



STAGWELL

TRANSFORMING MARKETING

Fourth Quarter & Full Year 2022

EARNINGS PRESENTATION

MARCH 2 | 2022

FORWARD LOOKING STATEMENTS & OTHER INFORMATION

This document contains forward-looking statements, within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the Private Securities Litigation Reform Act of 1995, as amended. The Company's representatives may also make forward-looking statements orally or in writing from time to time. Statements in this document that are not historical facts, including, statements about the Company's beliefs and expectations, future financial performance and future prospects, business and economic trends, potential acquisitions, and estimates of amounts for redeemable noncontrolling interests and deferred acquisition consideration, constitute forward-looking statements. Forward-looking statements, which are generally denoted by words such as "estimate," "project," "target," "predict," "believe," "expect," "anticipate," "potential," "create," "intend," "could," "should," "would," "may," "foresee," "plan," "will," "guidance," "look," "opportunity," "outlook," "future," "possible," "assume," "forecast," "focus," "continue" or the negative of such terms or other variations thereof and terms of similar substance used in connection with any discussion of current plans, estimates and projections are subject to change based on a number of factors, including those outlined in this section.

Forward-looking statements in this document are based on certain key expectations and assumptions made by the Company. Although the management of the Company believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. The material assumptions upon which such forward-looking statements are based include, among others, assumptions with respect to general business, economic and market conditions, the competitive environment, anticipated and unanticipated tax consequences and anticipated and unanticipated costs. These forward-looking 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. These forward-looking statements are subject to various risks and uncertainties, many of which are outside the Company's control. Therefore, you should not place undue reliance on such statements. 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;*
- *the effects of the outbreak of the novel coronavirus pandemic ("COVID-19", including the measures to reduce its spread, and the impact on the economy and demand for the Company's 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;*
- *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 Company's ability to attract new clients and retain existing clients;*
- *the impact of a 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 compete in the markets in which it operates;*
- *the Company's ability to achieve its 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 Company's ability to manage its growth effectively, including the successful completion and integration of acquisitions which complement and expand the Company's business capabilities;*
- *the Company's material weaknesses in internal control over financial reporting and its ability to establish and maintain an effective system of internal control over financial reporting;*
- *the Company's ability to protect client data from security incidents or cyberattacks;*
- *economic disruptions resulting from war and other geopolitical tensions (such as the ongoing military conflict between Russia and Ukraine), terrorist activities and natural disasters;*
- *stock price volatility; and*
- *foreign currency fluctuations.*

Investors should carefully consider these risk factors, other risk factors described herein, and the additional risk factors outlined in more detail in our 2021 Form 10-K, filed with the Securities and Exchange Commission (the "SEC") on March 17, 2022, and accessible on the SEC's website at www.sec.gov, under the caption "Risk Factors," and in the Company's other SEC filings.

DEFINITIONS OF NON-GAAP FINANCIAL MEASURES

In addition to its reported results, Stagwell Inc. has included in this earnings release 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: 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.

(1) **Organic Revenue:** "Organic revenue growth" and "organic revenue decline" refer to the positive or negative results, respectively, of subtracting both the foreign exchange and acquisition (disposition) components from total 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.

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

(3) **Adjusted EBITDA:** 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.

(4) **Adjusted EPS** is defined as Net income (loss) attributable to Stagwell Inc. common shareholders, plus net income attributable to Class C shareholders, excluding amortization expense, impairment and other losses, stock-based compensation, deferred acquisition consideration adjustments, discrete tax items, and other items, per weighted average shares outstanding. Other items includes restructuring costs, acquisition-related expenses, and non-recurring items, and subject to the anti-dilution rules.

(5) **Free Cash Flow:** 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.

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

Included in this earnings presentation are tables reconciling reported Stagwell Inc. results to arrive at certain of these non-GAAP financial measures.

FINANCIAL *Outlook*



Full-Year 2023

7.5 - 10% Organic Net Revenue Growth

10 - 14% Organic Net Revenue Growth Ex-Advocacy

\$450M - \$490M In Adjusted EBITDA

50 - 60% EBITDA Conversion on Free Cash Flow

\$0.90 - \$1.05 In Adjusted Earnings Per Share

Note: Guidance as of 3/02/2023. All figures presented on a Pro Forma basis giving effect to the combination as if it was completed on January 1, 2020. The Company has excluded a quantitative reconciliation with respect to the Company's 2023 guidance under the "unreasonable efforts" exception in Item 10(e)(1)(i)(B) of Regulation S-K. See "Non-GAAP Financial Measures" below for additional information on definitions for Organic Net Revenue, Organic Net Revenue Ex-Advocacy, Adjusted EBITDA, Adjusted Earnings Per Share, and Free Cash Flow. Please refer to our investor website at stagwellglobal.com/investors for information on Forward Looking Statements and risk factors outlined in our 2021 Form 10-K, filed with the Securities and Exchange Commission (the "SEC") on March 17, 2022, and accessible on the SEC's website at www.sec.gov, under the caption "Risk Factors," and in the Company's other SEC filings.

