditor, consultant or expert. All of these measures are derived from MediaMonks' internal reporting and financial systems. As defined by MediaMonks management, these terms may not be directly comparable to similar terms used by competitors or other companies.

2 DESCRIPTION OF KEY LINE ITEMS

Revenue

Revenue consists of income generated from the delivery of services to MediaMonks clients. See Part V of this Document for a description of MediaMonks' operational pillars.

Revenue is recognised net of all related discounts and sales tax. Full details of MediaMonks' revenue recognition policy is set out in the historical financial information relating to the MediaMonks Group as incorporated by reference into this Document by Part X of this Document.

Cost of sales

Cost of sales represents the direct and indirect expenses that are attributable to the services or product sold, which fall across four main categories of expenses:

- (a) commissions paid to agents, or volume incentives in respect of direct customers;
- (b) external production companies used when capacity is exceeded;
- (c) expenses incurred in shooting films; and
- (d) materials, hardware and equipment purchased for installation projects and wages for freelancers required on specific projects or for specific skills,

Administrative expenses

Administrative expenses comprise the cost of employing staff, head office costs and other general and administrative expenses.

Net finance costs

Finance costs relate primarily to interest expense on various types of financing net of interest earned on cash balances from time to time.

Income tax

MediaMonks is subject to corporate taxes as set by the tax authorities in the jurisdictions where it has operations. The ordinary corporate tax rate for the last three financial years in the Netherlands was as follows:

	FYE 31 December		
	2017	2016	2015
Tax rate	25%	25%	25%

Income tax expense or income tax credits include both the current and deferred tax expenses and income.

Current tax expense is the tax payable by MediaMonks as a result of income tax settlements for a given year. Tax credits and other tax benefits, excluding tax withholdings and prepayments, and tax loss carry forwards effectively offset in the current year reduce the current income tax expense.

Deferred tax expenses or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include the temporary differences, measured at the amount expected to be payable or recoverable, between the carrying amounts of assets and liabilities and their tax bases, as well as unused tax losses and tax credits. These amounts are measured by applying to the corresponding temporary difference or tax asset the tax rate at which the asset is expected to be realised or the liability is expected to be settled.

Deferred tax assets are recognised in respect of deductible temporary differences, tax losses during the year that may be offset in subsequent years, and deductions and other tax breaks not used during the year that may apply in future years.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit/(loss) nor taxable profits/(tax loss).

3 RESULTS OF OPERATIONS FOR THE YEARS ENDED 31 DECEMBER 2017 AND 2016

Comparison of results of operations for the years ended 31 December 2017 and 2016 (€ thousands)

	<i>2017</i>	<i>2016</i>
Revenue	75,655	65,838
Cost of sales	(17,780)	(17,750)
Administrative expenses	(50,921)	(45,321)

Net finance costs	(1,630)	(667)
PROFIT BEFORE TAX	5,324	2,100
Income tax	(2,022)	(988)
PROFIT FOR THE PERIOD	3,302	1,112

Revenue

Revenues for the twelve months ended 31 December 2017 were €75.66 million as compared to €65.84 million for the twelve months ended 31 December 2016, representing a €9.82 million, 14.9 per cent. increase. This revenue increase was driven by increased business with existing clients, new client wins and geographic expansion.

Cost of sales

Cost of sales for the twelve months ended 31 December 2017 was €17.78 million as compared to €17.75 million for the twelve months ended 31 December 2016. This remained relatively unchanged, despite a broad increases in revenues, primarily as a result of a different mix in revenues. Revenues from film and experiential projects, both of which are part of the Creative Content & Innovation pillar, entail greater costs of sales).

Administrative expenses

General and administrative expenses for the twelve months ended 31 December 2017 were €50.92 million as compared to €45.32 million for the twelve months ended 31 December 2016, representing a €5.60 million, or 12.4 per cent. increase. This increase was mainly driven from a slight increase in the number of people, combined with more expensive and skilled new hires (which has increased the average cost per person).

Net finance costs

Net finance costs for the twelve months ended 31 December 2017 were €1.63 million as compared to €0.67 million for the twelve months ended 31 December 2016, representing a €0.96 million increase in costs. This was driven by increased utilisation of the credit facilities available to the MediaMonks Group, principally to support a growth in working capital as increases in the MediaMonks Group's direct-to-brand engagement led to less advantageous payment terms as compared with agency work. The strategy-driven changes in the overall business mix of the MediaMonks Group and the payment terms agreed with clients are included in the MediaMonks Group's evaluation of its working capital needs, and the Group has sufficient working capital to implement the strategy of increasing the MediaMonks Group's direct-to-brand engagement in the 12 months from the date of this Document.

Income tax

Income tax expense for the twelve months ended 31 December 2017 was €2.02 million as compared to €0.99 million for the twelve months ended 31 December 2016, representing a €1.03 million, or 104 per cent. increase. This increase has been due mainly to a reduction in the deductibility of certain expenses incurred by the MediaMonks Group and the increased generation of revenue in the US.

4 RESULTS OF OPERATIONS FOR THE YEAR ENDED 31 DECEMBER 2016 AND 2015

Comparison of results of operations for the years ended 31 December 2016 and 2015 (€ thousands)

	2016	2015
Revenue	65,838	36,231
Cost of sales	(17,750)	(6,464)
Administrative expenses	(45,321)	(27,443)
Net finance costs	(677)	266
PROFIT BEFORE TAX	2,100	2,590

Income tax	(988)	(848)
PROFIT FOR THE PERIOD	1,112	1,742

Revenue

Revenues for the twelve months ended 31 December 2016 were €65.84 million as compared to €36.23 million for the twelve months ended 31 December 2015, representing a €29.61 million, 81.7 per cent. increase. This revenue increase was driven by both organic growth and a number of strategic acquisitions.

Cost of sales

Cost of sales for the twelve months ended 31 December 2016 was €17.75 million as compared to €6.46 million for the twelve months ended 31 December 2015, representing a €11.29 million, 175 per cent. increase. This increase in expense was in part due to the cost of integrating a number of strategic acquisitions and operational and brand investments made by the MediaMonks Group. Expansion of the operations of the MediaMonks Group and/or investment in personnel, brand and business capabilities is carried out by the MediaMonks Group on a disciplined basis and subject to the working capital requirements of the MediaMonks Group.

Administrative expenses

General and administrative expenses for the twelve months ended 31 December 2016 were €45.32 million as compared to €27.44 million for the twelve months ended 31 December 2015, representing a €17.88 million, 65.16 per cent. increase. This increase was mainly driven from a significant growth in the number of full time equivalent personnel (in order to facilitate anticipated growth), which resulted in an 83.6 per cent increase in personnel expenses. Expansion of full time equivalent personnel on the scale implemented in the twelve months ended 31 December 2016 is not expected to take place in the twelve month period from the date of this Document.

Net finance costs

Net finance costs for the twelve months ended 31 December 2016 was €0.68 million as compared to net finance income of €0.27 million for the twelve months ended 31 December 2015. This was driven by the net effect of the increased bank interest during the year ended 31 December 2016.

Income tax

Income tax expense for the twelve months ended 31 December 2016 was €0.99 million as compared to €0.85 million for the twelve months ended 31 December 2015, representing a €0.14 million, 16.5 per cent increase. This decrease was due mainly to various tax adjustments such as under provision in previous periods, although this was partly offset by carried forward tax losses.

5 GROSS PROFIT AND EBITDA DISCUSSION

In order to better understand how MediaMonks management assesses the performance of MediaMonks's operations and cost structure, the comparison below provides a breakdown of EBITDA and costs during the period under review included elsewhere in this Document. This breakdown reflects how MediaMonks management views the business' cost structure and highlights the criteria that management uses to make business decisions relating to daily operations.

Prospective investors should not consider EBITDA in the period in isolation as a substitute for, or superior to financial information prepared in accordance with IFRS, or as an indication of operating performance.

Comparison of EBITDA and Gross Profit for the years ended 31 December 2015, 2016 and 2017 (€000)

	2017	2016	2015
Revenue	75,655	65,838	36,231
Gross Profit (%)	76.50%	73.04%	82.16%
EBITDA	8,277	4,515	4,760

Revenues have increased significantly from the year ended 31 December 2015 to 31 December 2017. This has been driven by organic growth (including as a result of larger campaigns and a substantial increase in the platform and commerce pillar) and to a lesser extent through several strategic acquisitions. However, revenue includes services or material provided by third parties which are charged to clients - accordingly MediaMonks management generally focuses on its own contribution (i.e. the Gross Profit) rather than revenues.

MediaMonks increased its Gross Profit to 76.50 per cent. during the year ended 31 December 2017 from 73.04 per cent. during the year ended 31 December 2016. However, the Gross Profit was down from 82.16 per cent. for the year ended 31 December 2015. The Gross Profit is somewhat dependent on the type of services provided. For instance, films have generally high direct costs and thus a relatively low Gross Profit. In this respect, the number of films in a year impacts to some extent on the Gross Profit. The same applies for experiential productions, which contain hardware and out of pocket costs.

For the year ended 31 December 2017, MediaMonks generated EBITDA of €8.28 million compared to €4.52 million for the year ended 31 December 2016 and €4.76 million for the year ended 31 December 2015. The profitability of MediaMonks for the year ended 31 December 2017 increased as revenues growth was accompanied by strengthened margin and cost controls. For the year ended 31 December 2016 MediaMonks' performance was temporarily affected by (i) the redesign and processes and integration of systems as a result of the strong growth; and (ii) the significant investment in people and the operational expenditure base in anticipation of future growth.

6 LIQUIDITY AND CAPITAL RESOURCES

MediaMonks maintains cash and cash equivalents to fund the day-to-day requirements of the business. Cash is held primarily in Euro.

Historically, MediaMonks relied upon loans from its previous parent company to assist in funding the acquisitions that took place in 2015 and 2016. Such amounts were repaid in connection with the MediaMonks Acquisition.

For more information on MediaMonks' debt facilities, see the "Loans and Borrowings" discussion on page 114 .

Cash flow for the years ended 31 December 2015, 2016 and 2017 (€000)

	<i>2017</i>	<i>2016</i>	<i>2015</i>
Net cash flows from operating activities	6,605	3	3,150
Net cash flows from/(used in) investing activities	(1,585)	(5,064)	(5,488)
Net cash flows from/(used in) financing activities	(777)	2,712	1,520
Net increase/(decrease) in cash and cash equivalents	4,243	(2,349)	(818)
Effect of foreign currency translation	(265)	(115)	149
Cash and cash equivalents at the beginning of the period	(2,358)	106	775
Cash and cash equivalents at the end of the period	1,620	(2,358)	106

Cash and cash equivalents reported in the statement of cash flows differs from that in the statement of financial position as it includes bank overdrafts. In the statement of financial position bank overdrafts are reported in loans and borrowings.

Net cash flow from operating activities

Net cash flow from operating activities for the year ended 31 December 2017 was €6.61 million, representing an increase of €6.60 million compared to the €0.003 million net cash flow from operating activities for the year ended 31 December 2016. This increase was driven mainly by an increase in profit after tax, increased finance income and increased trade and other payables for the year.

Net cash flow from operating activities for the year ended 31 December 2016 was €0.003 million, representing a decrease of €3.15 million as compared to the €3.15 million for the year ended 31 December 2015. This decrease was driven primarily by an increase in tax paid and a relatively lower increase in trade and other payables compared to the previous year ended.

Net cash flow used in investing activities

Net cash flow used in investment activities for the year ended 31 December 2017 was €1.59 million, representing a decrease of €3.48 million compared with €5.06 million for the year ended 31 December 2016. This decrease in net cash used was driven mainly by a reduction in the cash used for acquiring subsidiaries and property, plant and equipment.

Net cash flow used in investment activities for the year ended 31 December 2016 was €5.06 million, representing a decrease of €0.43 million compared to the €5.49 million for the year ended 31 December 2015. This decrease was also mainly due to lower levels of cash used to acquire subsidiaries.

Net cash flow from in financing activities

Net cash flow used in financing activities for the year ended 31 December 2017 was €0.78 million, representing a change of €3.49 million compared to the €2.71 million in net cash generated for the year ended 31 December 2016. This decrease in net cash flow used was primarily due to the drawdown of a parent company loan during the year ended 31 December 2016, accompanied by the repayment of bank loans during the year ended 31 December 2017.

Net cash flow generated in financial activities for the year ended 31 December 2016 was €2.71 million, representing an increase of €1.19 million compared to the €1.52 million in net cash generated for the year ended 31 December 2015. This increase was mainly due to the higher levels of parent company loans drawn down during the year ended 31 December 2016, although this was partly offset by lower levels of bank borrowing.

Capital expenditure

MediaMonks classifies its capital expenditure (capex) into two:

- **Acquisitions:** expenditure incurred in acquiring new operations or entities.
- **Investment in existing operations:** expenditure incurred in expanding existing operations or establishing operations in new territories or sectors otherwise than by way of acquisition.

Loans and borrowings

The table below shows MediaMonks' net financial debt for the period under review, calculated on the basis of the nominal amount of MediaMonks' loans and borrowings and interest accrued, excluding capitalised fees and commissions. See Note 20 to the historical financial information for the MediaMonks Group for the three years to 31 December 2017.

Loans and borrowings for the years ended 31 December 2015, 2016 and 2017 (€000)

	2017	2016	2015
Current loans and borrowings	30	3,632	2,193
Non-current loans and borrowings	5,362	5,236	2,150
Financial debt	5,392	8,868	4,343
Cash and cash equivalents	(1,620)	(1,244)	(2,299)
Net financial debt	3,772	7,624	2,044

7 QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT FINANCIAL RISK OF THE MEDIAMONKS GROUP

Credit risk

Credit risk is the risk of financial loss that MediaMonks faces if a customer fails to meet its contractual obligations, and arises mainly in accounts receivable.

MediaMonks considers client credit risk to be mitigated by the application of its internal controls and the high quality of the MediaMonks Group's larger customers. Among the different policies and specific practices implemented is the customer acceptance scoring policy, the long-term monitoring of client credit, which reduces the possibility of default of significant receivables, and debt collection management.

MediaMonks does not have significant concentrations of credit risk. Cash and cash equivalents are maintained with banks and financial institutions of high credit rating.

Liquidity risk

Liquidity risk is the risk that MediaMonks would have difficulty meeting obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. MediaMonks's approach to managing liquidity risk includes holding sufficient cash and marketable securities and the availability of financing through a sufficient level of available credit lines. This involves monitoring the liquidity reserve forecast based on expected cash flows and continuously assessing whether there is an adequate matching of projected cash inflows with projected cash outflows.

Market risk

Market risk is the risk that changes in market prices would affect our income or the value of financial instruments held. The objective of market risk management is to manage and control risk exposures within acceptable parameters, while optimising the return.

Market risk also includes, *inter alia*, interest rate risk which arises mainly from the loans granted by banks and related parties at variable rates which expose us to variability on future cash flows.

MediaMonks does not manage interest rate risk on cash flows through interest rate swaps and/or other derivative instruments. In general, MediaMonks manages interest rate risk through borrowing at a conservative level such that it would be possible to continue to maintain the financial covenants mandated by the HSBC Facility Agreement notwithstanding a material increase in either or both of the applicable

reference rates.

Foreign exchange risk

Foreign exchange risk is the risk that movements in exchange rates affect the profitability of the business. MediaMonks manages this risk through natural hedging by seeking to match the currencies of its costs with the currencies of its revenues. MediaMonks does not issue or use financial instruments of a speculative nature

The primary drivers of this risk as it relates to MediaMonks are fluctuations in exchange rates on the US\$, GBP, SGD and SEK. Further information regarding MediaMonks' exposure to foreign exchange fluctuations is set out in the historical financial information relating to the MediaMonks Group, incorporated by reference into this Document, as set out more fully in Part X.

8 CRITICAL ACCOUNTING ESTIMATES

The preparation of the Financial Statements in accordance with IFRS requires the use of certain critical accounting estimates and management judgments concerning the future. These are evaluated constantly and based on historical experience and other factors, including expectations of future events and, where applicable, the justified opinion of renowned experts.

To the extent the actual outcome of these estimates differ from the amounts initially recognised, or information that would modify these estimates becomes available, the effects of any changes in the initial estimates are accounted for in the year they are known.

The estimates and judgments that present significant risk of a material adjustment to the carrying amounts of assets and liabilities in subsequent reporting period are described in Note 2 to each of the Financial Statements included elsewhere in this Document.

For more information, see Note 2 to each of the Financial Statements included elsewhere in this Document.

9 DIVIDEND POLICY

See Part III, paragraph 10 in relation to the dividend policy of the Company.

PART IX - CAPITALISATION AND INDEBTEDNESS STATEMENT OF S⁴ CAPITAL PLC

The Company

The tables below set out the Company's capitalisation and indebtedness. The capitalisation and indebtedness information set out below has been extracted without material adjustment from the Company's unaudited accounting records as at 27 September 2018.

	As at 27 September 2018 <i>(£'000s)</i>
Indebtedness	<i>(£'000s)</i>
Guaranteed	-
Secured	300
Unguaranteed/unsecured	-
Total current debt	300
Guaranteed	-
Secured	-
Unguaranteed/unsecured	-
Total Non-Current debt (excluding current portion of long-term debt)	-
Total indebtedness	300

	As at 30 June 2018 <i>(£'000s)</i>
Capitalisation/Shareowner's equity	<i>(£'000s)</i>
(a) Share capital	625
(b) Share premium account	1,689
(c) Retained losses	(294)
Total Capitalisation	2,020
Total Capitalisation and indebtedness	2,020

	As at 30 June 2018 <i>(£'000s)</i>
Net cash (indebtedness)	<i>(£'000s)</i>
Cash and cash equivalents	2,104
Liquidity	2,104
Total current debt (see table above)	-
Net current cash position	2,104
Total Non-Current debt (see table above)	-
Net cash position	2,104

PART X - INFORMATION INCORPORATED BY REFERENCE

The information incorporated by reference into this Document is available at the Company's website, www.s4capital.com, or in printed form from the Company's registered office at 12 St James's Place, London SW1A 1NX or from the offices of Travers Smith LLP, 10 Snow Hill, London EC1A 2AL in accordance with the details set out in paragraph 23 of Part XIV of this Document.

The tables below set out the various sections of such documents which are incorporated by reference into this Document, so as to provide the information required pursuant to the Prospectus Rules and to ensure that Shareowners are aware of all information which is relevant to the Issue, the Company and the Ordinary Shares.

Each of the documents incorporated by reference into this Document has previously been published, approved by and filed with the Financial Conduct Authority. Such documents are incorporated in, and form part of, this Document, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Document to the extent that a statement contained herein modifies or supersedes such earlier statement, whether expressly, by implication or otherwise. Any statement so modified or superseded shall not, except as so modified and superseded, constitute a part of this Document.

Any non-incorporated parts of the documents incorporated by reference in this Document are either not relevant for the purposes of the Issue or the relevant information is included elsewhere in this Document. Any documents themselves incorporated by reference in the documents incorporated by reference in this Document shall not form part of this Document.

1 HISTORICAL FINANCIAL INFORMATION RELATING TO THE COMPANY

The audited financial statements of the Company contained in the annual report and financial statements of the Company for the period ended 31 December 2017 (the "**2017 Annual Report**"), which was sent to Shareowners at the relevant time and is available as described above, contains information which is relevant to Admission and is incorporated by reference into this Document.

Information incorporated by reference into this Document	Page numbers in the 2017 Annual Report
Independent auditor's report	7-8
Statement of comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Statement of cash flows	12
Notes to the financial statements	13-19

The unaudited financial statements of the Company contained in the interim report of the Company for the period ended 30 June 2018 (the "**2018 Interim Report**"), which was sent to Shareowners at the relevant time and is available as described above, contains information which is relevant to Admission and is incorporated by reference into this Document.

Information incorporated by reference into this Document	Page numbers in the 2018 Interim Report
Interim statement of comprehensive income	2-3
Interim statement of financial position	3
Interim statement of changes in equity	4
Interim statement of cash flows	4
Notes to the interim financial statements	4-6

The unaudited financial statements of the Company contained in the interim report of the Company for the period ended 30 June 2017 (the "**2017 Interim Report**"), which was sent to Shareowners at the

relevant time and is available as described above, contains information which is relevant to Admission and is incorporated by reference into this Document.

Information incorporated by reference into this Document	Page numbers in the 2017 Interim Report
Interim statement of comprehensive income	2-3
Interim statement of financial position	3
Interim statement of changes in equity	4
Interim statement of cash flows	4
Notes to the interim financial statements	4-6

2 HISTORICAL FINANCIAL INFORMATION RELATING TO THE MEDIAMONKS GROUP

The audited financial statements of the MediaMonks Group contained in the prospectus published by the Company on 11 September 2018 (the "**September Prospectus**"), which is available as described above, contains information which is relevant to Admission and is incorporated by reference into this Document.

Information incorporated by reference into this Document	Page numbers in the September Prospectus
Accountant's report	80 - 81
Consolidated statement of comprehensive income	82
Consolidated statement of financial position	83
Consolidated statement of changes in equity	84
Consolidated statements of cash flows	85
Notes to the financial statements	86 - 124

3 HISTORICAL FINANCIAL INFORMATION RELATING TO S⁴ LIMITED

The audited financial statements of the S⁴ Limited contained in the September Prospectus, which is available as described above, contains information which is relevant to Admission and is incorporated by reference into this Document.

Information incorporated by reference into this Document	Page numbers in the September Prospectus
Accountant's report	125 - 126
Consolidated statement of comprehensive income	127
Consolidated statement of financial position	128
Consolidated statement of changes in equity	129
Consolidated statements of cash flows	130
Notes to the financial statements	131 - 137

4 UNAUDITED INTERIM ACCOUNTS OF THE MEDIAMONKS GROUP

The unaudited interim accounts of the MediaMonks Group contained in the September Prospectus, which is available as described above, contains information which is relevant to Admission and is incorporated by reference into this Document.

