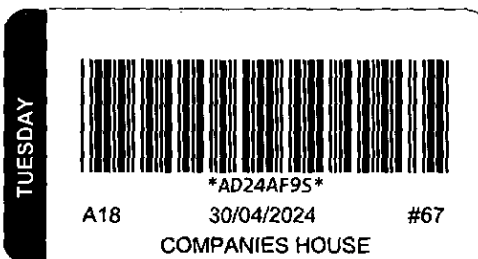


# **Portman Square US Holdings Limited**

**Company Registration Number 05996404**

## **Report and Financial Statements**

**31 December 2022**



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**Directors**

Nick Priday (resigned 13 February 2024)  
Paul Gordon

**Company Secretary**

Mary Hitchon

**Registered Office**

10 Triton Street  
Regent's Place  
London NW1 3BF

**Registered Number**

05996404

## Strategic report

The directors present their strategic report for the year ended 31 December 2022.

### Principal activities and review of the business

Portman Square US Holdings Limited ("the Company") is a wholly-owned subsidiary of Dentsu International Limited (the "Group") and is part of the Group's global corporate operations.

The principal activity of the Company is to hold investments and to facilitate financing for the Group and it will continue to be so for the foreseeable future.

Dentsu International Limited manages its operations on a divisional basis. For this reason, the Company's directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Group's media operations, which includes the Company, is discussed in the Group's Annual Report which does not form part of this Report.

### Results and dividends

Portman Square US Holdings Limited reported neither profit nor loss for the financial year ended 31 December 2022 - nil (2021 - nil). The functional currency is United States Dollars (USD) as all business is transacted in this currency.

The directors do not recommend the payment of a dividend for 2022 (2021 -nil).

### Principal risks and uncertainties

The components of financial risk are interest rate risk, credit risk, liquidity risk and cash flow risk. Due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet, the directors consider interest rate risk to be applicable due to changes in US Federal rate which have a direct impact on the Company's profit. The other risks are not considered significant to the Company.

### Section 172 reporting

A statement describing how the Directors have performed their Section 172 duties over the financial year through stakeholder engagement is included below.

#### *Society*

The Group has made strong progress in our decarbonisation efforts during 2022, reducing our Scope 1 and 2 emissions by 53% against our 2019 baseline. In 2022 our market-based Scope 1 and 2 emissions were 4,369 tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e), compared to 4,450 tCO<sub>2</sub>e in 2021 and 5,728 tCO<sub>2</sub>e in 2020. Not only did this far exceed the 12.6% reduction target we had planned to meet in 2022 but it also surpassed our 2030 target of 46.2% eight years ahead of schedule. These reductions can be largely attributed to our ongoing commitment to power our operations with 100% renewable electricity, including continued efforts to switch to local renewable tariffs and to procure in-country renewable electricity certificates. In September 2022 we went further, compensating for our remaining emissions by investing in nature-based solutions including forest conservation initiatives in Zimbabwe and local renewable energy projects in India and Brazil to achieve carbon neutral status. Our Scope 3 emissions remained broadly flat, with a decrease in purchased goods and services offset by an increase in business travel, with the largest increase in the US and UK. With more meetings taking place face-to-face, we have seen an increase in Scope 3 emissions associated with business travel and employee commuting compared to 2021. However, business travel emissions are down 56% vs the 2019 baseline.

## Strategic report (continued)

### Section 172 reporting (continued)

In recognition of our impact in driving consumption and the opportunity we have to positively influence the way that people think, feel and act, we reached more than 59 million people with campaigns that fight food waste, promote more sustainable products and shift consumer behaviour change. We brought our people back together post COVID with the launch of One Day for Change with volunteer participation increasing from 7% in 2021 to 20% in 2022. Through our continued investment in digital skills, in 2022 we supported 5,804 young people to become empowered digital citizens, the majority of whom came through The Code, our global schools programme, bringing the total number of people reached since launch to over 35,000.