FOURTH QUARTER & PRO FORMA FULL YEAR 2022 HIGHLIGHTS

NET DEBT: \$979M | NET LEVERAGE RATIO: 2.17x | FY STOCK BUYBACKS: \$52M

Leading GROWTH

15% FY Net Revenue Growth, 14% Organic

12% Q4 net revenue growth, 8% organic

57% of FY net revenue from digital capabilities grew 28%

Strong MARGINS, FCF, & EPS

20.3% FY adj. EBITDA margin on net revenue

21.1% Q4 adj. EBITDA margin on net revenue

FY FCF of \$270M, ending with a net leverage of 2.17x

\$0.22 Q4 adjusted EPS; \$0.90 in FY

Expanding INTERNATIONALLY

Growing twice as fast internationally vs. domestic

26% FY net revenue growth internationally, 14% in North America

Launched regional hubs in Singapore and Brazil

Strategic M&A

Closed 8 acquisitions in 2022

BNG adds AI-driven e-commerce capabilities internationally

Maru adds DaaS + analytics platform to Stagwell Marketing Cloud

Epicenter adds location-based targeting to Stagwell Marketing Cloud

SUMMARY PRO FORMA COMBINED FINANCIALS

| | <i>Three Months Ended December 31,</i> | | <i>Twelve Months Ended December 31,</i> | |
|---|--|-------------------|---|---------------------|
| <i>\$ in Thousands</i> | 2022 | 2021 | 2022 | 2021 |
| Net Revenue | \$ 583,446 | \$ 519,692 | \$ 2,222,153 | \$ 1,926,814 |
| Billable Costs | 124,739 | 92,235 | 465,639 | 297,529 |
| Revenue | \$ 708,185 | \$ 611,927 | \$ 2,687,792 | \$ 2,224,343 |
| Billable Costs | 124,739 | 92,235 | 465,639 | 297,529 |
| Staff costs | 350,665 | 330,637 | 1,392,535 | 1,237,721 |
| Administrative costs | 75,149 | 60,344 | 256,755 | 221,877 |
| Unbillable and other costs, net | 34,337 | 25,137 | 121,745 | 89,184 |
| Adjusted EBITDA | \$ 123,295 | \$ 103,574 | \$ 451,118 | \$ 378,032 |
| Stock-based compensation | (258) | 21,568 | 33,152 | 80,525 |
| Depreciation and amortization | 35,631 | 31,381 | 131,273 | 96,135 |
| Deferred acquisition consideration | 1,015 | 9,265 | (13,405) | 36,154 |
| Impairment and other losses | 94,145 | 1,314 | 122,179 | 17,115 |
| Other items, net | 6,579 | 6,132 | 18,691 | 45,872 |
| Operating income (loss) | \$ (13,817) | \$ 33,914 | \$ 159,228 | \$ 102,231 |
| <i>Pro Forma adjusted EBITDA margin (on net revenue)</i> | 21.1% | 19.9% | 20.3% | 19.6% |

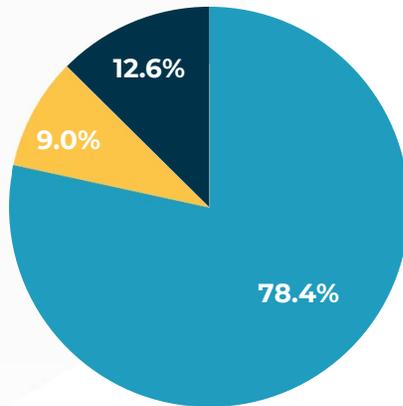
PRO FORMA NET REVENUE

| <i>\$ in Thousands</i> | <i>Three Months Ended December 31, 2022</i> | | <i>Twelve Months Ended December 31, 2022</i> | |
|----------------------------------|---|---------------|--|---------------|
| | Net Revenue | Change | Net Revenue | Change |
| 2021 Net Revenue | \$ 519,691 | | \$ 1,926,814 | |
| Organic revenue | 43,970 | 8.5% | 278,455 | 14.5% |
| Acquisitions (divestitures), net | 26,937 | 5.2% | 39,321 | 2.0% |
| Foreign currency | (7,152) | (1.4)% | (22,437) | (1.2)% |
| Total Change | \$ 63,755 | 12.3% | \$ 295,339 | 15.3% |
| 2022 Net Revenue | \$ 583,446 | | \$ 2,222,153 | |

