STAGWELL

TRANSFORMING MARKETING

FINANCIAL REVIEW

NOVEMBER | 2021

FORWARD LOOKING STATEMENTS & OTHER INFORMATION

This presentation contains forward-looking statements. Statements in this presentation that are not historical facts, including without limitation the information under the heading "Financial Outlook" and statements about the Company's beliefs and expectations, earnings (loss) guidance, recent business and economic trends, potential acquisitions, and estimates of amounts for redeemable noncontrolling interests and deferred acquisition consideration, constitute forward-looking statements. Words such as “estimates”, “expects”, “contemplates”, “will”, “anticipates”, “projects”, “plans”, “intends”, “believes”, “forecasts”, “may”, “should”, and variations of such words or similar expressions are intended to identify forward-looking statements. These statements are based on current plans, estimates and projections, and are subject to change based on a number of factors, including those outlined in this section. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update publicly any of them in light of new information or future events, if any. Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those contained in any forward-looking statements. Such risk factors include, but are not limited to, the following:

- risks associated with international, national and regional unfavorable economic conditions that could affect the Company or its clients, including as a result of the novel coronavirus pandemic (“COVID-19”);
- the effects of the outbreak of COVID-19, including the measures to reduce its spread, and the impact on the economy and demand for our services, which may precipitate or exacerbate other risks and uncertainties;
- an inability to realize expected benefits of the combination of the Company's business with the business of MDC (the “Business Combination” and, together with the related transactions, the “Transactions”);
- adverse tax consequences in connection with the Transactions for the Company, its operations and its shareholders, that may differ from the expectations of the Company, including that future changes in tax law, potential increases to corporate tax rates in the United States and disagreements with the tax authorities on the Company's determination of value and computations of its attributes may result in increased tax costs;
- the occurrence of material Canadian federal income tax (including material “emigration tax”) as a result of the Transactions;
- the impact of uncertainty associated with the Transactions on the Company's businesses;
- direct or indirect costs associated with the Transactions, which could be greater than expected;
- risks associated with severe effects of international, national and regional economic conditions;
- the Company's ability to attract new clients and retain existing clients;
- reduction in client spending and changes in client advertising, marketing and corporate communications requirements;
- financial failure of the Company's clients;
- the Company's ability to retain and attract key employees;
- the Company's ability to achieve the full amount of its stated cost saving initiatives;
- the Company's implementation of strategic initiatives;
- the Company's ability to remain in compliance with its debt agreements and the Company's ability to finance its contingent payment obligations when due and payable, including but not limited to those relating to redeemable noncontrolling interests and deferred acquisition consideration;
- the successful completion and integration of acquisitions which complement and expand the Company's business capabilities; and
- foreign currency fluctuations.

Investors should carefully consider these risk factors and the additional risk factors outlined in more detail under the caption “Risk Factors” in Exhibit 99.2 to our Current Report on Form 8-K, filed with the Securities and Exchange Commission (the “SEC”) on August 10, 2021, and accessible on the SEC's website at www.sec.gov., and in the Company's other SEC filings.

FORWARD LOOKING STATEMENTS & OTHER INFORMATION

Non-GAAP Financial Measures
In addition to its reported results, Stagwell Inc has included in this presentation certain financial results that the Securities and Exchange Commission (SEC) defines as "non-GAAP Financial Measures." Management believes that such non-GAAP financial measures, when read in conjunction with the Company's reported results, can provide useful supplemental information for investors analyzing period to period comparisons of the Company's results. Such non-GAAP financial measures include the following:

Pro Forma Results: Unless otherwise noted, financial results are presented on a Pro Forma basis giving effect to the combination as if it was completed on January 1, 2019. The Pro Forma amounts presented for each period were prepared by combining the historical standalone statements of operations for each of legacy MDC and SMG. The unaudited pro forma results are provided for illustrative purposes only and do not purport to represent what the actual consolidated results of operations or consolidated financial condition would have been had the combination actually occurred on the date indicated, nor do they purport to project the future consolidated results of operations or consolidated financial condition for any future period or as of any future date. The Company has excluded a quantitative reconciliation of adjusted Pro Forma EBITDA to net income under the “unreasonable efforts” exception in Item 10(e)(1)(i)(B) of Regulation S-K.

