INIZIO GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

REGISTERED NUMBER: 12487650

Table of Contents

Strategic Report

The Directors present their Strategic Report for Inizio Group Limited (the 'Company') and its subsidiaries (together, the 'Group') together with the audited Group and Company financial statements, for the year ended 31 December 2023.

Company Overview

Inizio (the Group) is a market-leading commercialisation platform, with a complete suite of medical, advisory, marketing, communications, and patient-engagement services that spans the full commercialisation lifecycle from the initial stages of research and discovery into product launch and growth. Across these services, the Group connects best-in-class scientific knowledge, market intelligence, actionable data, cutting-edge tech, communication, and creative execution, and as such unites a diverse collective of 11,185 experts, including 700 PhDs and 850 nurses – in 50 countries across five divisions.

The Group has long-standing client relationships, partnering with all Top 20 BioPharma and Life Sciences companies, collaborating with them to navigate each pivotal moment of their high stake's clinical development and commercialisation journey so that more people get the treatments they need, faster. Based on the Group's depth and breadth of experience, we are a market leader in activating, commercialising, and launching products.

1. Inizio Advisory
Inizio Advisory is a consulting partner that helps global life science companies create lasting change in healthcare. Inizio Advisory do this through market research, strategic and management consulting, and analysis and alignment for every stage of the product and patient journey. With an unmatched depth and breadth of connected intelligence and data-driven insights, Inizio Advisory helps accelerate clinical and commercial success resulting in long-term value for clients and their patients.

2. Inizio Medical
Inizio Medical connects scientific knowledge and unrivalled technology to create compelling content and experiences that inform, inspire, and involve medical communities across the healthcare spectrum. Inizio Medical brings together three of the most recognised and trusted global medical communications agencies; Ashfield MedComms, Nucleus Global and ApotheCom, and underpins them with the power of best-in-class medical affairs consulting, data analytics, integrated evidence generation, and industry-leading Artificial Intelligence (AI) solutions through its medical excellence and transformation agency, Medistrava.

3. Inizio Marcomms
Inizio Marcomms, trading under the new brand name Evoke, is a leading global health and life sciences brand, experience, and communications platform, purpose-built to make health more human. Organised by global practice areas and specialty agencies, Inizio Evoke uses data-driven insights, creativity, and applied innovation to solve the most complex of challenges in today's healthcare market.

4. Inizio Engage
Inizio Engage is a strategic, commercial, and creative engagement partner that specialises in healthcare. An experienced, global workforce augments local expertise and a diverse mix of skills with data, science, and technology to deliver bespoke engagement solutions that help clients reimagine how they engage with their patients, payers, people, and providers to improve treatment outcomes.

5. Accordience
Accordience is a network of specialist, award winning agencies, with deep expertise in public relations, crisis communications, public affairs, financial and corporate communications. Built on collaboration, the group brings together experts from across this unique collection of best-in-class agencies to offer clients a single, agile, flexible solution, locally and globally.

Financial Review

On a statutory basis, the Group made an operating loss of $132.5 million (2022: $236.8 million). The loss before tax was $393.4 million (2022: $415.8 million).

On an adjusted basis[1], adjusted net revenue was $1,730.6 million (2022: $1,686.0 million) and adjusted operating profit was $322.9 million (2022: $305.9 million).

A summary of the Group's results is shown below:

UK-adopted International Accounting Standards based	**2023 $m**	2022 $m
Revenue	**2,240.6**	2,101.6
Operating loss	**(132.5)**	(236.8)
Loss before tax	**(393.4)**	(415.8)

Alternative performance measures[1]	**2023 $m**	2022 $m
Adjusted net revenue		
MarComms	**327.2**	353.2
Medical	**372.0**	351.5
Advisory	**309.5**	297.6
Engage	**618.7**	577.3
Accordience	**103.2**	106.4
Total adjusted net revenue	**1,730.6**	1,686.0
Adjusted operating profit		
MarComms	**90.0**	99.5
Medical	**122.9**	104.3
Advisory	**68.0**	65.3
Engage	**102.4**	86.3
Accordience	**14.5**	16.4
Total operations	**397.8**	371.8
Central costs	**(74.9)**	(65.9)
Total adjusted operating profit	**322.9**	305.9

1 Alternative performance measures ('APMs') are financial measures that are not required under UK-adopted International Accounting Standards which represent the generally accepted accounting principles ('GAAP') under which the Group reports. APMs are presented to provide readers with additional financial information that is regularly reviewed by management. See Appendix 1 on page 128 for more information and reconciliations to the closest equivalent GAAP measures.

Financial Review (continued)

Revenue

Revenue was $2,240.6 million (2022: $2,101.6 million) on a statutory basis. Adjusted net revenue, which excludes the impact of pass-through revenue, currency translation and acquisitions and disposals, was $1,730.6 million (2022: $1,686.0 million).

On a divisional basis, 19% (2022: 21%) of adjusted net revenue came from Marcomms, 21% (2022: 21%) from Medical, 18% (2022: 18%) from Advisory, 36% (2022: 34%) from Engage and 6% (2022: 6%) from Accordience.

Operating profit

The Group reported an operating loss of $132.5 million (2022: $236.8 million). Adjusted operating profit, which excludes the impact of highlighted items, currency translation, acquisitions and disposals, was $322.9 million (2022: $305.9 million).

Adjusted operating profit margins were 28% (2022: 28%) for MarComms, 33% (2022: 30%) for Medical, 22% (2022: 22%) for Advisory, 17% (2022: 15%) for Engage, 14% (2022: 15%) for Accordience and 19% (2022: 18%) for the Group as a whole.

On a divisional basis, 23% (2022: 27%) of adjusted operating profit before central costs came from MarComms, 30% (2022: 28%) from Medical, 17% (2022: 18%) from Advisory, 26% (2022: 23%) from Engage and 4% (2022: 4%) from Accordience.

Acquisitions and Disposals

In March 2023, the Group disposed of Ashfield Sağlık Hizmetleri Ticaret Limited Şirketi ('Ashfield Turkey') through a management buyout resulting in a loss on disposal of $0.9 million, included within highlighted items.

In October 2023, the simultaneous put call option over the remaining 30% non-controlling interest in LogicEarth Learning Services Limited was exercised for $3.3 million.

Cash flow and net debt

The below table displays the cashflow information for the years ended 31 December 2023 and 2022:

	2023	2022
	$m	$m
Net cash inflow/(outflow) from operating activities	**13.8**	(101.0)
Net cash outflow from investing activities	**(26.8)**	(307.4)
Net cash (outflow)/inflow from financing activities	**(1.1)**	330.5
Net decrease in cash and cash equivalents	**(14.1)**	(77.9)
Effect of exchange rate fluctuations on cash and cash equivalents	**0.9**	(8.2)
Cash and cash equivalents at beginning of year	**78.8**	164.9
Cash and cash equivalents at end of year	**65.6**	78.8

Financial Review (continued)

Cash flow and net debt (continued)

Net cash inflow from operating activities includes cash inflows from operations of $296.1 million (2022: $216.6 million), net interest paid of $244.7 million (2022: $162.4 million) and net tax paid of $37.6 million (2022: $155.2 million).

Adjusted cash from operations[1] was $348.7 million (2022: $246.7 million[2]). Cash conversion of adjusted EBITDA after capex was 96% (2022: 72%[2]).

Free cash flow[1] was an inflow of $5.8 million (2022: outflow of $111.2 million).

Net cash outflow from investing activities is $26.8 million, compared to $307.4 million 2022. The decrease is due to reduced acquisition activity (2022: outflow of $250.7 million). During the year $7.8 million was invested in property, plant and equipment and deferred acquisition payments resulted in an outflow of $28.4 million.

Net cash inflow from financing activities has decreased by $331.6 million in the year, resulting in a net outflow of $1.1 million. This was due to a $269.3 million reduction in inflows from borrowings and a dividend payment of $16.8 million, offset by a reduction in redemption liability payments of $32.1 million.

The resulting net debt (excluding prepaid loan fees)[1] at year-end was $2,674.4 million (2022: $2,575.3 million).

Tax

The total tax credit is $6.7 million (2022: charge of $0.7 million). The credit consists of a charge of $35.3 million (2022: charge of $41.6 million) relating to underlying operations and a credit of $42.0 million (2022: credit of $40.9 million) relating to highlighted items. The full year underlying tax rate is 49% (2022: 32%).

Net corporation tax paid in the year was $37.6 million (2022: $155.2 million).

Highlighted items

Highlighted items in the year totaled $463.4 million, broken down as follows:

	2023	2022[2]
	$m	$m
Amortisation of acquired intangible assets	**123.5**	128.7
Acquisition and transaction-related costs	**0.7**	9.9
Remeasurement of deferred consideration and redemption liabilities	**(10.7)**	1.1
Restructuring and integration costs	**69.4**	51.2
Investment in financial and IT systems	**20.3**	5.6
Intangible asset and goodwill impairment	**241.7**	354.8
Foreign exchange on long term loans and operations	**12.1**	(19.0)
Equity accounted investment impairment	**-**	8.6
Management incentive plan charge	**1.1**	1.3
Impairment of defined benefit pension assets	**4.4**	-
Loss on disposal	**0.9**	-
Total highlighted items	**463.4**	542.2

1 Alternative performance measures ('APMs') are financial measures that are not required under UK-adopted International Accounting Standards which represent the generally accepted accounting principles ('GAAP') under which the Group reports. APMs are presented to provide readers with additional financial information that is regularly reviewed by management. See Appendix 1 on page 128 for more information and reconciliations to the closest equivalent GAAP measures.

2 The 2022 results include a reclassification between operating costs and highlighted items of $3.9 million relating to foreign exchange gains and losses from operating activities which have been included within highlighted items in the current year.

Financial Review (continued)

Highlighted items (continued)

A significant proportion of highlighted items ($241.7 million) relates to the impairment of goodwill and intangible assets attributable to the MarComms and Advisory CGU's. The impairment losses are a result of an anticipated slower build in earnings and resultant cashflows.

Further significant charges include $123.5 million related to the amortisation of acquired intangible assets.

Following the acquisition of UDG in 2021, the Group has continued its restructuring programme to review its global office footprint, consolidate office locations, and transform its functional workforce to drive future growth. This restructuring programme has resulted in a charge of $69.4 million in 2023 (2022: $51.2 million). Investment in financial and IT systems relate to costs primarily associated with the implementation of Oracle Fusion, Oracle EPM, Financial Force and Workday across the Group.

Included within operating profit is a foreign exchange loss of $12.1 million (2022: $19.0 million gain), which has been recognised within highlighted items. An unrealised foreign exchange loss of $5.9 million (2022: $15.1 million gain) has been recognised on non-US Dollar denominated long term loans. The Group also incurred foreign exchange losses of $6.2 million (2022: $3.9 million gain) relating to operational activities. The Group operates in over 50 countries. The average 2023 exchange rates were $1: £0.81 and $1: €0.93 (2022: $1: £0.81 and $1: €0.95).

Acquisition and transaction-related costs incurred related to prior year and aborted acquisition costs, while a credit of $10.7 million was incurred as a result of revaluing the deferred consideration and redemption liabilities held in respect of historic acquisitions.

Group outlook

The Group remains focused on enhancing the services it provides to its healthcare clients by developing and adding capabilities, both through acquisition and through organic investment. The enhanced capabilities added through prior year acquisitions and launch, combined with investments in integration activities made in 2023 have delivered growth across our business and have embedded a course to deliver Inizio's ambitious strategic intent for the next three years. The Group's balance sheet remains in a strong position, supported by good cash generation, which leaves the Group well positioned for further progress in 2024.

Market

The Group serves BioPharma and Life Science organisations, providing clients with access to a full suite of advisory, medical, marketing, communications, patient, and stakeholder engagement services.

The enduring dynamics and trends within the healthcare market persistently drive a growing demand for high-value services, exemplified by those offered by Inizio.

Pharma growth is resilient

Pharma growth remains strong, with global pharmaceutical spending projected to reach $1.9 trillion by 2027 and a 4.7% CAGR in pharma product volumes from 2023 to 2028. Contributing factors include patent expiries, heightened R&D investments, and the surge in precision medicine. To optimise efficiency and returns, BioPharma and Life Science companies are turning to outsourcing partners for streamlined value chains.

Research & Development spend at record levels

In 2022, top pharmaceutical companies set a record with $138 billion in R&D spending, marking a remarkable 43% growth since 2017. This historic investment underscores a commitment to innovative treatments, emphasising the need to optimise returns on ongoing development initiatives.

Increase in specialty spending & drug complexity

The pharma sector is prioritising patient outcomes, with specialty medicines projected to comprise 43% of global pharmaceutical spending by 2027. The unique challenges of smaller patient populations and complex diseases are driving diversification and innovation, reshaping commercialisation strategies and increasing reliance on outsourcing partners.

Growth of data intelligence in pharma.

BioPharma and Life Sciences organisations increasingly prioritise detailed analyses to guide vital decisions throughout the drug lifecycle, from initial product screening to real-world patient data collection. The industry's growing data intelligence prompts a demand for specialised services, including those from outsourcing partners.

Market driven by first-time commercialisers

It is expected that more than half of the 39 blockbusters (i.e. products with expected value of $1bn+) in the next 5 years (2021-2025) will come from first-time Commercialisers to the pharma market. Many of these first-time launches struggle to maximise drug adoption and realise the expected value from their launches, and therefore turn to outsourcing partners to provide end-to-end solutions.

Business Model

The Group is anchored in a commitment to driving positive transformation in both the lives of patients and the healthcare industry, through the offering of a scaled commercialisation platform that unlocks, activates, and optimises value for BioPharma and Life Sciences companies. The foundation of the Inizio business model rests on the following components:

A truly scaled commercialisation partner
Inizio has created the first truly integrated pharma commercialisation platform that is market-leading in terms of depth, breadth and expertise across the services, capabilities, and lifecycle stages of commercialisation. The ability to partner with a highly skilled, experienced, and diversified partner to secure and maximise their success for all stakeholders is a differentiating and compelling offering for our clients. Integrated, connecting, and scaling this platform is a cornerstone of the Inizio Business Model.

A unified brand architecture & identity
In 2022, the Group initiated a strategic initiative to unify its branding across the platform, aiming to effectively scale and connect the Inizio brand platform in the market and for clients.

Unrivalled depth & diversity of expertise
The Group provides an unrivalled suite of connected capabilities spanning the entire lifecycle from molecule discovery to post-launch, connecting 11,185 experts, including 700 PhDs and 850 nurses, with commercialisation expertise across all therapeutic areas. Inizio collaborates with clients on their most valuable assets.

Robust client base
The Group operates within a well-diversified client portfolio and has a rich history of meeting the highest expectations with ingenuity and efficiency across all areas of Biopharma and Life Sciences. The value of Inizio's connected platform is evidenced in the long-standing, highly diversified and in-depth partnerships across our top clients.

Growth enablement
The Group enables innovation and growth by committing to organic investments, engaging in M&A activities, and strategically investing in technology to support the Inizio strategy. The M&A strategy strives to enhance business scalability, accelerate growth, and gain access to new capabilities and geographies. The Group has a proven track record of transforming acquisitions to achieve accelerated value creation, through selective targeting in fast-growing and complementary segments.

Data, tech & AI enablement
Across the Group, the use of data, technology and AI is embedded in our ways of working and proprietary tools, enabling our teams and clients to more seamlessly navigate the complex universe of data and insights to drive better decision-making. More than half of our business is enabled through the deployment of data and technology, with five divisions deploying advanced data analytics and artificial intelligence in their service delivery and client offerings.

ESG strategy
The Group's Sustainability Strategy serves as a pivotal component of the overarching commercial strategy. Comprised of three pillars (Environment, Social and Governance), the Sustainability Strategy is informed by stakeholder expectations, prevalent global trends and above all a commitment to doing the right thing. Within each pillar the Group has committed to ambitious goals alongside a series of KPIs to monitor progress. The Group acknowledges the complex challenges confronting societies and our planet against an evolving regulatory landscape and is resolute in doing its part to confront these challenges.

Employer of choice
As part of our ambition to become an employer of choice, the Group appointed a DEI Leader and established its DEI Mission, Vision & Global DEI Policy, recognising that its success is contingent on the integration of diverse perspectives, experiences, and skills. As part of the shared commitments to diversity, equity, and inclusion there is a continuous investment in creating the right culture, leaders, and learning to ensure that everyone has an equal opportunity to contribute and grow. Inizio Commitments serve as a daily guide for colleagues, outlining their commitment to work in a manner that reflects a positive, supportive, and ethical culture.

Business Model (continued)

Global network & supply chain

The Group operates globally, enabling the company to align with the geographic needs of its clients. While each division concentrates on meeting the distinct needs of its clients, Inizio has the capability to deploy integrated teams. These teams, whether within or across divisions, are strategically positioned to address challenges that demand a multidisciplinary solution. The Group's global supply chain spans multiple geographies and categories, including professional services, IT, healthcare professionals, car leasing, office leasing, and many others.

Return generation

Revenue growth

Our strong brands, quality people and global network combine to support revenues which are both resilient and which can grow sustainably. Growth in revenue sustains the long-term growth in the earnings of the business.

Profit growth

Growth in profits is driven by revenue growth, a continued focus on operational and cost efficiencies, and a focus on higher margin work. The Group's margins are strong and are expected to improve over time because of these factors and the of the Inizio strategy.

Cashflow

Strong operating cashflows are underpinned by good profit generation combined with focused working capital management. Our businesses deliver to sustainable but tightly managed working capital targets which delivers both visibility over cashflows and ensures that we minimise our debt requirements. Short and long term cashflow forecasting also ensures that we continue to operate well within our facility limits whilst delivering an optimum capital structure. The Group delivered strong cash conversion of 96% during the period.

Stakeholder Outcomes

Employees

The Group's success depends on the experience, knowledge, and creativity of its people. Inizio employees thrive in a stimulating and rewarding environment, collaborating with talented colleagues. They enjoy flexible office arrangements, access to diverse training initiatives, and undergo annual appraisals for continuous development.

Investors

We aim to maximise value for our owners through sustainable growth in earnings and cashflows. Refer to the Corporate Governance Report for more detail on how we consider stakeholder interest.

Strategy & Key Performance Indicators

The Group has defined a combined organisation strategy to guide the strategic evolution and development of our business over the coming three years. The development of this strategy is rooted in a deep understanding of our client needs and preferences, as well as the market forces shaping our sector. There are four strategic pillars guiding this ambition:

1. Deepen our Market Share

   The Group continues to drive an entrepreneurial culture to expand our value creation for existing clients, while seeking to acquire new clients.

   KPI: Revenue growth.

   Adjusted net revenues were $1,731 million in 2023, representing an increase of 3% from $1,686 million in 2022.

2. Innovate our Offering

   The Group continues its purposeful and focused pursuit of high value and transformative offerings to address the ever-changing needs of our clients and market.

   KPI: Operating profit before highlighted items.

   Group margin before highlighted items was 19% in 2023, representing an increase of 1% from 2022. Certain divisions delivered good margin progression in the year:

   Medical: 30% to 33%

   Engage: 15% to 17%

   Advisory: 22% (Retained)

   MarComms: 28% (Retained)

   Accordience: 15% to 14%

3. Transform through our People

   Inizio remains focused on enabling our strategic transformation ensuring the right scale of workforce, with the right skills to realise our ambition, all enjoying a positive employee experience.

   KPI: Headcount

   Increase in the average number of employees from 10,575 to 11,185 (6% increase) in 2023.

4. Scale our Business

   While there has been ongoing pursuit and assessment of potential assets that align with our M&A strategy to accelerate growth and access new capabilities and geographies, there have been no targets that have met this criterion in 2023, and as such there have been no acquisitions or mergers for the Group in 2023. In the meantime, the business has maintained focus on integration and optimisation of recent acquisitions across our scaled platform.

Taskforce on Climate-related Financial Disclosures Report

At Inizio, we acknowledge the significance of risks and opportunities faced from climate change. This includes the impacts of extreme weather on our high-quality service delivery and the growing movement to Net Zero within the healthcare industry. To ensure we fulfil our purpose to offer our world-class support to achieving a healthier world, we have committed to achieving Net Zero emissions by 2040 and have set near-term science-based targets to underpin this overall commitment. We have also implemented processes to identify, assess and manage climate-related risks and opportunities across our business.

During 2023, we have been working on integrating the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) within our strategy and reporting and have responded to the CDP questionnaires since 2022.

This reporting year, we have enhanced our processes for identifying, assessing, and managing our climate-related risks and opportunities. These include:

- Conducting a full climate disclosure gap analysis to examine our current alignment to the expectations of the UK Government mandate (BEIS), the TCFD and the International Financial Reporting Standards (IFRS) S2 standards recently released by the International Sustainability Standards Board (ISSB).
- Identifying physical and transitional climate-related risks and opportunities relevant to our business and undertaking a climate-related scenario analysis using data and scenarios developed by the Intergovernmental Panel on Climate Change (IPCC), and the International Energy Agency (IEA).
- Engaging our Enterprise Risk Management team to better integrate, monitor and manage climate-related risks and opportunities into our Enterprise Risk Assessment processes across divisions.

In the sections to follow, we outline the outcomes of our work to address our climate responsibilities across the four pillars of the TCFD and IFRS S2, with close alignment to the UK Government climate risk disclosure mandate.

Governance

Maintaining a strong governance framework is a core component of our business to ensure longevity in our value creation and delivery. At Inizio, climate-related issues are integrated into our existing governance processes across different levels of the business, from our Board-level Committee to the various divisions that we operate globally to deliver our high-quality services to clients. A detailed description of these, including the roles and responsibilities for climate-related risks and opportunities is provided below.

