KANTAR

Q1 2020 QUARTERLY REPORT

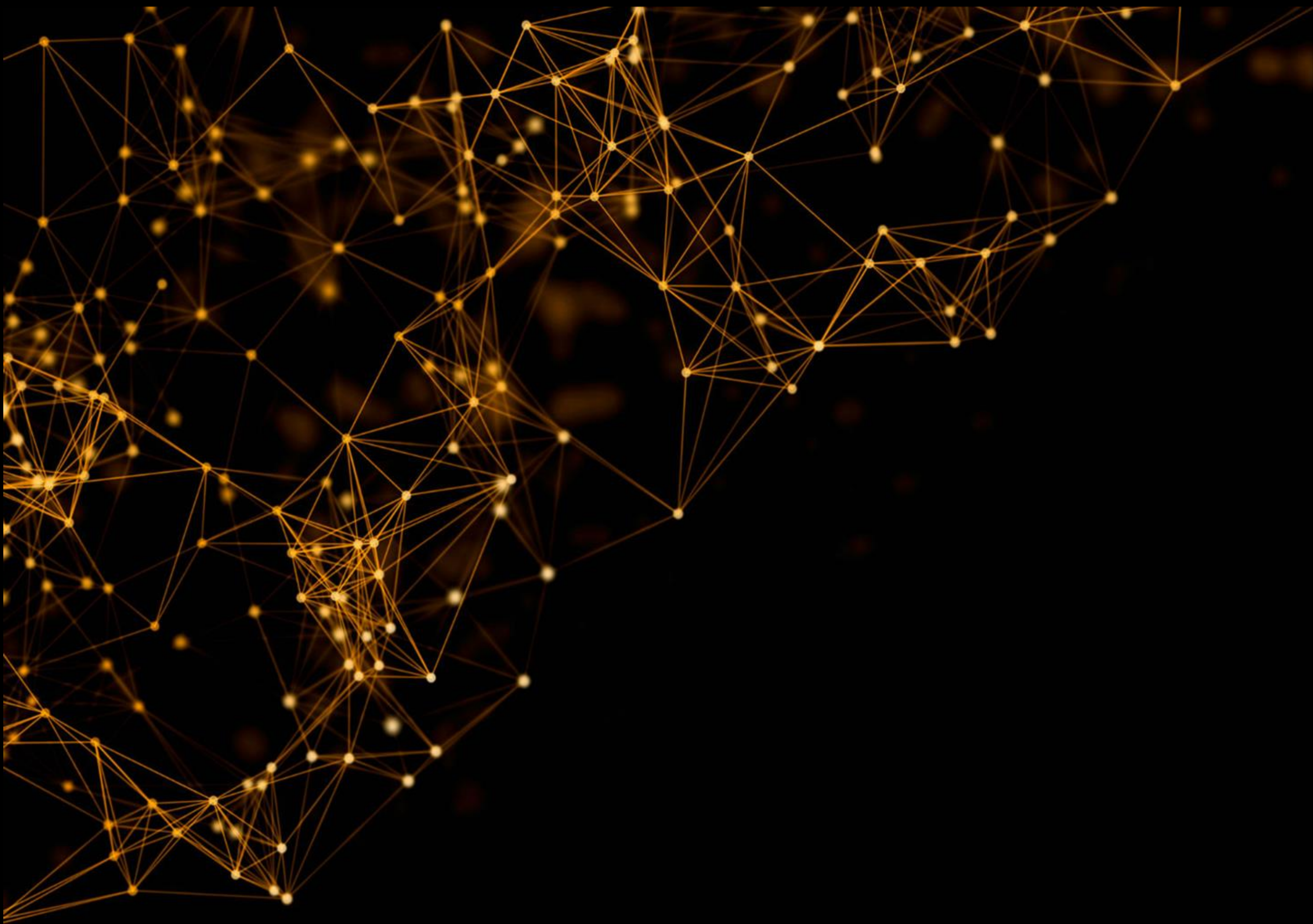

TABLE OF CONTENTS

FORWARD-LOOKING STATEMENTS AND RISK FACTORS

Various statements contained in this quarterly report constitute “forward-looking statements” within the meaning of the securities laws of certain applicable jurisdictions. All statements other than statements of historical fact included in this quarterly report, including, without limitation, statements regarding our future financial position and results of operation, trends or developments affecting our financial condition and results of operation or the markets in which we operate, strategy, outlook and growth prospects, anticipated investments, costs and results, future plans and potential for growth, projects to enhance efficiency, impact of governmental regulations or actions, competition in areas of our business, litigation outcomes and timetables, future capital expenditures, liquidity requirements, capital resources, the successful integration of acquisitions and objectives of management for future operations or plans to launch new or expand existing operations, may be deemed to be forward-looking statements. When used in this quarterly report, the words “believe,” “anticipate,” “should,” “intend,” “assume,” “plan,” “may,” “will,” “expect,” “estimate,” “positioned,” “strategy” and similar expressions may identify these forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted, whether expressed or implied, by these forward-looking statements. For a more comprehensive review of the risks and uncertainties refer to the “Forward-Looking Statements and Risk Factors” section of our 2019 Annual Report.