Net Revenue: GAAP Revenue adjusted to exclude certain third-party direct costs when the Company acts as principal for the services rendered in the client arrangement

Organic Net Revenue: “Organic net revenue growth” and “organic net revenue decline” refer to the positive or negative results, respectively, of subtracting both the foreign exchange and acquisition (disposition) components from total net revenue growth. The acquisition (disposition) component is calculated by aggregating prior period revenue for any acquired businesses, less the prior period revenue of any businesses that were disposed of during the current period. The organic revenue growth (decline) component reflects the constant currency impact of (a) the change in revenue of the partner firms that the Company has held throughout each of the comparable periods presented, and (b) “non-GAAP acquisitions (dispositions), net”. Non-GAAP acquisitions (dispositions), net consists of (i) for acquisitions during the current year, the revenue effect from such acquisition as if the acquisition had been owned during the equivalent period in the prior year and (ii) for acquisitions during the previous year, the revenue effect from such acquisitions as if they had been owned during that entire year (or same period as the current reportable period), taking into account their respective pre-acquisition revenues for the applicable periods, and (iii) for dispositions, the revenue effect from such disposition as if they had been disposed of during the equivalent period in the prior year.

Adjusted EBITDA: Adjusted EBITDA is defined as Net income excluding non-operating income or expense to achieve operating income, plus depreciation and amortization, stock-based compensation, deferred acquisition consideration adjustments, and other items. Other items include restructuring costs, acquisition-related expenses, and non-recurring items.

Pro Forma Free Cash Flow: Pro Forma Free Cash Flow is a non-GAAP measure defined as Adjusted EBITDA less capital expenditures, change in net working capital, cash taxes, interest, and distributions to minority interests, but excludes contingent M&A payments.

Financial Guidance: The Company provides guidance on a non-GAAP basis as it cannot predict certain elements which are included in reported GAAP results.

Net New Business: Estimate of annualized revenue for new wins less annualized revenue for losses incurred in the period.

Q3 & YTD PROFORMA RESULTS

3Q 2021

Net Revenue: $498M, +25.2% y/y

Net Revenue Growth vs. 2019: 14.4%

Organic Net Revenue Growth: 22.8% y.y

Organic Net Revenue Growth Ex-Advocacy: 27.9% y/y

Adjusted EBITDA: $100.3M, +12.4% y/y

Adjusted EBITDA Margin: 20.1% of Net Revenue

Digital Mix: 48%

3Q YTD

Net Revenue: $1,407M, +18.7% y/y

Net Revenue vs. 2019: 9.5%

Organic Net Revenue Growth: 15.6%

Organic Net Revenue Growth Ex-Advocacy: 16.6% y/y

Adjusted EBITDA: $275.3M, +33.7% y/y

Adjusted EBITDA Margin: 19.6%

Digital Mix: 46%

Note: All figures presented on a Pro Forma basis giving effect to the combination as if it was completed on January 1, 2019. Digital Mix includes Digital, Research, & Other Lines of Business.

HISTORICAL PRO FORMA QUARTERLY RESULTS

$ in Thousands

	Three Months Ended March 31, 2020	Three Months Ended June 30, 2020	Three Months Ended September 30, 2020	Three Months Ended December 31, 2020	Three Months Ended March 31, 2021	Three Months Ended June 30, 2021	Three Months Ended September 30, 2021
Net Revenue	$ 425,277	$ 362,272	$ 397,841	$ 470,615	$ 428,781	$ 480,274	$ 498,050
Billable Costs	87,007	59,736	113,680	170,615	60,046	74,952	70,296
Revenue	512,284	422,008	511,521	641,230	488,827	555,226	568,346
Billable Costs	87,007	59,736	113,680	170,615	60,046	74,952	70,296
Staff costs	298,209	255,005	249,335	298,977	299,784	326,228	334,408
Administrative costs	60,775	50,635	57,786	63,912	52,825	55,082	53,109
Other direct costs	5,080	1,334	1,370	(255)	394	(240)	10,202
Adjusted EBITDA	61,213	55,298	89,350	107,981	75,778	99,204	100,331
Stock-based compensation	2,968	974	3,827	3,459	(2,330)	7,017	53,839
Depreciation and amortization	18,972	19,006	19,308	20,656	19,128	18,386	26,758
Deferred acquisition consideration	(4,600)	3,434	2,951	44,899	15,621	7,710	3,558
Impairment and other losses	161	18,839	158	77,240	875	-	14,927
Other items, net	3,534	5,199	5,620	29,295	8,426	8,428	22,885
Operating income	$ 40,178	$ 7,846	$ 57,486	$ (67,568)	$ 34,058	$ 57,663	$ (21,636)
Pro Forma EBITDA (per above)	$ 61,213	$ 55,298	$ 89,350	$ 107,981	$ 75,778	$ 99,204	$ 100,331
Pro Forma adjusted EBITDA margin	*14.4%*	*15.3%*	*22.5%*	*22.9%*	*17.7%*	*20.7%*	*20.1%*

