

Chime Group Holdings Limited

Additional Statements to the 2015 Financial Accounts

Trends and factors affecting future development, performance and position.

Trends and Factors Affecting Future Development, Performance or Position

- Chime Group Holdings Limited was incorporated to facilitate the acquisition of Chime Communications plc and its subsidiaries by PM VII S.a.r.l and WPP Beans Limited. The acquisition was by means of a scheme of arrangement that was circulated to the Chime Communications plc shareholders on 21 August 2015, approved by shareholders in a meeting convened by the Court on 14 September 2015, and sanctioned by the Court at a hearing on 6 October 2015.
- Providence identified Chime as an attractive platform due to its strong market position in sports marketing and advertising, as well as its experienced and skilled management team. Providence and WPP ultimately share a common vision for Chime's future potential.
- Providence and WPP believe that there are many attractive organic and inorganic growth opportunities available to Chime, but which will require continued investment into the business. As a private company, with Providence's and WPP's collective wealth of media industry experience and access to growth capital, Providence and WPP believe that Chime's management would be well positioned to continue its track record of impressive growth in a large and growing global market.
- Chime continues to transition from a public relations led company to a sports, entertainment and communications group. The Chime Group is now structured into five divisions with an increasing focus on global clients. During this period of transition, Chime has delivered strong growth in income and profits across all divisions with like-for-like growth in operating profits of 10% in FY 2014.

Trends and Factors Affecting Future Development, Performance or Position Cont.

- The sports and communications markets in which Chime operates are becoming increasingly global, with scale and breadth of presence across multiple geographies becoming critical factors in winning new business and driving growth. In this context, Chime views its current scale as a constraining factor on its ability to deliver growth relative to larger global competitors. Whilst Chime has been successful in extending its global footprint, particularly in the US following the acquisitions of Just Marketing, Inc. and SJX Partners, LLC, its ability to grow to match the scale of its global competitors was constrained by Chime's relative size and lack of liquidity as a mid-market publicly listed company.
- A significant proportion of Chime's business is in sports marketing related to major events such as the Olympics and the FIFA World Cup, which are subject to bi-annual cycles and thus create inevitable fluctuations in Chime's revenues. In addition, winning major contracts is important to Chime's business but difficult to implement in the context of delivering consistent financial results to the public markets as a listed company.