The Board's oversight of climate-related risks and opportunities

Sustainability matters, including those relating to climate change, are reported on, and considered at every Board meeting through a standalone Sustainability update, followed by updates from the Non-Executive Director (Sustainability Sponsor) on the latest Sustainability Committee meetings that occur at least twice a year. Each year, the Board reviews and guides our climate-related strategy as part of Inizio's broader Sustainability Strategy to monitor and assess progress against corporate targets and supply chain engagement. A key example of a recent climate-related decision was the Board's approval of the Group's science-based targets, upon recommendation from the Sustainability Committee. In doing so, the Board demonstrated its understanding of the importance of Inizio's contribution to a low-carbon economy.

The Board is also responsible for reviewing and guiding the setting of annual budgets. This includes the allocation of a Sustainability budget, which is reviewed and approved each year.

Finally, our Board undertakes the role of reviewing our enterprise risks, whereby any climate-related risks captured in the Enterprise Risk Management process are highlighted within a Sustainability Risk Dashboard. This dashboard is then presented to the Board's Audit Committee for review and assessment of relevant mitigation plans. More information on the risk assessment and management process can be found in the 'Risk Management' section. As part of Inizio's Sustainability Strategy, the Board additionally approves all environmental and climate-related KPIs and scorecards to measure and track progress on mitigation targets that Inizio has set, for which more information is provided in the Metrics & Targets section. Where practicable, the environment and climate-related metrics will be reported to the Board on a regular basis.

The management's role in assessing and managing climate-related risks and opportunities

A Non-Executive Director has been assigned the role of Board Sustainability Sponsor where he will be responsible for liaising with the executive management on all climate-related issues. The Board Sustainability Sponsor also chairs our Sustainability Committee which facilitates the provision of regular updates to the Board on key sustainability issues, including climate-related matters.

Taskforce on Climate-related Financial Disclosures Report (continued)

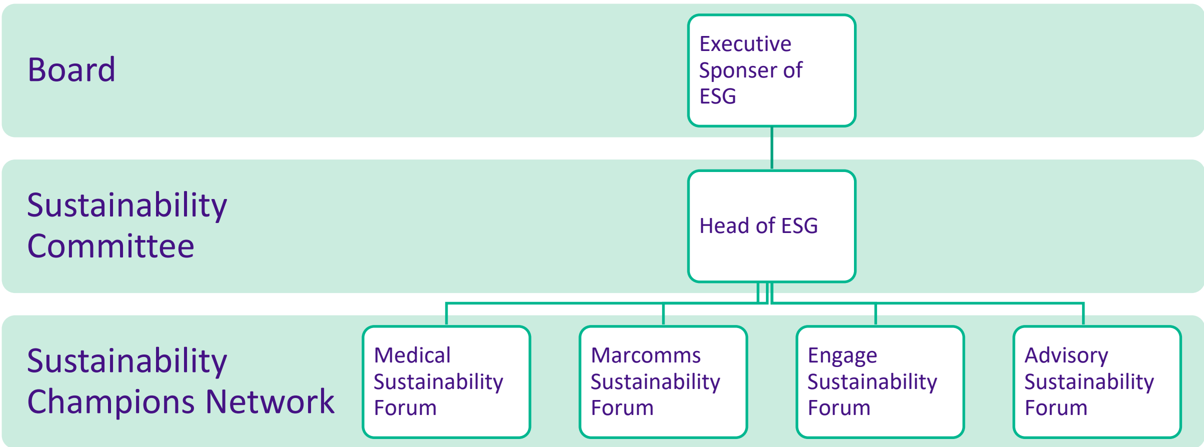
Governance (continued)

The Board has delegated authority to the Board Sustainability Committee to oversee the development, implementation and execution of the Group's decarbonisation strategy, including monitoring wider stakeholder expectations on climate-related issues and ensuring the Board are kept frequently informed on progress. The Sustainability Committee additionally discusses target setting, data collection and climate-regulatory requirements, all with a formalised terms of reference document highlighting the above key responsibilities the Committee is expected to deliver on.

In parallel and reporting directly to our CEO, is the role of the Group Development Director who acts as the Executive Sustainability Sponsor. His responsibility is to integrate climate-related issues into our broader commercial strategy as one of four enterprise-wide initiatives.

Reporting to the Group Development Director is the position of our Chief Sustainability Officer (CSO), who is also titled the Head of ESG. This assigned role entails the management of annual budgets for climate mitigation initiatives, developing Inizio's climate transition plan which includes our 2040 Net Zero commitment, conducting regular climate-related scenario analysis exercises to assess climate risks and opportunities, and monitoring progress against climate-related targets.

A further layout on specific roles and reporting lines among our Board and senior levels of management are provided below:



The Accordience businesses operate a separate sustainability governance structure, not shown in the above chart.

Risk management

At Inizio, we are working on integrating climate-related risks and opportunities into Inizio's company-wide risk and opportunity identification and management processes and we expect this to be concluded within the next reporting year. Through this, sustainability matters, including those relating to climate change, are treated the same as other enterprise risks and opportunities.

Our processes for identifying and assessing climate-related risks and opportunities

Any climate-related risks faced by our divisions are identified, assessed and responded to, based on their risk materiality each year. The process involves identification of risks at each of our divisions with divisional leaders completing an enterprise risk assessment on a rolling basis. The risks identified are reviewed by functional leaders, subject matter experts and the Group Risk & Compliance team which consolidates the risks that feed into the Group risk profile.

To complement this, we undertook a climate-related scenario analysis to inform our climate risk and opportunity identification and assessment. Climate-related risks such as extreme weather events (like flooding, wildfires and extreme heat), transition risks/ opportunities (like technology, market, legal and reputational risks, and opportunities) are considered across our direct operations and supply chain.

For each of the risks identified, we assess both the likelihood of a risk materialising, and the impact associated with the risk. Each of our five impact tiers are defined by financial, operational, regulatory, employee and reputational impact ranges.

Taskforce on Climate-related Financial Disclosures Report (continued)

Governance (continued)

Climate-related risks which are rated highly are consolidated and fed into the Group risk register and are considered by Inizio's Board and Audit Committee for oversight and further guidance, which will be outlined in the following sub-section.

For climate-related opportunities, Inizio is currently in the process of developing an Opportunity Level Risk Assessment process which will, in due course, enable Inizio to capture and assess potential client opportunities including those relating to climate.

Our evolving processes for managing climate-related risks and opportunities

To monitor and control climate-related risks on an ongoing basis, risk owners are identified to hold this responsibility. If the likelihood and impact ratings combine to result in a risk rating that is deemed Moderate, High, or Critical, then risk owners are expected to take charge on providing control effectiveness ratings and information on how the climate-related risk is going to be monitored or mitigated, with mitigation plans being revised every six months by the risk owners.

An example of the management of a risk we have identified is the market risk of changing consumer behaviours towards low-carbon products and services. With a high magnitude of financial impact upon assessment, we have used levers such as switching to renewable energy and transitioning our fleet to low carbon vehicles as a means to decarbonise our operations. A second risk is emerging climate-related regulations that we as a business need to be aligned to. During the reporting period we worked with third-party consultants and internal stakeholders to improve our climate-related processes and disclosures in order to work towards alignment, on a voluntary basis, with the ISSB's IFRS S2 Standard. We have also started to prepare for reporting against other emerging ESG standards and regulations (e.g. CSRD).

We integrate our processes for identifying, assessing, and managing climate-related risks and opportunities into our enterprise risk management process

We consider climate-related risks and opportunities to be crucial in informing and driving business continuity to deliver our services to clients. Therefore, we ensure that any climate-related risks we may face are identified, assessed, and responded to as part of our main Enterprise Risk Management (ERM) process. Within our ERM process, identified climate-related risks are assessed and mapped for likelihood and impact together with all other business risks. We are consistent in treating climate-related risks at divisional or Group level the same as all other risks identified within the Group.

High impact risks, including any identified climate-related risks are held in the form of a Principal Risk Dashboard, which is then presented to the Board's Audit Committee to review and monitor mitigation measures.

Strategy

As detailed in the Risk Management section, we are working on integrating climate-related risks and opportunities into Inizio's company-wide risk identification, assessment, as well as management systems. This integration is enabling us to understand how climate-related issues impact our business and financial position, as well as how best to shape our strategy to mitigate risks and capitalise on opportunities.

Processes used to determine which risks and opportunities could have a material financial impact on the organization, including time horizons and scenarios

Our climate-related scenario analysis consisted of a physical and transition risk and opportunity screening assessment. We assessed the risks across all our global operations, broken down by regions and municipalities where we host our main business units.
We consider the following time horizons to be relevant to our business and the fast-paced environment in which we operate in:

- **Short-term**: Within the **next 2 years**. This is the timeframe we see as critical and highly reflective of the rapidly changing industry we operate in.
- **Medium-term**: Between **2 and 8 years** into the future. We see more strategic and financial planning to be achieved over this timeframe.
- **Long-term**: From **years 8 to 17**. This reflects our long-term vision for Net Zero by 2040.

With the use of these time horizons, we identified and assessed how various climate-related risks and opportunities could unfold in the future and impact our business operations and strategy with regard to impacts on our revenue and operational and capital expenditure. Through the guidance of third-party consultants, and engagement with relevant internal stakeholders, we short-listed our most material physical and transition risks and opportunities to assess under different climate scenarios which are outlined in Table 1. We selected scenarios developed by the IPCC because they comprise more specific climate modelling for physical climate risk. We intend to refresh our scenario analysis exercise at least every three years.

Taskforce on Climate-related Financial Disclosures Report (continued)
Strategy (continued)

TABLE 1: DESCRIPTION OF THE PHYSICAL AND TRANSITION SCENARIOS USED IN SCENARIO ANALYSIS

Physical Scenarios Used		Transition Scenarios Used	
IPCC SSP5-8.5 – 4.4°C mean warming by 2100	This is a business-as-usual, high emission scenario with no additional climate policy. Energy demand triples by 2100, dominated by fossil fuels. Current CO_2 levels double by 2050, and there are many challenges to mitigation, with few challenges to adaptation.	States Policies Scenario (STEPS)	This scenario is most aligned with current policy and economy wide progress. It does not assume that aspirational targets are met unless they are backed by detail on how they will be achieved.
IPCC SSP1-2.6 – 1.8°C mean warming by 2100	This scenario is aligned to the current commitments under the Paris Agreement. It is implied that the world reaches net-zero emissions in the second half of the century.	Net Zero Emissions by 2050 scenario (NZE)	This is an ambitious scenario that limits global warming to 1.5 °C through stringent climate policies and innovation, reaching Net Zero CO_2 emissions around 2050.
Time Horizons	2030 and 2050	2030, 2040 and 2050	

Our short-, medium- and long-term climate-related risks and opportunities
We took part in several interactive sessions and held a series of workshops with internal stakeholders and third-party consultants to engage with and finalise our most materially relevant physical and transition risks and opportunities for the business. Scenario analysis was then applied across five physical and twelve transition risks and opportunities.

Our physical climate-related risks involve the medium to long-term impacts of extreme weather and its ability to delay and disrupt our direct operations and downstream supply chain in delivering services to our clients.

Our transition impacts relate to the anticipated impact by the Net Zero movement within the healthcare services industry, driven by customer expectations for their suppliers to transition to Net Zero as quickly as possible. Additionally, we have identified the medium to longer-term impacts of enhanced reporting requirements as climate regulation heightens across jurisdictions in which we operate in.

Impacts of climate-related risks and opportunities on our business model and strategy
The identification of our climate-related risks and opportunities has helped to further inform our business model and strategy considerations. We understand that taking steps to transition our business to a low-carbon economy is necessary to meet the expectations of our clients and employees. We have therefore set near-term science-based targets and committed to reaching Net Zero by 2040. The decision to set an ambitious Net Zero target was strongly endorsed by our Executive Council, Sustainability Committee and Board of Directors.

An example of how we have adapted our services to take account of a climate-related opportunity is within the Inizio Engage division. One of the agencies within this division, Engage XD, has started to measure the carbon footprint of live events and exhibitions that they organise for clients by using the TRACE tool. The aim of this tool is to enable Engage XD to provide data driven recommendations to its clients when planning for live events.

Scope 3 emissions comprise over 70% of our emissions globally and it is therefore a focal point of our decarbonization strategy for us to reach Net Zero by 2040. In order to actively engage our supply chain, we are in the process of reviewing our supplier lifecycle framework to assess the current emissions profile of existing suppliers and to update our purchasing policies.

Taskforce on Climate-related Financial Disclosures Report (continued)

Strategy (continued)

The resilience of our strategy to climate-related risks and opportunities

In interpreting our scenario analysis outcomes and what they mean for our business, strategy, and financial position, we view Inizio to be at a low exposure to climate-related risks and their impacts at the present time. This is because many of the identified climate-related risks and opportunities are not likely, in the near to medium term, to be material in terms of the likelihood of risks and opportunities unfolding or the magnitude of their impact. However, we recognise the projected future physical and transition risks from climate change have the potential to impact us materially, as well as the growing potential to action on identified climate-related opportunities. We have an established Enterprise Risk Management process where sustainability risks, including climate-related risks, can be identified and reported, monitored, and mitigated at divisional and Group level.

We understand that consideration of interdependencies between climate-related risks and opportunities is required throughout our business. By assessing climate-related risks and opportunities holistically through our processes related to governance, strategic and financial planning, risk management and the climate-related targets and metrics we set, we can continue to create value overtime and deliver our services to clients.

Equally, we recognise that there is more we can do to further improve and formalise the integration of climate-related risks and opportunities and we will continue to refine our processes to better determine our business resilience.

Metrics & targets

Metrics used to assess climate-related risks and opportunities

We have developed metrics to track, measure, and manage the impacts of climate-related risks and opportunities that are relevant to our business. These include the measurement of greenhouse gas (GHG) emissions and energy consumption; however, they do not include carbon pricing as we do not consider it to be relevant to our business currently. A detailed description of these metrics relating to energy and GHG emissions is provided in our Sustainability Report. We do not currently tie executive management remuneration to our climate targets.

Methodologies used to calculate climate-related metrics

We calculate our GHG emissions footprint in alignment with the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard. Scope 2 emissions are calculated using both a location-based and market-based approach, with an annual process in place for third-party limited assurance of Scope 1, 2 and 3 emissions aligning with the ISO 14064-3 standard.

Scope 1, 2 and 3 greenhouse gas emissions

We have historically tracked and calculated our global Scope 1, 2 and 3 emissions, with 2021 being the base year. Upon assessing the applicability of the various Scope 3 categories to our business, we have focused our data collection and reporting on categories 1, 3, 4, 5, 6 and 7. All remaining Scope 3 categories are either not applicable to our business or emissions are negligible.

TABLE 2. SCOPE 1 AND 2 TOTAL EMISSIONS

Scope	Year	Absolute emissions (tCO_2e)	
Scope 1	2021	8,008	**Total**: **10,317**
Scope 2 (location-based)		2,309	
Scope 1	2022	11,900	**Total: 14,215**
Scope 2 (location-based)		2,315	
Scope 1	2023	5,919	**Total: 7,864**
Scope 2 (location-based)		*1,945*	

Taskforce on Climate-related Financial Disclosures Report (continued)

Metrics & targets (continued)

TABLE 3. SCOPE 3 TOTAL EMISSIONS, BROKEN DOWN BY CATEGORY

Scope	Category	Absolute emissions (metric tons CO_2e)		
		Baseline year (2021)	2022	2023
Scope 3	1. Purchased goods and services	15,678	24,273	17,407
	3. Fuel and energy-related activities not included in scopes 1 & 2)	495	3,244	1,155
	4. Upstream transportation and distribution	1.5	2.9	540
	5. Waste generated in operations	451	95	172
	6. Business travel	442	7,001	7,094
	7. Employee commuting	0	1,897	3,746

Targets used to manage climate-related risks and opportunities, and performance against targets

We have set near-term science-based targets, which have been validated by the SBTi in line with a 1.5°C trajectory. Details are as follows:

- *Reduce Scope 1 and 2 emissions by 46.2% by 2031.*
- *Reduce Scope 3 emissions by 27.5% by 2031.*

We have also committed to reach Net Zero carbon emissions in our operations and value chain by 2040, and, in due course, we will seek to align this commitment with the SBTi's Net Zero Corporate Standard.

To achieve our 1.5°C aligned science-based targets, we are focusing our efforts on reducing operational emissions, as well as engaging our supply chain to encourage the implementation of emissions reduction initiatives within their own businesses. We understand the significance of business-wide collaboration to achieve these targets and we therefore seek to empower our people through the creation of the Sustainability Champions Network and Sustainability Forums to identify, develop, and implement environmental initiatives Group-wide.

The following are examples of such efforts:

- An action plan has been devised to reduce operational emissions. This includes using energy-efficient technologies and influencing employee behaviours to reduce energy consumption in our offices.
- We have also set a target to purchase 80% of our electricity from renewable resources by 2025 and 100% renewable energy by 2030.
- By 2025, Inizio Engage is aiming to transition at least 50% of all internal combustion vehicles to hybrid or electric models.

We're also in the process of initiating a supply chain sustainability program to engage our key suppliers on the importance of introducing emission reduction initiatives.

Principal Risks & Uncertainties

The Company is an indirect subsidiary of Inizio Topco Limited which is the operational parent company of the Group. The Board of Directors of both the Company and Inizio Topco Limited comprise the same individuals.

The Board has ultimate responsibility for establishing, monitoring, and maintaining the Group's risk management and internal control systems. These systems are designed to enable the Board to be confident that such risks are mitigated or controlled to the extent possible, although no system can eliminate risks entirely.

The Group has an enterprise risk assessment process to identify, evaluate and manage the key strategic, operational and financial risks it faces. The Board receives and probes the results of the process and is in an informed position to deploy appropriate resources to manage and mitigate the Group's principal risks and to further define risk appetite.

The existing risk management approach identifies risks to the Group using both a bottom-up and top-down approach, encompassing risks arising from our macro environment and strategic and operational priorities.

The likelihood and impact of each inherent risk is determined using a risk scoring system. Indicators have been identified to assist in determining the Group's risk appetite and to determine whether it is operating within it. Ongoing monitoring and testing of the controls in place to mitigate the risks identified provides additional assurance. All risks are described and rated within the Group's risk register database.

Further details of the risk management processes undertaken in 2023 are included in the Corporate Governance Report.

Principal Risks & Uncertainties (continued)

Risk & Impact	Mitigating factors
Economic, political, legislative, regulatory & tax changes Global and regional macroeconomic, political, legislative, regulatory, and taxation changes could have a detrimental impact on our client base, the markets in which they operate, the services the Group can offer them, and our operations in various markets.	The Group continually reviews its portfolio of investments through its strategic review process and through constant challenge at the Executive Council and Board levels. Acquisitions and new service offerings are sought which improve the balance of our investments and give greater exposure to innovative and growing market segments.
Clients: diversification of As the Group's activities consolidate and acquisitions are completed, the Group's client base may become more concentrated, making the Group susceptible to competitive, client merger, or procurement threats. In addition, as our US client opportunities and investments grow, the Group could be relatively more exposed to a downturn in or structural changes within the US healthcare sector.	An enterprise-level procurement/client interface is now firmly established. This capability is focused on maximising the commercial positioning and offerings of Inizio within priority clients in an intentional and forward-looking manner. In respect of M&A, the impact of a potential acquisition on our business and client concentration is also considered as part of the assessment process. Activities are reviewed by the Executive Council and divisional management teams within our governance and reporting framework to proactively manage our business. Continual assessments of our client and market positioning helps to mitigate against potential risks of client consolidation.
Clients: evolving our services to The continued success of the Group is dependent upon the development and delivery of innovative offerings to our clients. An inability to precisely predict client and market trends, and develop and deliver such innovation, would be a risk to our market leading positions in the various sectors in which we operate. The Group needs to be proactive in identifying and delivering solutions to changing client needs. Failure to innovate can result in loss of market share, client losses, and pressures on pricing, which individually or collectively can impact revenue and margins.	Informed by custom market research and external consulting advice on trends and dynamics, the areas of greatest unmet customer need and potential commercial value has been identified for each division. The realisation of innovation initiatives is reviewed by the Executive Council and divisional management teams within our governance and reporting framework to proactively manage alignment with business and client benefits.

Principal Risks & Uncertainties (continued)

Risk & Impact	Mitigating factors
Clients: their outsourcing strategies The Group's activities may be impacted by changes to pharma company outsourcing strategy, such as pharma companies reducing their roster of preferred vendors, or the wholesale outsourcing to companies that meet all of their service requirements.	Across the Group there is a strategic imperative for the divisions to deepen and diversify our market share across key client segments in terms of therapeutic areas, brands, geographies, and client accounts. In addition to the focus on deepening market share, the value of this focus is also to intentionally position Inizio as that go-to, trusted and value-add partner for clients should there be an opportunity to consolidate relationships. This messaging will be reinforced by our Branding and Marketing strategy within our key customer segments. Additionally, the enterprise-level procurement/client interface that has been established and is specifically focused on maximising Inizio's commercial positioning at an enterprise level should also help to mitigate against such risks relating to changing outsourcing strategies.
Sustainability Failure to meet regulatory and ethical expectations from clients, employees and our broader stakeholders base on all sustainability matters and in particular environmental impacts could lead to reputational and financial damage to the Group.	The Group monitors a number of key sustainability-related metrics and continually seeks to improve our performance against them. For additional information please visit inizio.com/what-matters-to-us/esg/.
Value generation from acquisitions Acquisitive growth is a core element of the Group's strategy. A failure to execute and properly integrate acquisitions may impact the Group's projected revenue growth and value along with its ability to capitalise on the synergies they bring and/or to maintain and develop the associated talent pool.	All potential acquisitions are assessed and evaluated to ensure that the Group's defined strategic and financial criteria are met. A discrete integration process and post integration review is developed for each acquisition. These processes are supported by experienced management with a view to achieving identified benefits, cultivating talent, and minimising general and specific integration risks. Additionally, and in tandem with the receipt of contractual warranties and indemnities, the total consideration paid for a business typically includes an element of deferred consideration contingent upon future performance, thereby mitigating the risk of the Group overpaying for an acquisition.