CERTAIN DEFINITIONS

Unless indicated otherwise in this quarterly report or the context requires otherwise, each reference to:

- "**Acquisition**" means the acquisition of the entities comprising the Target Group pursuant to the Acquisition Agreement;
- "**Acquisition Agreement**" means the Sale and Purchase Agreement, dated July 12, 2019, as amended on October 7, 2019, by and between WPP, ROW Topco and UK Bidco, relating to the Acquisition;
- "**EU**" means the European Union;
- "**euro**," "**€**" or "**EUR**" refers to the single currency of the Member States of the European Union participating in the third stage of the economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended or supplemented from time to time;
- "**Faster Growing Markets**" refers to Asia Pacific, Latin America, Eastern Europe, Africa and Middle East;
- "**IFRS**" means the International Financial Reporting Standards issued by the International Accounting Standards Board, as adopted by the EU;
- "**IFRS as Modified**" means IFRS modified by application of the Annexure to SIR 2000 Investment Reporting Standards Applicable to Public Reporting Engagements on Historical Financial Information issued by the UK Financial Reporting Council;
- "**Initial Completion Date**" means December 5, 2019, the date of the initial acquisition of entities comprising approximately 92% of the Target Group (measured by EBITDA of the Target Group for the year ended December 31, 2018);
- "**Mature Markets**" refers to Continental Europe, UK and North America;
- "**Notes**" means, together, the Senior Notes and the Senior Secured Notes;
- "**pound sterling**", **"sterling**," "**£**" or "**GBP**" means the lawful currency of the United Kingdom;
- "**Reporting Entity**" means Kantar Global Holdings S.à r.l. (formerly, Summer (BC) Lux Consolidator S.C.A.), a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 4, rue Lou Hemmer, L-1748 Luxembourg-Findel and registered with the Luxembourg Register of Commerce and Companies (*Registre de Commerce et des Sociétés du Luxembourg*) under number B237802;
- "**Revolving Credit Facility**" means the $400.0 million (equivalent) senior secured revolving credit facility established under the Senior Facilities Agreement, together with any ancillary facilities;
- "**ROW Bidco**" means Summer (BC) Holdco B S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 4, rue Lou Hemmer, L-1748 Luxembourg-Findel and registered with the Luxembourg Register of Commerce and Companies (*Registre de Commerce et des Sociétés du Luxembourg*) under number B235548;
- "**ROW Holdco**" means Summer (BC) Holdco A S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 4, rue Lou Hemmer, L-1748 Luxembourg-Findel and registered with the Luxembourg Register of Commerce and Companies (*Registre de Commerce et des Sociétés du Luxembourg*) under number B235472;
- "**ROW Topco**" means Summer (BC) Topco S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 4, rue Lou Hemmer, L-1748 Luxembourg-Findel and registered with the Luxembourg Register of Commerce and Companies (*Registre de Commerce et des Sociétés du Luxembourg*) under number B235480;
- "**Senior Facilities**" means, together, the Senior Term Loans and the Revolving Credit Facility;

- "**Senior Facilities Agreement**" means the senior facilities agreement, dated November 26, 2019, among, *inter alios*, RoW Bidco, US Bidco, Wilmington Trust (London) Limited, as agent and security agent, as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time;
- "**Senior Notes**" means the €428.0 million aggregate principal amount of 9.250% Senior Notes due 2027 issued on October 30, 2019 by ROW Holdco;
- "**Senior Secured Notes**" means the €1,000.0 million aggregate principal amount of 5.750% Senior Secured Notes issued on October 30, 2019 by ROW Bidco;
- "**Senior Term Loans**" mean the euro-denominated and U.S. dollar-denominated senior secured term facilities established under the Senior Facilities Agreement;
- "**Target Group**" or "**Kantar**" means the entities comprising the Kantar business of the WPP Group acquired or to be acquired in the Acquisition;
- "**UK Bidco**" means Summer (BC) UK Bidco Limited, a private limited company incorporated in England, registered with Companies House under no. 12093836, with registered office at 11th Floor, 200 Aldersgate Street, London, United Kingdom, EC1A 4HD;
- "**United Kingdom**" or "**UK**" means the United Kingdom of Great Britain and Northern Ireland;
- "**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
- "**US Bidco**" means Summer (BC) Bidco B LLC, a limited liability company formed in the State of Delaware and registered with the Secretary of State for the State of Delaware under no. 7475393 with registered office at Suite 302, 4001 Kennett Pike, Wilmington, Delaware 19807;
- "**U.S. dollars**," "**dollars**," "**U.S.$**," "**USD**" or "**$**" means the lawful currency of the United States;
- "**WPP**" means WPP plc (registered number 111714), a public limited company incorporated in Jersey, with registered office at Queensway House, Hilgrove Street, St Helier, Jersey JE1 1ES; and
- "**WPP Group**" means WPP plc and its subsidiaries.

In addition to the terms defined above, the terms "**Group**," "**Kantar**," "**we**," "**our**" and "**us**" mean, as the context requires, the Target Group and/or the Reporting Entity and its subsidiaries.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Q1 2020 Consolidated Financial Statements

Since the Initial Completion Date, the Group has begun consolidating the results of the Group companies at the level of the Reporting Entity. The consolidated financial statements of the Group for the three months ended March 31, 2020 (the "**Q1 2020 Consolidated Financial Statements**") reflect the acquisition of 97% of the Target Group (measured by EBITDA of the Target Group for the year ended December 31, 2018), and do not include the results of Target Group entities acquired subsequent to that date. The Q1 2020 Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and IFRS Interpretation Committee adopted for use in the European Union, and comply with Article 4 of the EU International Accounting Standard (IAS) Regulation.

***Pro Forma* Financial Information**

The *pro forma* financial information as of and for the three months ended March 31, 2019 and 2020 (the "***Pro Forma* Financial Information**") discussed in the Operating and Financial Review is unaudited and presented on a consolidated basis as if 100% of the Acquisition had been completed January 1, 2019. Given that nearly 100% of the Target Group has been acquired as of the date of this quarterly report, we believe that this presentation allows for the greatest comparability of results between periods. The *Pro Forma* Financial Information has been prepared in accordance with IFRS as Modified.

