

M&C SAATCHI PLC

INTRODUCTION

M&C SAATCHI GROUP



Our strengths

- Roots in advertising and our highly recognised brand
- Diverse, higher-margin Specialisms give resilience
- Attract clients with agility, regional strength and global reach
- Operationally levered, cash generative, capital-light model

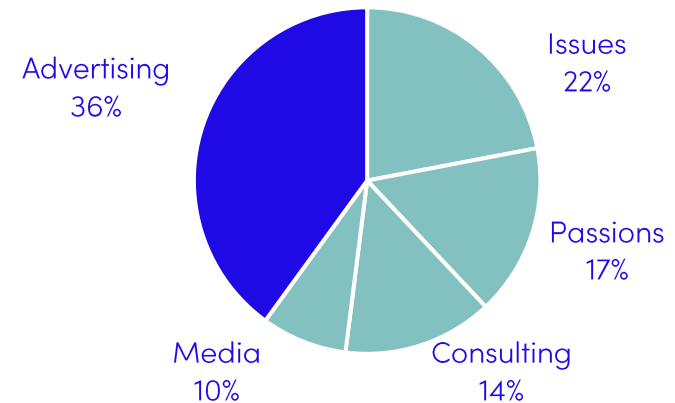
Operations and licensees in 23 countries



Key facts (FY 23)

Headline Net revenue	£252.8m
Headline PBT	28.7
Net cash	8.3
Employees	2,706
No of awards	119
New business wins	216

