



STAGWELL

TRANSFORMING MARKETING

First Quarter 2025

EARNINGS PRESENTATION

May 8 | 2025

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"). 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, growth, and future prospects, the Company's strategy, business and economic trends and growth, technological leadership and differentiation, potential and completed acquisitions, anticipated and actual operating efficiencies and synergies 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 "ability," "aim," "anticipate," "assume," "believe," "build," "consider," "continue," "could," "develop," "drive," "estimate," "expect," "focus," "forecast," "future," "guidance," "intend," "likely," "maintain," "may," "ongoing," "opportunity," "outlook," "plan," "possible," "potential," "probable," "project," "seek," "should," "target," "will," "would" 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, including the effect of changing tariff and other trade policies, inflation and other macroeconomic factors that could affect the Company or its clients;
- demand for the Company's services, which may precipitate or exacerbate other risks and uncertainties;
- inflation and actions taken by central banks to counter inflation;
- 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;
- the Company's ability to identify and complete acquisitions or other strategic transactions that complement and expand the Company's business capabilities and successfully integrate newly acquired businesses into the Company's operations, retain key employees, and realize cost savings, synergies and other related anticipated benefits within the expected time period;
- the Company's ability to identify and complete divestitures and to achieve the anticipated benefits therefrom;
- the Company's ability to develop products incorporating new technologies, including augmented reality, artificial intelligence, and virtual reality, and realize benefits from such products;
- the Company's use of artificial intelligence, including generative artificial intelligence;
- adverse tax consequences for the Company, its operations and its stockholders, that may differ from the expectations of the Company, including that future changes in tax laws, potential increases to corporate tax rates in the United States and disagreements with tax authorities on the Company's determinations that may result in increased tax costs;
- Adverse tax consequences in connection with the business combination that formed the Company in August 2021, including the incurrence of material Canadian federal income tax (including material "emigration tax");
- the Company's ability to maintain an effective system of internal control over financial reporting, including the risk that the Company's internal controls will fail to detect misstatements in its financial statements;
- the Company's ability to accurately forecast its future financial performance and provide accurate guidance;
- the Company's ability to protect client data from security incidents or cyberattacks;
- economic disruptions resulting from war and other economic and geopolitical tensions (such as the ongoing military conflicts between Russia and Ukraine and in the Middle East), terrorist activities, natural disasters, public health events and tariff and trade policies;
- 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 2024 Form 10-K, filed with the Securities and Exchange Commission (the "SEC") on March 11, 2025, 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 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: 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) Net New Business: Estimate of annualized revenue for new wins less annualized revenue for losses incurred in the period.*
- 2) 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 nonrecurring items.*
- 3) Adjusted Diluted EPS is defined as (i) 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, divided by (ii) (a) the per weighted average number of common shares outstanding plus (b) the weighted average number of Class C shares outstanding (if dilutive). Other items includes restructuring costs, acquisition-related expenses, and non-recurring items, and subject to the anti-dilution rules.*
- 4) 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.*
- 5) 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*

Reiterating Full-Year 2025 Outlook

~ 8% Total Net Revenue Growth

\$410M - \$460M Adjusted EBITDA

> 45% EBITDA Conversion on Free Cash Flow

\$0.75 - \$0.88 In Adjusted Earnings Per Share

FIRST QUARTER HIGHLIGHTS

NET REVENUE: \$564M | NET LEVERAGE RATIO: 3.3x | ADJ. EBITDA: \$81M

Growing OUR BUSINESS

Net Revenue growth ex. Advocacy of 9% year-over-year

Digital Transformation grew **15%** ex. Advocacy over the prior period

Stagwell Marketing Cloud posted **45%** ex. Advocacy growth year-over-year

Consumer Insights returned to **positive** year-over-year growth

Scaling CAPABILITIES & REACH

Announced 3 acquisitions YTD to expand global reach and sports marketing capabilities

Announced intent to acquire **ADK Global** in Q1, which will complete our APAC offering and add 10 new offices in the region

Acquired sport marketing agency **Gold Rabbit Sports** in Q1 to bolster sports and entertainment services and experiential capabilities

Acquired **JetFuel** in early Q2, an experiential agency bringing expertise in live brand experiences, retail and shopper marketing, and digital activations



Note: Net Leverage Ratio defined as Net Debt divided by LTM Adjusted EBITDA.

Record-Breaking NEW BUSINESS

Record \$130M of net new business wins in 1Q25, bringing LTM to \$446M

Secured high-profile new customer wins with leading companies including **Starbucks, Visa, PayPal, Panera, CarMax, Celsius, and Hyatt**

Grew relationships with fast-growing marketing verticals, with an 18% increase in **tech** spend and a 52% increase in **retail**

Innovating IN TECHNOLOGY

Nearly 200% growth in Quest Brand for 1Q with the addition of BERA.ai

Continued investing in **Stagwell Marketing Cloud** to service blue-chip clients like BBC, Intel, Amazon, HP, Lenovo, and PayPal

