

Omnicom Media Group A/S

Midtermolen 3
2100 København Ø

CVR no. 15 10 68 75

Annual Report 2024

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

on 31 March 2025

Peter Gottfredsen

Chairman of the annual general meeting

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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 Omnicom Media Group 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 Consolidated financial statements and the Parent Company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2024 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

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

Copenhagen, 31 March 2025
Executive Board:

Peter Gottfredsen
Managing Director

Board of Directors:

John James Byrnes
Chairman

Michael Holmer

Peter Gottfredsen

Johan Malling Boserup

Independent auditor's report

To the shareholders of Omnicom Media Group A/S

Opinion

We have audited the Consolidated financial statements and the Parent Company financial statements of Omnicom Media Group A/S for the financial year 1 January – 31 December 2024 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. The Consolidated financial statements and Parent Company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated financial statements and the Parent Company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2024 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2024 in accordance with the Danish Financial Statements Act.

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 Consolidated financial statements and the Parent Company financial statements" section of our report.

We are independent of the Group 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 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.

Management's responsibility for the Consolidated financial statements and the Parent Company financial statements

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

Independent auditor's report

In preparing the Consolidated financial statements and the Parent Company financial statements, Management is responsible for assessing the Group's and the Parent 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 Consolidated financial statements and the Parent Company financial statements, unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Consolidated financial statements and the Parent Company financial statements

Our objectives are to obtain reasonable assurance as to whether the Consolidated financial statements and the Parent Company 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these Consolidated financial statements and Parent Company 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 consolidated financial statements and the parent company 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 Group's and the Parent Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Consolidated financial statements and the Parent Company 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 Group's and the Parent 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 Consolidated financial statements and the Parent Company 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 Group and the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the Consolidated financial statements and the Parent Company financial statements, including the disclosures, and whether the Consolidated financial statements and the Parent Company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated financial statements and the Parent Company financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the Consolidated financial statements and the Parent Company financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements and the Parent Company financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the Consolidated financial statements or the Parent Company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

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Independent auditor's report

Based on the work we have performed, we conclude that the Management's review is in accordance with the Consolidated financial statements and the Parent Company financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 31 March 2025

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

David Olafsson
State Authorised
Public Accountant
mne19737

Omnicom Media Group A/S
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Management's review

Company details

Omnicom Media Group A/S
Midtermolen 3
2100 København Ø
Denmark

Telephone: +45 38 14 57 00
Fax: +45 38 14 57 01
CVR-no.: 15 10 68 75
Financial period: 1 January – 31 December
Established: 1 May 1991
Registered office: Copenhagen

Board of Directors

John James Byrnes, Chairman
Michael Holmer
Peter Gottfredsen
Johan Malling Boserup

Executive Board

Peter Gottfredsen, Managing Director

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø
Denmark
CVR no. 25 57 81 98