Information incorporated by reference into this Document	Page numbers in the September Prospectus
Consolidated statement of comprehensive income	139
Consolidated statement of financial position	140
Consolidated statement of changes in equity	141
Consolidated statements of cash flows	142

PART XI - HISTORICAL FINANCIAL INFORMATION RELATING TO THE MIGHTYHIVE GROUP

Note: the historical financial information relating to the MightyHive Group presented in this Part XI has been prepared in accordance with US GAAP and accordingly has not been prepared in accordance with IFRS as adopted by the European Union or in a manner consistent with the historical information relating to the Company, S⁴ Limited or the MediaMonks Group.

The attention of investors and Shareowners is drawn to the unaudited pro forma financial information set out in Part XII of this Document, which shows the effect of the MightyHive Acquisition as if it had completed on 1 January 2017 for the purposes of the pro forma income statement and as if it had completed on 30 June 2018 for the purposes of the pro forma statement of net assets and incorporates the adjustments necessary to present the historical financial information relating to the MightyHive Group in a manner consistent with that of the Company.

*Report of Independent Auditors
and Consolidated Financial Statements*

MightyHive, Inc.

December 31, 2017

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Report of Independent Auditors

To the Board of Directors
and Stockholders of
MightyHive, Inc.

Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of MightyHive, Inc., (the Company), which comprise the consolidated balance sheet as of December 31, 2017 and the related consolidated statement of income, comprehensive income, stockholders' equity, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2017, and the results of its operations and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

/s/ Moss Adams LLP

San Francisco, California
October 5, 2018

Consolidated Financial Statements

MightyHive, Inc.
Consolidated Balance Sheet
December 31, 2017

	<u>2017</u>
ASSETS	
Cash and cash equivalents	\$ 17,841,772
Accounts receivable, net	45,782,127
Prepaid expenses and other current assets	<u>625,086</u>
Total current assets	64,248,985
Property and equipment, net	438,218
Deferred tax assets, net	54,527
Other assets	<u>245,987</u>
Total assets	<u>\$ 64,987,717</u>
LIABILITIES AND STOCKHOLDERS' EQUITY	
Accounts payable	\$ 57,197,977
Accrued expenses	955,402
Customer prepayments/deferred revenue	<u>887,446</u>
Total current liabilities	59,040,825
Deferred rent	133,605
Other liabilities	<u>369,629</u>
Total liabilities	<u>59,544,059</u>
Commitments and contingencies (Note 6)	
Stockholders' equity	
Convertible preferred stock, \$0.001 par value; 2,667,382 shares authorized: 2,667,381 shares issued and outstanding at December 31, 2017 (aggregate liquidation preference of \$7,236,871)	2,667
Common stock, \$0.001 par value; 11,329,024 shares authorized: 8,143,206 shares issued and outstanding at December 31, 2017	8,108
Additional paid-in capital	3,690,755
Retained earnings	1,736,144
Accumulated other comprehensive income	<u>5,984</u>
Total stockholders' equity	<u>5,443,658</u>
Total liabilities and stockholders' equity	<u>\$ 64,987,717</u>

MightyHive, Inc.
Consolidated Statement of Income
Year Ended December 31, 2017

	<u>2017</u>
REVENUE	\$ 24,569,019
COST OF REVENUE	<u>6,114,460</u>
GROSS PROFIT	<u>18,454,559</u>
OPERATING EXPENSES	
Engineering, research and development	2,519,337
Sales and marketing	4,705,831
General and administrative	<u>5,999,155</u>
Total operating expenses	<u>13,224,323</u>
INCOME FROM OPERATIONS	5,230,236
INTEREST AND OTHER EXPENSE, net	<u>(20,012)</u>
INCOME BEFORE INCOME TAXES	5,210,224
PROVISION FOR INCOME TAXES	<u>3,369,495</u>
NET INCOME	<u>\$ 1,840,729</u>

See accompanying notes.

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MightyHive, Inc.
Consolidated Statement of Comprehensive Income
Year Ended December 31, 2017

	<u>2017</u>
NET INCOME	\$ 1,840,729
OTHER COMPREHENSIVE INCOME:	
Change in cumulative translation adjustment	<u>21,676</u>
OTHER COMPREHENSIVE INCOME	<u>21,676</u>
COMPREHENSIVE INCOME	<u><u>\$ 1,862,405</u></u>

MightyHive, Inc.
Consolidated Statement of Stockholders' Equity
Year Ended December 31, 2017

	Convertible preferred stock		Common stock		Additional paid-in capital	Retained earnings/ (deficit)	Accumulated other comprehensive income (loss)	Total stockholders' equity
	Shares	Amount	Shares	Amount				
Balance at December 31, 2016	2,667,381	\$ 2,667	8,132,334	\$ 8,097	\$ 3,231,693	\$ (104,585)	\$ (15,692)	\$ 3,122,180
Issuance of common stock on exercise of stock options	-	-	10,872	11	7,273	-	-	7,284
Stock-based compensation	-	-	-	-	451,789	-	-	451,789
Components of comprehensive income:								
Net income	-	-	-	-	-	1,840,729	-	1,840,729
Currency translation adjustments	-	-	-	-	-	-	21,676	21,676
Balance at December 31, 2017	<u>2,667,381</u>	<u>\$ 2,667</u>	<u>8,143,206</u>	<u>\$ 8,108</u>	<u>\$ 3,690,755</u>	<u>\$ 1,736,144</u>	<u>\$ 5,984</u>	<u>\$ 5,443,658</u>

See accompanying notes.

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MightyHive, Inc.
Consolidated Statement of Cash Flows
Year Ended December 31, 2017

	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ 1,840,729
Adjustments to reconcile net income to net cash provided by operating activities	
Depreciation and amortization	122,567
Stock-based compensation	451,789
Changes in assets and liabilities:	
Accounts receivable, net	(30,061,573)
Prepaid expenses and other current assets	(320,210)
Other assets	(45,082)
Deferred tax assets, net	225,845
Accounts payable	36,678,051
Accrued expenses	(756,901)
Customer prepayments/deferred revenue	423,206
Deferred rent	43,938
Other liabilities	369,629
	<u>8,971,988</u>
Net cash provided by operating activities	<u>8,971,988</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property and equipment	(410,591)
	<u>(410,591)</u>
Net cash used by investing activities	<u>(410,591)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issuance of common stock on exercise of stock options	<u>7,284</u>
	<u>7,284</u>
Net cash provided by financing activities	<u>7,284</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>21,676</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	8,590,357
CASH AND CASH EQUIVALENTS, beginning of year	<u>9,251,415</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 17,841,772</u></u>
SUPPLEMENTAL DISCLOSURES OF OTHER CASH FLOW INFORMATION	
Cash paid for income taxes	\$ 3,092,000

MightyHive, Inc.
Notes to Consolidated Financial Statements

NOTE 1 – THE COMPANY AND ITS SIGNIFICANT ACCOUNTING POLICIES

MightyHive, Inc. (the Company), incorporated in the state of Delaware on February 22, 2012, is a Programmatic Solutions provider for forward-thinking marketers and agencies. The Company offers services focusing on implementation and support, campaign management, and consulting.

The Company is headquartered in San Francisco, California and has offices in several other locations in the U.S. and internationally including Sydney, London, and Singapore.

The Company established wholly-owned subsidiaries in Sydney, Australia and London, United Kingdom in 2016 and in Singapore in 2017. The subsidiaries are primarily sales, marketing, and service operation offices, and are expected to operate independently as an extension of the parent Company's operations. As a result, the consolidated financial statements of the Company's foreign subsidiaries are measured using the local currency as the functional currency.

Principles of consolidation - The consolidated financial statements include the accounts of the Company and its wholly-owned foreign subsidiary subsidiaries. All significant intercompany transactions and balances have been eliminated.

Consolidated comprehensive income - Generally accepted accounting principles establish standards for reporting and display in the consolidated financial statements of total consolidated net income and the components of all other non-owner changes in equity, referred to as comprehensive income. Accordingly, the Company has reported the translation gain from consolidation of its foreign subsidiaries in consolidated comprehensive income.

Foreign currency translation – The functional currencies of the Company's significant foreign subsidiaries are generally the local currencies. Accordingly, all assets and liabilities of the foreign operations are translated to U.S. dollars at current period end exchange rates, and revenues and expenses are translated to U.S. dollars using average exchange rates in effect during the period. The gains and losses from foreign currency translation of these subsidiaries' financial statements are recorded directly into a separate component of consolidated shareholders' equity under the caption "Accumulated other comprehensive income."

Estimates – The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash equivalents – The Company considers all highly liquid investments with an original maturity from the date of purchase of three months or less to be cash equivalents. As of December 31, 2017, cash and cash equivalents consist of cash deposited with banks. The recorded carrying amount of cash equivalents, which is cost plus accrued interest, approximates fair value.

Concentration of operations – The Company's service revenues are concentrated in the digital advertising industry which is highly competitive and rapidly changing. Significant technological changes in the industry or customer requirements, or the emergence of competitive services with new capabilities or technologies, could adversely affect the Company's operating results.

MightyHive, Inc.

Notes to Consolidated Financial Statements

The Company is a service partner to Google as further described in the revenue recognition policy below. Approximately 94% of total revenue was generated from Google Marketing Platform services during the year ended December 31, 2017 and net purchases from Google consisted of approximately \$113,457,000 or 91% of total purchases during the year. Accounts payable to Google was approximately \$46,989,000 at December 31, 2017. A change in this business relationship could significantly disrupt the business.

The Company's revenue is highly concentrated in the United States making up approximately 94% of total revenue during the year ended December 31, 2017. Approximately 5% of total revenue during the year was generated out of its wholly-owned Australian subsidiary. Negative effects of the economic and political forces within the market or geographic area could have an adverse impact on the Company's operations.

Significant customers are those which represent more than 10% of the Company's total revenues or accounts receivable balance at each balance sheet date. For the year ended December 31, 2017, the Company did not have any customers that accounted for 10% or more of the Company's total revenues. In addition, as of December 31, 2017, the Company did not have any customers that accounted for 10% or more of the Company's total accounts receivable.

Concentrations of credit risk – Financial instruments that potentially subject the Company to credit risk consist primarily of cash and cash equivalents and accounts receivable. Cash and cash equivalents are deposited with federally insured commercial banks in the United States and at times cash balances may be in excess of federal insurance limits. Accounts receivable are stated at the amount the Company expects to collect. The Company generally does not require collateral or other security in support of accounts receivable. To reduce credit risk, management considers the following factors when determining the collectability of specific customer accounts: customer credit-worthiness, past transaction history with the customer, current economic industry trends, and changes in customer payment terms. Past due balances over 90 days and other higher risk amounts are reviewed individually for collectability. Based on management's assessment, the Company provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Company has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of December 31, 2017, the Company has a reserve of approximately \$215,000 for estimated credit losses.

Property and equipment – Property and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the respective assets, generally 36 to 60 months. Leasehold improvements and property under capital leases are amortized over the shorter of estimated useful lives of the assets or the lease term. Expenditures for repairs and maintenance are charged to expense as incurred. Upon disposition, the cost and related accumulated depreciation are removed from the accounts and the resulting gain or loss is reflected in the consolidated statements of operations.

Long-lived assets – The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No such impairments have been identified to date.

MightyHive, Inc. Notes to Consolidated Financial Statements

Revenue recognition – The Company’s revenue is generated primarily from Google Marketing Platform services, various consulting arrangements and pass-through media as further described below. The Company also provides certain set up and training services when requested by its customers. The Company recognizes revenue based on Accounting Standards Codification (ASC) 605, Revenue Recognition, as set forth by the Financial Accounting Standards Board (FASB).

The Company recognizes revenue when all four of the following criteria are met:

- Persuasive evidence of an arrangement exists
- The fee is fixed or determinable
- Collection of the related receivables is reasonably assured
- Delivery of the services has occurred

Often times, the Company enters into arrangements for multiple services at the same time, or within close proximity of one another. In such circumstances, each element is accounted for as a separate unit of accounting because the following criteria are met: the delivered services have value to the customer on a standalone basis as the services are sold separately; the arrangement does not provide the right to return any of the delivered services; and performance of the undelivered services is considered probable and is substantially controlled by the Company.

The Company generates revenue primarily from the following services:

Google Marketing Platform Full-Stack – The Company services the full-stack Google Marketing Platform services: Display & Video 360, Campaign Manager, and Search Ads 360. The Marketing Platform services are the primary revenue drivers for the Company in 2017. The Company generates its revenue from servicing the marketing platforms as a service partner, the Company recognizes the media fee and associated technology fee billed by Google on a net basis and the service fee is recognized on a gross basis in the month service is performed.

Consulting and Pass-Through Media – The Company generates consulting revenue through programmatic efficiency audits, custom integration, and insourcing support services. Programmatic efficiency audits involve a review of current data flow and architecture, programmatic asset mapping, and cost waterfall analysis. Custom integration includes API integration and customized dashboard that connect Google platforms with the rest of the ecosystem. The Company recognizes the consulting revenue on a gross basis and in the month the service is completed. Pass-through media are media under management as part of consulting engagements. As the Company is acting as an agent for the media, the media is billed to the Company and immediately invoiced to the customer. The Company recognizes this revenue on a net basis.

Cost of Revenue – Cost of Revenue primarily consist of costs associated with providing advertising and consulting services. These costs include salaries and benefits of related personnel, outsourced contractor expenses and for costs that are indirectly related to the related personnel.

MightyHive, Inc.

Notes to Consolidated Financial Statements

Common stock reserve – The Company reassesses the classification of its stockholders' equity at each balance sheet date. In the event when authorized and unissued common stock is not sufficient, settlement is not within the control of the Company and either asset or liability classification may result.

Stock-based compensation – The Company uses the estimated grant date fair value method of accounting. The Company recognizes these compensation costs on a straight-line basis over the requisite service period of the award, which is generally the option vesting term of four years with a one-year cliff.

Research and development – Research and development costs are charged to operations as incurred.

Advertising – The Company expenses the costs of advertising, including promotional expenses, as incurred. Advertising expenses for the year ended December 31, 2017 were not significant.

Income taxes – Deferred tax liabilities and assets are recognized for the expected future tax consequences of temporary differences between financial statement carrying amounts and the tax basis of assets and liabilities and net operating loss (NOL) and tax credit carryforwards. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

The Company accounts for uncertainty in income taxes using a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount that is more than 50% likely of being realized upon settlement. The Company classifies any liabilities for unrecognized tax benefits as current to the extent that the Company anticipates payment (or receipt) of cash within one year. Interest and penalties related to uncertain tax positions are recognized in the provision for income taxes. The Company had approximately \$370,000 unrecognized tax benefits recorded in other liabilities at December 31, 2017.

New accounting pronouncements – In March 2016, the FASB issued ASU No. 2016-09, *Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*, (ASU 2016-09) which amends the existing accounting standards for share-based payments. ASU 2016-09 is effective for annual periods beginning after December 15, 2017, with early adoption permitted. The Company is currently evaluating the impact of ASU No. 2016-09 on its consolidated financial statements.

In February 2016, the FASB issued ASU No 2016-02, *Leases (Topic 842)*. As amended, the new standard requires lessees to recognize almost all leases on their balance sheet as a right-of-use asset and lease liability. For income statement purposes, the FASB retained a dual model, requiring leases to be classified as either operating or finance. Classification will be based on criteria that are largely similar to those applied in current lease accounting, but without explicit bright lines. Lessor accounting is similar to the current model, but updated to align with certain changes to the lessee model and the new revenue recognition standard. The standard will be effective beginning after December 15, 2019. Early adoption is permitted. The Company is currently evaluating this new standard and the impact it will have on its consolidated financial statements.

MightyHive, Inc.
Notes to Consolidated Financial Statements

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which is a new standard on revenue recognition. As amended, the new standard contains principles that an entity will need to apply to determine the measurement of revenue and timing of when revenue is recognized. The underlying principle is to recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The standard has a five-step approach which includes identifying the contract or contracts, identifying the performance obligations, determining the transaction price, allocating the transaction price, and recognizing revenue. The standard also significantly expands the quantitative and qualitative disclosure requirements for revenue, which are intended to help users of financial statements, understand the nature, amount, timing, and uncertainty of revenue and the related cash flows. The standard is effective for annual periods beginning after December 15, 2018, for nonpublic entities and early application is only permitted in certain circumstances. The Company is currently evaluating this new standard and the impact it will have on its consolidated financial statements, information technology systems, process, and internal controls.

Subsequent events – The Company has evaluated subsequent events through October 5, 2018, which is the date the consolidated financial statements were available to be issued.

NOTE 2 – SIGNIFICANT BALANCE SHEET COMPONENTS

Accrued expenses – Accrued expenses consisted of approximately the following at December 31, 2017:

	2017
Employee-related liabilities	\$ 459,000
Professional and other fees	284,000
Other liabilities	212,000
	\$ 955,000

NOTE 3 – STOCKHOLDERS' EQUITY

At December 31, 2017, the authorized capital stock of the Company consisted of 13,996,406 shares of capital stock, comprising 11,329,024 shares of common stock and 2,667,382 shares of convertible preferred stock. All classes of the Company's stock have \$0.001 par value.

Convertible preferred stock – At December 31, 2017, convertible preferred stock consisted of approximately the following (except share data):

	Shares authorized	Shares issued and outstanding	Liquidation amount	Gross proceeds
Series Seed	2,667,382	2,667,382	\$ 7,237,000	\$ 3,221,000
	2,667,382	2,667,382	\$ 7,237,000	\$ 3,221,000

MightyHive, Inc.
Notes to Consolidated Financial Statements

The significant features of the Company's convertible preferred stock are as follows:

Dividend provisions – All dividends shall be declared by the Board of Directors pro rata on the common stock and convertible preferred stock on a pari passu basis according to the number of shares of common stock held by such holders. The Company has declared no dividends to date.

Liquidation preference – In the event of any liquidation, dissolution or winding up of the Company, the holders of convertible preferred stock then outstanding shall be entitled to be paid, out of the available funds and assets, and prior and in preference to any payment or distribution of any such funds on any shares of common stock, an amount per share equal to the original issue price of \$2.7131, plus all accumulated but unpaid dividends for the preferred stock, whether or not declared by the Board. If assets are not sufficient to permit such payment, payment will be made on a pro rata, equal priority, pari passu basis to the preferential amount each such stockholder is entitled to receive.

Thereafter, any remaining proceeds shall be distributed among the holders of common stock pro rata based on the number of shares held by each such holder.

Conversion rights – Each outstanding share of convertible preferred stock is convertible into one fully paid and non-assessable share of common stock. The price at which shares of common stock shall be deliverable upon conversion of shares of Series Seed shall be \$2.7131. Each share of convertible preferred stock shall automatically be converted into fully paid and non-assessable shares of common stock immediately prior to the closing of a firm commitment underwritten public offering. Conversion may also occur upon written consent of at least a majority of the then outstanding shares of convertible preferred stock, voting as a single class on an as-converted basis.

Voting rights – The holders of each share of convertible preferred stock are entitled to the number of votes equal to the number of shares of common stock into which such share is convertible.

Reserved common stock – At December 31, 2017, the Company has reserved the following shares of common stock for future issuance for the following purposes:

	<u>2017</u>
Conversion of Series Seed	2,667,382
Stock option plan:	
Options issued and outstanding	1,137,766
Options available under the stock option plan	<u>598,221</u>
	<u><u>4,403,369</u></u>

NOTE 4 – STOCK-BASED COMPENSATION

In July 2014, the Company's Board of Directors approved the adoption of a stock option plan (the 2014 Option Plan). As amended, the 2014 Option Plan permits the Company to grant up to 246,859 shares of the Company's common stock.

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In April 2017, the Company's Board of Directors approved a new stock option plan, the 2017 Equity Incentive Plan. The 2017 Equity Incentive Plan permits the Company to grant up to 1,500,000 of incentive stock options, nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards other stock awards plus any outstanding options under the Company's 2014 Option Plan that are subsequently forfeited or terminated for any reason before being exercised. No further grants of equity awards will be made under the 2014 Option Plan.

The 2014 Option Plan and 2017 Equity Incentive Plan provide for the grant of incentive and nonstatutory stock options to employees, nonemployee directors and consultants of the Company. Options granted under the 2014 Option Plan and 2017 Equity Incentive Plan generally become exercisable ratably over a four-year period following the date of grant and expire ten years from the date of grant. At the discretion of the Company's Board of Directors, certain options may be exercisable immediately at the date of grant but are subject to a repurchase right, under which the Company may buy back any unvested shares at their original exercise price in the event of an employee's termination prior to full vesting. All other options are exercisable only to the extent vested. At December 31, 2017, there were no shares that had been early exercised that were subject to the Company's repurchase right at that date. The exercise price of incentive stock options granted under the 2014 Option Plan and 2017 Equity Incentive Plan must be equal to 100% of the fair value of the Company's common stock at the date of grant, as determined by the Board of Directors. The exercise price of nonstatutory options granted under the 2014 Option Plan and 2017 Equity Incentive Plan must be at least equal to 100% of the fair value of the Company's common stock at the date of grant.

Stock option activity for the year ended December 31, 2017 is as follows:

	<u>Available for grant</u>	<u>Options outstanding</u>	<u>Weighted average exercise price</u>	<u>Weighted average remaining contractual life (in years)</u>
Outstanding at December 31, 2016	180,689	231,770	\$ 0.67	8.98
Shares authorized	1,334,400			
Options granted	(962,918)	962,918	\$ 0.69	
Options exercised	-	(10,872)	\$ 0.67	
Options canceled/forfeited/expired	46,050	(46,050)	\$ 0.68	
Outstanding at December 31, 2017	<u>598,221</u>	<u>1,137,766</u>	\$ 0.69	8.98
Vested and expected to vest at December 31, 2017		1,053,012	\$ 0.69	8.98
Exercisable at December 31, 2017		1,137,766	\$ 0.69	8.98

- (1) The expected to vest options are the result of applying the pre-vesting forfeiture rate assumptions to total outstanding options.

