GroupM Denmark A/S

Holmbladsgade 133
2300 Copenhagen S
Denmark

CVR no. 30 24 07 82

Annual report 2024

The annual report was presented and approved at the Company's annual general meeting on

2 June 2025

Jeppe Westerskov Lehrmann
Chairman of the annual general meeting

Contents

Statement by the Board of Directors and the Executive Board 2

Independent Auditor's Report 3

Management's review 5
Company details 5
Financial highlights 6
Operating review 7

Financial statements 1 January – 31 December 10
Income statement 10
Balance sheet 11
Statement of changes in equity 13
Notes 14

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of GroupM Denmark A/S for the financial year 1 January – 31 December 2024.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

We believe that the management's review contains a fair review of the affairs and conditions referred to therein.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 2 June 2025
Executive Board:

Jonas von Barnekow
Benzon Hemmingsen
CEO

Board of Directors:

Pia Tellefsen Chairman	Jonas von Barnekow Benzon Hemmingsen	Michelle Anne Gullander Herskind

Independent Auditor's Report

To the Shareholders of GroupM Denmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of GroupM Denmark A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Report

Auditor’s responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management’s use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 2 June 2025
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Flemming Eghoff
State Authorised
Public Accountant
mne30221

Henrik Trangeled Kristensen
State Authorised
Public Accountant
mne23333

Management's review

Company details

GroupM Denmark A/S
Holmbladsgade 133
2300 Copenhagen S
Denmark

CVR no.:	30 24 07 82
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Board of Directors

Pia Tellefsen, Chairman
Jonas von Barnekow Benzon Hemmingsen
Michelle Anne Gullander Herskind

Executive Board

Jonas von Barnekow Benzon Hemmingsen, CEO

Auditor

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup
CVR No 33 77 12 31

Management's review

Financial highlights

DKK'000	2024	2023	2022	2021	2020
Key figures					
Revenue	375,076	417,557	420,957	376,797	276,331
Gross profit	173,865	166,857	169,459	142,312	126,634
Operating profit	3,959	8,999	2,205	1,815	3,116
Net financials	1,399	1,407	-1,204	-301	434
Profit for the year	59,146	103,225	720	1,195	2,757
Total assets	244,768	345,942	205,898	236,459	189,343
Equity	93,601	104,455	1,230	26,084	20,629
Investment in property, plant and equipment	1,970	5,923	3,199	3,416	11,327
Ratios					
Gross margin	46.4%	40.0%	40.3%	37.8%	45.8%
Return on equity	59.7%	195.3%	5.3%	5.1%	14.3%
Solvency ratio	38.2%	30.2%	0.6%	11.0%	10.9%

The financial ratios have been calculated as follows:

Gross margin $\frac{\text{Gross profit x 100}}{\text{Revenue}}$

Return on equity $\frac{\text{Profit/loss from ordinary activities after tax x 100}}{\text{Average equity}}$

Solvency ratio $\frac{\text{Equity at year-end x 100}}{\text{Total equity and liabilities at year-end}}$

Management's review

Operating review

Key activities

GroupM Denmark A/S is part of the GroupM network within the WPP Group, a global marketing solution provider. GroupM is a leading global media network comprising the following key agencies: Mindshare, EssenceMediacom, Wavemaker and Nexus Media Solutions.

The primary activities are to provide services within administration, accounting and business development to companies within the Group.

Development in the year

The Company's revenue for the financial year 2024 was TDKK 375,076, a decrease of 10% from 2023 due to a decline in client base after a very strong 2023.

The Company's income statement for 2024 shows a profit for the year of TDKK 59,146 as against TDKK 103,226 in 2023, the variation year over year is mainly attributable to the level of the dividends received from the subsidiaries. The profit before financial income and expenses for the year 2024 was TDKK 3,959 as against TDKK 8,999 in 2023, which is above our expected range between TDKK 1,000 and TDKK 2,000. This is attributable to the efforts of the Company to realize efficiencies by decreasing our other external costs and optimizing the organizational structure.

Equity in the Company's balance sheet at 31 December 2024 stood at TDKK 93,601 as against TDKK 104,455 at 31 December 2023. The decrease year over year is attributable to the dividend distribution to our Group that was proposed in our annual accounts for the year 2023.

The financial performance for the year 2024 is deemed satisfactory and in line with expectations.

Particular risks

There were no unusual risks associated with GroupM Denmark’s business.

Outlook

The Company will continue the focus on investments to maintain its leading position in the data and technology driven marketing. We need to consider the pressure on the market and the generally low level of growth. Therefore, the forecast for 2025 shows a decrease in revenue at a cautious low 1-digit rate, with revenue ranging between TDKK 350.000 and TDKK 375.000. In addition, we will continue the efforts to realize efficiencies within our own operations. The expected profit before financial income and expenses for 2025 ranges between TDKK 1,000 and TDKK 2,000.