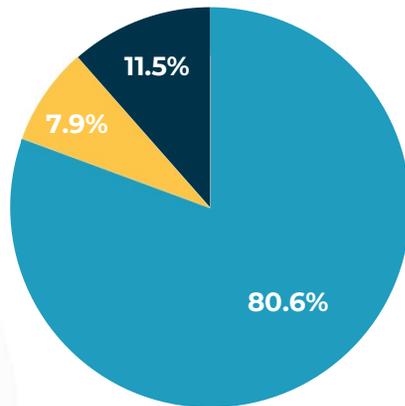
NET REVENUE BY GEOGRAPHY

% OF NET REVENUE

Q4



FY 2022



Organic Growth Y/Y

| Geography | Q422 | PF FY 2022 |
|----------------|-----------|------------|
| United States | 9% | 14% |
| United Kingdom | 20% | 30% |
| Other | (4)% | 6% |
| TOTAL | 8% | 14% |

GLOBAL NETWORK

Stagwell's Affiliate Network Significantly Expands Our Global Footprint



North America

- Canada
- USA
- Mexico

Europe

- Austria
- Belgium
- Bulgaria
- Italy
- Latvia
- Romania
- Slovak Republic
- Slovenia
- Switzerland
- Turkey
- Ukraine
- France
- Germany
- Netherlands
- Poland
- Spain
- Sweden
- United Kingdom

Latin America

- Argentina
- Aruba
- Bolivia
- Brazil
- Curacao
- Colombia
- Costa Rica
- Dominican
- Ecuador
- El Salvador
- Guatemala
- Honduras
- Jamaica
- Nicaragua
- Panama
- Peru
- Republic
- Uruguay
- Venezuela

Middle East & Africa

- Algeria
- Bahrain
- Egypt
- Jordan
- Kuwait
- Lebanon
- Libya
- Morocco
- Nigeria
- Oman
- Saudi Arabia
- South Africa
- Tunisia
- United Arab Emirates

Asia Pacific

- Australia
- China
- Hong Kong
- India
- Indonesia
- Japan
- Malaysia
- Philippines
- Taiwan
- Thailand
- Singapore
- South Korea

