



INTERIM RESULTS PRESENTATION

6 MONTHS ENDED 30 JUNE 2018

September/October 2018

AGENDA

1. Brief Overview of Ebiquity
2. H1 '18 Highlights
3. Strategic Update
4. Financial Performance
5. Summary
6. Financial Appendices

1. Brief Overview of Ebiquity

OVERVIEW OF EBIQUITY

Ebiquity is a leading **independent** marketing and media consultancy

LARGE ADVERTISERS

We work with **80 of the world's top 100 advertisers** and leading brands within the world's largest markets

'LEFT BRAIN' ADVISORY

A focus on helping marketers leverage data to drive improvement in their marketing results with a **typical ROI of 5-10x our fees**

FULL INDEPENDENCE

No media buying or planning activities; **media/agency neutral**

DRIVING ACCOUNTABILITY

We help **drive accountability across key marketing investments**

OVERVIEW OF EBIQUITY

We go to market with four practice areas, each covering critical CMO challenges

Ebiquity
Media

Achieve greater **transparency** of your media spend and performance

Ebiquity
Analytics

Build an evidence-based marketing **programme** rooted in data and analytics

Ebiquity
Tech

Select the right technology ecosystem to **create a single customer view**

Ebiquity
Intel

Gain deep **competitive and consumer insights** about advertising

Reporting segments prior to 2018:

MVM

MPO

New Practice

AdIntel

New reporting segments:

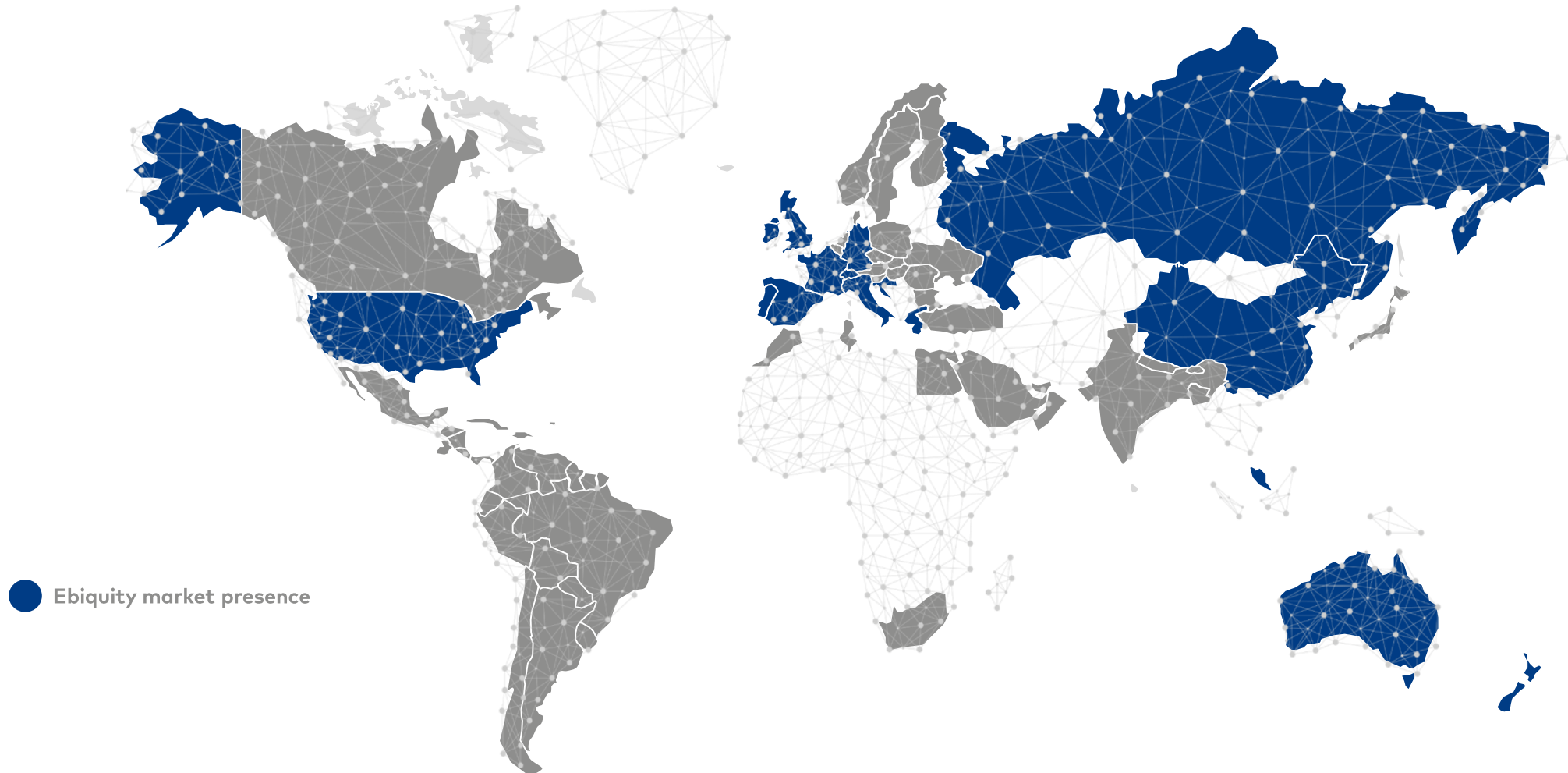
Media

Analytics & Tech

Intel

OVERVIEW OF EBIQUITY

Our team of 900 FTEs in 20 offices cover the major advertising markets



OVERVIEW OF EBIQUITY

We work with leading global and national brands across industry verticals



OVERVIEW OF EBIQUITY

We hold a market leadership position in many of our service areas

#1 in media performance measurement with ~60% share, more markets, biggest pool, and better clients than any competitor

#1 in media agency selection with ~100 assignments per year

#1 in contract compliance auditing with ~70% share globally

Leading independent marketing analytics consultants in the UK, with an award-winning analytics and data science team

Analytics agreements with Facebook, Google, Adobe, and other major digital media and marketing technology players

2. H1 '18 Highlights

H1 '18 HIGHLIGHTS

Strong revenue performance from Media, Analytics, and Tech, while the Intel practice declined by 8.8% Like for Like* (LFL)

	MEDIA	ANALYTICS & TECH	INTEL	TOTAL
Reported revenue growth	4.9%	15.9%	(12.8)%	1.9%
Like for Like* (LFL) revenue growth	6.4%	11.7%	(8.8)%	3.4%

*Like for like ("LFL") figures adjust the prior year results to include the results of acquisitions as if they had been owned by the same period in the prior year and is calculated by taking current year denominated results restated at last year's foreign exchange rates.

H1 '18 HIGHLIGHTS

Operational and Market Highlights

- › Planned sale of Intel business to Nielsen (announced in February 2018), subject to Phase 2 investigation by the CMA, is expected to conclude in December 2018
- › Investment of £1.5m in continuing to scale the Media, Analytics and Tech practices and developing client and operational capabilities
- › Strong revenue growth from restructured US media business led to US LFL revenue growth of 19% (ex Intel) against 2017. Continued assessment of US Digital Analytics service offering
- › Significant new contract wins in the Advanced Analytics practice, with continued demand from clients for independent advice, particularly in return on marketing investment modelling
- › Successful launch of Tech advisory practice in the UK
- › Good H1 performance from Contract Compliance business (FirmDecisions) driven by further client focus on media transparency
- › Andrew Noble has resigned as Chief Financial Officer. Recruitment process for his successor is underway

H1 '18 HIGHLIGHTS

Financial Highlights

- › Total revenue up 1.9% on a reported basis to £45.5m (HY2017: £44.6m), with LFL revenue up 3.4% against 2017
- › Strong sales performance from Media and Analytics & Tech segments with LFL revenue up 7%
- › Intel LFL revenue down 8.8% impacted by some client losses and uncertainty arising from the Competition and Markets Authority (CMA) investigation, which has slowed new business
- › Underlying PBT of £3.6m (HY2017: £6.2m)
- › Underlying diluted EPS of 2.8p (HY2017: 5.6p)