Intellectual capital resources

A substantial part of GroupM Denmark's business hinges on the existence of certain staff resources and tools which have been further developed throughout the year, both in terms of value-based management and with respect to processes and structures for knowledge-based work.

Management's review

Operating review

Statement of corporate social responsibility

Being part of the global WPP Group we're privileged to work with many pioneers of sustainable business, helping our clients to create brands with purpose and to embed sustainability into products, marketing and communications.

A statement regarding the Company's policies, actions and results within matters relating to CSR is evident from the annual report of the ultimate Parent, WPP Plc. who is a member of the United Nations Global Compact and committed to its 10 principles.

The WPP Group provides a clear policy framework which is included in the WPP Policy Book. These policies are cascaded to employees through regular communication and online training modules.

For full details we refer to the annual report of the ultimate Parent, WPP Plc.

https://www.wpp.com/en/investors/annual-report-2024.

Statement on data ethics

The Company recognise the obligation for responsible collection, management, use and protection of data. We are transparent regarding our ethical decision-making process and educate our people on ethical data use. We share our approach with our stakeholders including share owners, clients, our own people, and vendors.

We work with many categories of data and uses the term data in its broadest sense. We include within this definition client data, consumer data and all information and data related to the operation of our business.

We take the confidentiality and safe handling of Client and Client consumer data for all our Clients very seriously. We work under a documented security and privacy policy distributed to all staff at the time of employment and communicated to all employees annually. This is supplemented by Information Security Awareness Training requiring all employees to comply with a code of business conduct prohibiting disclosure of Client confidential information.

As part of our governance, risk, and compliance program, it is essential to abide by the IT security policies, procedures and controls implemented and in operation to be effective and to ensure confidentiality, integrity and availability. We operate under WPP Data Privacy and Security Charter ("The Charter"). The Charter includes policies for data ethics, artificial intelligence and privacy and a bespoke standard set of controls (General Computing Controls (GCCs)) developed by WPP to be used on a global basis, derived from industry recognized standards and best practice including but not limited to ISO 27001, ITIL, COSO and COBIT and deemed appropriate for our industry. The controls include, but are not limited to, access management, physical security, server room access, network access security, malware prevention and monitoring, encryption, secure data backup & recovery, business continuity, secure data disposal, mobile device security, acceptable use, and awareness training. We represent our level of compliance with The Charter by performing self-assessments and participating in related audits in line with WPP's internal assurance program.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Management's review

Operating review

Unusual events

The financial position at 31 December 2024 of the Company and the results of the activities of the Company for the financial year 2024 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2024	2023
Revenue	2	375,076	417,557
Costs of sales		-142,436	-183,166
Other external costs		-58,775	-67,534
Gross profit		173,865	166,857
Staff costs	3	-163,186	-153,673
Depreciation, amortisation and impairment losses	4	-6,720	-4,185
Profit before financial income and expenses		3,959	8,999
Dividend income from equity investments in group entities		55,000	95,000
Financial income	5	3,579	3,196
Financial expenses	6	-2,180	-1,789
Profit before tax		60,358	105,406
Tax on profit for the year	7	-1,212	-2,181
Profit for the year	8	59,146	103,225

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2024	2023
ASSETS			
Fixed assets			
Property, plant and equipment	9		
Fixtures and fittings, tools and equipment		5,170	8,358
Leasehold improvements		6,010	7,572
		11,180	15,930
Investments	10		
Equity investments in group entities		106,668	106,668
Deposits		5,095	4,969
		111,763	111,637
Total fixed assets		122,943	127,567
Current assets			
Receivables			
Trade receivables		18,153	36,372
Receivables from group entities		100,617	179,632
Contract work in progress	11	536	80
Other receivables		575	619
Deferred tax asset	12	1,003	0
Prepayments	13	941	1,672
		121,825	218,375
Total current assets		121,825	218,375
TOTAL ASSETS		244,768	345,942

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2024	2023
EQUITY AND LIABILITIES			
Equity			
Share capital	14	510	510
Retained earnings		73,091	33,945
Proposed dividends for the financial year		20,000	70,000
Total equity		93,601	104,455
Provisions	12		
Provisions for deferred tax		0	200
Total provisions		0	200
Liabilities other than provisions			
Current liabilities other than provisions			
Pre-invoicing, contract work in progress	11	8,689	8,504
Prepayments received from customers		214	1,707
Trade payables		93,216	119,485
Payables to group entities		11,149	71,058
Corporation tax		1,816	1,808
Other payables	15	36,083	38,725
		151,167	241,287
Total liabilities other than provisions		151,167	241,287
TOTAL EQUITY AND LIABILITIES		244,768	345,942

Fees to auditor appointed at the general meeting	16
Contractual obligations, contingencies, etc.	17
Related party disclosures	18
Disclosure of events after the balance sheet date	19

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2024	510	33,945	70,000	104,455
Ordinary dividends paid	0	0	-70,000	-70,000
Profit for the year	0	39,146	20,000	59,146
Equity at 31 December 2024	510	73,091	20,000	93,601

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of GroupM Denmark A/S for 2024 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year except for the presentation of revenue.

