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24 November 2025

M&C SAATCHI PLC

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

Trading Update

FY performance impacted by unprecedented US Government shutdown

Commitment to launch a share buyback programme

M&C Saatchi issues updated trading guidance for the twelve months ended 31 December 2025 ("FY 2025").

Trading update on 2025 year-end

Trading in the second half of the year has been adversely impacted by the unprecedented US Government shutdown, the longest in history, affecting our Issues specialism which is a significant contributor to the Company's fourth quarter revenue and profit. While there is no impact to the relationship or any ongoing contract agreements or longer-term growth of the business, we do not expect to recover this lost revenue in FY 2025, which will therefore materially impact our prior growth and profitability expectations. In light of this, the Company now expects a LFL net revenue decline of around 7% (or a decline of around 1.5% excluding Australia) with operating profit in the range of £26m to £28m, indicating an operating profit margin of around 12.5% - 13.0%, which is below the expectation set out in the Company's interim results announcement^[1].

Strategy for Australia

As updated in the Company's interim results announcement, the Company has made significant structural changes in the Australian business, including a new management team, a group-wide restructure and reset of the overhead cost base to set the foundations for future growth. Management are exploring options to secure growth and shareholder value.

Commitment to launch a share buyback programme

The Company believes that its strong balance sheet provides the opportunity to repurchase shares given the current market position. In line with our capital allocation policy, the Company's Board of Directors have decided to commit funds to a share buyback programme of up to £5m over the next 12 months, with the possibility to either extend the programme or increase its value. Further announcements regarding this programme will be made in due course.

Longer term value drivers

We continue to be confident in the medium-term prospects of the Company and its operational transformation with several high-margin growth engines. Our Issues specialism, for example, is expected to return to double-digit growth year-on-year in FY 2026 given the strength of the long-term relationships, the new business opportunities and our continued successful work with our public sector clients. This specialism, which boasts a strong profit margin, above the average of Non-Advertising Specialisms, is approaching 30% of the Company's topline revenue and this is expected to increase through its continued development.

As we close a year which has been impacted by both macro uncertainty and geopolitically volatility, we have nevertheless made progress in establishing our integrated operating model, as well as being on track to complete our announced £12m combined annualised cost saving programme. The Company is looking forward to FY 2026 and we will provide further guidance at our FY 2025 results announcement.

Zaid Al-Qassab, Chief Executive Officer, said:

"I would like to thank all colleagues at M&C Saatchi for their continued commitment to delivering fantastic work for clients in a very tough market context. A challenging macro environment has been further compounded by the unprecedented US Government shutdown, which adversely impacted our high-margin Issues specialism in the fourth quarter. We remain confident that our long-term value drivers will deliver growth and margin accretion. We also see significant value upside from our diverse portfolio, deep partnerships with clients, and creativity, and we are resolutely focused on maximising value for clients, colleagues and shareholders, including via our commitment to a share buyback programme."

The Company will announce a further trading update, in January 2026, in line with its regular reporting to the market.

FURTHER INFORMATION

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About M&C Saatchi: M&C Saatchi is a creative solutions company with specialist expertise and creativity in helping our clients grow by maximising the reach and potential of their brands. It does this through its regional-first operating model with five core specialisms - Advertising, Issues, Passions & PR, Consulting and Media - which it leverages in an integrated go-to-market approach. It has significant global reach, with major hubs in the UK, Europe, Middle East, APAC and the Americas and is supported by global shared services. M&C Saatchi is headquartered in London and listed on the FTSE AIM index of the London Stock Exchange.

[1] Interim results announcement on 18 September 2025.

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