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Stock-based compensation expense for all share-based payment awards granted is based on estimated grant-date fair value. The Company recognizes these compensation costs, net of an actual forfeitures, and recognizes the compensation costs for only those shares expected to vest on a straight-line basis over the requisite service period of the award, which is generally the option vesting term of four years.

For the year ended December 31, 2017, the Company recorded stock-based compensation expense of approximately \$452,000.

As of December 31, 2017, there was approximately \$1,301,000 of unamortized stock-based compensation cost related to unvested stock options which is expected to be recognized over a weighted average period of 1.25 years.

The following table illustrates stock-based compensation expense recognized in the Company's statement of income categories:

	<u>2017</u>
Cost of revenue	\$ 176,000
Operating expenses	
Engineering, research and development	49,000
Sales and marketing	190,000
General and administrative	<u>37,000</u>
	<u>\$ 452,000</u>

Cash received from option exercises and purchases of shares under the 2017 Equity Incentive Plan and 2014 Option Plan for the year ended December 31, 2017 was approximately \$7,000.

The total pretax intrinsic value of options exercised during the year ended December 31, 2017 was approximately \$18,000. The intrinsic value is the difference between the estimated fair value of the Company's common stock at the date of exercise and the exercise price for in-the-money options. The weighted average grant date calculated fair value of options granted during the year ended December 31, 2017 was \$1.82.

The calculated fair value of option grants was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	<u>Stock options</u> <u>Year ended</u> <u>December 31,</u> <u>2017</u>
Expected dividend yield (1)	0.0%
Risk-free interest rate (2)	1.93%
Expected volatility (3)	50.28%
Expected life (in years) (4)	5.91

- (1) The Company has no history or expectation of paying cash dividends on its common stock.
- (2) The risk-free interest rate is based on the U.S. Treasury yield for a term consistent with the expected life of the awards in effect at the time of grant.
- (3) The Company identified similar entities that are publicly traded to determine the volatility summarized above while applying in additional risk factor based on the Company's limited period of operations.

MightyHive, Inc.
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- (4) The expected life of stock options granted under the Option Plans is based on historical exercise and cancellation patterns, which the Company believes are representative of future behavior. The expected life represents the period of time that options granted are expected to be outstanding.

NOTE 5 – INCOME TAXES

Income (loss) before provision for income taxes consisted of approximately the following for the year ended December 31:

	2017
United States	\$ 6,906,000
Foreign	(1,696,000)
	\$ 5,210,000

The provision for income taxes consists of approximately the following for the year ended December 31:

Current income tax expense:	
Federal	\$ 2,477,000
State	453,000
Foreign	214,000
	3,144,000
Deferred income tax expense (benefit):	
Federal	112,000
State	27,000
Foreign	86,000
	225,000
Total expense for income taxes	\$ 3,369,000

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes and operating losses and tax carryforwards.

MightyHive, Inc.
Notes to Consolidated Financial Statements

Total net deferred tax assets and liabilities were approximately as follows at December 31:

	<u>2017</u>
Deferred tax assets (liabilities)	
Net operating loss carryforwards	\$ 602,000
Accruals and reserves	33,000
Tax credits	27,000
Stock-based compensation	4,000
Property and equipment	<u>(9,000)</u>
Total net deferred tax assets	<u>657,000</u>
Less: valuation allowance	<u>(602,000)</u>
Total net deferred tax assets	<u>\$ 55,000</u>

Realization of deferred tax assets is dependent upon future earnings, the timing and amount of which are uncertain. As of each reporting date, the Company considers new evidence, both positive and negative, that could impact management's view with regard to future realization of deferred tax assets. Because of the Company's recent history of operating losses at its foreign subsidiaries, management believes that recognition of the deferred tax assets arising from the above-mentioned foreign future tax benefits of approximately \$602,000, due to net operating losses (NOL) carryforwards, is currently not likely to be realized and, accordingly, has provided a full valuation allowance against this balance.

As of December 31, 2017, the Company had NOL carryforwards for foreign purposes of approximately \$2,043,000. As of December 31, 2017, the Company also had research tax credit carryforwards for state tax purposes of approximately \$61,000. The foreign NOL carryforwards and state tax credits do not expire and will carry forward indefinitely until utilized. Utilization of net operating loss carryforwards and credits may be subject to substantial annual limitations due to the ownership change limitations provided by the Internal Revenue Code of 1986, as amended and similar state provisions. The Company has not performed a formal study to assess whether an ownership change has occurred or whether there have been multiple changes since the Company's formation that could limit the use of net operating losses.

The effective tax rate of the Company's provision for income taxes differs from the federal statutory rate as follows for the year ended December 31, 2017:

	<u>2017</u>
Statutory rate	34.00%
State tax	8.69%
Other permanent items	7.14%
Tax reform - tax rate change	0.27%
Tax credits	-2.38%
Uncertain tax positions	5.57%
Change in valuation allowance	<u>11.56%</u>
Total	<u>64.85%</u>

MightyHive, Inc.
Notes to Consolidated Financial Statements

It is the Company's policy to recognize interest and penalties to income tax matters in income tax expense. As of December 31, 2017, the Company has accrued interest and penalties related to uncertain tax positions which were insignificant.

The following table summarizes the activity related to our unrecognized tax benefits for the year ended December 31, 2017:

	2017
Unrecognized tax benefits as of December 31, 2016	\$ -
Decrease due to prior year tax positions	82,000
Increase due to current year tax positions	288,000
Unrecognized tax benefits as of December 31, 2017	\$ 370,000

The Company files income tax returns in the U.S. federal jurisdiction and various state jurisdictions. In the normal course of business, the Company is subject to examination by taxing authorities through the nation. The Company is not currently under audit by the Internal Revenue Service or other similar state and local authorities. All tax years remain open to examination by major taxing jurisdictions to which the Company is subject to.

On December 22, 2017, the Tax Cuts and Jobs Act (the Act) was signed into law, making significant changes to the Internal Revenue Code. Changes include, but are not limited to, a top corporate tax rate decrease from 35% to 21% effective for tax years beginning after December 31, 2017, the transition of the U.S. international taxation from a worldwide tax system to a territorial system, and a one-time transition tax on the mandatory deemed repatriation of foreign earnings as of December 31, 2017. Consequently, we have recorded a decrease related to the net deferred tax assets of approximately \$15,000 for the year ended December 31, 2017. The state deferred tax effect on federal deferred tax asset has been calculated using 21% rather than the previous 34% federal benefit. The Company has analyzed and determined that there is no transition tax on the deemed repatriation of past earnings of foreign subsidiaries due at this time as the provisional amounts are expected to be offset by foreign tax credits.

At the end of 2017, the Company had approximately \$370,000 of gross unrecognized tax benefits, all of which would affect the effective tax rate, if recognized. The balance is included in accrued expenses on the consolidated balance sheet. The liability increased by approximately \$370,000 from the prior year. The Company does not anticipate unrecognized tax benefits in the next 12 months that would result in a material change to the Company's consolidated financial position.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

Operating leases – The Company leases its facilities under noncancelable operating leases expiring in February 2021. The Company also leases certain office equipment under operating lease agreements. Rent expense related to the Company's operating leases was approximately \$1,173,000 for the year ended December 31, 2017.

MightyHive, Inc.
Notes to Consolidated Financial Statements

Future minimum payments under noncancelable leases are approximately as follows:

Fiscal years ending December 31:

2018	\$ 1,721,000
2019	1,681,000
2020	1,116,000
2021	<u>109,000</u>
Total	<u>\$ 4,627,000</u>

Other contingencies - The Company does not have sufficient authorized and unissued common stock reserved for the holders of the convertible preferred stock, stock options, and restricted stock awards require conversion to common stock in the event of a change of control. A potential liability may arise upon a change in control event due to the Company's insufficient common stock reserve.

NOTE 7 - SUBSEQUENT EVENTS

In April 2018, the Company amended the 2014 Option Plan to decrease the number of shares of common stock reserved for issuance under the 2014 Option Plan to 213,571 shares.

In June 2018, the Company entered into a noncancelable operating lease in New York, expiring in May 2020. Minimum payments under the lease is approximately \$45,000 per month from June 15, 2018 to May 31, 2019 and approximately \$47,000 from June 1, 2019 to May 31, 2020.

In June 2018, the Company established a wholly-owned foreign subsidiary entitled MightyHive Holdings Ltd. in Canada.

In July 2018, the Company established a wholly-owned foreign subsidiary entitled MightyHive K.K. in Japan.

PART XII - UNAUDITED PRO FORMA FINANCIAL INFORMATION



BDO LLP
55 Baker Street
London
W1U 7EU

The Directors
S⁴ Capital plc
12 St James's Place
London
SW1A 1NX

4 December 2018

Dear Sirs and Madam

S⁴ Capital plc (the "Company")

Pro forma financial information

We report on the unaudited pro forma net assets statements and unaudited pro forma income statement (the "Pro Forma Financial Information") set out in Part XII of the prospectus dated 4 December 2018 (the "Prospectus") which has been prepared on the basis described, for illustrative purposes only, to provide information about how (i) the acquisition of S⁴ Capital Limited, (ii) the proposed acquisition of Mammoth, and (iii) the firm placing, placing and open offer, and subscription of shares might have affected the financial information presented on the basis of the accounting policies to be adopted by the Company in preparing the financial statements for the year ending 31 December 2018.

This report is required by item 20.2 of Annex I of the Commission Regulation (EC) No. 809/2004 (the "PD Regulation") and is given for the purpose of complying with that item and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company (the "Directors") to prepare the Pro Forma Financial Information in accordance with item 20.2 of Annex I of the PD Regulation.

It is our responsibility to form an opinion, as required by item 7 of Annex II of the PD Regulation, as to the proper compilation of the Pro Forma Financial Information and to report that opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by the law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I of the PD Regulation, consenting to its inclusion in the Prospectus.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Directors.

We planned and performed our work so as to obtain the information and explanations which we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

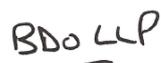
In our opinion:

- (a) the Pro Forma Financial Information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of Prospectus Rule 5.5.3R(2)(f), we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex I of the PD Regulation.

Yours faithfully



BDO LLP
Chartered Accountants

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Part A – Unaudited pro forma income statement

The following unaudited pro forma income statement of the Enlarged Group has been prepared to illustrate the effect of the acquisition of S⁴ Limited (including the MediaMonks Group, together the "Enlarged S⁴ Limited Group") and of MightyHive as if they had occurred at the start of the period, 1 January 2017.

The unaudited pro forma income statement has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and does not, therefore, represent the Enlarged Group's actual financial position or results nor is it indicative of the results that may or may not be expected to be achieved in the future.

The unaudited pro forma income statement is based on the results of the Company for the year ended 31 December 2017, as set out in the financial statements of the Company for the year ended 31 December 2017, and has been prepared in a manner consistent with the accounting policies to be adopted by the Company in preparing its financial statements for the year ending 31 December 2018 and on the basis set out in the notes below.

Pro forma income statement

	<u>Adjustments</u>					Pro forma earnings of the Enlarged Group
	The Company for the year ended 31 December 2017 (note 1) €000	S ⁴ Limited for the period ended 30 June 2018 (note 2) €000	The MediaMonks Group for the year ended 31 December 2017 (note 3) €000	MightyHive for the year ended 31 December 2017 (IFRS) (note 4) €000	Other adjustments (note 5) €000	
Revenue	-	-	75,655	22,677	-	98,332
Cost of sales	-	-	(17,780)	(5,643)	-	(23,423)
Gross profit	-	-	57,875	17,034	-	74,909
Administrative expenses	(192)	(178)	(50,921)	(12,569)	-	(63,860)
Exceptional expenses	-	(1,178)	-	-	(13,962)	(15,140)
Total administrative expenses	(192)	(1,356)	(50,921)	(12,569)	(13,962)	(79,000)
Operating (loss) profit	(192)	(1,356)	6,954	4,465	(13,962)	(4,091)
Finance income	15	14	-	3	-	32
Finance cost	-	-	(1,630)	-	380	(1,250)
(Loss) profit before taxation	(177)	(1,342)	5,324	4,468	(13,582)	(5,309)
Income tax	-	-	(2,022)	(2,769)	-	(4,791)
(Loss) profit after taxation	(177)	(1,342)	3,302	1,699	(13,582)	(10,100)
Operating (loss) profit	(192)	(1,356)	6,954	4,465	(13,962)	(4,091)
Depreciation and amortisation	-	-	1,278	114	-	1,392
FIN 48 adjustment	-	-	-	341	-	341
EBITDA	(192)	(1,356)	8,232	4,920	(13,962)	(2,358)
Transaction related expenses	-	1,178	45	-	3,347	4,570
Bad debt adjustment	-	-	-	(234)	-	(234)
Share based payments	-	-	-	417	-	417
Signing on bonus	-	-	-	-	10,615	10,615
Costs of expanding international office network	-	-	-	943	-	943
Adjusted EBITDA (note 6)	(192)	(178)	8,277	6,046	-	13,953

Notes:

1. The results of the Company for the year ended 31 December 2017 have been extracted without material adjustment from the financial statements of the Company for the year then ended, and have then been converted from sterling into euros, the reporting currency of the Company. The average exchange rate for 2017 of €1.14:£1 has been used to convert the sterling amounts in the Company's income statement into euros.

Adjustments:

2. The results of S⁴ Limited have been extracted without material adjustment from the financial information on S⁴ Limited for the period from 22 May 2018, the date of its incorporation, to 30 June 2018, set out in Section B of Part VIII of the prospectus of the Company dated 11 September 2018.
3. The results of the MediaMonks Group have been extracted without material adjustment from the financial information on the MediaMonks Group for the year ended 31 December 2017, set out in Section B of Part VII prospectus of the Company dated 11 September 2018.
4. The results of MightyHive for the year ended 31 December 2017 under IFRS are extracted from the table below. The results in the first column in the table below have been extracted without material adjustment (save for conversion to Euros) from the US GAAP financial statements of MightyHive for the year ended 31 December 2017 set out in Part XI of this document. The exchange rate used to convert the income statement is the average rate for the year ended 31 December 2017 of \$1:€0.923 (as taken from the IRS website). This second column restates the results of MightyHive for the year ended 31 December 2017 onto the IFRS accounting policies adopted by the Company. The third column represents the results of MightyHive for the year ended 31 December 2017 under IFRS.

	MightyHive for the year ended 31 December 2017 (US GAAP) €000	IFRS adjustments €000	MightyHive for the year ended 31 December 2017 (IFRS) €000
Revenue	22,677	-	22,677
Cost of sales	(5,643)	-	(5,643)
Gross profit	17,034	-	17,034
Administrative expenses	(12,206)	(363)	(12,569)
Exceptional expenses	-	-	-
Total administrative expenses	(12,206)	(363)	(12,569)
Operating (loss) profit	4,828	(363)	4,465
Finance income	-	3	3
Finance cost	(18)	18	-
(Loss) profit before taxation	4,810	(342)	4,468
Income tax	(3,111)	342	(2,769)
(Loss) profit after taxation	1,699	-	1,699

There were no adjustments which had an effect on total comprehensive profit for the year, with the only adjustments being reclassifications.

The adjustments required on applying IFRS, as shown in the table above, were:

1. Reclassification of realised foreign exchange loss from finance costs to administrative expenses
2. Reclassification of provisions for uncertain tax positions from taxation to administrative expenses, this is included as an adjustment to EBITDA in the pro forma income statement as it relates to income tax and is therefore considered to sit below EBITDA.

5. The adjustments comprise the unaccrued estimated costs of the acquisition of the MediaMonks Group by S⁴ Limited of €1.039 million, an exceptional signing on bonus of €6.0 million, the estimated annual interest charge that will be incurred on the €50 million term loan taken out by S⁴ Limited to part fund the acquisition of the MediaMonks Group being €1.25 million, i.e. an adjustment of €0.38 million. Also included are the estimated costs of the acquisition of MightyHive of €2.3 million and an exceptional retention bonus pool of €4.6 million.

The interest charge incurred by the MediaMonks Group in the year ended 31 December 2017 has been eliminated because its debt was repaid on completion of the acquisition by S⁴ Limited.

	€'000
MediaMonks Group finance cost	(1,630)
Estimated annual interest charge	(1,250)
Net adjustment	<u>380</u>

6. Adjusted EBITDA, as defined by the Company, is operating profit adjusted for depreciation and amortisation and, in the case of MediaMonks, signing on bonuses, transaction related costs and, in the case of MightyHive, signing on bonuses, the staff costs incurred in expanding the network of international offices, the reversal of the FIN 48 reclassification, share-based payments and adjustments to the bad debt provision. The exclusion of depreciation and amortisation and share-based payments eliminates the non-cash impact of these items and the exclusion of transaction related costs, the signing on bonuses and the staff costs incurred in expanding MightyHive's network of international offices eliminates items which the chief operating decision makers believe are non-recurring.
7. Save for the estimated costs of the acquisition of S⁴ Limited and of the acquisition of MightyHive, the trading results of S⁴ Limited and of the MediaMonks Group and of MightyHive and the interest charge on the €50 million term loan are expected to have a continuing effect on the Enlarged Group.
8. No account has been taken of the trading performance of the Company or of the MediaMonks Group or of MightyHive since 31 December 2017 or of S⁴ Limited since 30 June 2018 nor of any other event save as disclosed above.

Part B – Unaudited pro forma statement of net assets

The following unaudited pro forma statement of net assets of the Enlarged Group has been prepared to illustrate the effect of the acquisition of S⁴ Limited (including the MediaMonks Group, together the "Enlarged S⁴ Limited Group") and of MightyHive as if they had occurred on 30 June 2018.

The unaudited pro forma statement of net assets has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and does not, therefore, represent the Enlarged Group's actual financial position or results.

The unaudited pro forma statement of net assets is based on the net assets of the Company as at 30 June 2018, as set out in the interim unaudited financial statements of the Company for the period then ended, and has been prepared in a manner consistent with the accounting policies to be adopted by the Company in preparing its financial statements for the year ending 31 December 2018 and on the basis set out in the notes below.

Pro forma statement of net assets

	Adjustments						Pro forma net assets of the Enlarged Group €000
	The Company as at 30 June 2018 (note 1) €000	S ⁴ Limited and MediaMonks as at 30 June 2018 (note 2) €000	Acquisition of the Enlarged S ⁴ Limited Group (note 3) €000	MightyHive as at 31 December 2017 (note 4) €000	Acquisition of MightyHive (note 5) €000	Net placing proceeds (note 6) €000	
Assets							
Non-current assets							
Property, plant and equipment	-	2,937	-	365	-	-	3,302
Intangible assets	-	283,313	19,092	-	120,417	-	422,822
Other receivables	-	787	-	205	-	-	992
Deferred tax asset	-	164	-	46	-	-	210
	-	287,201	19,092	616	120,417	-	427,326
Current assets							
Trade and other receivables	-	23,369	-	38,657	-	-	62,026
Cash and cash equivalents	2,378	11,439	-	14,862	(74,971)	82,087	35,795
Total current assets	2,378	34,808	-	53,519	(74,971)	82,087	97,822
Total assets	2,378	322,009	19,092	54,135	45,446	82,087	525,147
Liabilities							
Non-current liabilities							
Trade and other payables	-	(150)	-	(420)	-	-	(570)
Loans and borrowings	-	(48,938)	-	-	-	-	(48,938)
Deferred tax	-	(91)	-	-	-	-	(91)
Total non-current liabilities	-	(49,179)	-	(420)	-	-	(49,599)
Current liabilities							
Trade and other payables	(95)	(15,555)	-	(49,181)	(2,308)	-	(67,139)
Taxation	-	(2,074)	-	-	-	-	(2,074)
Total current liabilities	(95)	(17,629)	-	(49,181)	(2,308)	-	(69,213)
Total liabilities	(95)	(66,808)	-	(49,601)	(2,308)	-	(118,812)
Net assets	2,283	255,201	19,092	4,534	43,138	82,087	406,335

Notes:

1. The net assets of the Company at 30 June 2018 have been extracted without material adjustment (other than being converted from sterling into euros) from the interim unaudited financial statements of the Company for the six months ended 30 June 2018. The exchange rate as at 30 June 2018 of €1.13:£1 has been used to convert the Company's net assets from sterling into euros.

Adjustments:

2. The net assets of S⁴ Limited, as if its acquisition of Media Monks had taken place as at 30 June 2018, have been extracted from the table set out in note 2 to the pro forma net assets statement set out in Part XI of the Company's prospectus dated 11 September 2018.
3. The estimated goodwill arising on the acquisition of S⁴ Limited has been extracted from the table set out in note 3 to the pro forma net assets statement set out in Part XI of the Company's prospectus dated 11 September 2018.
4. The net assets of MightyHive as at 31 December 2017 have been extracted without material adjustment (save for the conversion to Euros) from the audited financial statements of MightyHive for the year then ended set out in Part XI of this document. The exchange rate used to convert the net assets is the rate as at 31 December 2017 of \$1:€0.833. There are no material differences between the net assets of MightyHive as at 31 December 2017 under US GAAP and the net assets of MightyHive as at 31 December 2017 under IFRS.
5. For the purposes of this pro forma information, no adjustment has been made to the separate assets and liabilities of MightyHive to reflect their fair value. The difference between the net assets of MightyHive as stated at their book value at 31 December 2017 and the estimated consideration has therefore been presented as a single value in "Intangible assets". The net assets of MightyHive will be subject to a fair value restatement as at the effective date of the transaction. Actual intangible assets included in the Company's next published financial statements may therefore be materially different from those included in the pro forma statement of net assets. The estimated consideration for MightyHive is approximately \$150 million (€125 million) comprising cash and 37,068,087 New Ordinary Shares issued at a price of £1.10 per New Ordinary Share:

Consideration payable in cash	€'000 74,971
Consideration payable in shares and options over shares	49,980
Book value of net assets of MightyHive as at 31 December 2017	(4,534)
Estimated intangible assets arising on the acquisition of MightyHive	<u>120,417</u>

6. This adjustment represents net placing proceeds of €82.1 million (£72.6 million) (gross placing proceeds of €83.6 million (£74 million) less expenses directly attributable to the placing of €1.5 million (£1.4 million)).
7. No account has been taken of the financial performance of the Company since 30 June 2018 or of the Enlarged S⁴ Limited Group since 30 June 2018 or of MightyHive since 31 December 2017 nor of any other event save as disclosed above.