We continued our support for the Draw the Line campaign with Malaria No More. The campaign has reached almost one billion people to date and put malaria back on the political agenda. At the Commonwealth Heads of Government Meeting in Rwanda in June 2022 we renewed our commitment to this important cause with a pledge to contribute an additional \$5 million in media resources and pro bono marketing support. We have increased our focus on building a diverse and inclusive workforce committing to mandatory training on inclusion and bias for all employees. In 2022, 37.2% of our senior leaders were female with the Americas accounting for the largest increase in female leadership with an increase of 4% from 2021.

	2022		2021	
	United Kingdom	Group (Excluding United Kingdom)	United Kingdom	Group (Excluding United Kingdom)
Energy consumption used to calculate scope 1 and 2 (electricity, gas, district heating) emissions (kWh)	4,909,312	37,005,159	4,394,691	38,416,181
Total scope 1 emissions (gas, company cars) (tCO <sub>2</sub> e)	305	2,614	378	2,507
Total scope 2 emissions (electricity, district heating) (market-based) (tCO <sub>2</sub> e)	-	1,449	-	1,565
Total scope 3 emissions (tCO <sub>2</sub> e)	70,091	257,659	90,498	231,073
Total gross CO <sub>2</sub> e based on above (tCO <sub>2</sub> e)	70,396	261,722	90,876	235,145

Strategic report (continued)

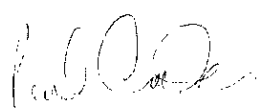
Section 172 reporting (continued)

Intensity ratio: tCO2e gross figure based from mandatory fields above/ £ revenue	-	0.01%	-	0.01%
Methodology	WRI Greenhouse Gas Reporting Protocol			

Shareholders

The ultimate parent company and controlling party of the Company is Dentsu Group Inc., a company listed on the Tokyo Stock Exchange. The Board of Dentsu Group Inc. is kept informed about the activities and performance of the Company through reports it receives about the Dentsu International Group.

On behalf of the board



Paul Gordon  
Director  
26 April 2024

## Directors' report

The directors of Portman Square US Holdings Limited (the 'Company') present their Directors' report and the financial statements for the year ended 31 December 2022.

### Directors

The directors who served throughout the year and thereafter were:

Paul Gordon

Nick Priday (resigned 13 February 2024)

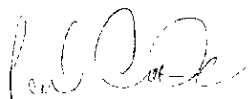
### Going concern

The directors continue to adopt the going concern basis in preparing the financial statements. Further details are set out in note 1 to the financial statements.

### Audit exemption

For the year ending 31 December 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

On behalf of the board



**Paul Gordon**

Director

26 April 2024

## **Statement of Directors' responsibilities in respect of the strategic report, the directors' report and the financial statements**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## Profit and Loss Account and Other Comprehensive Income

for the year ended 31 December 2022

		<b>2022</b>	<b>2021</b>
		<b>USD</b>	<b>USD</b>
	<i>Note</i>	<b>\$'000</b>	<b>\$'000</b>
Operating expenses		-	-
Operating loss		-	-
<b>Loss on ordinary activities before taxation</b>		-	-
Tax	4	-	-
<b>Loss for the financial year</b>		-	-
<b>Total comprehensive loss for the year</b>		-	-

All activities relate to continuing operations.

The accompanying notes on pages 11 to 24 form an integral part of the financial statements.

## Balance sheet

at 31 December 2022

	Notes	2022 USD \$'000	2021 USD \$'000
<b>Fixed assets</b>			
Investments	5	<u>1,269,000</u>	<u>1,269,000</u>
<b>Total assets</b>		<u>1,269,000</u>	<u>1,269,000</u>
<b>Total assets less current liabilities</b>		<u>1,269,000</u>	<u>1,269,000</u>
<b>Net Assets</b>		<u>1,269,000</u>	<u>1,269,000</u>
<b>Capital and reserves</b>			
Called-up share capital	6	243,173	243,173
Share premium account	6	1,367,058	1,367,058
Profit and loss account		<u>(341,231)</u>	<u>(341,231)</u>
<b>Shareholders' funds</b>		<u>1,269,000</u>	<u>1,269,000</u>

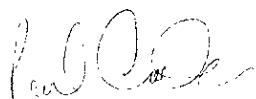
The accompanying notes on pages 11 to 24 form an integral part of the financial statements.