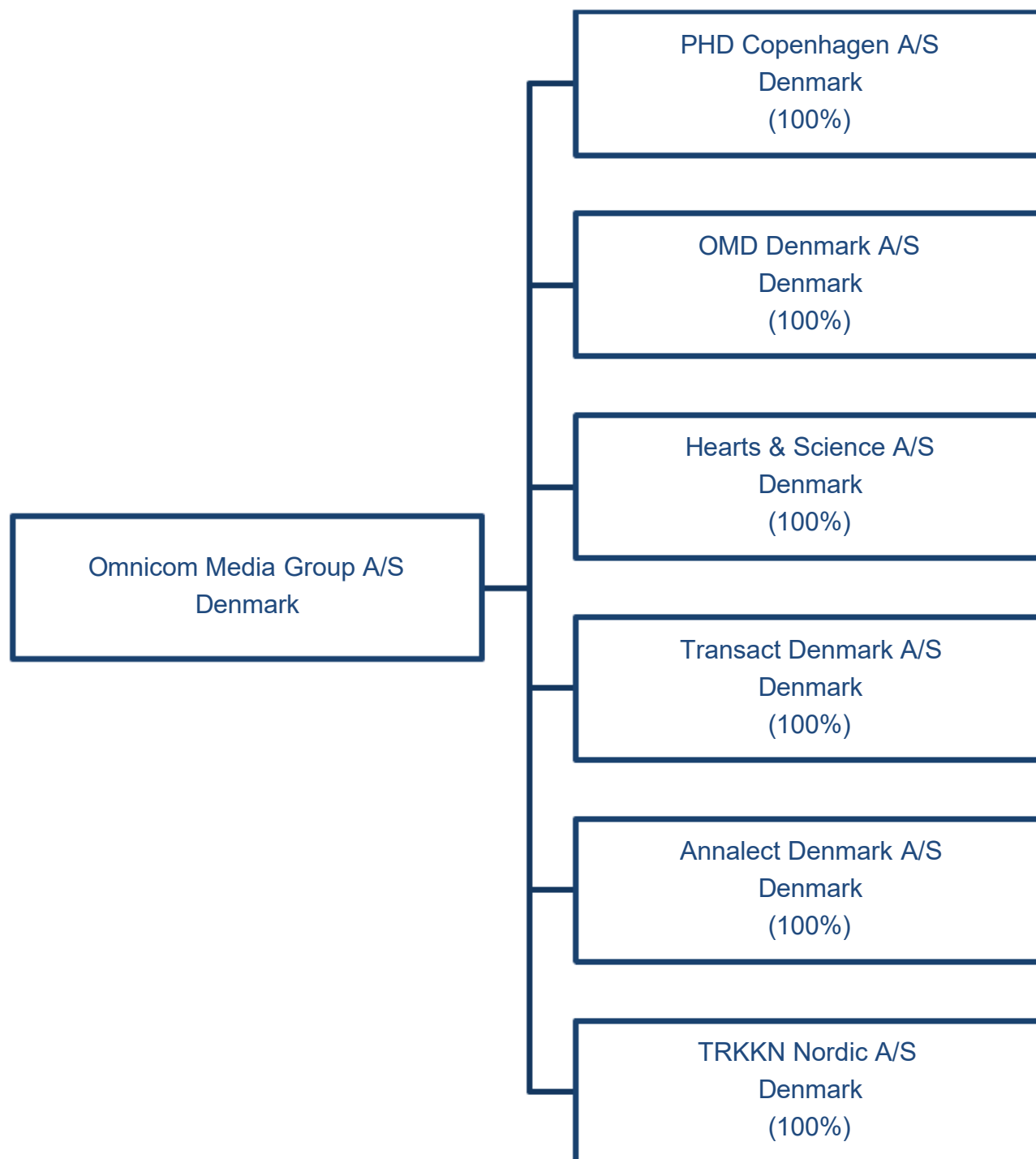
General meeting

The annual general meeting will be held on 31 March 2025 at the Company's address.

Management's review

Group chart

Parent Company



Management's review

Financial highlights for the Group

DKK'000	2024	2023	2022	2021	2020
Revenue	225,106	212,398	193,589	170,026	151,053
Ordinary operating profit	33,539	34,508	29,926	31,590	22,878
Net financials	2,054	1,221	-819	-801	-530
Net profit for the year	27,679	27,798	23,530	23,958	17,151
Balance sheet total	415,476	359,040	358,970	393,905	376,147
Investments in property, plant and equipment	-920	-2,768	-692	-1,476	-364
Equity	144,353	116,674	88,876	85,346	61,388
Gross margin	78.7%	79.3%	79.3%	80.4%	81.6%
Profit margin	14.9%	16.2%	15.5%	18.6%	15.1%
Return on assets	8.7%	9.6%	7.9%	8.2%	6.4%
Solvency ratio	34.7%	32.5%	24.8%	21.7%	16.3%
Return on equity	21.2%	27.0%	27.0%	32.7%	32.5%
Liquid test	150.4%	144.5%	130.9%	125.6%	117.3%

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Ordinary operating profit} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$
Liquid test	$\frac{\text{Current assets total} \times 100}{\text{Current liabilities}}$

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' "Recommendations and Financial Ratios".

Management's review

Operating review

The Group's principal activities

Omnicom Media Group A/S is a media agency group, that provides media- and marketing consultancy services to a wide range of clients within many different industries.

