

# M+C SAATCHI GROUP

## INTRODUCTION



# BRILLIANT PEOPLE, EXTRAORDINARY CREATIVITY, AMAZING CLIENT SERVICE

## BRILLIANT PEOPLE

- + New creative leadership
- + Positive employee engagement at 71
- + Investment planned in new roles to drive growth

## EXTRAORDINARY CREATIVITY

- + 140 new business wins
- + 141 industry awards
- + Cultural Power proposition launched

## AMAZING CLIENT SERVICE

- + M+C Saatchi Intelligence Insight
- + Middle office centralised production
- + Integrated regional-first offering
- + Retained clients who accounted for 92% of 2023 revenue<sup>1</sup>

## AWARDS



## CLIENTS



<sup>1</sup> Based on retained clients who accounted for 92% of 2023 revenue who also spent in 2024.

6 REGIONS, 22 COUNTRIES



M+C SAATCHI GROUP

# FINANCIAL HEADLINES: PROFITABLE GROWTH AND CASH GENERATION

LFL <sup>1</sup>	FY24	FY23	Change
£m			
Revenue	392.5	391.1	0.4%
Net revenue <sup>2</sup>	231.0	222.8	3.7%
Operating profit	35.2	33.4	5.2%
Operating profit margin	15.2%	15.0%	0.2pps
PBT	30.5	29.3	4.2%
EPS (basic) <sup>3</sup>	17.6p	16.6p	6.1%
Dividends per share	1.95p	1.6p	21.9%
Net cash <sup>2,4</sup>	15.3	8.3	84.3%

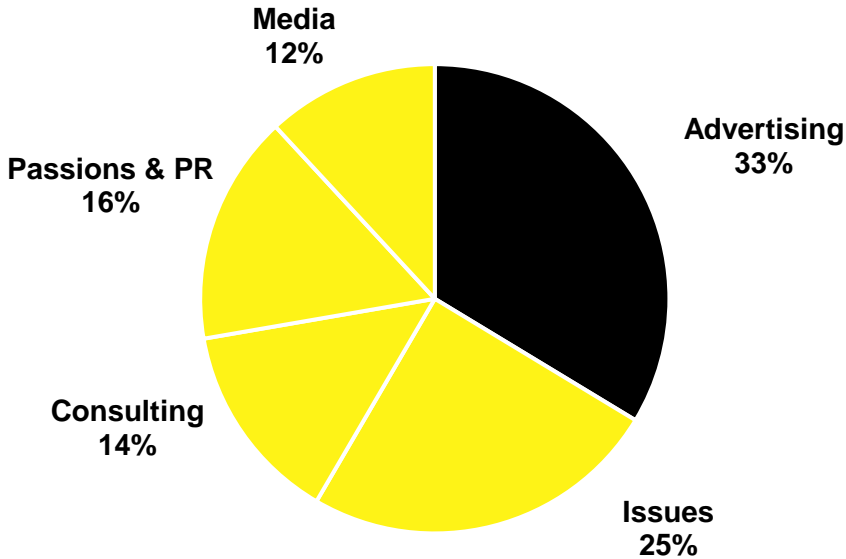
<sup>1</sup> Like-for-Like (LFL) results adjust statutory results to reflect the underlying profitability of the business units, by excluding a number of items that are not part of routine expenses including one-off and exceptional items (defined as Headline Results), also excluding subsidiaries discontinued in 2023 and in 2024, and retranslating 2023 figures to 2024 FX rates. These adjustments are set out below. We provide commentary on LFL figures, where applicable, to provide a more comparable and better basis for understanding our current and future performance. LFL adjustments are summarised below in this section, in the Financial Review and at Note 1 of the financial statements.

<sup>2</sup> Refer to Notes for the definition of net revenue and net cash.

<sup>3</sup> Basic and diluted earnings per share are calculated by dividing the appropriate earnings metrics by the weighted average number of shares of the Company in issue during the year. Please see note 5 for a detailed view on adjustments in calculating EPS.

<sup>4</sup> Net cash includes £3.5 million of restricted cash.

