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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF REGULATION (EU) NO 596/2014 ("MAR"). UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THE INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN FOR THE PURPOSES OF MAR.

FOR IMMEDIATE RELEASE

24 January 2022

M&C Saatchi plc

("M&C Saatchi" or the "Company")

Update regarding possible offer

The directors of the Company other than Vin Murria (the "Independent Directors") note the announcement earlier today from AdvancedAdvT Limited ("AdvT"). The Independent Directors confirm that they received a revised proposal (the "Revised Proposal") from AdvT on 19 January 2022. Under the Revised Proposal, AdvT would offer each M&C Saatchi shareholder 2.245 new AdvT ordinary shares for each M&C Saatchi ordinary share. In addition, AdvT have suggested an alternate structure whereby AdvT would offer each M&C Saatchi shareholder 1.633 new AdvT ordinary shares for each M&C Saatchi ordinary share and 40 pence in cash (the "Alternate Proposal") being a lower overall value for a M&C Saatchi ordinary share than that which would be offered under the Revised Proposal.

The Independent Directors have carefully considered the Proposal and together with Numis and Liberum, the Company's financial advisers, met with Vin Murria and Marwyn Investment Management ("Marwyn"), the two largest shareholders of AdvT, and their financial adviser on 17 January 2022. The purpose of the meeting was for AdvT to provide more detail on its Proposal and to provide AdvT with an opportunity to address, inter alia, the concerns raised by the Independent Directors in their announcement of 7 January 2022. Following this meeting the Independent Directors received, and have considered with the Company's financial advisers, the Revised Proposal and Alternate Proposal.

The conclusion of the Independent Directors is that the Revised Proposal and the Alternate Proposal continue to significantly undervalue the Company and its prospects, particularly in light of the continued strong performance, most recently highlighted in the trading update of 21 January 2022 demonstrating the continued successful implementation of the Company's strategy. The Independent Directors also highlight a number of areas of concern:

- The proposed exchange of shares under the Revised Proposal would still dilute and transfer value from the Company's shareholders to AdvT's shareholders, in particular, to Vin Murria and Marwyn through their AdvT promoter incentive arrangements.
- The Revised Proposal makes reference to "transformational digital-led M&A", yet AdvT has provided no further details around the nature of potential targets, the status of any discussions or the terms on which any such acquisition would be made, and so the Independent Directors have been unable to assess the benefit or execution risk of any such proposed strategy. Such an M&A strategy offers no guarantee of success, and comes with heightened risk to the Company and its clients, culture and employees.
- The Independent Directors believe that the proposed transaction with AdvT would cause disruption to the Company and its ability to continue to retain key employees.
- It is unacceptable that the Alternate Proposal results in a lower value than the Revised Proposal and the Independent Directors believe that any proposal whether in new AdvT shares or with part cash should be at identical values.

Conversely, the Independent Directors are highly confident of M&C Saatchi's current strategy as an independent company:

- M&C Saatchi's current strategy has been in place since Q1 2021 and has resulted in seven positive trading updates, including the trading update published on 21 January 2022. Meaningful new client wins include Uber, Google, Tiktok and Tinder as well as new assignments from existing clients including the UK Government, Pepsico, Reckitt and Lexus.
- M&C Saatchi is a creative business with digital technologies and data science integrated into its core. M&C Saatchi clients operate in a connected digital ecosystem and the Company's output and growth are digital first.
- The Company has a strong balance sheet with a significant net cash position providing it with the financial flexibility to both pursue its growth strategy and to settle put option liabilities in cash as they fall due, as indicated at the time of the interim results announcement in September 2021. For the avoidance of doubt, the timing of settlement of these put options is at the discretion of the option holder (subject to a specified long stop in some cases) and the majority of the put options will not crystallise automatically on a change of control of the Company. The Revised Proposal offers no solution to the Company that is not otherwise available to it as an independent company.

Accordingly, the Independent Directors informed AdvT on 23 January that they have unanimously rejected the Revised Proposal.

M&C Saatchi shareholders should note that there can be no certainty that an offer for M&C Saatchi will be made. Further announcements will be made in due course and the Board will continue to engage with M&C Saatchi shareholders during the offer period. In the meantime, M&C Saatchi shareholders are advised to take no action.

This announcement has been made without the prior consent of AdvT.

The person responsible for arranging this announcement on behalf of M&C Saatchi is Gareth Davis, Chairman.

For further information please call:

M&C Saatchi plc

+44 (0)20-7543-4500

Gareth Davis, Chairman

**Numis - NOMAD, Financial
Adviser and Corporate
Broker**

+44 (0)20-7260-1000

Nick Westlake, Stuart Ord,
Hugo Rubinstein, Iqra Amin

**Liberum - Financial Adviser
and Corporate Broker**

+44 (0)20-3100-2000

Neil Patel, Benjamin Cryer,
Edward Phillips, Will King

Tim Medak, Mark Harrison,
M&A

Brunswick - Financial PR

+44 (0)20-7404-5959

Sumeet Desai, Stuart Donnelly,
Kate Pope

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Relevant securities in issue

In accordance with Rule 2.9 of the Code, M&C Saatchi confirms that as at the date of this announcement, it has 122,743,435 ordinary shares of 1 penny each in issue and admitted to trading on AIM, the market operated by the London Stock Exchange (and holds 485,970 shares in treasury). The total number of voting rights in the Company is therefore 122,257,465. The International Securities Identification Number ("ISIN") for M&C Saatchi's ordinary shares is GB00B01F7T14.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on a website

In accordance with Rule 26.1 of the Code, a copy of this announcement will be made available on the Company's website (www.mcsaatchiplc.com) no later than 12 noon (London time) on 25 January 2022. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.