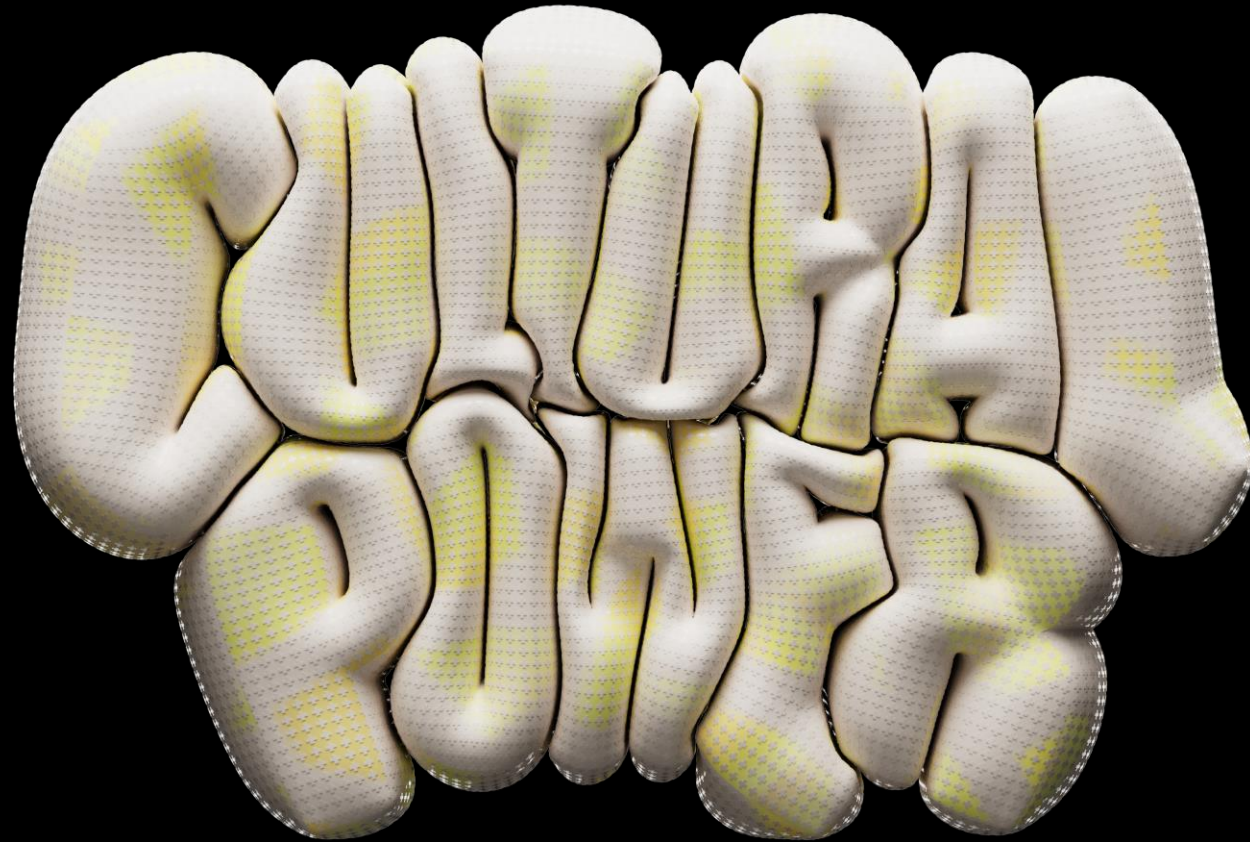


# **M+C SAATCHI GROUP**

## **FULL YEAR 2024 RESULTS PRESENTATION**



**Unaudited preliminary results for the year ended 31 December 2024 | 27 March 2025**



# CONTENTS

A year of progress – Zaid Al-Qassab, CEO

Financial review and model for growth – Simon Fuller, CFO

Strategic opportunity – Zaid Al-Qassab

## Q&A

*Definitions applied throughout*

*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), 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.*

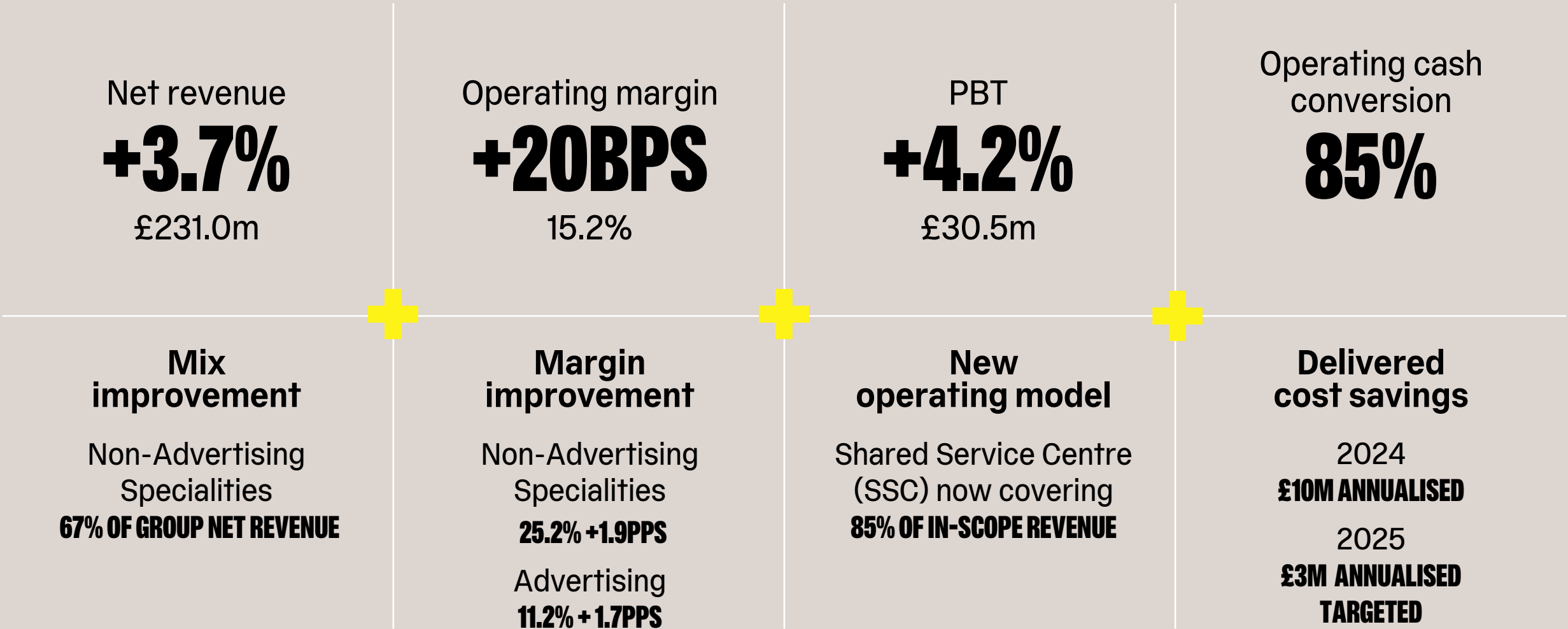
*Refer to RNS for the definition of Net revenue and net cash.*

*Earnings are calculated after deducting tax and the share of profits attributable to non-controlling interests. A detailed view on adjustments in calculating EPS are provided in the RNS.*

*Operating cash conversion is the conversion of LFL operating profit into LFL operating cash (also excluding put option payments) net of purchases of intangible/tangible fixed assets and the principal payment of leases*

*Figures are subject to rounding variances*

# STRONG LFL RESULTS, PROGRESS AND RESILIENCE IN A YEAR OF TRANSFORMATION



# 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

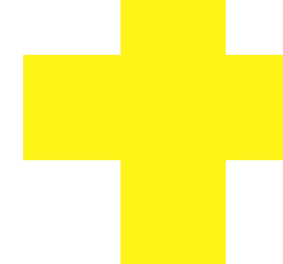




# FINANCIAL REVIEW



# SIMON FULLER, CFO



# 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.

## Net revenue growth up 3.7%

Non-Advertising Specialisms +6.7%, offsetting Advertising -1.9%

## Strong improvement in profitability

Operating profit +5.2%: cost efficiencies and improved mix

Operating margin +0.2pps: Non-Advertising 25.2%; Advertising 11.2%

Global cost model for back-office centralises costs, but with net reduction for the Group

## EPS up 6.1%

Minority interests reduced to 3.2% of earnings (FY23: 9.1%)

## Adjusted net cash up 84%

Put option cash settlements of £8.6m, with an outstanding cash liability of £3.7m

