

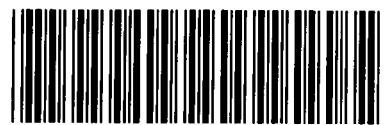
Tag Worldwide Group Limited

Annual Report

Company registered number 01031786

31 December 2021

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Company information

Company registered number

01031786

Directors

A Gibb

D Kassler

F Aghovia

G McGaghey

Registered office

1-5 Poland Street

London

W1F 8PR

Strategic report

Strategic report for the year ended 31 December 2021

The directors present their strategic report on the Tag Worldwide Group Limited (the 'Company') for the year ended 31 December 2021.

Introduction

The Company's immediate parent undertaking is Tag Worldwide Holdings. The Group is ultimately owned by funds containing institutional owners and is controlled by funds advised by Advent International Corporation, a private equity investment company.

Subsequent events

There are no subsequent events to report.

Principal activities and review of the business

Tag Worldwide Group Limited is an intermediate holding company.

There has been no material change in the company's activities in the period under review and none is anticipated by the directors in the ensuing year.

Given the straightforward nature of the business, the directors are of the opinion that analysis of key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The Company is a subsidiary of AI Wertheimer Parentco UK Limited, limited by shares. From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the AI Wertheimer Parentco UK Limited and its subsidiary companies ("the Group") and are not managed separately. The review of the business of the Group, which provides an analysis of the main trends and factors likely to affect the development, performance and position of the business, and a description of the principal risks and uncertainties facing the business, can be found in the Group financial statements of AI Wertheimer Parentco UK Limited.

By order of the Board



G McGaghey
Director
22 November 2022

1-5 Poland Street
London
W1F 8PR

Directors' report

Directors' report for the year ended 31 December 2021

The directors present their annual report and the unaudited financial statements of the Company for the year ended 31 December 2021.

Results and dividends

The turnover of the Company for the year was £nil (2020: £nil). The loss for the financial year amounted to £1,380,022 (2020 profit: £43,602). No dividend was paid during the year (2020: £nil). The directors do not recommend the payment of a final dividend.

The Company had net current assets at the year end of £5,122,907 (2020: £6,502,929) and net assets of £5,772,772 (2020: £7,152,794).

Directors

Unless otherwise indicated, the directors who served during the year and up until the date of approval of this report were as follows:

F Aghovia
D Kassler
A Gibb
G McGaghey

Going concern

The directors make an estimate of future performance of the Company in order to prepare the financial statements on a going concern basis. When assessing future performance, the directors consider financial projections which reflect current market conditions, liquidity requirements and opportunities and risks facing the Company. The Company has obtained written confirmation from its parent undertaking AI Wertheimer Parentco UK Limited that it will provide finance, if required, for a period of at least 12 months from the date of approval of the Company's financial statements in order for the Company to meet its liabilities as they fall due. On this basis, the directors consider that the use of the going concern basis of accounting is appropriate.

Subsequent events

Details of subsequent events are provided in the Strategic report.

Future developments

The directors intend to follow the strategy as set out in the Strategic report to continue to act as an investment holding company for Group.

Qualifying third-party indemnities

The directors have been indemnified against liability in respect of proceedings brought by third parties, subject to the conditions set out in the UK Companies Act 2006. A qualifying third-party indemnity provision was in force during the period and up until the date of approval of the financial statements.

Directors' report (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Independent auditors

For the year ending 31 December 2021, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.

By order of the Board



G McGaghey

Director

22 November 2022

1-5 Poland Street
London
W1F 8PR

Statement of comprehensive income
for the year ended 31 December 2021

| | Note | 2021 £ | 2020 £ |
|--|------|--------------------|---------------|
| Administrative expenses | | (1,380,022) | 43,535 |
| Operating loss | | (1,380,022) | 43,535 |
| (Loss)/profit before interest and taxation | | (1,380,022) | 43,535 |
| Interest receivable and similar income | 6 | - | 10,295 |
| (Loss)/profit before taxation | | (1,380,022) | 53,830 |
| Tax on profit/(loss) | 7 | - | (10,228) |
| (Loss)/profit for the financial year | | (1,380,022) | 43,602 |
| Other comprehensive income for the year: | | - | - |
| Total comprehensive (expense)/income for the year | | (1,380,022) | 43,602 |

