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M&C Saatchi PLC
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M&C SAATCHI PLC
(the "Company" or "M&C Saatchi")
2022 Full Year Trading Update and Proposed Board Change
Record performance in line with expectations

Strong revenue performance in higher growth specialisms and in the UK and Americas

M&C Saatchi today is pleased to announce the following update on trading for the twelve months ended 31 December 2022 ("FY 2022").

FY 2022 net revenue is expected to be £271m, representing growth of 9% versus 2021 (FY 2021: £249m). This reflects a strong performance in the Company's higher growth specialisms (which grew 17%) and in the UK and Americas, demonstrating the successful delivery of the Company's growth strategy launched at the start of 2021.

FY 2022 headline profit before tax is expected to be at least £31m, in line with previous expectations set out in April 2022, underpinned by strong new business wins and central cost savings. This represents growth of at least 14% versus 2021 (FY 2021: £27.3m) and the largest headline profit ever generated by the Company.

Net cash at 31 December 2022 was £30.0m (31 December 2021: £34.4m), and the drawdown on the Company's revolving credit facility has reduced to £7m (31 December 2021: £20m). The strong balance sheet provides further flexibility for resuming the payment of dividends in 2023 and satisfying future capital and investment requirements. The Company continues to plan to settle the remaining put option liabilities in cash and has sufficient resources to do so.

M&C Saatchi expects to announce its financial results for the twelve months to 31 December 2022 in April 2023.

A Capital Markets Day (M&C Saatchi: Moving Forward) will be held on 8 February 2023, which will focus on enhancements to the Company's strategy and, in particular, investment plans for high margin businesses.

Commenting on the FY 2022 performance, Moray MacLennan, Chief Executive Officer said:

"2022 was another record year for M&C Saatchi. We remained focussed on delivery for our clients, resulting in excellent retention and new business wins. Investment in new capabilities and our unique specialist expertise position us well for 2023, and beyond."

Proposed Board Change

Gareth Davis, Chair, has notified the Board that he does not intend to seek re-election to the Board at this year's annual general meeting. The process to identify and appoint a new independent Non-Executive Chair is already underway and is being managed by Lisa Gordon, Senior Independent Director, in accordance with corporate governance best practice. Gareth will continue to act as Chair until his replacement is appointed. The Board continues to review its composition to ensure it has the relevant skills and experience and will make further appointments as appropriate.

Gareth Davis, Chair said:

"It has been a privilege to chair M&C Saatchi through a three-year turnaround. Today's trading update highlights another record year for M&C Saatchi, demonstrating the successful delivery of its growth strategy and marks a further milestone in the Company's transformation journey."

Moray MacLennan, Chief Executive Officer said:

"On behalf of everyone who works at M&C Saatchi I would like to thank Gareth for the key role he has played in not only stabilising our business, but laying the foundations for future growth. I would like to thank him for his support, wisdom and humour, which has been central to the extraordinary turnaround."

For further information please call:

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