The group includes the agency brands OMD, PHD, Hearts & Science, Annalect, Transact and DRUM. These agencies hold strong positions within their verticals and are widely recognized for their ability to improve advertising- and marketing performance. Hence the group won more awards for client related work than any other agency group in the Danish market in 2024.

Omnicom Media Group outperformed the general market development in 2024 and enjoyed financial growth across all agencies. This positive trend was driven by many new client relationships, a very high level of client retention and successful sales of new services.

The growth has been particularly high within technology related services, like; Cloud- and platform consultancy, integration of data sources, platforms and technologies and applied AI. These services are primarily provided by the specialist agencies Annalect and Transact.

Annalect provides advanced decision support systems based on a wide range of integrated data sources and proprietary data management processes and technology. The solutions include the most advanced methodologies utilising artificial intelligence and cloud technology to drive insights, sales growth and market expansions for Annalect's clients.

Transact is a performance Marketing and eCommerce consultancy. The agency is focusing on data collection, data activation and platform utilisation to drive marketing performance. They serve omnichannel and ecommerce companies including local as well as international clients.

The media agencies OMD, PHD and Hearts & Science has successfully transformed to a platform focused media environment. In recent years they have expanded their services to include more business categories, within the area of B-t-B marketing and sales. They have developed proprietary software solutions to support more agile interactions with clients and to deliver a better customer experience. OMD was the most award winning agency in Denmark in 2024, and according to the independent research company Comvergence OMD won more new clients in 2024 than any other agency in the Danish market.

Omnicom Media Group A/S provides shared services to the agencies in the areas of Management, Finance, IT and HR.

Management's review

Business development and finances

In the financial year 2024, Omnicom Media Group A/S generated revenues of DKK 225 million, compared to DKK 212 million in 2023, representing a growth of 13 million or 6%. Profit for the year was DKK 28 million, compared to DKK 28 million in 2023, which was in line with our expectations.

The results reflect continued strong growth within all business areas. We have incurred incremental costs in relation to our organic growth and increased our investments in talents, tools and technical infrastructure. These investments will ensure the continued delivery of advanced services to our clients.

Despite a 6% increase in revenue, the operating profit has decreased by DKK 1 million. This is due to significantly increased investments into human resources and IT systems supporting our business development initiatives within technology related services and AI.

Outlook

Based on current market trends and our strategic initiatives, sales growth for the Group is expected to be 3% to 5%. This growth will be driven by our continued focus on innovation, expanding our customer base, and enhancing our product offerings.

With ongoing investments in human resources and IT systems, which are essential for advancing our business development initiatives, we anticipate a 2-5% increase in the Groups operating profit.

Intellectual capital

Omnicom Media Group A/S' business concept is primarily based on advanced consultancy services delivered by highly qualified specialists.

This requires comprehensive knowledge resources, both in terms of talents and business procedures. To continuously offer such services, it is imperative for us to be able to recruit and retain highly skilled employees in all the relevant areas of expertise.

The strong performance on market recognition and awards has been instrumental in building a strong employer brand, which is critical for our ability to attract talent.

Special risks – business risks and financial risks

Omnicom Media Group A/S' business and financial risks are closely related to the development of the national economy, which is expected to grow during 2024.

The primary financial risk for the Omnicom Media Group is the customers' ability to pay; therefore, the Company has credit insurance coverage on all customers.

Management's review

Subsidiaries

The three media agencies OMD Denmark A/S, PHD Copenhagen A/S and Hearts & Science A/S, together with our performance marketing agency Transact Denmark A/S and Annalect Denmark A/S who develop and implement advanced marketing decision support systems, have contributed to the growth in revenue.

Subsequent events

No events materially affecting the assessment of the annual report have occurred after the balance sheet date.

Uncertainty relating to recognition and measurement

Recognition and measurement in the annual report have not been subject to any uncertainty.

Unusual events

The financial position at 31 December 2024 of the Group and the results of the Company's operations and cash flows for the financial year 2024 have not been affected by any unusual events.

External environment

Omnicom Media Group A/S is environmentally conscious and works to reduce the environmental impacts of corporate operations.