3. Strategic Update

HIGHLIGHTS

We are continuing to align our service offering against several key strategic opportunities

	1. CONTINUED DRIVE FOR TRANSPARENCY	2. THE RISE OF IN-HOUSING	3. NEW CLIENT-AGENCY PARTNERSHIP MODELS	4. SCRUTINY ON IMPACT OF MARKETING INVESTMENT
TREND	<ul style="list-style-type: none">› Still ranks first among the industry's biggest challenges in 2018› Almost half of all marketers believe it is the leading industry issue	<ul style="list-style-type: none">› Some large brands already in-housing creative capabilities› Many now evaluating whether to in-house certain media execution functions	<ul style="list-style-type: none">› ~\$12bn in media spend up for review in H1 2018› Many clients are reviewing their agency setup to ensure they are future proofed	<ul style="list-style-type: none">› Less than a quarter of CMOs are confident that they have the right ROI measurement in place› Growing interest in understanding short-vs long-term marketing impact
OPPORTUNITY	 <ul style="list-style-type: none">› Ebiquity's core Media advisory services well placed to help brands achieve transparency	 <ul style="list-style-type: none">› With few independent advisory options available to clients, our Tech practice is expanding its offering in this space	 <ul style="list-style-type: none">› Unique media data and insights, international expertise, and a global agency management framework make us uniquely positioned to guide clients	 <ul style="list-style-type: none">› Well positioned in Advanced Analytics to help brands quantify long-term impacts

Sources: WARC Media2020; COMvergence H1 2018; The Nielsen CMO Report 2018

HIGHLIGHTS

During H1 2018 we invested £1.5m to enhance our client and operational capabilities

KEY INVESTMENTS DURING H1 2018

Media	Ebiquity Connect	› Rollout of new data validation tool to drive efficiency and increased data security
	Media Service Delivery Centres	› Launched near-shore delivery centre
	Digital Benchmarking	› Piloting expanded and standardised digital benchmarking methodology in key markets
	Ebiquity ValueCompass	› Launched entry-level media benchmarking service line
	FirmDecisions Rollout	› Hired staff to continue scaling our contract compliance practice in local markets
Analytics & Tech	Advanced Analytics Talent	› Continued investment in the advanced analytics talent
	Tech Expansion	› Started expanding our recently launched UK Tech advisory practice to Germany
Cross-Practice	Brand Refresh	› Expanded number of client events and sales materials to drive our profile
	Client Partners	› Appointed a small number of client partners to better service our biggest revenue opportunities

HIGHLIGHTS

These investments have already led to tangible results in H1 2018

Continued Leadership in Agency Selection

- › Significant client wins for multi-market agency management assignments, including McDonald's and FCA



Global Wins in Advanced Analytics

- › Large global assignments with several major brands, e.g. a big telco provider and a large auto brand

High Rates of Recurring Revenues

- › High rate of recurring revenues in our core practices, e.g. over 70% in our Media practice

Strong Client Relationships

- › 100% retention rate of our Top 50 clients in H1 '18 as compared to H1 '17

Service Excellence Innovation

- › Nominated for four IPA effectiveness awards

HIGHLIGHTS

In H2 2018 we are focusing on the following initiatives

- › Working with the CMA during Phase II of their investigation into the planned sale of the AdIntel business
- › Finalising Plan B for the Intel practice
- › Investing in strengthening our Media and Analytics and Tech practices
- › Evolution of the business to becoming a more client-centric organisation

4. Financial Performance

FINANCIAL PERFORMANCE

Our revenues are up +1.9% (LFL CC +3.4). Underlying* Profit before Tax of £3.6m

Group	Six months ended June 2018	Six months ended June 2017
Revenue	£45.5m	£44.6m
Underlying (U/L) Op Profit	£4.2m	£6.7m
<i>U/L Op mgn</i>	9.2%	15.1%
U/L PBT	£3.6m	£6.2m
U/L effective tax rate	29.7%	23.3%
U/L fully diluted EPS	2.8p	5.6p
Operating cash flow	168%	89%
Net Debt	£25.7m	£26.3m