Net revenue² contribution H1 24



THE GOLDILOCKS ZONE

Client options

Holdco



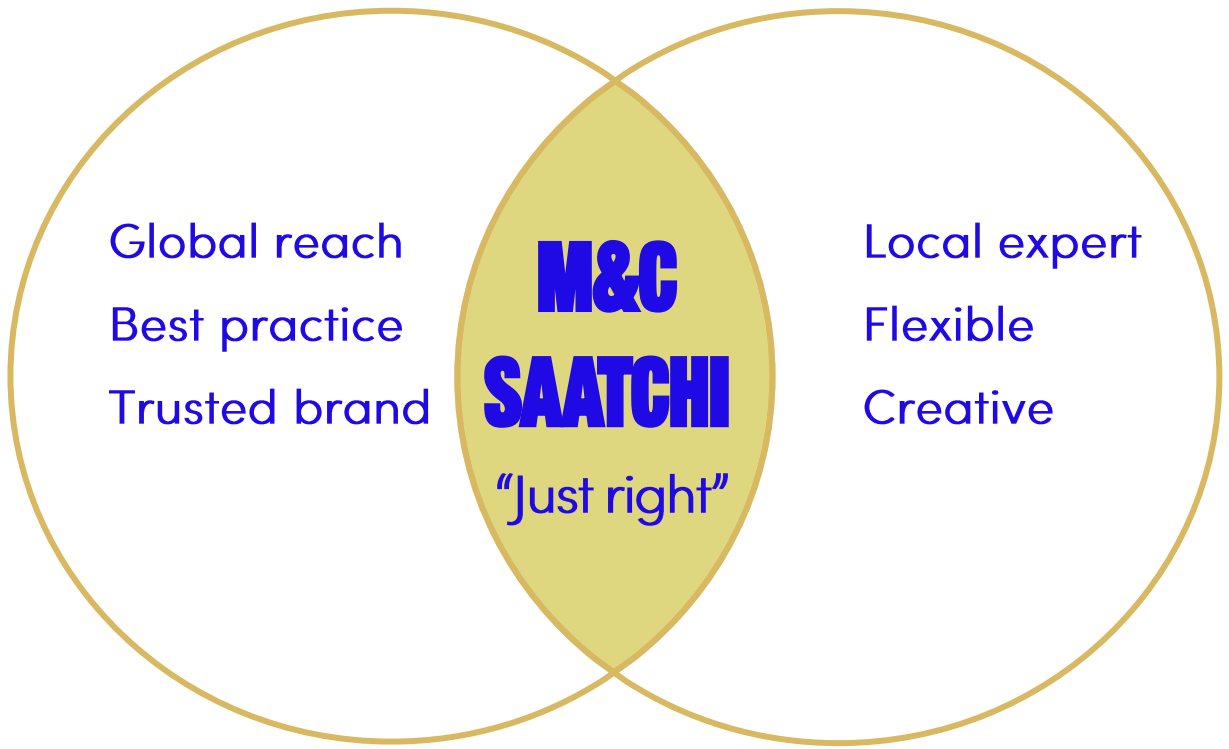
Niche

Global presence
Templated approach
Broad and safe

Agile global specialist solutions

Client focus
Agile / Bespoke
Local and Narrow

Middle-of-the-road



High risk

BREADTH OF MARKETING SERVICES

PLANNING

EXECUTION

MEASUREMENT

Research and Analytics

Design and CX

Advertising

PR & Comms

Sponsorship

Media

Evaluation

Strategy

Innovation

Content

Talent and Influencers

Activation and Events

Performance

Consultancy
Brand strategy,
innovation, design

Advertising
Connecting brands to
consumers

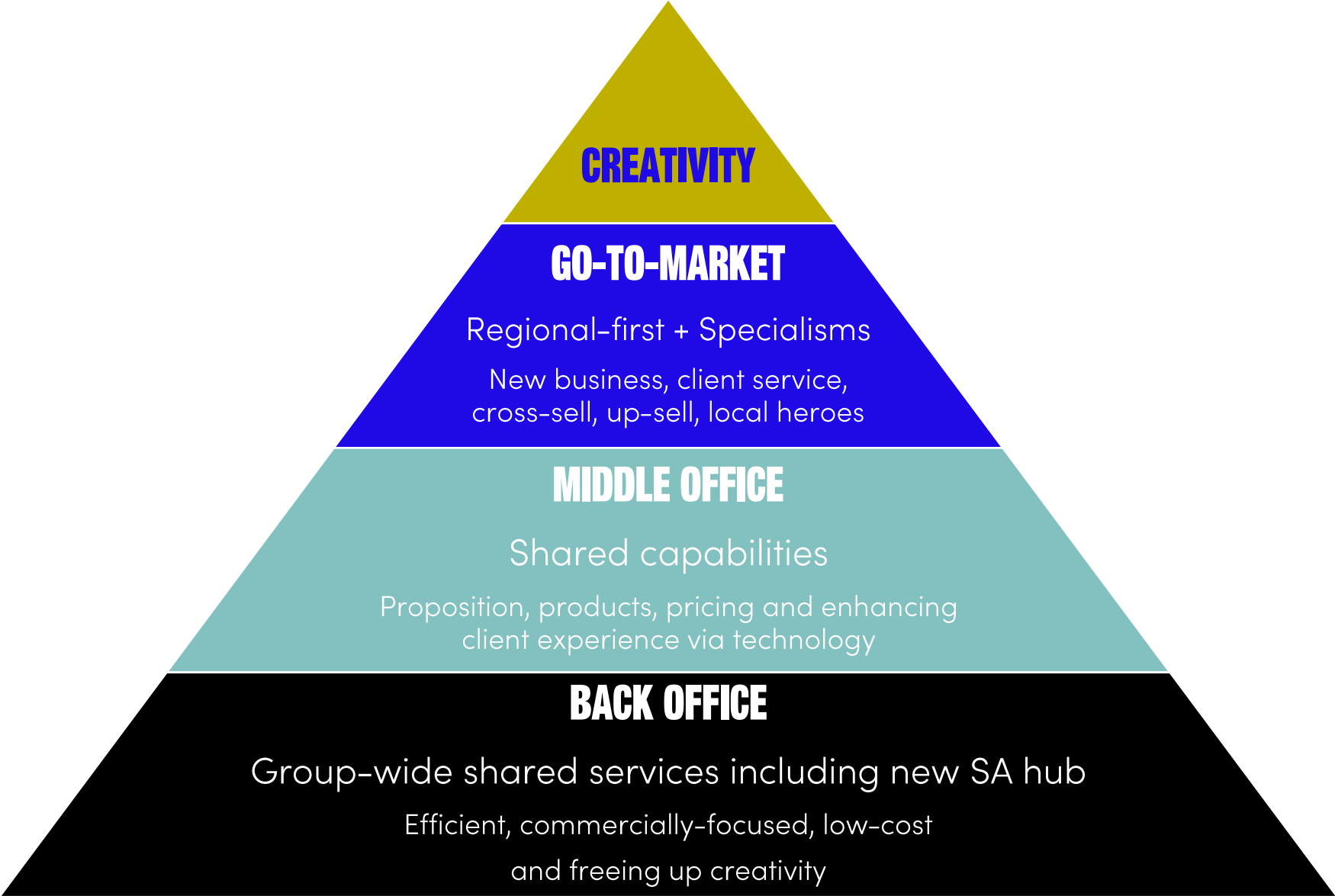
Passions & PR
Experiential, talent,
PR

Media
Digital media,
performance

Issues

Full service offer for a different client base

A FULLY INTEGRATED, AGILE REGIONAL-FIRST MODEL...



CREATING ADVANTAGE FOR CLIENTS IN AN INCREASINGLY COMPLEX WORLD

OUR BELIEFS

BRUTAL SIMPLICITY

Applying our founding philosophy of Brutal Simplicity of Thought to cut through complexity

CONNECTIVE CREATIVITY

Delivering integrated solutions through our core specialisms that create more meaningful impact with audiences

FUTURE FEARLESSNESS

Embracing technology and constantly evolving our capabilities to deliver innovative solutions

LEADING TO CLIENT SOLUTIONS

Customer-centric

Simple and cut-through

Channel-neutral

Integrated

Future-facing

Data and technology-driven

CAPITAL ALLOCATION - UNCHANGED PRIORITY OF ORGANIC GROWTH

Targeted reinvestments to boost organic growth

Organic re-investment for future growth

- > Aligned to new regional-first, global delivery-led operating model
- > Adding capability, capacity and scale for impact