Stagwell +Affiliates

COUNTRIES

34

65+

EMPLOYEES

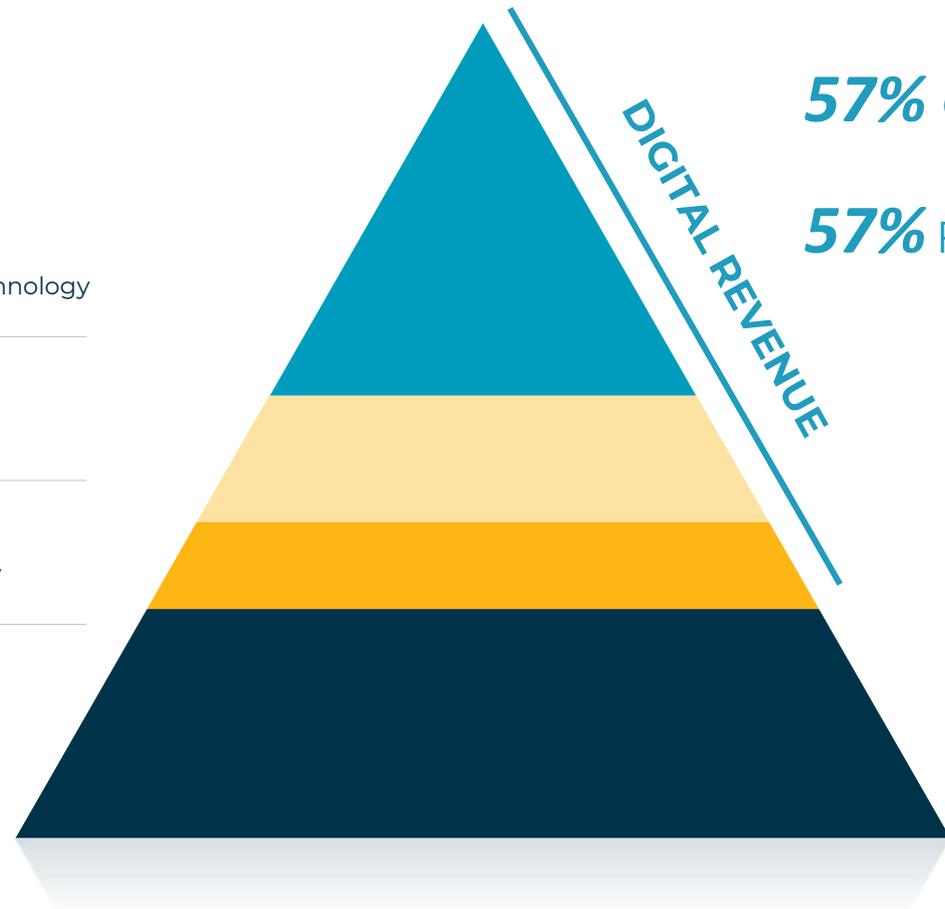
13K+

21K+

Note: As of December 31, 2022.

OUR PRINCIPAL CAPABILITIES

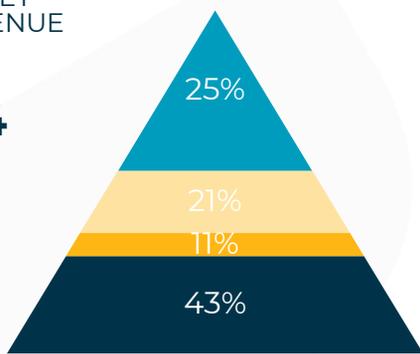
- 1 Digital Transformation**
Building & Designing Digital Platforms & Technology
- 2 Performance Media & Data**
Addressable on a Global Scale
- 3 Consumer Insights & Strategy**
Tracking Across the Entire Consumer Journey
- 4 Creativity & Communications**
Blue-Chip Customer Base



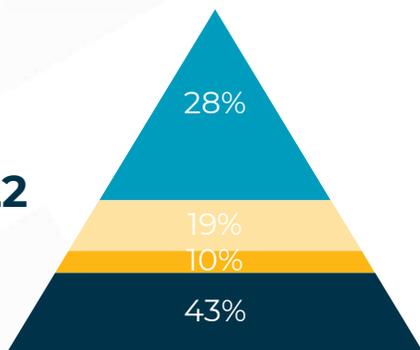
NET REVENUE GROWTH BY CAPABILITY

% OF NET REVENUE

Q4



FY 2022

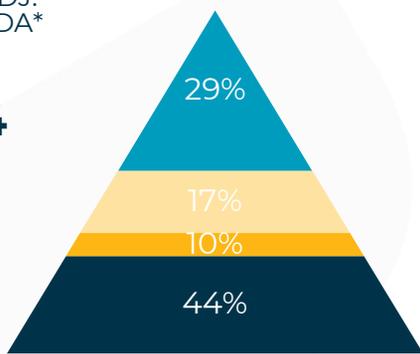


| <i>Principal Capability</i> | <i>Q422</i> | | <i>PF FY 2022</i> | |
|------------------------------|-----------------------------------|---------------------------|-----------------------------------|---------------------------|
| | <i>Organic Net Revenue Growth</i> | <i>Net Revenue Growth</i> | <i>Organic Net Revenue Growth</i> | <i>Net Revenue Growth</i> |
| Digital Transformation | 21.5% | 21.8% | 33.4% | 33.5% |
| Performance Media & Data | 2.5% | 12.5% | 9.6% | 18.3% |
| Consumer Insights & Strategy | 16.6% | 38.5% | 25.3% | 31.7% |
| Creativity & Communications | 3.1% | 2.5% | 5.1% | 2.4% |
| TOTAL | 8.5% | 12.3% | 14.5% | 15.3% |
| TOTAL EX-ADVOCACY | 5.7% | 9.6% | 12.3% | 13.1% |