*Underlying results are stated before highlighted items

- Operating margin at 9.2% reflects performance of Intel and investment of £1.5m in scaling growing practices and developing client and operational capabilities
- Effective tax rate on underlying profit increased to 29.3% due to net under-provision of tax from prior years, (24.3% excluding under-provision)
- Excellent operating cash conversion of 168% reflecting concerted focus on working capital
- Net debt reduced to £25.7m, below June 2017 and £3.2m below December 2017.

FINANCIALS – MEDIA SEGMENT

Media LFL revenue up +5.9% to £28.0m, with strong performance from US and Contract Compliance

Media	Six months ended June 2018	Six months ended June 2017
Revenue	£28.0m	£26.7m
Operating profit	£7.3m	£7.9m
Margin	25.9%	29.5%

- US Media performance bounced back strongly with a number of new business wins following restructure of management team
- Focus on media transparency continues to benefit Contract Compliance (FirmDecisions)
- European revenues broadly flat, with delays in contract renewal cycle making revenue more second-half weighted
- Revenue decline in China – new management team in place
- Margins reflect revenue being less first-half weighted, together with investment in scaling contract compliance teams and operational capabilities

FINANCIALS – ANALYTICS & TECH SEGMENT

LFL revenue up 11.7% led by new business wins in Advanced Analytics. Margin impacted by US performance and investment in Advanced Analytics and Tech

Analytics & Tech	Six months ended June 2018	Six months ended June 2017
Revenue	£7.3m	£6.3m
Operating profit	£0.4m	£0.9m
Margin	5.7%	14.2%

- UK based Advanced Analytics and Tech practices LFL revenue growth c30%, through growth in UK and International client relationships
- Slower talent acquisition and new business from Advanced Analytics outside of the UK
- In the US, LFL revenue fell by 9% from Digital Analytics (formerly Stratigent). Continued assessment of US Digital Analytics service offering
- Digital Balance in Australia continues to perform in line with management expectations

FINANCIALS – INTEL SEGMENT

Intel revenue reduces by 8.8%, leading to significant decline in operating profit

Intel	Six months ended June 2018	Six months ended June 2017
Revenue	£10.1m	£11.6m
Operating profit	£0.5m	£1.4m
Margin	5.1%	12.2%

- LFL revenue down 8.8% impacted by contract losses and impact of CMA investigation on new business
- Revenue decline steepest in UK International and deep-dive services, with revenues outside of the UK broadly flat
- Due to fixed cost nature of the business, decline in revenues only marginally offset by cost reductions
- Project based Reputation business disposed in March 2018. Revenue and costs of £0.2m included in 2018 segmental P&L