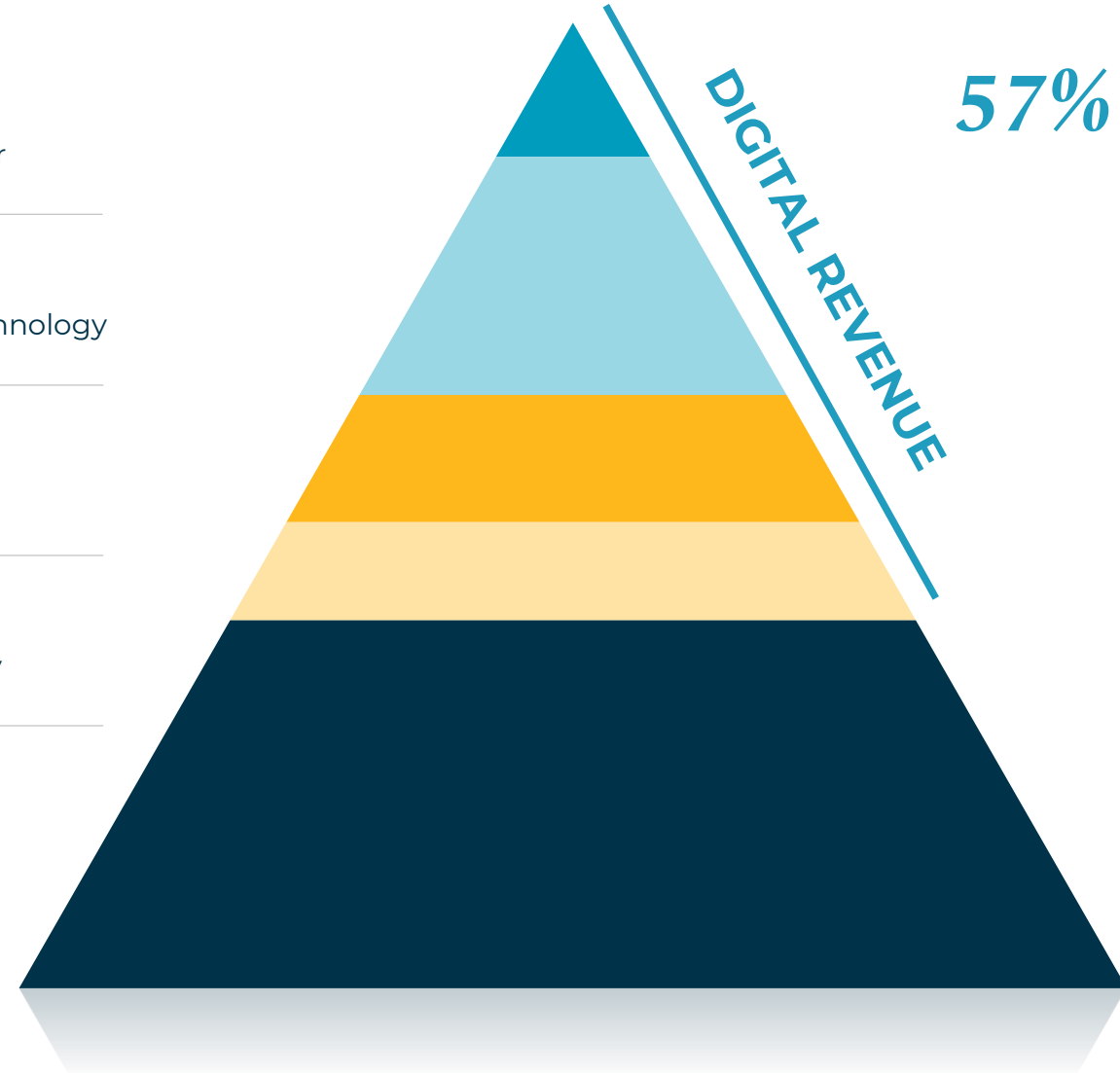
Deepened our relationship with **Adobe**, debuting **Code and Theory's** content supply chain solution at Adobe Summit with ~700 demos and leads

Rolled out version 1 of **Stagwell ID Graph** with 130M unique emails

Launched AI-powered tools like **Quest Brand's** CustomQuest, which delivered >70% organic growth YoY

OUR PRINCIPAL CAPABILITIES

- 1 Stagwell Marketing Cloud Group**
SaaS and DaaS Tools for the Modern Marketer
- 2 Digital Transformation**
Building & Designing Digital Platforms & Technology
- 3 Performance Media & Data**
Addressable on a Global Scale
- 4 Consumer Insights & Strategy**
Tracking Across the Entire Consumer Journey
- 5 Creativity & Communications**
Blue-Chip Customer Base



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

45+

75+

EMPLOYEES

11K+

21K+

Note: As of March 31, 2025.

SUMMARY COMBINED FINANCIALS

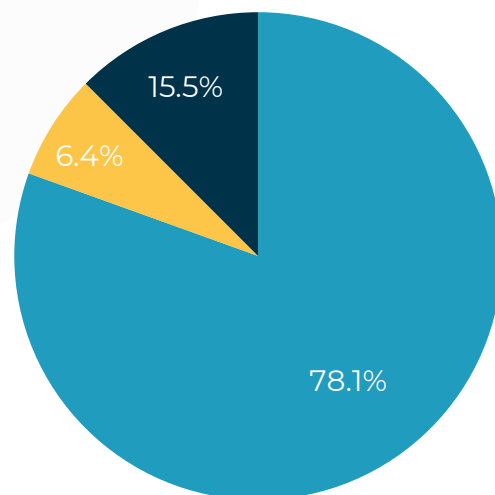
Three Months Ended March 31,

<i>\$ in Thousands</i>	2025	2024
Net Revenue	\$ 564,187	\$ 532,454
Billable Costs	87,553	137,605
Revenue	\$ 651,740	\$ 670,059
Billable Costs	87,553	137,605
Staff costs	368,262	342,157
Administrative costs	75,109	67,163
Unbillable and other costs, net	40,234	32,818
Adjusted EBITDA	\$ 80,582	\$ 90,316
Stock-based compensation	11,543	16,116
Depreciation and amortization	42,006	34,836
Deferred acquisition consideration	6,657	154
Impairment and other losses	-	1,500
Other items, net	2,091	11,856
Operating income	\$ 18,285	\$ 25,854
<i>Adjusted EBITDA margin (on net revenue)</i>	<i>14.3%</i>	<i>17.0%</i>

