
Intelligence Group ApS

Holmbladsgade 133, DK-2300 Copenhagen S

Annual Report for 1 January - 31 December 2020

CVR No 27 68 90 35

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
28/5 2021

Mikkel Primdal Kæregaard
Chairman of the General
Meeting

Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Company Information	
Company Information	5
Management's Review	6
Financial Statements	
Income Statement 1 January - 31 December	7
Balance Sheet 31 December	8
Statement of Changes in Equity	10
Notes to the Financial Statements	11

Management's Statement

The Executive Board has today considered and adopted the Annual Report of Intelligence Group ApS for the financial year 1 January - 31 December 2020.

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 2020 of the Company and of the results of the Company operations for 2020.

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, 28 May 2021

Executive Board

Jonas von Barnekow Benzou
Hemmingsen
CEO

Pia Tellefsen
CFO

Independent Auditor's Report

To the Shareholders of Intelligence Group ApS

Opinion

We have audited the Financial Statements of Intelligence Group ApS for the financial year 1 January - 31 December 2020, 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 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 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.

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.
- 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.

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.

Independent Auditor's Report

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, 28 May 2021

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No 33 96 35 56

Lars Hansen

State Authorised Public Accountant

mne24828

Company Information

The Company

Intelligence Group ApS
Holmbladsgade 133
DK-2300 Copenhagen S

CVR No: 27 68 90 35
Financial period: 1 January - 31 December
Municipality of reg. office: Copenhagen

Executive Board

Jonas von Barnekow Benzou Hemmingsen
Pia Tellefsen

Auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
DK-2300 Copenhagen S

Management's Review

Key activities

The Entity's activity is directly or indirectly to carry out sales and marketing activities in a wider sense, activities within trade and services and any other activities deemed related thereto by the Management.

Development in the year

The income statement of the Company for 2020 shows a profit of TDKK 3,649, and at 31 December 2020 the balance sheet of the Company shows equity of TDKK 4,260.

The profit for the year was in line with Management's expectations.

Outlook

Management expects a continued growth within the business area of Intelligence Group and a profit for 2021 in line with 2020.

By 1st January 2021 the company is fully owned by WPP Holding A/S.

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	2020 TDKK	2019 TDKK
Gross profit/loss		17.793	14.405
Staff expenses	1	<u>-13.046</u>	<u>-11.867</u>
Profit before financial income and expenses		4.747	2.538
Financial income	2	17	16
Financial expenses	3	<u>-85</u>	<u>-43</u>
Profit before tax		4.679	2.511
Tax on profit for the year	4	<u>-1.030</u>	<u>-552</u>
Net profit/loss for the year		<u>3.649</u>	<u>1.959</u>

Distribution of profit

Proposed distribution of profit

Proposed dividend for the year		<u>3.649</u>	<u>1.959</u>
		<u>3.649</u>	<u>1.959</u>

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2020</u> TDKK	<u>2019</u> TDKK
Trade receivables		1.566	1.620
Contract work in progress	5	17	26
Receivables from group enterprises		12.206	9.114
Other receivables		<u>4</u>	<u>0</u>
Receivables		<u>13.793</u>	<u>10.760</u>
Currents assets		<u>13.793</u>	<u>10.760</u>
Assets		<u>13.793</u>	<u>10.760</u>

Balance Sheet 31 December

Liabilities and equity

	Note	2020 TDKK	2019 TDKK
Share capital	6	156	156
Retained earnings		455	455
Proposed dividend for the year		3.649	1.959
Equity		4.260	2.570
Provision for deferred tax		110	29
Provisions		110	29
Other payables		1.297	429
Long-term debt	7	1.297	429
Trade payables		946	23
Contract work in progress, liabilities	5	1.438	2.073
Payables to group enterprises		1.549	2.485
Corporation tax		288	49
Other payables	7	3.905	3.102
Short-term debt		8.126	7.732
Debt		9.423	8.161
Liabilities and equity		13.793	10.760
Contingent assets, liabilities and other financial obligations	8		
Related parties	9		
Accounting Policies	10		

Statement of Changes in Equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	156	455	1.959	2.570
Ordinary dividend paid	0	0	-1.959	-1.959
Net profit/loss for the year	0	0	3.649	3.649
Equity at 31 December	156	455	3.649	4.260

Notes to the Financial Statements

	<u>2020</u>	<u>2019</u>
	TDKK	TDKK
1 Staff expenses		
Wages and salaries	12.205	11.154
Pensions	689	656
Other social security expenses	150	118
Other staff expenses	2	-61
	<u>13.046</u>	<u>11.867</u>
Average number of employees	<u>19</u>	<u>17</u>
2 Financial income		
Interest received from group enterprises	9	4
Exchange adjustments	8	12
	<u>17</u>	<u>16</u>
3 Financial expenses		
Other financial expenses	15	5
Exchange adjustments, expenses	70	38
	<u>85</u>	<u>43</u>
4 Tax on profit for the year		
Current tax for the year	950	609
Deferred tax for the year	80	-57
	<u>1.030</u>	<u>552</u>

Notes to the Financial Statements

	<u>2020</u> TDKK	<u>2019</u> TDKK
5 Contract work in progress		
Selling price of work in progress	17	326
Payments received on account	<u>-1.438</u>	<u>-2.373</u>
	<u>-1.421</u>	<u>-2.047</u>
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	17	26
Prepayments received recognised in debt	<u>-1.438</u>	<u>-2.073</u>
	<u>-1.421</u>	<u>-2.047</u>

6 Equity

The share capital consists of 156 shares of a nominal value of TDKK 1,000. No shares carry any special rights.

7 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Other payables

Between 1 and 5 years	<u>1.297</u>	<u>429</u>
Long-term part	1.297	429
Other short-term payables	<u>3.905</u>	<u>3.102</u>
	<u>5.202</u>	<u>3.531</u>

Notes to the Financial Statements

8 Contingent assets, liabilities and other financial obligations

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.

9 Related parties

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

Name	Place of registered office
WPP Plc.	27 Farm Street, W1J 5RJ, London, England.

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

Notes to the Financial Statements

10 Accounting Policies

The Annual Report of Intelligence Group ApS for 2020 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 2020 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.

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.

Notes to the Financial Statements

10 Accounting Policies (continued)

Income Statement

Revenue

Consultancy is 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 measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Cost of sales

Cost of sales comprises consumed direct expenses to achieve the revenue for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is presented as a summary of revenue, cost of sales and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses including social security contributions, pension contributions etc.

Financial income and expenses

Other financial income comprises interest income, including interest income on receivables from group enterprises, net foreign exchange gains, 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.

Notes to the Financial Statements

10 Accounting Policies (continued)

Tax on profit for the year

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

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

Balance Sheet

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 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.

Contract work in progress

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

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

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

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

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

Prepayments

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

Notes to the Financial Statements

10 Accounting Policies (continued)

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

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. Surcharges 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.