PART XIII - TAXATION

The following is a summary of certain United Kingdom tax considerations relating to an investment in the Ordinary Shares.

The comments set out below are based on current United Kingdom law as applied in England and Wales and published HM Revenue & Customs practice (which may not be binding on HM Revenue & Customs), all as at the date of this Document, and all of which may be subject to change, possibly with retroactive effect.

They are intended as a general guide and apply only to shareowners of the Company resident and, in the case of an individual, domiciled for tax purposes in the United Kingdom and to whom "split year" treatment does not apply (except insofar as express reference is made to the treatment of non-United Kingdom residents), who hold shares in the Company as an investment and who are the absolute beneficial owners thereof. Certain categories of shareowners, including those carrying on certain financial activities, those subject to specific tax regimes or benefitting from certain reliefs or exemptions, those connected with the Company or Group, those for whom the shares are employment related securities, and those who own (or are deemed to own) 5 per cent. or more of the shares and/or voting power of the Company (either alone or together with connected persons) may be subject to special rules and this summary does not apply to such shareowners.

Shareowners or prospective shareowners who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, should consult their own professional advisers immediately.

1 TAXATION OF DIVIDENDS

The Company will not be required to withhold amounts on account of United Kingdom tax at source when paying a dividend.

Individual Shareowners

A United Kingdom resident individual shareowner will not be subject to income tax on a dividend such individual shareowner receives from the Company if the total amount of dividend income received by the individual in the tax year (including the dividend from the Company) does not exceed a dividend allowance of £2,000, which will be taxed at a nil rate (the "**Dividend Allowance**").

In determining the income tax rate or rates applicable to a United Kingdom resident individual shareowner's taxable income, dividend income is treated as the highest part of such individual shareowner's income. Dividend income that falls within the Dividend Allowance will count towards the basic or higher rate limits (as applicable) which may affect the rate of tax due on any dividend income in excess of the Dividend Allowance.

To the extent that a United Kingdom resident individual shareowner's dividend income for the tax year exceeds the Dividend Allowance and, when treated as the top slice of such individual shareowner's income, falls above such individual shareowner's personal allowance but below the basic rate limit, such an individual shareowner will be subject to tax on that dividend income at the dividend basic rate of 7.5%. To the extent that such dividend income falls above the basic rate limit but below the higher rate limit, such an individual shareowner will be subject to tax on that dividend income at the dividend upper rate of 32.5%. To the extent that such dividend income falls above the higher rate limit, such an individual shareowner will be subject to tax on that dividend income at the dividend additional rate of 38.1%.

Corporate shareowners

Shareowners who are within the charge to corporation tax will be subject to corporation tax on dividends paid by the Company, unless (subject to special rules for such shareowners that are small companies) the dividends fall within an exempt class and certain other conditions are met. Each shareowner's position will depend on its own individual circumstances, although it would normally be expected that the dividends paid by the Company would fall within an exempt class. However, it should be noted that the exemption is

subject to anti-avoidance rules. Shareowners should therefore consult their own professional advisers.

Non-UK shareowners

A Shareowner resident or otherwise subject to tax outside the United Kingdom (whether an individual or a body corporate) may be subject to foreign taxation on dividend income under local law. Shareowners to whom this may apply should obtain their own tax advice concerning tax liabilities on dividends received from the Company.

2 TAXATION OF CAPITAL GAINS

Shareowners who are resident in the United Kingdom, or, in the case of individuals, who cease to be resident in the United Kingdom for a period of six years or less, may depending on their circumstances (including the availability of exemptions or reliefs), be liable to United Kingdom taxation on chargeable gains in respect of gains arising from a sale or other disposal of shares in the Company.

3 INHERITANCE AND GIFT TAXES

Shares in the Company will be assets situated in the United Kingdom for the purposes of United Kingdom inheritance tax. A gift of such assets by, or the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to United Kingdom inheritance tax, even if the holder is neither domiciled in the United Kingdom nor deemed to be domiciled there (under certain rules relating to long residence or previous domicile). Generally, United Kingdom inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit. Special rules also apply to close companies and to trustees of settlements who hold shares in the Company bringing them within the charge to inheritance tax. Holders of shares in the Company should consult an appropriate professional adviser if they make a gift of any kind or intend to hold any shares in the Company through such a company or trust arrangement. They should also seek professional advice in a situation where there is potential for a double charge to United Kingdom inheritance tax and an equivalent tax in another country or if they are in any doubt about their United Kingdom inheritance tax position.

4 STAMP DUTY AND STAMP DUTY RESERVE TAX ("SDRT")

The statements in this section are intended as a general guide to the current United Kingdom stamp duty and SDRT position. Investors should note that certain categories of person are not liable to stamp duty or SDRT and others may be liable at a higher rate or may, although not primarily liable for tax, be required to notify and account for SDRT under the Stamp Duty Reserve Tax Regulations 1986.

Issue

No stamp duty or SDRT will arise on the issue of Ordinary Shares in registered form by the Company.

Transfers outside of Depositary Receipt Systems and Clearance Services

Transfers on sale of Ordinary Shares will generally be subject to stamp duty at the rate of 0.5 per cent. of the consideration given for the transfer (rounded up to the next £5). The purchaser normally pays the stamp duty.

An agreement to transfer Ordinary Shares will normally give rise to a charge to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer. However, if a duly stamped transfer completing an agreement to transfer is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional) any SDRT already paid is generally repayable, normally with interest, and any SDRT charge yet to be paid is cancelled. SDRT is, in general, payable by the purchaser.

Transfers within CREST

Paperless transfers of Ordinary Shares within the CREST system are generally liable to SDRT, rather than

stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system. Deposits of Ordinary Shares into CREST will not generally be subject to SDRT or stamp duty, unless the transfer into CREST is itself for consideration.

Transfers to and within Depository Receipt Systems and Clearance Services

Where Ordinary Shares are transferred (a) to, or to a nominee or an agent for, a person whose business is or includes the provision of clearance services or (b) to, or to a nominee or an agent for, a person whose business is or includes issuing depository receipts, stamp duty or SDRT may be payable at the higher rate of 1.5 per cent. of the amount or value of the consideration given or, in certain circumstances, the value of the Ordinary Shares (rounded up to the nearest multiple of £5.00 in the case of stamp duty).

However, following litigation, HMRC have confirmed that they will no longer seek to apply the 1.5 per cent. SDRT charge on an issue of shares or securities into a clearance service or depository receipt arrangement on the basis that the charge is not compatible with EU law. HMRC's view is that the 1.5 per cent. SDRT or stamp duty charge will continue to apply to transfers of shares or securities into a clearance service or depository receipt arrangement unless they are an integral part of an issue of share capital. Accordingly, it may be appropriate to seek specific professional advice before incurring a 1.5 per cent. stamp duty or SDRT charge. However, it has been confirmed that the UK government will not reintroduce the 1.5 per cent. charge on the issue of shares (and transfers integral to the issue of share capital) into overseas clearance services and depository receipt systems following the UK's exit from the EU.

Except in relation to clearance services that have made an election under section 97A(1) of the Finance Act 1986 (to which the special rules outlined below apply), no stamp duty or SDRT is payable in respect of paperless transfers within clearance services or depository receipt systems.

There is an exception from the 1.5 per cent. charge on the transfer to, or to a nominee or agent for, a clearance service where the clearance service has made and maintained an election under section 97A(1) of the Finance Act 1986, which has been approved by HM Revenue & Customs. In these circumstances, SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer will arise on any transfer of Ordinary Shares into such an account and on subsequent agreements to transfer such Ordinary Shares within such account.

Any liability for stamp duty or SDRT in respect of a transfer into a clearance service or depository receipt system, or in respect of a transfer within such a service, which does arise will strictly be accountable by the clearance service or depository receipt system operator or their nominee, as the case may be, but will, in practice, be payable by the participants in the clearance service or depository receipt system.

PART XIV - ADDITIONAL INFORMATION

1 RESPONSIBILITY

The Company, each of the Directors and the Proposed Directors, whose names appear on page 39 of this Document, accept responsibility for the information contained in this Document. To the best of the knowledge and belief of the Company, the Directors and the Proposed Directors (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2 INCORPORATION AND STATUS OF THE COMPANY

- (a) The Company was incorporated in England and Wales on 14 November 2016 with the name SJPLL PLC with the registration number 10476913 as a public company limited by shares. On 16 November 2016 the Company changed its name to Derriston Capital Plc. With effect from Reverse Takeover Admission, the Company's name was changed to S4 Capital plc. The Company also trades as S⁴Capital and S⁴ Capital.
- (b) The principal legislation under which the Company operates and under which the Ordinary Shares are issued is the Companies Act and the regulations made thereunder. The currency of the Ordinary Shares is Pounds Sterling.
- (c) The Company's registered office is 12 St James's Place, London SW1A 1NX. The Company's telephone number is 020 3793 0003 and its website can be found at www.S4Capital.com.
- (d) The liability of the members of the Company is limited.
- (e) On 21 November 2016, the Company obtained its trading certificate pursuant to section 761 of the Companies Act.
- (f) The accounting reference date of the Company will, notwithstanding Admission, continue to be 31 December. The Company will report financial information to 31 December 2018, which will also be the first financial report for the Group following Admission.
- (g) The principal activity of the Group is operating a digital media and marketing business.

3 SUBSIDIARIES

- (a) There are no companies in which the Company will, following Admission, have an interest other than as set out in this paragraph 3.
- (b) S⁴ Limited was incorporated in Jersey under the Companies Law on 22 May 2018 with registered number 126474 as a par value company limited by shares with the name Spitzberg Capital Limited. On 24 May 2018, the Company changed its name to S4 Capital Limited. Shortly after Reverse Takeover Admission, S⁴ Limited's name was changed to S4 Capital 2 Limited. The registered office of S⁴ Limited is 3rd Floor, 44 Esplanade, St Helier, Jersey JE4 9WG. Since Reverse Takeover Admission, the Company has owned all of the issued ordinary shares of the S⁴ Limited. Sir Martin Sorrell holds 4,000 A2 Incentive Shares of £2.00 each in the capital of S⁴ Limited. The rights attaching to the Incentive Shares are described more fully in Part III of this Document.
- (c) Holdco was incorporated in Jersey on 13 June 2018 under the Companies Law with registered number 126636 as a par value company limited by shares with the name S4 Capital Acquisitions 1 Limited. The registered office of Holdco is 3rd Floor, 44 Esplanade, St Helier, Jersey JE4 9WG. S⁴ Limited owns all of the issued ordinary shares of Holdco.
- (d) Midco was incorporated in Jersey on 13 June 2018 under the Companies Law with registered number 126637 as a par value company limited by shares with the name S4 Capital Acquisitions 2 Limited. The registered office of Midco is 3rd Floor, 44 Esplanade, St Helier, Jersey JE4 9WG.

Holdco owns all of the issued ordinary shares of Midco.

- (e) Bidco was incorporated in the Netherlands on 20 June 2018 under the Dutch Civil Code with registered number 71921370 as a private company with limited liability with the name S4 Capital Acquisitions 3 B.V. The registered office of Bidco is Schapenkamp 2, 1211PA Hilversum, the Netherlands. Midco owns all of the issues ordinary shares of Bidco.
- (f) MMMH was incorporated in the Netherlands on 2 August 2005 under the Dutch Civil Code with registered number 32108167 as a private company with limited liability with the name MediaMonks Multimedia Holding B.V. The registered office of MMMH is Schapenkamp 2, 1211PA Hilversum, the Netherlands. Bidco owns all of the issues ordinary shares of MMMH.
- (g) MMMH is the principal holding company of the MediaMonks Group. The principal subsidiaries and subsidiary undertakings of MMMH (each of which is, directly or indirectly, 100 per cent. owned by MMMH) are as follows:

Name	Country of incorporation and registered office	Principal activity
MediaMonks B.V.	The Netherlands	Production and sales
MediaMonks, Inc	USA	Sales
- Subsidiary: MediaMonks Films LLC	USA	Sales
MediaMonks London Ltd.	United Kingdom	Sales
MediaMonks Stockholm AB	Sweden	Production and sales
MediaMonks São Paulo Servicos de Internet para Publicidade Ltda.	Brazil	Production and sales
MediaMonks Buenos Aires S.R.L.	Argentina	Production and sales
MediaMonks Singapore Pte Ltd.	Singapore	Sales
MediaMonks Hong Kong Ltd.	Hong Kong	Holding company
- Subsidiary: MediaMonks Information Technology (Shanghai) Co., Ltd.	China	Sales
MediaMonks FZ-LLC Ltd.	UAE	Sales
MediaMonks Mexico City S. de R.L. de C.V.	Mexico	Sales
Superhero Cheesecake B.V.	The Netherlands	Digital production
- Subsidiary: Superhero Cheesecake Inc.	USA	Digital production
Made.For.Digital Holding B.V.	The Netherlands	Holding company
- Subsidiary: Bike Film Corporation B.V.	The Netherlands	Traditional short film production
- Subsidiary: Made for Digital B.V.	The Netherlands	Digital film production
- - Subsidiary: Made.For.Digital Pe. Ltd.	Singapore	Service company
- - Subsidiary: Made.For.Digital Inc.	USA	Service company
ebuilders B.V.	The Netherlands	Digital production
Blocklevel B.V.	The Netherlands	Dormant

- (h) S⁴ Capital Holdings Limited was incorporated in Jersey on 23 November 2018 under the Companies Law with registered number 127764 as a par value company limited by shares with the name S4 Capital Holdings Limited. The registered office of S⁴ Capital Holdings Limited is 3rd Floor, 44 Esplanade, St Helier, Jersey JE4 9WG. S⁴ Limited owns all of the issued ordinary shares of S⁴ Capital Holdings Limited.
- (i) US Holdco was incorporated in Delaware, USA on 26 November 2018 under the Delaware Limited Liability Company Act with file number 7164917 as a limited liability company with the name S⁴ Capital US Holdings, LLC. The registered office of US Holdco is 850 New Burton Road, Suite 201, Dover, Delaware 19904. S⁴ Capital Holdings Limited owns the entire issued share capital of US

Holdco.

- (j) MergeCo was incorporated in Delaware, USA, on 26 November 2018 under the Delaware General Corporation Law with file number 7164922 as a corporation with limited liability with the name S⁴ Capital MergeCo, Inc. The registered office of MergeCo is 850 New Burton Road, Suite 201, Dover, Delaware 19904. Pursuant to the Merger Agreement, upon Admission, MergeCo will merge with and into MightyHive, Inc. ("**MightyHive**") such that MightyHive will (as the surviving entity) become the Company's wholly-owned indirect subsidiary. US Holdco owns the entire issued share capital of MergeCo.
- (k) MightyHive is the principal holding company of the MightyHive Group. The principal subsidiary undertakings of MightyHive (each of which is, directly 100 per cent. owned by MightyHive) are as set out below:

Name	Country of incorporation and registered office	Principal activity
MightyHive AU Pty Ltd	Australia	Programmatic solutions services
MightyHive Holdings ULC	Canada	Programmatic solutions services
MightyHive SG Pte. Ltd.	Singapore	Programmatic solutions services
MightyHive Ltd	United Kingdom	Programmatic solutions services
MightyHive K.K.	Japan	Programmatic solutions services

4 SHARE CAPITAL OF THE COMPANY

- (a) On incorporation of the Company, one Old Ordinary Share was issued to Rodger Sargent, fully paid up and at a nominal value of 2.5p. On 18 November 2016, the Derriston Founders subscribed for and were allotted, in aggregate, 2,249,999 Old Ordinary Shares at nominal value pursuant to the terms of the Derriston Subscription Letters. On 29 December 2016, the Company issued a further 22,750,000 Old Ordinary Shares at a price of 10 pence per Old Ordinary Share.
- (b) With effect from 28 September 2018, the Old Ordinary Shares having a nominal value of 2.5p were consolidated on a ten-for-one basis into the Ordinary Shares having a nominal value of £0.25 per Ordinary Share.
- (c) At a general meeting of the Company held on 23 July 2018 it was resolved (in each case with effect from Reverse Takeover Admission) to:
- consolidate the Old Ordinary Shares having a nominal value of 2.5p on a ten-for-one basis into the Ordinary Shares having a nominal value of £0.25 per Ordinary Share;
 - authorise the Directors to issue up to one billion Ordinary Shares in order to acquire shares in S⁴ Limited;
 - authorise the Directors to issue the B Share;
 - authorise the Directors to issue Ordinary Shares up to a maximum aggregate nominal amount of £771,208.75 in order to acquire the Incentive Shares;
 - adopt the Articles in substitution for and to the exclusion of the Company's then-existing articles of association;

- (vi) change the name of the Company to S4 Capital plc; and
 - (vii) remove the performance condition attaching to the Ordinary Shares held by the Derriston Founders.
- (d) Upon Reverse Takeover Admission, the Company issued 11,709,601 Ordinary Shares at their nominal value to the EBT as described in paragraph 5 of Part III of this Document.
- (e) The Company's issued ordinary share capital as at the date of this Document and immediately following Admission is as set out below:

	Number	Nominal value	Amount
At the date of this Document	255,494,678 Ordinary Shares	£0.25	£63,873,669.50
Immediately following Admission	363,396,923	£0.25	£90,849,230.75

- (f) The Existing Ordinary Shares will represent 70.31 per cent. of the Enlarged Share Capital following Admission.
- (g) A general meeting was convened and held at the offices of Travers Smith LLP, 10 Snow Hill, London EC1A 2AL at 11.00 a.m. on 27 September 2018. The Whitewash Resolution, upon the passing of which the acquisition of S⁴ Limited by the Company pursuant to the S⁴ Acquisition Agreement and Reverse Takeover Admission were conditional, was proposed and duly passed at the general meeting of the Company held on 27 September 2018. A further resolution was proposed and passed to:

- (i) authorise the Directors to allot Ordinary Shares:
 - (1) up to a nominal amount of £21,291,223.00 (such amount to be reduced by any allotments or grants made under sub-paragraph (2) below in excess of such sum);
 - (2) comprising equity securities (as defined in the Act) up to a nominal amount of £42,582,446.00 (such amount to be reduced by any allotments or grants made under paragraph (1) above) in connection with an offer by way of a rights issue:
 - (A) to ordinary shareowners in proportion (as nearly as may be practicable) to their existing holdings; and
 - (B) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

such authority to apply until the end of the Company's next annual general meeting (or, if earlier, until the close of business on the date which falls 15 months after the General Meeting) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

- (ii) authorise the Directors to allot equity securities (as defined in the Act) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or

sale, such power to be limited:

- (1) to the allotment of equity securities and sale of treasury shares in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (2) of resolution (i), by way of a rights issue only):
 - (A) to ordinary shareowners in proportion (as nearly as may be practicable) to their existing holdings; and
 - (B) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

- (2) in the case of the authority granted under paragraph (1) of resolution (i) and/or in the case of any sale of treasury shares, to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (1) above) up to a nominal amount of £3,193,683.00,

such authority to apply until the end of the Company's next annual general meeting (or, if earlier, until the close of business on the date which falls 15 months after 27 September 2018) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

- (iii) authorise the Directors, in addition to any power granted under resolution (ii) to allot equity securities (as defined in the Act) for cash under the authority granted under paragraph (1) of resolution (i) and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such power to be:

- (1) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £3,193,683.00; and
- (2) used only for the purposes of financing a transaction which the Board determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date on which the notice of the general meeting was published or for the purposes of refinancing such a transaction within six months of its taking place,

such authority to apply until the end of the Company's next annual general meeting (or, if earlier, until the close of business on the date which falls 15 months after 27 September 2018) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

- (iv) to authorise the Company, pursuant to section 701 of the Act, to make one or more market purchases (within the meaning of section 693(4) of the Act) of up to 25,549,468 ordinary shares in the capital of the Company on the basis that:

- (1) the minimum price (exclusive of expenses) which may be paid for each ordinary share is the nominal amount of that share;
 - (2) the maximum price (exclusive of expenses) which may be paid for each ordinary share is the higher of (i) an amount equal to 5 per cent. above the average of the middle market quotations for an ordinary share, as derived from the London Stock Exchange's Daily Official List, for the five business days immediately preceding the day on which the ordinary share is agreed to be purchased, and (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange Official List at the time the purchase is agreed; and
 - (3) this authority will expire at the conclusion of the next annual general meeting of the Company to be held in 2019 or, if earlier, on the date which falls 15 months after 27 September 2018 (provided that in relation to the purchase of ordinary shares, the contract for which is concluded before such date and which would or might be executed wholly or partly on or after such date, the Company may purchase ordinary shares pursuant to any such contract under this authority).
- (h) The General Meeting, Notice of which is set out at the end of the Circular, has been convened to be held at 11.00 a.m. on 20 December 2018 at the offices of Travers Smith LLP, 10 Snow Hill, London EC1A 2AL. The Issue Resolution, upon the passing of which the MightyHive Acquisition and the Issue are conditional, will be proposed as a special resolution at the General Meeting. The Resolutions will be proposed at the General Meeting to:
- (i) authorise the Directors to allot 107,902,245 Ordinary Shares in connection with the Issue, the EBT Subscription and the Consideration Issue on a non-pre-emptive basis, and to authorise the Directors to allot 8,984,159 Ordinary Shares to satisfy the Rollover Options when exercised;
 - (ii) authorise the Directors to allot Ordinary Shares:
 - (1) up to a nominal amount of £30,283,076.50 (such amount to be reduced by any allotments or grants made under sub-paragraph (2) below in excess of such sum);
 - (2) comprising equity securities (as defined in the Act) up to a nominal amount of £60,566,153.25 (such amount to be reduced by any allotments or grants made under paragraph (1) above) in connection with an offer by way of a rights issue:
 - (A) to ordinary Shareowners in proportion (as nearly as may be practicable) to their existing holdings; and
 - (B) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

such authority to apply until the end of the Company's next annual general meeting (or, if earlier, until the close of business on the date which falls 15 months after the General Meeting) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.
 - (iii) authorise the Directors to allot equity securities (as defined in the Act) for cash under the

authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such power to be limited:

- (1) to the allotment of equity securities and sale of treasury shares in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (2) of resolution (i), by way of a rights issue only):
 - (A) to ordinary Shareowners in proportion (as nearly as may be practicable) to their existing holdings; and
 - (B) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

- (2) in the case of the authority granted under paragraph (1) of resolution (i) and/or in the case of any sale of treasury shares, to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (1) above) up to a nominal amount of £4,542,461.50,

such authority to apply until the end of the Company's next annual general meeting (or, if earlier, until the close of business on the date which falls 15 months after the General Meeting) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

- (iv) authorise the Directors, in addition to any power granted under resolution (ii) to allot equity securities (as defined in the Act) for cash under the authority granted under paragraph (1) of resolution (i) and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such power to be:
 - (1) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £4,542,461.50; and
 - (2) used only for the purposes of financing a transaction which the Board determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date on which the notice of the general meeting was published or for the purposes of refinancing such a transaction within six months of its taking place,

such authority to apply until the end of the Company's next annual general meeting (or, if earlier, until the close of business on the date which falls 15 months after the General Meeting) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

- (i) The Company does not have in issue any securities not representing share capital and there are no outstanding convertible securities, exchangeable securities or securities with warrants issued or

proposed to be issued by the Company other than the Incentive Shares.