Principal Risks & Uncertainties (continued)

Risk & Impact	Mitigating factors
Talent management The success of the Group is built upon a skilled talent base and effective leadership teams that together consistently deliver superior outcomes for our clients. If the Group cannot attract, retain, and develop suitably qualified, experienced, and motivated employees, this could have an impact on our business performance.	The Group carries out performance management and succession planning to identify assess, develop, and retain our employees. In addition, the group provides the opportunity of promotion and stretch assignments. A range of incentive plans are offered to motivate and retain key contributors. We also carry out employee engagement surveys, with a series of questions designed to gather data around employee experience and satisfaction. Our Remuneration Committee reviews the nature and extent of the incentive plans offered to key individuals to ensure that the risk of talent loss is minimised. Additionally, restrictive covenants where legally enforceable are included in employee contracts.
Legal & contract risks The underlying terms of the Group's commercial relationships drive the profitability of the Group. The nature of the Group's business means we could be exposed to undue cost or liability if onerous terms with our clients or suppliers are agreed to.	The Group has adopted and is continuously improving our policies and control processes for identifying and mitigating against undue risks in all prospective commercial relationships, supported by personnel with expertise and/or experience in key contract and commercial risk areas.
Regulatory & compliance risks The Group must meet many regulatory and compliance obligations, including in respect of: (a) protection of patient information (such as the Health Insurance Portability and Accountability Act “HIPAA” and General Data Protection Regulation “GDPR”); and (b) patient and employee health and safety. Any failure to adhere to such requirements, including imposed sanctions on the supply of services to certain individuals, businesses, and countries, could lead to reputational as well as financial damage to the Group. Deficiencies could also result in regulatory restrictions, financial penalties, the inability to operate, or services which result in patient harm, potentially giving rise to significant liability.	Maintenance of regulatory, quality and compliance standards are a core value of the Group. Patient programmes are reviewed to ensure compliance with regulation and codes of practice and are subject to regular assessment by our Quality & Compliance teams. Data protection training, gap analyses and auditing continues across our global locations with a focus on the Group’s requirements and local personal data protection compliance. Ethics-related policies including Anti-Bribery and Corruption, Human Rights, and Diversity, Equity and Inclusion are enveloped by our Codes and Commitments and implemented via our Policy Governance Standard.

Principal Risks & Uncertainties (continued)

Risk & Impact	Mitigating factors
IT systems adequacy The ability of the Group to support operations and provide our services effectively and competitively is dependent upon technology and information systems that are appropriately integrated and that meet current and anticipated future business, regulatory and security requirements. Information systems deficiencies could negatively impact the Group's operations, including delays to client deliveries.	The Group's technology and information systems and infrastructure are the subject of an ongoing programme to ensure that they can meet the Group's strategic intent and future requirements. Governance procedures are in place and are continuously being strengthened to ensure alignment with the strategic direction of the Group.
Cyber security/resilience Global threats to individuals and businesses continue to rise due to the activities of criminal organisations and nation states targeting information of value through increasingly sophisticated means. These advanced and persistent threats target business-critical data using, for example, phishing attempts, impersonation, and ransomware for financial and other gain.	The Group has implemented multi-layered information security defences to identify vulnerabilities and protect against attacks. To keep pace with the security threat landscape, our internal security team is growing, and we have key security partners we work with to mitigate the threats. Under the direction of the Group Chief Information Security Officer, the team are maintaining the security programme and strategy to support the business and ensure the Group's Information Security Policy safeguards the following objectives: Confidentiality: Data and information assets are confined to those with authorised access. Integrity: Keeping data intact, complete, and accurate. Availability: Ensuring information systems are available to authorised users when required. The team work to ensure compliance with our security policies and standards, and promote awareness of such standards throughout the Group.
Business continuity (technology) The Group is exposed to risks that, should they arise, may lead to the interruption of critical business processes which could adversely impact the Group or its clients. COVID-19 resulted in such interruptions with varying impacts across Group businesses.	The Group's COVID-19 experience highlighted the service-oriented nature of our business facilitating the virtual delivery of successful client outcomes but showed our ability to do so depended upon the adequacy and resilience of our critical business systems and processes. We have taken various measures to improve and sustain this resilience including the addition of governance fora and detective and preventative controls, including incident response exercises

Principal Risks & Uncertainties (continued)

Risk & Impact	Mitigating factors
Financial controls The Group's resources and finances must be managed in accordance with rigorous standards and stringent controls. A failure to meet those standards or implement appropriate controls may result in the Group's resources being improperly utilised or its financial statements being inaccurate or misleading.	The financial controls of the Group, as well as their effectiveness, are monitored by the Board in the context of the standards to which the Group is subject and the expectations of our stakeholders. This monitoring is supported by a dedicated internal audit function. The Group's financial function, systems and controls were strengthened significantly in 2023 and are subject to periodic review to ensure that they remain robust and fit for purpose.
Treasury/covenant risks The Group is exposed to liquidity, interest rate, foreign exchange, and credit risks. These risks are reflected in the covenants embedded within our loan facilities	As described in the notes to the financial statements the Group has a range of debt agreements and banking facilities. Management closely monitors all covenants on the Group's facilities and actively manages undrawn headroom. Group financial risk management is governed by policies pertaining to liquidity risk, interest rate risk, currency risk and credit risk. The primary objective of the Group's policies is to minimise financial risk at a reasonable cost. The Group does not trade in financial instruments.

Going concern

The Group's activities, financial performance, position, cash flows and borrowing facilities, together with the factors likely to affect its future development, performance and position over the 12 months from the date of this report are described below.

At 31 December 2023 the Group had cash and cash equivalents of $65.6 million and an undrawn RCF available of $286.0 million, giving liquidity headroom of $351.6 million. On 7 February 2024, the Group increased its USD term loans by $150 million and the outstanding balance of the RCF was subsequently repaid in full giving the Group an undrawn RCF available of $425 million at the time of signing these financial statements.

The Group is subject to a leverage covenant tested quarterly and had significant headroom at 31 December 2023.

The Group has performed an assessment of going concern through modelling several scenarios. The base case scenario reflects the budget for 2024 and the strategic plan financials for 2025, which assumes current market conditions are maintained. A severe but plausible downside scenario has also been modelled, which assumes a deterioration in revenue, margins and operating profit. This scenario could arise if the global economy enters a prolonged period of deep recession, although as noted in this report, the end market for healthcare services is largely unaffected by the economic environment. This scenario includes additional cost reduction actions available, mainly in relation to reductions in headcount. There are further cost mitigating and cash saving actions that could be taken by management in the event this became necessary.

In all scenarios modelled, the Group would retain liquidity and covenant headroom throughout the going concern period.

After reviewing the Group's performance, future forecasted profits and cash flows, and ability to draw down on its facilities, the Directors consider that the Group has adequate resources to continue in operational existence for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, the Directors are satisfied that it is appropriate to adopt the going concern basis in preparing the Company's and the Group's financial statements.

Items presented elsewhere in the Annual Report:

Refer to page 32 for s.172 Companies Act 2006 Statement (s172 Statement).

Corporate Governance Report

The Directors consider the annual report and financial statements to comply with all aspects of the Guidelines for Disclosure and Transparency in Private Equity (the **Walker Guidelines**).

Having a strong compliance framework is a core pillar upon which we do business and is part of how we continue to create and maintain our value. We are committed to the highest standards of ethics and corporate governance and our aim is to continue to build and support a culture which values openness, accountability and disclosure.

Following the launch of our global brand, 'Inizio' in 2022, flowing from the combination of Huntsworth and UDG, the Group's corporate governance framework has continued to evolve in 2023, to reflect the enlarged group and the new ways in which we operate as one combined Inizio Group.

The Group's corporate governance framework is summarised within this Corporate Governance Report. We expect to continue to develop and adapt our corporate governance framework in accordance with the changing demands of our business and stakeholders, in particular our people, clients, environment, and communities.

Ownership

The Company and its group was formed as a result of private equity firm Clayton, Dubilier & Rice (**CD&R**) acquiring (i) Huntsworth Limited (formerly Huntsworth plc) on 1 May 2020 and subsequently, (ii) UDG Healthcare Limited (formerly UDG Healthcare plc) on 16 August 2021. A corporate reorganisation took place on 16 August 2021 to bring Huntsworth and UDG together into one corporate group.

Founded in 1978, CD&R is one of the oldest private equity firms and is based in North America. CD&R has a history of working with management teams to grow companies and build stronger, more profitable businesses. Value is created by collaborating with management to spur operational performance improvements, by accelerating growth strategies, injecting new talent and boosting productivity. CD&R executes a consistent investment strategy across North America and Europe, focusing on market-leading businesses in the consumer/retail, healthcare, industrial, and services sectors. CD&R's investors include leading financial institutions, university endowments and corporate and public pension funds.

The Group is owned by certain CD&R managed investment fund vehicles (and certain affiliated vehicles thereof), including:

- Clayton, Dubilier & Rice Fund X, L.P.; Clayton, Dubilier & Rice Fund X-A, L.P.; CD&R Advisor Fund X, L.P. and CD&R Ulysses Equity Holdings, L.P., (collectively, **Fund X**); and
- Clayton, Dubilier & Rice Fund XI, L.P.; Clayton, Dubilier & Rice Fund XI-A, L.P.; CD&R Advisor Fund XI, L.P. (collectively, **Cayman Fund XI Partnerships**) and Clayton, Dubilier & Rice XI (Scotland), L.P. (**Scotland Fund XI Partnership**), (Cayman Fund XI Partnerships and Scotland Fund XI Partnership collectively, **Fund XI**).

The ultimate controlling party of Fund X and Fund XI is Clayton, Dubilier & Rice Holdings, LLC.

Board

The Company is an indirect subsidiary of Inizio Topco Limited. Inizio Topco Limited is the principal intermediate parent company of the Group.

During the year ended 31 December 2023, the same individuals sat on the board of directors of the Company as well as Inizio Topco Limited. The directors who currently hold office at the date of this report (together the Board), are as follows:

Liam FitzGerald (Male) – Chairman & Shareholder Representative Director

Liam is a former CEO of UDG. During his tenure as CEO from 2000 to 2016, he expanded the business from a predominantly Ireland-based distribution services business into a multi-faceted and multi-national healthcare services group, operating across 20 countries. During that period, the company's market capitalisation increased by more than 500 percent and earnings grew at a compound annual rate of more than 20 percent. Liam is credited with leading and seamlessly integrating more than 30 acquisitions into UDG.

Paul Taaffe (Male) – Chief Executive Officer (CEO)

Paul was appointed as CEO of Huntsworth in April 2015. Paul has wide experience in communications and marketing. Prior to joining Huntsworth, Paul was the director of Communications at Groupon, the international e-commerce company. Prior to that, he enjoyed a 20-year career in London and New York with Hill & Knowlton Inc, the global communications consultancy and subsidiary of WPP plc, including nine years as its Chairman and CEO. Throughout this time, Paul advised many blue-chip and international clients across all geographies and services.

Board (continued)

Ryan Quigley (Male) – Chief Operating Officer (COO)

Ryan previously held the position of Chief Operating Officer at UDG, having joined UDG in September 2020. He is responsible for providing strategic leadership for the Group globally as part of the Executive Team to establish and deliver long-term strategic growth plans. Ryan has over 25 years' experience in the pharmaceutical industry in commercial leadership roles. Prior to joining UDG, he was Regional Vice President Region South, Immunology and HCV lead for AbbVie Western Europe and Canada.

Ben Jackson (Male) – Chief Financial Officer (CFO)

Ben was appointed as CFO of Huntsworth in October 2019, having spent over three years as Head of Finance for Huntsworth. Prior to joining Huntsworth, he was Group Financial Controller of ITE Group Plc (now Hyve Group plc), a FTSE listed international organiser of exhibitions and conferences, and before that he was a senior credit analyst at Royal Bank of Scotland. Ben is a member of the Institute of Chartered Accountants in England and Wales, qualifying with Deloitte in 2009.

Eric Rouzier (Male) – Shareholder Representative Director

Eric is a Partner at CD&R and is based in London. He joined CD&R in 2005 and is responsible for the healthcare sector in Europe. He played a key role in CD&R's investments in Belron, Exova, SPIE, Inizio Group and Rexel. Previously, Eric worked in the investment banking division of J.P. Morgan and as a management consultant.

Dave A Novak (Male) – Shareholder Representative Director

Dave is the Co-President of CD&R's European business and has been with CD&R for 2 years and is a member of their Investment Committee. Based in London, he is responsible for CD&R's European business and international activities. Dave has been actively involved in CD&R's investments in B&M Retail, BCA, Belron, BUT, Inizio Group, Kalle Group, Mauser Group, Motor Fuel Group, SIG plc, SOCOTEC and Westbury Street Holdings, and played a key role in many others. Previously, he worked in the private equity and investment banking divisions of Morgan Stanley.

Sarah Kim (Female) – Shareholder Representative Director

Sarah is a Partner at CD&R, having joined CD&R in 2008. Sarah played a key role in the firm's investments in and subsequent sales of Diversey and naviHealth, the public and secondary offerings of HD Supply and ServiceMaster, and the firm's investment in Covetrus. Previously, she held positions at private equity firms Metalmark Capital and McCown De Leeuw & Co. and worked in the investment banking division of Goldman Sachs & Co.

Sid Jhaver (Male) – Shareholder Representative Director

Sid joined CD&R's London office in 2020 and is principally engaged in evaluating investment opportunities for the firm. He has played a key role in the firm's investment in the Inizio Group. Prior to joining CD&R, Sid was responsible for private equity investments in the healthcare sector at EQT Partners and Advent International.

Stephen Cameron (Male) – Non- Executive Director

Stephen joined the Board upon Huntsworth's acquisition of Nucleus Global in December 2020. He graduated with degrees in Materials Science, Bio-Engineering, Biomedical Engineering and Marketing before starting MediTech Media in London in 1986, the business now known as Nucleus Global which forms part of the Group's Medical division. With broad experience leading international medical communications accounts and agencies supporting a variety of therapy areas for most of the leading pharmaceutical companies in the world, he has extensive connections throughout the medical communications industry, academia and non-for-profit medical organisations. Stephen's role is to provide non-executive strategic oversight. Stephen has completed three terms as a Governor of the Royal Free London NHS Foundation Trust group of Hospitals.

Brendan McAtamney (Male) – Non- Executive Director

Brendan holds the position of the non-executive Vice-Chair of the Board. Brendan was the CEO of UDG at the point of acquisition by CD&R, having been appointed to that role on 2 February 2016. He had previously served as UDG's Chief Operating Officer since September 2013. Before joining UDG, Brendan held various senior management positions with Abbott, latterly as Vice President Commercial and Corporate Officer within the Established Pharmaceuticals division. Brendan separately holds the position of Chair of the Sharp Group which was formerly part of the Group but divested into a standalone group in December 2021.

Board (continued)

The Role of the Board

The Board is responsible for the long-term success of the Group, while considering the interests of all stakeholders. The Board is also responsible for governance and leadership oversight of the Group. The Board approves the Group's strategy, including ESG strategy, and ensures the establishment and review of corporate governance policy and practice.

The Board is supported by the Audit, Remuneration and Sustainability Committees.

The Board has delegated responsibility for operational management and execution of the strategy to the Group's Executive Team. Amongst others, the Executive Team includes the CEO, COO and CFO. The Executive Team is a core governance body, comprising a group of senior executives of the Group that are responsible for running the business. The Executive Team is responsible for developing the Group strategy, tactical management and control (financial and otherwise) of Group operations and also bears responsibility for the control of key business risks for the Group.

Key roles and responsibilities

Effective operation of the Board relies on a collaborative approach and clarity of the various roles and responsibilities of the individual Board members. In particular, the roles of the Chairman, CEO, COO and CFO are set out in more detail below.

Chairman: Liam FitzGerald

Key responsibilities:

- running the Board and ensuring its effectiveness in all aspects of its role; demonstrating ethical leadership and promoting the highest standards of integrity throughout the Group;
- ensuring that the Directors receive accurate, relevant, timely and clear information,
- providing a sounding board for the CEO;
- ensuring the Board has the right skills, experience and knowledge available to it as well as familiarity with the Group, and that those elements are continually updated; and
- ensuring that the Board considers the interests of key stakeholders.

Chief Executive Officer: Paul Taaffe

Key responsibilities:

- ensuring coherent leadership of the Group;
- recommending to the Board the strategic plan and related annual budget;
- the implementation through the Executive Team of the Group's strategy and plans as agreed by the Board;
- ensuring effective communication with key stakeholders; and
- ensuring the Chair and the Board are kept advised and updated regarding key matters.

Chief Operating Officer: Ryan Quigley

Key responsibilities:

- the management and operation of the Group;
- the resourcing of the Group to achieve its strategic goals, including development of the required organisational structure, processes and systems;
- managing the Group's risk profile and ensuring appropriate internal controls are in place; and
- designing and implementing strategy to significantly deepen market share and innovate service offerings to generate growth and significant additional value for the Group, including market and business development, oversight of significant client relationships and identifying and executing new business opportunities and investments.

Board (continued)

Chief Financial Officer: Ben Jackson

Key responsibilities:

- overseeing the financial systems, controls, delivery and performance of the Group;
- managing the Group's tax and treasury affairs;
- ensuring the Group remains appropriately funded to pursue its strategic objectives; and
- overseeing IT, risk management and compliance.

Activities of the Board

Five Board meetings were held during the year ended 31 December 2023. If a Director is absent from a meeting, his or her views are sought in advance where possible and then put to the meeting.

A summary of some of the Board's activities in the period is set out below:

Responsibilities	Activities
Annual budget:	• considered the 2024 Budget
Strategy and Corporate Development:	• ongoing updates on strategy including presentations from the Executive Team and divisional management throughout the year • review of portfolio and approval of closure or disposal of non-core businesses • reviewed the Group's acquisition strategy and its implementation by the Executive Team • at each Board meeting, reviewed potential acquisitions and transaction opportunities • reviewed ongoing integration of recent acquisitions made • considered potential future acquisition opportunities
Operational and Financial Performance:	• reviewed performance of the individual business divisions including progress on target operating model and synergies • presentations on performance from Executive Team and divisional management • updates in respect of insurance, tax and treasury matters • assessment of generative artificial intelligence (AI) opportunities & threats • updates on transformation programme including IT, HR and Finance systems
People:	• reviewed the composition of the Board • reviewed employee wellbeing and development matters, as well as strategic initiatives • reviewed Board engagement mechanisms with the workforce • reviewing, as necessary, whistleblowing arrangements and report
Governance:	• received updates from Board Committees • approved new Group policies and procedures, including but not limited to, the Supplier Code of Conduct and Speak Up Whistleblowing Investigative Procedure, ensuring that an appropriate governance framework and controls are in place to meet the changing needs of the Group and the industry in which we operate

Board (continued)

Risk Management	• reassessed principal risks and risk appetite, including debating the risks that the Group faces and will be facing • reviewed the effectiveness of the Group's risk management and internal control systems including but not limited to cyber security
Sustainability	• approval and publication of 2022 Sustainability Report • approved Environmental Sustainability Policy • Received progress updates on the implementation of the ESG Strategy • consideration and approval of near-term science-based targets and net zero commitment

How the Board operates

Board information

Board papers containing, amongst other things, Executive Reports, current and forecast trading results, treasury figures, M&A updates, governance & compliance reports, sustainability updates and Company Secretarial Reports, are distributed in advance of the meetings to allow the Directors sufficient time for preparation.

Minutes of the meetings are also circulated to all Directors. The Board receives presentations from the Executive Team and divisional senior management as appropriate. Executive Directors are also involved in regular meetings to review financial and operational performance and governance matters arising throughout the year.

Independent advice

All Directors have access to the advice and services of the Company Secretary who, through the Chairman, is responsible for ensuring that Board procedures are followed, and that applicable rules and regulations are complied with. In addition, all Directors have access to independent professional advice, as and when required, at the Group's expense.

Induction and personal development

As well as business performance updates, regulatory and legal changes updates are provided to the Board. Training and development needs of the Board are kept under review by the Chairman.

The Chairman is responsible for ensuring that induction and training are provided as necessary for Directors. As required and necessary, a new Director receives an induction pack and undertakes a bespoke induction programme that provides them with information on the Group, and their responsibilities and obligations. This may include meetings with other Board members, senior management, the external auditor and/or other advisors as appropriate.

Composition, Nomination and Selection of the Board

The Board recognises the importance of a diversity of skills, experience, knowledge, ethnicity and gender among both its members and senior management. The Board comprises 3x executive directors (male), 5x shareholder representative directors (including the Chairman) (4 male and 1 female of which two directors are from under-represented social groups) and 2x non-executive directors (male). None of the Board Directors are considered independent. This composition provides a broad range of experience relevant to the business, as well as the necessary expertise to provide leadership on issues of strategy, performance, and standards of conduct, which are vital to the success of the Group, whilst representing the interests of one of our key stakeholders.

The Remuneration Committee keeps under review the leadership needs of the Group, giving full consideration to succession planning for Executive Directors, taking into account the challenges and opportunities facing the Group, and what skills and experiences are needed on the Board and in the Group in the future. The various tenants of diversity will be an essential factor in all future Board appointments and the Remuneration Committee and the Board will continue to reassess its composition in view of these aims. The same approach extends to the Group's senior management.

Conflicts of interest

The Group maintains a register of potential or actual conflicts of interest that each Board member is required to review every six months to prevent and mitigate against such conflicts arising. The Board is also required to declare any new or additional conflicts of interest at the start of each Board meeting. Where conflict declarations are made by Directors, the non-conflicted Directors consider whether it is appropriate for such conflicted Directors to be included in the quorum and voting procedures associated with such matter. In deciding whether to authorise a potential or actual conflict, the non-conflicted Directors are required to act in the way that they consider would be most likely to promote the success of the Group. They may impose limits or conditions when giving authorisation or subsequently, if they think this is appropriate.