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Income statement

DKK'000	Note	Group		Parent Company	
		2024	2023	2024	2023
Revenue	2	225,106	212,398	67,176	66,618
Other external costs		-48,050	-44,011	-39,928	-38,616
Gross profit		177,056	168,387	27,248	28,002
Staff costs	3	-141,583	-132,095	-27,470	-24,826
Depreciation, amortisation		-1,935	-1,784	-1,928	-1,760
Ordinary operating profit		33,538	34,508	-2,150	1,416
Income from investments in subsidiaries	4	0	0	29,789	27,024
Financial income	5	3,098	1,998	108	75
Financial expenses	6	-1,044	-777	-622	-457
Profit before tax		35,592	35,729	27,125	27,798
Tax on profit for the year	7	-7,913	-7,931	554	-260
Profit for the year		27,679	27,798	27,679	27,798
Proposed distribution of profit					
Reserve for capitalized development projects, net of tax		0	0	-463	1,786
Proposed dividend for the financial year		30,000	0	30,000	0
Retained earnings		-2,321	27,798	-1,858	26,012
		27,679	27,798	27,679	27,798

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	Group		Parent Company	
		2024	2023	2024	2023
ASSETS					
Fixed assets					
Intangible assets					
Software	8	2,377	2,971	2,377	2,971
		<u>2,377</u>	<u>2,971</u>	<u>2,377</u>	<u>2,971</u>
Property, plant and equipment					
Other fixtures and fittings, tools and equipment	9	2,002	2,240	2,002	2,240
Leasehold improvements		740	1,011	740	916
		<u>2,742</u>	<u>3,251</u>	<u>2,742</u>	<u>3,156</u>
Investments					
Investments in subsidiaries	10	0	0	129,179	99,390
Deposits		3,863	3,878	3,838	3,804
		<u>3,863</u>	<u>3,878</u>	<u>133,017</u>	<u>103,194</u>
Total fixed assets		<u>8,982</u>	<u>10,100</u>	<u>138,136</u>	<u>109,321</u>
Current assets					
Receivables					
Trade receivables		243,135	247,782	4,654	3,156
Contract work in progress	11	918	545	239	214
Amount owed by group entities		145,464	89,264	41,107	32,434
Other receivables		10,431	8,111	3,015	1,733
Deferred tax asset	12	340	43	0	0
Corporation tax		0	1,114	8,006	8,845
Prepayments		6,206	2,081	5,066	1,671
		<u>406,494</u>	<u>348,940</u>	<u>62,087</u>	<u>48,053</u>
Cash at bank and in hand		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total current assets		<u>406,494</u>	<u>348,940</u>	<u>62,087</u>	<u>48,053</u>
TOTAL ASSETS		<u>415,476</u>	<u>359,040</u>	<u>200,223</u>	<u>157,374</u>

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	Group		Parent Company	
		2024	2023	2024	2023
EQUITY AND LIABILITIES					
Equity					
Share capital		3,037	3,037	3,037	3,037
Reserves in accordance with the articles of association		0	0	2,267	2,267
Reserve for capitalized development projects, net of tax		0	0	1,854	2,317
Retained earnings		111,316	113,637	107,195	109,053
Proposed dividend		30,000	0	30,000	0
Total equity		144,353	116,674	144,353	116,674
Liabilities other than provisions					
Non-current liabilities other than provisions					
Deferred tax liability	12	0	0	3	279
Lease commitments	13	873	872	873	872
		<u>873</u>	<u>872</u>	<u>876</u>	<u>1,151</u>
Current liabilities other than provisions					
Lease commitments	13	558	305	558	305
Trade payables		193,301	156,313	10,567	7,802
Contract work in progress	11	0	0	0	0
Payables to associates		6,546	5,632	35,102	23,538
Corporation tax		448	0	0	0
Other payables		28,014	32,990	6,980	7,596
Deferred income		41,383	46,254	1,787	308
		<u>270,250</u>	<u>241,494</u>	<u>54,994</u>	<u>39,549</u>
Total liabilities other than provisions		271,123	242,366	55,870	40,700
TOTAL EQUITY AND LIABILITIES		415,476	359,040	200,223	157,374
Contractual obligations and contingencies, etc.					
	14				
Related parties and ownership					
	15				