- (j) Save as set out in this paragraph 4, there have been no movements in the Company's Ordinary Share capital since incorporation on 14 November 2016 to the date of this Document.
- (k) The Ordinary Shares currently in issue are, and the New Ordinary Shares issued at Admission will be, in registered form and may be held in certified form or in uncertified form. In the case of Ordinary Shares held in uncertified form, the Articles permit the holding and transfer of Ordinary Shares under CREST. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument. The records in respect of Ordinary Shares held in uncertificated form will be maintained by Euroclear and the Company's Registrar, Share Registrars Limited (details of whom are set out on page 39 of this Document).
- (l) It is anticipated that, where appropriate, share certificates will be despatched by first class post within fourteen days of completion of Admission. Temporary documents of title will not be issued. Prior to the despatch of definitive share certificates, transfers will be certified against the register.
- (m) There are no shares in the Company which are held by, or on behalf of, the Company or its subsidiaries.
- (n) The ISIN of the Ordinary Shares is GB00BFZZM640 and the SEDOL is BFZZM64.
- (o) Subject to the Act, any equity shares issued by the Company for cash must first be offered to existing shareowners in proportion to their holdings of Ordinary Shares. Both the Act and the Listing Rules allow for disapplication of pre-emption rights which may be waived by a special resolution of the shareowners, either generally or specifically, for a maximum period not exceeding five years.

5 SIGNIFICANT SHAREOWNERS

- (a) Save as disclosed at paragraph 8 of this Part XIV, the Company is only aware of the following persons who, at the date of this Document and immediately following Admission (assuming full take up under the Open Offer, save for the Available Shares), are expected to represent an interest directly or indirectly, jointly or severally in 3 per cent. or more of the Company's share capital or could exercise control over the Company:

Shareowner	As at the date of this Document		Immediately following Admission	
	Number of Ordinary Shares	Interests in Existing Ordinary Shares	Number of Ordinary Shares	Interests in Enlarged Share Capital
Canaccord Genuity Wealth Management	24,213,615	9.48%	33,395,064	9.19%
Sir Martin Sorrell	46,403,700	18.16%	46,403,700	12.77%
Toscafund Asset Management	34,081,715	13.34%	41,692,844	11.47%
Oro en Fools B.V. ⁺	30,808,225	12.06%	30,808,225	8.48%
EBT	11,709,601	4.58%	15,271,032	4.20%
Rathbones	10,058,812	3.94%	12,155,999	3.35%
TT International	9,940,161	3.89%	11,563,427	3.18%
Lansdowne Partners	9,940,161	3.89%	11,563,427	3.18%
Zen 2 B.V. ⁺	8,810,851	3.45%	8,810,851	2.42%
Stanhope	-	-	27,272,728	7.50%

⁺ Oro en Fools B.V. is the joint personal holding company of Victor Knaap, the CEO of the MediaMonks Group and Wesley ter Haar, the COO of the MediaMonks Group and is owned (indirectly) 50 per cent. by Victor Knaap and 50 per cent. by Wesley ter Haar. The ordinary shares of Zen 2 B.V. are owned 51 per cent. by Oro en Fools B.V. and 49 per cent. by funds managed by Bencis Capital Partners B.V.

6 ARTICLES OF ASSOCIATION

The Articles contain provisions, *inter alia*, to the following effect:

(a) **Share Capital**

The Company's share capital consists of Ordinary Shares and the B Share. The liability of the members of the Company is limited to the amount, if any, unpaid on the Ordinary Shares or the B Share held by them as applicable. The Company may issue shares with such rights or restrictions as may be determined by ordinary resolution or as the Board shall determine, including shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder of such shares.

The B Share carries the following rights as inherent rights:

- (i) notwithstanding anything else in the Articles, none of the the Directors or the Company may do or agree to do anything which is a B Share Reserved Matter (as described in paragraph 6(b) below) without the consent in writing of the holder of the B Share; and
- (ii) the right to appoint one Director and remove and replace that Director.

The B Share will cease to carry the B Share Rights on the earliest of:

- (i) the date which falls 14 years after the date of issue of the B Share;
- (ii) the transmission or transfer (in whatever manner and including for the avoidance of doubt, by operation of law) by the initial holder of the B Share to any other person;
- (iii) the retirement or resignation of the holder of the B Share from all offices and employment with every member of the Group;
- (iv) the death of the holder of the B Share; and
- (v) the sale (other than a compulsory sale pursuant to Chapter 3 of Part 28 of the Act) by the holder of the B Share of any of the Ordinary Shares issued to him as consideration for the acquisition of S⁴ Limited by the Company,

following which the Company may purchase or cancel the B Share or otherwise deal with the B Share as permitted by the Act.

(b) **B Share Reserved Matters**

The B Share Reserved Matters comprise:

- (i) the appointment or removal of any executive to or from office or employment with the Company or any of its subsidiary undertakings;
- (ii) the proposal (save as such proposal may be required by the Act) or approval of any Shareowners' resolution of the Company; and
- (iii) any acquisition or disposal by the Company or any of its subsidiary undertakings of an asset with a market or book value in excess of £100,000 or such higher amount as the holder of the B Ordinary Shares determines from time to time (save as such acquisition or disposal may be required by law).

(c) **Voting rights**

Each holder of Ordinary Shares and the B Share shall be entitled to receive notice of, and to attend and vote at, general meetings of the Company. On a show of hands, every holder of Ordinary Shares who (being an individual) is present in person or by proxy shall have one vote and on a poll

every holder of Ordinary Shares shall have one vote for each Ordinary Share held by him, and the holder of the B Share, whether on a show of hands or a poll shall, if he wishes to vote in favour of a resolution, have one vote, and if he wishes to vote against a resolution, have such number of votes as is required to defeat the relevant resolution.

(d) **Dividends**

The Company may, subject to the provisions of the Act and the Articles, by ordinary resolution from time to time declare dividends to be paid to members not exceeding the amount recommended by the Directors. Subject to the provisions of the Act in so far as, in the Directors' opinions, the Company's profits justify such payments, the Directors may pay interim dividends on any class of shares except for shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. Any dividend, unclaimed after a period of 12 years from the date such dividend was declared or became payable shall, if the Directors resolve, be forfeited and revert to the Company. The Company does not pay interest on any dividend unless otherwise provided by the terms on which the shares were issued or the provision of another agreement.

The Ordinary Shares carry the right to participate in dividends and other distributions *pari passu* among themselves. The B Share does not carry any right to receive dividends or other distributions.

(e) **Return of capital and sale**

On a return of capital on liquidation or otherwise, the assets of the Company available for distribution between the Shareowners will be applied in the following order of priority:

- (i) first, in respect of each Ordinary Share, a sum equal to the amount paid up or credited as paid up on such Ordinary Share;
- (ii) second, in respect of the B Share, a sum equal to the nominal amount on such B Share; and
- (iii) third, to each Ordinary Shareowner pro rata to the nominal amount of its Ordinary Shares.

The B Share does not have any entitlement to participate in any surplus of the Company on a liquidation and in the event of a takeover offer (as defined in sections 974 to 976 and 991 of the Act) or any other merger or scheme of arrangement involving the acquisition of the Ordinary Shares of the Company the maximum offer price of the B Share shall not in any event exceed the offer price for an Ordinary Share.

(f) **Transfer of shares**

Each member may transfer all or any of his shares which are in certificated form by means of an instrument of transfer in any usual form or in any other form which the Directors may approve. Each member may transfer all or any of his shares which are in uncertificated form by means of a relevant system in such manner provided for, and subject as provided in, the CREST Regulations.

The Board may, in its absolute discretion, refuse to register a transfer of certificated shares unless:

- (i) it is only for one class of share;
- (ii) it is in favour of no more than four joint transferees;
- (iii) it is duly stamped or is duly certificated or otherwise shown to the satisfaction of the Board to be exempt from stamp duty; and
- (iv) it is delivered for registration to the registered office of the Company (or such other place as the Board may determine), accompanied (except in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued or in the case of a renunciation) by the certificate for the shares to

which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor (or person renouncing) and the due execution of the transfer or renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.

The Directors may refuse to register a transfer of uncertificated shares in any circumstances that are allowed or required by the CREST Regulations and the relevant system.

(g) **Directors**

Unless otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall not be less than two, but there shall be no maximum number of Directors.

Subject to the Articles and the Companies Act, the Company may by ordinary resolution appoint a person who is willing to act as a Director and the Board shall have power at any time to appoint any person who is willing to act as a Director, in both cases either to fill a vacancy or as an addition to the existing Board.

At the third annual general meeting all Directors shall retire from office and may offer themselves for re-appointment by the Shareowners by ordinary resolution.

At every subsequent annual general meeting any Director who:

- (i) has been appointed by the Directors since the last annual general meeting; or
- (ii) was not appointed or re-appointed at one of the preceding two annual general meetings,

must retire from office and may offer themselves for reappointment by the Shareowners by ordinary resolution.

Subject to the provisions of the Articles, the Board, which may exercise all the powers of the Company, may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors.

The quorum for a Directors' meeting shall be fixed from time to time by a decision of the Directors, but it must never be less than two and unless otherwise fixed, it is two.

Questions arising at a meeting shall be decided by a majority of votes of the participating Directors, with each Director having one vote. In the case of an equality of votes the chairman shall have a second or casting vote.

The Directors shall be entitled to receive such remuneration as the Directors shall determine for their services to the Company as directors and for any other service which they undertake for the Company provided that the aggregate fees payable to the Directors must not exceed such amount as may from time to time be decided by ordinary resolution of the Company. The Directors shall also be entitled to be paid all reasonable expenses properly incurred by them in connection with their attendance at meetings of Shareowners or class meetings, board or committee meetings or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

The Board may, in accordance with the requirements in the Articles, authorise any matter proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under the Companies Act to avoid conflicts of interests.

A Director seeking authorisation in respect of such conflict shall declare to the Board the nature and extent of his interest in a conflict as soon as is reasonably practicable. The Director shall provide the Board with such details of the matter as are necessary for the Board to decide how to address the conflict together with such additional information as may be requested by the Board.

(h) **General meetings**

The Company must convene and hold annual general meetings in accordance with the Companies Act.

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chairman of the meeting which shall not be treated as part of the business of the meeting. Save as otherwise provided by the articles, two Shareowners present in person or by proxy and entitled to vote shall be a quorum for all purposes.

(i) **Capitalisation of profits**

The Directors may, if they are so authorised by an ordinary resolution of the Shareowners, decide to capitalise any undivided profits of the Company (whether or not they are available for distribution), or any sum standing to the credit of the Company's share premium account or capital redemption reserve. The Directors may also, subject to the aforementioned ordinary resolution, appropriate any sum which they so decide to capitalise to the persons who would have been entitled to it if it were distributed by way of dividend and in the same proportions.

(j) **Uncertificated shares**

Subject to the Companies Act, the Directors may permit title to shares of any class to be issued or held otherwise than by a certificate and to be transferred by means of a relevant system without a certificate.

The Directors may take such steps as it sees fit in relation to the evidencing of and transfer of title to uncertificated shares, any records relating to the holding of uncertificated shares and the conversion of uncertificated shares to certificated shares, or vice-versa.

The Company may by notice to the holder of an uncertificated share, require that share to be converted into certificated form.

The Board may take such other action that the Board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it.

(k) **Borrowing powers**

Subject to the Articles and the Companies Act, the Board may exercise all of the powers of the Company to:

- (i) borrow money;
- (ii) indemnify and guarantee;
- (iii) mortgage or charge;
- (iv) create and issue debentures and other securities; and
- (v) give security either outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(l) **Disclosure of interests**

If the holder of, or any other person appearing to be interested in, any share has been given notice under section 793 of the Act and has failed in relation to that share (a "**Default Share**") to give the Company notice within the prescribed notice, the prescribed period being no less than 14 days from the date of service of the notice, the following restrictions shall apply (save that the Directors may waive those restrictions in whole or in part at any time):

- (i) the holder of the Default Shares shall not be entitled in respect of those shares to attend or vote, either personally or by proxy at any general meeting of the Company;
 - (ii) in addition, where the Default Shares in which one person is interested or appears to the Company to be interested, represent 0.25 per cent. or more of the relevant class (excluding any shares of that class held as treasury shares) the member holding the Default Shares shall not be entitled, in respect of those shares to receive any dividends or other distributions or transfer or agree to transfer any of those shares or any rights in them.
- (m) ***Alteration of share capital***

The Company may by ordinary resolution:

- (i) consolidate or consolidate then divide all or any of its share capital into shares of larger amounts than its existing shares;
- (ii) cancel any shares which at the date of the passing of the resolution to cancel them, have not been taken, or agreed to be taken, by any person and diminish the amounts of its share capital by the amount of shares so cancelled; and
- (iii) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Articles (subject, nevertheless, to the provision of the Act and every other act, statute, statutory instrument, regulation or order being in force from time to time, concerning companies affecting the Company (the "**Statutes**")) and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued new shares.

Subject to the Statutes and any rights attaching to any class of shares, the Company may: (i) purchase its own shares (including any redeemable shares); and (ii) reduce its share capital, any capital redemption reserve, share premium account or other distributable reserve in any manner.

- (n) ***Allotment of shares and pre-emption rights***

Subject to the Act and the Articles and in accordance with section 551 of the Act, the Directors shall be generally and unconditionally authorised to exercise for each prescribed period, all the powers of the Company to allot shares up to an aggregate nominal amount equal to the amount stated in the relevant special resolution passed pursuant to section 561 of the Act, authorising such allotment.

Under and within the terms of the said authority or otherwise in accordance with section 570 of the Act, the Directors shall be empowered during each prescribed period to allot equity securities (as defined in the Act):

- (i) in accordance with a rights issue; and
- (ii) otherwise than in connection with a rights issue up to an aggregate nominal amount equal to the amount stated in the relevant ordinary or special resolution passed pursuant to section 551 of the Act, authorising such allotment.

- (o) ***Variation of rights***

Subject to the Act, whenever the capital of the Company is divided into different classes of shares, the rights attached to any class of shares in issue may (unless otherwise provided by the terms of issue of the shares of that class) from time to time be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-fourths in nominal value of the issued shares of the class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of such holders

(but not otherwise).

The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the Articles or the conditions of issue of such shares, be deemed to be varied by the creation or issue of new shares ranking *pari passu* therewith or subsequent thereto.

7 INCENTIVE ARRANGEMENTS

Group incentive arrangements

Management incentive arrangements have been put in place, details of which are set out in paragraph 6 of Part III of this Document.

MediaMonks incentive arrangements

The senior management of MediaMonks have agreed to establish a management incentive arrangement with an aggregate maximum value of €13 million over a 4 year period, details of which are set out in paragraph 5 of Part III of this Document.

MightyHive incentive arrangements

Upon admission an incentive arrangement will be established for the people of the MightyHive Group, pursuant to which a pool of \$5 million of restricted cash bonuses will be created and a further \$5 million of New Ordinary Shares issued to the EBT to incentivise the people of the MightyHive Group following Admission. Further details of the incentive arrangements relating to the MightyHive Group are set out in paragraph 3 of PART III.

8 INFORMATION ON THE DIRECTORS AND THE PROPOSED DIRECTORS

- (a) The names, business addresses and current functions of the Directors and the Proposed Directors are as follows:

Name	Age	Business address	Function
Sir Martin Stuart Sorrell	73	12 St James's Place, London SW1A 1NX	Executive Chairman
Victor Olivier Knaap	41	12 St James's Place, London SW1A 1NX	Executive Director, MediaMonks CEO
Wesley ter Haar	40	12 St James's Place, London SW1A 1NX	Executive Director, MediaMonks COO
Peter Rademaker	55	12 St James's Place, London SW1A 1NX	Executive Director, Group CFO
Rupert Roderick Faure Walker	71	12 St James's Place, London SW1A 1NX	Non-Executive Director
Paul David Roy	71	12 St James's Place, London SW1A 1NX	Non-Executive Director
Susan Rachel Prevezer	59	12 St James's Place, London SW1A 1NX	Non-Executive Director
Peter Sung Pyo Kim	45	12 St James's Place, London SW1A 1NX	Proposed Executive Director, MightyHive CEO
Christopher Senne Martin	40	12 St James's Place, London SW1A 1NX	Proposed Executive Director, MightyHive COO and CFO
Daniel Emile Pinto	52	12 St James's Place, London SW1A 1NX	Proposed Non-Executive Director

- (b) In addition to any directorship of a member of the Group, the Directors and the Proposed Directors hold or have held the following directorships or have been partners in the following partnerships within the five years prior to the date of this Document:

Sir Martin Sorrell

Current directorships/partnerships

Chambre de Commerce Francaise de Grande-Bretagne Limited
Cherwell Films LLP
Clyde Films LLP

Past directorships/partnerships

Arconic, Inc.
Delta Topco
The British Museum Friends

Sir Martin Sorrell**Current directorships/partnerships**

JMCMRJ Foundation
 J.M.S. Financial Services Limited
 J.M.S. Financial Services (No.2) Limited
 Pruway Investments Limited
 Race Against Dementia
 The Thrombosis Research Institute
 OCS, S.L.

Past directorships/partnerships

WPP plc
 Sorrell Capital LLP

Victor Knaap**Current directorships/partnerships**

Oro del Amstel Holding B.V.
 Stichting Administratiekantoor VinylExpress
 VentureFathers B.V.
 VK Management B.V.
 VOK Holding B.V.

Past directorships/partnerships

Oliver Knapp B.V.
 Stichting Save Cheruto

Wesley ter Haar**Current directorships/partnerships**

ADCN
 F.C. MediaMonks
 Fools Gold Holding B.V.
 Monk Management B.V.
 Pyrite B.V.

Past directorships/partnerships**Peter Rademaker****Current directorships/partnerships**

CMI Holding B.V.
 Rademco B.V.
 Stichting Aandelenparticipatie

Past directorships/partnerships**Rupert Faure Walker****Current directorships/partnerships**

Hadleigh Town Limited
 The Hospital and Homes of St. Giles
 Landisdale Trust
 RRFW Limited

Past directorships/partnerships**Paul Roy****Current directorships/partnerships**

Bloc Ventures Limited
 Cyan Blue Jerseyco Limited
 Cyan Blue Topco Limited
 U-Research Limited
 NS Asset Management LLP
 NS Holdings LLP

Past directorships/partnerships

British Horseracing Authority Limited
 NS GP LLP
 NS Nominees Limited
 NSCGP Limited
 NSS Serv Limited
 NewRiver REIT plc

Paul Roy**Current directorships/partnerships**

NSCP LLP
 Retraining of Racehorses
 Sumitomo Mitsui Trust Bank
 Tillmouth & Tweed Salmon Fishings LLP

Past directorships/partnerships

NS Trustee Limited
 Sky Betting and Gaming

Sue Prevezer**Current directorships/partnerships**

Quinn Emanuel Urquhart & Sullivan (UK) LLP
 Quinn Emanuel Urquhart & Sullivan (US) LLP

Past directorships/partnerships

Camden Arts Centre

Peter Kim**Current directorships/partnerships**

The Center for Investigative Reporting

Past directorships/partnerships

Frontier Utilities, LLC

Christopher Martin**Current directorships/partnerships**

None

Past directorships/partnerships**Daniel Pinto****Current directorships/partnerships**

69-71 Harcourt Terrace Limited
 New City Initiative Europe
 Pinto Films LLP
 Soparexo SA
 Stanhope Capital (Cayman) Limited
 Stanhope Capital (Corporate Member) Limited
 Stanhope Capital (Jersey) Limited
 Stanhope Capital (Switzerland) SA
 Stanhope Capital Management Limited

Past directorships/partnerships

Jewson Associates Limited
 Stanhope Capital LLP

- (c) Save as set out in paragraph 8(b) above, none of the Directors or Proposed Directors has any business interests or activities outside the Group which are significant with respect to the Group.
- (d) Paul Roy was a director of NSS Serv Limited which was dissolved via voluntary strike-off on 12 January 2016 while he was still a director.
- (e) Paul Roy was a member of NS GP LLP which was dissolved via voluntary strike-off on 5 July 2016 while he was still a member.
- (f) Paul Roy was a director of NS Nominees Limited which was dissolved via voluntary strike-off on 30 May 2017 while he was still a director.
- (g) Paul Roy was a director of NSCGP Limited which was dissolved via voluntary strike-off on 30 May 2017 while he was still a director.
- (h) Paul Roy was a director of NS Trustee Limited which was dissolved via voluntary strike-off on 9 January 2018 while he was still a director.
- (i) Sir Martin Sorrell was a member of Sorrell Capital LLP which was dissolved via voluntary strike-off on 28 April 2015 while he was still a member.