1Q25 NET REVENUE BY GEOGRAPHY

% OF NET
REVENUE

1Q



Total Growth Y/Y

Geography

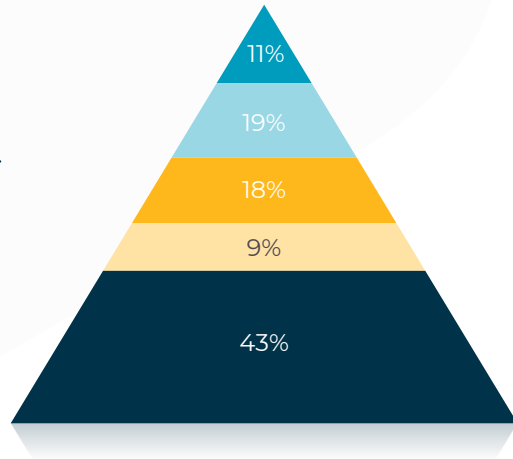
1Q25

	United States	1.4%
	United Kingdom	(2.3)%
	Other	43.6%
TOTAL		6.0%
TOTAL EX-ADVOCACY		9.1%

1Q25 NET REVENUE GROWTH BY CAPABILITY

% OF NET REVENUE

1Q



Principal Capability

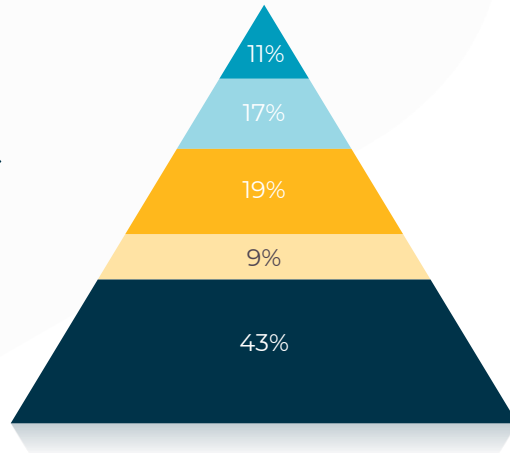
Total

	Organic Net Revenue Growth	Net Revenue Growth
Stagwell Marketing Cloud Group	6.0%	32.0%
Digital Transformation	8.3%	7.9%
Performance Media & Data	(9.3)%	(9.8)%
Consumer Insights & Strategy	3.6%	7.6%
Creativity & Communications	0.5%	7.3%
TOTAL	0.6%	6.0%

1Q25 NET REVENUE EX. ADVOCACY GROWTH BY CAPABILITY

% OF NET REVENUE
EX. ADVOCACY

1Q



<i>Principal Capability</i>	<i>Ex. Advocacy</i>		<i>Ex. Advocacy Ex. Customer</i>	
	<i>Organic Net Revenue Growth</i>	<i>Net Revenue Growth</i>	<i>Organic Net Revenue Growth</i>	<i>Net Revenue Growth</i>
■ Stagwell Marketing Cloud Group	15.4%	44.8%	15.4%	44.8%
■ Digital Transformation	15.9%	15.4%	15.9%	15.4%
■ Performance Media & Data	(9.3)%	(9.8)%	(2.2)%	(2.7)%
■ Consumer Insights & Strategy	3.6%	7.6%	3.6%	7.6%
■ Creativity & Communications	2.7%	10.1%	2.7%	10.1%
TOTAL	3.2%	9.1%	5.1%	11.1%