STAGWELL
TRANSFORMING MARKETING

Note: All figures presented on a Pro Forma basis giving effect to the combination as if it was completed on January 1, 2019. The Pro Forma amounts presented for each period were prepared by combining the historical standalone statements of operations for each of legacy MDC and SMG. The unaudited pro forma results are provided for illustrative purposes only and do not purport to represent what the actual consolidated results of operations or consolidated financial condition would have been had the combination actually occurred on the date indicated, nor do they purport to project the future consolidated results of operations or consolidated financial condition for any future period or as of any future date. The Company has excluded a quantitative reconciliation of adjusted Pro Forma EBITDA to net income under the “unreasonable efforts” exception in Item 10(e)(1)(i)(B) of Regulation S-K..

PRO FORMA ADVOCACY IMPACT

$ in Millions

Q3	Net Revenue			Adjusted EBITDA		
	2021	**2020**	**2019**	**2021**	**2020**	**2019***
Total	498	398	435	100	89	76
Advocacy	30	39	15	6	20	7
Total Ex Advocacy	468	359	420	94	69	70
Advocacy y/y	*-24%*	*156%*		*-71%*	*211%*	

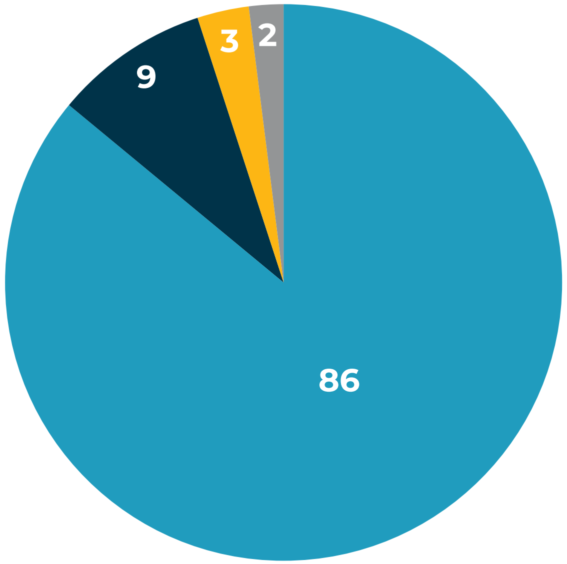
Q3 YTD	Net Revenue			Adjusted EBITDA		
	2021	**2020**	**2019**	**2021**	**2020**	**2019***
Total	1,407	1,185	1,285	275	206	76
Advocacy	88	85	46	24	35	21
Total Ex Advocacy	1,319	1,100	1,240	251	171	56
Advocacy y/y	*4%*	*87%*		*-31%*	*69%*	

STAGWELL
TRANSFORMING MARKETING

Note: All figures presented on a Pro Forma basis giving effect to the combination as if it was completed on January 1, 2019.
*2019 results include impact from build-up to 2020 Presidential election. Actuals may not foot due to rounding.