For the year ending 31 December 2022, 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.

These financial statements were approved by the Board of Directors on 26 April 2024 and were signed on behalf of the Board of Directors by:



**Paul Gordon**

Director

Company Registration Number 05996404 England and Wales.

## Statement of changes in equity

for the year ended 31 December 2022

	<i><b>Called up Share Capital</b></i>	<i><b>Share Premium Account</b></i>	<i><b>Profit and loss account</b></i>	<i><b>Total</b></i>
	<b>USD \$'000</b>	<b>USD \$'000</b>	<b>USD \$'000</b>	<b>USD \$'000</b>
<b>Balance at 1 January 2021</b>	243,173	1,367,058	(341,231)	1,269,000
Loss for the financial year	-	-	-	-
Total comprehensive loss for the year	-	-	-	-
<b>Balance at 31 December 2021</b>	243,173	1,367,058	(341,231)	1,269,000
<b>Balance at 1 January 2022</b>	<b>243,173</b>	<b>1,367,058</b>	<b>(342,231)</b>	<b>1,269,000</b>
Loss for the financial year	-	-	-	-
Total comprehensive loss for the year	-	-	-	-
<b>Balance at 31 December 2022</b>	<b>243,173</b>	<b>1,367,058</b>	<b>(341,231)</b>	<b>1,269,000</b>

The accompanying notes on pages 11 to 24 form an integral part of the financial statements.

## Notes to the financial statements (continued)

for the year ended 31 December 2022

### 1. Accounting policies

Portman US Holdings Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 05996404 and the registered address is 10 Triton Street, Regent's Place, London, NW1 3BF. The financial statements of Portman Square US Holdings Limited (the "Company") for the year ended 31 December 2022 were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101), Companies Act 2006 and applicable accounting standards. The financial statements are prepared under the historical cost convention, modified to include the revaluation of financial instruments.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Dentsu Group Inc., a company incorporated under the laws of Japan. The results of Portman Square US Holdings Limited are included in the consolidated financial statements of Dentsu Group Inc. which can be obtained from: The Secretary, Dentsu Group Inc., 1-8-1 Higashi-shimbashi, Minato-ku, Tokyo 105-7050.

The financial statements are prepared in US Dollars (USD) and are rounded to the nearest thousand dollars (USD '000). The majority of the Company's business is conducted in US Dollars and accordingly this is considered the Company's functional currency.

#### 1.1. Basis of preparation

The Company has undertaken advantage of the following disclosure exemptions under FRS 101:

- (a) The requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- (b) the requirements of IFRS 7 Financial Instruments disclosures;
- (c) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- (d) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- (e) the requirements of IAS 7 Statement of Cash Flows;
- (f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- (g) the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
- (h) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- (i) the effects of new but not yet effective IFRSs.

#### 1.2. Going concern

The Company's business activities, together with factors likely to affect its future development, performance and financial position and commentary on the Company's financial results, its liquidity requirements and borrowing facilities are set out in the Strategic Report and in the accompanying Financial Statements.

## Notes to the financial statements (continued)

for the year ended 31 December 2022

### 1. Accounting policies (continued)

#### 1.2. Going concern (continued)

In determining whether it is appropriate to continue to adopt the going concern basis in preparing the financial statements for 2022, the Board has considered the following factors:

- The Company's balance sheet position
- The maturity profile of the Company's borrowings, its plans for refinancing and the Company's access to credit facilities
- Funding and support provided by the Company's parent company

Notwithstanding net current liabilities of \$nil as at 31 December 2022 and with no profit or loss reported for the year, the financial statements have been prepared on a going concern basis which the Board considers to be appropriate. This is because the Company relies on Dentsu International Limited to provide such financial support as is required to meet its day to day financing requirements either directly or indirectly. The Directors have considered the ability of Dentsu International Limited to provide such financial support as might be required by the Company and accordingly have prepared the financial statements on a going concern basis.