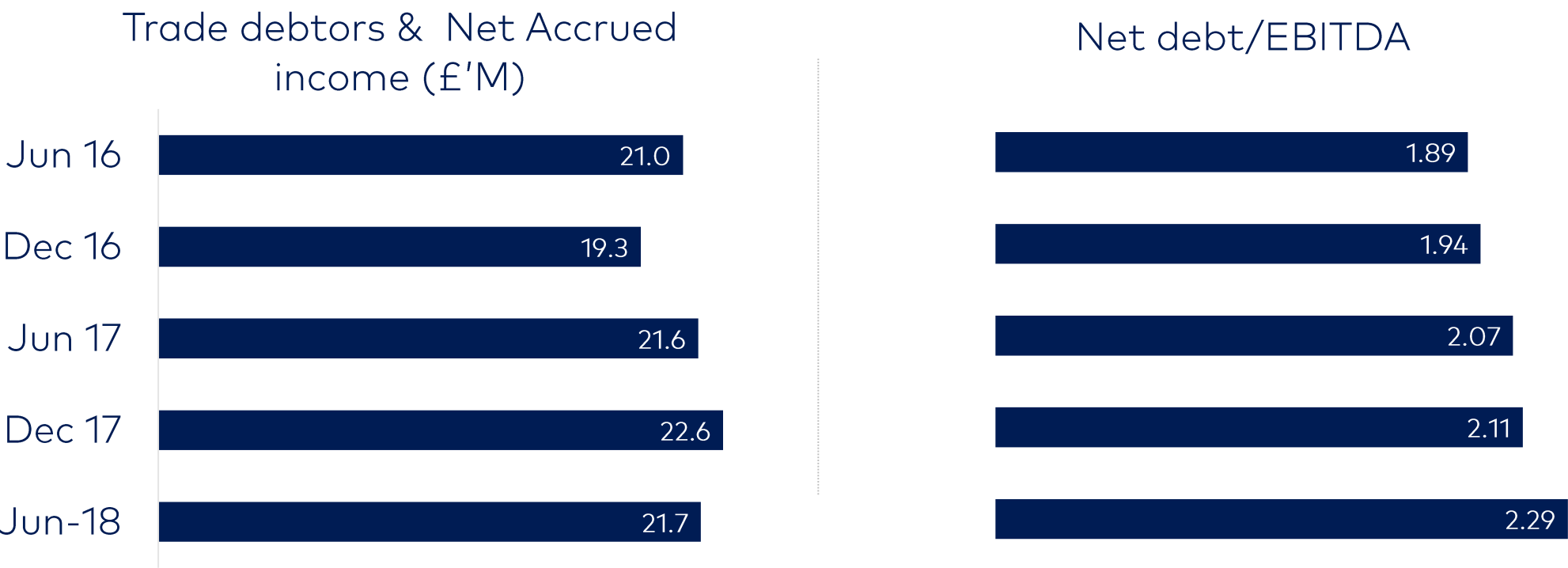
FINANCIALS

Net debt decreased by £3.2m since December 2017 due to improved working capital management



FINANCIAL PERFORMANCE

Reduction of £0.9m in trade debtors and net accrued income



5. Summary

SUMMARY

While the Intel practice has impacted our H1 results, we are confident in the long-term market opportunities as clients seek independent advice

MARKET POSITION	SUMMARY
Strong growth in Media, Analytics & Tech practices	› 7% LFL growth in our core business
Attractive client base	› We work with 80 of the world's top 100 advertisers
High rate of recurring revenues	› 70%+ recurring revenues in our media practice
Strong client relationships	› 100% retention of our Top 50 clients (H1 '18 vs H1 '17)
Market leaders in independent media advisory services	› World's largest independent media advisors, with ~500 media and marketing advisors across 14 markets
Well positioned for future growth	› A core service offering well aligned to structural market opportunities in media and marketing



Thank you for your time.