GEOGRAPHIC MIX

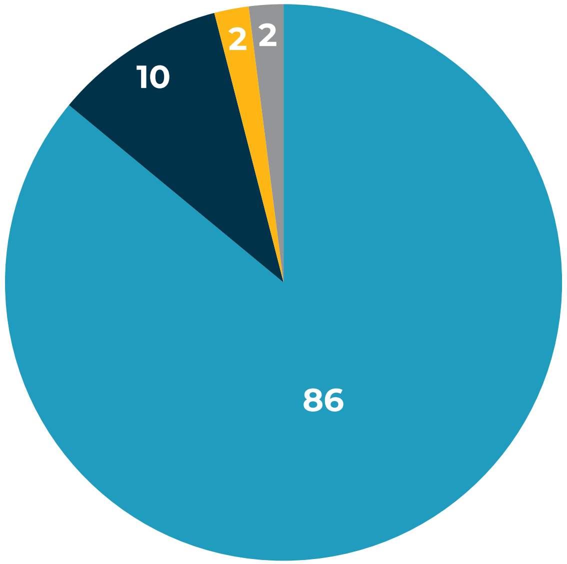
3Q 2021



% OF NET REVENUE

- North America
- Europe
- Asia
- ROW

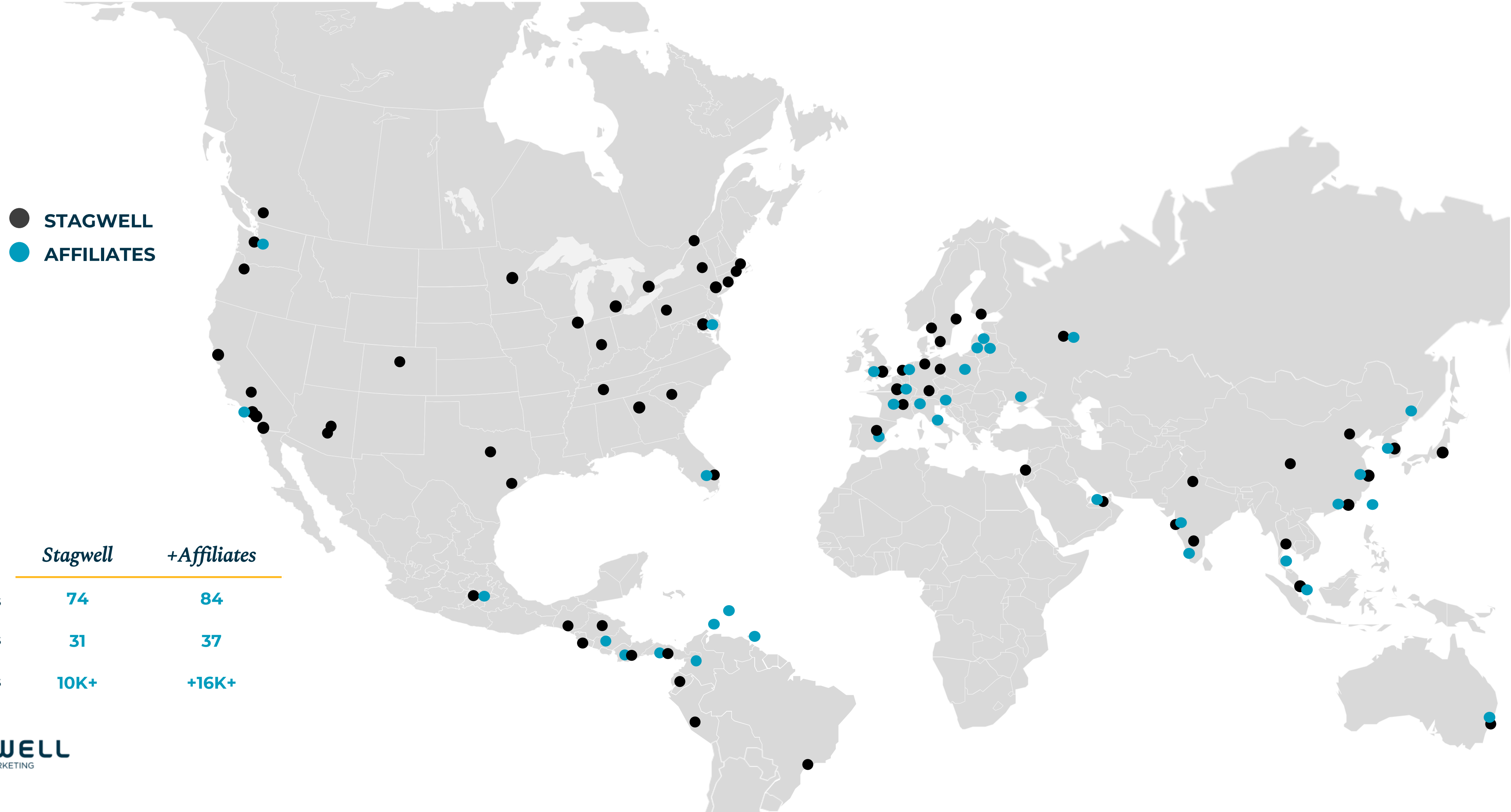
3Q YTD



Note: All figures presented on a Pro Forma basis giving effect to the combination as if it was completed on January 1, 2019.