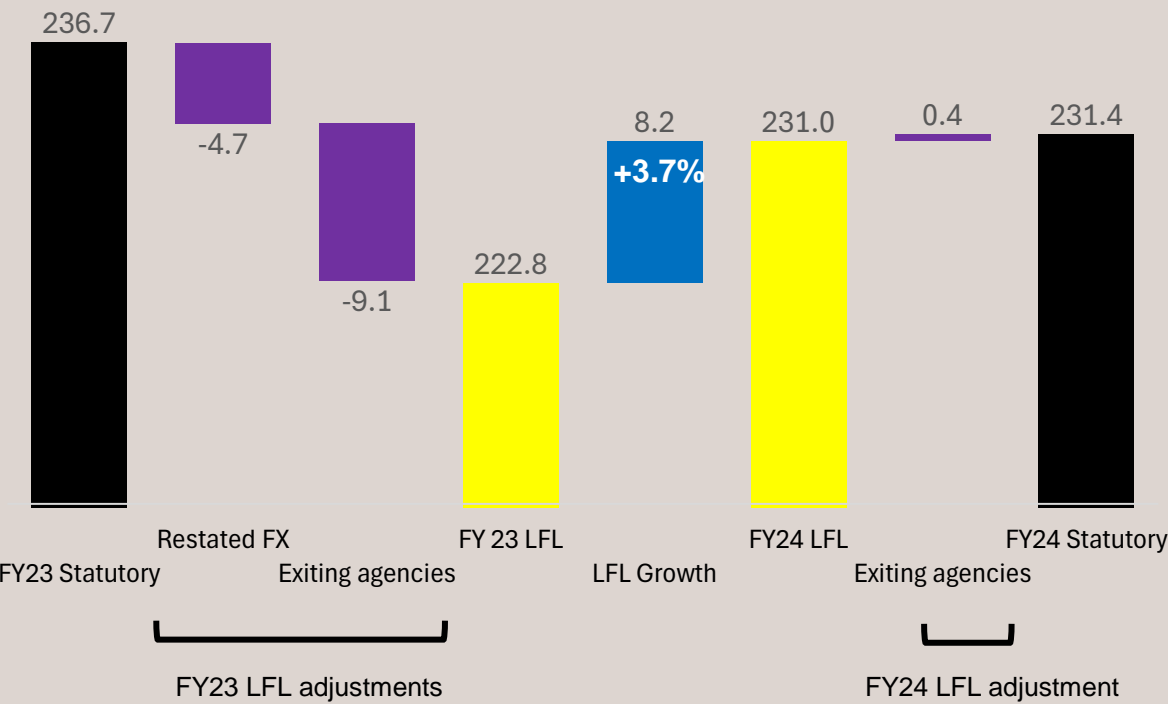
## Dividend proposed increase +21.9%

Reflecting progression on earnings and maintaining cover

# STRONG NET REVENUE GROWTH



## Statutory to LFL revenue bridge (£m)



## Strong LFL net revenue growth +3.7% (£8.2m)

Regional growth: UAE +59%, Europe +14%, UK +9%

Specialism growth: Issues +28%, Media +8%

## Discontinued business net revenue: £9.1m

Exited South Africa, creative agencies in Switzerland, Indonesia and French associate investments

## FX £4.7m - 2023 adjusted at FY 24 rates

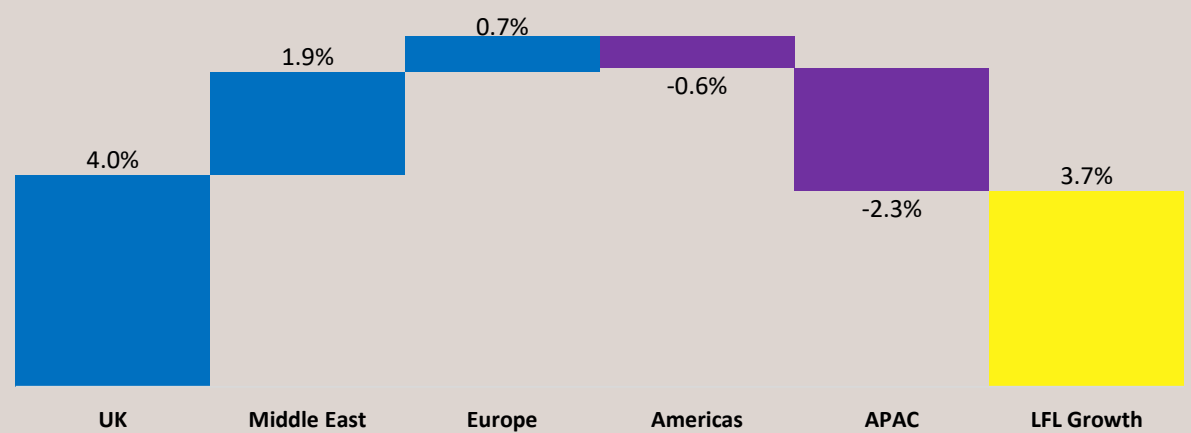
GBP stronger vs all key Group currencies



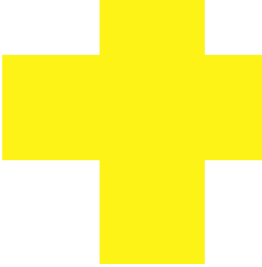
# BROAD-BASED REVENUE GROWTH ACROSS REGIONS

LFL	FY 2024	FY 2023	Change
£m			
UK	109.1	100.3	8.7%
APAC	53.9	59.0	(8.7)%
Americas	44.2	45.5	(2.9)%
Europe	12.2	10.7	14.0%
Middle East	11.6	7.3	58.8%
Total	231.0	222.8	3.7%

## LFL net revenue regional contribution



FY 2024 Results



### UK +9%

Positive momentum in Issues and Media

Advertising revenue down - subdued UK environment

### APAC -9%

Australia macro challenges, high interest rates persist

Asia strong growth

### Americas -3%

Growth in Advertising specialisms

Consulting impacted by macro environment

### Europe +14%

Broad-based progress in Italy and Germany

Strongest growth in Advertising and Passions & PR

### Middle East +59%

Strong Advertising performance

Continued strength in real estate and construction clients



# STRONG REVENUE PERFORMANCE IN ISSUES AND MEDIA

LFL net revenue	FY 2024	FY 2023	Change	Group mix
	£m	£m		
Issues	57.9	45.4	27.6%	25%
Consulting	32.5	34.9	(6.7)%	14%
Passions & PR	36.4	38.9	(6.5)%	16%
Media	26.8	24.8	8.2%	12%
Non-Advertising	153.6	143.9	6.7%	67%
Advertising	77.4	78.9	(1.9)%	33%
Total	231.0	222.8	3.7%	100%

Non-advertising specialisms net revenue £153.6m +6.7%

**Issues +27.6%**

- Client retention, new work within multi-year engagements
- Broadened addressable market via new business

**Passions & PR -6.5%**

- Europe growth offset by declines, including weaker PR
- Passions standalone small decline, but margin improvement

**Consulting -6.7%**

- Tough market conditions - pressure on clients’ budgets led to spend timing delays

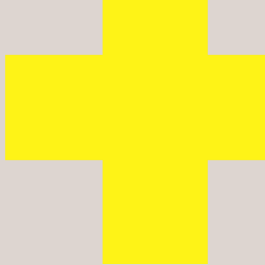
**Media +8.2%**

- Good recovery, strength in SE Asia and opportunities globally

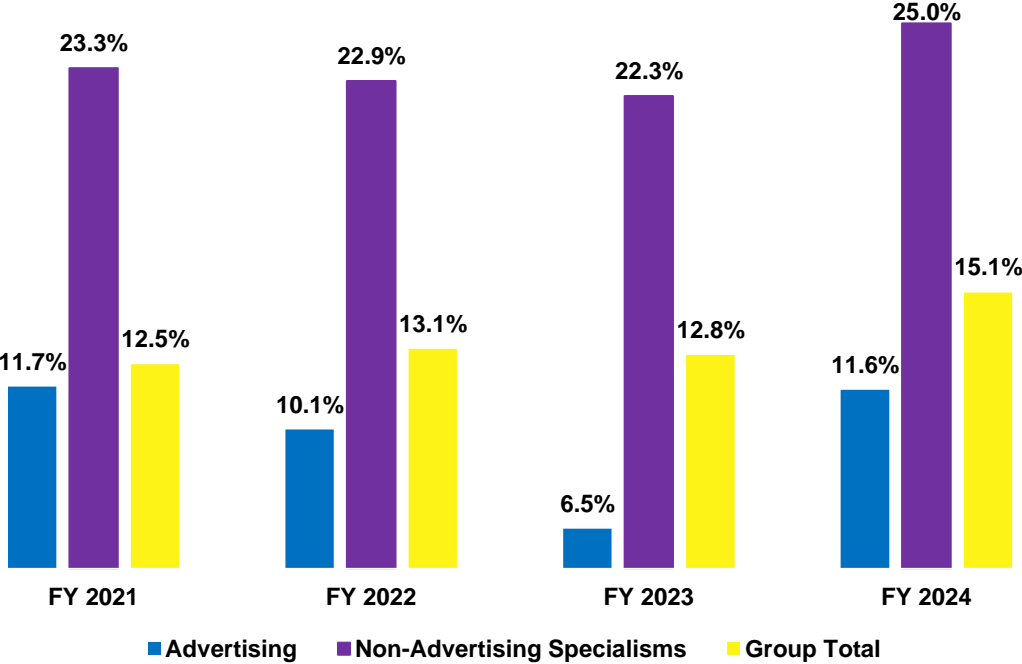
Advertising net revenue £77.4m -1.9%

- Strong momentum in US, Europe and Middle East
- Australia and UK remain challenging