Balance sheet
At 31 December 2021

| | <i>Note</i> | 2021 £ | 2020 £ |
|---|-------------|------------------|------------------|
| Fixed assets | | | |
| Investments | 8 | 649,865 | 649,865 |
| | | <u>649,865</u> | <u>649,865</u> |
| Current assets | | | |
| Debtors | 9 | 5,248,199 | 6,631,427 |
| Cash at bank and in hand | | 555 | 555 |
| | | <u>5,248,754</u> | <u>6,631,982</u> |
| Creditors: amounts falling due within one year | 10 | (125,847) | (129,053) |
| Net current assets | | <u>5,122,907</u> | <u>6,502,929</u> |
| Net assets | | <u>5,772,772</u> | <u>7,152,794</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 65,318 | 65,318 |
| Share premium account | | 3,326,638 | 3,326,638 |
| Capital redemption reserve | | 8,222 | 8,222 |
| Retained earnings/(accumulated losses) | | 2,372,594 | 3,752,616 |
| Total equity | | <u>5,772,772</u> | <u>7,152,794</u> |

For the year ending 31 December 2021 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 11 to 17 are an integral part of these financial statements.

The financial statements on pages 8 to 17 were authorised for issue by the board of directors on 22 November 2022 and were signed on its behalf by:



G McGaghey
Director

Company registered number: 01031786

Statement of changes in equity
for the year ended 31 December 2021

| | Called up share capital | Share premium account | Capital redemption reserve | Retained earnings/ (accumulated losses) | Total equity |
|--|-------------------------------|-----------------------------|----------------------------------|--|-----------------|
| | £ | £ | £ | £ | £ |
| Balance at 1 January 2020 | 65,318 | 3,326,638 | 8,222 | 3,709,014 | 7,109,192 |
| Profit for the financial year | - | - | - | 43,602 | 43,602 |
| Total comprehensive profit for the year | - | - | - | 43,602 | 43,602 |
| Total transactions with owners, recognised directly in equity | - | - | - | - | - |
| Balance at 31 December 2020 | 65,318 | 3,326,638 | 8,222 | 3,752,616 | 7,152,794 |
| Balance at 1 January 2021 | 65,318 | 3,326,638 | 8,222 | 3,752,616 | 7,152,794 |
| Loss for the financial year | - | - | - | (1,380,022) | (1,380,022) |
| Total comprehensive loss for the year | - | - | - | (1,380,022) | (1,380,022) |
| Total transactions with owners, recognised directly in equity | - | - | - | - | - |
| Balance at 31 December 2021 | 65,318 | 3,326,638 | 8,222 | 2,372,594 | 5,772,772 |

Notes to the financial statements

1. General information

Tag Worldwide Group Limited ('the Company') is a holding company for the Williams Lea Tag Group of companies which provides marketing production and skilled business-critical support services worldwide. The Company is a private company limited by shares and is incorporated in the United Kingdom and registered in England. The address of its registered office is 1-5 Poland Street, London W1F 8PR.

2. Statement of compliance

The financial statements of Tag Worldwide Group Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and the Companies Act 2006, under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the periods presented, unless otherwise stated. The Company has adopted FRS 102 in these financial statements.

a. Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

b. Going concern

The directors make an estimate of future performance of the Company in order to prepare the financial statements on a going concern basis. When assessing future performance, the directors consider financial projections which reflect current market conditions, liquidity requirements and opportunities and risks facing the Company. The Company has obtained written confirmation from its parent undertaking AI Wertheimer Parentco UK Limited that it will provide finance, if required, for a period of at least 12 months from the date of approval of the Company's financial statements in order for the Company to meet its liabilities as they fall due. On this basis, the directors consider that the use of the going concern basis of accounting is appropriate.

c. Exemptions for qualifying entities under FRS 102

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from the requirement to prepare a statement of cash flows, on the basis that it is a qualifying entity and a parent company, AI Wertheimer Parentco UK Limited, includes the company's cash flows in its own consolidated financial statements.

d. Consolidated financial statements

The Company is a wholly owned subsidiary of Tag Worldwide Holdings Limited and its ultimate parent undertaking is AI Wertheimer Holdings Limited. It is included in the consolidated financial statements of AI Wertheimer Holdings Limited which are publicly available.

The Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. The intermediate parent undertaking and the largest UK group to consolidate these financial statements is AI Wertheimer Parentco UK Limited. The address of AI Wertheimer Parentco UK Limited is 1-5 Poland Street, London, W1F 8PR.

Notes to the financial statements (continued)

e. Investments

Investments held in subsidiary companies are held at cost less accumulated impairment losses.

The carrying values of investments are reviewed for impairment by management in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

f. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

g. Financial instruments

Financial assets and liabilities

Basic financial assets and liabilities, including trade and other receivables, cash and bank balances, trade and other payables and loans from fellow group companies are recognised at transaction price, unless the arrangement constitutes a financing transaction. The company currently has no such financing transactions.

Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all its liabilities.

h. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

i. Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i. Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted by the period end.

Notes to the financial statements (continued)

i. Current tax (continued)

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii. Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

j. Foreign currencies

The Company's functional and presentational currency is the pound sterling. Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing exchange rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account except where deferred in other comprehensive income as qualifying cash flow hedges.

k. Dividends

Dividends to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

l. Related parties

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with its parent or with members of the same group that are wholly owned.

4. Critical accounting judgments and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Impairment of investments

The company considers whether investments are impaired. Where the investments are no longer trading, an impairment is considered based on their net underlying assets.

Notes to the financial statements (continued)

4. Critical accounting judgements and estimation uncertainty (continued)

(ii) Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing the impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 9 for the net carrying amount of the debtors and associated impairment provision.

5. Employees and directors

Employees

There were no persons (including director) employed by the Company during the year (2020: nil).

Directors

Directors' remuneration for 3 of the directors is paid by Wertheimer UK Limited, and the remaining director is paid by Tag Europe Limited. They are directors for both entities and therefore it is not possible to make an accurate apportionment of their remuneration in respect of the Company. Accordingly, these financial statements include no disclosures in respect of directors' remuneration. Their total remuneration is included in the aggregate of directors' remuneration disclosed in the financial statements of AI Wertheimer Parentco UK Limited.

6. Interest receivable and similar income

| | 2021 | 2020 |
|---|----------|-----------------|
| | £ | £ |
| Interest receivable from group undertakings | - | (10,295) |
| | <u>-</u> | <u>(10,295)</u> |

7. Tax on (loss)/ profit

Analysis of charge in year:

| | 2021 | 2020 |
|--|------------------------|----------------------|
| | £ | £ |
| <i>Current tax</i> | | |
| UK corporation tax on profits for the period | (10,228) | 10,228 |
| Adjustments in respect of prior years | - | - |
| Total current tax | <u>(10,228)</u> | <u>10,228</u> |
| Origination and reversal of timing differences | - | - |
| Impact of change in tax rates | - | - |
| Total deferred tax | <u>-</u> | <u>-</u> |
| Tax on (loss)/ profit | <u>(10,228)</u> | <u>10,228</u> |

Notes to the financial statements (continued)

7. Tax on profit/(loss) (continued)

Reconciliation of tax charge

The tax assessed for the year is the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

| | 2021 | 2020 |
|---|-------------|-----------------|
| | £ | £ |
| Profit/(loss) before taxation | (1,380,022) | 53,830 |
| Tax on loss multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%) | (262,204) | (10,228) |
| Effects of: | | |
| Expenses not deductible for tax purposes | 234,639 | - |
| Effects of group relief/ other reliefs | 27,565 | - |
| Tax on profit/(loss) | - | (10,228) |

An increase in the CT rate to 25% with effect from 1 April 2023 was announced in the UK Government's Budget on 3 March 2021. This was enacted during the accounting period.

8.

Investments

| | Investments in subsidiary undertakings £000 |
|-----------------------|--|
| Cost | |
| At 1 January 2021 | 2,123,155 |
| At 31 December 2021 | 2,123,155 |
| Provisions | |
| At 1 January 2021 | 1,473,290 |
| At 31 December 2021 | 1,473,290 |
| Net book value | |
| At 31 December 2021 | 649,865 |
| At 31 December 2020 | 649,865 |

Notes to the financial statements (continued)

9. Debtors

| | £ | £ |
|------------------------------------|------------------|------------------|
| Amounts owed by group undertakings | 5,248,199 | 6,621,962 |
| Other debtors | - | 9,465 |
| | <u>5,248,199</u> | <u>6,631,427</u> |

Amounts owed by group undertakings are unsecured and repayable on demand. They include balances on a group in-house banking arrangement of £5,218,298 (2020: £5,464,916) which attract interest at an annual rate of 0.2% (2020: between 0.00% and 0.20%).