About Ebiquity

We are a leading [independent](#) marketing and media consultancy

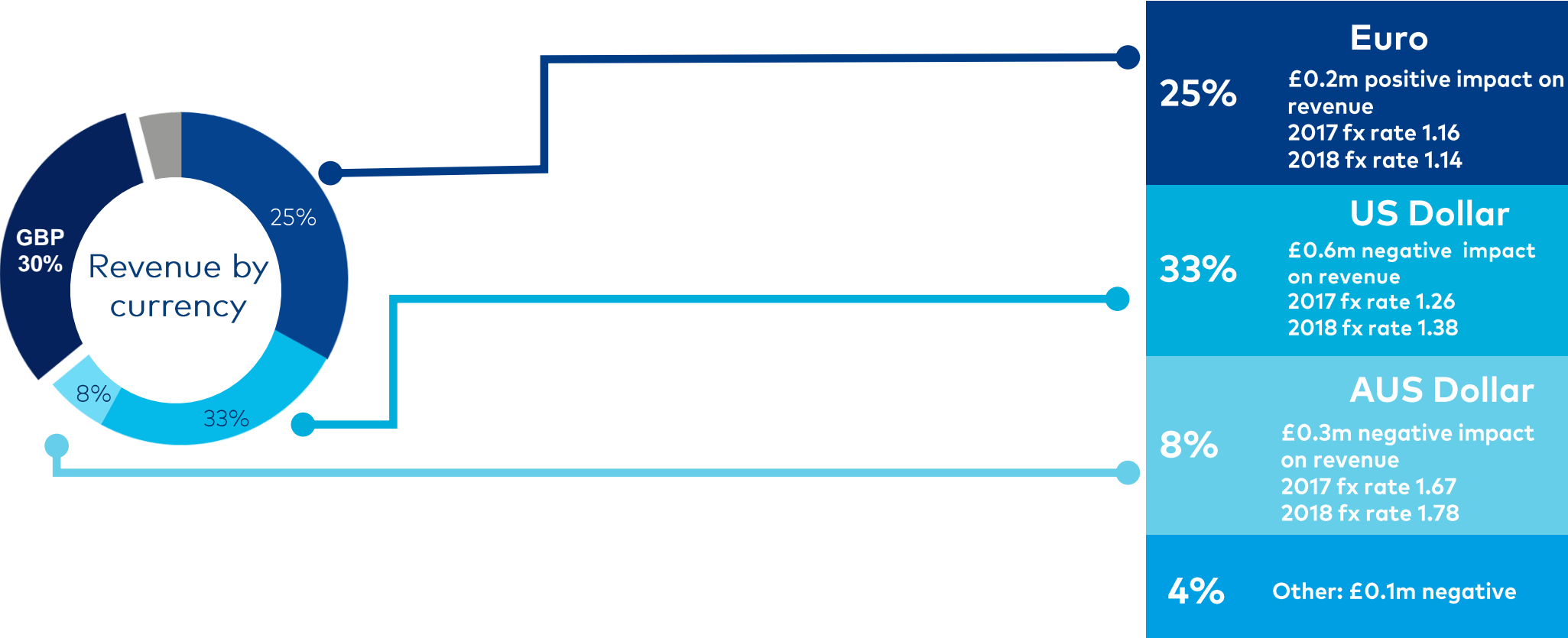
Our focus is on helping brands make better informed marketing investment decisions



6. Financial Appendices

FINANCIAL APPENDICES

1.6% negative foreign exchange impact on revenue



Note: 70% of revenue in the period is non-GBP. This has had a £0.7m negative impact on revenue (2017: positive £2.5m) Operating profit impact £0.1m negative (2017: positive £0.5m).

FINANCIAL APPENDICES

Segmental reporting

6m to June 2018	Media	Intel	Tech & Analytics	Total segments	Central costs	Total
Revenue	27,993	10,110	7,347	45,450	-	45,450
Underlying operating profit	7,203	512	422	8,137	(3,972)	4,165
Margin	25.7%	5.1%	5.7%	18.0%		9.2%
6m to June 2017	Media	Intel	Tech & Analytics	Total segments	Central costs	Total
Revenue	26,693	11,595	6,337	44,625	-	44,625
Underlying operating profit	7,862	1,408	897	10,167	(3,444)	6,723
Margin	29.5%	12.1%	14.0%	23.0%		15.1%
12m to December 2017	Media	Intel	Tech & Analytics	Total segments	Central costs	Total
Revenue	51,482	23,146	12,746	87,374	-	87,374
Underlying operating profit	14,037	3,163	1,646	18,846	(6,820)	12,026
Margin	27.3%	13.7%	12.9%	21.6%		13.8%

FINANCIAL APPENDICES

Highlighted items

	6m to 30 June 2018	Year to 31 December 2017	6m to 30 June 2017
Share options charge	215	738	363
Amortisation of purchased intangibles	954	1,952	963
Severance and reorganisation costs	174	2,364	784
Acquisition, integration and strategic costs	508	1,437	889
Total	1,851	6,491	2,999

FINANCIAL APPENDICES

Profit before tax

	6 m to 30 June 2018	Year to 31 Dec 2017	6 m to 30 June 2017
Underlying operating profit	4,165	12,026	6,723
Highlighted items	(1,851)	(6,491)	(2,999)
Reporting operating profit	2,314	5,535	3,724
Net finance costs/associates	(606)	(1,044)	(509)
Reported profit before tax	1,708	4,491	3,215
<i>Underlying profit before tax</i>	3,559	10,982	6,214