# IMPROVED MIX, HIGHER MARGINS AND INCREASED RESILIENCE



## Operating margins on a headline<sup>1</sup> basis



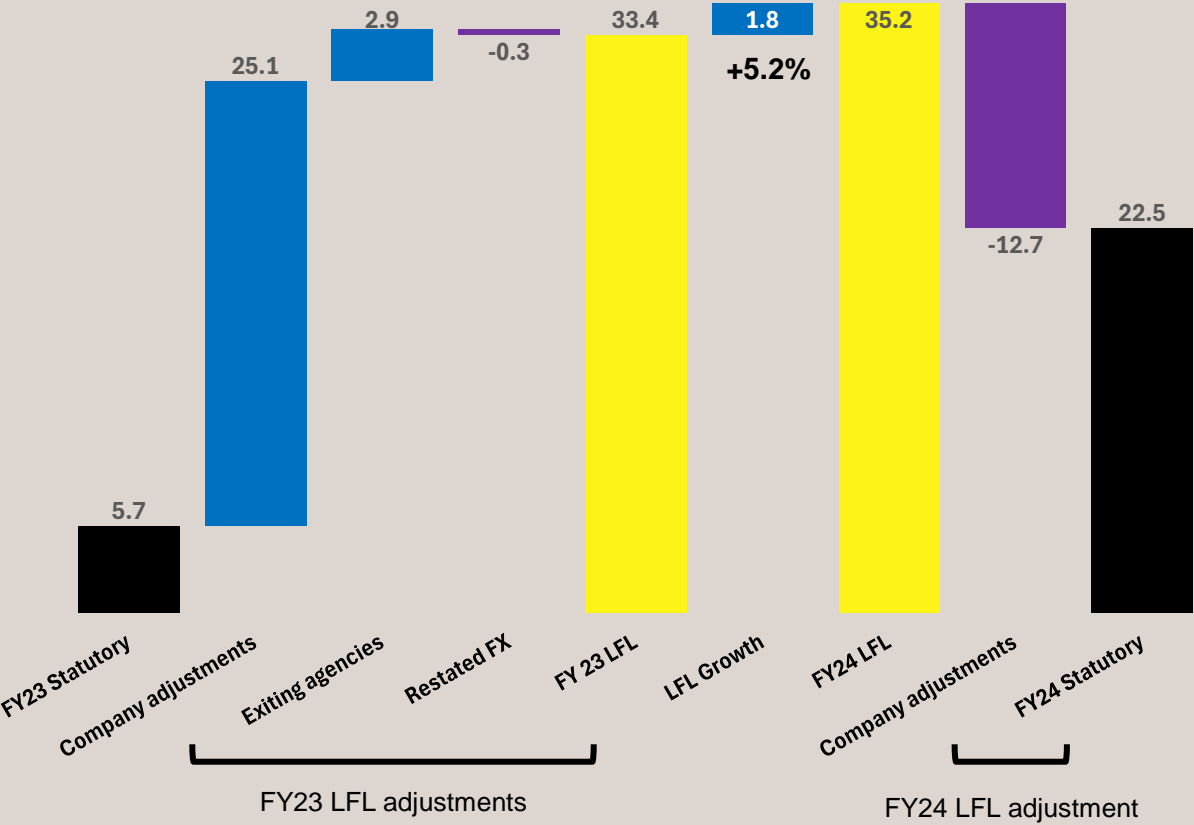
## Drivers of operating margin development

- Higher-margin Non-Advertising Specialisms now 67% of Group net revenue
- Improving structural operating leverage with growth and expanded regional offer
- Improved resilience from increased diversity of portfolio
- Advertising margins up – efficiency programmes and exiting loss-makers
- Further opportunities to apply efficient Group model e.g. production and middle office activities

<sup>1</sup> Headline excludes only adjustments for one-offs and exceptionals

# STEP-UP IN PROFITABILITY

Statutory to LFL operating profit bridge (£m)



## Wider profitability improvement

- Revenue growth
- Improved higher-margin mix
- Global efficiency programme (£10m of annualised savings in 2024)

## Enabling reinvestment

- H2 weighted
- Improving our creative offer, developing our regional team capabilities
- Business development in fast growing, existing markets e.g. UAE

## Company adjustments

- Mainly restructuring costs, one-offs and fair-valuing investments

## Exiting agencies

- FY23: £2.9m mainly Switzerland and Sweden

## FX impact of £-0.3m

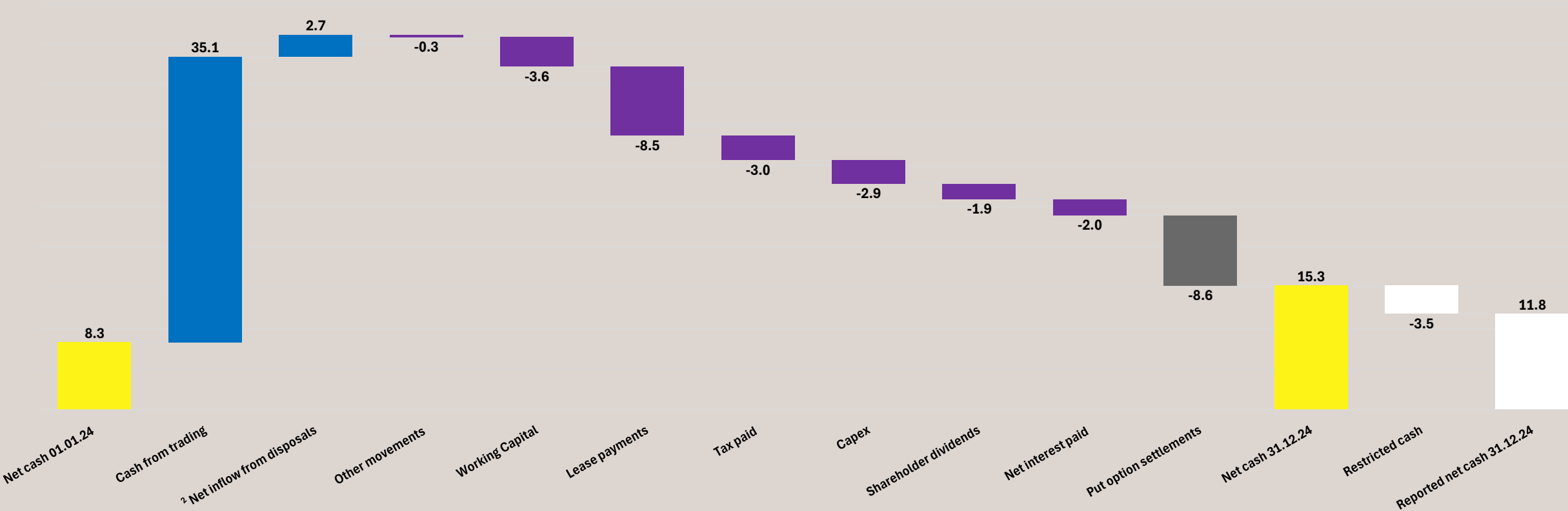


# STRONG CASH IMPROVEMENT DESPITE SIGNIFICANT PUT OPTION SETTLEMENTS

**+** Net cash £15.3m<sup>1</sup>

**+** Operating cash conversion 85%

Net cash movements (£m)



<sup>1</sup> Including restricted cash of £3.5m

<sup>2</sup> Net inflow from disposals of subsidiaries and associates

# Outlook

- + Expect FY 25 to be in line with market expectations
- + Further reinvestment of savings in growth opportunities planned, with flexibility to adjust
- + Continued market volatility mitigated through diverse portfolio and integrated operating model

# Building strength and resilience

- + Portfolio expected to continue to broaden and diversify
- + Continued shift to higher-margin, Non-Advertising specialisms
- + Margin accretion from mix, improved operational leverage and efficient cost-base
- + Targeting >80% operating cash conversion

