Wavemaker A/S

Holmbladsgade 133
2300 Copenhagen S
Denmark

CVR no. 21 83 64 00

Annual report 2024

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

2 June 2025

Michelle Anne Gullander Herskind
Chairman of the annual general meeting

Wavemaker A/S
Annual report 2024
CVR no. 21 83 64 00

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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 Wavemaker A/S for the financial year 1 January – 31 December 2024.

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

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

We believe that the management's review contains a fair review of the affairs and conditions referred to therein.

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

Copenhagen 2 June 2025
Executive Board:

Kristian Bæk-Mikkelsen
Executive Officer

Board of Directors:

Jonas von Barnekow Benzon Hemmingsen Chairman	Pia Tellefsen	Kristian Bæk-Mikkelsen

Independent Auditor's Report

To the Shareholders of Wavemaker A/S

Opinion

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

We have audited the Financial Statements of Wavemaker A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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.

Statement on the Management's Review

Management is responsible for the 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 Financial 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.

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.

Copenhagen, 2 June 2025
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Henrik Trangeled Kristensen
State Authorised
Public Accountant
mne23333

Ahmed Saleh
State Authorised
Public Accountant
mne50705

Management's review

Company details

Wavemaker A/S
Holmbladsgade 133
2300 Copenhagen S
Denmark

CVR no.:	21 83 64 00
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Board of Directors

Jonas von Barnekow Benzon Hemmingsen, Chairman
Pia Tellefsen
Kristian Bæk-Mikkelsen

Executive Board

Kristian Bæk-Mikkelsen, Executive Officer

Auditor

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup
CVR No 33 77 12 31

Management's review

Financial highlights

DKK'000	2024	2023	2022	2021	2020
Key figures					
Revenue	142,707	174,758	165,048	138,442	113,807
Gross profit	70,448	81,252	72,262	58,836	42,658
Operating profit	12,322	15,943	17,585	17,204	5,133
Net financials	1,310	1,890	335	-141	-29
Profit for the year	10,569	13,875	13,937	13,273	3,966
Total assets	183,770	146,948	223,613	186,089	170,465
Equity	42,307	56,738	77,863	63,926	50,653
Investment in property, plant and equipment	0	0	21	26	59
Ratios					
Gross margin	49.4%	46.5%	43.8%	42.5%	37.5%
Operating margin	8.6%	9.1%	10.7%	12.4%	4.5%
Return on equity	21.3%	20.6%	19.7%	23.2%	8.1%
Solvency ratio	23.0%	38.6%	34.8%	34.4%	29.7%

The financial ratios have been calculated as follows:

Gross margin	$\frac{\text{Gross profit x 100}}{\text{Revenue}}$
Operating margin	$\frac{\text{Operating profit/loss x 100}}{\text{Revenue}}$
Return on equity	$\frac{\text{Profit/loss from ordinary activities after tax x 100}}{\text{Average equity}}$
Solvency ratio	$\frac{\text{Equity at year-end x 100}}{\text{Total equity and liabilities at year-end}}$

Management's review

Operating review

Key activities

We believe there always is a better way to grow. We positively provoke growth for our clients by reshaping consumer decision-making and experiences through media, content and technology. The Wavemaker way is globally consistent. Fueled by the world's most powerful consumer data, we understand where and how marketing can intervene decisively to help brands win more sales. Our 7,200 people across 90 markets have the deep knowledge, confidence and courage to provoke growth for some of the world's leading brands and businesses. We are a part of GroupM, WPP's global media investment management company.

The Company's core business areas are marketing services, such as media, content and technology including business consulting, eCommerce & development, strategy & communications planning, data & tech planning, content development, SoMe and Influencer marketing, negotiation, traffic handling, implementation, and measurement of the return on media and marketing investments for advertisers.

Development in the year

The forecast for 2024 showed revenue at the same level as 2023. The Company's revenue for the financial year 2024 was TDKK 142,707. This represents a decrease of 18% from 2023 where the revenue amounted to TDKK 174,758.

The Company's result before tax for the financial year 2024 was TDKK 13,632, which is below the expected range from TDKK 15,000 to TDKK 16,000 and represents a decrease of 24% as against result before tax for the financial year 2023.

