

Kantar Consulting UK Limited

Strategic report For the year ended 31 December 2023

The directors present their strategic report on Kantar Consulting UK Limited ('the Company') for the year ended 31 December 2023.

The directors, in preparing this strategic report, have complied with section 414C of the Companies Act 2006.

Review of the business and key performance indicators

The principal activities of the Company consist of providing strategic marketing advice, carrying out market research and internal marketing and communications consultancy. There has not been any change in these activities, however, see Future developments below for changes that are intended in the immediate future. The Company forms part of the Kantar network of companies ('the Group') headed by Kantar Global Holdings S.à r.l.

Kantar Group manage their Group's operations on a divisional basis, focusing on Revenue, Gross Margin and Operating Profit/(Loss) before tax. These are also the key performance indicators of the company and have been explained in detail below. For this reason, the Company's directors believe that analysis using non-financial key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Kantar Consulting UK Limited.

As shown in the profit and loss account on page 11, revenue has decreased by 3% (2022: 7% decrease) in comparison to the prior year; at the same time there has been a stable gross margin of 73% (2022: 73%). A reduction in turnover and an increase in administrative expenses (due to an increase in intercompany recharges, staff costs and foreign exchange losses) and interest expenses (due to an increase in an intercompany loan balance) have resulted in the Company's loss after tax of £2,190,057 (2022: profit after tax £628,599).

The net liabilities of the company as at the year ended 31 December 2023 were £37,030,663 (2022: £34,840,606). The net current liability position has increased from £35,600,045 to £37,739,109. This is primarily driven by amounts owed to group undertakings.

Future developments

The entity intends to transfer its trade, assets and liabilities at book value to Kantar UK Limited in the financial year ended 31 December 2024 and will therefore cease trading.

As required by IAS 1 Presentation of Financial Statements, management has prepared the financial statements on the basis that the entity is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. All assets and liabilities will be transferred to Kantar UK Limited at their carrying amounts.

Principal risks and uncertainties

The Company has considered the principal risks and uncertainties affecting the business as at 31 December 2023 and up to the date of this report. These are described below.

Clients

The Company competes for clients in a highly competitive industry, and changes in client relationships may reduce market share and decrease profits. The Company manages this risk by providing added value services to its clients and by maintaining strong client relationships.

Operational

The Company operates in multiple countries across the world and therefore is exposed to the risks of doing business internationally. The Company adheres to the policies and controls enforced by Kantar Global Holdings S.à r.l., when managing this risk.

Future outlook

The current UK economic environment is tough and competitive, and the following year is expected to present challenging trading conditions. The directors continue to focus on the Company's key performance indicators, maintaining strong relationships with clients, and clear marketing and business development activities to ensure the on-going health of the business.

Retention of talented staff

The resignation of key individuals and the inability to recruit suitable replacements with the right skills and experience could adversely impact on the Company's trading. To manage this risk, the Company regularly reviews its reward structure to remain competitive.

Kantar Consulting UK Limited

Strategic report (continued) For the year ended 31 December 2023

Section 172(1) Statement

The directors of the Company, as those of all UK companies, must act in accordance with section 172 of the UK Companies Act 2006. The directors are of the opinion that they have acted fairly and in good faith to promote the success of the Company for the benefits of its members.

The directors have carried out these duties and have made decisions and undertaken short and long-term strategies to maintain its financial performance and position. The directors continue to recognise the importance of the Company's partnership with all stakeholders, including employees, members, suppliers, customers and the community, as well as maintaining its high standards of business conduct and reputation.

We have representatives who attend and communicate with industry bodies in the markets in which we operate who engaged on issues that affect our people, clients and competitors.

a) Long term consequences

The directors met throughout the year and considered the purpose and strategy for the Company, supported by a budget for the following year and a medium-term financial plan. Agenda items for the following year are set based on the discussions held and decisions taken by the Board throughout the year. For example, business development and operational progresses are discussed to help maintain the long-term sustainability of the business model. The medium to long-term strategy will apply to the underlying business after it is transferred to Kantar UK Limited. For the company, however, there are no such considerations as it will become dormant and have no principal activity.

b) Interest of employees

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through formal and informal meetings, briefings and through Group and Company communications. Employees are consulted regularly on a wide range of matters affecting their current and future interests.

c) Interest of other stakeholders

The Company recognises the importance of its continued partnerships with its wider stakeholders including suppliers and customers, in delivering its business strategy and sustainability goals. The Company aims to have an open and transparent relationship which is based on honesty and respect. The Company engages in constant conversation with clients and suppliers on improving delivery of services and relationships.

d) Impact of community and environment

Corporate responsibility, including human rights, environmental stewardship and use of resources, sustainable solutions, greenhouse gas emissions and energy management are monitored with quarterly reporting of these to help the group plan for future actions to be taken in order for the business to help the local community and the environment.

e) High standards of business conduct

The Company maintains high standards of business conduct focusing on business ethics, antibribery and corruption. All employees are required to read and agree with all policies in regard to the Group's code of conduct, right to speak and the antibribery. These are communicated on an annual basis by HR.

f) Act fairly between members

The directors aim to understand the views of its shareholders and always act in their best interests. In order to do this, the directors work closely with the shareholders on a daily basis to ensure operations, strategy and performance are aligned with the long-term objectives of the shareholders, while complying with the Articles of Association of the Company, and in line with the highest standards of conduct as laid out in Group policies.

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**Strategic report (continued)
For the year ended 31 December 2023**

Approved by the Board of Directors and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Kelly Smith', with a stylized flourish at the end.

Kelly Smith
Director
19 July 2024