# Model for growth





# A STRONG BEDROCK ESTABLISHED BY TRANSFORMATION

2024



**Exited loss-making and marginal businesses**      Positive profit impact across 2023 and 2024

---



**Annualised global efficiency programme savings**      Annualised back-office cost savings **£10M** (including 2023) SSC covers **85%** of in-scope revenue

---



**Put option liabilities reduced**      Cash settlement of **£8.6M**, remaining minorities **<3.25%** earnings (2023 9.1%)

2025



**Middle office centralisation (production, data)**      A further **£3M** annualised cost savings targeted, leveraging Group model

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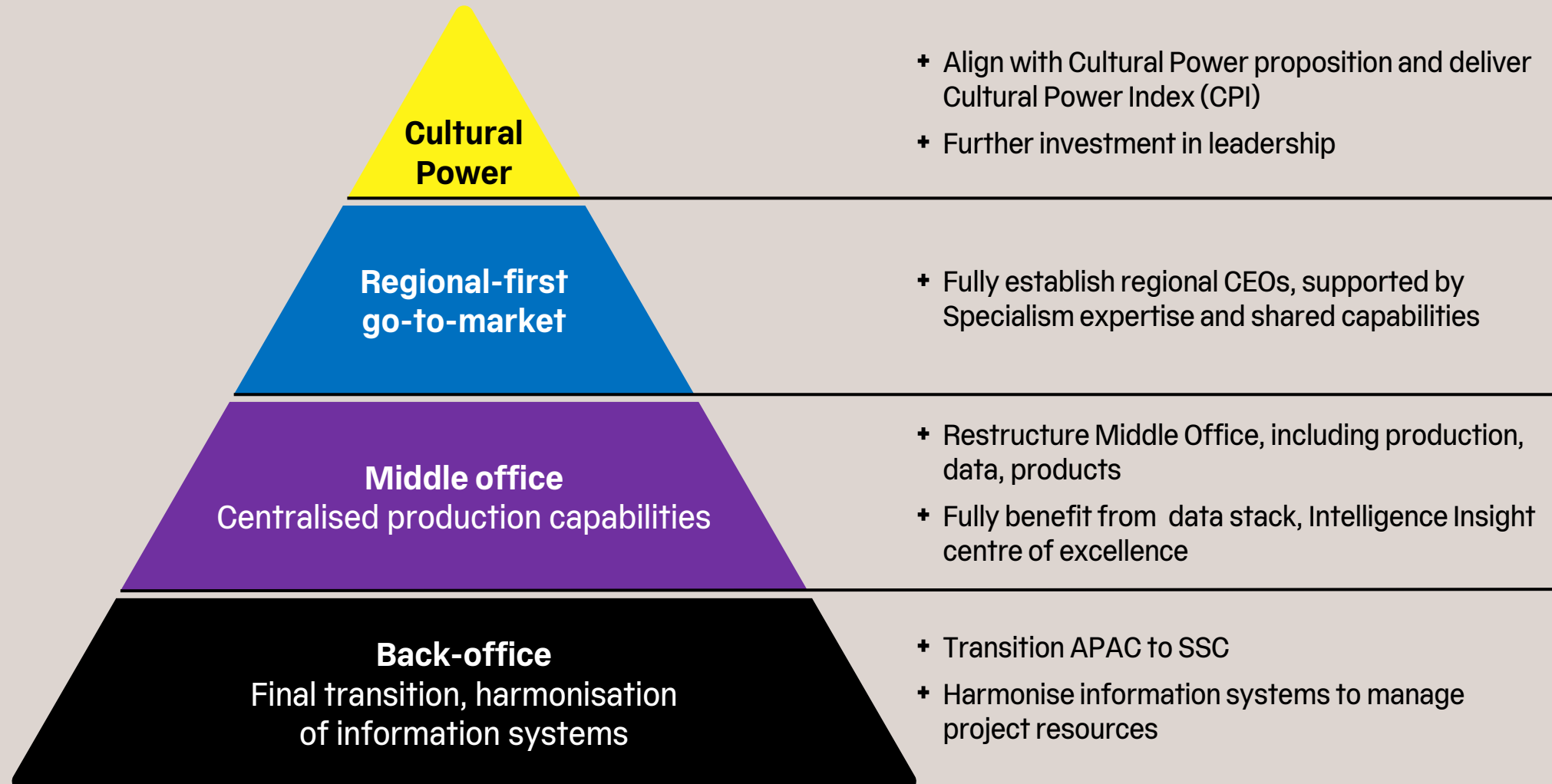
**Full realisation of back-office benefits**      Ongoing Group-wide system harmonisation; APAC on-boarding (remaining **15%** of in-scope revenue); improving operational leverage and generating margin accretion

---



**Put option liabilities final stretch**      Expect to settle portion of remaining liabilities of **£3.7M**

# TRANSFORMATION PHASE TWO - PROGRESSING THE GLOBAL OPERATING MODEL



# 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

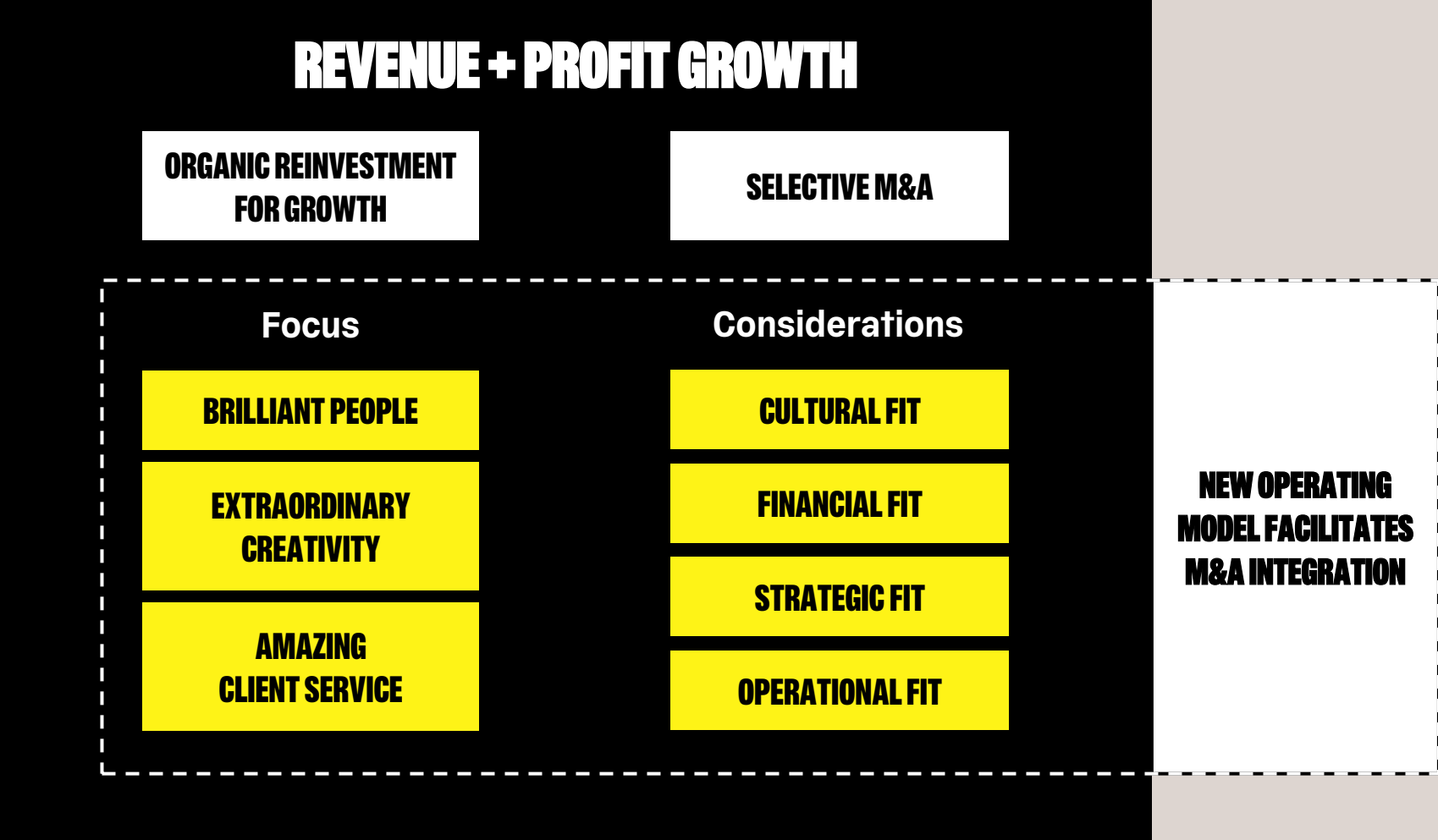
In the event on M&A, maintaining net debt: EBITDA of 1 - 1.5x through the cycle