EX-ADVOCACY NET REVENUE & ADJUSTED EBITDA

NET REVENUE

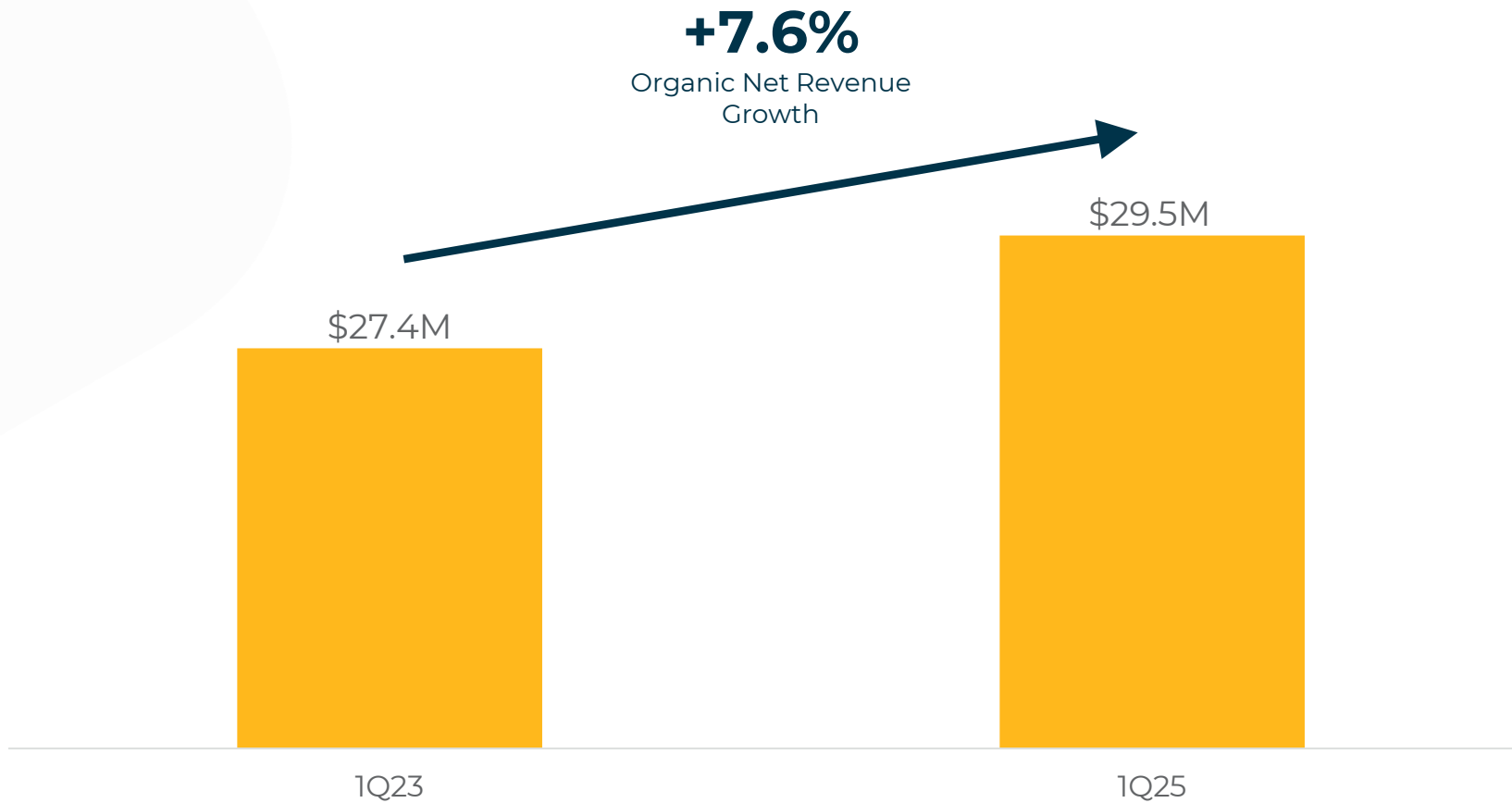
\$ in Millions

	Three Months Ended,		% Change
	March 31, 2025	March 31, 2024	
Total Net Revenue	\$564	\$532	6.0%
Advocacy Net Revenue	29	42	-30.2%
Total Ex Advocacy	535	490	9.1%

ADJ. EBITDA

	Three Months Ended,		% Change
	March 31, 2025	March 31, 2024	
Total Adj. EBITDA	\$81	\$90	-10.8%
Advocacy Adj. EBITDA	5	13	-60.2%
Total Ex Advocacy	75	77	-2.2%

1Q25 ADVOCACY NET REVENUE



Net New Business

1Q25	\$130M
LTM	\$446M

Avg. Net Revenue

1Q25	\$6.8M
	PER CLIENT AT TOP 25

Notable Business **WINS & EXPANSIONS**

Google

PayPal



Fägermeister

Adobe

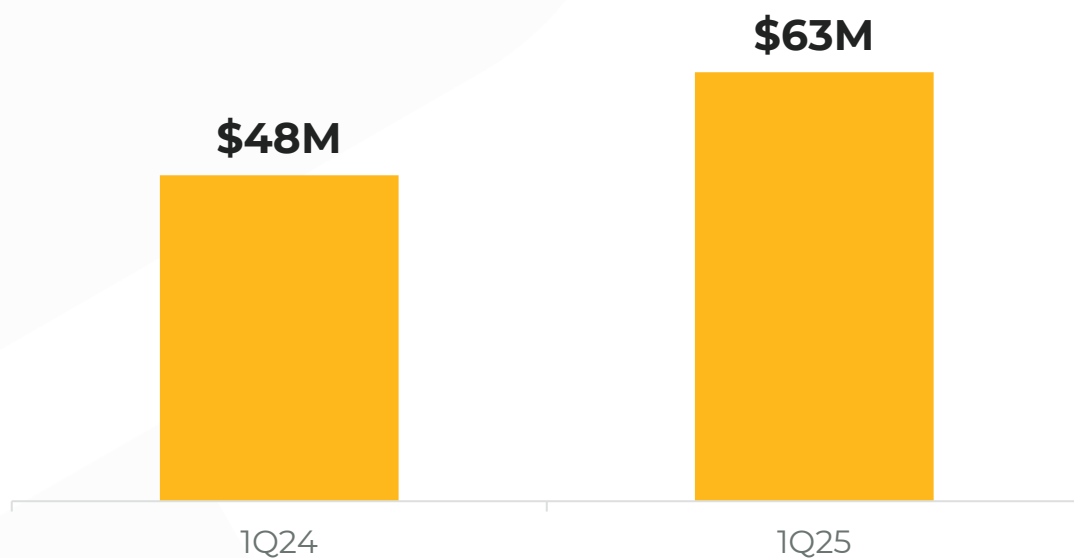
HYATT



CARmax

VISA

Net Revenue¹



\$ in Millions

	Net Revenue	Adj. EBITDA Margin
Advanced Media Platforms	\$34.8	(3.5)%
Stagwell Marketing Cloud	\$28.4	(11.8)%
TOTAL	\$62.8	(7.7)%
GROWTH (y/y)	24.1%	