Board (continued)

Risk management and internal control

The Board has ultimate responsibility for the Group's risk management and internal control systems. These systems are designed to enable the Board to be confident that such risks are mitigated or controlled as far as possible, although no system can eliminate the risks entirely.

The Board delegates the monitoring of these internal control and risk management processes to the Audit Committee.

The key features of the risk management and internal controls system are, amongst others:

- ongoing review of strategy by the Board, which aims to identify potential strategic risks facing the Group;
- establishing a delegation of authority and approval limits;
- monitoring of actual performance against budget and forecasts. A detailed monthly management pack is prepared, which includes consolidated financial results and summarised results for each division. The performance of each business is reviewed monthly by the Executive Team and reported to the Board at each meeting;
- frequent Executive Team meetings with the senior management of each division, which cover any emerging operational, financial, strategic or compliance issues and controls;
- ongoing Board review of the principal risks identified and whether any changes are required;
- confirmations of key internal controls, including financial controls, are received from each business. The purpose of these confirmations is to confirm the operation of an appropriate system of internal controls and to highlight any potential new risks facing the business;
- the Executive Team is responsible for appraising investments; those which are above pre-specified limits are put to the Board for approval;
- the Audit Committee reports to the Board at each Board meeting. Risks and controls are reviewed to ensure effective management of appropriate strategic, financial, operational and compliance issues; and
- internal audit provides an independent assessment of the systems and controls in place across the Group. Businesses are selected for internal audit on a risk-focused basis; the results of internal audits are reported to the Risk & Controls Council, the Executive Team and the Audit Committee.

The Board and the Executive Team continue to review and enhance the Group's risk management framework to ensure that they are actively identifying and managing risks in the most efficient and effective way for the Group.

Audit Committee

Audit Committee members:

Eric Rouzier (Chair)

Ben Jackson

Sid Jhaver

Other Directors, members of the Executive Team and senior management, as well as representatives from the external auditors EY, attend Audit Committee meetings by invitation only.

Audit Committee meetings and its activities

The Audit Committee supports the Board in fulfilling its responsibilities in relation to financial reporting and reviewing the effectiveness of the Group's internal financial control and financial risk management systems. The Committee also monitors and reviews the effectiveness of the Group's Internal Audit function and, on behalf of the Board, manages the appointment and remuneration of the external auditor and monitors their performance and independence.

Key responsibilities

The Audit Committee's key responsibilities include:

- reviewing and providing a recommendation to the Board for the adoption of the Annual Report and Financial Statements;
- reviewing significant financial reporting judgements contained within those reports and other announcements relating to the Group's financial performance, including challenging assumptions and estimates used in the preparation of the financial statements;
- monitoring the financial reporting process;
- monitoring and reviewing the effectiveness of the Group's internal controls, including review and approval of the scope of the internal audit programme, reviewing the findings of internal audits completed in the period, and conducting an overall review of the effectiveness of the risk management and internal audit functions;
- oversight of all aspects of the relationship with the external auditor, including appointment and reappointment, independence, objectivity and effectiveness of the audit process and the provision of additional services by the external auditor;
- approving the remuneration and terms of engagement of the external auditor; and
- overseeing the Group's policies and procedures for the identification, assessment, management and reporting of fraud.

Internal audit

The Audit Committee is responsible for monitoring and reviewing the operation and effectiveness of the Internal Audit function including its focus, plans, activities and resources. Internal audit performs reviews as part of a programme approved by the Audit Committee. An in-house internal audit team performs the internal audit reviews.

The Audit Committee considers any issues or risks arising from internal audit reviews and monitors the implementation of any follow up actions.

Audit Committee (continued)

External audit

The Audit Committee manages the relationship with the Group's external auditors on behalf of the Board.

Audit effectiveness

One of the key responsibilities of the Audit Committee is to assess the effectiveness of the external audit process. Ernst & Young has served as the Group's external auditor since 8 September 2022.

During 2023, the Committee reviewed the reports it received from Ernst & Young in its capacity as external auditor, including the audit plan and the results of the audit work performed. The Committee challenged, where necessary, the risks identified and the results of the work performed and sought feedback from management on the effectiveness of the audit process.

Auditor's independence, objectivity and non-audit services

The Audit Committee continually reviews the nature and extent of non-audit services provided to the Group by the external auditor and receives confirmation from them, at least annually, that in their professional judgement, they are independent with respect to the audit. The Audit Committee oversees the nature and amount of non-audit work undertaken by the external auditor each year to ensure that the external auditor's independence and objectivity are safeguarded.

The provision of non-audit services, within the constraints of applicable UK rules, is assessed on a case-by-case basis so that the best-placed advisor is engaged.

Remuneration Committee

Remuneration Committee members:

Liam FitzGerald (Chair)

Eric Rouzier

Paul Taaffe

Other Directors, members of the Executive Team and senior management, attend Remuneration Committee meetings by invitation only.

Remuneration Committee's activities

The Committee endeavours to ensure that the Group's remuneration strikes an appropriate balance between the long-term interests of the Group's shareholders and rewarding and motivating the Executive Team and senior management of the Group. The Committee is responsible for the design and development of remuneration policies for the Executive Team and senior management of the Group that are aligned with the purpose, values and culture of the Group.

Key responsibilities

The Remuneration Committee's key responsibilities include:

- setting remuneration arrangements for Executive Directors, the Executive Team and other senior management;
- benchmarking the compensation packages of the Group's senior management; and
- considering succession planning for Executive Directors, the Executive Team and other senior management, taking into account the challenges and opportunities facing the Group and the skills and expertise required, cognisant of Diversity, Equity & Inclusion ("DEI") aspects.

Sustainability Committee

The Sustainability Committee is a committee of the Board, albeit alongside Board members Brendan McAtamney and Paul Taaffe, members of the Executive and senior management with appropriate expertise make up the committee. The members of the Sustainability Committee are as follows:

Brendan McAtamney (Chair)

Paul Taaffe (CEO)

Neil Jones (Group Corporate & Development Director)

Martin Morrow (Company Secretary)

Dervala Leahy (Head of ESG)

Stefanie Christmas (Global Head of DEI)

Other Directors, members of the Executive Team and senior management, attend Sustainability Committee meetings by invitation only.

Sustainability Committee's activities

The Board delegates responsibility to the Sustainability Committee for the oversight, development and implementation of Inizio's Sustainability Strategy as it relates to Environmental, Social and Governance ("ESG") issues, including Inizio's strategies and policies relating to climate change and Diversity, Equity & Inclusion. The Sustainability Committee is chaired by Brendan McAtamney, the non-executive Vice-Chair of the Board who acts as ESG Board sponsor. At the Executive Team level, Neil Jones is the Executive ESG sponsor and is also a member of the Sustainability Committee. The Committee meets at least twice a year.

Following each Sustainability Committee meeting, the Chair of the Committee provides a formal update to the Board at its subsequent meeting. In addition, a progress report on relevant sustainability matters is provided at all Board meetings.

Key responsibilities

The Sustainability Committee's key responsibilities include:

- overseeing the development and implementation of the Sustainability Strategy including Inizio's decarbonisation strategy and Diversity, Equity & Inclusion (DEI) Framework;
- overseeing the development and implementation of metrics and measures to monitor ESG, including climate-related risks and opportunities identified and to monitor progress against these metrics and measures;
- understanding the evolving ESG regulatory and industry requirements and how Inizio is positioned to meet these requirements;
- reviewing Inizio's annual sustainability report and recommending its approval by the Board; and
- understanding the investment requirements needed to deliver the Sustainability Strategy (including DEI Framework).

Stakeholder engagement

s.172 Companies Act 2006 Statement (s172 Statement)

The Board recognises the Groups' responsibilities for making decisions for the long term, understanding that our business can only grow and prosper over the long term if we consider the views and needs of our employees, clients, suppliers and the communities in which we operate, including our shareholders to whom we are accountable.

The directors' s172 Statement is set out below, in accordance with s.414CZA of the Companies Act 2006.

Issues relevant to this group	**Reason for engagement**	**How the Board has considered their interest**
Stakeholder Group: **Workforce**		
Diversity, equity and inclusion.	To deliver the best solutions for our clients, we need to hire, retain, engage and develop the best talent who reflect the diversity of our clients and their stakeholders. We are a people business, and therefore our people are the most important asset to the success of our business.	We recognise the benefits of a diverse workforce in our recruitment policies and we seek to put in place policies and processes to improve diversity within our employee population. We promote inclusive working practices and provide equal employment opportunities to all employees and applicants regardless of ethnicity, race, sex, sexual orientation, disability, age or military status.
Fair employment and fair pay and benefits.		The Remuneration Committee reviews total compensation to ensure we are providing competitive, fair and equitable pay and benefits to our employees and we report on Gender Pay Gap. We also review our core talent management processes like performance management, succession planning and employee engagement with a IDE lens to promote diversity and eliminate bias in our talent management processes.
Training, development and career opportunities.		We promote the development of our people, leaders and successors to ensure we have the right talent today and are focused on the skills and capabilities required for the future. We provide access to a digital content library with over 24,000 learning offerings and provide custom courses to enable our people to develop skills required to meet our strategic goals, growth ambitions and our changing client needs as well as offering opportunities for our employees to develop and meet their career and personal goals. We make acquisitions that complement our existing business offering and provide new opportunities for our people to succeed.

Stakeholder engagement (continued)

s.172 Companies Act 2006 Statement (s172 Statement) (continued)

Issues relevant to this group	Reason for engagement	How the Board has considered their interest
Health and safety.		We recognise the need to maintain a safe and healthy working environment for all employees. Health and Safety Committees across the organisation also ensure that we actively engage with our employees on the issues that matter to them and solicit feedback on our systems and performance.
Responsible use of personal data.		Our ongoing training and awareness programmes aim to ensure that those that work with us apply principles of transparency, fairness and respect in how we process personal data and treat data subjects. The Group's information security programme ensures appropriate technical and organisational controls are in place to maintain the security of personal data.
Communicating and engaging with the workforce.		We have made enquiries about employee sentiment and engagement across the Group and are supportive of the first Group wide engagement survey and enhanced data and analytics that will provide better workforce/talent insights and more informed decision making. The Group's whistleblowing procedures allow employees to make a confidential report 24/7 via an online platform or by telephone providing employees with an opportunity to speak up when things are not right or feel wrong. Reports from the independent helpline and on-line portal are investigated by a dedicated team and actioned accordingly. Refer to the Strategic report from page 2 for more detail.

Stakeholder engagement (continued)

s.172 Companies Act 2006 Statement (s172 Statement) (continued)

Issues relevant to this group	Reason for engagement	How the Board has considered their interest
Stakeholder group: **Clients**		
Client service.	We are committed to ensuring that the Group is a market-leading commercialisation platform, with a complete suite of medical, advisory, marketing, communications, and patient-engagement services that spans the full drug commercialisation lifecycle from the initial stages of research and discovery, into product launch and growth. The needs of all our clients are complex and ever changing. We are committed to bringing the best-in-class scientific knowledge, market intelligence, actionable data, cutting-edge tech, communication, and creative execution to them by collaborating within and across our five divisions.	Executive Directors and senior management liaise with a number of high-level client contacts to understand their developing needs and markets and to report on them to the Board, enabling those interests to be factored into the Board's decisions on future strategy.
Environment and sustainable sourcing.	To remain successful and valued by our clients, we need to be very responsive and forward facing. We need to understand changing trends in the marketplace and address our clients' need to have a more sustainable supply chain.	Sustainability is central to the successful delivery of our business strategy. A central component of our sustainability strategy is the reduction of carbon emissions both in our operations and value chain. We understand that reducing our carbon emissions is of vital importance for our clients and setting science-based emission targets demonstrates to our clients that we are actively committed to decarbonising our business and in doing so, meet clients' supplier expectations.
Ethics and corporate responsibility. Integrity and honesty.		Inizio's Code of Ethics (the Code) establishes the behaviours required of our employees and those who represent us. Integral to the Code are Inizio's Leadership Commitments. Our Commitments set out how we act and interact, and in doing so help to foster the Inizio culture we mutually create. We believe that the honesty, integrity and ethical behaviour of all our workforce are fundamental to the reputation and success of the Group as a whole.

Stakeholder engagement (continued)

s.172 Companies Act 2006 Statement (s172 Statement) (continued)

Issues relevant to this group	Reason for engagement	How the Board has considered their interest
Stakeholder group: **Suppliers**		
Anti-bribery and corruption. Ethics and slavery.	Suppliers must demonstrate that they prohibit modern slavery.	We issued a new Supplier Code of Conduct across the Group during 2023, setting out the standard of behaviours we expect our suppliers to adhere to. The Supplier Code of Conduct covers Ethical Business Practices, Standards for the Workplace and Systems and Reporting. In addition, we have refreshed and published an updated Anti-Bribery and Corruption Policy across the Group, along with a Modern Slavery Statement which is reviewed, updated and published annually, detailing the steps that the Group has taken during the financial year to ensure that Modern Slavery is not taking place in any of its supply chains or in any part of our business. Given the nature of our business, we do not have an extensive supply chain network and consider that we are at a low risk of exposure to slavery and human trafficking.
Stakeholder group: Environment		
Energy usage.	Reducing our carbon footprint is important to our people, clients and the communities in which we operate. We are committed to becoming a net zero business by 2040 and to help us achieve this, we have developed verified near-term science-based targets	We report annually on the energy usage arising from our offices globally and have committed to procuring 100% renewable energy by 2030. We have also enhanced our employees' understanding and awareness of why reducing energy use is important and how small changes in our behaviours can have a positive impact.

Stakeholder engagement (continued)

s.172 Companies Act 2006 Statement (s172 Statement) (continued)

Issues relevant to this group	**Reason for engagement**	**How the Board has considered their interest**
Business travel & Carbon emissions.		Business travel is a significant contributor to Inizio's Scope 1 and Scope 3 carbon emissions and we have a multi-faceted approach to reducing them. For our car fleet, we are phasing out internal combustion engine cars and transitioning to hybrid and electric vehicles. For air travel, we encourage our people to consider whether taking a flight is necessary and proportionate and whether video conferencing technology can be used as an alternative means of collaborating with clients and colleagues. We also encourage our people to commute using more sustainable travel choices such as cycling and public transport.
Waste management.		Waste is not a material source of emissions for Inizio. However, we recognise the importance of reducing the amount of waste we send to landfill. Throughout 2022, we implemented a zero single use plastic policy which we have continued to follow during 2023. The Sustainability Committee and Audit Committee monitors developments in corporate reporting on matters concerning climate change and engages with management to ensure that preparations are being made to meet these new reporting requirements.
Stakeholder group: Community		
Charitable donations & volunteering.	We strive to have a positive impact on the communities we serve and society as a whole. This underpins our purpose, to reimagine health and in so doing, to put our people and communities first.	The Executive Team agreed the community strategy for 2023 which includes the following: (1) selecting three charities to partner with, providing both financial support and volunteering support where needed; (2) offering matched funding in each of our divisions to support the fundraising initiatives of our employees; and (3) employee volunteering, allowing employees time away from their day to day paid responsibilities to participate in Inizio Community Action Day.

Directors' Report

The Directors' Report for the year ended 31 December 2023 comprises this report and the Corporate Governance Report on pages 22 to 36, together with any other sections of the Annual Report incorporated by reference. As permitted by legislation, some of the matters to be included in the Directors' Report have been included in the Strategic Report and some of the matters have been cross referenced to other sections of the Annual Report where similar information is provided. Specifically:

- an indication of likely future developments in the business of the Company can be found on page 5;
- details of the Group's financial risk management strategy, policies and financial instruments held are set out in the Principal Risks & Uncertainties section of the Strategic Report and Note 20 to the consolidated financial statements;
- details of the Group's subsidiaries and branches are set out in Appendix 2 of the consolidated financial statements;
- details of the Group's going concern assessment are contained in the Strategic Report;
- employee engagement matters are set out on pages 32 to 33;
- details of the Group's engagement with suppliers, customers and others can be found on pages 34 to 36; and
- Walker Guidelines disclosures in line with s.414C (7) and (8), Companies Act 2006, can be found in the Strategic Report on pages 1 to 21.

Inizio Group Limited (the **Company**) is a private company limited by shares, incorporated and domiciled in England and Wales, with company number 12487650.

The immediate parent undertaking of the Company is CD&R Ulysses UK Holdco 2 Limited.

For the financial year ended 31 December 2023, Inizio Topco Limited, a Jersey incorporated company, being an indirect parent of CD&R Ulysses UK Holdco 2 Limited, was, in the opinion of the Company's Directors, the principal intermediate parent company of the Company and its Group.

Director's Report (continued)

Directors

The Directors who served during the year ended 31 December 2023 and at the date of this report, are set out below:

Name

Liam FitzGerald	Chair of the Board and Remuneration Committee. Appointed as a Director of the Company on 5March 2021.
Paul Taaffe	Chief Executive Officer. Appointed as a Director of the Company on 5 March 2021.
Ryan Quigley	Chief Operating Officer. Appointed as a Director of the Company on 1 December 2021.
Ben Jackson	Chief Financial Officer. Appointed as a Director of the Company on 4 November 2020.
Eric Rouzier	Chair of the Audit Committee. Appointed as a Director of the Company on 27 February 2020.
Sarah Kim	Appointed as a Director of the Company on 4 November 2020.
David Novak	Appointed as a Director of the Company on 5 March 2021.
Sid Jhaver	Appointed as a Director of the Company on 1 December 2021.
Stephen Cameron	Appointed as a Director of the Company on 5 March 2021.
Brendan McAtamney	Appointed as a Director of the Company on 1 December 2021.

Liam FitzGerald, Eric Rouzier, Sarah Kim, David Novak and Sid Jhaver are nominees of CD&R who supervise its investment in the Group on CD&R's behalf.

Biographical details of the Directors in office at the date of this report are set out on pages 22 to 23.

Directors' indemnities

At the date of this report, indemnities are in force under which the Company has agreed to indemnify the Directors, to the extent permitted by law and the Company's Articles of Association, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities as Directors of the Company or of any other company in the Group.

Dividends

Dividends of $16.8 million were paid to CD&R Ulysses UK Holdco 2 Limited during the year ended 31 December 2023.

Employment policies

People are at the heart of our business and key to its success. We understand that the long-term success and sustainability of our business hinges on our ability to attract, develop and retain the best employees. We see employee safety, wellbeing, and development as the key to creating value. As an international Group, we have therefore developed employment policies that seek to meet Group standards and local conditions and requirements to foster an inclusive, fair, equitable, and supportive environment.

Director's Report (continued)

Employee health and safety

The Board recognises the need to maintain a safe and healthy working environment for all employees. Each business is responsible for ensuring that they operate in compliance with our Group Health and Safety Policy along with local health and safety legislation.

We have a network of Health and Safety Champions across the organisation that come together regularly to discuss common issues, share learning and issues of concern. Health and Safety Committees and representatives across the organisation also ensure that we actively engage with our employees on the issues that matter to them and feedback on our systems and performance. Risk assessments are often carried out, which provide the foundation for safe activities and drive regular performance monitoring in pursuit of continuous improvement.

All employees and contractors are required to report all work-related incidents through our health and safety incident reporting system monthly, so that we can gather the right information for future interventions and incident improvement initiatives. The Group maintains a health and safety incident reporting platform to enhance Group performance monitoring and reporting processes.

Within the Ashfield Engage business, improving driver safety remains a key priority. Our continued membership of the Network of Employers for Traffic Safety allows us to benchmark performance against other companies across our regions. This has helped us to assess the effectiveness of our Driver Safety Programme, highlighting where we can get the best results and ensure the safety of our drivers in the future. As well as the programme, fleet managers from across our regions come together regularly to share best practices and identify opportunities for improvement. During 2023, the safe use and management of hybrid and electric vehicles continued to be a key topic as the number of these vehicles grows in our fleet. The Group also has a Driving for Work Policy, which includes reference to risk assessments associated with non-fleet car driving for work. We'll continue to review opportunities for further driver-safety improvement.

Employee wellbeing

The physical and mental wellbeing of our employees is of key importance to our organisation. Employee Wellness Programmes are in place, which look to enhance employee health and wellbeing. Everyone at Inizio is encouraged to use our award-winning website, WellSpace, which features a range of resources to support our people's physical, mental and emotional wellbeing.

On 10 October 2023, we celebrated World Mental Health Day, reminding everyone of the variety of resources and support available to them throughout the year. We also held our annual 'Inizio Community Action Day', promoting the wellbeing benefits of volunteering, providing our people with a sense of purpose and social interaction with their local communities.

Across the Group, there are several policies and practices which assist employees in achieving an appropriate work/life balance, including policies on hybrid and agile working, parental, maternity and paternity leave and emergency time off.

Employee learning and talent development

Inizio promotes an organisational culture that supports an inclusive and positive working environment, in which we see our people's performance and development as vitally important for our long-term success.

Talent management plays a key role in identifying, assessing, developing, engaging, and retaining our people. HR teams across the Group are responsible for the talent management processes with our business leaders being accountable for the results. A key talent management area of focus is the development of our future leaders, successors and high-potentials to ensure that we meet the demands of our clients today and in the future.

We encourage our people to use a variety of formal and informal learning interventions to develop their required knowledge, skills and behaviors. To assist in this process, we are in the process of adopting the 70:20:10 development framework, which enables our people to learn through on the job-experiences, in addition to more formal and customised learning opportunities. Under the framework, 70% of employee development occurs within the context of the job. Day-to-day challenges that come with the roles and responsibilities of the job provide excellent opportunities to learn and grow on a continual basis; 20% of employee development comes from coaching and feedback. This can come from direct managers and peers as well as other colleagues our people interact with on a day-to-day basis throughout the business; 10% of employee development comes from formal learning and development such as e-learning or instructor led training courses. During 2023, we continued our plan to establish a learning infrastructure and culture that would support our employees in their professional and personal growth. This year we launched our company wide learning management system with a digital content library of over 24,000 learning offerings and our first Inizio-wide Leadership Programme (leading@Inizio).

