

**VML  
MAP**

**Annual  
report  
2023**

VML MAP A/S  
Glentevej 61  
2400 Copenhagen  
Denmark  
CVR no. 33 97 14 19



The annual report was presented and approved at the Company's annual general meeting on 08.05.2024

*Martin Saxtorph*

Martin Hviid Saxtorph  
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 VML MAP A/S for the financial year 1 January – 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

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

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

Copenhagen, 9 February 2024

Executive Board:



Jan William Werner  
CEO



Martin Hviid Saxtorph  
CFO



Board of Directors:

  
Manuel De Manzanos  
Segimon  
Chairman

Ewen Cameron Sturgeon



Martin Hviid Saxtorph

  
Nina Werner  
Jan William Werner

## Independent auditor's report

### To the shareholders of VML MAP A/S

#### Opinion

We have audited the financial statements of VML MAP A/S for the financial year 1 January – 31 December 2023 comprising income statement, balance sheet, statement of changes in equity and notes, including 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 Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's responsibility 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 that 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 as to 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 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 users made 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 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.

## Independent auditor's report

- 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 the Management's review

Management is responsible for the Management's review.

Our opinion on the 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 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 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.

Based on the work we have performed, we conclude that the 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 of the Management's review.

Copenhagen, 9 February 2024

**Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR no. 33 96 35 56



Lars Hansen  
State Authorised  
Public Accountant  
mne24828

**VML MAP A/S**  
Annual report 2023  
CVR no. 33 97 14 19

## **Management's review**

### **Company details**

VML MAP A/S  
Glentevej 61  
2400 Copenhagen NV  
Denmark

CVR no.: 33 97 14 19  
Registered office: Copenhagen  
Financial year: 1 January – 31 December

### **Board of Directors**

Manuel De Manzanos Segimon, Chairman  
Ewen Cameron Sturgeon  
Martin Hviid Saxtorph  
Nina Werner  
Jan William Werner

### **Executive Board**

Jan William Werner, CEO  
Martin Hviid Saxtorph, CFO

### **Auditor**

Deloitte  
Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
DK-2300 Copenhagen S  
CVR no. 33 96 35 56

## Management's review

### Financial highlights

DKK'000	2023	2022	2021	2020	2019
<b>Key figures</b>					
Revenue	755,174	652,340	599,721	560,313	453,456
Gross profit	515,934	453,247	481,350	403,260	335,397
Operating profit	178,428	150,777	181,824	169,044	133,224
Net financials	-214	-3,476	6,733	2,451	-415
Profit for the year	160,664	131,723	148,773	134,307	103,619
<b>Total assets</b>					
Equity	166,378	137,437	154,487	140,117	109,429
Investment in property, plant and equipment	3,636	8,857	30,001	2,828	2,441
<b>Ratios</b>					
Gross margin	68.3%	69.5%	80.3%	72.0%	74.0%
Return on equity	105.8%	90.2%	101.0%	107.6%	99.4%
Solvency ratio	52.0%	52.4%	56.8%	56.2%	62.0%
Average number of full- time employees	460	453	472	437	379
<b>Gender equality overview</b>					
<b>Supreme governing body</b>					
Total number of members	5				
Underrepresented gender in percent	20%				
Target figure in percent	40%				
Year for meeting target	2025				
<b>Other management levels</b>					
Total number of members	51				
Underrepresented gender in percent	47%				
Target figure in percent	40%				
Year for meeting target	Achieved				

The financial ratios have been calculated as follows:

Gross margin

$$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$$

Return on equity

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

Solvency ratio

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

## Management's review

### Operating review

#### Main activities

The Company's core activity is helping world-leading brands transform the relationships between the brand and its customers by 'humanizing the relationship' across any direct touch points.

Our expertise lies in marketing automation, personalization, and loyalty programs. We offer comprehensive support in consulting, capability development, and activation through deeply specialized capabilities including consulting and scalable operating model design, data & AI, creative & content, technology & platforms, operations, and optimization.

#### Development in activities and financial position

The Company's income statement for 2023 shows a profit of DKK 160,664k as against DKK 131,723k in 2022. Equity in the Company's balance sheet at 31 December 2023 stood at DKK 166,378k as against DKK 137,437k at 31 December 2022.

#### The past year and follow-up on development expectations from last year

The results for 2023, viewed alongside the prior year, align with Management's expectations for the Company's economic performance. 2023 has been a year of consolidation and financial investment in the future business, including new and improved services, accelerators, technologies, and the establishment of new subsidiaries and locations. Additionally, significant investments made in intellectual property (technologies) in previous years have contributed positively to the 2023 financial year.