Non-IFRS Financial Measures

The primary non-IFRS financial measures used in this quarterly report include the following measures (collectively, "**Non-IFRS Measures**"):

- **EBITDA**. We define EBITDA as profit for the period before: (i) interest and taxation; (ii) investment write-downs; (iii) amortization and impairment of acquired intangible assets; (iv) gains/(losses) on disposal of investments and subsidiaries; (v) associate income/(loss); (vi) minority interests; (vii) restructuring and transformation costs; (viii) share of exceptional losses/(gains) of associates; (ix) depreciation of property, plant and equipment; (x) amortization of other intangible assets; (xi) depreciation of right-of-use assets; (xii) severance; (xiii) one-off items; and (xiv) removal of share based compensation.
- **Gross Revenue**. We define Gross Revenue as revenue, adjusted for certain perimeter transactions and inter-company and foreign exchange adjustments.
- **Direct Costs**. We define Direct Costs as third party and internal costs as well as other services which directly relate to the services delivered to clients. Costs comprise fieldwork costs including on-line, face to face and telephone, survey scripting and data processing, external data acquisition costs, billable travel, panel recruitment costs and panelist incentives for panelists who complete surveys. The intra-group component offsets against the intra-group revenue and thus has no impact on Gross Margin.
- **Gross Margin**. We define Gross Margin as Gross Revenue after Direct Costs.
- **Staff Costs**. We define Staff Costs to include wages and salaries, cash-based incentive plans, social security and pension costs, and other staff costs related primarily to freelance and temporary staff. Staff Costs do not include severance costs which are considered as exceptional one-off expenses.
- **General and Administrative Costs**. We define General and Administrative Costs as largely comprising of semi-fixed costs in the form of IT costs, communication costs, establishment costs, travel, training, legal and professional costs, and advertisement and promotion costs.
- **Trade Working Capital**. We define Trade Working Capital as our balances in Net Debtors, Accrued Revenue, Creditors (including accruals), Deferred Income and various other balance sheet items.

- **Adjusted Capital Expenditures.** We define Adjusted Capital Expenditures as purchases of property, plant and equipment and purchases of other intangible assets (including capitalized computer software), adjusted to exclude the expense related to certain non-recurring land costs.

We present these Non-IFRS Measures because we believe that these and similar measures are widely used as supplemental measures of performance and liquidity. We also believe that this information, along with comparable IFRS measures, is useful because it provides a basis for measuring and comparing our operating performance across the periods presented.

We present Non-IFRS Measures for informational purposes only. This information does not purport to represent the results we would have achieved had any of the adjustments made occurred at the beginning of the periods presented or as of the dates indicated. Such measures and ratios may not accurately reflect our performance, liquidity or our ability to incur debt, have limitations as analytical tools, and should not be considered as alternatives to operating profit or net profit or any other performance measures derived from or in accordance with IFRS or any other generally accepted accounting principles or as alternatives to cash flow from operating activities. These amounts have not been, and, in certain cases cannot be, audited, reviewed or verified by any independent accounting firm.

Constant Currency and Actual Rates

We present certain financial measures on a constant currency basis in U.S. dollars. These constant currency measures eliminate the effect of fluctuations in the exchange rates we use in the translation of our non-U.S. denominated sales into U.S. dollars by instead assuming that exchange rates were constant in all periods. For financial information for the three months ended March 31, 2019 and 2020, we use the budgeted constant currency rate for the year ended December 31, 2020, which is prepared on a forward-looking basis. We additionally show financial information for the three months ended March 31, 2020 at the actual exchange rates calculated by taking the income statements of foreign subsidiary undertakings translated into dollars at average exchange rates and the net assets of these companies translated at exchange rates as of March 31, 2020. The discussion and analysis of the financial information presented in "*Operating and Financial Review*" is presented in U.S. dollars on a constant currency basis, other than as specified.

We believe that these measures facilitate an understanding of the underlying economic performance of our operations. These constant currency measures are computed by translating the actual values of our non-U.S. dollar denominated results as per our subsidiaries' financial statements using the following foreign exchange rates instead of the actual foreign exchange rates used for reporting purposes during the applicable period (except with respect to consolidation adjustments):

Currency	Constant Currency Rate per U.S. dollar	Actual Rate per U.S. dollar[1]
EUR	0.89	0.91
USD	1.00	1.00
GBP	0.75	0.78
INR	71.70	72.45
CNY	6.98	6.98
BRL	4.04	4.46
AUD	1.43	1.52
Other	Various	Various

(1) Represents the average exchange rate for the three months ended March 31, 2020.

OPERATING AND FINANCIAL REVIEW

The following is a discussion and analysis of our financial condition and results of operations in the periods set forth below. This discussion should be read together with and is qualified in its entirety by reference to the financial statements included elsewhere in this quarterly report. The following discussion should also be read in conjunction with "Presentation of Financial and Other Information." The discussion in this section may contain forward-looking statements that reflect our plans, estimates and beliefs and involve risks and uncertainties. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this quarterly report, particularly under "Forward-Looking Statements and Risk Factors."