FINANCIAL APPENDICES

Underlying effective tax rate for the 6m to June 2018

			6m to June 2018	Effective tax rate
Underlying operating profit			4,165	
Interest/associates			(606)	
Underlying PBT			3,559	
	CY Corp tax	(702)		29.7%
	CY Def tax	(162)		
	PY under-prov'n	(196)		
Underlying tax charge			(1,060)	
Underlying PAT			2,499	

FINANCIAL APPENDICES

Outstanding deferred consideration

As at 30 June 2018	Acquired 2017	Acquired 2016
	Digital Balance Australia	FMC
Nature of business	Media auditing in Australia	Media auditing in Ireland
Operations	Perth	Dublin
Transaction date	1 September 2017	11 March 2016
Transaction detail	100% acquisition	Remaining 50% acquisition
Cash up front	£278k	£117k
Deferred consideration max	£2,802k	£1,752k
Deferred consideration paid	£292k	-
Estimated remaining deferred consideration:	£1,449k:	£625k:
2018	£252k	£511k
2019	£233k	-
2020	£281k	-
2021	£683k	£114k
Total potential consideration	£2,802k	£1,752k
Total estimated consideration	£2,019k	£742k
Earn out end date	April 2021	April 2021
Earn out basis	4 yr based on profit multiple	6 yr based on profit multiple
Key financials at acquisition	FY2016: Rev £1.5m u/l op profit £.3m 11 staff	Dec 15: Rev £0.8m u/l op profit £0.1m 9 staff

FINANCIAL APPENDICES

Statement of financial position

		June 2018	December 2017	June 2017
Non current assets	Goodwill	59,398	59,317	57,862
	Purchased intangibles	6,997	7,966	8,551
	Other	7,632	8,488	8,562
		74,027	75,771	74,975
Current assets	Trade debtors	18,097	20,978	19,700
	Accrued income	12,717	8,706	9,740
	Cash	10,780	4,325	7,619
	Prepayments	2,088	1,132	1,467
	Other	1,205	2,100	1,076
		44,887	37,241	39,602
Current liabilities	Trade creditors	4,598	4,229	2,864
	Loans	2,452	1,568	4,177
	Deferred income	9,087	7,105	7,799
	Accruals	6,593	5,560	5,565
	Other	6,680	6,087	7,866
		28,956	24,549	28,271
Non current liabilities	Loans	34,000	32,000	29,625
	Deferred tax	1,798	1,895	2,010
	Other	1,195	1,586	696
		36,993	35,481	32,331
Net assets		52,965	52,982	53,975

FINANCIAL APPENDICES

Cash flow statement

	6m to 30 June 2018	Year ended 31 December 2017	6m to 30 June 2017
Cash generated from operations	6,210	7,948	5,009
Net finance expense	(520)	(921)	(467)
Income taxes paid	(713)	(2,207)	(931)
Net cash from operating activities	4,977	4,820	3,611
Investing activities			
Net acquisition of subsidiaries, net of cash acq'd	(248)	(3,082)	(96)
Purchase of PPE	(436)	(642)	(318)
Purchase of intangible assets	(478)	(1,589)	(857)
	(1,162)	(5,313)	(1,271)
Financing activities			
Issue of new shares	71	160	6
New borrowings	2,000	3,000	-
Loan repayments	(625)	(2,500)	(1,250)
Dividends paid to shareholders	-	-	-
Dividends paid to non-controlling interests	(526)	(474)	(474)
Repayment of finance leases	-	(21)	-
	(4)	(5)	(4)
Net increase/(decrease) in cash	916	160	(1,722)

FINANCIAL APPENDICES

Cash generated from operations

	6m to June 2018	Year to Dec 2017	6m to June 2017
Profit before tax	1,708	4,491	3,215
Adjustments	3,024	5,459	2,889
	4,732	9,950	6,104
Increase in trade receivables	(1,598)	(4,094)	(3,567)
Increase in trade payables	3,076	2,111	2,279
Movement in provisions	-	(9)	193
Cash generated from operations	6,210	7,958	5,009