### Firepower

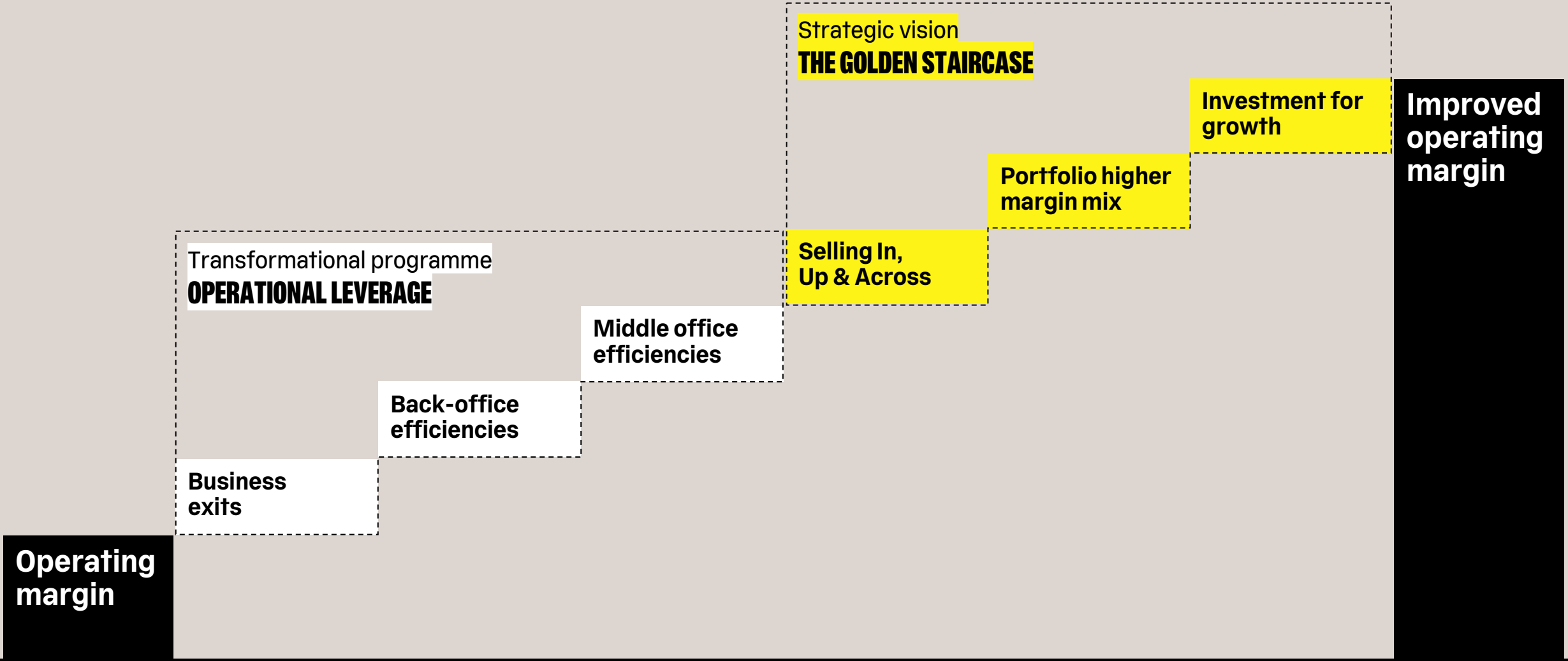
Through ongoing cash generation, strong balance-sheet, £50m RCF and £50m accordion



# INVESTMENT FOR GROWTH: OUR RIGHT-TO-WIN



# DRIVERS OF PROFITABLE GROWTH

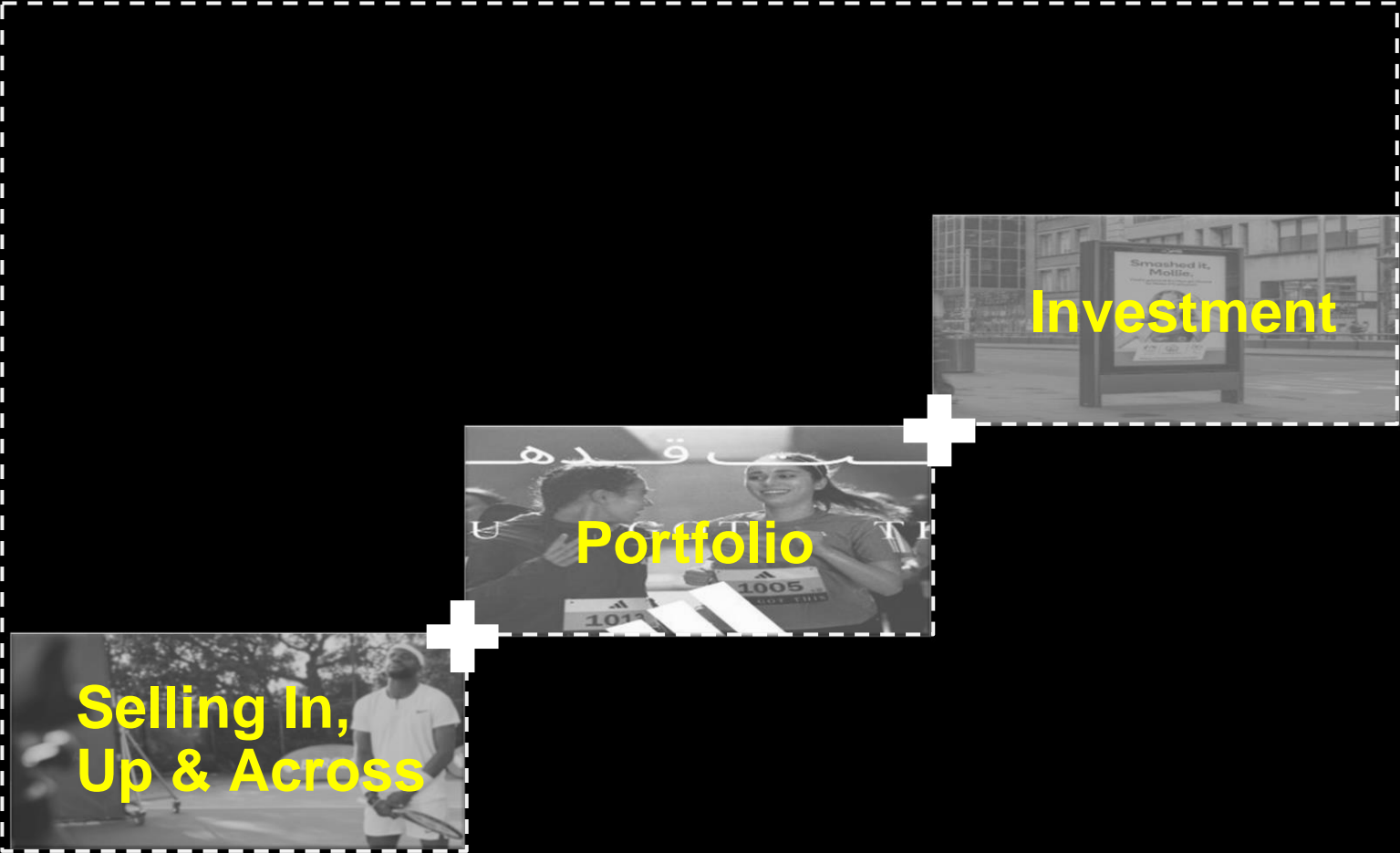


# STRATEGIC OPPORTUNITY



# ZAID AL-QASSAB, CEO

# THE GOLDEN STAIRCASE



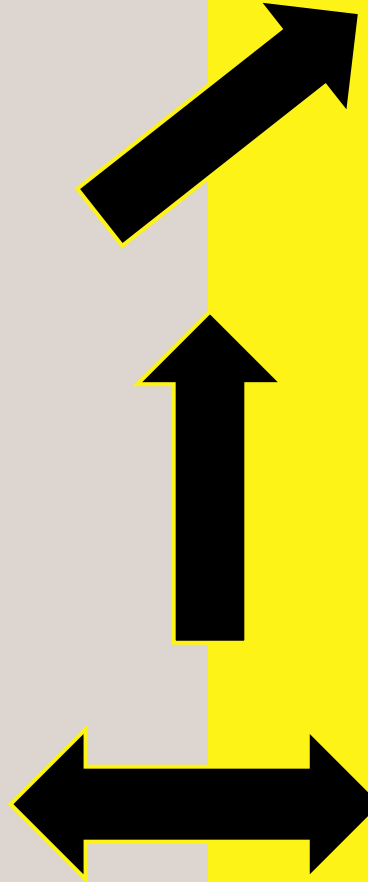
# INTEGRATED MODEL

## 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



# INTEGRATED WORKING TO WIN CLIENTS

## Integrated, multi-specialism bespoke client service

M+C Saatchi organises itself around the client's big ambition, seamlessly bringing together diverse thinkers in uncommon ways