Results of Operations

The financial information below has been derived from the *Pro Forma* Financial Information for the three months ended March 31, 2019, and the *Pro Forma* Financial Information for the three months ended March 31, 2020, which reflects 100% of the Target Group for the three months ended March 31, 2019 and 2020. The first two columns show the summarized income statement for the three months ended March 31, 2019 and March 31, 2020, adjusted on a constant currency basis for the Group's budgeted rate for the year ended December 31, 2020. See "*Presentation of Financial and Other Information—Constant Currency and Actual Rates*." The third column shows the income statement for the quarter ended March 31, 2020, for the Group's actual rate for the three months ended March 31, 2020.

	Constant Currency Rate		**Actual Rate**
	Three months ended March 31, 2019	**Three months ended March 31, 2020**	**Three months ended March 31, 2020**
		($ millions)	
Gross Revenue	**903**	**882**	**863**
Direct Costs	314	300	293
Gross Margin	**589**	**582**	**570**
Staff Costs	399	406	**398**
General and Administrative Costs	111	96	**94**
EBITDA	**79**	**80**	**78**
Twelve months ended March 31, 2020 EBITDA			**533**
Run Rate Adjustments			
Dividends Received from JV/ Associates(1)			17
Capitalization of Incremental Development Costs(2)			11
Incremental Run Rate Savings(3)			97
***Pro Forma* Adjusted EBITDA**			**658**

(1) Represents cash dividends received from the Group's joint ventures and associates.

(2) Historically development costs have not been capitalized. Management has estimated that based on the Group's existing policies, the Group could have capitalized an additional $11 million of development costs, primarily in Insights.

(3) Represents the estimated annualized run-rate savings from transformation initiatives originally identified in the Offering Memorandum and not yet achieved as of March 31, 2020. In addition to the transformation initiatives originally identified in the Offering Memorandum, in part as a response to COVID-19, management and shareholders have identified opportunities to achieve significant additional cost savings and synergies through the implementation of further measures to pursue the Group's long-term transformation. These additional potential cost savings and synergies are not reflected in this adjustment. The Group is evaluating the amount of additional adjustments arising due to COVID-19, and will continue to evaluate such adjustments, and appropriate additional adjustments, on a quarter by quarter basis.

Three months ended March 31, 2020 compared to three months ended March 31, 2019

Kantar delivered a strong start to the year with Gross Margin and EBITDA ahead of our annual plan and prior year through February. March saw the beginning of the impact of COVID-19 on our operational performance across all our markets.

Gross Revenue

Gross Revenue decreased by $21 million, or 2% from $903 million in the three months ended March 31, 2019 to $882 million in the three months ended March 31, 2020. This decrease was due primarily to declines in our more custom businesses of Insights, Consulting and Public. Insights' decline of 4% was underpinned by a significant slowdown in March as clients reduced spend in areas such as new product innovation and customer experience. In addition, our inability to conduct face to face fieldwork due to COVID-19 had a disproportionate impact in our Faster Growing Markets. Offsetting the declines, the Analytics (which analyzes marketing ROI via advanced analytical techniques) and Media (Media Effectiveness) domains in Insights continued to deliver high teens growth despite a slowdown in March. Our Consulting business and Public business declined by 10% and 6% respectively as both were heavily impacted by COVID-19 due to reduced client spend and for Public the delays in projects due to our inability to conduct face to face research. All other divisions grew Gross Revenue in the three months ended March 31, 2020. The strongest growth came from Health at 7% as we continued to see increased demand from the pharmaceutical sector largely unrelated to COVID-19. Our Worldpanel division grew by 3%, as we continue to see consistent demand for Worldpanel's services and can pass on inflationary price increases. At our Media division, we continued to see growth in our Audience Measurement domain offset by declines in our non-Audience Measurement domains, particularly in the UK.

Geographically we experienced declines in our Faster Growing Markets of 2% driven by Africa and Middle East as a result of the inability to conduct face to face research due to COVID-19 and Asia Pacific where the impact of COVID-19 hit earlier particularly in China. Our Mature Markets also declined by 2% largely due to COVID-19 impact in Continental Europe and in the UK where we saw significant declines in our custom businesses in March.

Direct Costs

Direct Costs, which are our cost of delivering our services, decreased by $14 million, or 5% from $314 million in the three months ended March 31, 2019 to $300 million in the three months ended March 31, 2020, more than the decrease in Gross Revenue. Insights Direct Costs decreased by 9%, which was above the rate of Gross Revenue decline as we transitioned clients to our more automated HBG solution in our Brand domain, improved efficiencies and pricing and experienced strong growth in our higher margin Analytics and Media domains. Direct Costs in our Public division decreased by 8% due to the suspension of face to face fieldwork costs.

Gross Margin

Gross Margin decreased by $7 million, or 1% from $589 million in the three months ended March 31, 2019 to $582 million in the three months ended March 31, 2020, as our Gross Margin as a percentage of Gross Revenue improved by 1% to 66% in line with the decrease in Gross Revenue and Direct Costs noted above.

Staff Costs

Staff Costs increased by $7 million, or 2% from $399 million in the three months ended March 31, 2019 to $406 million in the three months ended March 31, 2020. This increase was primarily due to an increase in our salary and salary related costs such as social taxes driven by our investment in increased headcount during 2019 to drive our growth platforms and the impact of 2019 salary increases. In addition, we started to build up our central resources as we transitioned into a stand-alone business.

General and Administrative Costs

General and Administrative Costs decreased by $15 million, or 14% from $111 million in the three months ended March 31, 2019 to $96 million in the three months ended March 31, 2020. This decrease was primarily due to the immediate impact on discretionary costs from our response to COVID-19, including decreased spend on items such as international travel. In addition, we continued our focus on reduction and efficiencies in discretionary and semi-fixed costs prior to COVID-19.