£1,478k

(£1,992k)

(£1,095k)

FINANCIAL APPENDICES

Cash and net debt analysis

	Cash	Gross debt	Net debt
Opening at 1 January 2018	4,325	(33,250)	(28,925)
Trading cash flow	6,210	-	6,210
Interest and tax	(1,232)	-	(1,232)
Debt repayments	(625)	625	-
Drawdown for acquisitions	2,000	(2,000)	-
Payments for acquisitions	(248)	-	(248)
Share option exercises	71	-	71
Capex	(914)	-	(914)
Dividends incl MI	(526)	-	(526)
Other/forex	(108)	-	(108)
Closing at 30 June 2018	8,953	(34,625)	25,672
<i>vs Rolling 12 month EBITDA (£11.6m)</i>			2.21x

FINANCIAL APPENDICES

Summary of banking facility

- £45m multi-currency facility in place, (including £5m drawdown on Accordion) maturing in June 2020
- Term loan of £10m of which £0.625m was drawn, repayable by September 2018
- Includes £35m RCF of which £34m was drawn and £1.0m available
- Accordion option £20m, £5m drawn as at 30 June 2018
- Interest rate of 2.5% plus LIBOR (can be lowered depending on covenants – currently 2.5%)
- Analysis of repayment plan on outstanding balance set out below:

	Currency	GBP	Future repayments	Bullet
GBP	£34,625k	£34,625k	£625k	£34,000k
Repayment quarters			/1	
Repayment/quarter			£625k	

FINANCIAL APPENDICES

Cash conversion

	6m to 30 June 2018	Year to 31 December 2017	6m to 30 June 2017
Reported cash from operations	6,210	7,948	5,009
Underlying cash from operations	7,004	11,203	5,994
Underlying operating profit	4,165	12,026	6,723
Cash conversion	168.2%	93.2%	89.2%

FINANCIAL APPENDICES

Shareholder analysis at 31 August 2018

Name	Holding	% Holding
Artemis	15,821,393	20.14%
JO Hambro	8,900,000	11.33%
T Rowe Price	8,857,551	11.27%
Kabouter	8,093,228	10.30%
Herald	5,341,125	6.80%
Legal & General	4,945,200	6.29%
Employee Benefit Trust	4,200,000	5.35%
Hargreave Hale	3,011,252	3.83%
Coutts (Adam & Co.)	2,259,977	2.88%
Total	61,429,726	78.18%

Name	Holding	% Holding	Options
Michael Karg	-	-	1,400,000
Andrew Noble	40,295	0.05%	450,000
Morag Blazey	-	-	483,199
Richard Nichols	100,000	0.13%	-
Rob Woodward	39,980	0.05%	-
Julie Baddeley	15,000	0.02%	-
Tom Alexander	-	-	-
Total Directors	195,275	0.25%	2,333,199

Note: Total shares in issue at 31 August 2018: 78,571,715. Market cap at 31 August 2018: £37.3m.

Share options outstanding at 31 August 2018: 12,204, 546 of which 4,200,000 will be satisfied from shares already issued and held in an EBT (i.e. only 8,004,546 are dilutive).

FINANCIAL APPENDICES

Recent performance

Year end	April 12	April 13	April 14	April 15	Dec 15 ¹	Dec 16	Dec 17
Revenue	52,919	64,046	68,452	73,874	76,584	83,569	87,374
<i>growth</i>	20%	21%	7%	8%	4%	9%	5%
Op profit	8,205	10,441	11,339	11,729	12,411	12,959	12,026
<i>margin</i>	15.5%	16.3%	16.6%	15.9%	16.2%	15.6%	13.8%
EPS	7.4p	9.0p	10.1p	10.7p	10.8p	11.3p	9.4p

¹Change in year end to December 2015. April 2015 and December 2015 both include the same 4m period to 30 April 2015. All numbers in £'000s unless otherwise stated