Director's Report (continued)

Employee communication

The Group regularly engages with its employees through a number of mechanisms including regular town halls with the senior executive team, office updates and email newsletters.

Regular meetings are also held between local management and employees to facilitate employee involvement in decision making and businesses performance with a view to achieving a common awareness on the part of all Group employees of the financial and economic factors affecting the performance of the Group.

Diversity, Equity & Inclusion (DEI)

As we deepen our shared commitment to Diversity, Equity & Inclusion (DEI), it is important to highlight the accomplishments in establishing the foundational elements of our path forward.

In Q1 of 2023 we appointed our first Global Head of Diversity, Equity, & Inclusion to provide harmonised leadership and alignment for the DEI activities across each of our businesses. This leader will elevate strategic guidance on the DEI activities and programmes across the Group. To ensure that efforts are intentional and measurable, we have outlined a comprehensive, multi-year global DEI strategy that will further empower the Group to drive market impact and create opportunities for the diverse colleagues, clients, and communities we serve. To deliver on this strategy, we established a Global DEI function to bring together the expertise of our DEI professionals and amplify their impact on an enterprise-wide scale. This centralised governance model will ensure that the function can strategically collaborate with and support the efforts of our businesses in a sustainable manner.

In addition to the recent strategic and structural initiatives undertaken, the Group has also progressed embedding DEI across our organisation to enhance the experiences of current and prospective employees. In June 2023, we hosted the first of three company-wide DEI panel discussion to recognise Pride Month, with the subsequent panels spotlighting mental health and disability awareness, respectively. From a talent acquisition standpoint, we have implemented additional methods to be more inclusive and equitable in attracting diverse talent to our organisation. We leverage a software inclusion tool to ensure that all job descriptions have been "cleansed" prior to posting and have introduced an AI-generated sourcing tool that draws from over 45 diverse job platforms. We developed enhanced applications and candidate scorecards to ensure equitable candidate experiences, and candidates can now provide name pronunciations, their pronouns, and request specific accommodations throughout the application process if needed and have delivered an inclusive hiring training programme to our recruiters and are rolling that out to all hiring managers across the business.

We are committed to gender diversity across the Group. As at 31 December 2023, women accounted for 64% of directors of Group companies , 33% of the Executive Team, 68% of senior management and 68% of total employees.

Code of Ethics

The Group's Code of Ethics (the "**Code**") establishes the behaviour we expect of every single person at Inizio and those that represent us. Integral to the Code, are Inizio's Leadership Commitments (our "**Commitments**") which set out in more detail how we should all act and interact to help foster a positive, supportive and ethical culture.

We believe that the honesty, integrity and ethical behaviour of all our workforce is fundamental to the reputation and success of the Group as a whole.

Speak Up Policy

The Group fosters an environment where we encourage our people to be themselves and to be able to 'Speak Up' without fear. Our Speak Up policy allows employees to make a confidential report 24/7 via an online platform or by telephone, to disclose malpractice, and is intended to act as a deterrent to fraud or other corruption to protect the Group's business and reputation. All reports will be treated seriously, investigated thoroughly, and dealt with professionally, whilst protecting the reporter's confidentiality. In 2023, 10 confidential reports were lodged, all of which have been closed.

Post Balance Sheet Events

On 7 February 2024, the Group increased its USD term loans by $150 million and the outstanding balance of the revolving credit facility has been repaid in full.

Director's Report (continued)

Supply chain network and modern slavery

The Group issued a new Supplier Code of Conduct during 2023, setting out the standard of behaviours we expect our suppliers to adhere to. The Supplier Code of Conduct covers Ethical Business Practices, Standards for the Workplace and Systems and Reporting. Given the nature of our business, we do not have an extensive supply chain network. Our supply chains include recruitment agencies, cleaning and catering services, IT hardware and software providers, office fit out and maintenance services and document retention services.

Whilst we consider we have a low risk of exposure, we are opposed to any form of slavery or human trafficking (together, Modern Slavery), and the Group's policy is to ensure that it is eradicated from both our business and from our supply chains.

The Group publishes a Modern Slavery Statement, which is annually reviewed, detailing the steps that the Group has taken during the financial period to ensure that Modern Slavery is not taking place in any of its supply chains or in any part of our business.

A copy of the Group's Modern Slavery Statement and the Supplier Code of Conduct are available on https://inizio.com/what-matters-to-us/policies/

All Group policies

The Group has a number of policies as well as a series of training and awareness videos, which are periodically reviewed.

We ask all of our workforce to formally acknowledge their acceptance of and agreement to comply with all applicable policies and to watch the videos. We also make relevant material available on our website, notably our Code of Ethics, Speak Up Policy and Modern Slavery Statement, as noted above.

A process is currently underway to review the policy and procedure framework across the Group, to ensure continual improvement and relevance.

Data security and protection

Our aim is to have an effective information security programme in place and we are aware that to achieve this we need to be vigilant and regularly reassess and update our systems and processes.

We are committed to:

- When required, seeking consent for the collection, use and sharing of personal data;
- Notifying data subjects in a timely manner in case of a data breach (as required);
- Limiting the collection and retention of essential personal data;
- Implementing appropriate data security safeguards; and
- Having clear terms and conditions for the use of personal data.

Our Privacy Notice is available on our websites (https://inizio.com/privacy-policy/) and a Data Protection Policy is available to the workforce.

Charitable donations

During 2023 the Group made charitable donations of $431,054 (2022: $441,912).

Director's Report (continued)

Political donations and expenditure

The Companies Act 2006 (the **Companies Act**) and The Large and Medium-sized Companies and Group (Accounts and Reports) Regulations 2008 (the **Regulations**) require disclosure of any political donation and expenditure incurred in relation to any political party or other political organisation or any independent election candidate if such donation(s) or expenditure incurred in a year exceeds £2,000. Political parties, political organisations, political donations and political expenditure are all defined in the Companies Act.

As part of the normal work on behalf of clients and as part of their own marketing, certain companies in the Group need to attend or sponsor events which are organised by political parties or other political organisations, for which a charge is made. These companies from time to time organise client conference attendance and/or invite clients and prospective clients to attend events that fall within the meaning of the Companies Act's provisions. The Companies Act defines 'donations' and 'expenditure' very broadly such that this sort of activity falls within its ambit. It similarly defines 'political organisation' widely such that it includes, for example, bodies concerned with policy review and law reform, with representation of the business community or with the representation of their communities or special interest groups, which the companies may wish to support.

During the year, Group companies made the following payments that might be deemed to fall within the definition of 'political donation' or 'political expenditure' in the Companies Act: political expenditure amounting to $6,605 was paid attending political party conferences and to cover function expenses. This was made up of $1,882 paid to the Labour Party, $2,969 paid to the Conservative party, $1,291 paid to the SNP and $463 paid to Plaid Cymru.

Auditor

Ernst & Young were appointed as auditor of the Company under the provisions of the Companies Act 2006 on 8 September 2022 and have continued to be the Company's auditor throughout the financial year ending 31 December 2023.

Streamlined Energy and Carbon Reporting

This section discloses our greenhouse gas (GHG) emissions, energy consumption and energy efficiency initiatives from 1 January 2023 to 31 December 2023, in line with the UK Government's Streamlined Energy and Carbon Reporting (SECR) legislation. It covers 100% of the businesses over which Inizio Group Limited has financial control in 2023 (including any businesses owned as a joint venture) but excludes Accordience entities (refer to pages 133 - 136 for details of Accordience entities) who are in the process of developing a separate carbon data collection system.

Subsidiary companies falling under the reporting scope are exempt from disclosing emissions data in their own financial statements as these are included within the Group's emissions data below.

The Group has committed to reaching net zero emissions in our operations and value chain by 2040. To support this goal, we have developed near-term science-based targets which have been validated by the Science Based Target initiative. Further details can be found in Inizio's 2023 Sustainability Report at the following link: Environmental, Social and Governance Policy | Sustainability | Inizio

Methodology

We annually measure and report on our GHG emissions from our global operations including all subsidiaries and joint ventures. In calculating our GHG emissions, we use ISO 14064-1 based on the GHG Protocol Corporate Accounting and Reporting Standard, using the financial control approach on reporting boundaries. Our scope 1, 2 and 3 emissions cover the following areas:

- Scope 1: Natural gas, company cars and on-site fuel consumption;
- Scope 2: Purchased electricity, heat and steam; and
- Scope 3: Purchased goods and services, fuel and energy related activities, upstream transportation and distribution not captured in scope 1 and 2, waste, business travel, employee commuting and investments.

Assurance

ClearStream Solutions have issued a limited assurance opinion over our scope 1, 2 and 3 emissions data using the ISO – 14064-3:2019 Verification Standard. ClearStream's limited assurance statement will shortly be available on our website at https://inizio.com/about-inizio/what-matters-to-us/esg/

Director's Report (continued)

Carbon Emissions (tonnes of CO2e)[1]

	2023 GHG Emissions		2022 GHG Emissions	
	UK	**Global (including UK)**	UK	Global (including UK)
Scope 1	**789**	**5,919**	2,618	11,900
Scope 2	**246**	**1,945**	453	2,315
Scope 3	**7,515**	**30,210**	9,716[2]	36,540[2]
Total GHG emissions	**8,550**	**38,074**	12,787[3]	50,753[3]
Average number of employees	**4,422**	**12,053**	3,795	11,450
Emissions per employee	**0.2**	**0.7**	0.8	1.2

	2023 GHG Emissions		2022 GHG Emissions	
	UK	**Global (including UK)**	UK	Global (including UK)
Intensity ratio (scope 1 &2 tonnes CO2e per dollar of revenue)	**0.00000178**	**0.00000349884**	0.00000549453	0.00000676401
Energy consumption (kWh)	**2,007,000**	**23,114,000**	12,777,000	56,381,000

[1] Carbon emissions for scope 1, 2 and 3 cover 100% of our businesses, except for Accordience entities (see pages 133 -136 for details of those entities).

[2] During 2023, scope 3 emissions were recalculated to apply specific emissions factors. Previous scope 3 calculations were based on the Quantis tool. This recalculation has resulted in a significant reduction to our scope 3 emissions.

[3] Total GHG emissions were restated from last year due to the recalculation of scope 3 emissions during the year.

Energy Efficiency

Enhancing energy efficiency across our Group has been identified as one of the ways in which we can decarbonise our operations. We do this by using renewable electricity, reducing energy consumption and transitioning our fleet to hybrid and electric vehicles. Each of these tasks have commenced and associated targets agreed to drive improvements. During the year, a number of our subsidiaries also conducted energy audits as part of our compliance with the Energy Savings Opportunity Scheme. Throughout 2024, we will continue to work with the Group's subsidiaries and management companies of the Group's commercial properties to help implement the recommendations arising from those audits.

Additional information on sustainability practices across the Group can be found in our 2023 Sustainability Report which will be available on our website at the following link: https://inizio.com/about-inizio/what-matters-to-us/esg/, which falls outside of the scope of the audit of this Annual Report and Financial Statements.

Directors' statement as to disclosure of information to auditor

The Directors who were members of the Board at the time of approving the Report of the Directors are listed on pages 22 to 23. Having made enquiries of fellow Directors and of the Company's auditor, each of these Directors confirms that:

- so far as each Director is aware, there is no information relevant to the preparation of the Company auditor's report of which the Company's auditor is unaware; and
- each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

Director's Report (continued)

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 group and company and of the profit or loss of the Group 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 UK-adopted international accounting standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising Financial Reporting Standard 101 have been followed for the company financial statements, 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 Group and company will continue in business.

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

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

This Directors' Report has been approved by the Board and signed on its behalf by Martin Morrow, Company Secretary.

Martin Morrow

Company Secretary

Date: 20 March 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INIZIO GROUP LIMITED

Opinion

We have audited the financial statements of Inizio Group Limited ('the parent company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise for the group: the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity and the related notes 1 to 29, including material accounting policy information, and for the parent company: the Company Balance Sheet, the Company Statement of Changes in Equity and the related notes 1 to 13. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the group's and of the parent company's affairs as at 31 December 2023 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the Annual Report set out on pages 1 to 44, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 44, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are responsible for assessing the group's and the parent 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 unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

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 (UK) 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group across the various jurisdictions globally in which the Group operates. We determined that the most significant are those that relate to the form and content of external financial and corporate governance reporting including company law, tax legislation, employment law and regulatory compliance. In addition, Inizio Group Limited has to comply with laws and regulations relating to its domestic operations, including health and safety, employees, data protection and anti-bribery and corruption.

- We understood how Inizio Group Limited is complying with those frameworks by making enquiries of management, Internal Audit and those responsible for legal and compliance procedures to understand how the group maintains and communicates its policies and procedures in these areas. We corroborated our enquiries through our review of the group's Compliance Policy, board minutes, papers provided to the Audit Committee, correspondence received from regulatory bodies and supporting documentation including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.

- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur by meeting with management, including within various parts of the business, to understand where they considered there was susceptibility to fraud including the risk of management override. We evaluated management's incentives and performance target opportunities and the potential for management to influence earnings and fraudulent manipulation of the financial statements. We determined that the principal risks were related to posting inappropriate journals and management bias in accounting estimates. We identified and tested journal entries, in particular manual journal entries and those posted with unusual account combinations or posted by senior management. We designed our procedures in order to challenge assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the assessment of impairment of goodwill and intangible assets, and acquisition accounting.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved inquiries of management, Internal Audit and those charged with governance, reviewing minutes of meetings of the board of directors, a review of reporting to the Audit Committee on compliance with regulators, and evaluation of management's policies and procedures n designed to prevent and detect irregularities and non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Breffni Maguire (Senior statutory auditor)
for and on behalf of Ernst & Young Chartered Accountants, Statutory Auditor
Dublin

20 March 2024

Consolidated Income Statement

For the year ended 31 December 2023

	Note	**2023** **$000**	2022 $000
Revenue	4	**2,240,644**	2,101,563
Operating expenses		**(2,375,380)**	(2,340,787)
Share of profit from joint venture and associate	17	**2,214**	2,388
Operating loss	5	**(132,522)**	(236,836)
Finance income	7	**2,647**	957
Finance costs	7	**(263,551)**	(179,874)
Loss before tax	4	**(393,426)**	(415,753)
Taxation	9	**6,676**	(687)
Loss for the year		**(386,750)**	(416,440)
Attributable to:			
Parent Company's equity shareholders		**(386,807)**	(417,738)
Non-controlling interests		**57**	1,298
Loss for the year		**(386,750)**	(416,440)

The notes on pages 56 to 119 form part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2023

	Note	2023	2022
		$000	$000
Loss for the year		**(386,750)**	(416,440)
Other comprehensive income/(expense)			
Items that may be reclassified subsequently to the income statement			
Currency translation differences		**24,267**	(110,226)
Taxation on currency translation differences	9	**(506)**	748
(Loss)/gain on cash flow hedges		**(7,483)**	3,822
Taxation on cashflow hedges movement	9	**1,873**	(963)
Items that will not be reclassified subsequently to the income statement			
Remeasurement loss on Group defined benefit schemes	8	**(373)**	(54)
Deferred tax on Group defined benefit schemes		**97**	15
Total other comprehensive income/(expense) for the year		**17,875**	(106,658)
Total comprehensive expense for the year		**(368,875)**	(523,098)

Total comprehensive expense for the year attributable to:		
Parent Company's equity shareholders	**(368,932)**	(524,396)
Non-controlling interests	**57**	1,298
	(368,875)	(523,098)

Consolidated Balance Sheet

For the year ended 31 December 2023

	Note	**2023** **$000**	2022 $000
Non-current assets			
Intangible assets and goodwill	10	**3,366,054**	3,662,080
Property, plant and equipment	11	**21,365**	28,154
Right-of-use assets	12	**58,212**	66,782
Lease receivable	13	**10,021**	11,855
Equity accounted investments	17	**31,473**	33,475
Other receivables	14	**24,601**	25,506
Contract fulfilment assets	16	**19**	200
Employee benefits	8	**-**	4,478
Derivative financial instruments	20	**-**	6,004
		3,511,745	3,838,534
Current assets			
Cash and cash equivalents	20	**65,559**	78,769
Lease receivable	13	**3,543**	5,001
Trade and other receivables	14	**579,217**	663,013
Contract fulfilment assets	16	**380**	555
Current tax asset		**11,239**	10,075
		659,938	757,413
Current liabilities			
Lease liabilities	12	**31,661**	31,794
Bank borrowings	20, 21	**134,581**	75,483
Trade and other payables	15	**459,813**	505,506
Current tax payable		**10,818**	10,179
Provisions	18	**12,024**	28,388
		648,897	651,350
Net current assets		**11,041**	106,063

Consolidated Balance Sheet (continued)

For the year ended 31 December 2023

	Note	**2023 $000**	2022 $000
Non-current liabilities			
Lease liabilities	12	**68,376**	82,592
Bank borrowings	20, 21	**2,447,464**	2,395,866
Trade and other payables	15	**15**	14,160
Deferred tax liabilities	19	**236,691**	274,616
Provisions	18	**5,439**	28,310
Derivative financial instruments	20	**3,321**	2,050
		2,761,306	2,797,594
Net assets		**761,480**	1,147,003
Equity			
Called up share capital	22	**-**	25,849
Share premium	24	**-**	80,265
Foreign currency translation reserve	24	**(75,604)**	(99,871)
Cash flow hedge reserve	24	**(2,751)**	2,859
Put option reserve	24	**-**	(565)
Retained earnings		**839,746**	1,137,460
Equity attributable to equity holders of the parent		**761,391**	1,145,997
Non-controlling interest	24	**89**	1,006
Total equity		**761,480**	1,147,003

The notes on pages 56 to 119 form part of these consolidated financial statements.

The Company number for Inizio Group Limited (the Company) is 12487650.

These financial statements, as set out on pages 49 to 119, were approved by the Directors on 20 March 2024 and signed on their behalf by:

Ben Jackson

Director

Consolidated Cash Flow Statement

For the year ended 31 December 2023

	Note	**2023**	2022
		$000	$000
Cash inflow/(outflow) from operating activities			
Cash inflow from operations	26(a)	**296,061**	216,639
Interest paid		**(247,283)**	(163,322)
Interest received		**2,568**	901
Net tax paid		**(37,553)**	(155,229)
Net cash inflow/(outflow) from operating activities		**13,793**	(101,011)
Cash inflow/(outflow) from investing activities			
Acquisition of subsidiaries – cash paid	3	**-**	(277,172)
Cash acquired through acquisition	3	**-**	26,443
Deferred and contingent consideration payments	15, 18	**(28,444)**	(50,437)
Dividends received from joint ventures	17	**3,364**	-
Cost of internally developed intangible assets	10	**(171)**	(457)
Disposal of subsidiaries, net of cash disposed		**(844)**	-
Proceeds from sale of property, plant and equipment		**2,593**	1,008
Purchases of property, plant and equipment	11	**(7,788)**	(9,730)
Cash received from lease receivables		**4,455**	2,919
Net cash outflow from investing activities		**(26,835)**	(307,426)
Cash inflow/(outflow) from financing activities			
Proceeds from issue of ordinary shares	22	**-**	81,076
Drawdown of loans and borrowings, net of financing fees	26 (b)	**202,418**	355,965
Repayment of loans and borrowings	26 (b)	**(152,286)**	(36,509)
Redemption liability payments on exercise of put options for non-controlling interests	18,26 (b)	**(4,857)**	(36,945)
Repayment of lease liabilities		**(28,652)**	(31,393)
Dividends paid to owners		**(16,763)**	-
Dividends paid to non-controlling interests		**(926)**	(1,648)
Net cash (outflow)/inflow from financing activities		**(1,066)**	330,546

Consolidated Cash Flow Statement (continued)

For the year ended 31 December 2023

	Note	**2023**	2022
		$000	$000
Movements in cash and cash equivalents			
Decrease in cash and cash equivalents		**(14,108)**	(77,891)
Effects of exchange rate fluctuations on cash and cash equivalents	26 (b)	**898**	(8,210)
Cash and cash equivalents at 1 January		**78,769**	164,870
Cash and cash equivalents at 31 December	26 (b)	**65,559**	78,769
Cash and cash equivalents is comprised of:			
Cash and cash equivalents		**65,559**	78,769

Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

	Called up share capital	Share premium	Foreign currency translation reserve	Cash flow hedge reserve	Put option reserve	Retained earnings	Attributable to equity holders of the parent	Non - controlling interest	Total equity
	$000	$000	$000	$000	$000	$000	$000	$000	$000
At 31 December 2021	25,038	-	10,355	-	(38,453)	1,558,295	1,555,235	34,181	1,589,416
Loss for the year	-	-	-	-	-	(417,738)	(417,738)	1,298	(416,440)
Total other comprehensive income	-	-	(110,226)	2,859	-	709	(106,658)	-	(106,658)
Acquisition of non-controlling interests	-	-	-	-	37,888	(5,063)	32,825	(32,825)	-
Issue of shares	811	80,265	-	-	-	-	81,076	-	81,076
Share-based payment charge	-	-	-	-	-	1,257	1,257	-	1,257
Equity dividends	-	-	-	-	-	-	-	(1,648)	(1,648)
At 31 December 2022	25,849	80,265	(99,871)	2,859	(565)	1,137,460	1,145,997	1,006	1,147,003
Loss for the year	**-**	**-**	**-**	**-**	**-**	**(386,807)**	**(386,807)**	**57**	**(386,750)**
Total other comprehensive income	**-**	**-**	**24,267**	**(5,610)**	**-**	**(782)**	**17,875**	**-**	**17,875**
Share capital reduction	**(25,849)**	**-**	**-**	**-**	**-**	**25,849**	**-**	**-**	**-**
Transfer of reserves	**-**	**(80,265)**	**-**	**-**	**-**	**80,265**	**-**	**-**	**-**
Acquisition of non-controlling interests	**-**	**-**	**-**	**-**	**565**	**28**	**593**	**(593)**	**-**
Capital contribution	**-**	**-**	**-**	**-**	**-**	**(545)**	**(545)**	**545**	**-**
Share-based payment charge	**-**	**-**	**-**	**-**	**-**	**1,041**	**1,041**	**-**	**1,041**
Equity dividends	**-**	**-**	**-**	**-**	**-**	**(16,763)**	**(16,763)**	**(926)**	**(17,689)**
At 31 December 2023	**-**	**-**	**(75,604)**	**(2,751)**	**-**	**839,746**	**761,391**	**89**	**761,480**

Note 24 includes more detail on each of these Group reserves.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023

1. Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with UK adopted international accounting standards and the requirements of the Companies Act 2006.