EBITDA

EBITDA increased by $1 million, or 1% from $79 million in the three months ended March 31, 2019 to $80 million in the three months ended March 31, 2020. This increase was primarily due to the decrease in General and Administrative Costs as noted above.

Debt Financing

The following table describes the cash and cash equivalents and debt financing as of March 31, 2020 of the Group based on our Q1 2020 Consolidated Financial Statements, as adjusted to exclude cash and liabilities of holding companies above the Group entities that are governed by our Senior Facilities Agreement and our Notes, and present on a consolidated basis as if the Acquisition of 100% of the Target Group (measured by reference to the Target Group's EBITDA for the year ended December 31, 2018) had been completed as of March 31, 2020.

You should read this table in conjunction with the financial statements and accompanying notes appearing elsewhere in this quarterly report. Except as set forth below, there have been no other material changes to our debt financing since March 31, 2020.

	As of March 31, 2020	**Acquisition Closing and Capital Structure Adjustments**[(6)]	**March 31, 2020 As Adjusted**
		($ in millions)	
Cash and cash equivalents[(1)]	849	(176)	673
Total net debt:[(2)]			
Senior Facilities[(3)]	1,605	—	1,605
Senior Secured Notes[(4)]	1,097	—	1,097
Total senior secured net debt	**1,853**	**176**	**2,029**
Senior Notes[(4)]	470	—	470
Total secured net debt	**2,323**	**176**	**2,499**
Other debt[(5)]	269	26	295
Total net debt	**2,592**	**202**	**2,794**

(1) Represents cash and cash equivalents net of overdrafts as of March 31, 2020.

(2) Total net debt is reflected at its aggregate principal amounts, less cash and cash equivalents, and does not reflect debt issuance costs or accrued interest expense.

(3) The Senior Facilities are comprised of the Senior Term Loans and the Revolving Credit Facility. The amount shown represents the U.S. dollar equivalent of the aggregate principal amount of the Senior Term Loans, without giving effect to discounts or fees to be paid to the lenders thereunder. The Senior Term Loans include (i) a €725 million term loan B and a €70 million term loan B-1 (which was borrowed in February 2020 and was consolidated with the €725 million term loan B as of the end of their respective interest periods on June 4, 2020), each bearing a margin of EURIBOR plus 5.00% (subject to a margin ratchet), and (ii) a $280 million term loan B and a $70 million term loan B-1 (which was consolidated with the $280 million term loan B as of the end of their respective interest periods on June 4, 2020), each bearing a margin of USD LIBOR plus 5.00% (subject to a margin ratchet); each maturing in December 2026. The Revolving Credit Facility provides for $400 million of borrowings (including any permitted ancillary facilities established thereunder) in certain specified currencies and any other currencies readily available in the relevant interbank market (subject to the consent of the relevant lenders), subject to customary borrowing conditions, bears a margin of the applicable benchmark rate plus 3.50% (subject to a margin ratchet), and matures in June 2026, of which $383 million was drawn as of March 31, 2020.

(4) Represents the U.S. dollar-equivalent of the aggregate principal amount of (i) the €1,000 million 5.750% Senior Secured Notes maturing October 31, 2026 and (ii) the 9.250% Senior Notes maturing October 31, 2027, issued in an initial aggregate principal amount of €475 million, with €47 million redeemed in a special mandatory redemption

in February 2020, and does not reflect any initial purchaser discount or original issue discount. The exchange rates used to convert the aggregate principal amounts of the Notes to U.S. dollars should not be viewed as a representation that such U.S. dollar amounts actually represent such euro amounts, or could be or could have been converted into euro at the rate indicated or at any other rate, on the date of this quarterly report or any other date.

(5) Represents IFRS 16 lease liabilities, as well as a $14 million loan from the WPP Group to the Group. The $26 million adjustment to other debt represents an estimate of IFRS 16 lease liabilities held at the remaining portion of the Target Group.

(6) The adjustment represents a $202 million deferred closing adjustment reflecting the actual and estimated cash purchase price for the acquisition of the remaining 3% of the Target Group (measured by reference to EBITDA of the Target Group for the year ended December 31, 2018), net of cash and cash equivalents held at the remaining portion of the Target Group. As of May 1, 2020, 97% of the Target Group has been purchased; it is intended that the remaining portion of the Target Group will be acquired during the third quarter of 2020.

Liquidity and Capital Resources

For periods prior to the consummation of the Acquisition, our ability to obtain cash to adequately fund our needs depended on the results of operations and the availability of financing from the WPP Group. Liquidity was used for operating expenses and capital expenditures.

Since the Acquisition, both zero balancing and notional cash pooling arrangements have been utilized where practical and permitted locally. A policy of remitting surplus cash to the UK from overseas subsidiaries via intercompany loans and dividend repatriation is used in order to manage the Group's central liquidity and to support recycling of cash to those parts of the Group that require it. As of March 31, 2020, our Revolving Credit Facility remains fully drawn, excluding $12 million of ancillary facilities established thereunder. This action helps support the Group's liquidity, along with the cash pooling and repatriation measures.

The Group continues to assess its liquidity and operational needs and to evaluate capital markets and other financing options on an ongoing basis. The Group may at any time and from time to time purchase Notes. Any such purchases may be made through open market or privately negotiated transactions with third parties or pursuant to one or more tender or exchange offers or otherwise, upon such terms and with such consideration as the purchaser may determine.

Selected Cash Flow Items

Trade Working Capital

The following table sets forth a comparison of Net Debtors, Accrued Revenue, Creditors (including accruals), Deferred Income and various other balance sheet items that are included in our Trade Working Capital.