LIQUIDITY

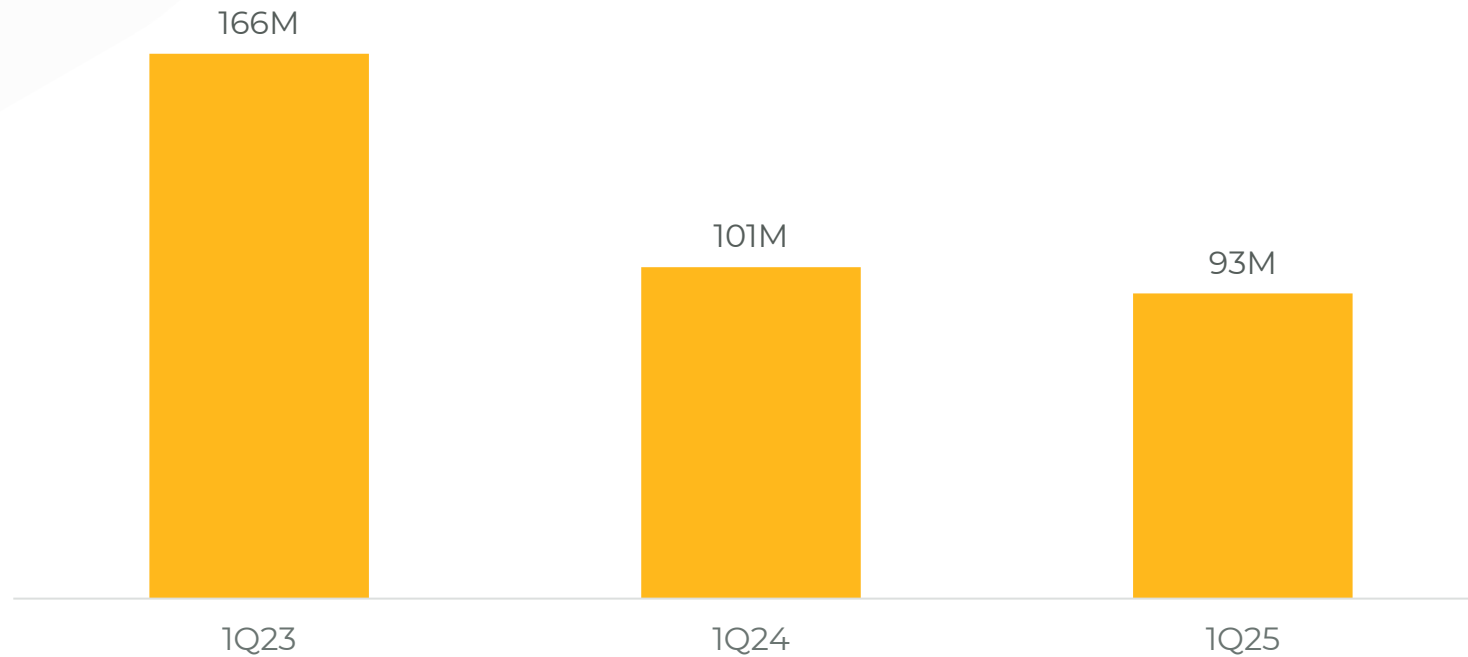
\$ in Millions

Available Liquidity (as of 03/31/2025)

Commitment Under Credit Facility	\$ 640
Drawn	375
Letters of Credit	15
Undrawn Commitments Under Facility	\$ 250
Total Cash & Cash Equivalents	138
Total Available Liquidity	\$ 388

MAINTAINING DISCIPLINE AROUND *Deferred Acquisition Costs*

DAC DECREASED BY
\$8M FROM 1Q24 QUARTER-END BALANCE
\$73M FROM 1Q23 QUARTER-END BALANCE



ADJUSTED EARNINGS PER SHARE

Three Months Ended March 31, 2025

<i>\$ and Shares in Thousands</i>	Reported (GAAP)	Adjustments	Non-GAAP
Net income (loss) attributable to Stagwell Inc. common shareholders	\$ (2,917)	\$ 18,439	\$ 15,522
Net income (loss) attributable to Class C Shareholders	(6,637)	24,513	17,876
Net income (loss) attributable to Stagwell Inc. common and Class C shareholders	\$ (9,554)	\$ 42,952	\$ 33,398
Weighted average number of common shares outstanding	112,088	9,462	121,550
Weighted average number of common class C shares outstanding	151,649	-	151,649
Weighted average number of shares outstanding	263,737	9,462	273,199
Diluted and Adjusted Diluted earnings (loss) per share	\$ (0.04)		\$ 0.12
<u>Adjustments to net income (loss)</u>			
Amortization expense		\$ 32,981	
Impairment and other losses		-	
Stock-based compensation		11,543	
Deferred acquisition consideration		6,657	
Other items, net		2,091	
Total add-backs		53,272	
Adjusted tax expense		(10,320)	
		\$ 42,952	