The Company continues the strategy of extensive diversification of risk in its diverse global client portfolios. The revenue and gross profits that have increased over the past years indicate that the Company's focus on value adding digital, direct relationship marketing solutions across all available channels is substantially in demand.

#### Operating risk

The Company is not exposed to special risks except for normal risks within the industry.

#### Foreign exchange risks

The Company is increasingly exposed to currency risk. To the extent possible, the Company considers this when negotiating terms in agreements and so forth. The Company has not entered into any forward contracts.

#### Subsidiaries and Foreign Operations

The Company has a subsidiary in USA, UK, Canada, Spain, Portugal and Sweden, to provide communication consulting services and related services to the Company's Global Clients.

Furthermore, the Company has operations in and outside of EMEA and through its presence in North America and APAC, the Company offers 24 hour support, 365 days a year in all time zones.

#### Targets and expectations for the year ahead

Management expects that revenue and profit before tax will remain at the same level for the coming financial year.



## Management's review

### Operating review

#### Data Ethics

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

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

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

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

#### Corporate social responsibility

This section covers the mandatory explanation of the company's social responsibility according to the annual financial statements law section 99a.

##### Business model

The Company's core activity is providing marketing automation, personalization and loyalty program services to clients, including technology, data, communication consulting services, and other related solutions.

##### Climate and Environment

###### *Key risks and risk management*

Based on Task Force on Climate-related Financial Disclosures (TCFD), climate-related physical and transition risks have been identified by the WPP Group. For VML MAP A/S the most material risk is seen as delivering on its net zero commitments.

The WPP Group are in the process of developing their first net zero transition plan which will outline further details on how we intend to deliver against our net zero targets.

WPP has implemented Risk Committees at Group level and in the operating companies with the aim of ensuring accountability at both levels to identify, monitor and proactively manage risk and compliance issues and are embedding climate risks in their agendas.

## Management's review

### Operating review

#### *Policy and Actions*

We recognize the major threat that climate change and environmental degradation pose to global, social and economic development. We support urgent action to tackle the climate crisis through the Paris Agreement. Our ongoing environmental management program aims to reduce our carbon emissions and broader environmental impact, while helping us to identify and mitigate climate related risks. The program reduces costs and business risks, while meeting our clients' and colleagues' expectations.

As a part of the global WPP Group, we are privileged to work with many pioneers of sustainable business, helping our clients to create brands with purpose and to embed sustainability into products, marketing, and communications. The WPP Group provides a clear policy framework, including its Sustainability Policy and Circular Economy Plastic Policy. These policies cascade to VML MAP A/S and are transmitted through regular communication and online training modules. Therefore, VML MAP A/S does not have its own policy on environment and climate, and we do not report separately on our results.

#### **Social and employee matters, incl. human rights**

##### *Key risks and risk management*

The key risks related to social and employee matters, incl. human rights identified by VML MAP A/S are 1) not to ensure diversity, equity, and inclusion at the workplace as well as 2) not ensure employees' health, safety, and wellbeing. The WPP Group conduct a materiality assessment, which has informed VML MAP A/S' risk assessment on this topic. VML MAP A/S has not identified any specific risks related to human rights in its own operations and value chain.

VML MAP A/S mitigate risks related to social and employee matters, incl. human rights through the policy framework of the WPP Group and ad hoc engaging with employees and stakeholders. The WPP policies cascade to employees through regular communication and online training modules.

##### *Policy and Actions*

The WPP Group provides a clear policy framework, including its Disability Policy, Human Rights Policy Statement, and its Modern Slavery Act Statement. These policies cascade to VML MAP A/S and are transmitted through regular communication and online training modules. Therefore, VML MAP A/S does not have its own policy on social and employee matters, incl. human rights and we do not report separately on our results.

#### **Responsible business, incl. anti-corruption**

##### *Key risks and risk management*

No key risks related to anti-bribery and corruption has been identified by VML MAP A/S, as the risk of anti-corruption is seen as low at low. The WPP Group conduct a materiality assessment, which has informed VML MAP A/S' risk assessment on this topic.

VML MAP A/S mitigate bribery and corruption risks through the policy framework of the WPP Group on anti-bribery and corruption. The Group policies cascade to employees through regular communication and online training modules.

##### *Policy and Actions*

The WPP Group provides a clear policy framework, including on Code of Business Conduct Commitment to UN Global Compact. These policies cascade to VML MAP A/S and are transmitted through regular communication and online training modules. Therefore, VML MAP A/S does not have its own policy on anti-corruption, and we do not report on our results.