FY24 LFL Specialism % net revenue weight



# THE GOLDILOCKS ZONE

HoldCo



Client Options



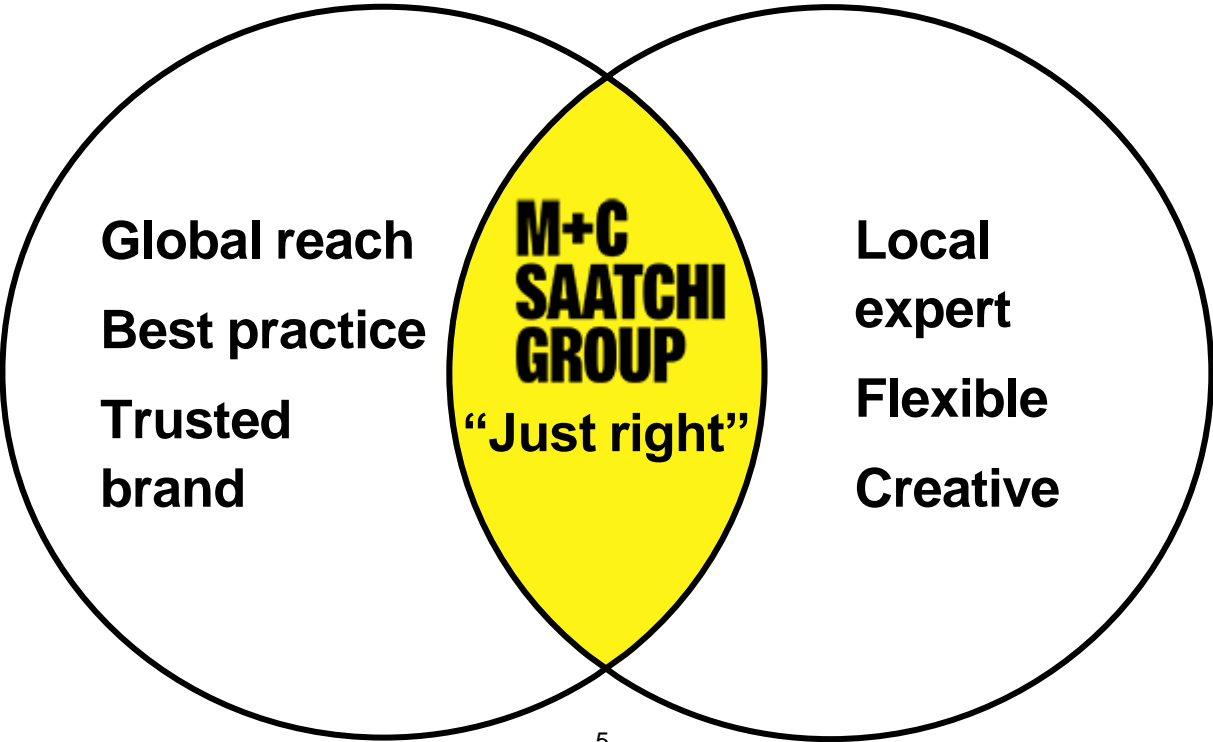
Niche Player

*Middle of the road*  
*Templated approach*  
*Lost in the system*

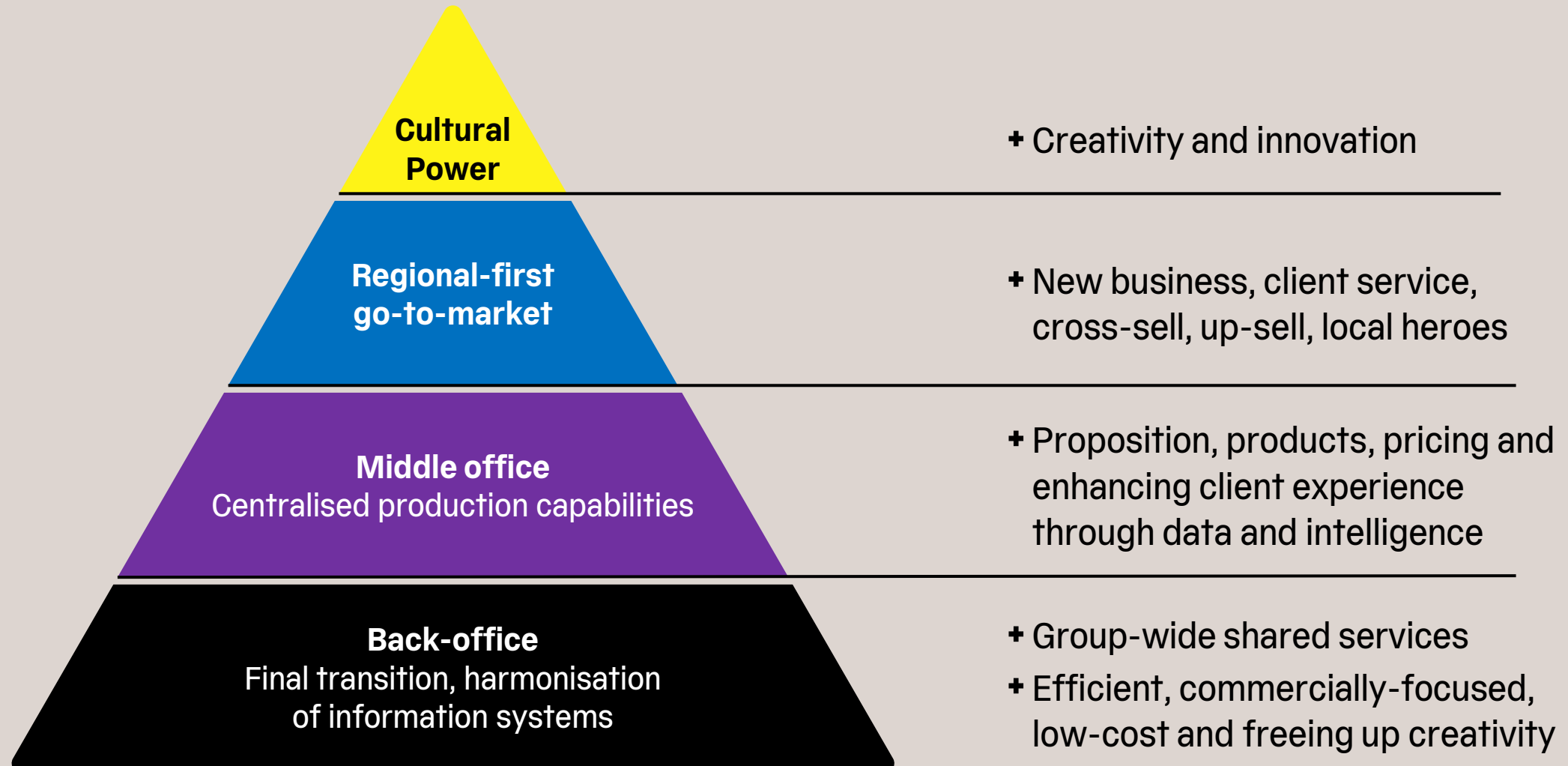
*High Risk*  
*No Scale*



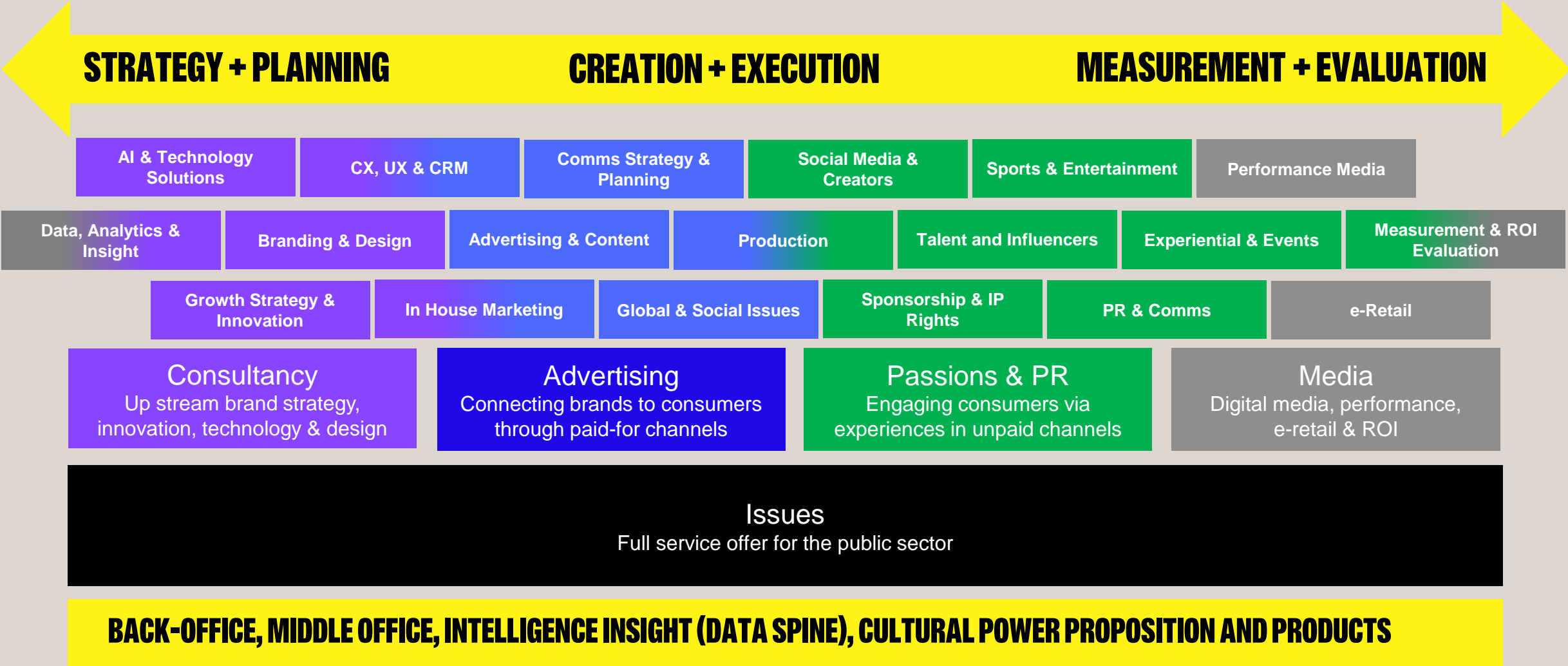
**AGILE, GLOBAL SPECIALIST SOLUTIONS**



# THE GLOBAL OPERATING MODEL



# FULL MARKETING OFFER, PLANNING TO EXECUTION TO MEASUREMENT





# CAPITAL ALLOCATION PRIORITISES ORGANIC GROWTH

## Priorities

### Organic re-investment

Adding capability, capacity and scale to boost organic growth

### Selective M&A

Expanding capability or geography where we can win  
Disciplined approach

### Returns to shareholders

Value creation through dividends alongside our growing dividend policy  
Consideration of share buyback relative to other vehicles for creating shareholder value

## Enablers

### Capital light

Ongoing capex c 1% of net revenue

### Cash generation

Targeting >80% operating cash conversion, allowing for some variability through the cycle