GAAP CONSOLIDATED OPERATING PERFORMANCE

	<i>Three Months Ended March 31,</i>	
	2025	2024
<i>\$ and Shares in Thousands</i>		
Revenue	\$ 651,740	\$ 670,059
Cost of services	412,087	444,526
Office & general expenses	179,362	163,343
Depreciation & amortization	42,006	34,836
Impairment & other losses	-	1,500
Total operating expenses	\$ 633,455	\$ 644,205
Operating income (Loss)	\$ 18,285	\$ 25,854
Interest expense, net	(23,356)	(20,965)
Foreign exchange, net	1,220	(2,258)
Gain on sale of business	-	-
Other, net	249	(1,267)
Other income (expenses)	\$ (21,887)	\$ (24,490)
Income (loss) before income taxes and equity in earnings of non-consolidated affiliates	(3,602)	1,364
Income tax expense	1,722	2,585
Loss before equity in earnings of non-consolidated affiliates	\$ (5,324)	\$ (1,221)
Equity in income (loss) of non-consolidated affiliates	(1)	508
Net loss	\$ (5,325)	(713)
Net (income) loss attributable to non-controlling & redeemable non-controlling interests	2,408	(569)
Net loss attributable to Stagwell Inc. common shareholders	\$ (2,917)	\$ (1,282)
<u>Loss Per Share</u>		
Basic	\$ (0.03)	\$ (0.01)
Diluted	\$ (0.04)	\$ (0.01)
<u>Weighted Average Number of Shares Outstanding</u>		
Basic	112,088	112,633
Diluted	263,737	116,405

CAPITAL STRUCTURE

Net Debt & Debt-Like (\$M, as of 3/31/2025)

Revolving Credit Facility	\$ 375
Bonds	1,100
NCI ¹	21
DAC ²	93
RNCI ³	29
Less: Investments ⁴	16
Less: Cash	138
TOTAL NET DEBT & DEBT-LIKE	\$ 1,464

*Share Count*⁵ (Thousands, as of 4/30/2025)

Class A	265,765
Class C ⁶ (equal voting & economic rights to Class A)	-
Share-based awards ⁷	7,881
DILUTED	273,646

Note: 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 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. A portion of the DAC will be paid with approximately 7.0m shares assuming conversion as of 3/31/25.

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

4. Non-consolidated investments

5. Share Count does not include unvested stock grants, unsettled SARs or portion of DAC to be settled in stock. Pro Forma total share count as of 4/30/2025 would be 267.7m Class A shares, 7.1m shares to settle DAC and 7.8m share-based awards, for a total of 280.8m shares outstanding. In addition, the share count does not reflect the 2.0m Class A shares issued on 5/1/2025 in conjunction with the close of the JetFuel acquisition.

6. Effective April 2, 2025, all outstanding shares of Class C Common Stock were converted to shares of Class A Common Stock in connection with the Class C Exchange

7. Estimated shares to be issued upon the exercise of settled SAR awards using treasury method.



APPLYING A PROVEN PLAYBOOK *to scale Stagwell Marketing Cloud Group*

Building complementary software solutions leveraging the domain expertise
and distribution channels already in place at Stagwell

1

Digital Services

Digital Transformation

Building Digital Platforms & Consumer Experiences

2

Performance Media & Data

Integrated Omnichannel Media, Data & E-Commerce

3

Consumer Insights & Strategy

Tracking Across the Consumer Journey

4

Creativity & Communications

Blue-Chip Customer Base

Technology

Advanced Media Platforms

Proprietary & Premium Owned Media Channels

Media Studio

Solution for Modern Media Planners and Buyers

Harris Quest Research

Market Research Products by The Harris Poll

PRophet Comms Tech

AI-Driven Platform for Modern Communicators



STAGWELL MARKETING CLOUD GROUP

Product Incubation Playbook

We've developed a proven strategy to develop and incubate new technologies, making informed product roadmap decisions based off agency clients while leveraging our world-class tech team