In respect of this financial support, the Directors have considered Dentsu International Limited's forecasts and projections used in the assessment of going concern which incorporates the Dentsu International Limited Board of Directors' latest expectations of the impact of global macroeconomic conditions on business operations and results, including the measures the Group has undertaken to improve operating margins and preserve cash. Significant one-off and non-operating expenditures have also been included related to existing and future acquisition activity and restructuring programs. The forecasts of the Group have been subjected to downside scenarios representing declines in revenues, reductions in margin and deterioration of net working capital.

Dentsu International Limited itself has been provided with a letter of support from Dentsu Group Inc., which accepts responsibility of providing and undertakes to provide, sufficient financial assistance to Dentsu International Limited and its subsidiaries, as and when it is required, to enable the Company to continue its operations and fulfil all of its financial obligations.

As with any company placing reliance on other Group entities for financial support, the Board acknowledges that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that this support will not continue.

Consequently, the Board is confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

#### 1.3. Foreign currencies

The Company's functional currency and presentation currency is US Dollars. Transactions in foreign currencies are initially recorded in the functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss for the financial year. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

## Notes to the financial statements (continued)

for the year ended 31 December 2022

### 1. Accounting policies (continued)

#### 1.4. Income taxes

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### 1.5. Investments

Investments in associates and subsidiary undertakings are stated at cost, less impairment losses.

Investments are assessed at each reporting date to determine whether there is objective evidence that they are impaired. An investment is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the investment, and that the loss event had a negative effect on the expected future cash flows of the investment. An impairment loss is calculated as the difference between its carrying amount and the discounted value of the expected future cash flows.

#### 1.6. Interest receivable and interest payable

Interest payable and similar expenses include interest payable and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

#### 1.7. Financial instruments

##### (i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

##### (ii) Financial assets

###### **Classification and measurement of financial assets**

Management determines the classification and subsequent measurement of the financial asset based on the contractual terms at the initial recognition date and is not subsequently reclassified unless the Company changes its business model for managing financial assets. The classifications and subsequent measurement include the following:

###### **Classification as trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Current trade receivables do not carry any interest charge. Interest may be charged on overdue balances.

## Notes to the financial statements (continued)

for the year ended 31 December 2022

### 1. Accounting policies (continued)

#### 1.7. Financial instruments (continued)

##### (ii) Financial assets (continued)

###### **Financial assets at amortised cost**

The Company classifies its financial assets as measured at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

All receivables are categorised as amortised cost. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

###### **Financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income (FVOCI) are initially measured at fair value, and subsequently measured at fair value with movements in fair value recorded in other comprehensive income. FVOCI comprise:

- Equity securities which are not held for trading, and which the Company has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the group considers this classification to be more relevant. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses being recognised in OCI and are never reclassified to profit and loss.
- Debt securities where the contractual cash flows are solely principal and interest on specified dates, and the objective of the group's business model is achieved both by collecting contractual cash flows and selling financial assets. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

###### **Financial assets at fair value through profit or loss**

The Company classifies the following financial assets and derivative financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

Financial assets carried at FVPL are initially recorded at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

## Notes to the financial statements (continued)

for the year ended 31 December 2022

### 1. Accounting policies (continued)

#### 1.7. Financial instruments (continued)

##### (ii) Financial assets (continued)

##### ***Impairment of financial assets***

The Company considers evidence of impairment for these assets at both an individual asset and a collective level at each reporting date. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified.

The Company applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. The Company uses the simplified provision matrix approach to calculate its expected credit losses taking into account various factors including the ageing of receivables, the credit rating of customers, market risk and any relevant credit enhancements.

##### ***Offsetting of balances within financial assets***

If the Company has a legally enforceable right, and there is an intention to settle on a net basis, through signed legal agreements, to offset cash deposits and overdrafts that are in cash-pool arrangements with relationship banks. The Company does not offset other financial assets and liabilities where there is no legally enforceable right to do so.