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Group			
	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 January 2024	3,037	113,637	0	116,674
Ordinary dividend paid	0	0	0	0
Net profit for the year	0	-2,321	30,000	27,679
Equity at 31 December 2024	<u>3,037</u>	<u>111,316</u>	<u>30,000</u>	<u>144,353</u>

DKK'000	Parent Company					
	Share capital	Reserves in accordance with the articles of association	Reserve for capitalized development projects, net of tax	Retained earnings	Proposed dividend previous years	Total
Equity at 1 January 2024	3,037	2,267	2,317	109,053	0	116,674
Ordinary dividend paid	0	0	0	0	0	0
Net profit for the year	0	0	-463	-1,858	30,000	27,679
Equity at 31 December 2024	<u>3,037</u>	<u>2,267</u>	<u>1,854</u>	<u>107,195</u>	<u>30,000</u>	<u>144,353</u>

The share capital consists of 3,037 shares with a nominal value of DKK 1,000. No shares carry any special rights.

The share capital can be specified as follows:

DKK'000	2024	2023	2022	2021	2020
Share capital at 1 January	<u>3,037</u>	<u>3,037</u>	<u>3,037</u>	<u>3,037</u>	<u>3,037</u>
Share capital at 31 December	<u>3,037</u>	<u>3,037</u>	<u>3,037</u>	<u>3,037</u>	<u>3,037</u>

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Cash flow statement

DKK'000	Note	Group	
		2024	2023
Revenue	2	225,106	212,398
Costs		-48,050	-44,011
Other operation costs		-141,583	-132,095
Cash flows from operating activities before changes in working capital		35,473	36,292
Changes in working capital		-30,316	-17,875
Cash flows from operations		5,157	18,418
Interest income		3,098	1,998
Interest expense		-1,044	-777
Cash flows from operating activities before extraordinary items and tax		7,211	19,639
Corporation tax paid		-6,649	-14,216
Cash flows from operating activities		562	5,423
Acquisition of property, plant and equipment		-831	-5,739
Changes in investments		15	-861
Cash flows used for investing activities		-816	-6,600
Dividends paid		0	0
Payables to credit institutions		254	1,177
Cash flows from financing activities		254	1,177
Net cash flows for the year		0	0
Cash and cash equivalents at 1 January		0	0
Cash and cash equivalents at year end		0	0

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report for 2024 has been prepared in accordance with the provisions applying to reporting class C under the Danish Financial Statements Act with opt-in of capitalization of development projects from higher reporting classes.

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

The annual report of Omnicom Media Group A/S is included in the consolidated financial statements of Omnicom Media Group A/S.

The annual report of Omnicom Media Group A/S is included in the consolidated financial statements of the ultimate parent company Omnicom Group Inc., USA. The annual report can be obtained on the Company's web site: <https://investor.omnicomgroup.com/financials/annual-reports/default.aspx>.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the Company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Consolidated financial statements

The consolidated financial statements comprise the Parent Company, Omnicom Media Group A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. An overview of the group appears on page 8.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of subsidiaries' fair value of net assets and liabilities at the date of acquisition.

Income statement

Revenue

Revenue consists of media revenue and revenue regarding consultancy services.

Media invoicing to customers is recognised in the income statement provided that delivery and transfer of risk to the buyer has taken place before year end and that the income can be reliably measured and is expected to be received. Media revenue is measured ex. VAT, tax charged and rebates in connection with the sale. We act as an agent and revenue is recognised as invoicing to customers less media expenses.

In our business we incur third-party costs on behalf of clients. Third-party direct costs include, among others: purchased media, studio production services, including artists and other freelance labour, market research and third-party data and other related expenditures.

The inclusion of billings related to third-party direct costs in revenue depends on whether we act as a principal or as an agent in the client arrangement. In our businesses, including advertising, which also includes studio production efforts and media planning and buying services, we act as an agent and arrange, at the client's direction, for third parties to perform certain services.

In these cases, we do not control the goods or services prior to the transfer to the client. As a result, revenue is recorded net of these costs, equal to the amount retained for our fee or commission.