**WE BUILD
ADVANCED
PRODUCTS**
MORE EFFICIENTLY
than the rest

Faster

Shared infrastructure

+ tech expertise

= **DEVELOP & ITERATE FAST**

CODE AND THEORY



GALE

Better

Proprietary data

+ the best marketers in the world

= **INTERNAL TESTING & INSIGHTS
THAT DELIVER BETTER PRODUCTS**

PRophet



THE PEOPLE PLATFORM™

Cheaper

World's most ambitious clients

+ upselling opportunities

= **LOWER GO-TO-MARKET COSTS**



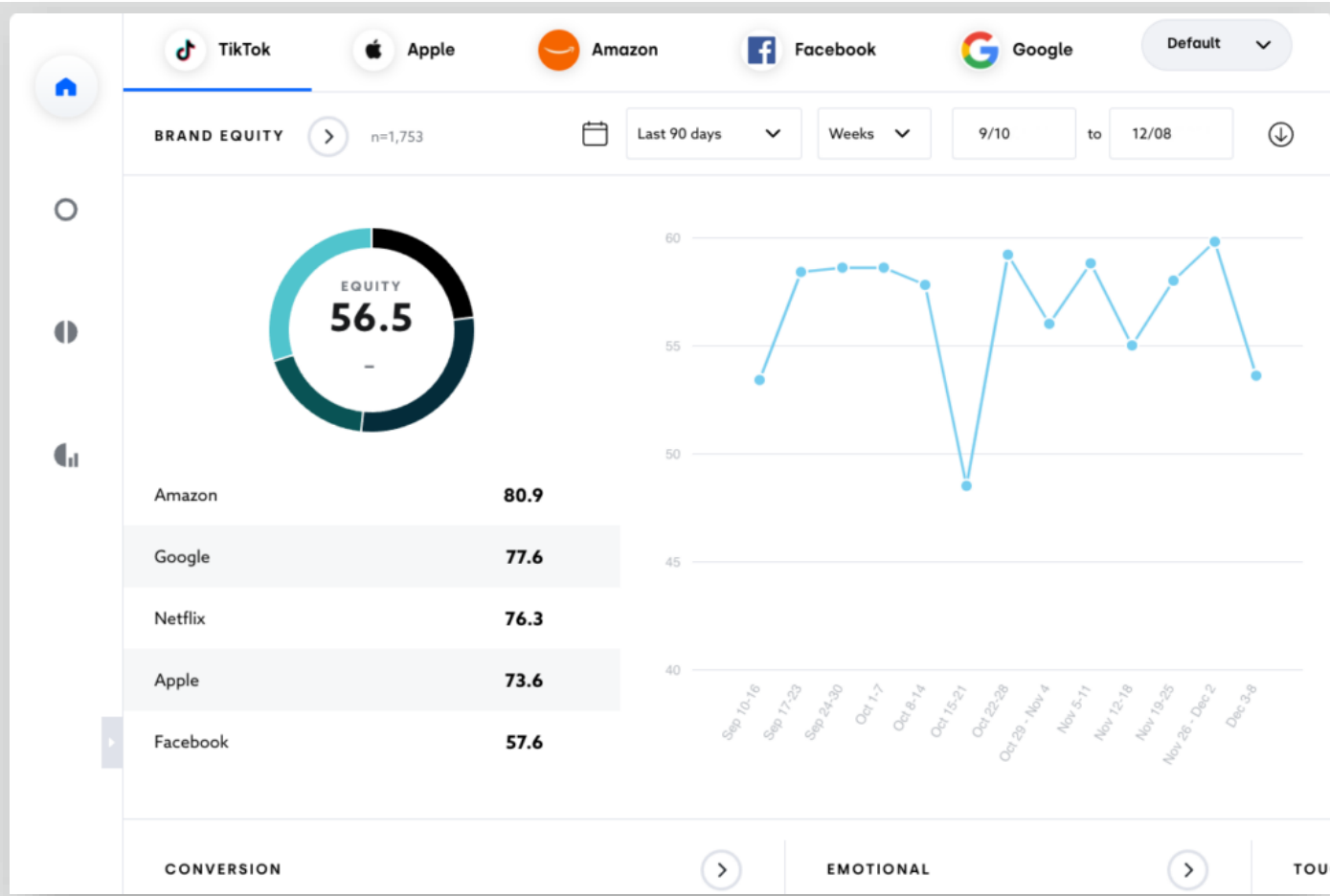


Harris QuestBrand

REAL-TIME INSIGHTS *Product Spotlight*

Customer Benefit

Unlocking continuous
brand tracking on an
affordable, global,
modern basis for
research professionals





PRophet Earn

ARTIFICIAL INTELLIGENCE *Product Spotlight*

Customer Benefit

Revolutionizing the
PR process through AI,
saving PR professionals
from millions of tedious
working hours

PRophet New Pitch My Projects Tools

Taylor Generate Content Adventurous You've selected to pitch the **Generated Content**.

Pitch Social Posts

Original Content

NASA, Canadian Space Agency Artemis II Mission

Subheadline

Jeremy Hansen is slated to become the first Canadian astronaut to embark on a mission around the moon, when Artemis II takes off in 2025. The Canadian Space Agency offered a behind-the-scenes peek at how crews are preparing physically and mentally for this monumental voyage.

Generated Content

**The First Canadian to Voyage Around the Moon
Jeremy Hansen**

A look into the intense training and preparation for NASA's Artemis II mission.

The date is set. The flight plan is confirmed. Canadian astronaut Jeremy Hansen will become the first Canadian to voyage around the moon. As part of the anticipated Artemis II mission in 2025, Hansen joins a select group of astronauts who will train rigorously for this monumental trip - one that brings us a giant leap for mankind and Mars and beyond.

It's been over 50 years since humans last escaped Earth's orbit and ventured into deep space. As the Artemis II launch creeps nearer, NASA and the Canadian Space Agency offered an exclusive look at how international astronauts are preparing for this audacious adventure.