EXPANDING OUR GLOBAL NETWORK

International revenue will mix will rise as investments and affiliate program expand our global network



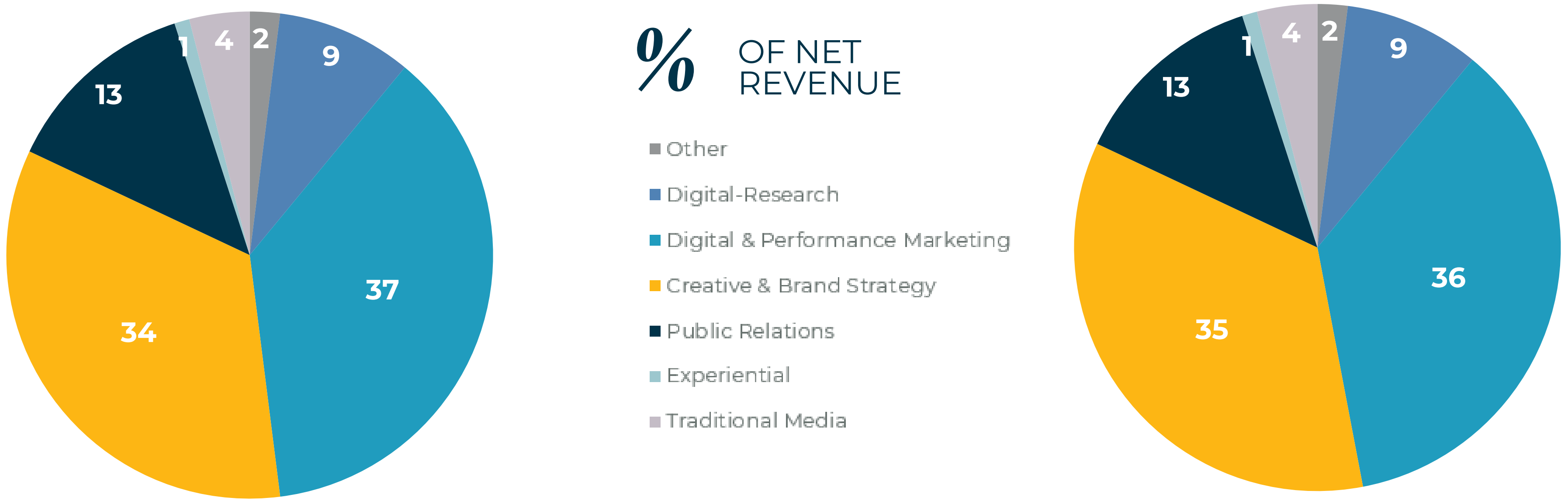
	Stagwell	*+Affiliates*
CITIES	74	84
COUNTRIES	31	37
EMPLOYEES	10K+	+16K+