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Revenue (continued)

Contract work in progress is recognised as revenue as the production is carried out. Accordingly, revenue corresponds to the selling price of work performed during the year (the percentage of completion method). Revenue is recognised when total income and expenses and the stage of completion of the contract at the balance sheet date can be reliably calculated and when it is probable that the economic benefits, including payment, will flow to the Group.

Other external costs

Other external costs comprise costs for sale, advertising, administration, rent, etc.

Staff costs

Staff costs comprise salaries and wages, including holiday allowance, pensions and other social security costs, etc., to the Company's employees excluding refunds from public authorities.

Incentive programmes

The value of services received in exchange for granted options is measured at fair value of the options granted at the time of grant.

The value of the options is measured on each balance sheet day and at final settlement and changes in the value of the options are recognised in the income statement under staff costs proportionally in line with the vesting period where the employee has the right to exercise the options. The offset is being accounted for under liabilities in the balance sheet.

Income from investments in group subsidiaries

The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the Parent Company's income statement after full elimination of internal gains/losses.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amount relating to the financial year. Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on account tax scheme, etc.

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Tax on profit for the year

Tax for the year comprises current tax and changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

The Company is jointly taxed with the other Omnicom companies in Denmark. The tax effect of the joint taxation is allocated in proportion to the taxable income (full absorption).

Balance sheet

Software

Software includes software from third parties and software development projects.

Third party software comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Development costs comprise costs, wages and salaries directly and indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses as well development costs. Other development costs are recognised in the income statement as incurred.

Software recognised in the balance sheet is measured at cost less accumulated amortisation and impairment losses.

Upon completion of development work/when the asset is available for use, software costs are amortised on a straight-line basis over the estimated useful lives. The amortisation period is usually 3-5 years.

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Property, plant and equipment

Fixtures and fittings and tools and equipment are measured at cost less accumulated depreciation and impairment.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Leasehold improvements	During the lease period
Other fixtures and fittings, tools and equipment	3-5 years

Property, plant and equipment are written down to the recoverable amount if this is lower than the carrying amount. Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the sales price less disposal costs and the carrying amount at the date of disposal. The gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Investments in subsidiaries

Investments in subsidiaries are measured according to the equity method.

Investments in subsidiaries are measured in the balance sheet at the proportionate share of the enterprises' net asset values calculated in accordance with the parent company's accounting policies minus or plus unrealised intra-group profits and losses and goodwill.

Participating interests (including associates) with negative net asset values are measured at DKK 0, and any receivables from these entities are written down to the extent that the receivables are deemed irrecoverable. To the extent that the Parent Company has a legal or constructive obligation to cover a negative balance exceeding the receivable, the residual amount is recognised as provisions.

Net revaluation of investments in subsidiaries is transferred to the reserve for net revaluation according to the equity method in equity to the extent that the carrying amount exceeds cost.

Deposits

Deposits are measured at amortised cost.

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

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

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet date and total expected income from the contract work in progress.

When the selling price of a construction contract cannot be measured reliably, the selling price is measured at the lower of costs incurred and net realisable value.

Contract work in progress is recognised in the balance sheet under receivables or payables, depending on the net amount of the selling price less progress billings and prepayments.

Selling costs and costs incurred in securing contracts are recognised in the income statement when incurred.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Cash at bank and in hand

Bank accounts are cleared nightly to a group cash pool, which is recognised as either Amount owed by group entities or Payables to associates depending on the balance.

Equity

Reserve for development costs

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividends, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the development costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be re-established. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

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Notes

1 Accounting policies (continued)

Equity (continued)

Dividends

Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year (declaration date) is disclosed as a separate item under equity.

Corporation tax and deferred tax

Current tax payable and receivable is recognised on 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 goodwill which is non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss for the year 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 in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement and equity.

Current liabilities

Liabilities, which comprise trade and other payables and amount owed to group enterprises, are measured at amortised cost, substantially corresponding to nominal value.

Deferred income recognised as liabilities include incoming payments regarding income in following years.

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Notes

1 Accounting policies (continued)

Foreign currency translation

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

Receivables and 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.

Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities, intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise purchase and sale of treasury shares, payments arising from increases or reductions in capital and related costs as well as the payment of dividends to shareholders and the raising and repayment of interest-bearing debt.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less, which are easily convertible into cash, and which are subject to only an insignificant risk of changes in value.