### Low leverage

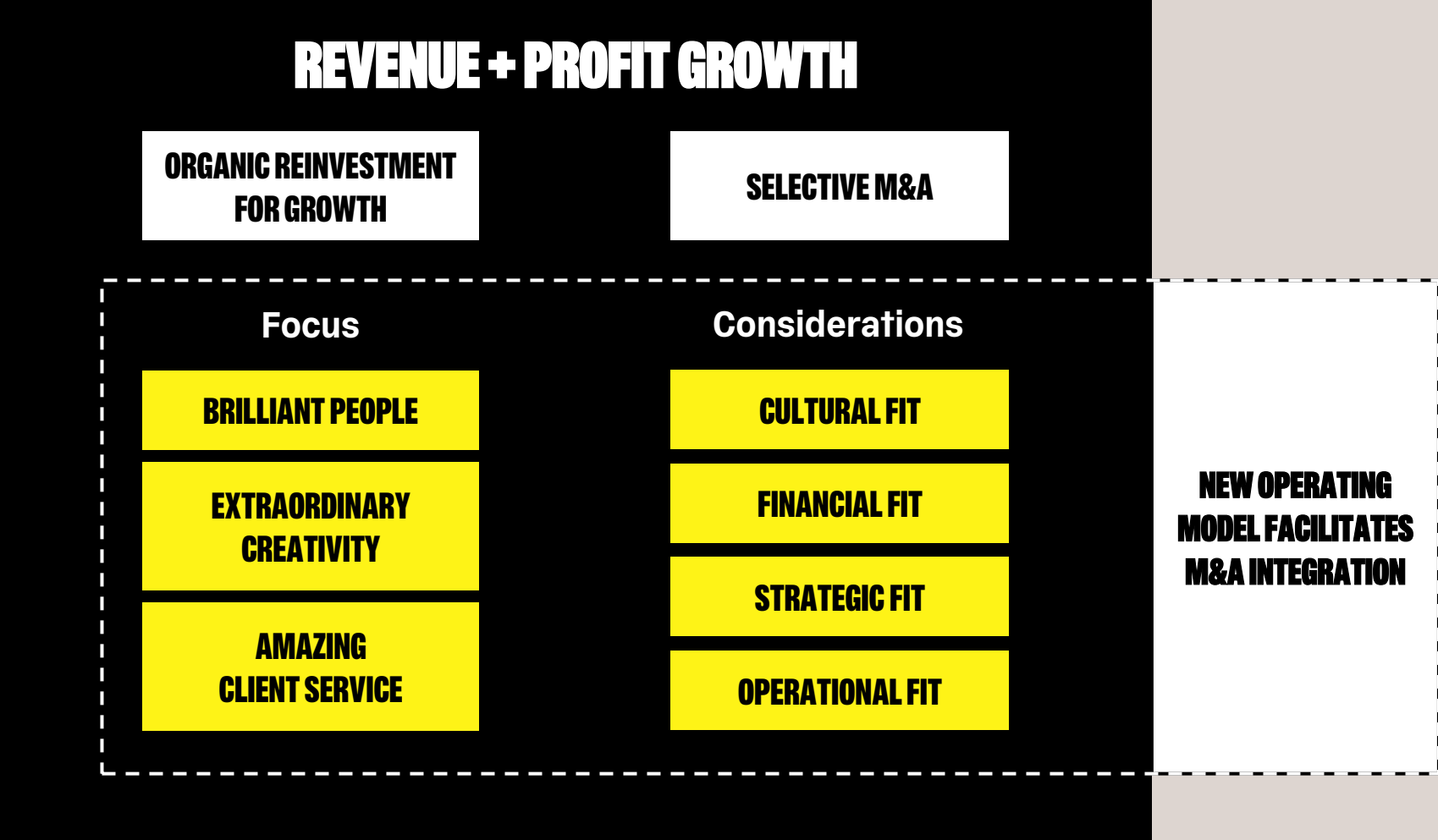
In the event on M&A, maintaining net debt: EBITDA of 1 - 1.5x through the cycle