##### (iii) Financial liabilities and equity

##### ***Classification and measurement***

Management determines the classification of its financial liabilities as either debt or equity at initial recognition according to the substance of the contractual arrangements entered into. All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVPL. The classifications include the following:

##### ***Financial liabilities at fair value through profit or loss***

Financial liabilities at fair value through profit or loss (FVPL) are either designated in this category; or they are held for trading, such as an obligation for securities borrowed in a short sale which are required to be returned in the future. Derivatives are also categorised as 'held for trading' unless they are designated as hedges. Subsequent to initial recognition, financial liabilities at fair value through profit or loss measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

##### ***Other financial liabilities measured at amortised cost using the effective interest method***

Other financial liabilities measured at amortised cost using the effective interest method are non-derivative financial liabilities which are not designated on initial recognition as liabilities at fair value through profit or loss. Any subsequent interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

##### ***Equity instruments***

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Ordinary shares are classified as equity instruments. Equity instruments issued by the Company are recorded at the value of proceeds received, net of direct issue costs.



## Notes to the financial statements (continued)

for the year ended 31 December 2022

### 1. Accounting policies (continued)

#### 1.7. Financial instruments (continued)

##### (iii) Financial liabilities and equity (continued)

#### Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

#### 1.8 Key accounting estimates and judgements

##### Impairment of investments in subsidiary, associates and joint venture

In determining whether an impairment loss has arisen on investment in subsidiaries, associates and joint ventures, the Company makes judgements over the discounted value of the expected future cash flows. The Company makes estimates of forecasted cash flows, discount rates to derive a net present value of these cash flows and long term growth rates applicable to every investments. Key areas of judgement include the forecasted revenue growth and operating margins, as well as the determination of the long-term growth rate applicable to each investment

### 2. Staff costs

The Company had no employees during the current or prior year.

Remuneration for directors of the Company is disclosed in note 7 of the consolidated financial statements of Dentsu International Limited. It is paid by the Dentsu International Limited parent entity. The amount that relates to Portman Square US Holdings Limited has not been disclosed on the basis that management are unable to make a reasonable apportionment of total remuneration that relates to qualifying services provided by the Directors to the Portman Square US Holdings Limited entity.

### 3. Auditor's remuneration

There were no fees payable for the audit of the Company's financial statements during the year (2021: nil) as the company is entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

## Notes to the financial statements (continued)

for the year ended 31 December 2022

### 4. Tax on loss

	<b>2022</b>	<b>2021</b>
	<b>USD</b>	<b>USD</b>
	<b>\$'000</b>	<b>\$'000</b>
Current tax credit	-	-
Loss before taxation	-	-
UK corporation tax credit arising at statutory rate of 19% (2021: 19%)	-	-
Expenses not deductible for tax purposes	-	-
Total current tax (credit)/charge	-	-

UK Corporation tax is calculated at 19.0% (2021: 19.0%) of the estimated assessable profit for the year. The Government confirmed in the 2023 Budget that the corporation tax rate will increase to 25% from 1 April 2023.

### 5. Investments

	<b>USD</b>
	<b>\$'000</b>
<b>Investment in subsidiary undertakings</b>	
Cost and net book value at 1 January 2022 and 31 December 2022	<u>1,300,358</u>
Accumulated impairment losses	
At 1 January 2022	(31,358)
Impairment charge for the year	-
At 31 December 2022	<u>(31,358)</u>
Carrying amount	
At 31 December 2022	<u>1,269,000</u>
At 31 December 2021	<u>1,269,000</u>

Details of the subsidiaries and associates in which the Company holds 20% or more of the nominal value of any class of share capital are listed in note 12.

# Notes to the financial statements (continued)

for the year ended 31 December 2022

## 6. Reserves

### Called up share capital

		<b>2022</b>		<b>2021</b>
		<b>USD</b>		<b>USD</b>
	<i>No.</i>	<b>\$'000</b>	<i>No.</i>	<b>\$'000</b>
<i>Allotted, called up and fully paid</i>				
Ordinary shares of \$1 each	243,173,079	<b>243,173</b>	243,173,079	<b>243,173</b>

### Share premium account

	<b>2022</b>	<b>2021</b>
	<b>USD</b>	<b>USD</b>
	<b>\$'000</b>	<b>\$'000</b>
At 1 January	<b>1,367,058</b>	1,367,058
Issue of shares	-	-
At 31 December	<b>1,367,058</b>	1,367,058

## 7. Contingent liabilities

The company has entered into a cross guarantee arrangement with fellow subsidiary undertakings and granted a guarantee to National Westminster Bank in respect of the net overdraft of Dentsu International Limited. The overdraft facility is £20m.