Equity in the Company's balance sheet at 31 December 2024 stood at TDKK 42,307 as against TDKK 56,738 at 31 December 2023. The decrease in equity is attributable to the dividend that the Company distributed to its Parent Company on the result of the financial year 2023.

Several factors have impacted the result for 2024. The year has seen slower growth than previous years due to client and market insecurities and a slowdown in parts of the media business. The Company realized efficiencies on its operations leading to decreased external costs partially offsetting the increase in staff costs. To equip the Company for the new operating model and capabilities, investments in our people have been made.

Wavemaker Denmark continued to expand the reach of high margin business areas such as Marketing Consulting Services as we deepen our engagement with our client base. This increased the gross profit from selling services, while lowering the revenue, from buying media inventory and reselling to clients. While our gross margin grew from 46.5% in 2023 to 49.4% in 2024, the decrease in other external costs and staff costs is less than the decrease in our revenue, causing our operating margin to decrease from 9.1% in 2023 to 8.6% in 2023.

This diversification of services follows our longer-term strategy to transform our agency from a classical media agency to a marketing service consultancy, servicing clients from an outcome driven platform of seamlessly integrated marketing services, emphasizing the expert consultancy around the marketing products and services.

Wavemaker again won acclaim in the media agency image survey (MyImage) taking the number one spot in several image parameters and with the strongest overall image profile of any agency in the market. The financial performance in a tough year for the category is satisfactory.

Management's review

Operating review

Particular risks

Business risks

The Company's main business risks relate to the business sector's investments in media and marketing activities. Consequently, the development of the Company is dependent on the general financial climate for enterprises in Denmark.

Outlook

On our road to transforming our agency into a Nordic marketing service consultancy, we expect to continue harvesting benefits from diversified services and business optimization. Growth, creativity and pursuing new ventures through horizontal and vertical integration are the core tenants of our business strategy. We expect to beat the market and will pursue growth through continued focus on client growth and centricity, new high margin business areas and partnerships and new clients across the Nordic region.

The forecast for 2025 shows a cautious low double-digit growth rate in revenue compared to 2024. Our expected revenue ranges from TDKK 155,000 to TDKK 165,000 and our expected profit before tax ranges from TDKK 13.000 to TDKK 16.000. This is a realistic target when seen in the light of the pressure on the market and the generally low level of growth in combination with the current inflation in Denmark. We will keep putting effort to realize efficiencies within our own operations in order to counter the negative impact of the pressure on our prices and increased costs of sales.

Intellectual capital resources

A substantial part of the Company's business hinges on the existence of certain staff resources and tools, which have been further developed throughout the year, both in terms of value-based management and with respect to processes and structures for knowledge-based work.

Statement of corporate social responsibility

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 is to reduce our carbon emissions and broader environmental impact, while helping us to identify and mitigate climate-related risk. The program reduces costs and business risks, while meeting our clients' and colleagues' expectations.

By being 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.

A statement regarding the Company's policies, actions and results within matters relating to CSR appears from the annual report of the ultimate Parent, WPP Plc. who is a member of the United Nations Global Compact and committed to its 10 principles.

The WPP Group provides a clear policy framework which is included in the WPP Policy Book. These policies are cascaded to employees through regular communication and online training modules.

For full details we refer to the annual report of the ultimate Parent, WPP Plc.

https://www.wpp.com/en/investors/annual-report-2024.

Management's review

Operating review

Statement on inclusion and diversity

The Company wants to encourage diversity and create equal opportunities for all at all levels of our company. We continue to monitor, survey, and calibrate conditions to ensure equal opportunity.

With employees from 20+ nationalities with different cultural and ethnic backgrounds, we are proud to offer a truly diverse working environment.

Statement on gender composition

At 31 December 2024, the gender balance of the Company showed a percentage of women of 67.4% and a percentage of men of 32.6%. This has changed from 72.3% women and 27.7% men in 2023.Our overall workforce has a female skewed gender balance, due to our client composition.

The company has an equal gender distribution in the top management body and at the other management levels on the balance sheet date. Our approach to equal representation aligns with the Danish Business Authority's definition and guidance on equal representation, found here: https://erhvervsstyrelsen.dk/vejledning-maltal-og-politikker-den-konsmaessige-sammensaetning-af-ledelsen-og-afrapportering-herom.