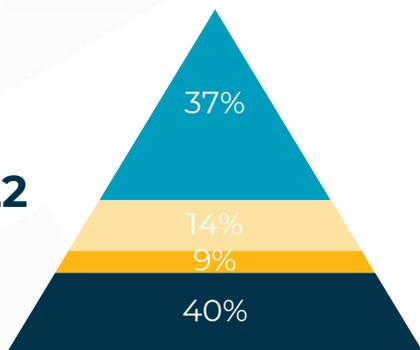
ADJ EBITDA GROWTH BY CAPABILITY

% OF ADJ. EBITDA*

Q4



FY 2022



Adj. EBITDA* Growth Y/Y

| Principal Capability | Q422 | PF FY 2022 |
|------------------------------|------------|------------|
| Digital Transformation | 47% | 45% |
| Performance Media & Data | (14)% | 16% |
| Consumer Insights & Strategy | 49% | 31% |
| Creativity & Communications | 16% | 2% |
| TOTAL | 19% | 19% |
| TOTAL EX-ADVOCACY | 10% | 12% |

EX-ADVOCACY NET REVENUE & ADJUSTED EBITDA

\$ in Millions

Q4

| | <i>Net Revenue</i> | | | <i>Adjusted EBITDA</i> | | |
|--------------------------|--------------------|-------------|-----------------|------------------------|-------------|-----------------|
| | 2022 | 2021 | % Change | 2022 | 2021 | % Change |
| Total | 583 | 520 | 12.3% | 123 | 104 | 19.0% |
| Advocacy | 53 | 35 | 48.6% | 23 | 12 | 87.0% |
| Total Ex Advocacy | 531 | 484 | 9.6% | 101 | 92 | 10.0% |

**FULL
YEAR**

| | <i>Net Revenue</i> | | | <i>Adjusted EBITDA</i> | | |
|--------------------------|--------------------|--------------|-----------------|------------------------|-------------|-----------------|
| | 2022 | 2021 | % Change | 2022 | 2021 | % Change |
| Total | 2,222 | 1,927 | 15.3% | 451 | 378 | 19.3% |
| Advocacy | 183 | 124 | 47.8% | 67 | 36 | 88.0% |
| Total Ex Advocacy | 2,039 | 1,803 | 13.1% | 384 | 342 | 12.1% |

NEW BUSINESS UPDATE

Net New Business

| | |
|---------|---------------|
| Q4 | \$42M |
| FY 2022 | \$213M |

Avg. Net Revenue

| | |
|---------|--|
| Q4 | \$6.3M PER CLIENT AT TOP 25 |
| FY 2022 | \$24.1M PER CLIENT AT TOP 25 |

Notable Business WINS & EXPANSIONS



A STRONG
YEAR FOR M&A:
*8 Strategic
Acquisitions
in 2022*

| | <i>Closed</i> | <i>Description</i> |
|---|---------------|---|
|  | 3/11 | Multicultural full-service marketing agency |
|  | 4/20 | Provider of scaled commerce and marketplace solutions for 150+ global brands and 500+ e-retailers worldwide |
|  | 5/15 | Direct response firm in the political data and marketing arena |
|  | 7/1 | A real-time, AI-powered SaaS platform that uncovers consumer, creative, and contextual insights for scaled modern marketing |
|  | 7/12 | Omnichannel content creation and adaptation production company |
|  | 10/3 | Software experience & insights data platform |
|  | 10/3 | Enterprise software company leveraging mobile & location data to map and sequence complex consumer behavior |
|  | 10/3 | Award-winning creative agency |

WE HAVE
OUR FINANCIAL
HOUSE
in order



Refinanced Bonds, Securing \$1.1BN in financing

- › Fixed interest rate of 5.625%
in rising interest rate environment
- › ~7 years to maturity in 2029,
providing financial flexibility