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Notes

DKK'000	Group		Parent Company	
	2024	2023	2024	2023
2 Revenue				
Invoicing to customers	1,389,438	1,245,659	66,871	61,663
Media expenses, etc.	-1,164,332	-1,033,261	305	4,955
Total revenue	225,106	212,398	67,176	66,618
3 Staff costs				
Wages and salaries	130,721	121,863	24,527	21,930
Pensions	8,858	8,467	2,423	2,208
Other social security costs	2,004	1,765	520	687
	141,583	132,095	27,470	24,826
Average number of full-time employees	240	228	55	53

Incentive programs

Senior executive members have been governed by discretionary incentive programs from Omnicom Group Inc. Vesting/settlement requires continued employment.

Remaining value of:

Restricted stock units granted 2019	0	290	0	290
Restricted stock units granted 2022	936	1,248	936	1,248
Restricted stock units granted 2024	568	0	441	0
	1,504	1,538	1,377	1,538

		2024	
		Group	Parent Company
Restricted stock units granted			
Number of restricted stock units	2022 grant	1,983	1,983
Remaining exercise/vesting period in years	2022 grant	3	3
Number of restricted stock units	2024 grant	1,030	800
Remaining exercise/vesting period in years	2024 grant	5	5
Stock price/share USD		85.82	85.82
Closing rate DKK/USD		6.8949	6.8949
Closing value (DKK'000)		1,783	1,647

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

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

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4 Income from investments in subsidiaries

DKK'000	Parent Company	
	2024	2023
Income from investments in subsidiaries	29,789	27,024
	<u>29,789</u>	<u>27,024</u>

5 Financial income

DKK'000	Group		Parent Company	
	2024	2023	2024	2023
Interest income received from associates	2,821	1,963	70	75
Other financial income	277	35	38	0
	<u>3,098</u>	<u>1,998</u>	<u>108</u>	<u>75</u>

6 Financial expenses

Interest paid to associates	52	0	52	0
Other financial expenses	992	777	570	457
	<u>1,044</u>	<u>777</u>	<u>622</u>	<u>457</u>

7 Tax on profit for the year

Current tax for the year	8,210	7,354	-278	-377
Deferred tax for the year	-297	577	-276	637
	<u>7,913</u>	<u>7,931</u>	<u>-554</u>	<u>260</u>

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Notes

8 Intangible assets

	Group Software
DKK'000	
Cost at 1 January 2024	7,927
Additions for the year	0
Disposals for the year	0
Cost at 31 December 2024	7,927
Impairment losses and depreciation at 1 January 2024	-4,956
Depreciation for the year	-594
Depreciation on disposed assets	0
Impairment losses and depreciation at 31 December 2024	-5,550
Carrying amount at 31 December 2024	2,377
	Parent Company Software
DKK'000	
Cost at 1 January 2024	7,927
Additions for the year	0
Disposals for the year	0
Cost at 31 December 2024	7,927
Impairment losses and depreciation at 1 January 2024	-4,956
Depreciation for the year	-594
Depreciation on disposed assets	0
Impairment losses and depreciation at 31 December 2024	-5,550
Carrying amount at 31 December 2024	2,377

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

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DKK'000	Parent Company	
	2024	2023
10 Investments in subsidiaries		
Cost at 1 January	16,073	16,073
Additions for the year	0	0
Cost at 31 December	16,073	16,073
Revaluations at 1 January	83,317	56,293
Net profit for the year	29,789	27,024
Dividend to the Parent Company	0	0
Negative investment moved to amount owed by group entities	0	0
Revaluations at 31 December	113,106	83,317
Carrying amount at 31 December	129,179	99,390

Investments in subsidiaries are specified as follows:

Name/legal form	Registered office	Equity interest	Equity DKK'000	Net profit for the year DKK'000
Subsidiaries:				
OMD Denmark A/S	Copenhagen	100%	71,771	14,278
PHD Copenhagen A/S	Copenhagen	100%	26,353	5,184
Hearts & Science A/S	Copenhagen	100%	12,860	3,809
Transact Denmark A/S	Copenhagen	100%	12,111	3,972
Annalect Denmark A/S	Copenhagen	100%	6,045	2,879
TRKKN Nordic A/S	Copenhagen	100%	39	-333
			129,179	29,789