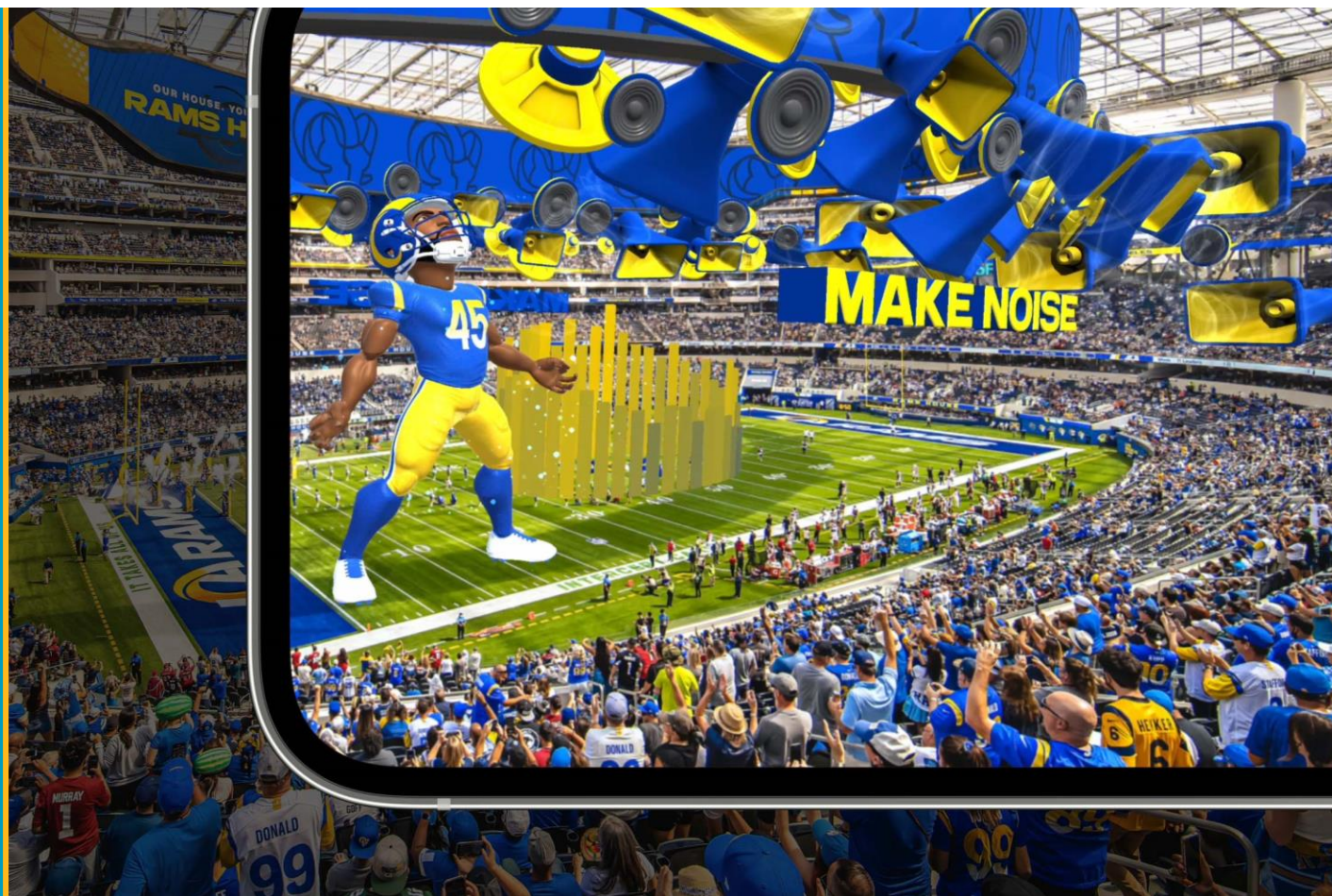
The stakes have never been higher. Artemis II will be the first crewed mission to orbit the moon since Apollo 11.



AUGMENTED REALITY *Product Spotlight*

Customer Benefit

Bringing a whole new level of stadium entertainment and fan engagement to sports and entertainment through shared AR





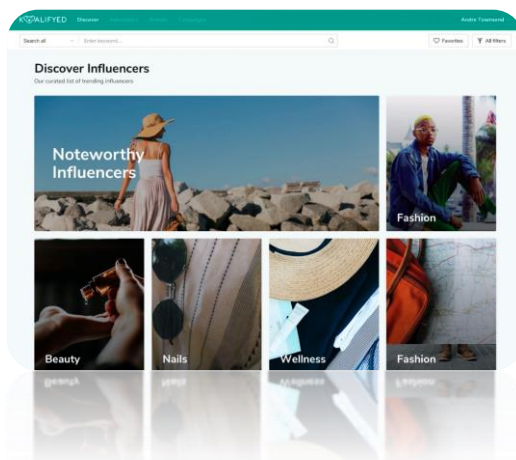
STAGWELL MARKETING CLOUD GROUP

Pricing Model

Modern, flexible pricing models that fit the needs and budgets for the modern marketer

Subscription Pricing

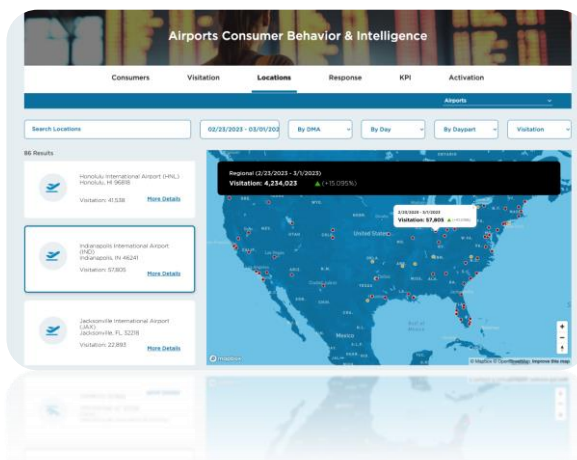
Annual SaaS contract



 PProphet Influence

Consumption Fee

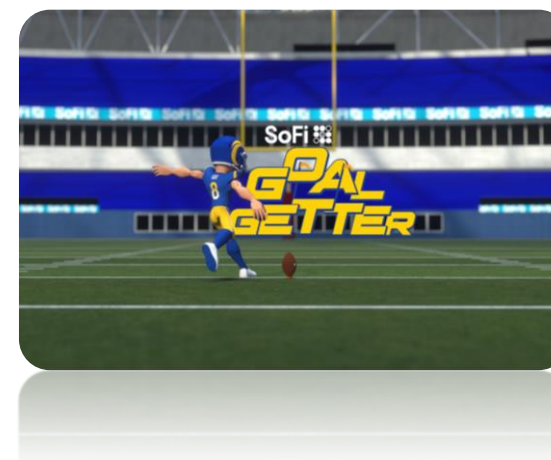
Data and media spend




THE PEOPLE PLATFORM™

Advertising-Based

Sponsorship fees



 around

Thank You

Contact Us:

IR@StagwellGlobal.com