Secured \$500M Revolving Credit Facility

with flexible terms, 5-year maturity



**Moody's upgraded Stagwell's corporate family
rating (CFR) to B1 from B2 in July 2022**

LIQUIDITY

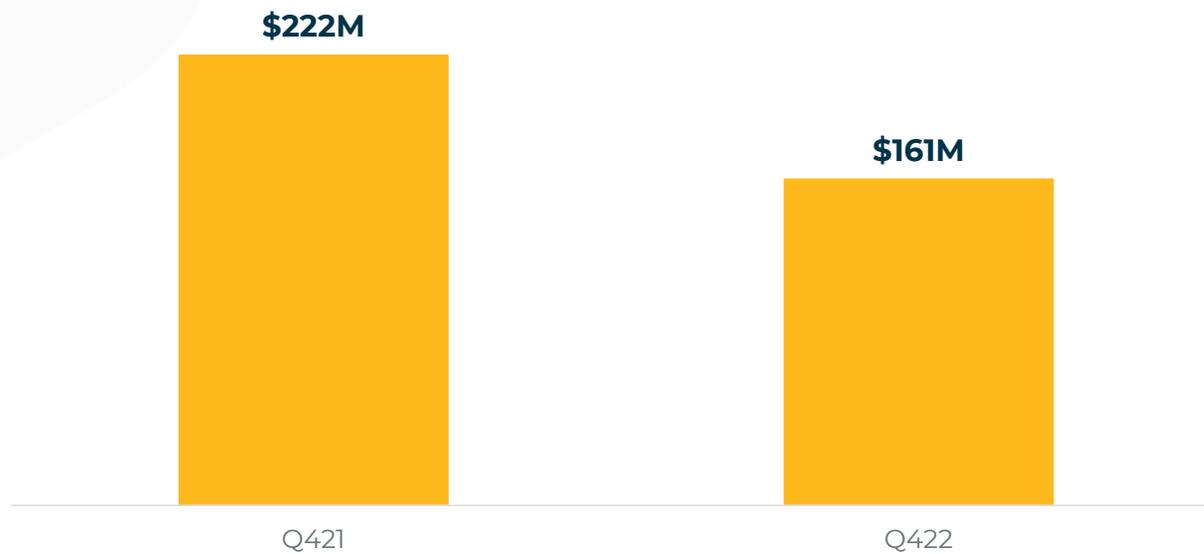
\$ in Millions

Available Liquidity (as of 12/31/22)

| | |
|------------------------------------|---------------|
| Commitment Under Credit Facility | \$ 500 |
| Drawn | 100 |
| Undrawn Letters of Credit | 25 |
| Undrawn Commitments Under Facility | \$ 375 |
| Total Cash & Cash Equivalents | 221 |
| Total Available Liquidity | \$ 596 |

MAINTAINING DISCIPLINE AROUND *Deferred Acquisition Costs*

REDUCED DAC BY \$61M
FROM 2021 YEAR-END BALANCE



ADJUSTED EARNINGS PER SHARE

Three Months Ended December 31, 2022

Twelve Months Ended December 31, 2022

| \$ and Shares in Thousands | Three Months Ended December 31, 2022 | | | Twelve Months Ended December 31, 2022 | | |
|--|--------------------------------------|--------------------|------------------|---------------------------------------|--------------------|-------------------|
| | Reported (GAAP) | Adjustments | Non-GAAP | Reported (GAAP) | Adjustments | Non-GAAP |
| Net income attributable to Stagwell Inc. common shareholders | \$ (6,478) | \$ 42,485 | \$ 36,007 | \$ 27,269 | \$ 95,147 | \$ 122,416 |
| Net income attributable to Class C Shareholders | - | 27,300 | 27,300 | 24,452 | 120,655 | 145,107 |
| Net income – diluted EPS | \$ (6,478) | \$ 69,785 | \$ 63,307 | \$ 51,721 | \$ 215,802 | \$ 267,523 |
| Weighted average number of common shares outstanding (diluted) | 122,927 | 5,666 | 128,593 | 130,625 | - | 130,625 |
| Weighted average number of common class C shares outstanding (diluted) | - | 164,376 | 164,376 | 165,971 | - | 165,971 |
| Weighted average number of shares outstanding | 122,927 | 170,042 | 292,969 | 296,596 | - | 296,596 |
| Adjusted earnings per share (diluted) | \$ (0.05) | | \$ 0.22 | \$ 0.17 | | \$ 0.90 |
| Adjustments to net income (loss) | | | | | | |
| | Pre-Tax | Tax | Net | Pre-Tax | Tax | Net |
| Amortization | \$ 28,886 | \$ (5,777) | \$ 23,109 | \$ 104,763 | \$ (20,953) | \$ 83,810 |
| Impairment and other losses | 94,145 | (114) | 94,031 | 122,179 | (1,093) | 121,086 |
| Stock-based compensation | (258) | 52 | (206) | 33,152 | (6,630) | 26,522 |
| Deferred acquisition consideration | 1,015 | (203) | 812 | (13,405) | 2,681 | (10,724) |
| Other items, net | 6,579 | (1,316) | 5,263 | 18,691 | (3,738) | 14,953 |
| Tax adjustments | 7,482 | (34,131) | (26,649) | 7,482 | (27,327) | (19,845) |
| Total add-backs | \$ 137,849 | \$ (41,489) | \$ 96,360 | \$ 272,862 | \$ (57,060) | \$ 215,802 |
| Net income attributable to Class C shareholders | | | (26,575) | | | - |
| Total add-backs & net income attributable to class C shareholders | | | \$ 69,785 | | | \$ 215,802 |



Note: Conversion of Class C shares currently results in an anti-dilutive effect. Therefore, GAAP requires diluted earnings per share and share count to exclude conversion of Class C shares. Numbers may not foot due to rounding.