### Firepower

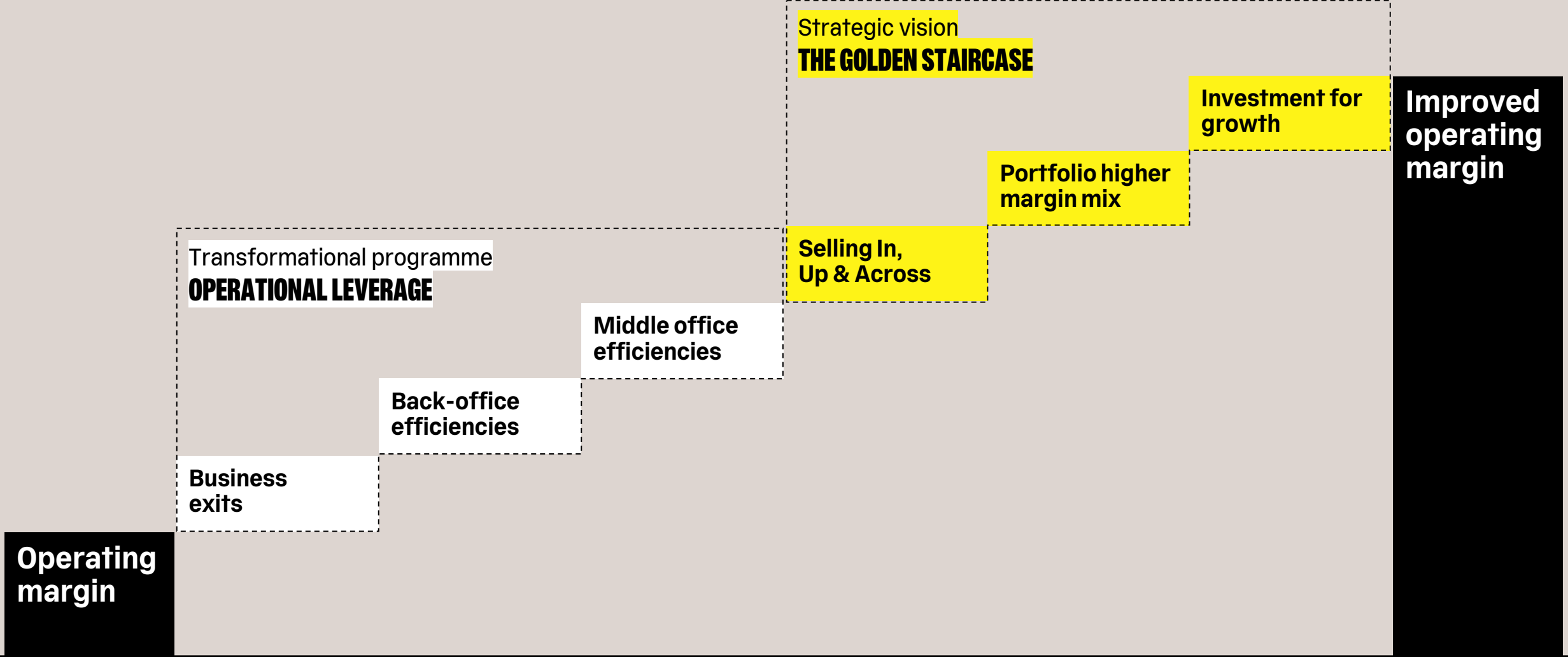
Through ongoing cash generation, strong balance-sheet, £50m RCF and £50m accordion