For full details of WPP Group policies we refer to the annual report of the ultimate Parent, WPP Plc, which covers the required statement of social responsibility, in accordance with the Financial Statements Act section 99a.

<https://www.wpp.com/investors>

## Management's review

### Operating review

#### Statement on inclusion, diversity and gender equality

The Company seeks to encourage diversity and create equal opportunities for all. With employees from 50+ nationalities across different cultural and ethnic backgrounds, we are proud to offer a truly diverse working environment.

We follow our policy to ensure an increased representation of women on the Board of Directors and in the senior management team. The Company has a target to increase female participation by a minimum of 40% by 2025. The current Board of Directors includes 20% female participation. No members have left the board in 2023, and therefore the distribution of the board has not changed in this financial year. It is our aim that members of the Board of Directors have the best qualifications to drive our business, and we continue to strive for more equal representation of genders.

Our overall workforce has an equal gender balance, which is also represented at the senior management level. It is the overall and long term objective of the Company to maintain an equal gender balance at the management level by continuously attracting and retaining women and developing their potential to join the management group. Our approach to equal representation aligns with the Danish Business Authority's definition and guidance on equal representation, found here:

<https://erhvervsstyrelsen.dk/ny-vejledning-om-maalstal-og-politik-den-koensmaessige-sammensaetning-af-ledelsen-og-rapportering>

#### Events after the balance sheet date

No events of material importance have occurred after the balance sheet date of the 2023 annual report.

## Financial statements 1 January – 31 December

### Income statement

DKK'000	Note	2023	2022
<b>Revenue</b>	2	755,174	652,340
Other external costs		<u>-239,240</u>	<u>-199,093</u>
<b>Gross profit</b>		515,934	453,247
Staff costs	3	-330,827	-295,682
Depreciation, amortisation and impairment losses		<u>-6,679</u>	<u>-6,788</u>
<b>Profit before financial income and expenses</b>		178,428	150,777
Income from equity investments in group entities		21,863	16,969
Other financial income	4	3,380	243
Other financial expenses	5	<u>-3,594</u>	<u>-3,719</u>
<b>Profit before tax</b>		200,077	164,270
Tax on profit for the year	6	<u>-39,413</u>	<u>-32,547</u>
<b>Profit for the year</b>	7	<u>160,664</u>	<u>131,723</u>

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	2023	2022
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Property, plant and equipment</b>			
Property, plant and equipment	8	7,961	9,211
Fixtures and fittings, tools and equipment		21,764	23,557
Leasehold improvements		29,725	32,768
<b>Investments</b>			
Equity investments in group entities	9	2,928	1,776
Deposits		1,043	599
		3,971	2,375
<b>Total fixed assets</b>		33,696	35,143
<b>Current assets</b>			
<b>Receivables</b>			
Trade receivables		143,121	80,497
Receivables from group entities		103,868	109,489
Contract work in progress	10	24,761	34,516
Other receivables		2,134	889
Prepayments	11	6,191	1,788
		280,075	227,179
<b>Cash at bank and in hand</b>		5,893	57
<b>Total current assets</b>		285,968	227,236
<b>TOTAL ASSETS</b>		319,664	262,379

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	2023	2022
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	12	1,200	1,200
Retained earnings		4,514	4,514
Proposed dividends for the financial year		160,664	131,723
<b>Total equity</b>		<u>166,378</u>	<u>137,437</u>
<b>Provisions</b>			
Provisions for deferred tax	13	3,745	4,158
<b>Total provisions</b>		<u>3,745</u>	<u>4,158</u>
<b>Liabilities other than provisions</b>			
<b>Current liabilities other than provisions</b>			
Contract work in progress, liabilities	10	20,921	18,850
Trade payables		15,291	11,213
Payables to group entities		53,724	39,577
Corporation tax		14,835	9,880
Other payables		44,770	41,264
		<u>149,541</u>	<u>120,784</u>
<b>Total liabilities other than provisions</b>		<u>149,541</u>	<u>120,784</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>319,664</u>	<u>262,379</u>
<b>Fees to auditor appointed at the general meeting</b>	14		
<b>Contractual obligations, contingencies, etc.</b>	15		
<b>Related party disclosures</b>	16		
<b>Disclosure of events after the balance sheet date</b>	17		

## Financial statements 1 January – 31 December

### Statement of changes in equity

DKK'000	Share capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2023	1,200	4,514	131,723	137,437
Ordinary dividends paid	0	0	-131,723	-131,723
Profit for the year	0	0	160,664	160,664
<b>Equity at 31 December 2023</b>	<b>1,200</b>	<b>4,514</b>	<b>160,664</b>	<b>166,378</b>

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of VML MAP A/S for 2023 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

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

The financial statements for 2023 are presented in DKK thousand.

#### Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The Company is included in the consolidated financial statements of WPP Plc., 13 Castle Street, St. Helier, JE1 1ES, Jersey, England.

#### Omission of cash flow statement

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

#### Recognition and measurement

The financial statements have been prepared under the historical cost method.

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.

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

#### Foreign currency translation

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

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



## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

Upon recognition of foreign subsidiaries and associates that are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with independent foreign subsidiaries considered part of the total investment in the subsidiary are recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments taken out for the purpose of hedging investments in foreign subsidiaries are recognised directly in equity.

Upon recognition of foreign subsidiaries that are integrated entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the date of acquisition or the date of subsequent revaluations of the asset. Income statement items are translated at the exchange rates at the transaction date, whereas items derived from non-monetary items are translated at historical exchange rates for the non-monetary item.

### Income statement

#### Revenue

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service

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

#### Other external costs

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

#### Staff costs

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

#### Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses comprise depreciation, amortisation and impairment of assets, equipment etc.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Income from equity investments in group entities

The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the Parent Company's income statement after full elimination of intra-group gains/losses and amortisation of goodwill.

##### Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on payables and transactions denominated in foreign currencies, etc.

##### Tax on profit for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. 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 other WPP entities in Denmark. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

### Balance sheet

#### Property, plant and equipment

Fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	11 years

The fixed assets' residual values are determined at nil.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

#### Impairment of fixed assets

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

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

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

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

#### Investments

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Deposits are recognised at amortised cost.

#### Receivables

Receivables are measured at amortised cost.

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

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

#### Contract work in progress

Contract work in progress is measured at the selling price of the work performed less progress billings and expected losses. The selling price is measured on the basis of the stage of completion at the balance sheet date and the projected income from the individual contract work in progress. The stage of completion is stated as the share of costs incurred in proportion to estimated total costs relating to contract work in progress.

When the selling price of contract work in progress cannot be estimated 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 as receivables or payables, respectively. Net assets comprise the total of contract work in progress where the selling price of the work performed exceeds progress billings. Net liabilities comprise the total of contract work in progress where progress billings exceed the selling price.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

Costs arising from sales work and contracting are recognised in the income statement as incurred.

#### Prepayments

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

#### Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

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 group enterprises.

#### Equity

##### *Dividends*

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

#### Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill 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 or taxable income.

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

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

#### Liabilities other than provisions

Other liabilities are measured at amortised cost.

## Financial statements 1 January – 31 December

### Notes

DKK'000	<u>2023</u>	<u>2022</u>
<b>2 Revenue</b>		
The Company has only one global business segment and operates in a global digital market.		
<b>Geographical segments</b>		
Revenue, global activities	755,174	652,340
	<u>755,174</u>	<u>652,340</u>
<b>3 Staff costs</b>		
Wages and salaries	306,488	276,530
Pensions	2,308	2,226
Other social security costs	22,031	16,926
	<u>330,827</u>	<u>295,682</u>
Average number of full-time employees	<u>460</u>	<u>453</u>
Remuneration to the Executive Board has not been disclosed in accordance with section 98 b(3) of the Danish Financial Statements Act.		
<b>4 Financial income</b>		
Interest income from group entities	3,212	243
Other financial income	168	0
	<u>3,380</u>	<u>243</u>
<b>5 Financial expenses</b>		
Interest expense to group entities	0	73
Other financial costs	236	300
Exchange losses	3,358	3,346
	<u>3,594</u>	<u>3,719</u>
<b>6 Tax on profit for the year</b>		
Current tax for the year	39,829	29,893
Deferred tax for the year	-413	2,372
Adjustment of tax concerning previous years	-3	235
Adjustment of deferred tax concerning previous years	0	47
	<u>39,413</u>	<u>32,547</u>