- > Capital light business targeting >80% cash conversion rate, allowing some variability through the cycle

Selective M&A

- > Firepower for selective bolt-on M&A through our strong balance-sheet – cash positive plus new £50m RCF and £50m accordion
- > Target Net Debt : EBITDA 1 - 1.5x through the cycle with option to spike for material M&A

Returns to shareholders

- > Continued commitment to creating value for shareholders
- > Progressive dividend policy

BUILDING A STRONG FOUNDATION FOR THE FUTURE

Regional-first
agile operating
model

Well-positioned
in the
“Goldilocks
Zone”

Specialist
capabilities and
diverse offering

Creating an
advantage for
clients in an
increasingly
complex world

Building sustainable profitability and resilience

- > Increasing strength and diversity of the portfolio
- > Increased operational leverage
- > Commonality of Group-wide incentives
- > Strong balance sheet with improved cash generation

CREATING SUSTAINABLE GROWTH AND SHAREHOLDER VALUE

Fundamental strengths

- > Powerful, recognised brand, renowned for creativity
- > Entrepreneurial culture
- > Stellar client base – high service levels and retention
- > A well-balanced portfolio
- > Strengthened leadership and depth of talent

Operating model underpins growth

- > Regional-first go-to-market with global reach
- > Agility, flexibility and efficiency
- > Accessible diverse capabilities
- > Centralised services release creativity
- > Strategically aligned incentives

Focused on enhancing shareholder value

- > Reinvestment for sustainable growth
- > Selective bolt-on M&A to build capability and plug gaps
- > Optimised, capital light, cash generative model
- > Sustainable, progressive dividend policy

M&C SAATCHI INVESTMENT CASE