	Constant Currency	
	Three months ended March 31, 2019	**Three months ended March 31, 2020**
	($ in millions)	
Net Debtors[(1)]	571	475
Accrued Revenue[(2)]	284	250
Creditors incl. accruals[(3)]	(336)	(396)
Deferred Income[(4)]	(281)	(272)
Other	3	3
Trade Working Capital	**241**	**60**

(1) Represents trade account receivables owed to the Group net of any allowance for doubtful accounts.

(2) Constitutes revenue recognized in advance of billings.

(3) Represents amounts owed to our suppliers including amounts accrued for that have not yet been invoiced.

(4) Constitutes revenue billed in advance of services provided.

Our Trade Working Capital improved by $181 million, or 75% from $241 million in the three months ended March 31, 2019 to $60 million in the three months ended March 31, 2020. The improvement was primarily due to an improvement in our Net Debtors and an increase in our Creditors (including accruals).

Our Net Debtors improved by $96 million, or 17% from $571 million in the three months ended March 31, 2019 to $475 million in the three months ended March 31, 2020. This improvement was primarily due to a 6% reduction of overdue debtors in the three months ended March 31, 2020 versus the three months ended March 31, 2019.

Creditors (including accruals) increased by $60 million, or 18% from $336 million in the three months ended March 31, 2019 to $396 million in the three months ended March 31, 2020. This is primarily due to our implementation of policies and processes to ensure we do not pay suppliers earlier than our agreed payment terms.

Adjusted Capital Expenditures

	Constant Currency	
	Three months ended March 31, 2019	**Three months ended March 31, 2020**
	($ in millions)	
Purchases of property, plant and equipment	8	10
Purchases of other intangible assets (including capitalized computer software)	4	5
Adjusted Capital Expenditures	**12**	**15**

Adjusted Capital Expenditures increased by $3 million, or 25% from $12 million in the three months ended March 31, 2019 to $15 million in the three months ended March 31, 2020. This increase is primarily due to increases in purchases of property, plant and equipment of $2 million driven by increased property spend largely related to moves to certain new properties. Purchases of other intangible assets increased by $1 million as we invested in our Worldpanel division platform and big data service Worldpanel+, which harnesses the use of smartphones to quantify shopping trips and the motives behind them.

ANNEX: RECONCILIATIONS TO *PRO FORMA* FINANCIAL INFORMATION

Reconciliation from Q1 2020 Consolidated Financial Statements to Q1 2020 *Pro Forma* Financial Information

The following table sets forth the reconciliation of Revenue and EBITDA from our Q1 2020 Consolidated Financial Statements to our constant currency Gross Revenue and EBITDA from our 2020 Q1 *Pro Forma* Financial Information.

	Revenue	EBITDA
Q1 2020 Consolidated Financial Statements	**664**	**64**
Consolidation adjustments(1)	96	2
Foreign exchange translation(2)	18	2
Perimeter adjustment(3)	104	12
Q1 2020 *Pro Forma* Financial Information	**882**	**80**

(1) These adjustments are primarily to include intra-group revenue. Intra-group revenue represents the products and services provided between divisions and between individual markets in within each division. The major component of intra-group revenues are survey-related services provided by our Profiles division to our Insights segment which forms a component of the services Insights provides to their external clients. Within Insights, individual markets provide services to each other particularly for multi-country studies for clients.

(2) Reflects adjustments to show differential in preparation of constant currency financial information.

(3) Adjustment primarily relates to the inclusion of the 3% of the Target Group (measured by reference to EBITDA as of the year ended December 31, 2018) not acquired as of March 31, 2020.

INDEX TO FINANCIAL STATEMENTS

KANTAR GLOBAL HOLDINGS SÀRL

UNAUDITED
CONSOLIDATED
MANAGEMENT ACCOUNTS

FOR
THE QUARTER ENDED
31 MARCH 2020

Consolidated income statement
for the quarter ended 31 March 2020

	Notes	Quarter Ended 31 Mar 2020 (unaudited) $m
Revenue		**663.6**
Cost of services	3	(638.7)
Gross profit		**24.9**
General and administrative costs	3	(73.8)
Operating loss		**(48.9)**
Share of results of associates		0.1
Loss before interest and taxation		**(48.8)**
Net finance costs	4	(43.5)
Loss before taxation		**(92.3)**
Taxation		0.5
Loss for the period		**(91.8)**
Attributable to:		
Equity holders of the parent		(56.5)
Non-controlling interests		(35.3)
		(91.8)

Consolidated statement of comprehensive income
for the quarter ended 31 March 2020

	Quarter Ended 31 Mar 2020 (unaudited) $m
Loss for the period	**(91.8)**
Other comprehensive income	
Items that may be reclassified subsequently to profit or loss:	
Exchange adjustments arising on foreign currency net investments	11.4
Other comprehensive loss for the period	**11.4**
Total comprehensive loss for the period	**(80.4)**
Attributable to:	
Equity holders of the parent	(49.2)
Non-controlling interests	(31.2)
	(80.4)