GAAP CONSOLIDATED OPERATING PERFORMANCE

| \$ and Shares in Thousands | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|--|---------------------------------|--------------------|----------------------------------|---------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Revenue | \$ 708,185 | \$ 611,927 | \$ 2,687,792 | \$ 1,469,363 |
| Cost of services | 419,811 | 348,000 | 1,673,576 | 906,856 |
| Office & general expenses | 172,415 | 197,318 | 601,536 | 424,038 |
| Depreciation & amortization | 35,631 | 31,381 | 131,273 | 77,503 |
| Impairment & other losses | 94,145 | 1,314 | 122,179 | 16,240 |
| Total operating expenses | \$ 722,002 | \$ 578,013 | \$ 2,528,564 | \$ 1,424,637 |
| Operating income (Loss) | \$ (13,817) | \$ 33,914 | \$ 159,228 | \$ 44,726 |
| Interest expense, net | (19,510) | (16,697) | (76,062) | (31,894) |
| Foreign exchange, net | 1,557 | (1,377) | (2,606) | (3,332) |
| Other, net | (7,241) | 3,252 | (7,059) | 50,058 |
| Other income (expenses) | \$ (25,194) | \$ (14,822) | \$ (85,727) | \$ 14,832 |
| Income tax expense (benefit) | (12,570) | 14,193 | 7,580 | 23,398 |
| Income (loss) before equity in earnings of non-consolidated affiliates | \$ (26,441) | \$ 4,899 | \$ 65,921 | \$ 36,160 |
| Equity in income (loss) of non-consolidated affiliates | (1,132) | (165) | (79) | (240) |
| Net income (loss) | \$ (27,573) | \$ 4,734 | \$ 65,842 | \$ 35,920 |
| Net (income) loss attributable to non-controlling & redeemable non-controlling interests | 21,095 | (3,897) | (38,573) | (14,884) |
| Net income (loss) attributable to Stagwell Inc. common shareholders | \$ (6,478) | \$ 837 | \$ 27,269 | \$ 21,036 |
| Earnings Per Share | | | | |
| Basic | \$ (0.05) | \$ 0.01 | \$ 0.22 | \$ (0.04) |
| Diluted | \$ (0.05) | \$ 0.01 | \$ 0.17 | \$ (0.04) |
| Weighted Average Number of Shares Outstanding | | | | |
| Basic | 122,927 | 99,615 | 124,262 | 90,426 |
| Diluted | 122,927 | 104,066 | 296,596 | 90,426 |



Note: Conversion of Class C shares currently results in an anti-dilutive effect. Therefore, GAAP requires Diluted earnings per share and share count to exclude the conversion of Class C shares. Numbers may not foot due to rounding.

PRO FORMA CAPITAL STRUCTURE

Net Debt & Debt-Like (\$M, as of 12/31/22)

| | |
|---------------------------------------|-----------------|
| Revolving Credit Facility | \$ 100 |
| Bonds | 1,100 |
| NCI ¹ | 34 |
| DAC | 161 |
| RNCI ² | 60 |
| Less: Investments ³ | 18 |
| Less: Cash | 221 |
| TOTAL NET DEBT & DEBT-LIKE | \$ 1,217 |

Pro Forma Share Count (Thousands, as of 2/28/22)

| | |
|---|----------------|
| Class A ⁴ | 131,614 |
| Class C ⁵ (equal voting & economic rights to Class A) | 160,909 |
| Share-based awards ⁶ | 4,868 |
| PRO FORMA DILUTED | 297,391 |

Note: Pro Forma share count assumes full conversion of Class C shares to Class A on a one-to-one basis. Numbers may not foot due to rounding.

1. Excludes \$478M in non-controlling interest of Stagwell Class C shareholders to reflect NCI balance pro forma for full conversion of Class C shares to Class A.