2. Material accounting policies

The Group's material accounting policies adopted in the preparation of these consolidated financial statements are listed below. These policies have been consistently applied across the years presented unless otherwise stated.

Basis of preparation

The Consolidated financial statements are presented in US Dollars ($), rounded to the nearest thousand ($'000), and are prepared on a going concern basis. The consolidated financial statements have been prepared under the historical cost convention, except for the following which are measured at fair value: defined benefit pension plan assets, derivatives and contingent consideration.

On 20 March 2024 the consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Directors.

The preparation of financial statements in accordance with UK adopted international accounting standards requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The areas involving a higher degree of judgement and areas where assumptions and estimates are significant in relation to the consolidated financial statements are discussed in the significant accounting judgements and estimates note.

These financial statements are presented for the year ended 31 December 2023.

Going concern

The Group's activities, financial performance, position, cash flows and borrowing facilities, together with the factors likely to affect its future development, performance and position over the 12 months from the date of this report are described in this report.

At 31 December 2023, the Group had cash and cash equivalents of $65.6 million and an undrawn RCF available of $286.0 million, giving liquidity headroom of $351.6 million. On 7 February 2024, the Group increased its USD term loans by $150 million and the outstanding balance of the RCF was subsequently repaid in full giving the Group an undrawn RCF available of $425 million at the time of signing these financial statements.

The Group is subject to a leverage covenant tested quarterly and had significant headroom at 31 December 2023.

The Group has performed an assessment of going concern through modelling several scenarios. The base case scenario reflects the budget for 2024 and the strategic plan financials for 2025, which assumes current market conditions are maintained. A severe but plausible downside scenario has also been modelled, which assumes a deterioration in revenue margins and operating profit. This scenario could arise if the global economy enters a prolonged period of deep recession, although as noted in the Strategic Report, the end market for healthcare services is largely unaffected by the economic environment. This scenario includes additional cost reduction actions available, mainly in relation to reductions in headcount. There are further cost mitigating and cash saving actions that could be taken by management in the event this became necessary.

In all scenarios modelled, the Group would retain liquidity and covenant headroom throughout the going concern period.

After reviewing the Group's performance, future forecasted profits and cash flows, and ability to draw down on its facilities, the Directors consider that the Group has adequate resources to continue in operational existence for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, the Directors are satisfied that it is appropriate to adopt the going concern basis in preparing the Company's and the Group's financial statements.

Basis of consolidation

The Group's financial statements include the financial statements of the company and all its subsidiaries and the Group's interests in joint ventures and associates using the equity method of accounting.

Appendix 2 includes details of the Group's subsidiaries and associates and forms part of these financial statements.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

New and amended standards and interpretations effective in the year

The group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2023:

- *Definition of Accounting Estimates – amendments to IAS 8*
- *International Tax Reform – Pillar Two Model Rules – amendments to IAS 12*
- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to IAS 12*
- *Disclosure of Accounting Policies – Amendments to IAS 1*

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Standards and interpretations issued and amended but not yet effective or early adopted

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (Amendments to IAS 1, Presentation of Financial Statements) has been published but is not mandatory for 31 December 2023 reporting periods and has not been early adopted by the Group. These amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Accounting for subsidiaries and joint ventures

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect these returns through its power over the investee. In assessing control, potential voting rights that currently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the Group financial statements from the date that control commences until the date that control ceases.

Intragroup balances and any unrealised income and expenses arising from intragroup transactions are eliminated in preparing the Group financial statements. Unrealised gains arising from transactions with equity accounted joint ventures are eliminated against the investment to the extent of the Group's interest. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment.

Joint ventures are those entities where the rights are to share in the net assets and over whose activities the Group has joint control, established by contractual arrangement and requiring unanimous consent for strategic, financial and operational decisions. An associate is an enterprise over which the Group has significant influence, but not control, through participation in the financial and operating policy decisions of the investee.

Joint ventures are included in the financial statements using the equity method of accounting, from the date that joint control and significant influence commence, until the date that joint control and significant influence cease. The Income Statement reflects in operating profit, the Group's share of profit after tax of its equity accounted investments. The Group's interest in the net assets of equity accounted investments is included in the Balance Sheet at an amount representing the Group's share of the fair value of the identifiable net assets at acquisition plus the Group's share of post-acquisition retained profits or losses and other comprehensive income less dividends received from the joint ventures and associates.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Business combinations

Business combinations are accounted for using the acquisition method at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss. On acquisition of a business, all of the assets and liabilities of that business that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities that the Group incurs in connection with completed business combinations are recognised in the income statement within operating expenses as incurred.

Where the consideration for the acquisition includes a deferred contingent consideration arrangement, this is measured at fair value at the acquisition date. Any subsequent changes to the fair value of the contingent consideration are adjusted against the cost of the acquisition if they occur within the measurement period of 12 months following the date of acquisition and relate to events and circumstances existing at acquisition. Any subsequent changes to the fair value of the contingent consideration for events and circumstances that did not exist at acquisition or after the measurement period are recognised in the income statement within highlighted items.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

Intangible assets – acquired

Intangible assets that are acquired by the Group in a business combination are stated at cost less accumulated amortisation and impairment losses, when separable or arising from contractual or other legal rights and when they can be measured reliably. Acquired intangible assets comprise separable corporate brand names, customer relationships and technology. Intangible assets are amortised systematically over their estimated useful lives, which vary from 6 months to 24 years depending on the nature of the asset. Amortisation is charged to the Income Statement on a straight-line basis over the estimated useful lives of the intangible assets. These intangible assets are reviewed for impairment in any periods in which events or changes in circumstances indicate the carrying value may not be recoverable.

Intangible assets – cloud computing software

Cloud Computing Computer software and associated expenditure relating to cloud computing-based arrangements are those over which the Group does not have possession of the underlying software, but accesses on an as-needed basis. This right to receive access does not provide the Group with a software asset. The access to the software is a service that the Group receives over the contractual term and is expensed as incurred.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Intangible assets – non-cloud computing software

Computer software (excluding cloud computing-based arrangements), including computer software which is not an integrated part of an item of computer hardware, is stated at cost less any accumulated amortisation and any accumulated impairment losses. Cost comprises purchase price and any other directly attributable costs. Internally generated computer software is recognised if it meets the following criteria:

- An asset can be separately identified;
- It is probable that the asset created will generate future economic benefits;
- The development cost of the asset can be measured reliably;
- It is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- The cost of the asset can be measured reliably.

Costs relating to the development of computer software for internal use are capitalised once the recognition criteria outlined above are met. Computer software is amortised over its expected useful life, which ranges from 2 to 10 years, by charging equal instalments to the income statement from the date the assets are ready for use.

Initial recognition and measurement

An intangible asset is initially recognised at cost if:

- It is probable that future economic benefits that are attributable to the asset will flow to the entity; and
- The cost of the asset can be measured reliably.

These criteria are most important in assessing the recognition of internally generated intangible assets. When an intangible asset is acquired in a business combination, these criteria are assumed to be met.

The cost of an internally generated intangible asset includes the directly attributable expenditure of preparing the asset for its intended use.

Subsequent expenditure

Subsequent expenditure to add to, replace part of, or service an intangible asset is recognised as part of the cost of an intangible asset if an entity can demonstrate that the item meets:

- The definition of an intangible asset: and
- The general recognition criteria for intangible assets.

Property, plant and equipment

Property, plant and equipment are stated at their historical cost less accumulated depreciation and any recognised impairment losses. Depreciation is calculated, on a straight-line basis on cost less estimated residual value, to write property, plant and equipment off over their anticipated useful lives using the following annual rates:

Land and Buildings	
• Freehold land	not depreciated
• Freehold buildings	2-7%
Motor vehicles	20-25%
Equipment, fixtures and fittings	10%–35%
Assets under construction	not depreciated

Leasehold improvements are amortised over the shorter of the useful economic life or the period of the lease, from three to 15 years.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Property, plant and equipment (continued)

The residual value of assets, if not insignificant, and the useful life of assets are reassessed annually. Gains and losses on disposals are determined by comparing the consideration received with the carrying amount at the date of disposal and are included in operating profit.

Goodwill

Goodwill arising in a business combination is recognised as an asset at the acquisition date.

Goodwill is measured as the excess of the fair value of the consideration, the amount of any non-controlling interest, and the fair value of any previously held interest in the acquiree over the net fair value of the identifiable assets and liabilities assumed. When the fair value of the identifiable assets and liabilities acquired exceeds the cost of the acquisition, the values are reassessed and any remaining gain is recognised immediately in the Income Statement. Goodwill is subsequently carried at cost less accumulated impairment losses. Goodwill is allocated to the cash generating units (CGUs) that are expected to benefit from the combination's synergies. This is the lowest level at which goodwill is monitored for internal management purposes.

Goodwill is not amortised but is reviewed for impairment annually and in any period in which events or changes in circumstances indicate the carrying value may not be recoverable. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value-in-use and fair value less costs of disposal. Any impairment is recognised immediately as an expense in the Income Statement and is not subsequently reversed.

Where goodwill forms part of a CGU and part of the operation within that CGU is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal. The goodwill disposed of on a partial disposal of a CGU is measured on the basis of the relative values of the operation disposed of and the portion of the CGU retained.

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets (which are recognised based on recoverability), are reviewed on an annual basis to determine whether there is any indication of impairment. If such an indication exists, then the asset is tested for impairment.

The recoverable amount of a non-financial asset or CGU is the greater of its fair value less cost to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets (the CGU). An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount.

An impairment loss, other than in the case of goodwill, is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. All impairment losses are recognised in the Income Statement.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of a provision account. When a trade receivable is considered uncollectible, it is written off against the provision account. Subsequent recoveries of amounts previously written off are credited against the provision account. Changes in the carrying amount of the provision are recognised in the income statement.

Leasing

Group entities as a lessee

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Such leases are expensed to the Income Statement over the term of the lease.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, discounted using the rate inherent in the lease unless this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Incremental borrowing rates are calculated using a portfolio approach and are determined using observable inputs (corporate bond yields) based on the risk profile of the entity holding the lease, and the term and currency of the lease. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Leasing (continued)

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before the commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset

Subsequent to initial measurement, lease liabilities increase as a result of interest charged on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is determined to be shorter than the lease term.

The Group also assesses the right-of-use asset for impairment when such indicators exist.

When the estimate of the term of any lease is revised, for example due to reassessing the probability of exercising an extension or termination option, the carrying amount of the lease liability is adjusted to reflect the payments to be made over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is also revised when the variable element of future lease payments dependent on a rate or index is revised, except in this case the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining revised lease term.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification. If the renegotiation results in one or more additional assets being leased for an amount equal to the standalone price for the additional right-of-use assets obtained, the modification is accounted for as a separate lease in accordance with the above policy. In all other cases where the renegotiation increases the scope of the lease, the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount. If the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that include both a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to separate the non-lease components and exclude these from the lease liability calculations.

On the consolidated balance sheet, right-of-use assets and lease liabilities have been disclosed separately.

Sub leases

A sub lease involves the re-leasing by the Group of an underlying right-of-use asset to a third party, while the head lease between the original lessor and the Group remains in effect. Sub leases are classified as operating or finance by reference to the right-of-use asset. On the basis that sub letting gives rise to a finance lease, the Group derecognises the right-of-use asset (or portion of it) relating to the head lease that it transfers to the sub lessee and recognise the net investment in the sub lease as a finance lease receivable. Depreciation ceases at the point when the right-of-use asset is derecognised. The Group recognises any difference between the right-of-use asset and the finance lease receivable in the Income Statement. The finance lease receivable is unwound over the term of the sub lease and the Group recognises finance income on the sub lease. The carrying value of the finance lease receivable is assessed for impairment.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Revenue

Revenue is recognised for identified contracts with customers. Revenue comprises the fair value of the consideration receivable for goods and services sold to third party customers in the ordinary course of business. It excludes sales-based taxes and is net of allowances for volume-based rebates and early settlement discounts.

It is the Group's policy and customary business practice to receive a valid order from the customer in which each parties' rights and payment terms are established. The Group assesses revenue contracts to determine the transaction price and performance obligations to be delivered to customers under contract. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling price. The Group's contracts with customers generally include a single performance obligation and do not contain multiple performance obligations or bundled pricing arrangements.

If the consideration in a revenue contract includes a variable amount (including volume rebates), the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. Accumulated experience is used to estimate and provide for discounts and rebates, using the most likely amount estimation method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. In some of the Group's revenue contracts, the Group receives short-term advances from its customers. Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

The Group recognises revenue as the amount of the transaction price expected to be received for goods and services supplied at a point in time or over time as the contractual performance obligations are satisfied and control passes to the customer. Revenue is recognised when a customer obtains control of a good or service and therefore has the ability to direct the use and obtain the benefits from the good or service. Revenue is recognised over time where (i) there is a continuous transfer of control to the customer; or (ii) there is no alternative use for any asset created and there is an enforceable right to payment for performance completed to date. Other revenue contracts are recognised at a point in time when control of the good or service transfers to the customer.

Where the contractual performance obligations are satisfied over time and revenue is recognised over time, the Group recognises revenue by reference to the estimated stage of completion of the performance obligations. Methods of estimating stage of completion of over time revenue contracts includes the input method of cost incurred to date over the estimated total cost to complete the revenue contract or number of hours worked at the agreed rate, subject to any fee cap, where applicable. Estimates of revenues, costs and stage of completion during the performance of a contract are revised where circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known. Where performance obligations are satisfied at a point in time, revenue is recognised when the risks and rewards of ownership have transferred to the customer. This is at the point where the product is delivered to the customer and there are no unfulfilled obligations that could affect the customer's acceptance of the product.

In the Group's contracts where another party is involved in providing goods or services to its customer, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of control over a specified good or service in delivery to the customer, including considering amongst other things, who has responsibility for the service. The Group is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer and where it is considered to have responsibility for the goods provided. In circumstances where this is not the case, the Group's role is as an agent and revenue is recognised at the net amount that it retains for its agency services.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Dividends

Dividends are recognised as a distribution in the period in which they are approved by the Company's shareholders.

Foreign currencies

US Dollars is the functional currency of the Company and the presentational currency of the Group. Transactions denominated in foreign currencies are initially translated at the exchange rate prevalent at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange prevalent at the balance sheet date. Non-monetary assets and liabilities that are measured based on historical cost are not subsequently re-translated.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to US dollars at the foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to US dollars at the average exchange rate for the financial period. Foreign exchange differences arising on translation of foreign operations, including those arising on long-term intra-Group loans deemed to be quasi-equity in nature, are recognised in Other Comprehensive Income and accumulated in the foreign currency translation reserve within Equity.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, to hedge its interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

The Group does not currently have any hedges classified as fair value hedges.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Derivative financial instruments and hedge accounting (continued)

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the hedging reserve, while any ineffective portion is recognised immediately in the income statement. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The amounts accumulated in other comprehensive income are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in other comprehensive income for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in other comprehensive income is reclassified to the income statement as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in other comprehensive income must remain in accumulated other comprehensive income if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to the income statement as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated other comprehensive income must be accounted for depending on the nature of the underlying transaction as described above.

Hedge of net investment in foreign operation

Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in Other Comprehensive Income to the extent that the hedge is effective and are presented within Equity in the foreign exchange translation reserve. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged part of a net investment is disposed of, the associated cumulative amount in equity is transferred to profit or loss as an adjustment to the profit or loss on disposal.

Financial guarantee contracts

Where the Group enters into financial guarantee contracts to guarantee the indebtedness of other parties, the Group considers these to be insurance arrangements and accounts for them as such. The Group treats the guarantee contract as a contingent liability until such time as it becomes probable that the Group will be required to make a payment under the guarantee.

Share-based payment transactions

The Group operates a Management Incentive Plan which allows Directors and members of management to acquire shares in the Company. The scheme is an equity settled arrangement under IFRS 2 *Share-based Payments*. The fair value of share-based payment instruments offered to employees is recognised as an employee expense, with a corresponding increase in equity, over the estimated period to an exit event, being a listing or sale. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service condition is expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service condition on exit.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Highlighted items

The Group presents highlighted items charged and credited to loss before tax by adjusting for costs and credits which management believe to be significant by virtue of their size, nature or incidence. The Group uses these adjusted measures to evaluate performance and as a method to provide shareholders with clear and consistent reporting. Refer to Appendix 1 Non-IFRS Measures. The Group uses these adjusted measures to evaluate performance.

Such items would include, but are not limited to, costs associated with business combinations and disposals, restructuring costs, investments in IT and financial systems, impairment of goodwill and other intangible assets, and amortisation of intangible assets (excluding software) arising on business combinations. Further information is included in Note 6.

In addition, the Group presents an adjusted profit after tax measure by making adjustments for certain tax charges and credits.

Finance income and costs

Finance income comprises interest income on lease receivables and funds invested and, changes in the fair value of financial assets measured at fair value through profit or loss that are recognised in profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Finance costs comprises interest expense on borrowings and unwinding of the discount on provisions that are recognised in profit or loss. All borrowing costs are recognised in profit or loss using the effective interest rate method.

Pension obligations

A defined contribution pension plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Income Statement as incurred.

A defined benefit plan is a post-employment plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior years, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. The Group determines the net interest expense/(income) on the net benefit liability/(asset) for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the year to the then net benefit liability/(asset), taking into account any changes in the net defined benefit liability/(asset) during the year as a result of contributions and benefit payments. The discount rate applied is the yield at the balance sheet date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations.

Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Taxation

Income tax expense comprises current and deferred tax. Tax is recognised in the income statement except where it relates to items taken directly to the consolidated statement of other comprehensive income or equity. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantially enacted by the balance sheet date and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- Where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- In respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. Deferred tax assets and liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the Group to make a single net payment.

Cash and cash equivalents

Cash comprises cash-in-hand and balances with banks and similar institutions. Cash equivalents comprise bank deposits which are readily convertible to known amounts of cash and with a maturity of six months or less and are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables and other receivables are measured initially at fair value, and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

The Group recognises a provision for impairment for trade receivables by applying the simplified approach permitted by IFRS 9 to apply a lifetime expected credit loss provision for trade receivables. Impairment losses on trade and other receivables are recognised in profit or loss. The approach to measuring the provision for impairment of trade receivables is outlined in Note 14.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Financial instruments

Trade receivables and debt instruments issued are initially recognised when they are originated. All other financial instruments are recognised when the Group becomes a party to the contractual provisions. Financial assets and financial liabilities are initially recognised at fair value. For financial instruments that are not measured at fair value through profit or loss, transaction costs are included in the initial measurement of the financial asset or financial liability.

Financial assets are classified as measured at:

- Amortised cost;
- Fair value through profit or loss (P&L); or
- Fair value through other comprehensive income (OCI).

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Financial liabilities are classified as measured at:

- Amortised cost; or
- Fair value through P&L.

Financial liabilities are derecognised when the Group's obligations in the contracts are discharged, expire or are terminated. Where a financial liability is modified such that the cash flows of the modified liability are substantially different, the existing financial liability is derecognised and a new financial liability based on the modified terms is recognised at fair value. On recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing loans and borrowings, are stated at amortised cost with any difference between cost and redemption value being recognised in the Income Statement over the period of the borrowings using the effective interest rate method. The amortised cost calculation is revised when necessary to reflect changes in the expected cash flows and the expected life of the borrowings including the effects of the exercise of any prepayment, call or similar options.

Trade and other payables

Trade payables and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method, as set out above, with interest expense recognised on an effective yield basis.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Divisional reporting

Operating divisions are reported in a manner consistent with the internal reporting provided to the Group's Board of Directors who are responsible for allocating resources and assessing performance of the operating divisions.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the amounts involved are material, provisions are determined by discounting the expected future cash flows at a pre-tax rate which reflects the current market assessment of the time value of money and, when appropriate, the risks specific to the liability. Where discounting is applied to provisions, the increase in the value of the provision due to the passage of time is recognised as a finance cost.

Acquisitions made by the Group typically involve an earn-out arrangement whereby the consideration payable includes a deferred element that is contingent on the future financial performance of the acquired entity. No material contingent consideration will become payable unless the acquired entity delivers revenues or profits during the earn-out period that are greater than those used for calculating the initial consideration. The provision for deferred contingent consideration is recorded at fair value, which is the present value of the amount expected to be paid in cash or shares. The provision represents the Directors' best estimate of future business performance based on internal business plans.

Certain acquisitions made by the Group include a put/call option to purchase the non-controlling interests' equity share at a future date, payable in either cash or a combination of cash and shares at the Company's option, which is contingent on the future financial performance of the acquired entity. These are classified as redemption liabilities in the notes to the financial statements. The provision is recorded at fair value, which is the present value of the amount expected to be paid in cash or shares. The provision represents the Directors' best estimate of future business performance based on internal business plans. The corresponding entry on initial recognition is to the Put Option Reserve.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Where share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity.

Where share capital recognised as equity is cancelled, this is recognised as a deduction from equity. The amount created by the cancellation is transferred to the profit and loss account.