STAGWELL
TRANSFORMING MARKETING

LINE OF BUSINESS MIX

3Q 2021

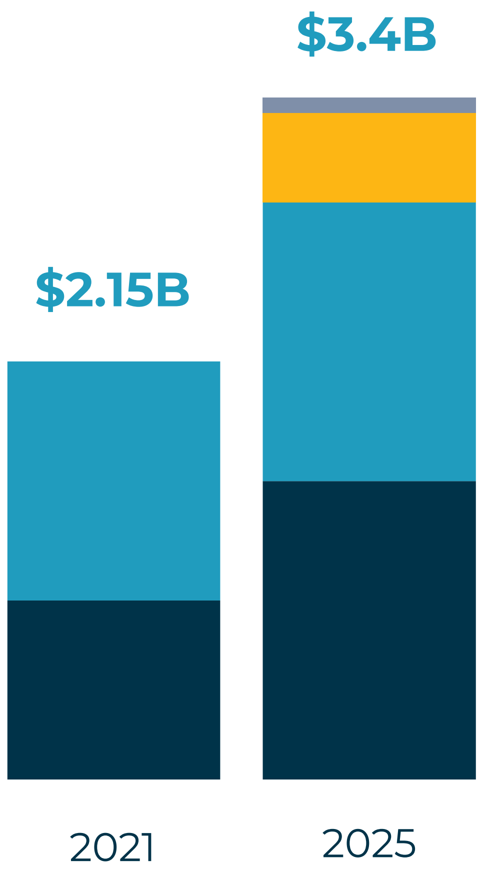
3Q YTD



Note: All figures presented on a Pro Forma basis giving effect to the combination as if it was completed on January 1, 2019.

RAISING THE GROWTH OUTLOOK

Path to $3.4B by 2025



$75M
New Digital
Products Revenue

$450
M&A & Organic
Growth of Acquisitions

$1.5B
Digital
10-15% annual growth

$1.4B
Creative & Media
3-5% annual growth

Public Relations
5-7% annual growth

Why?

1. Our high-growth digital businesses have outperformed and are a larger part of the mix
2. More free cash flow to dedicate to acquisitions in synergistic geographies and capabilities in addition to faster growing digital areas
3. Increased confidence in higher growth of conventional marketing driven by success in winning larger pitches
4. Stronger trend in political secular growth (seen across off-years) as 2021 has progressed and with 2022 visibility

Note: Assumes increasing amount of acquired revenue annually and 15% organic growth on acquired revenue
Note: The projected financial information constitutes forward-looking statements and should not be relied upon as being necessarily indicative of future results and is for illustrative purposes only.

ACHIEVING

$30M

RUN RATE SAVINGS

Current view on Projected Synergies

Media Group	**$8-10M**
Shared Services	**$5.5M**
Real Estate	**$3.5-$5M**
Benefits	**$3M**
Corporate	**$3M**
All Other	**$8M**

ESTIMATED

$8-10M RUN RATE SAVINGS

Fully Expected by Mid 2023

Efficiency & Automation

Reallocating resources to lower cost markets

Enhanced automation & STAGE, our proprietary media platform which automates routine campaign management & reporting

---

Duplicative Responsibilities

Reducing duplicative responsibilities, enabling a better allocation of talent resources

---

Tools & Technology

Identification of opportunities for cost reduction through removal of duplicative tools/data, taking advantage of increased scale for price leverage or reducing number of suppliers

ESTIMATED

$5.5M

RUN RATE SAVINGS

Fully Expected by End of 2023

Consolidation of Backoffice Operations

Savings through a combination of:

1. Implementing a common global ERP (Maconomy)
2. Approximately 40-50 back-office personnel (e.g., AP, AR, Payroll & Benefits, and accounting), redeployed into low-cost markets and offshore
3. Reductions in 3rd party legal spend

ESTIMATED

$3.5-5M

RUN RATE SAVINGS

Low End Expected by End of 2023

Real Estate Co-Locations

Savings are expected from co-location initiatives in Los Angeles, Minneapolis, Toronto, Denver and further consolidation in New York.

ESTIMATED

$3M

RUN RATE SAVINGS

Fully Expected by mid 2023

Employee Benefits & Administration

Savings are expected from the deployment of a global HRIS & Payroll System (UKG UltiPro), improved pricing on employee benefits and lower admin costs driven by scale

ESTIMATED

$3M

RUN RATE SAVINGS

Fully Expected by End of 2022

Duplicative Responsibilities

Reducing duplicative responsibilities, enabling a better allocation of talent resources across legal, operations, finance, and communications