The facility was undrawn as at 31 December 2022 and at the date of signing these financial statements.

## 8. Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Dentsu Group Inc which is the ultimate parent company and controlling party.

The largest group in which the results of the Company are consolidated is that headed by Dentsu Group Inc., 1-8-1 Higashi-shimbashi, Minato-ku, Tokyo 105-7050. The smallest group in which they are consolidated is that headed by Dentsu International Limited and the registered address is 10 Triton Street, Regents Place, London, NW1 3BF. No other group financial statements include the results of the Company. The consolidated financial statements of these groups are available to the public and may be obtained from: The Secretary, Dentsu Group Inc., 1-8-1 Higashi-shimbashi, Minato-ku, Tokyo 105-7050.

## 9. Subsidiaries and associates

The entities listed below in sections 1 and 2 are subsidiaries of the Company as at 31 December 2022. The entities listed below in section 3 are associates of the Company as at 31 December 2021. The results (or the relevant proportion of the results) for all of the subsidiaries which are deemed to be controlled by the Company have been consolidated within the Group financial statements.

## Notes to the financial statements (continued)

for the year ended 31 December 2022

### 10. Subsidiaries and associates (continued)

<b>Section 1: Subsidiaries held directly by the company</b>	<b>Country of incorporation</b>	<b>% of equity capital and voting rights held</b>	<b>Full address</b>
Dentsu Holdings USA, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Eaton Gate, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Portman Square Acquisition Co.	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States

<b>Section 2: Subsidiaries held indirectly by the company</b>	<b>Country of incorporation</b>	<b>% of equity capital and voting rights held by company</b>	<b>Full address</b>
360i, LLC	United States	100%	32 Avenue of the Americas, 6th Floor, New York, New York 10013, New York, NY, United States
Accordant Media, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Aegis DMN, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Aegis Lifestyle, Inc.	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States

## Notes to the financial statements (continued)

for the year ended 31 December 2022

<b>Section 2: Subsidiaries held indirectly by the company</b>	<b>Country of incorporation</b>	<b>% of equity capital and voting rights held by company</b>	<b>Full address</b>
Aegis Media Innov8, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Agyle Advantage, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
AM Trade, Inc.	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Amnet Group, Inc.	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Amplifi, Inc.	United States	100%	Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware, 19801, United States
C2C Media, LLC	United States	100%	Harvard Business Services, Inc., 16192 Coastal Highway, Lewes, DE, 19958, United States
Carat Direct, Inc.	United States	100%	1925 Century Park East, Suite 1850, Los Angeles, CA 90067, United States
Carat Media Consultants, Inc.	United States	100%	1925 Century Park East, Suite 1850, Los Angeles, CA 90067, United States
Carat USA, Inc.	United States	100%	150, Floor 14, East 42nd Street, New York, NY, 10017
Copernicus Assessoria em Marketing Ltda.	Brazil	100%	298 Rua Wisard, Andar Intermediario Sala 1, Vila Madalena, Sao Paulo/SP-CEP 05434-000, Brazil
Copernicus: The Marketing Investment Strategy Group, Inc.	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
D1 Ink, Ltd	United States	100%	16211, N Scottsdale Road #484, Scottsdale, AZ, 85254, United States

## Notes to the financial statements (continued)

for the year ended 31 December 2022

<b>Section 2: Subsidiaries held indirectly by the company</b>	<b>Country of incorporation</b>	<b>% of equity capital and voting rights held by company</b>	<b>Full address</b>
Dentsu Aegis Advertising, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Dentsu America, LLC	United States	100%	32 Avenue of the Americas, 16th FL, New York, NY, 10013, United States
Dentsu International Americas, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Dentsu McGarry Bowen, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Dentsu X, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Fuel Professional Casting Network, LLC	United States	100%	1209, Orange Street, Wilmington, DE, 19801, United States
Global Mind USA, LLC	United States	100%	United Agent Group Inc., 801 US Highway 1, North Palm Beach, FL, FL 33408, United States
ICUC/iProspect Moderation Services, Inc.	Canada	100%	127, rue Saint-Pierre, Montréal, PQ, H2Y 2L6, Canada
iProspect.com, Inc.	United States	100%	United Agent Group Inc., 225 Cedar Hill Street, #200, Marlborough, MA, United States
Isobar US, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
John Brown US, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
McGarry Bowen, LLC	United States	100%	Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware, 19801, United States