Significant accounting judgements and key sources of estimation uncertainty

(a) Carrying value of goodwill (Note 10)

The Group tests annually whether goodwill has suffered any impairment, in accordance with the procedures set out in Note 10. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The value-in-use calculation requires the Directors to estimate the future cash flows expected to arise from each cash-generating unit. For each CGU, the forecast cash flows for the first five years are based on the 2024 financial budget approved by the Directors, adjusted based on past experience and historic trends. Growth rates in years two to five are based on management's medium-term forecasted revenue and operating margins for each of the businesses. After the initial five-year forecast period a long-term growth rate has been applied to the cash flow forecasts into perpetuity. This growth rate is based on an estimate of the long-term average growth rate for the market that each CGU operates in.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Significant accounting judgements and key sources of estimation uncertainty (continued)

(b) Revenue recognition

Revenue is recognised over time where (i) there is a continuous transfer of control to the customer; or (ii) there is no alternative use for any asset created and there is an enforceable right to payment for performance completed to date. Determining the stage of completion of contracts to recognise revenue involves estimation techniques, particularly where the contract duration spans accounting periods.

The Group recognises revenue on projects based on the proportion of work completed at the balance sheet date.

Judgement is required in assessing the fair value of the proportion of work completed and hence the appropriate value of revenue to be recognised in the year. Management make this judgement using estimates of expected hours required to complete the project against the budget, alongside any milestones set out in the contract.

For fixed fee projects, revenue is only recognised once the final outcome can be assessed with reasonable certainty. The stage of completion is determined relative to the total number of hours or significant milestones expected to complete the work or provision of services as this reflects the satisfaction of the performance obligations within the contract.

(c) Retirement benefit obligations (Note 8)

The estimation of and accounting for retirement benefit obligations involves judgements made in conjunction with independent actuaries. The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis. These involve estimates about uncertain future events based on the environment in different countries, including life expectancy of scheme members, future salary and pension increases and inflation as well as discount rates. The assumptions used in determining the net cost (income) for pensions include the discount rate. The assumptions used by the Group and a sensitivity analysis of a change in these assumptions are described in Note 8.

(d) *Going concern*

Judgement is required in performing the Group's going concern assessment as it requires estimates of forecast future profits and cash flows to be made in order to assess future covenant compliance over the forecast period which involves reviewing and stress testing cash flow forecasts to determine the scale of a scenario that would cause a breach of loan covenants. At the time of approving the financial statements, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and are forecasting to remain in compliance with future covenant facility requirements. Accordingly, they continue to adopt the going concern basis of preparation in the financial statements.

(e) Valuation of separately identifiable intangible assets (Note 3 and Note 10)

To determine the value of separately identifiable intangible assets in a business combination, the Group is required to make judgements when utilising valuation methodologies.

These methodologies include the use of discounted cash flows, revenue forecasts and the estimates for the useful economic lives of intangible assets. There are significant judgements involved in assessing what amounts are recognised as the estimated fair value of assets and liabilities acquired through business combinations, particularly the amounts attributed to separate intangible assets such as brands and customer relationships. These judgements impact the amount of goodwill recognised on acquisitions.

Any provisional amounts are subsequently finalised within the 12-month measurement period, as permitted by IFRS 3. Details of acquisitions in the year are set out in Note 3.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

2. Material accounting policies (continued)

Significant accounting judgements and key sources of estimation uncertainty (continued)

(f) Income tax expense (Note 9)

The Group is subject to income tax in a number of jurisdictions, and significant judgement and degree of estimation is required in determining the worldwide provision for taxes. There are many transactions and calculations during the ordinary course of business, for which the ultimate tax determination is uncertain and the complexity of the tax treatment may be such that the final tax charge may not be determined until formal resolution has been concluded with the relevant tax authority which may take extended time periods to conclude. Also, the Group can be subject to uncertainties, including tax audits in any of the jurisdictions in which it operates, which are frequently complex taking many years to conclude. Amounts accrued for anticipated tax authority reviews are based on estimates of whether any additional amounts of tax may be due. Such estimates are determined based on a number of factors including management judgement, interpretation of relevant tax laws, correspondence with the tax authorities, advice from external tax professionals and a probability weighted expected value.

The ultimate tax charge may, therefore, be different from that which initially is reflected in the Group's consolidated tax charge and provision and any such differences could have a material impact on the Group's income tax charge and consequently financial performance. Where the final tax charge is different from the amounts that were initially recorded, such differences are recognised in the income tax provision in the period in which such determination is made.

(g) Provisions (Note 18)

The amounts recognised as a provision are management's best estimate of the expenditure required to settle present obligations at the balance sheet date. The outcome depends on future events which are by their nature uncertain. In assessing the likely outcome, management bases its assessment on historical experience and other factors that are believed to be reasonable in the circumstances.

Deferred and contingent consideration and redemption liabilities are recognised in the Consolidated Balance Sheet as provisions. The expected payment is determined separately in respect of each individual consideration agreement taking into consideration the expected level of profitability of each acquisition. The amounts to be paid are transferred from provisions to other payables when it is highly probable that the amounts due will be paid. Deferred and contingent consideration and redemption liabilities are recognised at fair value at the acquisition date. Deferred and deferred contingent consideration is included in the cost of the acquisition. Redemption liabilities are debited to the put option reserve. Values are based on earn-out agreements providing for future payment if certain profit and revenue (if applicable) targets of the acquiree are achieved. The fair value is estimated using an income-based approach of estimating the expected payment from forecasts of performance of acquired businesses and discounting the expected payment on the consideration to present value using an appropriate discount rate.

(h) Leases (Note 12)

Judgement is used in determining whether an extension or termination option will be exercised. Extension options and periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated. All facts and circumstances that create an incentive to exercise an extension option or to not exercise a termination option are considered, including:

- If there are significant penalties to terminate a lease, the Group is typically reasonably certain to not terminate the lease.
- If the rental terms are favourable to current market terms, the Group is typically reasonably certain to extend the lease, or to not exercise a termination option.
- If leasehold improvement assets are considered to have a significant remaining value, the Group is typically reasonably certain to extend the lease, or to not terminate the lease.

Other factors considered in determining whether a lease extension option or lease termination option will be exercised include historical lease durations, the availability of alternative similar properties in the market, and the costs and business disruption to replace the leased asset. The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Group.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

3. Acquisitions

The Group did not make any acquisitions during the current year ended 31 December 2023. The Group exercised the option to acquire the remaining 30% of Logic Earth Learning Services Limited for $3.3 million on 29 September 2023, which is now a wholly owned subsidiary (refer to Note 24 for other movements in non-controlling interests during the year).

During the year ended 31 December 2022 the Group acquired Evolution Road LLC, Melt Media, Research Partnership, Propensity4 Smart Data LLC, Advicepartners GmbH and Cirkle Partnership Limited for total cash consideration of $277.2 million. Cash acquired was $26.4 million. In relation to acquisitions during the year ended 31 December 2022, there has been no amendments to the fair values of assets acquired within the twelve-month period from the date of acquisition. No amendments have been made to goodwill during the remeasurement period as permitted by IFRS 3 Business Combinations.

Acquisition-related costs of $0.7 million were incurred during the year for potential acquisitions and these are included within operating expenses in the consolidated income statement. Further information is disclosed in Note 6.

4. Revenue and operating profit analysis

Revenue and operating profit information is presented in respect of the Group's operating divisions. The operating divisions are based on the Group's management and internal reporting structure. Inter-divisional pricing is determined on an arm's length basis. Divisional results include items directly attributable to a division as well as those that can be allocated on a reasonable basis.

The Group's operations are divided into the following operating divisions:

- MarComms
- Medical
- Advisory
- Engage
- Accordience

These divisions are the basis on which information is reported to Group's Board of Directors. The divisional result is the measure used for the purposes of performance assessment and represents operating profit earned by each division, but before highlighted operating expenses, net finance costs and taxation.

Details of the types of services from which each division derives its revenues are included within the Strategic Report. The accounting policies applied in preparing the management information for each of the reportable divisions are the same as the Group's accounting policies described in Note 2.

Revenue and operating profit before highlighted items

	MarComms	**Medical**	**Advisory**	**Engage**	**Accordience**	**Total**
Year ended 31 December 2023	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**
Revenue	**501,408**	**414,357**	**339,867**	**835,882**	**149,130**	**2,240,644**
Operating profit before highlighted items[1]	**92,259**	**122,899**	**73,531**	**103,109**	**14,003**	**405,801**

	MarComms	Medical	Advisory	Engage	Accordience	Total
Year ended 31 December 2022	$000	$000	$000	$000	$000	$000
Revenue	505,045	390,132	309,228	748,313	148,845	2,101,563
Operating profit before highlighted items[1,2]	99,111	101,923	64,841	82,920	15,998	364,793

[1] Highlighted items are not presented to the Board on a divisional basis.

[2] The 2022 results include a reclassification between operating costs and highlighted items of $3.9 million relating to foreign exchange gains and losses from operating activities which have been included within highlighted items in the current year. In 2023, the Group continued to centralise functions and as a result $7.3 million has been allocated from the operating divisions to central costs to align with the treatment in the current year. These changes do not impact the income statement presentation.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

4. Revenue and operating profit analysis (continued)

A reconciliation of operating profit before highlighted items to total loss before tax is provided below.

	Notes	2023 $000	2022 $000
Divisional operating profit before highlighted items		**405,801**	364,793
Central costs		**(74,928)**	(59,385)
Operating profit before highlighted items		**330,873**	305,408
Highlighted items in operating profit	6	**(463,395)**	(542,244)
Operating loss		**(132,522)**	(236,836)
Net finance costs	7	**(260,904)**	(178,917)
Loss before tax		**(393,426)**	(415,753)

Central costs comprise central head office costs which are not considered directly attributable to any division.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

5. Operating loss

Operating loss is stated after charging/(crediting):

	Note	2023 $000	2022 $000
Depreciation of property, plant and equipment	11	**10,853**	12,029
Depreciation for right-of-use assets	12	**18,826**	24,563
Amortisation of intangible assets (software development)	10	**1,188**	1,565
Amortisation of acquired intangible assets	10	**123,532**	128,678
Loss on disposal of subsidiary undertaking	6	**935**	-
Loss on disposal of property, plant and equipment	26(a)	**790**	901
Foreign exchange loss/(gain) on long term loans and operations		**12,053**	(19,009)
Lease rentals on short-term and low-value leases arising under IFRS 16	12	**3,285**	5,150
Sub-lease income	12	**(1,874)**	(1,663)
Employee costs	8	**1,155,567**	1,071,612
Impairment of intangible assets and goodwill	10	**241,716**	354,867
Impairment of property, plant and equipment	11	**627**	7,513
Impairment of right-of-use assets	12	**3,643**	11,705
Impairment of defined benefit pension assets	8	**4,427**	-
Impairment of investment in joint venture	17	**-**	8,631

Auditor's remuneration		
Fees payable to the Company's auditors for the statutory audit of the Company and consolidated annual financial statements	**2,341**	2,160
Fees payable to the Company's auditors and their associates for other services:		
Audit-related assurance services	**1**	26
Audit of the financial statements of the Company's subsidiaries	**306**	216
Taxation compliance services	**53**	824
Other taxation advisory services	**166**	2,694
Other non-audit services	**105**	836
	2,972	6,756

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

6. Highlighted items

The Group presents highlighted items charged and credited to loss before tax by adjusting for costs and credits which management believe to be significant by virtue of their size, nature or incidence. The Group uses these adjusted measures to evaluate performance and as a method to provide shareholders with clear and consistent reporting.

	Note	**2023** **$000**	2022 $000
Reported loss before tax		**(393,426)**	(415,753)
Highlighted items charged to operating expenses:			
Amortisation of acquired intangible assets	10	**123,532**	128,678
Acquisition and transaction-related costs		**734**	9,862
Remeasurement of deferred consideration and redemption liabilities	18	**(10,670)**	1,088
Restructuring and integration costs		**69,342**	51,257
Investment in financial and IT systems		**20,285**	5,613
Intangible asset and goodwill impairment	10	**241,716**	354,867
Management incentive plan ('MIP') charge	8	**1,041**	1,257
Equity accounted investments impairment	17	**-**	8,631
Foreign exchange on long term loans and operations		**12,053**	(19,009)
Impairment of defined benefit pension assets	8	**4,427**	-
Loss on disposal of subsidiary undertaking		**935**	-
Total highlighted items charged to operating expenses	4	**463,395**	542,244
Highlighted items charged to finance costs:			
Imputed interest on deferred consideration and redemption liability	7	**2,811**	3,683
Total highlighted items charged to loss before tax		**466,206**	545,927
Profit before tax and highlighted items		**72,780**	130,174

	Note	**2023** **$000**	2022 $000
Total highlighted items charged to loss before tax		**466,206**	545,927
Taxation credit on highlighted items		**(42,003)**	(40,895)
Charged to loss for the year		**424,203**	505,032

Amortisation of acquired intangible assets

Intangible assets arising on business combinations are amortised systematically over their estimated useful lives, which vary from 6 months to 24 years depending on the nature of the asset. The amortisation charge in respect of intangible assets (excluding software) is excluded from adjusted results as they relate to historic business combinations rather than normal ongoing operations.

Acquisition and transaction-related costs

Acquisition related costs of $0.7 million were incurred during the year for potential acquisitions. These costs are excluded from adjusted results as they are one-off in nature.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

6. Highlighted items (continued)

Remeasurement of deferred consideration and redemption liability

Following review of expected performance of acquired businesses against earn-out targets and subsequent remeasurement of the fair value of redemption liabilities, there was a decrease in the fair value of deferred contingent consideration and redemption liabilities. These charges are excluded from adjusted results as they relate to historic business combinations rather than ongoing operations.

Restructuring and integration costs

Restructuring and integration costs were incurred relating to the restructure of the Group. Costs have been incurred in 2023 pertaining to the ongoing integration of the legacy Huntsworth and UDG businesses. Property costs related to costs associated with property consolidations across the Group, impairments and provisions for costs associated with vacant offices are included as part of restructuring and integration costs. The Group also incurred restructuring costs relating to a reduction in business capacity during the year responding to market conditions.

Investment in financial and IT systems

Investment in financial and IT systems relate to costs primarily associated with the implementation of Oracle Fusion, Oracle EPM, Financial Force and Workday across the Group.

Intangible asset and goodwill impairment

An impairment charge has been recorded arising from the annual goodwill impairment test required to be performed by IAS 36. Further detail is included in note 10.

MIP charge

The MIP charge relates to the IFRS 2 charge as described in Note 8.

Foreign exchange gain on long term loans and operations

An unrealised foreign exchange loss of $5.9 million has been recognised on non-US Dollar denominated long term loans. The Group also incurred foreign exchange losses of $6.2 million relating to operational activities.

Impairment of defined benefit pension assets

An impairment charge has been recorded on the defined benefit plan surplus at 31 December 2023 on termination of the schemes. The pension asset surplus is deemed a contingent asset. Further detail is included in Note 8.

Loss on disposal of subsidiary undertaking

On 29 March 2023, the Group disposed of 100% of the share capital in Ashfield Turkey. 100% of the share capital was disposed of in return for consideration of 20 Turkish Lira. The loss on disposal has been calculated derecognising assets and liabilities ($0.8m), and an FX recycling loss ($0.1m).

Imputed interest on deferred consideration and redemption liability

Amounts payable as deferred contingent consideration and the redemption liability contain a significant financing component. This represents the unwinding of the financing component.

Taxation

The tax related to highlighted items is the tax effect of the items above.

Notes to the Consolidated Financial Statements (continued)
For the year ended 31 December 2023

7. Finance costs and income

	Note	**2023** **$000**	2022 $000
Bank interest payable		**261,477**	169,043
Settlements on interest rate swaps		**(8,120)**	-
Interest on lease liabilities under IFRS 16	12	**7,383**	7,148
Imputed interest on deferred consideration and redemption liability	6	**2,811**	3,683
Finance costs		**263,551**	179,874
Bank interest receivable		**(1,422)**	(626)
Net finance income on defined benefits plan	8	**(167)**	(56)
Other interest receivable		**(1,058)**	(275)
Finance income		**(2,647)**	(957)
Net finance costs	4,26	**260,904**	178,917

The increase in bank interest payable reflects ongoing funding of the business, refer to Note 21 for further detail.

8. Employee information

The average number of employees during the year was:	**2023** **Number**	2022 Number
MarComms	**1,446**	1,441
Medical	**2,140**	2,074
Advisory	**1,286**	1,177
Engage	**5,188**	4,882
Accordience	**853**	828
Centre	**272**	173
Total	**11,185**	10,575

A further 868 personnel are employed in the Group's joint venture.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

8. Employee information (continued)

The aggregate employee costs recognised in the Consolidated Income Statement are as follows:

	2023	2022
	$000	$000
Employee costs of all employees including Directors:		
Wages and salaries	**1,033,397**	955,736
Social security costs	**89,696**	86,270
Pension costs – defined contribution schemes	**31,433**	27,222
Management Incentive Plan (MIP) costs	**1,041**	1,257
Defined benefit settlement costs	**-**	1,127
Total employee costs included in operating expenses	**1,155,567**	1,071,612

	2023	2022
	$000	$000
Emoluments of Directors holding office during the year	**2,658**	5,175
Number of Directors holding office during the year accruing benefits under:		
Defined contribution schemes	**1**	1

The highest paid Director holding office at 31 December 2023 received remuneration of $1,034,000.
The Company did not contribute to a defined contribution pension scheme in respect of the highest paid Director.
Certain directors are not remunerated for services provided to this Company.

(i) Defined contribution schemes

The Group contributed to a number of defined contribution schemes during the year, the assets of which are vested in independent trustees for the benefit of members and their dependents.

(ii) Defined benefit schemes

The following amount was recognised on the Consolidated Balance Sheet of the Group in respect of the employee defined benefit schemes at 31 December 2023:

	2023	2022
	$000	$000
Employee benefits	**-**	4,478

The net position/assets disclosed above relates to Republic of Ireland plans as follows:

Fair value of scheme assets	**17,329**	15,735
Present value of scheme obligations	**(12,902)**	(11,257)
Present value of funded obligations	**4,427**	4,478
Impairment of surplus asset*	**(4,427)**	-
Employee benefits	**-**	4,478

* An impairment charge of $4.4 million has been recorded on the defined benefit plan surplus at 31 December 2023 on termination of the schemes. The pension asset surplus is deemed a contingent asset and it is unlikely the surplus will be recovered.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

8. Employee information (continued)

(ii) Defined Benefit Schemes (continued)

The defined benefit schemes operated by the Group are funded by the payment of contributions to separately administered trust funds. The contributions to the schemes are determined with the advice of independent qualified actuaries obtained at regular intervals using the projected unit method of funding. The defined benefit schemes are independently funded and the assets are vested in the independent trustees for the benefit of members and their dependents. The valuations are not available for public inspection but the results are advised to members of the scheme.

The principal long-term financial assumptions used by the Group's actuaries in the computation of the defined benefit liabilities arising on pension schemes at 31 December are as follows:

	2023	2022
Rate of general long-term increase in accrued benefits	**2.2%**	2.4%
Increase in pensions	**0.0%**	0.0%
Inflation rate	**2.2%**	2.4%
Discount rate	**3.3%**	3.7%

The schemes have a remeasurement loss of $373,000 in the current year.

The discount rate decreased over the year resulting in an increase in the liabilities. Inflation expectations also decreased offsetting the impact. The resultant net impact was an increase in the liabilities leading to an actuarial loss due to changes in the financial assumptions.

In the ROI schemes, there is no longer a salary increase assumption due to the accrual of pension benefit ceasing from 1 December 2015.

All schemes used certain mortality rate assumptions when calculating scheme obligations. These are based on advice from published statistics and experience in the geographic region. These assumptions will continue to be monitored in light of general trends in mortality experience. The average life expectancy of a pensioner at age 65, in years, is as follows:

Current pensioners	**2023**	2022
Male	**23.5**	23.4
Female	**25.4**	25.4

Future pensioners		
Male	**25.2**	25.1
Female	**27.1**	27

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

8. Employee information (continued)

(ii) Defined Benefit Schemes

Prior to the impairment of the surplus asset, the market value of the assets in the pension schemes is illustrated below:

		2023	2022
	%	**$000**	$000
Government Bonds	**100%**	**17,329**	15,704
Cash and cash equivalents	**0%**	**-**	31
Fair value of scheme assets		**17,329**	15,735
Present value of scheme obligations		**(12,902)**	(11,257)
Employee benefits asset		**4,427**	4,478
Deferred income tax liability		**(987)**	(1,012)
Net Assets		**3,440**	3,466

Movement in Fair Value of Plan Assets

	2023	2022
	$000	$000
At 1 January 2023	**15,735**	39,537
Interest income on plan assets	**587**	346
Benefit payments	**(111)**	(1,290)
Remeasurement loss/(gain)	**525**	(8,340)
Settlements **	**-**	(11,960)
Translation adjustment	**593**	(2,558)
At 31 December 2023	**17,329**	15,735

Movements in Present Value of Defined Obligations

	2023	2022
	$000	$000
At January 2023	**11,257**	33,575
Interest on scheme obligations	**420**	290
Benefit payments	**(111)**	(1,290)
Remeasurement loss	**176**	76
Effect of change in actuarial assumptions	**722**	(8,362)
Settlements **	**-**	(10,833)
Translation adjustment	**438**	(2,199)
At 31 December 2023	**12,902**	11,257

** In the prior year a settlement loss of $1.1 million was recognised on the removal of certain members from the scheme.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

8. Employee information (continued)

(ii) Defined Benefit Schemes

The remeasurement loss on the plan assets and present value of the defined benefit obligation as follows:

	2023	2022
	$000	$000
Return on plan assets excluding interest income	**525**	(8,340)
Remeasurement loss on experience variations	**(176)**	(76)
Effect of changes in actuarial assumptions:		
• Changes in financial assumptions	**(722)**	8,362
Loss included in Group Statement of Comprehensive Income	**(373)**	(54)

Defined benefit pension credit/(expense) recognised in the Income Statement

The employee benefit credit/(expense) is analysed as:

	2023	2022
	$000	$000
Current service costs	**-**	-
Interest cost on scheme obligations	**(420)**	(290)
Interest income on scheme assets	**587**	346
Net finance income on defined benefit plan	**167**	56

Accrual of pension benefits within the ROI schemes ceased with effect from 31 December 2015.
The tax effect relating to these items is disclosed in Note 9.
The expected employer's contribution for the year ending 31 December 2024 is $Nil.