- (j) Daniel Pinto was a director of Jewson Associates Limited which was dissolved via voluntary strike off on 4 February 2014 while he was still a director;
- (k) Save as disclosed in paragraphs 8(d) to (h), none of the Directors or Proposed Directors:
- (i) has any unspent convictions in relation to indictable offences;
 - (ii) has been made bankrupt or has made an individual voluntary arrangement with creditors or suffered the appointment of a receiver over any of his assets;
 - (iii) has been a director of any company which, whilst he was such a director or within 12 months after his ceasing to be such a director, was put into receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with the company's creditors generally or with any class of creditors of any company or had an administrator or an administrative or other receiver appointed;
 - (iv) has been a partner in any partnership which, whilst he was a partner, or within 12 months after his ceasing to be a partner, was put into compulsory liquidation or had an administrator or an administrative or other receiver appointed or entered into any partnership voluntary arrangement;
 - (v) has had an administrative or other receiver appointed in respect of any asset belonging either to him or to a partnership of which he was a partner at the time of such appointment or within the 12 months preceding such appointment; or
 - (vi) has received any public criticisms by statutory or regulatory authorities (including recognised professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

9 DIRECTORS', PROPOSED DIRECTORS' AND OTHERS' INTERESTS

- (a) The interests of the Directors and the Proposed Directors as at the date of this Document are, and as they are expected to be following Admission (assuming full take up under the Open Offer, save for the Available Shares) is set out below:

Shareowner	At the date of this Document		Following Admission	
	Number of Ordinary Shares	Interests in Ordinary Shares (%)	Number of Ordinary Shares	Interests in Ordinary Shares (%)
Sir Martin Sorrell	46,403,700	18.16%	46,403,700	12.77%
Paul Roy	1,369,258	0.54%	1,592,863	0.44%
Rupert Faure Walker	1,120,754	0.44%	1,303,777	0.36%
Sue Prevezer	-	-	227,272	0.06%
Victor Knaap / Wesley ter Haar ⁺	39,619,076	15.51%	39,619,076	10.90%
Peter Rademaker	708,132	0.28%	708,132	0.19%
Peter Kim ⁺	-	-	9,718,862	2.67%
Christopher Martin ⁺	-	-	8,532,760	2.35%
Daniel Pinto [§]	232,600	0.09%	27,505,328	7.57%

Sir Martin Sorrell also holds the B Share as a result of which he exercises a significant degree of control over the Company. The holder of the B Share is entitled to appoint one director to the board

of directors of the Company and remove or replace such director. The prior written consent of the holder of the B Share is also required for the Group to appoint or terminate any executive or to make any acquisition or disposal with a value exceeding £100,000. The holder of the B Share is also able to defeat any resolution proposed by the Company (save as required by applicable law). Sir Martin has, in his capacity as the holder of the B Share, given his approval to the acquisition of MightyHive.

Sue Prevezer has agreed to subscribe for 227,272 New Ordinary Shares under the Firm Placing.

⁺ Victor Knaap, the CEO of the MediaMonks Group and Wesley ter Haar, the COO of the MediaMonks Group hold their interests in Ordinary Shares through (i) Oro en Fools B.V., their joint personal holding vehicle which is owned (indirectly) 50 per cent. by Victor Knaap and 50 per cent. by Wesley ter Haar; and (ii) Zen 2 B.V. the ordinary share capital of which is owned 51 per cent. by Oro en Fools B.V. and 49 per cent. by funds managed by Bencis Capital Partners B.V. The interests in Ordinary Shares of Victor and Wesley noted above are the aggregate totals of the Ordinary Shares held by these entities. Certain of the interests of Christopher Martin and Peter Kim will be held by them through certain family trust arrangements.

[§] Daniel Pinto's holding includes New Ordinary Shares which are expected to be held by Stanhope, which is managed by Stanhope Capital LLP, part of the Stanhope Group, of which Daniel Pinto is the CEO.

- (b) Rupert Faure Walker and Paul Roy have irrevocably undertaken to take up their respective Open Offer Entitlements (representing 183,023 New Ordinary Shares and 223,605 New Ordinary Shares, respectively). Sue Prevezer has agreed to subscribe for 227,272 New Ordinary Shares pursuant to the Firm Placing. Sir Martin Sorrell, Peter Rademaker, Daniel Pinto, the EBT, Oro en Fools B.V. and Zen 2 B.V. (being the joint holding companies under the control of Victor Knaap and Wesley ter Haar) have each undertaken not to take up their respective Open Offer Entitlements in order to enable the subscription of such Available Shares by Stanhope as described in Part I of this Document.
- (c) Save as disclosed in this paragraph 9 and in paragraph 6 of Part III above, no Director or Proposed Director, nor any of his connected persons has at the date of this Document, or will have immediately following Admission, any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company or any of its subsidiaries or any related financial product referenced to the Ordinary Shares.
- (d) Sir Martin Sorrell exercises control over the Company and will continue to do so following Admission.
- (e) Save for the issue of A2 Incentive Shares to Sir Martin Sorrell as disclosed in paragraph 6 of Part III above, and the interests of Sir Martin Sorrell, Rupert Faure Walker and Paul Roy in Ordinary Shares as set out above, and the SMS Indemnity, no Director has or has had any interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Group.
- (f) There are no loans or guarantees granted or provided by the Company and/or any of its subsidiaries to or for the benefit of any of the Directors or Proposed Directors which are now outstanding.
- (g) In respect of the Directors and the Proposed Directors, save as set out below, there are no conflicts of interest between any duties they have to the Company and their private interests and/or other duties they may have:
 - (i) Sir Martin Sorrell has been issued the A2 Incentive Shares as disclosed in paragraph 6 of Part III above;
 - (ii) Sir Martin Sorrell has been issued the B Share as disclosed in paragraph 4 of Part III above;
 - (iii) Sir Martin Sorrell is a shareowner in WPP plc which is a potential competitor of the Group;
 - (iv) Daniel Pinto is the CEO of the Stanhope Group, which manages Stanhope, a significant

shareholder in the Company; and

- (v) Peter Kim and Christopher Martin are selling security owners of MightyHive, Inc. and will both receive New Ordinary Shares pursuant to the Consideration Issue upon Admission.

10 SERVICE AGREEMENTS AND REMUNERATION OF THE DIRECTORS AND THE PROPOSED DIRECTORS

- (a) On 24 June 2018 S⁴ Limited entered into a service agreement with Sir Martin Sorrell, pursuant to which he was appointed by S⁴ Limited as Executive Chairman with effect from 23 May 2018. On 8 July 2018 that service agreement was terminated and replaced by a service agreement on identical terms between Midco and Sir Martin Sorrell.
- (b) Pursuant to his service agreement, Sir Martin is entitled to receive a salary of £100,000 per annum, along with an annual bonus of up to 100 per cent. of his fixed annual salary. The service agreement has an initial three year term. Thereafter, either (i) Midco or (ii) Sir Martin may terminate the service agreement by giving not less than 12 months' written notice to the other party, such notice not to be served before the expiry of the initial term. Sir Martin's service agreement contains a restrictive covenant limiting his ability to compete with the Group for a 12 month period following his resignation or termination from employment with the Group. Sir Martin is entitled to a pension contribution equal to 30 per cent. of his gross salary, together with other benefits commensurate with position and duties.
- (c) On 24 June 2018, each of Rupert Faure Walker and Paul Roy entered into a letter of appointment with S⁴ Limited pursuant to which, with effect from 24 June 2018, each was appointed by S⁴ Limited as a Non-Executive Director until such appointment is terminated by either the relevant Non-Executive Director or the Company on three months' notice. On 10 September 2018, Rupert Faure Walker and Paul Roy entered into letters of amendment to their respective letters of appointment with S⁴ Limited pursuant to which they will each, with effect from 28 September 2018, become entitled to receive a director's fee of £25,000 per annum.
- (d) On 13 November 2018, Sue Prevezer entered into a letter of appointment with the Company pursuant to which, with effect from 7.00 a.m. on 14 November 2018, she was appointed as a Non-Executive Director of the Company until such appointment is terminated by her or the Company on three months' notice. Sue is entitled to a director's fee of £25,000 per annum.
- (e) On 4 December 2018, Victor Knaap, Wesley ter Haar and Peter Rademaker entered into letters of appointment with the Company pursuant to which each was appointed as an executive Director with immediate effect. Pursuant to their letters of appointment, until such appointment is terminated by them or the Company on three months' notice. None of Victor Knaap, Wesley ter Haar and Peter Rademaker is entitled to receive a fee for service as a Director.
- (f) On 4 December 2018, Peter Kim and Christopher Martin entered into letters of appointment with the Company pursuant to which each was appointed as a Director of the Company, conditional on and with effect from Admission occurring. Pursuant to their respective, letters of appointment, Peter Kim and Christopher Martin's appointment will continue until terminated by either party on three months' notice. Neither Peter Kim nor Christopher Martin is entitled to receive a fee for service as a Director.
- (g) Pursuant to the Merger Agreement, each of Peter Kim and Christopher Martin will enter into a new service agreement with MightyHive with effect from Admission. Each service agreement will have a three year term and thereafter be terminable by either party at will. Pursuant to such service agreements, each of Peter Kim and Christopher Martin will be entitled to an annual salary of \$206,000 along with a discretionary bonus of up to 150 per cent. of fixed annual salary. Each of Peter Kim and Christopher Martin will also be subject to non-competition and non-solicitation restrictions for a period of three years from Admission and additionally two years from the date on which the relevant service agreement is terminated.

- (h) On 4 December 2018, Daniel Pinto entered into a letter of appointment with the Company pursuant to which he was appointed as a Non-Executive Director of the Company, conditional on and with effect from Admission occurring until such appointment is terminated by him or the Company on three months' notice. Daniel is entitled to a director's fee of £25,000 per annum.
- (i) On 9 July 2018, Fools Gold Holding B.V., the personal holding company of Wesley ter Haar, entered into a management agreement with Bidco, pursuant to which Fools Gold Holding B.V. is entitled to receive €17,500 per month, a discretionary annual bonus of up to six months' fees, as well as the signing-on bonuses described in more detail in paragraph 5 of Part III of this Document. Either party may terminate the management agreement on six months' notice. Each of Fools Gold Holding B.V. and Wesley ter Haar will be subject to customary non-competition and non-solicitation restrictions for the one year period following termination of the management services agreement.
- (j) On 9 July 2018, Oro del Amstel Holding B.V., the personal holding company of Victor Knaap, entered into a management agreement with Bidco, pursuant to which Oro del Amstel B.V. is entitled to receive €17,500 per month, a discretionary annual bonus of up to six months' fees, as well as the signing-on bonuses described in more detail in paragraph 5 of Part III of this Document. Either party may terminate the management agreement on six months' notice. Each of Oro del Amstel Holding B.V. and Victor Knaap will be subject to customary non-competition and non-solicitation restrictions for the one year period following termination of the management services agreement.
- (k) On 9 July 2018, Rademco B.V., the personal holding company of Peter Rademaker, entered into a management agreement with Bidco, pursuant to which Rademco B.V. is entitled to receive €24,500 per month. Either party may terminate the management agreement on six months' notice. Each of Rademco B.V. and Peter Rademaker will be subject to customary non-competition and non-solicitation restrictions for the one year period following termination of the management services agreement.
- (l) The Directors have (and the Proposed Directors will have) the benefit of an indemnity from the Company (the terms of which are in accordance with the Companies Act) and appropriate directors' and officers' liability insurance.
- (m) Save as set out in this paragraph 10, on Admission there will be no existing or proposed service agreements between any of the Directors or the Proposed Directors and any member of the Group. Furthermore, save as set out in this paragraph 10 and the share incentive arrangements referred to in paragraph 7 above, there are no commissions or profit-sharing arrangements with any of any of the Directors or the Proposed Directors.
- (n) There is no arrangement under which any Director has waived or agreed to waive future emoluments nor has there been any waiver of emoluments during the financial year immediately preceding the date of this Document.

11 PEOPLE

The Company currently has no people other than the Directors. S⁴ Limited has one person and Midco employs Sir Martin Sorrell as the Executive Chairman of the Group.

Information regarding MediaMonks Group's people is set out in paragraph 6 of Part V of this Document.

Information regarding the MightyHive Group's people is set out in paragraph 6 of Part VI of this Document.

12 MATERIAL CONTRACTS

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group since such members' incorporation or in the period of 2 years prior to the date of this Document, whichever is the longer, and which are, or may be, material to the Group or have been entered into by any member of the Group at any time and contain a provision under which any member of the Group has any obligation or entitlement which is material to the Group at the date of this Document:

- (a) the Merger Agreement, as described more fully in paragraph 3 of Part III;
- (b) the Placing Agreement, as described more fully in this paragraph 12;
- (c) the MightyHive W&I Policy, as described more fully in this paragraph 12;
- (d) the Receiving Agent Agreement, as described more fully in this paragraph 12;
- (e) the Relationship Agreement, as described more fully in paragraph 4 of Part III;
- (f) the PK Side Letter, as described more fully in this paragraph 12;
- (g) the Stanhope Lock-in Deed, in each case as described more fully in paragraph 5 of Part I;
- (h) the Registrar Agreement, as described more fully in this paragraph 12;
- (i) the July Placing Agreement, as described more fully in this paragraph 12;
- (j) the MediaMonks Acquisition Agreement, as described more fully in paragraph 5 of Part III;
- (k) the MediaMonks W&I Policy, as described more fully in this paragraph 12;
- (l) the S⁴ Acquisition Agreement, as described more fully in paragraph 1 of Part III;
- (m) the MediaMonks Subscriber Lock-in Deeds, as described more fully in this paragraph 12;
- (n) the MightyHive Equityowner Lock-in Deeds, as described more fully in this paragraph 12;
- (o) the MediaMonks Affiliate Acquisition Agreements, as described more fully in paragraph 4 of Part III;
- (p) the HSBC Facilities Agreement, as described more fully in this paragraph 12; and
- (q) the SMS Indemnity, as described more fully in this paragraph 12.

Placing Agreement

The Company has entered into the Placing Agreement pursuant to which the Joint Bookrunners have severally agreed to use their respective reasonable endeavours to procure Firm Placees and Placees for the Firm Placed Shares and the Placing Shares, in each case, at the Issue Price on the basis that the Placing Shares for which Placees are procured shall be the subject of clawback to the extent they are taken up in the Open Offer. To the extent that any Placee (other than Stanhope and any Placee procured by Dowgate) procured by HSBC fails to subscribe for any or all of the Placing Shares which have been allocated to it, HSBC shall subscribe, as principal, for such Placing Shares.

To the extent that any Firm Placee (other than Stanhope and any Firm Placee procured by Dowgate) procured by HSBC fails to subscribe for any or all of the Firm Placed Shares which have been allocated to it, HSBC shall subscribe, as principal, for such Firm Placed Shares.

To the extent that any Placee (other than Stanhope and any Placee procured by HSBC) procured by Dowgate fails to subscribe for any or all of the Placing Shares which have been allocated to it, Dowgate shall subscribe, as principal, for such Placing Shares.

To the extent that any Firm Placee (other than Stanhope and any Firm Placee procured by HSBC) procured by Dowgate fails to subscribe for any or all of the Firm Placed Shares which have been allocated to it, Dowgate shall subscribe, as principal, for such Firm Placed Shares.

The Company has agreed to pay a commission of 2.5 per cent. of the amount equal to the product of the Issue Price and the aggregate number of New Ordinary Shares to be allotted pursuant to the Issue other than the New Ordinary Shares to be subscribed by Stanhope and certain other investors. In addition, in connection with the Placing, the Company has agreed to pay each Placee a placing commission of 1.00

per cent. of the Issue Price multiplied by the number of New Ordinary Shares in their participation which are subsequently subject to clawback to satisfy valid applications by Qualifying Shareowners under the Open Offer, which commission is to be payable by the Joint Bookrunners, as agent for and on behalf of the Company. All expenses incurred by the Joint Bookrunners will be paid by the Company, irrespective of whether Admission occurs.

The Joint Bookrunners' obligation to subscribe for Firm Placed Shares and/or Placing Shares is conditional on certain conditions that are typical for an agreement of this nature including, among others:

- the passing without amendment of the Issue Resolution at the General Meeting on 20 December 2018 (or such later date as the Bookrunners may agree) and the Issue Resolution remaining in force;
- the Company having complied with its obligations under the Placing Agreement or under the terms and conditions of the Firm Placing and the Placing and Open Offer which, in each case, fall to be performed on or prior to Admission; and
- Admission occurring on or before 8.00 a.m. on 24 December 2018 (or such later time and/or date as the Joint Bookrunners and the Company may agree, being not later than 8.00 a.m. on 31 January 2019).

If, by the time specified in the Placing Agreement (or such later time and/or date as the Joint Bookrunners may agree) any of the conditions have not been fulfilled or waived by the Joint Bookrunners, the Placing Agreement and all obligations of each of the parties thereunder shall immediately cease to have any effect save that certain provisions survive. The Joint Bookrunners may in their discretion waive compliance with the whole or any part of certain of the conditions or extend the time provided for fulfilment of any such conditions but only prior to Admission. In addition, the Joint Bookrunners may terminate the Placing Agreement in certain circumstances (such as a material adverse change or force majeure event) but only prior to Admission. The Joint Bookrunners are not entitled to terminate the Placing Agreement after Admission.

The parties have agreed that in the event a supplementary prospectus is published two or fewer Business Days prior to the closing date of the Open Offer (or such later date as may be agreed by the Joint Bookrunners), the closing date of the Open Offer shall be extended to the date which is three Business Days after the date of publication of the supplementary prospectus.

The Company has given certain customary warranties and undertakings to the Joint Bookrunners including, among other things, warranties in relation to the business, the historical financial information and the information contained in this Document.

MightyHive W&I Policy

The Company has agreed to incept an insurance policy upon closing of the Merger Agreement (the "**MightyHive W&I Policy**") pursuant to which certain breaches of the warranties and/or indemnities given by MightyHive to the Company under the Merger Agreement. The MightyHive W&I Policy has been paid for by the Company and the selling security owners of MightyHive in equal parts.

Receiving Agent Agreement

The Company has entered into the Receiving Agent Agreement dated 4 December 2018, pursuant to which Share Registrars Limited (the "**Receiving Agent**") is appointed to act as receiving agent of the Company in connection with the Open Offer. The Receiving Agent shall be entitled to receive customary fees for the performance of its services and shall also be entitled to reimbursement of all out of pocket costs, expenses and charges reasonably and properly incurred and documented on behalf of the Company. The Receiving Agent Agreement may be terminated by the Company or the Receiving Agent in certain circumstances such as a material breach which is not remedied.

PK Side Letter

The Company and Peter Kim have entered into a side letter to the Merger Agreement dated 3 December 2018 (the "**PK Side Letter**"). Pursuant to the PK Side Letter, Peter Kim has agreed to receive the

consideration to which he is entitled under the Merger Agreement 50 per cent. in cash and 50 per cent. in New Ordinary Shares valued at the Issue Price.

Registrar Agreement

The Registrar is responsible for providing share registration services to the Company under the terms of a registrar's agreement dated 22 December 2016 (the "**Registrar Agreement**"), for an initial period of 12 months from 22 December 2016. In certain circumstances, the parties will be entitled to terminate the agreement by giving 6 months' notice, or immediately if an insolvency event occurs in respect of the other party or in the case of material breach (including non-payment of fees due).

The Company has agreed to pay the Registrar's fees in quarterly arrears in respect of its standard service. The basic fee comprises £1.25 per holding per annum (subject to a minimum charge of £400 per quarter). The Registrar may, on 1 April each year, review its fee arrangements and will give the Company at least one month's written notice of any alteration to such charges. Pursuant to the Registrar Agreement, the Company has agreed to indemnify the Registrar against certain losses it may suffer as a result of the performance of its role. The Registrar Agreement is governed by English law.

July Placing Agreement

On 6 July 2018, S⁴ Limited, the then directors of S⁴ Limited and Dowgate entered into a placing agreement (the "**July Placing Agreement**") pursuant to which Dowgate agreed to use reasonable endeavours to procure subscribers for S⁴ Limited Ordinary Shares in connection with the July Placing carried out by S⁴ Limited in relation to the MediaMonks Acquisition. The July Placing Agreement completed on 9 July 2018 when gross proceeds of £127,053,857 were raised by S⁴ Limited pursuant to the issue of 108,593,040 S⁴ Limited Ordinary Shares at a placing price of £1.17 per S⁴ Limited Ordinary Share.

Under the July Placing Agreement, Dowgate was entitled to receive a commission of 3 per cent. of the aggregate value of the S⁴ Limited Ordinary Shares placed with investors other than Sir Martin Sorrell. Under the July Placing Agreement, S⁴ Limited and the then directors of S⁴ Limited gave certain customary warranties, undertakings and indemnities in favour of Dowgate.

MediaMonks W&I Policy

On 20 July 2018, S⁴ Limited incepted an insurance policy (the "**MediaMonks W&I Policy**") pursuant to which certain breaches of the warranties and/or indemnities given by Zen B.V. under the MediaMonks Acquisition Agreement have been insured. The MediaMonks W&I Policy was initially paid for by S⁴ Limited but, in accordance with the terms of the MediaMonks Acquisition Agreement, the premium (other than in relation to top-up cover bought by S⁴ Limited) has been re-charged to Zen B.V.

MediaMonks Subscriber Lock-in Deeds

Each of the MediaMonks Subscribers entered into a lock-in deed on 10 September 2018 with Dowgate and the Company (the "**MediaMonks Subscriber Lock-in Deeds**") pursuant to which they have each agreed with Dowgate and the Company that they will not, and that they will use reasonable endeavours to procure that their connected persons will not: (i) dispose of any interest in Ordinary Shares for a period of 24 months following 28 September 2018 subject to certain exceptions.