# INVESTMENT FOR GROWTH: OUR RIGHT-TO-WIN



# DRIVERS OF PROFITABLE GROWTH



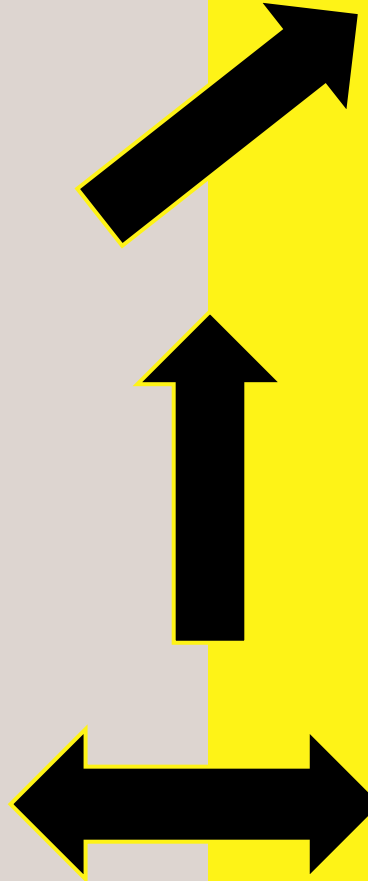
# INTEGRATED MODEL

## ENABLING REVENUE GROWTH

**BRILLIANT PEOPLE**

**EXTRAORDINARY  
CREATIVITY**

**AMAZING  
CLIENT SERVICE**



### 1 WHY DO CLIENTS COME TO US? (SELLING IN)

- + World-famous brand
- + Growth team with deep client understanding
- + AI-powered customer platform
- + Integrated client solutions

### 2 WHY DO CLIENTS STAY WITH US? (SELLING UP)

- + Brilliant client service
- + New product development and innovation
- + Cultural Power Index

### 3 WHAT MORE CAN WE OFFER CLIENTS? (SELLING ACROSS)

- + Regional-first, agile, integrated model
- + Broader client needs, supported by incentives