## CommBank

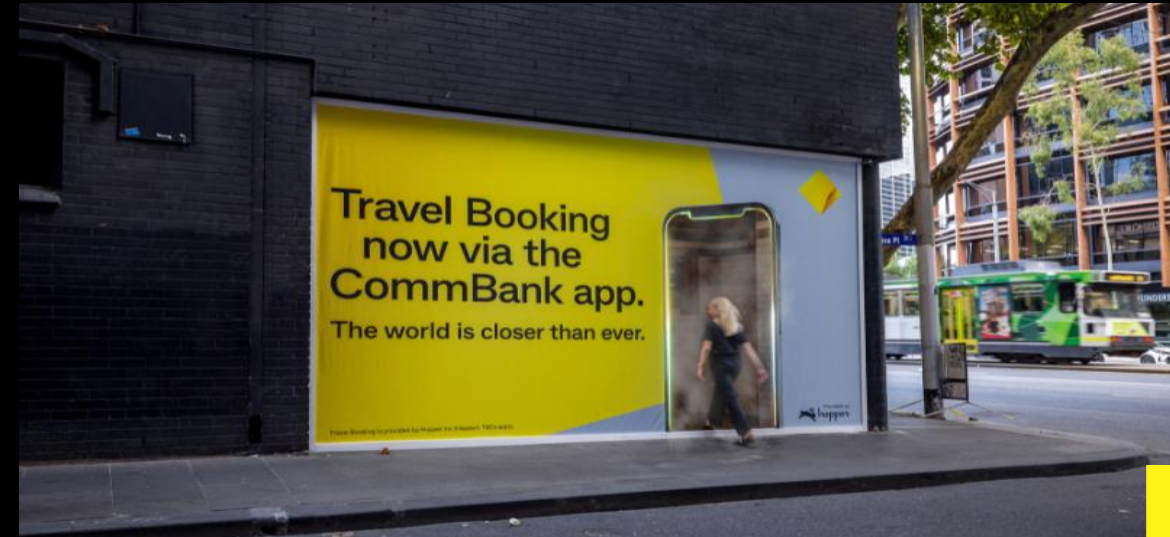
Advertising/ Passions/ Consulting and Corporate Communications in a single team

Brand evolution, new product launches, navigation through regulatory and social change - now the most valuable brand in the country<sup>1</sup>

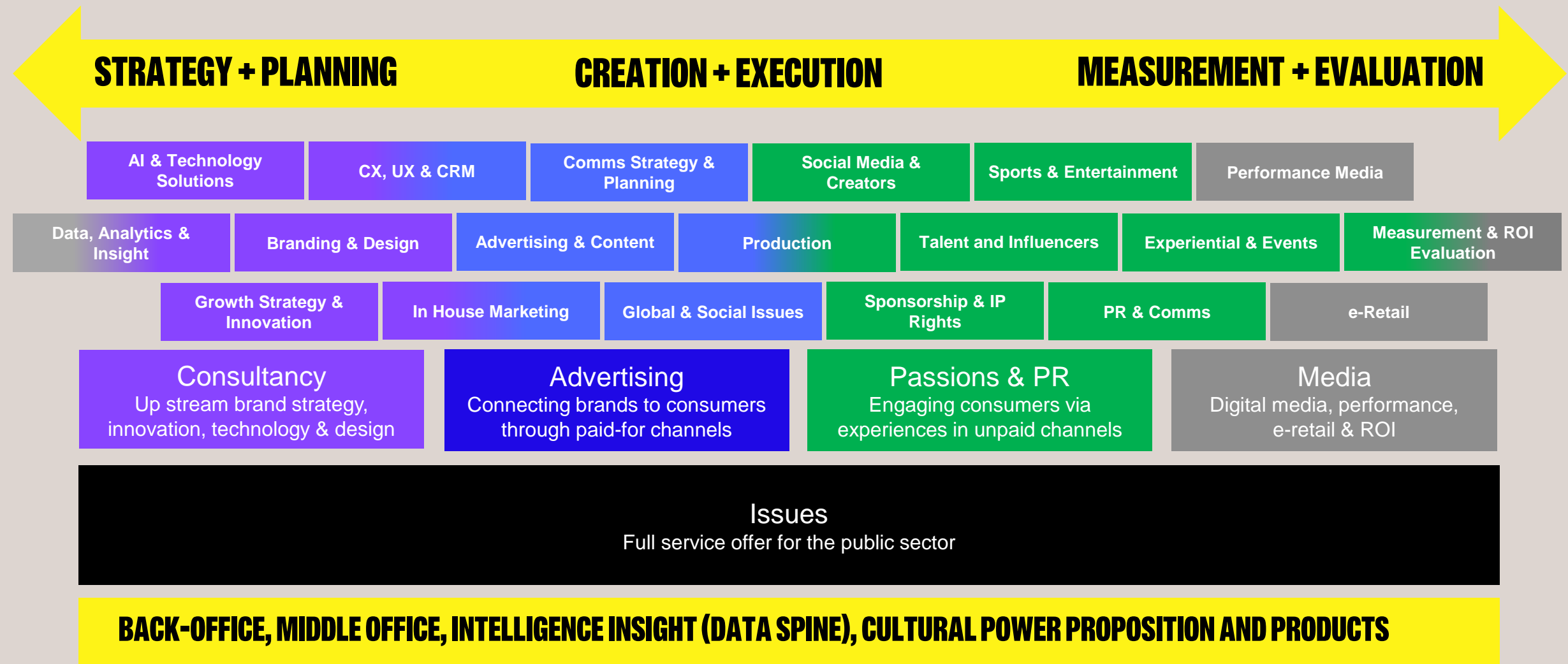
## Allwyn

Leverages our full range of capabilities, including strategy, PR, social media, social responsibility, and sponsorship

<sup>1</sup> Brand Finance

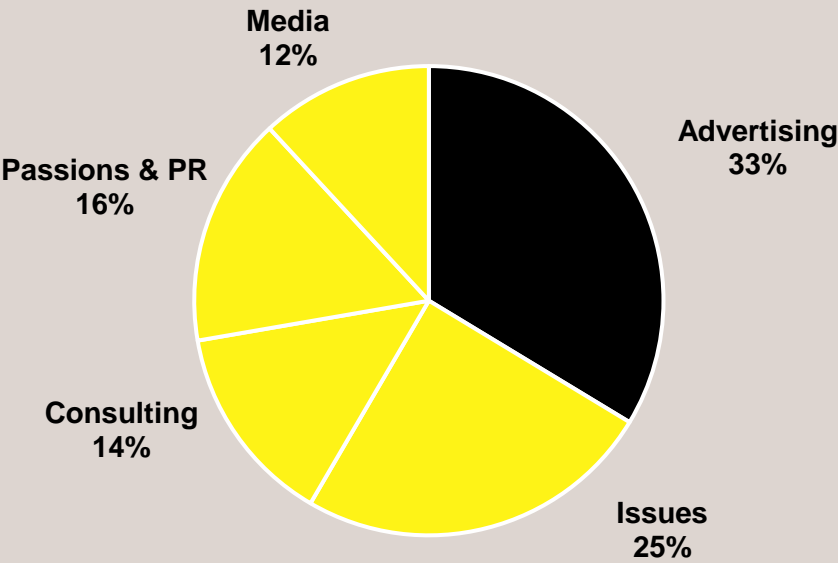


# FULL MARKETING OFFER, PLANNING TO EXECUTION TO MEASUREMENT



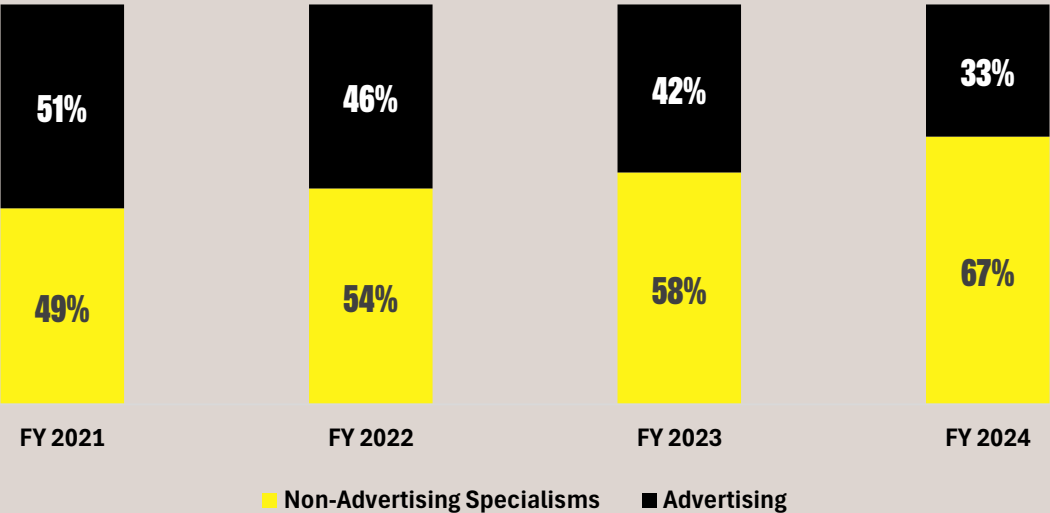
# PORTFOLIO MIX DRIVES MARGIN ACCRETION

FY24 LFL Specialism % net revenue weight



- + Improving margin across all specialisms including Advertising
- + Mix shift towards Non-Advertising drives margin improvement