MightyHive Equityowner Lock-in Deeds

Certain MightyHive Equityowners entered into lock-in deeds on 4 December 2018, and the remainder are expected to do so prior to Admission as a condition of receiving their cash consideration under the Merger Agreement, with HSBC, Dowgate and the Company (the "**MightyHive Equityowner Lock-in Deeds**") pursuant to which they have agreed or are expected each to agree with HSBC, Dowgate and the Company that they will not, and that they will use reasonable endeavours to procure that their connected persons will not: (i) dispose of any interest in Ordinary Shares for a period of 24 months following Admission subject to certain exceptions.

HSBC Facilities Agreement

On 6 July 2018, S⁴ Limited, Bidco and HSBC entered into an English law senior unsecured term and revolving credit facility agreement (the "**HSBC Facilities Agreement**") pursuant to which HSBC Bank plc agreed to make a term loan of up to €50 million and a revolving credit facility of up to €15 million available to the Group. Pursuant to the HSBC Facilities Agreement, S⁴ Limited paid to HSBC a fee of 1.25 per cent. of the aggregate size of the Term Loan and the Revolving Facility, a structuring fee of €250,000 and an annual agency fee of £27,500.

The Term Loan was initially drawn down in full on 9 July 2018 by Bidco in Euros, but 50 per cent. of the amount so drawn has been converted into US Dollars and interest and principal in relation to that amount is payable in US Dollars. €2 million of the Revolving Facility was drawn down by Bidco on 24 July 2018 for the general corporate purposes of the MediaMonks Group. Under the HSBC Facilities Agreement, the Company must maintain (i) a Net Debt to EBITDA Ratio of 3.00:1.00 or less and (ii) Interest Cover Ratio of 3.00:1.00 or more. Breach of either or both of such covenants could result in the entire outstanding balance of the Term Loan and the Revolving Facility becoming immediately due and payable. These financial covenants will be tested on each date a compliance certificate is delivered to HSBC. Beginning with the half year ending 30 June 2019, the Group is required to deliver a compliance certificate alongside its consolidated half yearly (within 90 days of such half year-end) and yearly financial statements (within 120 days of such year-end). Accordingly, the first financial covenant test date will be no later than 28 September 2019.

The Term Loan

The Term Loan was made available to the Group for the purpose of the MediaMonks Acquisition. The Term Loan will not amortise and will be repayable in a single instalment on the fifth anniversary of drawing down the Term Loan. The interest rate on the Term Loan is defined as (i) EURIBOR in respect to any loan drawn down in Euros or in relation to a loan drawn in any other currency, LIBOR (subject in each case to a floor of zero per cent.) (ii) plus an additional percentage per annum (the spread), dependent upon the Company's Net Debt to EBITDA Ratio from time to time. The spread applicable the Term Loan at various Net Debt to EBITDA Ratios will be as follows:

Net Debt to EBITDA Ratio (:1.00)	Applicable spread
More than 3.00	3.00%
2.50 to 3.00	2.50%
2.00 to 2.50	2.00%
1.50 to 2.00	1.75%
1.00 to 1.50	1.50%
Less than 1.00	1.25%

Provided that until 30 April 2019, the spread will be 2.50 per cent. per annum. Whenever an event of default continuing, the spread will be 3.00 per cent.

The Revolving Facility

The Revolving Facility has been made available to the Group for general corporate purposes. The interest rate on the Revolving Facility is defined as (i) EURIBOR in respect to any loan drawn down in Euros or in relation to a loan drawn in any other currency, LIBOR (subject in each case to a floor of zero per cent.) (ii) plus an additional percentage per annum (the spread), dependent upon the Company's Net Debt to EBITDA Ratio from time to time. The spread applicable the Term Loan at various Net Debt to EBITDA Ratios will be as follows:

Net Debt to EBITDA Ratio (:1.00)	Applicable spread
More than 3.00	3.00%
2.50 to 3.00	2.50%
2.00 to 2.50	2.00%

1.50 to 2.00	1.75%
1.00 to 1.50	1.50%
Less than 1.00	1.25%

Provided that until 30 April 2019, the spread will be 2.50 per cent. per annum. Whenever an event of default continuing, the spread will be 3.00 per cent.

In addition, 35 per cent. of the applicable spread will be payable by the Group to HSBC Bank plc on the unused and uncancelled amount of the Revolving Facility for so long as the Revolving Facility is available to the Group.

SMS Indemnity

On 3 July 2018, Sir Martin Sorrell gave the Company and S⁴ Limited an uncapped indemnity in respect of claims arising in connection with certain allegations that Sir Martin had, in connection with the MediaMonks Acquisition, acted in breach of the duty of confidentiality owed by him to WPP and unlawfully diverted a maturing business opportunity from WPP (the "**SMS Indemnity**"). The SMS Indemnity will remain in force for a period of six years from 3 July 2018.

13 RELATED PARTY TRANSACTIONS

From 1 January 2015 or incorporation (whichever is the later) to the date of this Document, members of the Group have entered into the following related party transactions:

- (a) the service agreements and/or letters of appointment (including any ancillary non-competition agreements) with Sir Martin Sorrell and each of the other Executive Directors set out in paragraph 10 above;
- (b) the subscription letters pursuant to which the Directors and the Proposed Directors and their connected persons subscribed for New Ordinary Shares, S⁴ Limited Ordinary Shares, S⁴ Limited Founder Shares and A2 Incentive Shares (as applicable);
- (c) the MightyHive Equityowner Lock-in Deeds to which Peter Kim and Christopher Martin are party, as described in paragraph 12 above;
- (d) arrangements pursuant to which people of the MightyHive Group had access to premises in New York and Sydney which were leased by Peter Kim and Christopher Martin respectively;
- (e) the PK Side Letter as set out in paragraph 12 above;
- (f) the undertakings pursuant to which each of Sir Martin Sorrell, Peter Rademaker, Daniel Pinto, Oro en Fools B.V. and Zen 2 B.V. has agreed not to take up their respective Open Offer Entitlements;
- (g) the undertakings pursuant to which Rupert Faure Walker and Paul Roy have agreed to take up their respective Open Offer Entitlements in full;
- (h) the irrevocable undertakings pursuant to which Sir Martin Sorrell, Peter Rademaker, Daniel Pinto, Oro en Fools B.V., Zen 2 B.V., Rupert Faure Walker and Paul Roy have severally agreed to vote in favour of the Resolutions to be proposed at the General Meeting;
- (i) the lock-in deeds with each of Sue Prevezer, Paul Roy and Rupert Faure Walker in respect of the New Ordinary Shares each for which each has agreed to subscribe pursuant to the Issue, as described more fully in paragraph 4 of Part III of this Document;
- (j) the Strategic Advisory Agreement, as described in paragraph 5 of Part I above;
- (k) The Stanhope Lock-in Deed, as described in paragraph 5 of Part I above;
- (l) the award of a €6 million bonus to each of Victor Knaap and Wesley ter Haar upon completion of the

MediaMonks Acquisition and described more fully in paragraph 5 of Part III and the management services agreements with Oro del Amstel Holding B.V., Fools Gold Holding, B.V. and Rademco B.V. in each case as described in paragraph 10 above;

- (m) the subscription letters pursuant to which each Derriston Founder subscribed for Derriston Founder Shares at nominal value which were, until the passing of an ordinary resolution by the Shareowners on 23 July 2018, subject to the Derriston Performance Condition;
- (n) the lock-in deeds entered into by the Company and the Derriston Founders pursuant to which each of the Derriston Founders agreed not to dispose of any interest in their Old Ordinary Shares for a period of one year following First Admission except in certain restricted circumstances;
- (o) the letters of appointment of the Non-Executive Directors set out in paragraph 10 above;
- (p) the S⁴ Acquisition Agreement described in paragraph 1 of Part III;
- (q) the payment of £5,000 per month to each of Harry Hyman and Rodger Sargent for June, July and August 2018;
- (r) the service agreement between Rodger Sargent and the Company pursuant to which Rodger Sargent was appointed as an executive Director of the Company;
- (s) a settlement agreement dated 29 May 2018 between the Company and Rodger Sargent pursuant to which the parties thereto agreed to settle any claims which Rodger Sargent may have had against the Company or any member of its group from time to time in connection with his employment or its termination. The agreement was entered into as Rodger Sargent had asked not to be paid and had not received the statutory minimum wage. Rodger Sargent employment ceased on 28 September 2018;
- (t) the SMS Indemnity set out in paragraph 12 above; and
- (u) the Relationship Agreement, as described more fully in paragraph 4 of Part III of this Document.

So far as the Company is aware, and save as described above, no member of the Group has been a party to a transaction that would be required to be disclosed as a related party transaction.

14 LITIGATION AND ARBITRATION

The Group

There are not, and have not been, any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened as far as the Company is aware), during the 12 months immediately preceding the date of this Document which may have, or have had in the recent past, significant effects on the Company's or the Group's financial position or profitability.

MightyHive

There are not, and have not been, any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened as far as the Company is aware), during the 12 months immediately preceding the date of this Document which may have, or have had in the recent past, significant effects on the MightyHive Group's financial position or profitability.

15 WORKING CAPITAL

The Company is of the opinion that the working capital available to the Group is sufficient for its present requirements, that is for at least the 12 months from the date of this Document.

16 NO SIGNIFICANT CHANGE

Save for the changes set out below, there has been no significant change in the financial or trading position of the Group since 30 June 2018, being the date as at which the financial information incorporated into this

Document by reference, as set out more fully in Part X of this Document, has been prepared.

The Company regards the following changes as significant in the Group's financial and/or trading position since 30 June 2018:

- the issue by S⁴ Limited on 9 July 2018 of 108,593,040 ordinary shares of £0.001 each in the capital of S⁴ Limited for cash at a price of £1.17 each;
- the acquisition by S⁴ Limited on 9 July 2018 of MediaMonks Multimedia Holding B.V for a purchase consideration based on an enterprise valuation of €300 million. Upon completion of the acquisition, a further 47,974,876 ordinary shares of £0.001 each in the capital of S⁴ Limited were issued for cash at a price of £1.17 each to directors and people of the MediaMonks Group (or their affiliated entities) for aggregate proceeds of £56,130,569.80;
- the acquisition by the Company of S⁴ Limited on 28 September 2018, funded by the issue of 241,285,077 Ordinary Shares and the B Share to the Shareowners of S⁴ Limited and the simultaneous issue of 11,709,601 Ordinary Shares at nominal value to the EBT; and
- the entry into the Merger Agreement pursuant to which it is expected that the MightyHive Acquisition will take effect upon Admission.

17 **PROPERTY**

Intellectual property

S⁴ Limited holds certain domain names including www.S4Capital.com. The Group does not own any existing or planned material intangible assets.

The MediaMonks Group owns the existing material intangible assets relating to the MediaMonks business. The MediaMonks Group has registered trade marks (or made equivalent protective registrations) in respect of its primary operating brand name in certain of the jurisdictions in which it operates. The MediaMonks Group's most material assets are those which subsist in the creative work and content it produces for its clients. The MediaMonks Group also owns certain domain names.

The MightyHive Group owns the existing material intangible assets relating to the MightyHive business. The MightyHive Group has registered trade marks (or made equivalent protective registrations) in respect of its primary operating brand name in certain of the jurisdictions in which it operates. The MightyHive Group's most material assets are those which subsist in the custom software, consulting work product and technology solutions it produces. The MightyHive Group also owns certain domain names..

Property

The Group does not own any existing or planned material tangible fixed assets, including leased properties, or any major encumbrances thereon.

Save as disclosed in the Historical Financial Information relating to the MediaMonks Group incorporated by reference into this Document as set out more fully in Part X of this Document, the MediaMonks Group does not own any material tangible fixed assets, including leased properties. The MediaMonks Group typically occupies the premises used in connection with its business on short-term leases which have no material capital value.

Save as disclosed in the accounts relating to the MightyHive Group included as Part XI of this Document, the MediaMonks Group does not own any material tangible fixed assets, including leased properties. The MediaMonks Group typically occupies the premises used in connection with its business on short-term leases which have no material capital value.

18 **PENSIONS**

S⁴ Limited makes contributions to the defined contribution pension of the sole person it employs. Midco makes contributions to the pension of the Executive Chairman as described in more detail in paragraph 9

of this Part XIV.

People of the MediaMonks Group participate in defined contribution pension schemes in certain European jurisdictions. The MediaMonks Group does not operate any defined benefit pension schemes.

The MightyHive, Inc. Retirement Plan (the "**MightyHive Plan**") is a voluntary deferral 401(k) plan available to all full and part time people over the age of 21. There were 94 participants in the MightyHive Plan as at 31 December 2017. The MightyHive Plan does not include any employer match but does require the employer to contribute three per cent. of each person's salary regardless of the level of employee deferral. The MightyHive Plan is administered by Ubiquity, a subsidiary of Charles Schwab.

19 GENERAL

- (a) BDO LLP of 55 Baker Street, London, W1U 7EU, a member firm of the Institute of Chartered Accountants in England and Wales, has given and not withdrawn its written consent to the inclusion in this Document of its report set out in the opinion on the pro forma financial information included in Part XII of this Document in the form and context in which it appears.
- (b) Moss Adams LLP of 101 Second Street, Suite 900, San Francisco, CA 94105, a member firm of the American Institute of Certified Public Accountants, has given and not withdrawn its written consent to the inclusion in this Document of its report set out in the opinion on the financial information included in Part XI of this Document in the form and context in which it appears.
- (c) PricewaterhouseCoopers LLP has given and has not withdrawn its written consent to the issue of this Document with the inclusion herein of its name in the form and context in which it is included.
- (d) There have been no interruptions in the business of the Group, which may have or have had a significant effect on the financial position of the Group or which are likely to have a material effect on the prospects of the Group for the next 12 months.
- (e) No admission to listing or trading of the Ordinary Shares is being sought on any stock exchange other than the main market of the London Stock Exchange.
- (f) Neither the Directors nor the Proposed Directors are aware of any exceptional factors which have influenced the Group's activities or the activities of the MediaMonks Group.
- (g) It is estimated that the total expenses payable by the Company in connection with Admission will amount to approximately £3.4 million (excluding VAT), including a maximum payment of the Shareowner Commissions.
- (h) The Company expects a typical investor in the Company will be an institutional investor or high net worth individual with a large portfolio of investments.
- (i) There have been no interruptions in the business of the Company or MediaMonks, which may have or have had a significant effect on the financial position of the Group or which are likely to have a material effect on the prospects of the Group for the next 12 months.
- (j) The Ordinary Shares are in registered form and may be held in certificated form. No temporary documents of title will be issued. The New Ordinary Shares will be issued pursuant to the Companies Act and their currency is pounds sterling. The Registrar is responsible for maintaining the Company's register of members.
- (k) Save as described in this Document there are no investments in progress which are significant to the Group and there are no principal future investments on which the Company, MediaMonks or MightyHive has at the date hereof made firm commitments. Save as described in this Document, there are no existing or planned material tangible fixed assets of the Group.
- (l) Save as described in this Document, neither the Company nor any member of the Group has any undertakings in which it holds a proportion of the capital likely to have a significant effect on the

assessment of its own assets and liabilities, financial position or profits and losses.

- (m) Save as described in this Document, neither the Directors nor the Proposed Directors are aware of any environmental issues that may affect the Group's utilisation of its tangible fixed assets.
- (n) Save as described in this Document, the Group is not dependent on patents or licences or industrial, commercial or financial contracts or new manufacturing processes which are material to its business or profitability.
- (o) Save as described in this Document, neither the Directors nor the Proposed Directors are aware of any significant recent trends in production, sales and inventory, and costs and selling prices since the end of the previous financial year (or incorporation, as applicable) (to the date of this Document) and are similarly not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's or the Group's prospects in its current financial year.
- (p) Where information contained in this Document has been sourced from a third party, the Company confirms that such information has been accurately reproduced. So far as the Company is aware and are able to ascertain from the information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- (q) There are no arrangements in existence under which future dividends of the Company are to be waived or agreed to be waived.
- (r) Other than the Rollover Options, no share or loan capital of the Company or any of its subsidiaries is under option or agreed conditionally or unconditionally to be put under option.
- (s) Pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules a person must notify the Company of the percentage of its voting rights he holds as a shareowner or through his direct or indirect holding of certain financial instruments (or a combination of such holdings) if the percentage of those voting rights (a) reaches, exceeds or falls below 3 per cent., 4 per cent., 5 per cent., 6 per cent., 7 per cent., 8 per cent., 9 per cent., 10 per cent. and each 1 per cent. threshold thereafter up to 100 per cent. as result of an acquisition or disposal of shares or such financial instruments; or (b) reaches, exceeds or falls below an applicable threshold in (a) as a result of events changing the breakdown of voting rights and on the basis of information disclosed by the Company in accordance with the Disclosure Guidance and Transparency Rules. Certain voting rights held by investment managers, unit trusts, Open-Ended Investment Companies and market makers can be disregarded except at the thresholds of 5 per cent. and 10 per cent. and above.
- (t) Immediately following Admission it is expected that approximately 28.39 per cent. of the Enlarged Share Capital will be in public hands for the purposes of the Listing Rules.

20 CREST

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. CREST is a voluntary system and holders of Ordinary Shares who wish to have them held outside of CREST will have their details recorded on the Company's register maintained by Share Registrars Limited. The Company's Articles permit the Company to issue shares in uncertificated form in accordance with the CREST Regulations. Accordingly, settlement of transactions in the Ordinary Shares following Admission may continue to take place within the CREST system if Shareowners so wish.

21 THE CITY CODE

The Company is not aware of the existence of any takeover bid pursuant to the rules of the City Code, or any circumstances which may give rise to any takeover bid, and the Company is not aware of any public takeover bid by third parties for the Ordinary Shares.

The City Code applies to the Company. Under the City Code, if an acquisition of Ordinary Shares were to increase the aggregate holding of an acquirer and its concert parties to Ordinary Shares carrying 30

per cent. or more of the voting rights in the Company, the acquirer and, depending on the circumstance, its concert parties, would be required (except with the consent of the Panel) to make a cash offer for the outstanding Ordinary Shares at a price not less than the highest price paid for the Ordinary Shares by the acquirer or its concert parties during the previous 12 months. A similar obligation to make such a mandatory offer would also arise on the acquisition of Ordinary Shares by a person holding (together with its concert parties) Ordinary Shares carrying between 30 and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the voting rights. Once a person, together with persons acting in concert with him, is interested in Ordinary Shares which in aggregate carry more than 50 per cent. of the voting rights of the Company, any further acquisition of shares would not require such a general offer.

Under the City Code, a concert party arises where persons acting together pursuant to an agreement or understanding (whether formal or informal and whether or not in writing) actively co-operate, through the acquisition by them of an interest in shares in a company, to obtain or consolidate control of the company (a **"Concert Party"**). Control means holding, or having aggregate holdings, of an interest in shares carrying 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give *de facto* control. There is a rebuttable presumption under the City Code that shareowners in a private company who sell their shares in that company in consideration for the issue of new shares in a company to which the code applies are acting in concert. However, the presumption has been rebutted in the case of S⁴ Limited.

A circular (the **"Whitewash Circular"**) was sent to Shareowners on 11 September 2018 convening a general meeting at 11.00 a.m. on 27 September 2018. The Whitewash Resolution was proposed and passed at the general meeting of the Company held on 27 September 2018. The Whitewash Resolution approved the waiver by the Panel of the obligation that would otherwise have arisen on the Concert Party (or any member of the Concert Party) to make a general offer for the Company under Rule 9 of the City Code as a result of the issue of the B Share to Sir Martin Sorrell.

On Reverse Takeover Admission, the Directors in aggregate were interested in 48,893,712 Ordinary Shares and the B Share. Following Admission, the Directors and the Proposed Directors are expected, in aggregate, to be interested in 135,611,773 Ordinary Shares representing approximately 37.32 per cent. of the Enlarged Share Capital and the B Share. In the event of an offer, Peter Kim, Christopher Martin and persons expected to be considered to be acting in concert with them will be interested in 37,068,087 Ordinary Shares, representing approximately 10.20 per cent. of the Enlarged Share Capital.

Under the Act, if an offeror were to make a takeover offer for the Ordinary Shares and were to acquire or unconditionally contract to acquire 90 per cent. of the shares to which the offer relates, and 90 per cent. of the voting rights attached to those shares, within three months of the last day on which its offer can be accepted, it could compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding Shareowners in the Company telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding Shareowners. The consideration offered to the Shareowners in the Company whose shares are compulsorily acquired under the Act must, in general, be the same as the consideration that was available under the takeover offer.

The Act also gives minority Shareowners in the Company a right to be bought out in certain circumstances by an offeror who had made a takeover offer. If a takeover offer related to all the Ordinary Shares and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90 per cent. of the Ordinary Shares to which the offer relates, any holder of Ordinary Shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those Ordinary Shares.

The offeror would be required to give any shareowner in the Company notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority Shareowners to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a Shareowner exercises his or her rights, the offeror is bound to acquire those Ordinary Shares on the terms of the offer or on such other terms as may be agreed.

22 AUDITORS AND ACCOUNTING POLICIES

The auditors of the Company will be PricewaterhouseCoopers LLP whose registered address is at 1 Embankment Place, London WC2N 6RH.

haysmacintyre have agreed to resign as the Company's auditors.

The audited accounts of the Company are prepared in accordance with IFRS.

The Company was incorporated on 14 November 2016. The Company's annual report and consolidated accounts will be prepared up to 31 December in each year and copies of the report and accounts will be sent to Shareowners within the following four months. Shareowners will also receive an unaudited interim report covering the six month period to 30 June in each year, which will be dispatched to Shareowners within the following two months. Where Shareowners have consented, the Registrar is authorised by the Company to deliver the aforementioned reports and accounts to Shareowners in electronic form. Shareowners will be sent updates on the Group's activities as and when appropriate and in accordance with the Disclosure Guidance and Transparency Rules.

