

S4 Capital says ad market still strong despite economic woes

Sir [Martin Sorrell](#)'s [S4 Capital](#) today offered some hope that the advertising market may survive a looming economic slowdown.


The digital marketing and ad business, recovering from an accounting problem that saw the full-year results delayed twice, said first quarter revenues jumped 70% to £207 million.

That comes ahead of forecasts and despite Sir Martin himself telling the Standard earlier this month that a perfect storm of the [oil price](#), supply chain problems and [inflation](#) would hit the [economy](#).

He thinks 2023 will be worse than this year. Shares in S4 rose 7p to 294p but they are down nearly 50% this year due to those accounting woes.

PwC, the auditor, had declined to verify the accounts due to what later emerged were control issues.

READ MORE

- [FTSE's biggest players take wind out of index's sails](#)
- [Oil soars again on EU Russia deal, petrol prices to keep rising](#)
- [FTSE 100 Live: Brent crude price up again, activist joins Unilever board](#)
-  [BRANDPOST | PAID CONTENT](#) Join us on a tour of The Macallan Estate

In response, S4 said today it is looking for a new chair of its audit committee to beef up its governance.

S4 said it had won new business for clients such as BrewDog, TikTok and Diageo.

Two weeks ago the company did its 30th deal in four years when it bought TheoremOne, an LA based tech firm. It hoped that deal was a sign that the accounting issues are in the past.

America and Asia were especially strong and Sir Martin continues "to examine merger opportunities". S4 admitted today that: "While our gender balance is even across the Company as a whole, the proportion of women leaders drops off significantly at senior levels."

It has launched a women leadership programme to try and address that issue, it said.

On Ukraine Sir Martin said: "Thankfully, we were able to assist our 84 Ukraine.Monks and their families, as much as possible. About half remained in the Ukraine because they wished to or had to sign up for military service. We relocated and redeployed those who had to leave the country, mostly in Eastern Europe. We have wound down our operations in Russia, where we had 10 Monks. There was little or no revenue impact of such actions."