
Burson-Marsteller A/S

c/o Mindshare A/S, Holmbladsgade 133, DK-2300
Copenhagen S

Annual Report for 1 January - 31 December 2019

CVR No 24 21 35 87

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
29/5 2020

Scott Wilson
Chairman of the General
Meeting

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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Burson-Marsteller A/S for the financial year 1 January - 31 December 2019.

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 2019 of the Company and of the results of the Company operations for 2019.

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, 29 May 2020

Executive Board

Scott Wilson
CEO

Board of Directors

Marta Viktoria Karlqvist
Chairman

Scott Wilson

Ramiro Eduardo Prudencio

Independent Auditor's Report

To the Shareholder of Burson-Marsteller A/S

Opinion

We have audited the Financial Statements of Burson-Marsteller A/S for the financial year 1 January - 31 December 2019, 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 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 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.

Emphasis of Matter

We refer to the accounting policies where it is disclosed that the Company plans to be liquidated in 2020 according to the rules for solvent liquidations. The accounting policies applied for these financial statements are consistent with those applied last year, however, recognition and measurement, classification and preparation of accounting items, etc. are carried out in consideration of the Company's assets and liabilities are realised.

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.

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.

Independent Auditor's Report

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.
- 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, 29 May 2020

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No 33 96 35 56

Kim Takata Mücke
State Authorised Public Accountant
mne10944

Brian Schmit Jensen
State Authorised Public Accountant
mne40050

Company Information

The Company

Burson-Marsteller A/S
c/o Mindshare A/S
Holmbladsgade 133
DK-2300 Copenhagen S

CVR No: 24 21 35 87

Financial period: 1 January - 31 December

Municipality of reg. office: Copenhagen

Board of Directors

Marta Viktoria Karlqvist, Chairman
Scott Wilson
Ramiro Eduardo Prudencio

Executive Board

Scott Wilson

Auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
DK-2300 Copenhagen S

Management's Review

Key activities

The Company's activity consisted of consultancy and advisory services within PR and communication and work related to the subsequent production.

Following a strategic review of the company's portfolio, the Board of Directors of Burson-Marsteller A/S decided in 2018 to discontinue operations and to fully close down the business by the end of 2018. A decision has been made to officially dissolve the company in 2020.

Development in the year

The income statement of the Company for 2019 shows a loss of TDKK 18, and at 31 December 2019 the balance sheet of the Company shows equity of TDKK 5,957.

Subsequent events

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

Income Statement 1 January - 31 December

	Note	2019 TDKK	2018 TDKK
Gross profit/loss		-24	2.016
Staff expenses	1	-5	-3.021
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		0	-25
Profit/loss before financial income and expenses		-29	-1.030
Financial income	2	7	6
Financial expenses		-7	-15
Profit/loss before tax		-29	-1.039
Tax on profit/loss for the year	3	11	228
Net profit/loss for the year		-18	-811

Distribution of profit

Proposed distribution of profit

Retained earnings		-18	-811
		-18	-811

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2019</u> TDKK	<u>2018</u> TDKK
Receivables from group enterprises		5.995	6.026
Other receivables		23	23
Deferred tax asset		0	53
Joint taxation contribution		64	240
Receivables		<u>6.082</u>	<u>6.342</u>
Currents assets		<u>6.082</u>	<u>6.342</u>
Assets		<u>6.082</u>	<u>6.342</u>

Balance Sheet 31 December

Liabilities and equity

	<u>Note</u>	<u>2019</u> TDKK	<u>2018</u> TDKK
Share capital		501	501
Retained earnings		5.456	5.474
Equity	4	<u>5.957</u>	<u>5.975</u>
Other payables		125	367
Short-term debt		<u>125</u>	<u>367</u>
Debt		<u>125</u>	<u>367</u>
Liabilities and equity		<u>6.082</u>	<u>6.342</u>
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Statement of Changes in Equity

	<u>Share capital</u> TDKK	<u>Retained earnings</u> TDKK	<u>Total</u> TDKK
Equity at 1 January	501	5.474	5.975
Net profit/loss for the year	0	-18	-18
Equity at 31 December	501	5.456	5.957

Notes to the Financial Statements

	2019 <u>TDKK</u>	2018 <u>TDKK</u>
1 Staff expenses		
Wages and salaries	0	2.659
Pensions	0	348
Other social security expenses	5	14
	<u>5</u>	<u>3.021</u>
 Average number of employees	 <u>0</u>	 <u>3</u>
 2 Financial income		
Interest received from group enterprises	<u>7</u>	<u>6</u>
	<u>7</u>	<u>6</u>
 3 Tax on profit/loss for the year		
Current tax for the year	-64	-240
Deferred tax for the year	53	12
	<u>-11</u>	<u>-228</u>
 4 Equity		

The share capital consists of 5,010 shares of a nominal value of TDKK 100. No shares carry any special rights.

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

Notes to the Financial Statements

5 Contingent assets, liabilities and other financial obligations

Other contingent liabilities

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.

6 Related parties

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

<u>Name</u>	<u>Place of registered office</u>
WPP Jubilee Limited (smallest group)	18 Upper Ground, SE1 9GL, London, England
WPP Plc. (largest group)	Hilgrove Street, St Helier, JE1 1ES, Jersey, England

The Group Annual Report of WPP Jubilee Limited may be obtained at the office address.

The Group Annual Report of WPP Plc. may be obtained at the following address: www.wppinvestor.com

Notes to the Financial Statements

7 Accounting Policies

The Annual Report of Burson-Marsteller A/S for 2019 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, however the Company's accounting policies are based on the assumption that the Company will be dissolved in 2020 according to the rules for solvent liquidation, which among other things has led to, that the Company's assets are measured at net realizable value, that the recognition and measurement of the Company's obligations take into account that agreements etc. may be loss-making as a result of the termination and liabilities may fall due ahead of time. The comparative figures for 2018 were determined based on the Company at that time was deemed to be a going-concern.

The Financial Statements for 2019 are presented in TDKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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.

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.

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.

Notes to the Financial Statements

7 Accounting Policies (continued)

Income Statement

Revenue

Revenue is recognised in the income statement as work is performed. Revenue is recognised net of VAT, duties and sales discount.

Expenses for project costs and consumables

Project costs comprise cost regarding projects used to achieve revenue for the year.

Other external expenses

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

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

Staff expenses

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

Financial income and expenses

Financial income comprises interest income, including interest income on receivables from group enterprises and net gains on transactions in foreign currencies.

Financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net losses on transactions in foreign currencies, amortisation of financial liabilities 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.

Notes to the Financial Statements

7 Accounting Policies (continued)

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

Balance Sheet

Cash pool

The Company is participating in a cash pool with other Danish WPP companies. Deposits in the cash pool are included in receivables from group enterprises. Drawings from the cash pool are included in payables with group enterprises.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

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 net realisable value.