LFL Advertising vs Non-Advertising Specialism % net revenue weight



- + Growth of Non-Advertising Specialisms reflects market evolution
- + Advertising core as shop-window and brand strength of creative excellence
- + Enhanced resilience to market volatility with diverse portfolio

# INVESTMENT INTO PROFITABLE GROWTH: ORGANIC REINVESTMENT

## BRILLIANT PEOPLE



Global Chief  
Creative Officers



Group CEO, North  
America



Chief Creative Officer,  
North America



Global CEO,  
Passions & PR



Group CEO, UK



Chief Creative  
Officer, Australia/NZ

## EXTRAORDINARY CREATIVITY

- + Creative resources unified
- + M+C Saatchi Intelligence provides insight
- + AI-led development

## AMAZING CLIENT SERVICE

- + Investment into core capabilities delivering client solutions and service
- + Improved IT and higher securitisation
- + Investment into specialisms eg
  - + S&E in the UAE
  - + Issues
  - + Consulting in Europe
  - + Performance in the US
- + Unifying Production Studios



# ORGANIC INVESTMENT SPOTLIGHT: S&E IN UAE

## Organic expansion – identifying gaps

Strategy: expand in capabilities and geographies where we have a right to win

## Sports & Entertainment, Middle East

Established November 2024 to build S&E capability across the Middle East

## SELLING IN, UP & ACROSS

## The Middle East sporting superpower

One of the fastest growing sports media markets

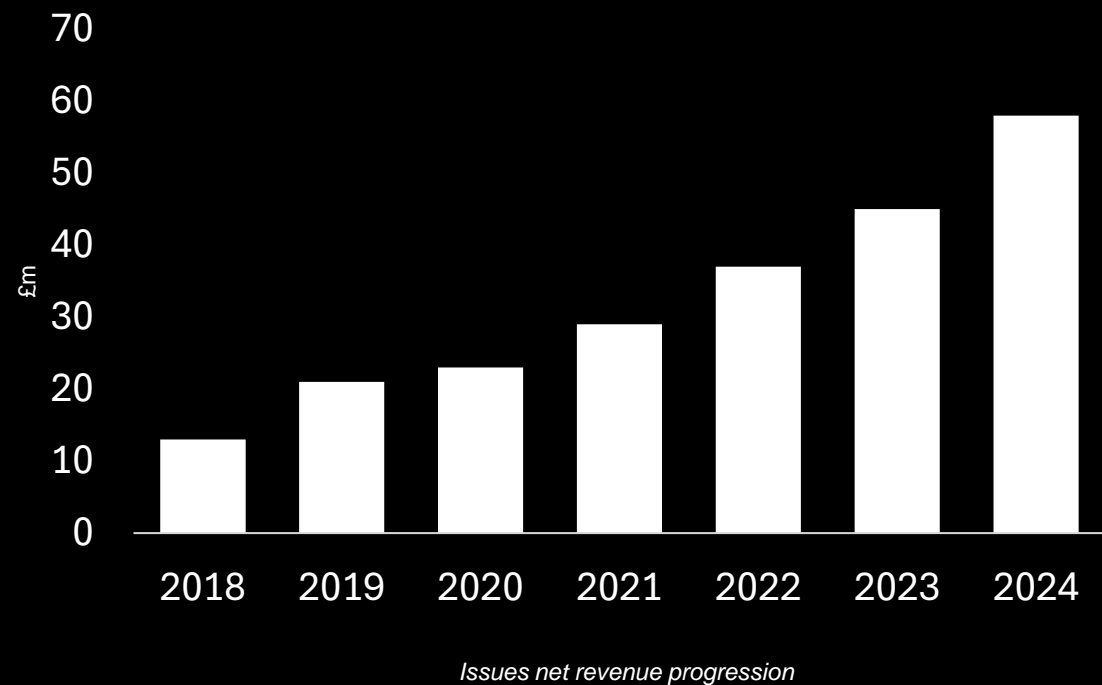
Hosting major sporting events; Football FIFA 2023 World Cup

Domestic football leagues, Formula One, Boxing, Golf European Tour, etc





# ORGANIC INVESTMENT SPOTLIGHT: ISSUES



## Investing in a significant growth engine

Investment into data securitisation for increasing demand with broadened-client lists

Expanding our footprint beyond the UK presence: investment in talent and capabilities to service local requirements, particularly in the US

## Increasing requirement for differentiated, specialist expertise

High barriers to entry – security, hygiene factors, reputation, specialist capabilities

Small roster of approved suppliers

Issues valued for multi-disciplinary end-to-end service

Broadening addressable market - Western governments, NGOs, IGOs, QUANGOs, charities

# M&A PRIORITISATION

## REGIONAL FOCUS

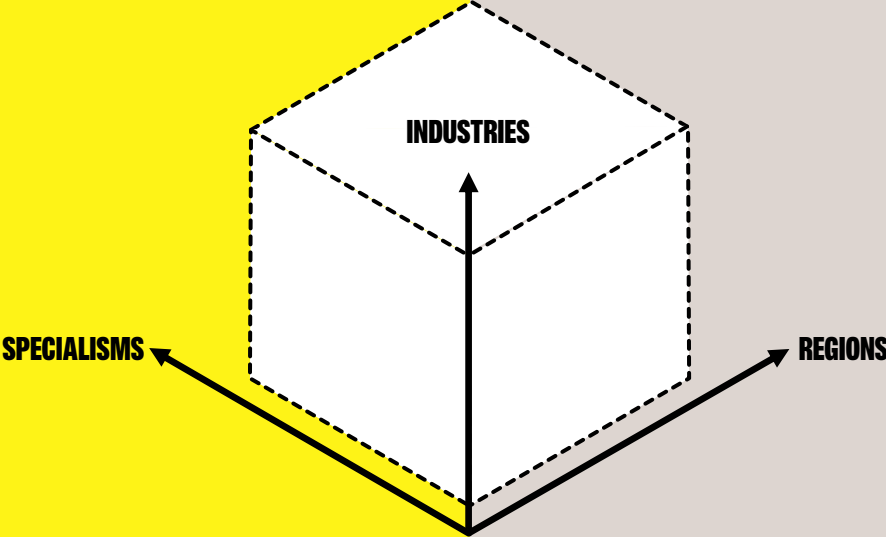
- + Fast-growing or core markets

## 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

# CREATIVE SOLUTIONS

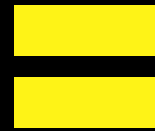
**SELLING IN,  
UP ACROSS**



**PORTFOLIO**



**INVESTMENT**



**PROFITABLE  
GROWTH**

# CULTURAL POWER

# BRANDS THAT ARE HARNESSING CULTURAL POWER ARE WINNING



**25%**

Culturally resonant brands grow 25% more than their competitors.

WARC



**6X**

Brands with high cultural relevance grow 6x more than brands with a low level.

Kantar



**38%**

Brands that are seen to be 'changing culture' are trusted +38% more than brands that are 'functional only.'

- Edelman Trust Barometer

**INTRODUCING**

A graphic consisting of a grid of black and white squares, with several vertical black bars of varying heights extending from the grid.

# **CULTURAL POWER INDEX**

**Our AI-powered, diagnostic tool that helps brands drive growth by harnessing the power of culture.**

A predictive model and tech-enabled tool for engaging with culture in a way that is both authentic and strategically advantageous.