Historically, the Company has recognised revenue on a gross basis, and this has now been changed to net where the Company acts as an agent.

As a result, the financial statements for the prior periods have been restated in line with Section 54 of the Danish Financial Statement Act. The impact of the correction is as follows:

DKK'000	Previously reported 2023	Restated 2023	Impact
Revenue	1,103,559	417,557	686,002
Cost of sales	-869,168	-183,166	-686,002

The correction does not affect profit for the year, nor equity or cash flows.

The financial statements for 2024 are presented in DKK thousand.

Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of GroupM Denmark A/S and group entities are included in the consolidated financial statements of WPP Plc.

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of WPP Plc.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occuring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Business combinations

Pooling of interests

Intragroup business combinations are accounted for under the pooling-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The pooling-of-interests method is applied at the date of acquisition, and comparative figures have not been restated.

Leases

Management has assessed whether leases shall be classified as either operating leases or finance leases. Based on the contract terms, all leases are deemed to be operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue from the sale of media and administrative services to group related WPP-companies is recognised in the income statement when delivery is made to the buyer.

Consultancy services are included in revenue based on the stage of completion so that revenue corresponds to the sales value of the work performed in the financial year (the percentage-of-completion method).

The inclusion of billings related to third-party direct costs in revenue depends on whether we act as a principal or an agent in the client contract. When acting as an agent, revenue is recorded net of these costs, equal to the amount retained for our fee or commission.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Cost of sales

Cost of sales includes the cost of services used in generating the year's turnover.

Other external costs

Other external costs comprise costs of distribution, sales and advertising, administrative expenses, costs of premises, bad debts, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs. Refunds from public authorities are deducted from staff costs.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing, as well as gains and losses from the disposal of property, plant and equipment.

Income from equity investments in group entities

Dividends from equity investments in group entities measured at cost are recognised in the parent company's income statement in the financial year when the dividends are declared.

If the dividends declared exceed the investee's income for the year or if the cost price of the investment exceeds the Company's share of net assets in the investee then that is considered an impairment indicator and an impairment test is performed.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on transactions denominated in foreign currencies as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with the other WPP companies in Denmark. The tax effect of the joint taxation is allocated to enterprises in proportion of their taxable incomes.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5-10 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Investments

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Deposits are recognised at amortised cost.

Impairment of fixed assets

The carrying amount of property, plant and equipment as well as equity investments in group entities is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Contract work in progress

Contract work in progress is measured at the sales value of the work carried out at the balance sheet date.

The sales value is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

For some projects where the consumption of resources cannot be applied as a basis, stage of completion is determined as the ratio between completed and total sub activities of the individual projects.

Each contract in progress is recognised in the balance sheet under receivables or liabilities, depending on whether the net value, calculated as the selling price less on account billings, is positive or negative.

Cost of securing contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash pool

The Company is part of a cash pool scheme with other Danish WPP Companies. Consequently, a considerable portion of the Company's bank deposits and debt is included in receivables from and payables to group enterprises, respectively.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Equity

Dividends

The expected dividends payment for the year is disclosed as a separate item under equity.

Liabilities other than provisions

Other liabilities are measured at amortised cost.

Financial statements 1 January – 31 December

Notes

2 Revenue

The primary activities of GroupM Denmark A/S are to provide shared business services along with administration, accounting and business development to the Companies within the Group.

GroupM Denmark A/S both delivers:

- Shared business services: production units for the Companies within the Group that possess a specific pool of expertise and technical skills. GroupM Denmark A/S clients are mostly internal (Companies within the Group);
- Business support: administration, accounting and business development provided to the Companies within the Group.

DKK'000	2024	2023
Shared business services	325,690	350,675
Business support	49,386	66,882
	375,076	417,557

3 Staff costs

Wages and salaries	152,298	143,690
Pensions	8,547	8,032
Other social security costs	2,341	1,951
	163,186	153,673
Average number of full-time employees	247	242

In accordance with section 98b(3) of the Danish Financial Statements Act, remuneration of the Executive Board and the Board of Directors has not been disclosed. No remuneration has been paid to the Board of Directors.

The Executive Board and senior officers at GroupM Denmark A/S are participating in the WPP Group's share option programme. The programme has been entered with WPP Plc. and GroupM Denmark A/S is not impacted financially.