# M&A PRIORITISATION

## REGIONAL FOCUS

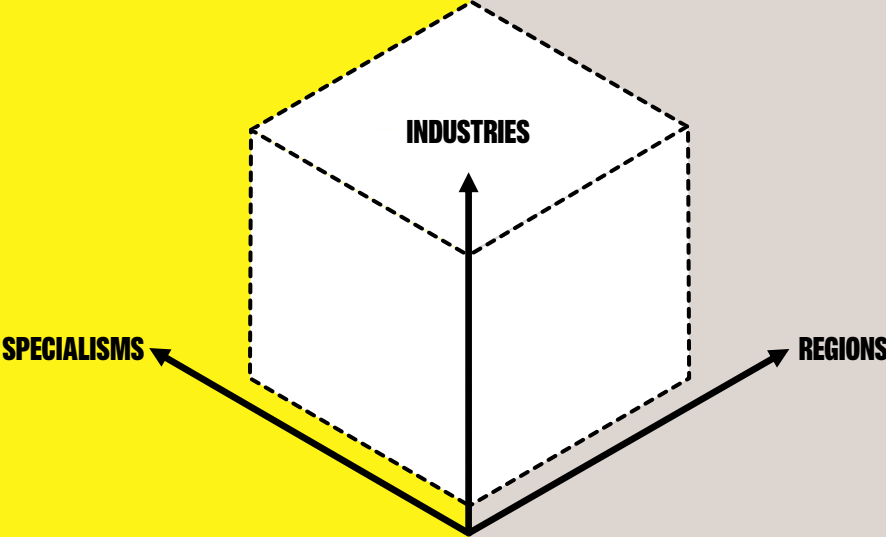
- + Fast-growing or core markets

## SPECIALISM FOCUS

- + Enhances our portfolio within a particular Specialism

## INDUSTRY FOCUS

- + Enables support of a particular business service or vertical



- CULTURAL FIT
- FINANCIAL FIT
- STRATEGIC FIT
- OPERATIONAL FIT

# INVESTMENT CASE: BUILDING SUSTAINABLE PROFITABILITY AND RESILIENCE

Creative solutions	BRILLIANT PEOPLE	EXTRAORDINARY CREATIVITY	AMAZING CLIENT SERVICE
Golden staircase	IN, UP & ACROSS	PORTFOLIO	INVESTMENT
Go-to-market	REGIONAL FIRST INTEGRATION	GLOBAL CAPABILITIES	CULTURAL POWER

REVENUE OPPORTUNITIES

+

DIVERSE, HIGHER-MARGIN PORTFOLIO

+

STRONG CASH GENERATION

=

SHAREHOLDER RETURNS

# ESG AS A GROWTH ENABLER

## Strategic Drivers

<div>Maintain eligibility for RFPs</div> <div>1. Clarify accountability for all ESG areas 2. Deliver key goals and commitments 3. Trickey sectors and emerging issues</div> <div>HIGHLIGHTS</div> <div><div>➤ 100% response rate to ESG sections of RFPs</div><div>➤ No concerns raised by clients/prospective clients</div><div>➤ Over £21 million of client work in 2024 was linked to ESG performance<sup>1</sup></div></div>	<div>Brilliant client work</div> <div>1. Training and development 2. Planet + People positive campaigns 3. Championing and incentivizing great work</div> <div>HIGHLIGHTS</div> <div><div>➤ ESG being rolled out in training and development</div><div>➤ Plastic Forecast was our most awarded campaign in 2024</div><div>➤ Launch of FanCom: coalescing communities with intersectional passions and behaviours</div></div>	<div>Future fit</div> <div>1. Enhancing our offering for growth 2. New and emerging sectors 3. Industry leadership and making a splash</div> <div>HIGHLIGHTS</div> <div><div>➤ Launched new D&amp;I strategy</div><div>➤ 3x industry leading activities (Mayor’s Design Lab: Participative Action on Anti-Racism, IPA: Sustainability Committee and Purpose Disruptors: Service Emissions)</div><div>➤ Open House and Art For Change Prize –highest participation figures to date</div></div>
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1 This figure excludes ESG performance requests that were not answered by the central team and excludes any associated revenue from our Media businesses

## We deliver our strategy through our 11 commitments

Planet	People
<div>The way we work</div> <div>1.Set a net-zero target, in-line with the SBTi Net-Zero standard 2.Reduce our Scope 1,2 and 3 emissions by 50% by 2030 3.Set an internal price on carbon and offset remaining emissions from our own operations by 2025 and across our value chain by 2030</div>	<div>The way we work</div> <div>4.Evolve how we recruit, develop and reward our people to encourage broad representation 5.Create an inclusive experience where all can flourish, perform and belong 6.Inspire and support people from all backgrounds to start careers in the industry</div>
<div>Planet and People</div> <div>The work we do</div> <div>7.Build climate and D&amp;I-literate teams 8.Drive alignment with our planet and people goals across supply chains 9.Grow the percentage overall revenue from planet and people positive campaigns year-on-year 10.Review potential new clients based on their impact to planet and people 11.Offer time and funding to organisations that have a positive impact on the planet and people</div>	