ESTIMATED

$8M

RUN RATE SAVINGS

Fully Expected by mid 2024

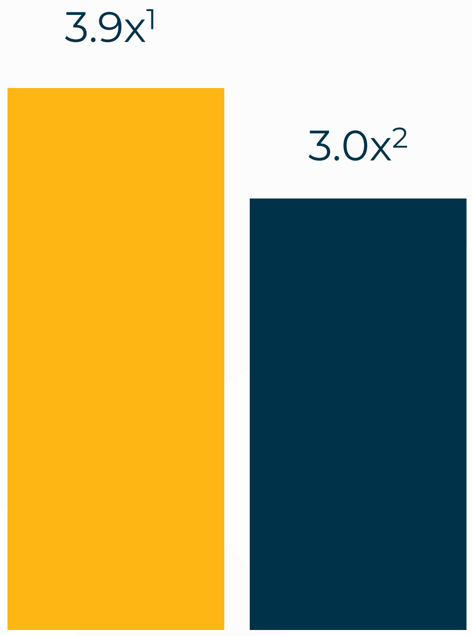
3rd Party Spend Re-capture

Initiatives related to production, translation services, and market research

General & Administrative

Scaled Enterprise pricing arrangements related to technology (hardware & software), publications & subscriptions, business insurance, and T&E

LEVERAGE



MDC Partners

STAGWELL TRANSFORMING MARKETING

S&P GLOBAL RATINGS *2020*

Positive Outlook (Dec. 2020)

"We expect the combined company will benefit from Stagwell's history of positive revenue growth, good EBITDA margins, and favorable cash generation."

Upgrade to B+ (Aug. 2021)

Upon post-combination refinancing

MOODY'S CREDIT RATINGS 2020

Upgrade to B2 (Dec. 2020)

"The combined company's leverage, enhanced scale and increased exposure in digital services were the drivers of the rating action."

Positive Outlook (Aug. 2021)

Upon post-combination refinancing

- Combination reduced leverage by ~1x
- Achieved credit upgrades from both major ratings agencies
- Target Leverage of 3.0x

1 MDC net leverage as of 6/30/21. Excludes Deferred Acquisition Costs and RNCI & NCI
2 Stagwell Inc. net leverage as of 9/30/21. Excludes Deferred Acquisition Costs, RNCI & NCI and issued but undrawn letters of credit

CAPITAL STRUCTURE

Net Debt & Debt-Like *($M) as of 9/30/21*

Revolving Credit Facility	**$181**
Bonds	**$1,100**
M&A Obligations	**$105**
Less: Cash	**$116**
TOTAL	**$1,270**

Pro Forma Common Equity *(Thousands)*

Class A & B	**78,984**
Class C	**179,970**
Preferred	**33,035**
Awards Out.	**3,896**
FULLY DILUTED	**295,885**

STAGWELL
TRANSFORMING MARKETING

Note: fully diluted share counts as of 9/30/21 after assuming full vesting of awards outstanding and conversion of preferred.

Targets

Annual Organic Revenue Growth: 7-9%

M&A (+organic growth): $450M by 2025

Stagwell Cloud (digital products): $75M by 2025

2025 Target Total Revenue: $3.4B

Free Cash Flow Conversion: ~55%

Adj. EBITDA Margin Expansion:

25-50bps per year

- Synergies & increased digital mix, offset by pandemic normalization of T&E

Cash Taxes: 21-24% of pre-tax earnings

KPIs

Net Revenue & Growth

Organic Net Revenue Growth

Adjusted EBITDA & Net Revenue Margin

Leverage

Advocacy Impact

Digital Net Revenue

Geographic Mix

Line of Business Mix

Number of Client Wins >$10M

Note: The projected financial information constitutes forward-looking statements and should not be relied upon as being necessarily indicative of future results and is for illustrative purposes only.

Thank You

Near-Term tailwinds

1	**Advocacy**	2022 Mid-term election & issues cycle
2	**Digital Transformation**	Continued demand in response to lasting digital acceleration
3	**Digital Media**	Integrated media offering qualifying Stagwell for larger contracts
4	**Travel**	Further recovery as global travel resumes with new digital focus
5	**Experiential**	Further recovery as in-person events ramp back up

High-Growth Digital	Proven Leadership Team	Strong & Expanding Margins	Industry-leading Growth	Value Creation Platform	Moving Into Larger Markets