
m/SIX A/S

Pilestræde 12 K, 3., DK-1112 Copenhagen C

**Annual Report for 1 January - 31
December 2016**

CVR No 10 80 33 81

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
6 /6 2017

Lars Petersen
Chairman

Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company Information	5
Financial Highlights	6
Management's Review	7
Financial Statements	
Income Statement 1 January - 31 December	8
Balance Sheet 31 December	9
Statement of Changes in Equity	11
Notes to the Financial Statements	12

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of m/SIX A/S for the financial year 1 January - 31 December 2016.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2016 of the Company and of the results of the Company operations for 2016.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 31 May 2017

Executive Board

Peter Juul Ottesen
CEO

Board of Directors

Jonas von Barnekow Benzou
Hemmingsen
Chairman

Peter Juul Ottesen

Jens Storkfelt

Independent Auditor's Report

To the Shareholder of m/SIX A/S

Opinion

We have audited the Financial Statements of m/SIX A/S for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 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 Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

Independent Auditor's Report

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 Financials 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.

Copenhagen, 31 May 2017

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No 33 96 35 56

Kim Takata Mücke
State Authorised Public Accountant

Morten Jarlbo
State Authorised Public Accountant

Company Information

The Company

m/SIX A/S
Pilestræde 12 K, 3.
DK-1112 Copenhagen C

Telephone: + 45 70214480
Website: www.mediabroker.dk

CVR No: 10 80 33 81
Financial period: 1 January - 31 December
Municipality of reg. office: Copenhagen

Board of Directors

Jonas von Barnekow Benzons Hemmingsen , Chairman
Peter Juul Ottesen
Jens Storkfelt

Executive Board

Peter Juul Ottesen

Auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
DK-0900 Copenhagen C

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2016 TDKK	2015 TDKK	2014 TDKK	2013 TDKK	2012 TDKK
Key figures					
Profit/loss					
Revenue	208.986	197.299	196.634	206.036	212.063
Gross profit/loss	13.705	13.654	14.054	13.261	12.629
Operating profit/loss	2.500	2.690	3.523	2.442	2.375
Net financials	-23	212	-373	125	184
Net profit/loss for the year	1.839	2.264	2.368	1.908	1.943
Balance sheet					
Balance sheet total	34.358	34.130	34.342	40.374	45.176
Equity	12.177	10.338	8.076	5.708	10.300
Ratios					
Gross margin	6,6%	6,9%	7,1%	6,4%	6,0%
Profit margin	1,2%	1,4%	1,8%	1,2%	1,1%
Solvency ratio	35,4%	30,3%	23,5%	14,1%	22,8%
Return on equity	16,3%	24,6%	34,4%	23,8%	20,8%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts 2015. For definitions, see under accounting policies.

Management's Review

Primary activities

As in previous years, the Entity has served as a fullservice media agency offering media consulting, planning, negotiations and administration services to its customers.

Development in activities and finances

The income statement of the Company for 2016 shows a profit of TDKK 1,839, and at 31 December 2016 the balance sheet of the Company shows equity of TDKK 12,177.

In 2016, m/SIX has invested in product development and new competencies, for which reason performance is slightly poorer than that for 2015. In view of this, financial performance is satisfactory.

The organisation has come far in its digital process of transforming income to be earned from digital solutions instead of traditional media.

The Entity is part of the WPP Group.

Management believes that - also considering the period after the balance sheet date – the income statement and the balance sheet with accompanying notes contain all significant information necessary to evaluate the past year and the Entity's financial position at year-end.

Unusual circumstances affecting recognition and measurement

The Entity's annual report is not affected by any unusual circumstances of significant importance.

Outlook

The Entity expects positive development for 2017.

Particular risks

No unusual risks are associated with the Entity's business. The business conditions of the market and the external environment as a whole have not changed significantly.

Events after the balance sheet date

The Company has in April 2017 changed it's legal name from Mediabroker A/S to m/SIX A/S.

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Income Statement 1 January - 31 December

	Note	2016 TDKK	2015 TDKK
Revenue		208.986	197.299
Cost of sales		-181.537	-171.646
Other external expenses		-13.744	-11.999
Gross profit/loss		13.705	13.654
Staff expenses	1	-10.986	-10.712
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-219	-252
Profit/loss before financial income and expenses		2.500	2.690
Financial income	2	121	240
Financial expenses	3	-144	-28
Profit/loss before tax		2.477	2.902
Tax on profit/loss for the year	4	-638	-638
Net profit/loss for the year		1.839	2.264

Distribution of profit

Proposed distribution of profit

Retained earnings	1.839	2.264
	1.839	2.264

Balance Sheet 31 December

Assets

	Note	2016 TDKK	2015 TDKK
Other fixtures and fittings, tools and equipment		171	159
Leasehold improvements		9	181
Property, plant and equipment	5	180	340
Fixed assets		180	340
Trade receivables		14.288	12.154
Contract work in progress		142	0
Receivables from group enterprises		18.206	18.712
Other receivables		242	1.797
Deferred tax asset		0	2
Prepayments		73	86
Receivables		32.951	32.751
Cash at bank and in hand		1.227	1.039
Currents assets		34.178	33.790
Assets		34.358	34.130