4 Depreciation, amortisation and impairment losses

Depreciation of property, plant and equipment	6,720	6,404
Adjustment previous years	0	-2,219
	6,720	4,185

Financial statements 1 January – 31 December

Notes

DKK'000	2024	2023

5 Financial income

Interest income from group entities	2,740	2,436
Exchange gains	839	760
	3,579	3,196

6 Financial expenses

Interest expense to group entities	421	525
Other financial costs	117	162
Exchange losses	1,642	1,102
	2,180	1,789

7 Tax on profit for the year

Current tax for the year	2,397	2,894
Deferred tax for the year	-1,203	-659
Adjustment of tax concerning previous years	18	-54
	1,212	2,181

8 Proposed profit appropriation

Proposed dividends for the year	20,000	70,000
Retained earnings	39,146	33,225
	59,146	103,225

9 Property, plant and equipment

DKK'000	Fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2024	25,026	13,624	38,650
Additions for the year	1,624	346	1,970
Cost at 31 December 2024	26,650	13,970	40,620
Depreciation and impairment losses at 1 January 2024	-16,668	-6,052	-22,720
Depreciation for the year	-4,812	-1,908	-6,720
Depreciation and impairment losses at 31 December 2024	-21,480	-7,960	-29,440
Carrying amount at 31 December 2024	5,170	6,010	11,180

Financial statements 1 January – 31 December

Notes

10 Investments

DKK'000	Equity investments in group entities	Deposits	Total
Cost at 1 January 2024	106,668	4,969	111,637
Additions for the year	0	126	126
Cost at 31 December 2024	106,668	5,095	111,763
Carrying amount at 31 December 2024	106,668	5,095	111,763

Name/legal form	Registered office	Voting rights and ownership interest	Equity	Profit/loss for the year
Subsidiaries:			DKK'000	DKK'000
Wavemaker A/S	Copenhagen	100%	42,307	10,569
EssenceMediacom Denmark A/S	Copenhagen	100%	38,457	10,884
			80,764	21,453

DKK'000	2024	2023

11 Contract work in progress

Selling price of work performed	14,431	10,641
Payments received on account	-22,584	-19,065
	-8,153	-8,424
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	536	80
Prepayments received recognised in debt	-8,689	-8,504
	-8,153	-8,424

Financial statements 1 January – 31 December

Notes

DKK'000	2024	2023

12 Provisions for deferred tax

Provisions for deferred tax at 1 January	200	859
Amounts recognised in the income statement for the year	-1,203	-659
Provision for deferred tax at 31 December	-1,003	200
Property, plant and equipment	192	624
Accruals	746	598
Contract work in progress	-1,941	-1,022
Deferred tax	-1,003	200

Management has made estimates in determining deferred tax assets and deferred tax liabilities and the extent to which deferred tax assets are recognised. The Company recognises only deferred tax assets if these tax assets can be offset against positive taxable income in the foreseeable future. The estimates are made on the basis of business plans for the forthcoming years.

13 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums and subscriptions.

14 Equity

The share capital consists of 510 shares of a nominal value of DKK 1,000.

All shares rank equally.

15 Other payables

Value added tax etc.	11,055	14,428
Wages and salaries, personal income taxes, social security costs, etc.	1,898	6,218
Holiday pay obligation	7,197	6,382
Other debt	15,933	11,697
	36,083	38,725

16 Fees to auditor appointed at the general meeting

PwC

Audit fee	558	879
	558	879

Financial statements 1 January – 31 December

Notes

17 Contractual obligations, contingencies, etc.

DKK'000	2024	2023
Contingent liabilities		
Commitments under rental agreements or leases until expiry	14,729	25,573
	14,729	25,573

The companies GroupM Denmark A/S and Wavemaker A/S have provided a guarantee of TDKK 34,913 in favour of the Companies' banker. The guarantee is provided towards the Security Fund of the Danish Association of Advertising and Relationship Agencies in order to compensate the Company's obligations in relation to owners of papers and magazines, and a specified group of Danish owners, respectively.

The Company participates in a Danish joint taxation arrangement in which WPP Holding Denmark A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is, therefore, liable for income taxes etc. for the jointly taxed companies and also for obligations, if any relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

18 Related party disclosures

GroupM Denmark A/S' related parties comprise the following:

WPP Holding Denmark A/S, Glentevej 61, 2400 Copenhagen NV.

WPP Holding Denmark A/S holds the majority of the contributed capital in the Company.

GroupM Denmark A/S is part of the consolidated financial statements of WPP Plc., 13 Castle Street, St. Helier, JE1 1ES, Jersey, England, which is the smallest and largest group, in which the Company is included as a subsidiary.

The consolidated financial statements of WPP Plc. can be obtained at the following address: www.wppinvestor.com.

Related party transactions

In accordance with section 98 c(6) of the Danish Financial Statements Act, the Company has not disclosed any related party transactions as they were conducted on an arm's length basis.

19 Disclosure of events after the balance sheet date

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.