At 31 December 2024, the Executive Committee is composed of 7 members out of which three are women. It is the overall and long-term objective of the Company to maintain an equal balance between the genders at management level, by continuously attracting and retaining women and developing them to join the management group.

Statement on data ethics

The Company recognise the obligation for 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 own people, and vendors.

We work with many categories of data and uses 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 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 our governance, risk, and compliance program, 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 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 practice 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.

Management's review

Operating review

Subsequent events

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

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2024	2023
Revenue	2	142,707	174,758
Costs of sales		-34,174	-45,552
Other external costs		-38,085	-47,954
Gross profit		70,448	81,252
Staff costs	3	-58,105	-65,275
Depreciation, amortisation and impairment losses		-21	-34
Profit before financial income and expenses		12,322	15,943
Financial income	4	1,781	3,552
Financial expenses	5	-471	-1,662
Profit before tax		13,632	17,833
Tax on profit for the year	6	-3,063	-3,958
Profit for the year	7	10,569	13,875

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2024	2023
ASSETS			
Fixed assets			
Property, plant and equipment	8		
Fixtures and fittings, tools and equipment		2	15
Leasehold improvements		8	16
		10	31
Investments	9		
Deposits		50	50
Total fixed assets		60	81
Current assets			
Receivables			
Trade receivables		135,611	111,546
Receivables from group entities		46,056	32,488
Contract work in progress	10	325	0
Other receivables		415	572
Corporation tax		1,220	2,075
Prepayments	11	83	186
		183,710	146,867
Total current assets		183,710	146,867
TOTAL ASSETS		183,770	146,948

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2024	2023
EQUITY AND LIABILITIES			
Equity			
Share capital	12	24,600	24,600
Retained earnings		10,207	7,138
Proposed dividends for the financial year		7,500	25,000
Total equity		42,307	56,738
Provisions			
Provisions for deferred tax	13	1,039	189
Total provisions		1,039	189
Liabilities other than provisions			
Current liabilities other than provisions			
Pre-invoicing, contract work in progress	10	27,585	11,944
Prepayments received from customers		5,966	5,498
Trade payables		64,642	62,532
Payables to group entities		35,030	389
Other payables	14	7,201	9,658
		140,424	90,021
Total liabilities other than provisions		140,424	90,021
TOTAL EQUITY AND LIABILITIES		183,770	146,948
Contractual obligations, contingencies, etc.	15		
Related party disclosures	16		
Disclosure of events after the balance sheet date	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 2024	24,600	7,138	25,000	56,738
Ordinary dividends paid	0	0	-25,000	-25,000
Profit for the year	0	3,069	7,500	10,569
Equity at 31 December 2024	24,600	10,207	7,500	42,307

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Wavemaker A/S for 2024 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

Historically, the Company has recognised revenue on a gross basis, and this has now been changed to net where the Company acts as an agent.

As a result, the financial statements for the prior periods have been restated in line with Section 54 of the Danish Financial Statement Act. The impact of the correction is as follows:

DKK'000	Previously reported 2023	Restated 2023	Impact
Revenue	732,886	174,758	558,128
Cost of sales	-603,680	-45,552	-558,128

The correction does not affect profit for the year, nor equity or cash flows.

The financial statements for 2024 are presented in DKK thousand.

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.

Change of reporting class

The annual report of Wavemaker A/S for 2024 has been prepared in accordance with the provisions applying to reporting class C medium-sized. The transition from provisions applying to reporting class C Large under the Danish Financial Statements Act applied last year did not give rise to any revised recognition or measurement.

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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Leases

Management has assessed whether leases shall be classified as either operating leases or finance leases. Based on the contract terms, all leases are deemed to be operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Foreign currency translation

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.

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).

The inclusion of billings related to third-party direct costs in revenue depends on whether we act as a principal or an agent in the client contract. When acting as an agent, revenue is recorded net of these costs, equal to the amount retained for our fee or commission.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Cost of sales

Cost of sales includes the cost of services used in generating the year's turnover.

Other external costs

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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Staff costs

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

Depreciation and impairment losses

Depreciation and impairment losses relating to property, plant and equipment comprise 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

Financial income and expenses comprise interest income and expense, including interest income and expenses on receivables from and payables to group enterprises, net foreign exchange gains and losses, as well as tax surcharge and refunds under the on-account tax scheme, etc.