10. Creditors: amounts falling due within one year

| | £ | £ |
|------------------------------------|----------------|----------------|
| Amounts owed to group undertakings | 124,150 | 129,053 |
| Accruals and deferred income | 1,697 | - |
| | <u>125,847</u> | <u>129,053</u> |

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

11. Share capital

| | Number | Number | £ | £ |
|--------------------------------|---------------|---------------|---------------|---------------|
| Ordinary shares of £1 each | 51,578 | 51,578 | 51,578 | 51,578 |
| | 13,740 | 13,740 | 13,740 | 13,740 |
| Ordinary 'B' shares of £1 each | <u>65,318</u> | <u>65,318</u> | <u>65,318</u> | <u>65,318</u> |

12. Capital and other commitments

The Company does not have any capital commitments at the end of the financial period, for which no provision is required.

The Group also does not have any future minimum lease payments under non-cancellable operating leases.

For Value Added Tax (VAT) purposes, the Company is grouped with other undertakings in a VAT group. Under these arrangements the Company has a joint and several liability for amounts owed by those undertakings to HM Revenue and Customs.

13. Related parties

The Company is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the group.

14. Parent undertaking and controlling party

Tag Worldwide Holdings Limited is the company's immediate parent undertaking. AI Wertheimer Parentco UK Limited is the parent undertaking of the largest group of which the company is a member, and for which consolidated financial statements are prepared. Copies of the group financial statements of AI Wertheimer Parentco UK Limited can be obtained from 1-5 Poland Street, London W1F 8PR.

The directors regard the ultimate controlling party as GPE VIII funds managed by Advent International Corporation.

Notes to the financial statements (continued)

15. Subsidiaries and related undertakings

| Name | Address of registered office | Interest | Nature of business |
|--|--|----------|---|
| Smoke and Mirrors Productions Limited | 1-5 Poland Street, London, W1F 8PR, UK | 100% | Pre-media production and creative services |
| Tag Belgium SA | Chaussée de Charleroi, 112, Saint Gilles, 1060 Brussels, Belgium | 100% | Marketing and communication supply chain services |
| Tag Europe Limited | 1-5 Poland Street, London, W1F 8PR, UK | 100% | Marketing and communication supply chain services |
| Tag Pac Limited | 1-5 Poland Street, London, W1F 8PR, UK | 100% | Marketing and communication supply chain services |
| Tag Sao Paulo Servicos de Consult Ltda. | Rua Wisard, no.305, Sala 52, Edificio W305, Bairro Vila Madalena, CEP 05434-080, Sao Paulo, Brazil | 100% | Marketing and communication supply chain services |
| Tag Worldwide Australia Pty Ltd. | Level 2, 60-62 Clarence Street, Sydney, New South Wales 2000, Australia | 100% | Marketing and communication supply chain services |
| Tag Worldwide (Shanghai) Ltd. | Unit 05-06, 6F, Tower I, Shanghai Arch, 523 Lou Shan Guan Road, Shanghai 200051, P.R.China | 100% | Marketing and communication supply chain services |
| Tag Worldwide (Singapore) Pte. Ltd. | 90 EU Tong Sen Street, #03-01, 059811, Singapore | 100% | Marketing and communication supply chain services |
| Moni-Media (Taiwan) Company Limited | 12th Floor, No. 81-1, Sec. 2, Keelung Rd., Xinyi Dist., Taipei City 110, Taiwan | 100% | Marketing and communication supply chain services |
| Tag India Private Limited | Room 203, Second Flr, 2-A/3 Kundan Mansion, Asaf Ali Rd, New Delhi, Delhi, | 100% | Marketing and communication supply chain services |
| Tag Worldwide France SAS | 33 Rue Lafayette, Paris, 75009, France | 100% | Marketing and communication supply chain services |
| Tag Worldwide (Vietnam) IM Company Limited | Số 617-617A, Quốc lộ 13, Khu phố 3, Phường Hiệp Bình Phước, Thành phố Thủ Đức, Thành phố Hồ Chí Minh Vietnam | 100% | Marketing and communication supply chain services |