23 DOCUMENTS AVAILABLE FOR INSPECTION

- (a) Copies of the following documents are displayed on the Company's website at www.s4capital.com and may be inspected at the registered office of the Company during usual business hours on any weekday (save for Saturdays, Sundays and public holidays) from the date of this Document until one month following Admission:
- (i) the memorandum and articles of association of the Company;
 - (ii) the audited consolidated financial accounts of the Company for the year ended 31 December 2017;
 - (iii) the prospectus of the Company dated 11 September 2018;
 - (iv) the unaudited interim accounts of the Company for the six months to 30 June 2018;
 - (v) the letters of consent given by PricewaterhouseCoopers LLP, BDO and haysmacintyre; and
 - (vi) this Document.
- (b) All reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request, any part of which is included or referred to in this Document, may be inspected at the registered office of the Company during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this Document until one month following Admission.

Dated: 4 December 2018

PART XV - DEFINITIONS AND GLOSSARY

DEFINITIONS AND ABBREVIATIONS

The following definitions apply throughout this Document, unless the context requires otherwise:

A1 Incentive Shares	the "A1" ordinary shares of £2.00 each in the capital of S ⁴ Limited;
A2 Incentive Shares	the "A2" ordinary shares of £2.00 each in the capital of S ⁴ Limited;
A2 Majority	the holder of the majority of the A2 Incentive Shares from time to time;
Act or Companies Act	the Companies Act 2006 as amended, modified or supplemented from time to time;
Admission	the admission of the New Ordinary Shares to the standard segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities;
Application Form	application form which accompanies this Document for Qualifying non-CREST Shareowners for use in connection with the Open Offer;
Articles	the articles of association of the Company;
Available Shares	the 16,113,694 New Ordinary Shares that would have been the subject of the Open Offer Entitlements of Sir Martin Sorrell, Peter Rademaker, Daniel Pinto, the EBT and the holding companies of Victor Knaap and Wesley ter Haar (Oro en Fools B.V. and Zen 2 B.V.);
B Share	the "B" ordinary share of £1.00 in the capital of the Company;
B Share Rights	the control rights of the holder of the B Share;
BDO	BDO LLP;
Bidco	S ⁴ Capital Acquisitions 3 B.V., a company incorporated in the Netherlands under company number 71921370, an indirect wholly-owned subsidiary of S ⁴ Limited;
CAGR	compound annual growth rate;
Cause	any of: <ul style="list-style-type: none">(a) conviction for any imprisonable offence (other than an offence under road traffic legislation in the UK or elsewhere for which a fine or non-custodial penalty is imposed);(b) conviction for fraud;(c) disqualification from acting as a director; or(d) declaration of bankruptcy (or analogous procedures in any jurisdiction).
certificated or in certificated	a share or security which is not in uncertificated form;

form

City Code	The City Code on Takeovers and Mergers issued and administered by the UK Panel on Takeovers and Mergers, as amended, modified or supplemented from time to time;
Circular	the circular of the Company dated on or about the date of this Document including a notice to convene the General Meeting;
Closing Price	the closing, mid-market price of an Existing Ordinary Share on 3 December 2018 (the last business day prior to the announcement of the Issue) as published by the London Stock Exchange;
Companies Law	the Companies (Jersey) Law 1991 (as amended from time to time);
Company or S⁴ Capital	S ⁴ Capital plc, a public company limited by shares incorporated in England and Wales with registered number 10476913;
Concert Party	the Shareowners considered by the Company to be acting in concert with Sir Martin Sorrell;
Consideration Issue	the issue of 37,068,087 New Ordinary Shares to the MightyHive Equityowners pursuant to the Merger Agreement;
CREST	the relevant system (as defined in CREST Regulations) for the paperless settlement of share transfers and the holding of shares in uncertificated form which is administered by Euroclear;
CREST Manual	the rules governing the operation of CREST;
CREST member	a person who has been admitted to Euroclear as a system member (as defined in the Regulations);
CREST participant	a person who has been admitted to Euroclear as a system participant (as defined in the Regulations);
CREST payment	has the meaning given to it in the CREST Manual;
CREST proxy instruction	has the meaning given to it in the CREST Manual;
CREST sponsor	a CREST participant admitted to CREST as a CREST sponsor;
CREST sponsored member	a CREST member admitted to CREST as a CREST sponsored member;
CREST Regulations	the UK Uncertificated Securities Regulations 2001 (as amended) including any modification or re-enactment thereof for the time being in force and such other regulations as are applicable to Euroclear and/or CREST;
Data Protection Legislation	EU Regulation 2016/679 (" GDPR ") or any equivalent or similar legislation implemented in the United Kingdom following the United Kingdom's withdrawal from the European Union;

Derriston Founders	Harry Hyman, Rodger Sargent and 3B Capital Limited;
Derriston Founder Shares	the Old Ordinary Shares subscribed for by the Derriston Founders pursuant to the Derriston Subscription Letters described more fully in paragraph 13 of Part XIV of this Document;
Derriston Performance Condition	the performance condition to which the Derriston Founder Shares were subject until released pursuant to an ordinary resolution of the Shareowners on 23 July 2018;
Directors or Board	the board of directors of the Company as at the date of this Document, whose names are set out in Part VII of this Document;
Disclosure Guidance and Transparency Rules or DTR	the Disclosure Guidance and Transparency Rules made by the FCA under Part VI of the FSMA;
Document	this prospectus;
Dowgate	Dowgate Capital Limited, Joint Broker and Joint Bookrunner for the Company;
EBT	the S ⁴ Capital Employee Benefit Trust established by the Company;
EBT Subscription	conditional on Admission, the subscription by the EBT for 3,561,431 New Ordinary Shares;
EEA	the European Economic Area;
EEA States	the member states of the European Union and the European Economic Area, each an "EEA State";
Enlarged Group	the Group following completion of the MightyHive Acquisition;
Enlarged S⁴ Limited Group	S ⁴ Limited and its subsidiaries following completion of the the MediaMonks Acquisition;
Enlarged Share Capital	the entire issued share capital of the Company following the issue of the New Ordinary Shares;
Equity Interest	a holding of Ordinary Shares, a contract for difference or other derivative which itself results in having a long position in Ordinary Shares;
ERISA	the US Employee Retirement Income Security Act of 1974, as amended;
EU or European Union	an economic and political confederation of European nations which share a common foreign and security policy and co-operate on justice and home affairs;
EURIBOR	the applicable reference rate under the HSBC Facilities Agreement;

Euroclear	Euroclear UK & Ireland Limited, the operator of CREST;
Excess Shares	the New Ordinary Shares (other than the Available Shares) not taken up by Shareowners under the Open Offer;
Excluded Overseas Shareowners	(other than as agreed in writing by the Company and as permitted by applicable law) Shareowners who are resident or otherwise located in any Excluded Territory;
Excluded Territories	Australia, Canada, Guernsey, Japan, Jersey, Hong Kong Special Administrative Region of the People's Republic of China, Switzerland and the United States or territories for which the distribution of this Document and any accompanying documents or the making of the offer to subscribe for New Ordinary Shares pursuant to the Issue may constitute a violation of relevant securities laws and " Excluded Territory " shall mean any of them;
Executive Directors	Sir Martin Sorrell, Victor Knaap, Wesley ter Haar and Peter Rademaker, and, following Admission, Peter Kim and Christopher Martin;
Existing Ordinary Shares	the 255,494,678 Ordinary Shares in issue as at the date of this Document;
FCA	the Financial Conduct Authority of the United Kingdom or any successor body;
Firm Placee	any person who has agreed to subscribe for Firm Placed Shares pursuant to the Firm Placing;
Firm Placed Shares	the 25,549,460 New Ordinary Shares which the Company is proposing to issue pursuant to the Firm Placing;
Firm Placing	the subscription by the Firm Placees for the Firm Placed Shares;
Form of Proxy	the form of proxy enclosed with the Circular for use in connection with the General Meeting;
First Admission	the first admission on 29 December 2016 of the Old Ordinary Shares to listing on the standard segment of the official list and to trading on the London Stock Exchange's Main Market for listed securities;
FSMA	the Financial Services and Markets Act 2000, as amended, modified or supplemented from time to time;
General Meeting	the general meeting of the Company convened by the Notice of General Meeting, to be held at the offices of Travers Smith LLP, 10 Snow Hill, London EC1A 2AL at 11.00 a.m. on 20 December 2018;
Group	the Company and its subsidiaries from time to time;
HMRC	HM Revenue and Customs;

HSBC	HSBC Bank plc, Joint Broker, Joint Bookrunner and principal bankers to the Company;
HSBC Facilities Agreement	the English law senior unsecured term and revolving credit facility agreement described more fully in paragraph 12 of Part XIV of this Document;
Holdco	S ⁴ Capital Acquisitions 1 Limited, a subsidiary of S ⁴ Limited and the parent of Midco, and indirectly a wholly-owned subsidiary of S ⁴ Limited;
IFRS	the International Financial Reporting Standards, as adopted by the European Union;
Incentive Shares	the A1 Incentive Shares and the A2 Incentive Shares;
Interest Cover Ratio	the ratio of EBITDA (calculated as consolidated operating profit before tax subject to certain adjustments) to the Group's net finance costs in the relevant period;
Issue	the Firm Placing and Placing and Open Offer;
Issue Price	110 pence per New Ordinary Share;
Issue Resolution	the Resolution numbered 1 in the Notice of General Meeting;
Joint Bookrunners	HSBC and Dowgate;
July Placing	the placing of 108,593,040 S ⁴ Limited Ordinary Shares by Dowgate pursuant to the July Placing Agreement which completed on 9 July 2018;
July Placing Agreement	the placing agreement dated 6 July 2018 between S ⁴ Limited and Dowgate relating to the July Placing, summary details are set out in paragraph 12 of Part XIV of this Document;
Listing Rules	the Listing Rules made by the FCA under Part VI of the FSMA;
London Stock Exchange	London Stock Exchange plc;
Market Abuse Regulation	Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse;
MediaMonks	the business owned and operated by the MediaMonks Group and acquired by S ⁴ Limited pursuant to the MediaMonks Acquisition Agreement;
MediaMonks Acquisition	the acquisition of MediaMonks Multimedia Holding B.V. by Bidco pursuant to the MediaMonks Acquisition Agreement;
MediaMonks Acquisition Agreement	the share sale and purchase agreement dated 6 July 2018 relating to MediaMonks Multimedia Holding B.V. as more fully described in paragraph 12 of Part XIV of this Document;

MediaMonks Affiliates	Superhero Cheesecake B.V., Made For Digital Holding B.V., and eBuilders B.V.;
MediaMonks Affiliate Acquisition Agreements	the agreements dated 9 July 2018 pursuant to which MediaMonks acquired the Minority Interests;
MediaMonks Group	MediaMonks Multimedia Holding B.V. and its subsidiaries from time to time;
MediaMonks Subscribers	(i) the management shareowners of Zen, comprising: Victor Knaap and Wesley ter Haar (through their jointly-owned holding company, Oro en Fools B.V.); certain funds managed by Bencis Capital Partners (through a Zen 2 B.V., a pooling vehicle with Oro en Fools B.V.); Peter Rademaker and certain other members of the management of the MediaMonks Group; and (ii) the vendors of shares in the MediaMonks Affiliates not already owned by the MediaMonks Group prior to 9 July 2018 pursuant to the MediaMonks Affiliate Acquisition Agreements;
MediaMonks Subscription Shares	the 47,974,846 S ⁴ Limited Ordinary Shares subscribed for by the MediaMonks Subscribers under the MediaMonks Subscription Agreements;
MediaMonks Subscription	the subscription by the MediaMonks Subscribers for the MediaMonks Subscription Shares pursuant to the MediaMonks Subscription Agreements;
MediaMonks Subscription Agreements	the subscription agreements entered into between S ⁴ Limited and each of the MediaMonks Subscribers, as described more fully in paragraph 4 of Part III of this Document;
Member State	a member of the EEA;
MergeCo	S4 Capital MergeCo, Inc., a corporation with limited liability incorporated and registered in Delaware, having its registered office at 850 New Burton Road, Suite 201, Dover, Delaware 19904 USA and with file number 7164922;
Merger Agreement	the merger agreement dated 3 December 2018 pursuant to which MightyHive will, upon Admission, merge with and into MergeCo, as more fully described in paragraph 3 of Part III of this Document;
MightyHive	MightyHive, Inc.;
MightyHive Acquisition	the merger of MightyHive with and into MergeCo pursuant to the Merger Agreement;
MightyHive Common Shares	the common shares in MightyHive;
MightyHive Equityowner Lock-in Deeds	the lock-in deeds entered into between each of the MightyHive Equityowners and the Company, HSBC and Dowgate as described more fully in paragraph 12 of Part XIV of this Document;

MightyHive Equityowners	the holders of MightyHive Common Shares and/or MightyHive Options;
MightyHive Group	MightyHive and its subsidiary undertakings from time to time;
MightyHive Options	options over the capital of MightyHive;
MightyHive Preferred Shares	the preferred shares in MightyHive;
MiFID II	EU Directive 2014/65/EU on markets in financial instruments, as amended;
MiFID II Product Governance Requirements	Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II, as well as local implementing measures;
Minority Interests	the interests in the MediaMonks Affiliates not already owned by the MediaMonks Group prior to completion of the MediaMonks Acquisition Agreement;
Midco	S ⁴ Capital Acquisitions 2 Limited, a subsidiary of Holdco and the parent of Bidco;
Money Laundering Regulations	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017;
Net Debt to EBITDA Ratio	the ratio of net debt (calculated to (i) exclude intra-Group debt; (ii) include only the capitalised value of finance leases, and (iii) take account of the Group's cash and cash equivalents from time to time) to EBITDA (calculated as consolidated operating profit before tax subject to certain adjustments);
New Ordinary Shares	the 67,272,727 new Ordinary Shares to be allotted and issued pursuant to the Issue, the 37,068,087 new Ordinary Shares to be issued pursuant to the Consideration Issue and the 3,561,431 new Ordinary Shares to be allotted and issued to the EBT pursuant to the EBT Subscription;
Non-Executive Directors	Paul Roy, Rupert Faure Walker and Sue Prevezer, and, following Admission, Daniel Pinto;
Notice of General Meeting	the notice convening the General Meeting set out at the end of the Circular;
Official List	the Official List of the UKLA;
Old Ordinary Shares	the ordinary shares of the Company in existence prior to Reverse Takeover Admission having a nominal value of 2.5 pence each;
Open Offer	the conditional invitation to Qualifying Shareowners to apply for the Open Offer Shares at the Issue Price on a pre-emptive basis;

Open Offer Entitlement	the pro rata entitlement to subscribe for Open Offer Shares allocated to a Qualifying Shareowner pursuant to the Open Offer;
Open Offer Shares	the 41,723,267 New Ordinary Shares for which Qualifying Shareowners are being invited to apply at the Issue Price to be issued pursuant to the terms of the Open Offer;
Ordinary Shares	the ordinary shares of the Company, having a nominal value of £0.25;
Overseas Shareowners	Shareowners who are resident in, ordinarily resident in, located in or citizens of, jurisdictions outside the UK;
Panel	the Panel on Takeovers and Mergers;
Panel Waiver	the waiver by the Panel of the obligation that would otherwise arise on certain shareowners of the Company (or any member thereof) to make a general offer under Rule 9 of the Takeover Code;
PK Side Letter	the side letter to the Merger Agreement dated 3 December 2018 pursuant to which Peter Kim agreed to receive 50 per cent. of the aggregate consideration due to him under the Merger Agreement in New Ordinary Shares and 50 per cent. in cash;
Placing	the conditional placing by HSBC and Dowgate of the Placing Shares, subject to clawback pursuant to the Open Offer, on behalf of the Company on the terms and subject to the conditions contained in the Placing Agreement;
Placing Agreement	the Placing Agreement dated 4 December 2018 in relation to the Issue made between HSBC, Dowgate, Sir Martin Sorrell and the Company, the terms of which are summarised in paragraph 12 of Part XIV (Additional Information) of this Document;
Placing Shares	the 41,723,267 New Ordinary Shares to be conditionally placed with institutional and certain other investors pursuant to the terms of the Placing;
Placee	any person who has agreed to subscribe for Placing Shares pursuant to the Placing;
Premium Listing	a premium listing under Chapter 6 of the Listing Rules;
Proposed Directors	the proposed directors of the Company as set out in Part VII of this Document, expected to be appointed to the Board immediately following Admission;
Prospectus Rules	the prospectus rules of the UKLA made in accordance with section 73A of FSMA, as amended from time to time;
Qualifying CREST Shareowners	Qualifying Shareowners holding Ordinary Shares in uncertificated form;

Qualifying non-CREST Shareowners	Qualifying Shareowners holding Ordinary Shares in certificated form;
Qualifying Shareowners	holders of Ordinary Shares (other than Excluded Overseas Shareowners) on the Company's register of members on the Record Date;
Receiving Agent	Share Registrars Limited;
Record Date	the record date for the Open Offer, being close of business on 3 December 2018;
Regulation S	Regulation S under the US Securities Act;
Regulatory Information Service	a service provided by the London Stock Exchange for the distribution to the public of announcements and included within the list maintained at the London Stock Exchange's website;
Relationship Agreement	the relationship agreement between Sir Martin Sorrell and the Company dated 10 September 2018 as described more fully in paragraph 3 of Part III of this Document;
Relevant Member State	each Member State of the European Economic Area that has implemented the Prospectus Directive;
Resolutions	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting included with the Circular;
Reverse Takeover Admission	the readmission of the Company's Ordinary Shares to the standard segment of the Official List and to trading on the London Stock Exchange's Main Market on 28 September 2018 in connection with the Company's acquisition of S ⁴ Limited;
Revolving Facility	the €15 million revolving credit facility made available to the Group by HSBC Bank plc pursuant to the HSBC Facilities Agreement;
Rollover Options	the options over Ordinary Shares in the Company to be granted to MightyHive Equityowners who hold MightyHive Options that will be cancelled upon Admission;
Rule 144A	Rule 144A under the US Securities Act;
S⁴ Acquisition	the acquisition of the S ⁴ Limited Ordinary Shares and the S ⁴ Limited Founder Shares by the Company pursuant to the S ⁴ Acquisition Agreement;
S⁴ Acquisition Agreement	the share purchase agreement originally dated 29 May 2018 and amended and restated on 10 September 2018 to reflect the MediaMonks Acquisition pursuant to which the Company acquired S ⁴ Limited Ordinary Shares and the S ⁴ Limited Founder Shares;
S⁴ Limited	S ⁴ Capital 2 Limited (formerly S ⁴ Capital Limited), a private company limited by shares incorporated in Jersey with registered number

	126474;
S⁴ Limited Founder Shares	the 39,900,000 "B" ordinary shares of £0.001 each in the capital of S ⁴ Limited to be acquired by the Company pursuant to the S ⁴ Acquisition Agreement;
S⁴ Limited Ordinary Shares	the ordinary shares of £0.001 each in the capital of S ⁴ Limited;
Shareowner	a holder of Ordinary Shares;
Shareowner Commissions	commissions payable to Placees pursuant to the Placing Agreement;
Significant Shareowner	a Shareowner who holds three per cent. or more of the Ordinary Shares, current details of whom are set out in paragraph 5 of Part XIV of this Document;
SMS Indemnity	the indemnity given by Sir Martin Sorrell in favour of the Company and S ⁴ Limited in respect of any losses incurred as a result of the allegations made by WPP plc against Sir Martin Sorrell;
Standard Listing	a standard listing under Chapter 14 of the Listing Rules;
Stanhope	SEF4 Investment SCSp, acting by its General Partner, Portman Square General Partner S.à r.l.;
Stanhope Lock-in Deed	the lock-in deed between Stanhope, HSBC, Dowgate and the Company as described more fully in paragraph 5 of Part I of this Document;
Strategic Relationship Agreement	the strategic relationship agreement between the Company and Stanhope, as described more fully in paragraph 5 of Part I of this Document;
Term Loan	the €50 million term facility made available to the Group by HSBC Bank plc pursuant to the HSBC Facilities Agreement and drawn down in full in order to fund the MediaMonks Acquisition;
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland;
UKLA	the United Kingdom Listing Authority, being the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
UK Money Laundering Regulations	the Money Laundering Regulations and any other applicable anti-money laundering guidance, regulations or legislation;
uncertificated or in uncertificated form	recorded on the register of Ordinary Shares as being held in uncertificated form in CREST, entitlement to which, by virtue of the CREST Regulations, may be transferred by of CREST;
United States or US	has the meaning given to the term "United States" in Regulation S;
US Investment Company Act	the US Investment Company Act of 1940, as amended, and related

	rules;
US Securities Act	the US Securities Act of 1933, as amended;
US Holdco	S4 Capital US Holdings LLC, a wholly-owned indirect subsidiary of the Company incorporated and registered in Delaware, USA, having its registered office at 850 New Burton Road, Suite 201, Dover, Delaware 19904 and with file number 7164917;
VAT	UK value added tax;
Whitewash Circular	the circular of the Company dated 11 September 2018 which, <i>inter alia</i> , convened a general meeting of the Company at which the Whitewash Resolution was proposed and passed;
Whitewash Resolution	the ordinary resolution of the independent Shareowners taken on a poll at the general meeting of the Company held on 27 September 2018 to approve the waiver by the Panel of the obligation that would otherwise have arisen on certain Shareowners to make a general offer for the Company under Rule 9 of the City Code as a result of the issue of the B Share to Sir Martin Sorrell upon Reverse Takeover Admission; and
Zen	Zen B.V.

GLOSSARY OF TECHNICAL TERMS

AI	artificial intelligence;
AM	a MightyHive client account manager;
API	application programming interface, a set of functions and procedures that allow the creation of applications which access the features or data of an operating system, application, or other service;
AR	augmented reality;
DSP	demand-side platform, a system that allows buyers of digital advertising inventory to manage multiple ad exchange and data exchange accounts through one interface;
CMS	content management system;
CRM	customer relationship management;
MarTech	marketing technology;
Programmatic	buying digital advertising space automatically, with algorithms informed by data determining which advertising spaces to buy, how much to pay for them, and which ads to deliver in the acquired space;
QA	quality assurance;
ROI	return on investment, specifically sales generated by advertising spend;
UX	user experience;
Voice	voice-controlled technologies (such as smart-speakers and digital assistants); and
VR	virtual reality.