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

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.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

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:

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

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

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 is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

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.

Fixed asset investments

Fixed asset investments consist of deposits.

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 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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

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.

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 items where the temporary differences arise at the date of acquisition without affecting either profit 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.

Prepayments

Prepayments comprise prepaid expenses concerning incurred costs relating to subsequent financial years.

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.

Equity

Dividends

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

Liabilities other than provisions

Other liabilities are measured at amortised cost.

Financial statements 1 January – 31 December

Notes

DKK'000	2024	2023
2 Revenue		
Media revenue	38,441	45,087
Consultancy services revenue	104,266	129,671
	142,707	174,758
3 Staff costs		
Wages and salaries	54,597	60,994
Pensions	2,877	3,439
Other social security costs	631	842
	58,105	65,275
Average number of full-time employees	97	115

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act. No remuneration has been paid to the Company's Board of Directors.

The Executive Board and senior officers at Wavemaker A/S are participating in the WPP Group's share option programmes. The programmes have been entered with WPP plc. and Wavemaker A/S is not impacted financially.

4 Financial income		
Interest income from group entities	1,415	1,524
Other financial income	8	31
Exchange gains	358	1,997
	1,781	3,552
5 Financial expenses		
Interest expense to group entities	3	0
Other financial costs	73	336
Exchange rate adjustments costs	395	1,326
	471	1,662
6 Tax on profit for the year		
Current tax for the year	2,212	3,676
Deferred tax for the year	850	280
Adjustment of tax concerning previous years	1	2
	3,063	3,958

Financial statements 1 January – 31 December

Notes

DKK'000	2024	2023
7 Proposed profit appropriation		
Proposed dividends for the year	7,500	25,000
Retained earnings	3,069	-11,125
	10,569	13,875

8 Property, plant and equipment

DKK'000	Fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2024	109	41	150
Cost at 31 December 2024	109	41	150
Depreciation and impairment losses at 1 January 2024	-94	-25	-119
Depreciation for the year	-13	-8	-21
Depreciation and impairment losses at 31 December 2024	-107	-33	-140
Carrying amount at 31 December 2024	2	8	10

9 Investments

DKK'000	Deposits
Cost at 1 January 2024	50
Cost at 31 December 2024	50
Carrying amount at 31 December 2024	50

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DKK'000	2024	2023
10 Contract work in progress		
Selling price of work in progress	21,791	29,596
Payments received on account	-49,051	-41,540
	-27,260	-11,944
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	325	0
Prepayments received recognised in debt	-27,585	-11,944
	-27,260	-11,944

11 Prepayments

Prepayments comprise prepayments of various subscriptions, rent, water, heating and electricity.

12 Equity

The share capital consists of 5 shares of a nominal value of TDKK 24,600. No shares carry any special rights.

The contributed capital consists of:

1 ordinary share, nominal value TDKK 23,500.

2 ordinary shares, nominal value TDKK 1,000.

2 ordinary shares, nominal value TDKK 100.

13 Deferred tax liability		
Deferred tax at 1 January	-189	91
Amounts recognised in the income statement for the year	-850	-280
	-1,039	-189
14 Other payables		
Value added tax etc.	990	0
Wages and salaries, personal income taxes, social security costs, etc.	689	3,012
Holiday pay obligation	2,088	2,852
Other debt	3,434	3,794
	7,201	9,658

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DKK'000	2024	2023

15 Contractual obligations, contingencies, etc.

Contingent liabilities

Commitments under rental agreements or leases until expiry	32	194
	32	194

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.

16 Related party disclosures

Wavemaker A/S' related parties comprise the following:

GroupM Denmark A/S, Holmbladsgade 133, Copenhagen S.

GroupM Denmark A/S holds the majority of the share capital in the Company.

Wavemaker A/S is part of the consolidated financial statements of WPP Plc., 27 Farm Street, W1J 5RJ, London, England, which is the smallest and largest group, in which the Company is included as a subsidiary.

The consolidated financial statements of WPP Plc. can be obtained at the following address: www.wppinvestor.com.

Related party transactions

In accordance with section 98 c(6) 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 materially affecting the assessment of the Annual Report have occurred after the balance sheet date.