Consolidated statement of financial position
as at 31 March 2020

	Notes	As at 31 Mar 2020 (unaudited)	As at 31 Dec 2019 (unaudited)
Non-current assets		$m	$m
Goodwill		1,808.3	1,654.5
Other intangible assets		1,945.9	2,001.0
Property, plant and equipment		126.8	134.3
Right-of-use assets		233.0	229.0
Interests in associates and joint ventures		44.7	46.6
Other investments		15.4	15.4
Deferred tax assets		54.3	54.3
Trade and other receivables		11.5	7.9
		4,239.9	**4,143.0**
Current assets			
Corporate income tax recoverable		77.2	69.9
Trade and other receivables		850.8	1,067.8
Cash and short-term deposits		856.4	535.3
		1,784.4	**1,673.0**
Current liabilities			
Borrowings	5	(15.3)	(34.0)
Trade and other payables		(1,212.3)	(1,222.2)
Corporate income tax payable		(103.0)	(105.0)
Short-term lease liabilities		(46.2)	(40.5)
		(1,376.8)	**(1,401.7)**
Net current assets		**407.6**	**271.3**
Total assets less current liabilities		**4,647.5**	**4,414.3**
Non-current liabilities			
Borrowings	5	(3,157.7)	(2,828.5)
Trade and other payables		(45.5)	(47.3)
Deferred tax liabilities		(623.6)	(637.8)
Provision for post-employment benefits		(43.1)	(41.0)
Provisions for liabilities and charges		(113.9)	(115.8)
Long-term lease liabilities		(208.6)	(207.5)
		(4,192.4)	**(3,877.9)**
Net assets		**455.1**	**536.4**
Equity			
Share capital		6.0	6.1
Share premium		52.3	53.5
Other reserves		344.5	335.9
Retained earnings		(90.4)	(33.9)
Non-controlling interests		142.7	174.8
Total equity		**455.1**	**536.4**

Consolidated statement of changes in equity
for the quarter ended 31 March 2020

	Share capital	Share premium	Other reserves	Retained earnings	Attributable to equity holders of the parent	Non-controlling interests	Total equity
	$m	$m	$m	$m	$m	$m	$m
Balance at 1 January 2020 (unaudited)	**6.1**	**53.5**	**335.9**	**(33.9)**	**361.6**	**174.8**	**536.4**
Loss for the period	-	-	-	(56.5)	(56.5)	(35.3)	(91.8)
Other comprehensive loss for the period	(0.1)	(1.2)	8.6	-	7.3	4.1	11.4
Total comprehensive loss for the period	**(0.1)**	**(1.2)**	**8.6**	**(56.5)**	**(49.2)**	**(31.2)**	**(80.4)**
Dividends paid to non-controlling interests	–	–	–	–	–	(0.9)	(0.9)
Balance at 31 March 2020 (unaudited)	**6.0**	**52.3**	**344.5**	**(90.4)**	**312.4**	**142.7**	**455.1**

Consolidated statement of cash flows
for the quarter ended 31 March 2020

	Notes	Quarter Ended 31 Mar 2020 (unaudited) $m
Cash flows from operating activities		
Operating loss		**(48.9)**
Adjustments for:		
Depreciation and amortisation		79.0
Operating cash flows before movements in working capital		**30.1**
(Increase) / decrease in trade and other receivables		223.2
(Decrease) / increase in trade and other payables		(124.7)
Other items		(6.8)
Cash generated from operations		**121.8**
Tax paid		(11.3)
Dividends received from associates		0.4
Net cash inflow from operating activities		**110.9**
Cash flows from investing activities		
Acquisition of subsidiaries	6	(161.1)
Purchases of intangible assets		(5.0)
Purchases of property, plant and equipment		(6.9)
Interest received		1.5
Net cash used in investing activities		**(171.5)**
Cash flows from financing activities		
Proceeds from debt issuance		385.8
Debt issuance costs		(1.9)
Payment of lease liabilities		(12.4)
Interest paid		(4.0)
Dividends paid to non-controlling interests		(0.9)
Net cash generated from financing activities		**366.6**
Net increase in cash and cash equivalents		**306.0**
Cash and cash equivalents at the beginning of the period		510.6
Effect of foreign exchange rate differences		33.8
Cash and cash equivalents at the end of the period		**850.4**

1. General information

Kantar Global Holdings S.à.r.l. (formerly Summer (BC) Lux Consolidator S.à.r.l.) is a limited company incorporated in Luxembourg. The Company was first registered on 13 September 2019.

On 5 December 2019, the first stage of the acquisition of the Kantar group from WPP was completed. This resulted in the Group acquiring companies representing approximately 92.5% of the Kantar group. On 27 February 2020, the second stage of the acquisition of the Kantar group from WPP was completed. This resulted in the Group acquiring companies representing approximately 4.5% of the Kantar group. WPP retains a 40% interest in the Kantar business acquired.

The unaudited consolidated management accounts of Kantar Global Holdings S.à.r.l. and its subsidiaries (the "Group") cover the quarter ended 31 March 2020. As the Group has only existed since 13 September 2019 there is no comparative information for the three months ended 31 March 2019. Additional information is provided in the Operating and Financial Review.

2. Basis of preparation and principal accounting policies

The unaudited consolidated management accounts of the Group for the quarter ended 31 March 2020 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and IFRS Interpretation Committee adopted for use in the European Union. The unaudited consolidated management accounts do not include all the information and disclosures required by IFRS and should be read in conjunction with the Group's unaudited consolidated financial statements for the period ended 31 December 2019.

The unaudited consolidated management accounts are presented in millions of US dollars rounded to the nearest hundred thousand and are prepared on a going concern basis under the historical cost convention modified by the revaluation of certain financial instruments. All of the results presented refer to continuing operations.

The accounting policies adopted in the preparation of the unaudited consolidated management accounts for the quarter ended 31 March 2020 are consistent with those followed in the preparation of the Group's unaudited consolidated financial statements for the year ended 31 December 2019. There have been no changes to those accounting policies in the quarter ended 31 March 2020.