## Financial statements 1 January – 31 December

### Notes

DKK'000	<u>2023</u>	<u>2022</u>	
<b>7 Proposed profit appropriation</b>			
Proposed dividends for the year	160,664	131,723	
Retained earnings	<u>0</u>	<u>0</u>	
	<u>160,664</u>	<u>131,723</u>	
<b>8 Property, plant and equipment</b>			
DKK'000	<u>Fixtures and fittings, tools and equipment</u>	<u>Leasehold improvements</u>	<u>Total</u>
Cost at 1 January 2023	24,225	26,235	50,460
Additions for the year	2,942	694	3,636
Disposals for the year	<u>-7,975</u>	<u>0</u>	<u>-7,975</u>
Cost at 31 December 2023	19,192	26,929	46,121
Depreciation and impairment losses at 1 January 2023	-15,014	-2,678	-17,692
Depreciation for the year	-4,192	-2,487	-6,679
Reversed depreciation and impairment losses on assets sold	<u>7,975</u>	<u>0</u>	<u>7,975</u>
Depreciation and impairment losses at 31 December 2023	<u>-11,231</u>	<u>-5,165</u>	<u>-16,396</u>
<b>Carrying amount at 31 December 2023</b>	<u>7,961</u>	<u>21,764</u>	<u>29,725</u>

## Financial statements 1 January – 31 December

### Notes

#### 9 Investments

DKK'000	Equity investments in group entities
Cost at 1 January 2023	1,064
Additions for the year	33
Cost at 31 December 2023	1,097
Revaluations at 1 January 2023	712
Dividends Portugal 2021 paid	-712
Dividends Sweden 2022 not paid	1,466
Exchange rate adjustment	365
Net profit for the year	21,637
Dividends to the Parent Company	-21,637
Revaluations 31 December 2023	1,831
<b>Carrying amount at 31 December 2023</b>	<b>2,928</b>

Name/legal form	Registered office	Voting rights and ownership interest	Share capital	Profit for the year
Subsidiaries:				DKK'000
VML MAP Sweden AB	Sweden	100%	SEK 200,000	-204
VML MAP Portugal Lda	Portugal	100%	EUR 5,000	6,209
VML MAP UK Ltd.	UK	100%	GBP 1	13,857
VML MAP US Inc.	USA	100%	USD 1,000	1,775
VML MAP Spain S.L.	Spain	100%	EUR 3,600	0
VML MAP Canada Inc.	Canada	100%		0
<b>Total</b>				<b>21,637</b>

#### 10 Contract work in progress

DKK'000	2023	2022
Selling price of work performed	551,439	359,991
Progress billings	-547,599	-344,325
	3,840	15,666
that can be specified as follows:		
Construction contracts (assets)	24,761	34,516
Construction contracts (equity and liabilities)	-20,921	-18,850
	3,840	15,666

## Financial statements 1 January – 31 December

### Notes

#### 11 Prepayments

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

#### 12 Equity

The share capital consists of 12,000 shares of a nominal value of DKK 100k each.

All shares rank equally.

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

#### 13 Provision for deferred tax

DKK'000	2023	2022
Provision for deferred tax at 1 January	4,158	1,739
Amount recognised in the income statement for the year	-413	2,419
	<u>3,745</u>	<u>4,158</u>

#### 14 Fees to auditor appointed at the general meeting

With reference to section 96(3) of the Danish Financial Statements Act and to the fee to auditors appointed at the general meeting included in the consolidated financial statements of WPP Plc. (largest group), the Company has not disclosed fee to auditors appointed at the general meeting.

#### 15 Contractual obligations, contingencies, etc.

##### Rental and lease obligations

Until expiry	144,859	177,080
	<u>144,859</u>	<u>177,080</u>

##### Contingent liabilities

Recourse and non-recourse guarantee commitments	9,000	9,000
	<u>9,000</u>	<u>9,000</u>

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of WPP Holding Denmark A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.



## Financial statements 1 January – 31 December

### Notes

#### 16 Related party disclosures

VML MAP A/S related parties comprise the following:

##### Control

WPP Kraken B.V., Laan op Zuid 167, 3072 Rotterdam, Netherlands.

WPP Kraken B.V. holds the majority of the contributed capital in the Company.

VML MAP A/S is part of the consolidated financial statements of WPP Jubilee Limited, 18 Upper Ground, SE1 9GL, London, England, and the consolidated financial statements of WPP Plc., 13 Castle Street, St. Helier, JE1 1ES, Jersey, England, which are the smallest and largest groups, respectively, in which the Company is included as a subsidiary.

The consolidated financial statements of WPP Jubilee Limited can be obtained by contacting the Company at the address above.

The consolidated financial statements of WPP Plc. can be obtained at the following address: [www.wppinvestor.com](http://www.wppinvestor.com).

##### Related party transactions

In accordance with section 98 c(7) of the Danish Financial Statements Act, the Company has not disclosed any related party transactions as they were conducted on an arm's length basis.

#### 17 Disclosure of events after the balance sheet date

No events of material importance have occurred after the balance sheet date of the 2023 annual report.