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

Notes

DKK'000	Group		Parent Company	
	2024	2023	2024	2023
11 Contract work in progress				
Contract work in progress	918	545	239	214
Work in progress, payments received on account	0	0	0	0
	<u>918</u>	<u>545</u>	<u>239</u>	<u>214</u>
Recognised as follows in the balance sheet:				
Contract work in progress recognised in assets	918	545	239	214
Contract work in progress recognised in liabilities	0	0	0	0
	<u>918</u>	<u>545</u>	<u>239</u>	<u>214</u>
12 Deferred tax (negative = liability)				
Deferred tax at 1 January	43	620	-279	358
Deferred tax adjustment	297	-577	276	-637
	<u>340</u>	<u>43</u>	<u>-3</u>	<u>-279</u>
13 Lease commitments				
Lease commitments falling due within 1 year	558	305	558	305
Lease commitments falling due within 2-5 years	873	872	873	872
	<u>1,431</u>	<u>1,177</u>	<u>1,431</u>	<u>1,177</u>

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14 Contractual obligations and contingencies, etc.

Contingent liabilities/Rental obligations

DKK'000	Group	Parent Company
Lease obligations falling due within 1 year	5,735	5,619
Lease obligations falling due within 2-5 years	1,462	1,328
	<u>7,197</u>	<u>6,947</u>

Two office lease contracts have a period of interminability at 6 months, one has 20 months.

The subsidiary TRKKN Nordic A/S has lost more than half of the company's share capital, and the company is subject to the provisions on capital loss in section 119 of the Danish companies act. Omnicom Media Group A/S, has issued a support letter to the subsidiary, which confirms that the parent company will ensure that the subsidiary has sufficient liquidity to meet its liabilities

Joint taxation

The Company is jointly taxed with the group of Danish subsidiaries, with Omnicom Media Group A/S as administrative company. The administrative company, together with the group of Danish subsidiaries included in the joint taxation, has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends and interest. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, interest and royalties may entail that the Company's liability will increase.

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

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DKK'000	Group		Parent Company	
	2024	2023	2024	2023
15 Related parties and ownership				
Purchase of services from Group enterprises	-28,397	-24,009	-13,615	-16,033
Sale of services from Group enterprises	97,693	24,572	74,377	72,752
Interest paid to group enterprises	-52	0	-52	0
Interest received from group enterprises	2,821	1,963	70	74
	<u>72,065</u>	<u>2,526</u>	<u>60,780</u>	<u>56,793</u>

Omnicom Media Group A/S' related parties include Omnicom Media Group Europe Limited and OmnicomGroup Inc.

Omnicom Media Group A/S' related parties with significant influence comprise Group enterprises, the Boards of Directors, Executive Boards and executive employees of the companies and their family members. Furthermore, related parties comprise companies in which the abovementioned persons have significant interests.

Consolidated financial statements and Parent Company financial statements 1 January – 31 December

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15 Related parties and ownership (continued)

Purchase of services from Group enterprises consists of management fee, insurance premium, IT costs and handling fees.

Sale of services to Group enterprises consists of management fee, facility services, administration services, IT costs and handling fees.

Controlling interest

Omnicom EMEA Holdings Limited, Bankside 3, 90 - 100 Southwark Street, London SE1 0SW, Storbritannien.

Ownership

According to the register of shareholders, the following shareholders control minimum 5% of the votes or own minimum 5% of the share capital:

DHE Regional Ltd.
Bankside 3, 90 - 100 Southwark Street
London SE1 0SW
Storbritannien

BBDO EMEA Limited
Bankside 3, 90 - 100 Southwark Street
London SE1 0SW
Storbritannien

Omnicon Media Group Europe Limited
Bankside 3, 90 - 100 Southwark Street
London SE1 0SW
Storbritannien

Consolidated annual report

The supreme parent is Omnicom Group Inc., and their consolidated annual report can be required at:

Omnicom Group Inc.
280 Park Avenue
New York, New York 10017

Also available at the website: www.omnicomgroup.com