3. Costs of services and general administrative costs

	Quarter Ended 31 Mar 2020 (unaudited) $m
Costs of services	638.7
General and administrative costs	73.8
	712.5
Costs of services and general and administrative costs include:	
Staff costs	373.5
Establishment costs	30.4
Data collection pass-through costs	154.7
Other costs of services and general and administrative costs	153.9
Total costs of services and general and administrative costs	**712.5**
Included in the costs above are:	
Acquisition related costs	3.9
Restructuring and transformation costs	28.8
Amortisation of other intangible assets	55.0
Depreciation of property, plant and equipment	10.6
Depreciation of right of use assets	13.4
Short term lease expense	2.0
Variable lease expense	2.7

4. Net finance costs

	Notes	Quarter Ended 31 Mar 2020 (unaudited) $m
Net finance costs comprise:		
Interest receivable		1.6
Currency gains and other financial income		11.2
Interest payable and similar charges		(53.5)
Interest expense related to lease liabilities		(2.5)
Interest expense related to defined benefit plans		(0.3)
Net finance costs		**(43.5)**

5. Borrowings

		As at 31 Mar 2020 (unaudited) $m	As at 31 Dec 2019 (unaudited) $m
Current			
Bank overdrafts		6.0	24.7
Term loans		3.5	3.5
Loan from Bain Capital companies		5.8	5.8
		15.3	**34.0**
Non-Current	Maturity		
Revolving credit facilities	Jun-26	382.8	76.8
Term loans	Dec-26	1,157.6	1,098.2
Senior Notes	Dec-26	457.2	467.6
Senior Secured Notes	Oct-27	1,080.8	1,105.6
Loan from WPP	Dec-27	14.3	15.3
Loan from Bain Capital companies	Jun-28	62.0	62.0
Loan from Canson Capital	Jun-28	3.0	3.0
		3,157.7	**2,828.5**

Further information about the Group's borrowings is given in the Operating and Financial Review.

6. Acquisitions

On 27 February 2020, the second stage of the Kantar transaction was completed, consisting of approximately 4.5% of the Kantar group, with cash consideration paid of $166.7 million.

On 11th March 2020, the Group acquired Mavens Limited and its two subsidiaries from its shareholders, for a total consideration of $22.4 million. This includes an estimated $3.6 million of contingent consideration.

The initial accounting for both of these acquisitions is incomplete.

The amounts recognised in these management accounts in respect of the initial net assets acquired and goodwill recognised for these two acquisitions is set out in the table below.

Net assets acquired:	Kantar Stage 2 (unaudited) $m	Mavens (unaudited) $m	Total (unaudited) $m
Non-current assets	3.8	0.1	3.9
Current assets excluding cash equivalents	17.6	4.0	21.6
Cash and cash equivalents	25.1	8.7	33.8
Current liabilities	(16.9)	(3.2)	(20.1)
Non-current liabilities	(3.9)	-	(3.9)
Net assets acquired	25.7	9.6	35.3
Goodwill	141.0	12.8	153.8
Total consideration	166.7	22.4	189.1
Satisfied by:			
Cash	166.7	18.8	185.5
Deferred and contingent consideration	-	3.6	3.6
Total consideration	166.7	22.4	189.1
Net cash outflow arising on acquisitions:			
Cash consideration	166.7	18.8	185.5
Less: cash and cash equivalents acquired	(25.1)	(8.7)	(33.8)
	141.6	10.1	151.7
Deferred consideration paid re Kantar stage one.			9.4
Net cash outflow arising on acquisitions			**161.1**

7. Events after the balance sheet date

On 30 April 2020, the third stage of the Kantar transaction completed, consisting of approximately 1.4% of the Kantar group, with cash consideration paid of $23.8 million. The remaining stage of the transaction is expected to complete in Q3 2020.

As with all businesses, the Group is being impacted by the COVID-19 pandemic. The Group continues to monitor and take measures to mitigate the effects of the global challenges associated with COVID-19 in several respects. As a response, we have implemented a series of mitigation measures, including both top-down and targeted country-by-country actions on our costs, cash flow and working capital. Further details are given in the Recent Developments section of the Operating and Financial Review.

1. Reconciliation of Operating Loss to EBITDA

In the Operating and Financial Review, on page 12, a measure of EBITDA is referred to that can be reconciled to the operating profit shown in these financial statements as follows:

	Note	Quarter ended 31 March 2020
		$m
Operating Loss per the Income Statement		**(48.9)**
Add back:		
Depreciation of property, plant and equipment	3	10.6
Amortisation of intangible assets	3	55.0
Amortisation of right-of-use assets	3	13.4
Acquisition-related costs	3	3.9
Restructuring and transformation costs	3	28.8
Other items		1.2
EBITDA per the Operating and Financial Review		**64.0**

2. Reconciliation of Net Debt to Net Debt within the Senior Lenders' perimeter

The Operating and Financial Review contains, on page 9, a table showing the Net Debt within the Senior Lenders' perimeter. This can be reconciled to these financial statements as follows:

	Cash, less bank overdrafts	Borrowings (excl bank overdrafts)	Lease Liabilities	Net Debt
	$m	$m	$m	$m
Per the Balance Sheet at 31 March 2020	**(850.4)**	**3,167.0**	**254.8**	**2,571.4**
Adjust for:				
Unamortised debt-issuance costs deducted from borrowings	-	89.4	-	89.4
Cash and debt outside of the Senior Lenders' perimeter	1.7	(70.8)	-	(69.1)
Net Debt per the Operating and Financial Review	**(848.7)**	**3,185.6**	**254.8**	**2,591.7**