# 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

# APPENDIX

**M+C SAATCHI GROUP ✕**

# ESG AS A GROWTH ENABLER

## Strategic Drivers

<div>Maintain eligibility for RFPs</div> <div><div>1. Clarify accountability for all ESG areas</div><div>2. Deliver key goals and commitments</div><div>3. Trickey sectors and emerging issues</div></div>	<div>Brilliant client work</div> <div><div>1. Training and development</div><div>2. Planet + People positive campaigns</div><div>3. Championing and incentivizing great work</div></div>	<div>Future fit</div> <div><div>1. Enhancing our offering for growth</div><div>2. New and emerging sectors</div><div>3. Industry leadership and making a splash</div></div>
HIGHLIGHTS	HIGHLIGHTS	HIGHLIGHTS
<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><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><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>

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

# GROUP P&L

	Like-for-like (LFL) <sup>1</sup> results			Statutory results		
	2024	2023		2024	2023	
	£m	£m	% change	£m	£m	% change
Net revenue <sup>2</sup>	231.0	222.8	3.7%	231.4	236.7	(2.2)%
Operating profit	35.2	33.4	5.2%	22.5	5.7	n.m
Operating profit margin	15.2%	15.0%	0.2pps	9.7%	2.4%	7.3pps
PBT	30.5	29.3	4.2%	18.1	(0.8)	n.m
EBITDA <sup>3</sup>	42.0	41.0	2.3%	29.7	14.6	n.m
Net cash <sup>4</sup>	15.3	8.3	84.3%	11.8	8.3	42.2%
EPS (basic) pence <sup>5</sup>	17.6p	16.6p	6.1%	9.6p	(3.7)p	n.m
Dividends (pence per share)	-	-	-	1.95p	1.6p	21.9%

1 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. All figures are subject to rounding.

2 Refer to Notes for the definition of net revenue, and net cash. Net cash includes £3.5 million of restricted cash.

3 EBITDA is calculated excluding the income statement charges relating to IFRS 16.

4 LFL net cash is adjusted to add back £3.5 million of restricted cash. Net cash is £11.8 million.

5 Please see note 5 for detailed view on Statutory vs. LFL EPS.



# LFL GROUP NET REVENUE & OPERATING PROFIT RECONCILIATION

£m	Net revenue			Operating profit		
	2024	2023	Change	2024	2023	Change
Total LFL	231.0	222.8	3.7%	35.2	33.4	5.2%
Current currency adjustment		4.7			0.3	
Exiting agencies	0.4	9.1		0	(2.9)	
Company adjustments				(12.7)	(25.1)	
Total Statutory	231.4	236.7	(2.2)%	22.5	5.7	294.7%

£m	Net revenue			Operating profit		
	2024	2023	Change	2024	2023	Change
Non-Advertising Specialisms	153.6	143.9	6.7%	38.8	33.6	15.4%
Advertising	77.4	78.9	(1.9)%	8.7	7.5	15.4%
Group central costs	0	0	-	(12.3)	(7.7)	-
Total LFL	231.0	222.8	3.7%	35.2	33.4	5.2%

# LFL TO STATUTORY RECONCILIATION

2024	LFL	Exiting agencies	Company adjustments	Statutory
<b>£m</b>				
Revenue	392.5	2.9	-	395.4
Net revenue	231.0	0.4	-	231.4
Operating profit	35.2	-	(12.7)	22.5
Operating profit margin	15%	(1)%	-	10%
PBT	30.5	-	(12.4)	18.1

2023	LFL	Exiting agencies	Company adjustments	Constant currency adjustment	Statutory
<b>£m</b>					
Revenue	391.1	20.2	-	8.8	420.0
Net revenue	222.8	9.1	-	4.7	236.7
Operating profit	33.4	(2.9)	(25.1)	0.3	5.7
Operating profit margin	15%	-	-	-	2%
PBT	29.3	(3.1)	(27.2)	0.2	(0.8)

# LFL P&L BY SPECIALISM

<b>LFL 2024</b>	<b>Advertising</b>	<b>Non-advertising</b>	<b>Group central costs</b>	<b>Total</b>
<b>£m</b>				
Net revenue	77.4	153.6	-	231.0
Operating profit / (loss)	8.7	38.8	(12.3)	35.2
Operating profit margin	11.2%	25.2%	-	15.2%
Profit / (loss) before tax	8.2	36.8	(14.4)	30.5

<b>LFL 2023</b>	<b>Advertising</b>	<b>Non-advertising</b>	<b>Group central costs</b>	<b>Total</b>
<b>£m</b>				
Net revenue	78.9	143.9	-	222.8
Operating profit / (loss)	7.5	33.6	(7.7)	33.4
Operating profit margin	9.5%	23.3%	-	15.0%
Profit / (loss) before tax	7.6	29.9	(8.2)	29.3

# LFL P&L BY REGION

2024							
£m	UK	Americas	APAC	Middle East	Europe	Group Costs	LFL Total
Net Revenue	109.1	44.2	53.9	11.6	12.2	-	231.0
Operating Profit /(Loss)	27.2	6.2	9.5	2.3	2.2	(12.3)	35.2
Operating profit margin	25%	14%	18%	19%	18%	-	15%
Profit/(loss) before tax	26.1	5.9	8.6	2.2	2.2	(14.4)	30.5

2023							
£m	UK	Americas	APAC	Middle East	Europe	Group Costs	LFL Total
Net Revenue	100.3	45.5	59.0	7.3	10.7	-	222.8
Operating Profit /(Loss)	22.1	6.7	9.3	1.3	1.7	(7.7)	33.4
Operating profit margin	22%	15%	16%	18%	16%	-	15%
Profit/(loss) before tax	20.5	5.6	8.4	1.3	1.6	(8.2)	29.3

# LFL H2 NET REVENUE BY REGION AND SPECIALISM

LFL	H2 2024	H2 2023	Change
£m			
UK	56.7	53.8	5.3%
APAC	26.7	30.1	(11.1)%
Americas	22.1	23.5	(6.2)%
Europe	6.4	5.7	11.6%
Middle East	7.1	4.2	66.9%
Total	118.9	117.4	1.3%

LFL	H2 2024	H2 2023	Change
£m			
Issues	31.0	24.7	25.2%
Passions & PR	18.4	20.2	(9.0)%
Consulting	15.9	17.1	(6.9)%
Media	15.2	13.4	13.0%
Non-Advertising	80.4	75.4	6.6%
Advertising	38.5	41.9	-8.2%
Total	118.9	117.4	1.3%

# CASH FLOW

	2024	2023
	£m	£m
	2024	2023
	£m	£m
<b>Net cash at the beginning of the year</b>	<b>8.3</b>	<b>30.0</b>
Increase in cash from trading	35.1	29.8
Dividends paid to IFRS 2 put option holders	(5.8)	(14.6)
Operating cash from trading	29.3	15.1
Decrease in cash from working capital movements	(3.6)	(14.5)
Movement to restricted cash	(3.5)	-
Tax paid	(3.0)	(4.2)
Net cash inflow from disposal of subsidiaries and associates	2.7	(0.2)
Purchases of intangible/tangible fixed assets	(2.9)	(1.8)
Payment of lease liabilities and interest	(8.5)	(9.1)
Dividends paid to Company shareholders	(1.9)	(1.8)
Cash consideration for non-controlling interest acquired	(2.8)	(0.8)
Net interest paid	(2.0)	(1.5)
(Repayment of) / proceeds from bank loans	(2.0)	9.0
FX movement on cash held	(0.3)	(2.2)
Other movements	2.0	18.7
<b>Net cash at the end of the year</b>	<b>11.8</b>	<b>8.3</b>
Restricted cash	3.5	-
<b>Adjusted net cash held in bank</b>	<b>15.3</b>	<b>8.3</b>



# COMPANY ADJUSTMENTS (HEADLINE ADJUSTMENTS)

	2024	2023
<b>£000</b>		
<b>Statutory profit before taxation</b>	18,131	(777)
Separately disclosed items	7,248	7,652
Put option accounting – IFRS 9 and IFRS 2	(1,006)	6,316
Dividends paid to IFRS 2 put option holders	866	2,499
FVTPL investments under IFRS 9	3,813	4,254
Impairment of intangible assets	1,634	4,794
Impairment of non-current assets	(658)	2,004
Amortisation of acquired intangibles	335	537
Revaluation of associates on disposal	–	(133)
Gain on disposal of subsidiaries and associates	230	(782)
Exiting agencies	(11)	3,116
Foreign exchange difference	–	(207)
<b>Headline profit before taxation</b>	<b>30,496</b>	<b>29,273</b>

## Company adjustments (Headline adjustments)

These comprise:

- Separately disclosed items that are one-off in nature and are not part of running the business
- Impairment of non-current assets
- Amortisation of acquired intangibles
- Gains or losses generated by disposals of subsidiaries and associates
- Fair value adjustments to unlisted equity investments, acquisition related contingent consideration, investment properties and put options
- Dividends paid to IFRS 2 put option holders

# FOREIGN EXCHANGE

Currency		Dec-24	Dec-23	Vs. Sterling stronger / weaker
United Arab Emirates Dirham	AED	4.5984	4.5685	Weaker
Australian \$	AUD	2.0228	1.8736	Weaker
Euro €	EUR	1.2087	1.1501	Weaker
US \$	USD	1.2516	1.2438	Weaker
South African R	ZAR	23.5705	22.9623	Weaker