## Notes to the financial statements (continued)

for the year ended 31 December 2022

<b>Section 2: Subsidiaries held indirectly by the company</b>	<b>Country of incorporation</b>	<b>% of equity capital and voting rights held by company</b>	<b>Full address</b>
Media 8, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Mitchell Communications Group, LLC	United States	100%	2 College Ave, Fayetteville, AR, 72701, United States
MKTG Chicago, LLC	United States	100%	Harvard Business Services, Inc., 16192 Coastal Highway, Lewes, DE, 19958, United States
MKTG Retail, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
MKTG, INC.	United States	100%	32 Avenue of the Americas, 16th FL, New York, NY, 10013, United States
MuteSix Group, Inc.	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Mutesix, LLC	United States	100%	United Agent Group Inc., 4640 Admiralty Way, 5th Floor, Marina del Rey, CA, CA 90292, United States
Navegg International, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Night Pool, LLC	United States	100%	United Agent Group Inc., 8275 South Eastern #200, Las Vegas, Nevada, 89123, United States
Portman Square US Holdings Limited	United Kingdom	100%	10, Triton Street, Regent's Place, London, NW1 3BF, England
Posterscope USA, Inc.	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Posterscope, Inc.	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States

## Notes to the financial statements (continued)

for the year ended 31 December 2022

<b>Section 2: Subsidiaries held indirectly by the company</b>	<b>Country of incorporation</b>	<b>% of equity capital and voting rights held by company</b>	<b>Full address</b>
Roundarch Isobar, Inc.	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Swirl, Inc.	United States	100%	Martin Lauber, 101 Montgomery St #200, San Francisco, CA, CA94129, United States
Team Epic, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
The 360i Network, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
The Story Lab, Inc.	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
U.S. Concepts, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
V2, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Velocity Sports & Entertainment, LLC	United States	100%	One Landmark Square, Ste 1400, Stamford, Connecticut, United States
Vivid Marketing, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States
Vizeum, LLC	United States	100%	United Agent Group Inc., 3411 Silverside Road, Tatnall Building #104, Wilmington, New Castle County, DE, 19810, United States



## Notes to the financial statements (continued)

for the year ended 31 December 2022

<b>Section 3: Associates and Other investments held indirectly by the company</b>	<b>Country of incorporation</b>	<b>% of equity capital and voting rights held by company</b>	<b>Full address</b>
Omni Isobar Ventures, LLC	Delaware	49%	7528 Rio Grande Way Gainesville, VA, 20155-1967 United States
B2B Gyro México, S.A. de C.V.	Mexico	0%	440, 11th Floor, Avenida Santa Fe, Santa Fe Cuajimalpa, Mexico City, Mexico
Buying Uplift Media, S.A de C.V.	Mexico	0%	440, 11th Floor, Avenida Santa Fe, Santa Fe Cuajimalpa, Mexico City, Mexico
Dentsu Latin America Propaganda Ltda.	Brazil	0%	298, Rua Wisard, andar intermediario, parte, Vila Madalena, 05434-000 Sao Paulo/SP, Brazil
Dentsux Mexicana, S.A. de C.V.	Mexico	0%	440, 11th Floor, Avenida Santa Fe, Santa Fe Cuajimalpa, Mexico City, Mexico
LOV Comunicacao Interativa Ltda	Brazil	0%	298 Wisard Street, 3rd floor- Vila Madalena - São Paulo/SP - Zip code: 05434-000
NVG Network, S.A. de C.V.	Mexico	0%	440, 11th Floor, Avenida Santa Fe, Santa Fe Cuajimalpa, Mexico City, Mexico
Relativity Holdings, LLC	United States	13%	150 East 42nd Street, 12th Floor, NY, NY 10017