2. Includes redeemable non-controlling interest and obligations in connection with profit interests held by employees.

3. Non-consolidated investments

4. Includes issued and outstanding Class A shares (including unvested restricted stock) and 2,271 Class B shares which have equal economic rights and 10x voting rights to Class A shares. Note: Stagwell Agency Holdings, which is a fully owned subsidiary of Stagwell Media, owns 26.5M of the Class A shares related to its investment in legacy MDC Partners in 2019, of which the common portion was converted to Stagwell Inc. Class A shares upon the closing of the Business Combination in August 2021 and preferred portion converted to Stagwell Inc. Class A shares in September 2021.

5. Class C shares are held by Stagwell Media, the parent company of Stagwell Agency Holdings, issued in August 2021 as consideration for the contribution of its assets to the Business Combination.

6. Represents unvested restricted share units

STAGWELL MARKETING CLOUD

Next Wave of Technology

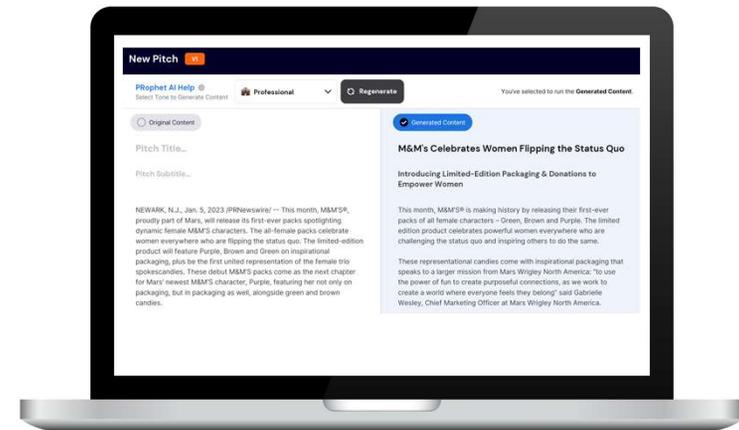
AUGMENTED REALITY FOR SPORTS

Shared AR product ARound is bringing **premium and interactive brand-sponsored AR experiences** to live sports at scale



GENERATIVE AI FOR COMMS

Comms Tech AI product PRophet is launching **generative AI for pitches, press releases, and social posts** powered by its ability to target relevant journalists





AUGMENTED REALITY *Product Spotlight*

THE NEXT GENERATION OF STADIUM ENTERTAINMENT AND FAN ENGAGEMENT

ARound is a category creator, bringing a whole new level of fan engagement to the sports and entertainment world with shared augmented reality.

By 3D mapping stadiums and delivering localized, interactive content through smartphones, ARound creates a shared digital experience for all fans.





GENERATIVE AI *Product Spotlight*

GENERATIVE AI FOR PITCHES, PRESS RELEASES AND SOCIAL POSTS

PRophet is the first-ever generative and predictive AI SaaS platform designed by and for the PR community.

The platform uses AI to help modern PR professionals become more performative, productive and predictive by generating, analyzing and testing content that predicts earned media interest and sentiment.

The screenshot displays the PRophet AI interface. At the top, there's a 'New Pitch' button with a 'VI' icon. Below it, the 'PRophet AI Help' section is visible, with a 'Select Tone to Generate Content' dropdown set to 'Professional' and a 'Regenerate' button. A notification states 'You've selected to run the Generated Content.' The interface is split into two main sections: 'Original Content' (unselected) and 'Generated Content' (selected). The 'Generated Content' section shows a press release titled 'M&M's Celebrates Women Flipping the Status Quo' with a sub-headline 'Introducing Limited-Edition Packaging & Donations to Empower Women'. The main body of the text reads: 'NEWARK, N.J., Jan. 5, 2023 /PRNewswire/ -- This month, M&M'S®, proudly part of Mars, will release its first-ever packs spotlighting dynamic female M&M'S characters. The all-female packs celebrate women everywhere who are flipping the status quo. The limited-edition product will feature Purple, Brown and Green on inspirational packaging, plus be the first united representation of the female trio spokescandies. These debut M&M'S packs come as the next chapter for Mars' newest M&M'S character, Purple, featuring her not only on packaging, but in packaging as well, alongside green and brown candies. "The M&M'S brand is on a mission to use the power of fun to create purposeful connections, as we work to create a world where everyone feels they belong," said Gabrielle Wesley, Chief Marketing Officer, Mars Wrigley North America. "Women all over the world are flipping how they define success and happiness while challenging the status quo, so we're thrilled to be able to recognize and celebrate them – and who better to help us on that mission than our own powerhouse spokescandies Green, Brown and Purple?" In celebration of the limited-edition packs, M&M'S is supporting



Thank You

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