Balance Sheet 31 December

Liabilities and equity

	Note	2016 TDKK	2015 TDKK
Share capital		500	500
Retained earnings		11.677	9.838
Equity	6	12.177	10.338
Provision for deferred tax		3	0
Provisions		3	0
Prepayments received from customers		4.313	2.250
Trade payables		14.902	18.699
Payables to group enterprises		524	933
Corporation tax		427	78
Other payables	7	2.012	1.832
Short-term debt		22.178	23.792
Debt		22.178	23.792
Liabilities and equity		34.358	34.130
Contingent assets, liabilities and other financial obligations	8		
Related parties	9		
Accounting Policies	10		

Statement of Changes in Equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	500	9.838	10.338
Net profit/loss for the year	0	1.839	1.839
Equity at 31 December	500	11.677	12.177

Notes to the Financial Statements

	<u>2016</u>	<u>2015</u>
	TDKK	TDKK
1 Staff expenses		
Wages and salaries	10.010	9.722
Pensions	516	556
Other social security expenses	96	151
Other staff expenses	<u>364</u>	<u>283</u>
	<u>10.986</u>	<u>10.712</u>
Average number of employees	<u>21</u>	<u>21</u>
<p>The Executive Board and senior officers at m/SIX A/S are participating in the WPP Group's share option programmes. The programmes have been entered with WPP Plc. and m/SIX A/S not impacted financially.</p>		
2 Financial income		
Interest received from group enterprises	0	1
Exchange adjustments	<u>121</u>	<u>239</u>
	<u>121</u>	<u>240</u>
3 Financial expenses		
Other financial expenses	33	24
Exchange adjustments, expenses	<u>111</u>	<u>4</u>
	<u>144</u>	<u>28</u>
	<u>2016</u>	<u>2015</u>
	TDKK	TDKK
4 Tax on profit/loss for the year		
Current tax for the year	549	634
Deferred tax for the year	5	0
Adjustment of tax concerning previous years	<u>84</u>	<u>4</u>
	<u>638</u>	<u>638</u>

Notes to the Financial Statements

5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment <u>TDKK</u>	Leasehold improvements <u>TDKK</u>
Cost at 1 January	479	477
Additions for the year	<u>58</u>	<u>0</u>
Cost at 31 December	<u>537</u>	<u>477</u>
Impairment losses and depreciation at 1 January	318	297
Depreciation for the year	<u>48</u>	<u>171</u>
Impairment losses and depreciation at 31 December	<u>366</u>	<u>468</u>
Carrying amount at 31 December	<u>171</u>	<u>9</u>

6 Equity

The share capital consists of 500 shares of a nominal value of TDKK 1,000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

	<u>2016</u> TDKK	<u>2015</u> TDKK
7 Other payables		
Wages and salaries, personal income taxes, social security costs, etc	402	620
Holiday pay obligation	1.339	1.066
Other debt	<u>271</u>	<u>146</u>
	<u>2.012</u>	<u>1.832</u>

Notes to the Financial Statements

	2016 TDKK	2015 TDKK
8 Contingent assets, liabilities and other financial obligations		

Contingent liabilities

Commitments under rental agreements or leases until expiry	112	69
------------------------------------------------------------	-----	----

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 from the financial year 2013 for income taxes etc for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

9 Related parties

Basis

Controlling interest

Grey Nordic ApS	Shareholder
-----------------	-------------

Consolidated Financial Statements

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Name	Place of registered office
WPP Plc.	27 Farm Street, W17 5RJ, London, England

The consolidated financial statements are available on www.wppinvestor.com

Notes to the Financial Statements

10 Accounting Policies

The Annual Report of m/SIX A/S for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2016 are presented in TDKK.

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 occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Notes to the Financial Statements

10 Accounting Policies (continued)

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Income Statement

Revenue

Revenue from the sale of media 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).

Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprise consumed use of media to achieve the revenue for the year. Use of media include received discounts, etc.

Other external expenses

Other external expenses comprise expenses for premises, stationery and office supplies, marketing costs and services provided by group-related companies etc. This item also includes write-downs of receivables recognised in current assets.

Staff expenses

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Notes to the Financial Statements

10 Accounting Policies (continued)

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to property, plant and equipment comprise amortisation, depreciation 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 sale of property, plant and equipment.

Financial income and expenses

Other financial income comprises interest income, including interest income on receivables from group enterprises, net foreign exchange, as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net foreign exchange losses, as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss 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 to their taxable incomes.

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:

Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	3-5 years

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

10 Accounting Policies (continued)

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.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Notes to the Financial Statements

10 Accounting Policies (continued)

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Notes to the Financial Statements

10 Accounting Policies (continued)

Financial Highlights

Explanation of financial ratios

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