Expected Maturity Analysis of Undiscounted Pension Benefits

	Less than 1 year $000	**Between 1-2 years $000**	**Between 2-5 years $000**	**Over 5 years $000**
As at 31 December 2023	-	-	-	-
As at 31 December 2022	11	34	236	1,635

Sensitivity Analysis for Principal Assumptions used to measure Scheme Liabilities

Assumption	**Change in assumption**	**Impact on plan liabilities**
Discount rate	Increase/Decrease by 0.25%	↓4.6%↑ 4.9%
Inflation rate	Increase/Decrease by 0.25%	↑2.0%↓ 1.9%
Mortality	Increase by one year	↑ 2.3%

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

8. Employee information (continued)

(iii) Management Incentive Plan

Certain employees of the Group, including Directors and members of management (together “management”) hold various classes of Preference Shares and Ordinary shares in Inizio Topco Limited and CD&R Artemis Holdco 0.75 Limited. Share purchases are funded by personal funds.

Certain of these shares entitle management to a cash payment equal to the market value even at the time of voluntary resignation whereas for the remaining ones, management is entitled to a cash payment equal to the lower of the initial issue price or market value at the time of voluntary resignation. For the former, the vesting date is considered to be the date of issue whereas for the latter, the vesting date is the estimated exit event date (date of estimated change of control or listing or winding up or asset sale) i.e., the date when the management become unconditionally entitled to such shares in full. All shares held by management are compulsorily to be redeemed/repurchased upon an exit event; ratchet features may also apply on these shares at the time of redemption/repurchase upon an exit event.

Since the Group does not have an obligation to settle the MIP, it has been accounted for as an equity-settled share-based payment arrangement under IFRS 2.

The cost of Preference Shares and C Ordinary shares has been assessed as a reasonable proxy for fair value. The fair value of the remaining shares granted during the period was estimated using a Monte Carlo simulation approach. The attributable in-year share-based payment charge was $1.0 million (2022: $1.3 million).

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

9. Taxation

	2023 $000	2022 $000
Consolidated income statement		
Current income tax		
Current year	**39,882**	38,561
Adjustments in respect of prior years	**(3,613)**	(10,912)
Current tax expense	**36,269**	27,649
Deferred income tax		
Current year	**(42,902)**	(30,305)
Impact of changes in statutory rates	**538**	(1,303)
Adjustments in respect of prior years	**(581)**	4,646
Deferred tax credit	**(42,945)**	(26,962)
Income tax (credit)/expense	**(6,676)**	687

The credit for the year can be reconciled to the loss per the Consolidated Income Statement as follows:

	2023 $000	2022 $000
Loss before tax	**(393,426)**	(415,753)
Notional income tax expense at the effective UK statutory rate of 23.5% (2022: 19%) on loss before tax	**(92,455)**	(78,993)
Permanent differences	**89,791**	73,355
Different tax rates on overseas profits	**(1,002)**	3,964
Impact of changes in statutory tax rates	**538**	(1,303)
Unrelieved current year tax losses not recognised	**885**	10,248
Utilisation of tax losses	**(174)**	(303)
Adjustments in respect of prior years	**(4,194)**	(6,266)
Other timing items not recognised	**(65)**	(15)
Income tax (credit)/expense	**(6,676)**	687

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

9. Taxation (continued)

The income tax expense for the year is based on the UK effective statutory rate of corporation tax of 23.5%. Overseas tax is calculated at the rates prevailing in the respective jurisdictions.

In addition to the amount charged to the income statement, the following amounts relating to tax have been recognised in other comprehensive income and expense and directly in equity:

	2023 $000	2022 $000
Other comprehensive expense/(income) current tax credit		
Currency translation differences	**506**	(748)
Deferred tax (credit)/expense		
Cash flow hedge	**(1,873)**	963
Defined benefit pension	**(97)**	(15)
Tax recognised in other comprehensive income and expense	**(1,464)**	200

The calculation of the Group's total tax charge involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority. At 31 December 2023, the Group had recognised provisions of $17.5 million (2022: $17.3 million) in respect of such uncertain tax positions presented as current tax liabilities or as reductions in current tax assets. Whilst the ultimate liability for such matters may vary from the amounts provided and is dependent upon the outcome of agreements with the relevant tax authorities, or litigation where appropriate, the Group continues to consider that it has made appropriate provision for periods which are open and not yet agreed by the tax authorities.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions the Group operates. The legislation will be effective for the Group's financial year beginning 1 January 2024. The Group is in scope of the enacted or substantively enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes.

The assessment of the potential exposure to Pillar Two income taxes is based on the most recent tax filings, country-by-country reporting and financial statements for the constituent entities in the Group. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions where the transitional safe harbour relief may not apply and the Pillar Two effective tax rate could be below 15%. The Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

10. Intangible assets and goodwill

	Note	Goodwill $000	Brands $000	Customer Contracts $000	Customer Relationships $000	Other $000	Software development costs $000	Total $000
Net book value								
At 1 January 2022		2,271,431	394,033	-	1,368,839	5,460	4,876	4,044,639
Acquisitions	3	179,463	13,378	7,777	97,257	-	-	297,875
Additions		-	-	-	-	-	457	457
Amortisation charge	5,6	-	(40,110)	(7,365)	(79,385)	(1,818)	(1,565)	(130,243)
Impairment		(353,327)	-	-	-	-	(1,540)	(354,867)
Translation adjustment		(118,977)	(15,701)	(212)	(60,532)	(448)	89	(195,781)
Net book value at 31 December 2022		1,978,590	351,600	200	1,326,179	3,194	2,317	3,662,080
Cost		2,331,917	414,959	7,384	1,453,495	5,638	9,761	4,223,154
Accumulated amortisation		(353,327)	(63,359)	(7,184)	(127,316)	(2,444)	(7,444)	(561,074)
At 1 January 2023		**1,978,590**	**351,600**	**200**	**1,326,179**	**3,194**	**2,317**	**3,662,080**
Additions		-	-	-	-	-	171	171
Reclassifications	11	-	-	-	-	-	278	278
Amortisation charge	5,6	-	(40,381)	(200)	(81,133)	(1,818)	(1,188)	(124,720)
Impairment		(241,716)	-	-	-	-	-	(241,716)
Translation adjustment		40,046	5,567	-	24,162	82	104	69,961
Net book value at 31 December 2023		**1,776,920**	**316,786**	**-**	**1,269,208**	**1,458**	**1,682**	**3,366,054**
Cost		2,379,253	421,871	7,597	1,480,985	5,867	10,297	4,305,870
Accumulated amortisation and impairment		(602,333)	(105,085)	(7,597)	(211,777)	(4,409)	(8,615)	(939,816)

The carrying amount of the MarComms and Advisory Cash Generating Unit's ("CGU") have been reduced to their recoverable amounts through recognition of an impairment loss against goodwill ($241.7 million). This loss is included in operating expenses in the consolidated income statement.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

10. Intangible assets and goodwill (continued)

Impairment testing for cash-generating units containing goodwill

Goodwill arises on acquisitions. During the current year ended 31 December 2023, the Group did not make any acquisitions. In relation to acquisitions during the year ended 31 December 2022, there has been no amendments to the fair values of assets acquired within the twelve-month period from the date of acquisition. No amendments have been made to goodwill during the remeasurement period as permitted by IFRS 3 Business Combinations (Note 3).

Goodwill acquired through business combinations has been allocated to CGUs for the purpose of impairment testing. The CGUs represent the lowest level within the Group at which associated goodwill is monitored for management purposes. Significant under-performance in any of the Group's major CGUs may give rise to a material write-down of goodwill which would have a substantial impact on the Group's income and equity. There are five (2022: five) CGUs identified. The carrying value of goodwill post impairment by CGU is as follows:

	2023	2022
	$000	$000
MarComms	**402,180**	488,575
Medical	**641,797**	627,087
Advisory	**370,323**	508,039
Engage	**310,876**	305,167
Accordience	**51,744**	49,722
Total	**1,776,920**	1,978,590

Impairment testing of CGUs containing goodwill

The Group tests goodwill for impairment on an annual basis or more frequently if there is an indication that the goodwill may be impaired. This testing involves determining the CGU's value-in-use and comparing this to the carrying amount of the CGU. Where the value-in-use exceeds the carrying value of the CGU, the asset is not impaired, but where the carrying amount exceeds the value-in-use, an impairment loss is recognised to reduce the carrying amount of the CGU to its value-in-use. Estimates of value-in-use are key judgmental estimates in the financial statements. A number of key assumptions have been made as a basis for the impairment tests. In each case, these key assumptions have been made by management reflecting past experience and are consistent with relevant external sources of information.

Value-in-use calculations

Where a value-in-use approach is used to assess the recoverable amount of the CGU, calculations use pre-tax cash flow projections based on financial budgets and projections covering a five-year period. The cash flow forecasts used for the value-in-use computations exclude incremental profits and other cash flows derived from planned acquisition activities.

For individual CGUs, the cash flow forecasts for the first five years are based on the 2024 financial budget approved by the Directors, adjusted based on past experience and historic trends. Growth rates in years two to five are based on management's medium term- forecasted revenue and operating margins for each of the businesses.

After the initial five-year forecast period, a long-term growth rate of 2% has been applied to the cash flow forecasts into perpetuity. This growth rate is based on an estimate of the long-term average growth rate for the market that each CGU operates in.

The value-in-use of each CGU is calculated using a pre-tax discount rate. The pre-tax discount rate represents the Group's estimated weighted average cost of capital, adjusted to reflect risks associated with each CGU including country specific risks, The pre-tax discount range from 12.5% to 14.7% (2022: 13.7% to 15.2%). The pre-tax discount rates used for each CGU are detailed in the table below.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

10. Intangible assets and goodwill (continued)

	Discount rate (pre-tax) 2023	Discount rate (pre-tax) 2022
	$000	$000
MarComms	**12.8%**	13.7%
Medical	**12.5%**	13.8%
Advisory	**13.6%**	13.7%
Engage	**13.0%**	14.2%
Accordience	**14.7%**	15.2%

Impairment

The carrying amount of the MarComms and Advisory CGUs have been reduced to their recoverable amounts through recognition of an impairment loss against goodwill. This loss of $241.7 million is included in operating expenses in the consolidated income statement. The impairment loss recognised is arising from an anticipated slower build in earnings and resultant cashflows. The impairment charge by CGU is allocated to CGU's as follows:

	2023	2022
	$000	$000
MarComms	**93,000**	-
Advisory	**148,716**	322,100
Engage	**-**	31,227
Total	**241,716**	353,327

Sensitivity to changes in assumptions

In assessing the value-in-use of a CGU, the forecast discounted future cash flows are inherently uncertain and could change materially over time due to the impact of market growth, discount rates and unexpected changes in key clients and personnel. No other CGU is deemed to have any significant sensitivity to changes in the underlying assumptions requiring disclosure.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

11. Property, plant and equipment

	Note	Land and buildings $000	Equipment, fixtures and fittings $000	Motor vehicles $000	Assets under construction* $000	Total $000
Net book value at 1 January 2022		28,278	12,931	23	-	41,232
Additions		1,688	7,106	-	936	9,730
Arising on acquisition	3	36	382	-	-	418
Depreciation charge	5	(4,837)	(7,190)	(2)	-	(12,029)
Disposals in year		(1,036)	(852)	(21)	-	(1,909)
Impairment		(6,565)	(948)	-	-	(7,513)
Reclassifications		(2,620)	2,620	-	-	-
Translation adjustment		(959)	(816)	-	-	(1,775)
Net book value at 31 December 2022		13,985	13,233	-	936	28,154
Additions		**2,337**	**5,451**	**-**	**-**	**7,788**
Depreciation charge	5	**(4,148)**	**(6,705)**	**-**	**-**	**(10,853)**
Disposals in year		**(3,138)**	**(245)**	**-**	**-**	**(3,383)**
Impairment		**(627)**	**-**	**-**	**-**	**(627)**
Reclassifications		**936**	**(278)**	**-**	**(936)**	**(278)**
Translation adjustment		**262**	**302**	**-**	**-**	**564**
Net book value at 31 December 2023		**9,607**	**11,758**	**-**	**-**	**21,365**
At 31 December 2023						
Cost or deemed cost		**17,523**	**30,251**	**-**	**-**	**47,774**
Accumulated depreciation		**(7,916)**	**(18,493)**	**-**	**-**	**(26,409)**
Net book value at 31 December 2023		**9,607**	**11,758**	**-**	**-**	**21,365**
At 31 December 2022						
Cost or deemed cost		21,879	26,502	-	936	49,317
Accumulated depreciation		(7,894)	(13,269)	-	-	(21,163)
Net book value at 31 December 2022		13,985	13,233	-	936	28,154

*During the year assets under construction were capitalised into land and buildings. There are no remaining assets under construction as at 31 December 2023.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

12. Leases

The consolidated balance sheet shows the following amounts relating to leases:

Right-of-use assets	Note	Buildings $000	Motor Vehicles $000	Total $000
At 31 December 2021		93,987	7,979	101,966
Additions		7,061	3,117	10,178
Arising on acquisition	3	1,404	-	1,404
Depreciation	5	(19,420)	(5,143)	(24,563)
Impairment	5	(11,705)	-	(11,705)
Termination of lease contracts		(3,121)	(337)	(3,458)
Modification of lease contracts		6,421	1,607	8,028
Transfer to lease receivable	13	(11,152)	-	(11,152)
Translation adjustment		(3,306)	(610)	(3,916)
At 31 December 2022		**60,169**	**6,613**	**66,782**
Additions		**6,006**	**3,716**	**9,722**
Depreciation	5	**(14,929)**	**(3,897)**	**(18,826)**
Impairment	5	**(3,643)**	**-**	**(3,643)**
Termination of lease contracts		**(1,154)**	**(379)**	**(1,533)**
Disposal of subsidiaries		**(29)**	**(1,611)**	**(1,640)**
Modification of lease contracts		**6,740**	**171**	**6,911**
Transfer to lease receivable	13	**(754)**	**-**	**(754)**
Translation adjustment		**1,074**	**119**	**1,193**
At 31 December 2023		**53,480**	**4,732**	**58,212**

The impairment charge in the year arose due to the consolidation of the Group's property portfolio whereby various leases were exited. These charges are included in highlighted items in Note 6.

Transfers to lease receivables relate to leased properties where the Group have sublet the property and gives rise to a finance lease receivable. The Group has derecognised the associated right-of-use asset and recognised the net investment in the sub-lease as finance lease receivable (Note 13).

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

12. Leases (continued)

Lease Liabilities	Note	**2023 $000**	**2022 $000**
At 1 January		(114,386)	(133,904)
Additions		(9,700)	(10,053)
Arising on acquisition	3	-	(2,409)
Cash payments		36,035	38,541
Unwind of Interest	7	(7,383)	(7,148)
Termination of lease contracts		1,473	4,027
Disposal of Subsidiaries		1,732	-
Modification of lease contracts		(6,289)	(7,995)
Translation adjustment		(1,519)	4,555
At 31 December		**(100,037)**	(114,386)
Non-Current		**(68,376)**	(82,592)
Current		**(31,661)**	(31,794)
At 31 December		**(100,037)**	(114,386)

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

12. Leases (continued)

Amounts recognised in the Consolidated Income Statement

Other amounts relating to leases recognised in profit or loss are as follows:

	2023 $000	2022 $000
Income from sub-leasing right-of-use assets	**(1,874)**	(1,663)
Interest on lease receivable	**(1,058)**	(276)
Lease rentals on short-term and low-value leases arising under IFRS 16 (included in operating expenses)	**3,285**	5,150

Refer to note 25 for details of commitments where we have entered into commercial property leases and leases on certain items of office furniture and equipment outside the scope of IFRS 16 due to being of low value and/or short term.

The Groups leasing activities and how these are accounted for

The Group leases various offices, vehicles and equipment used in its operations. Rental contracts for offices generally have lease terms between 2 and 10 years, while motor vehicles and other equipment generally have lease terms between 1 and 4 years. The Group also has certain leases of motor vehicles with lease terms of 12 months or less and leases of equipment with low value. The Group applies the recognition exemptions for these leases available in accordance with IFRS 16.

The maturity analysis of lease liabilities is disclosed in Note 20. The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability at year-end. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Refer to the accounting policy (Note 2) for details of how the Group measures lease liabilities.

Extension and termination options

Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Residual value guarantees

The Group does not provide residual value guarantees in relation to leases.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

13. Lease Receivable

Finance lease receivables are presented in the consolidated balance sheet as follows:

	2023	2022
	$000	$000
Lease receivables		
Current	**3,543**	5,001
Non-current	**10,021**	11,855
At 31 December	**13,564**	16,856

The Group has entered into various lease arrangements as a lessor that are considered to be finance leases. The maturity analysis of lease receivables, including the undiscounted lease payments to be received are as follows:

	2023	2022
	$000	$000
Less than 1 year	**4,410**	5,263
1-2 years	**3,440**	3,894
2-3 years	**2,900**	2,917
3-4 years	**2,308**	2,900
4-5 years	**2,229**	2,308
5 years +	**580**	2,798
Total undiscounted lease payments receivable	**15,867**	20,080
Unearned finance income	**(2,303)**	(3,224)
Lease receivable	**13,564**	16,856

	2023	2022
	$000	$000
Finance income on lease receivable	**1,058**	275

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

14. Trade and other receivables

	2023 **$000**	2022 $000
Current		
Trade receivables	**429,910**	489,732
Less: provision for impairment of trade receivables	**(4,258)**	(3,774)
Trade receivables – net	**425,652**	485,958
Other receivables	**15,818**	11,563
Prepayments	**31,808**	35,745
Contract assets (Note 16)	**99,902**	124,761
VAT receivable	**6,037**	4,986
	579,217	663,013

In addition to the above, the Group also has non-current other receivables of $24.6 million (2022: $25.5 million). This balance primarily consists of loans with affiliate companies that sit outside the Group. See related parties note (note 27) for more detail.

Apart from the provision for impairments, there are no differences between the book value and fair value of the above receivables.

The movement in the impairment provision in respect of trade receivables during the year was as follows:

	2023 **$000**	2022 $000
At beginning of the year	**3,774**	4,359
Impairment charge for the year	**819**	812
Disposals of subsidiaries	**(21)**	-
Receivables written off during the year as uncollectible	**(435)**	(986)
Foreign exchange movements	**121**	(411)
At 31 December	**4,258**	3,774

The Group applies a lifetime expected credit loss provision for trade receivables, as permitted by IFRS 9. Trade receivables have been grouped based on shared credit risk characteristics and the days past due for the purposes of measuring the expected credit losses. The expected credit loss rates are based on the historical settlement profiles of sales and the credit losses experienced. Credit loss rates are adjusted to reflect current and forward-looking information where there is evidence that these factors affect the ability of customers to settle the amounts due. The Group has considered the general economic climate in its determination of the expected credit loss provision. Impairments are recorded in the Consolidated Income Statement on identification.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

14. Trade and other receivables (continued)

The ageing of trade receivables, under the IFRS 9 expected credit loss model, that were not impaired at 31 December 2023 and 2022 was:

			Past due but not impaired		
	Total	Neither past due nor impaired	<30 days	30-90 days	>90 days
At 31 December	$000	$000	$000	$000	$000
2023	**425,652**	**371,037**	**41,628**	**9,243**	**3,744**
2022	485,958	408,362	57,645	14,259	5,692

15. Trade and other payables

Current	Note	2023 $000	2022 $000
Trade payables		**45,637**	55,131
Other taxation and social security		**26,112**	31,462
Accruals		**194,166**	198,459
Contract liabilities	16	**155,972**	196,537
Deferred consideration*		**25,617**	8,356
Other payables		**12,309**	15,561
		459,813	505,506

Non-current		
Deferred consideration*	**-**	13,657
Other payables	**15**	503
	15	14,160

*$22.8 million has been reclassified from provisions (Note 18 - within deferred contingent consideration) to trade and other payables, as there are no longer any contingencies associated with these future payments other than the passage of time (2022: $47.3 million). $20.9 million has been paid during the year (2022: $26.1 million) and $25.6 million remains outstanding at year end for future payment (2022: $8.4 million).

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

16. Assets and liabilities related to contracts with customers

The Group has recognised the following assets and liabilities related to contracts with customers:

	2023	2022
	$000	$000
Accrued income	**99,902**	124,761
Contract assets	**99,902**	124,761
Deferred income	**155,972**	196,537
Contract liabilities	**155,972**	196,537

All carried forward contract liabilities were recognised as revenue in the current year. Note that the reduction in balances is primarily attributed to significant improvement in billing process and increase in projects completed during the year.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

16. Assets and liabilities related to contracts with customers (continued)

Assets recognised from costs to fulfil a contract

Contract fulfilment assets arise primarily from contracts in Engage relating to start-up costs. Contract fulfilment assets are amortised on a straight-line basis over the term of the specific contracts they relate to, consistent with the pattern of recognising the associated revenue. The amortisation cost is recorded within cost of sales. The movement in contract fulfilment assets in the year was:

	2023	2022
	$000	$000
At 1 January	**755**	868
Assets recognised from costs incurred to fulfil contracts	**219**	1,367
Amortisation as costs of provided services during the year	**(575)**	(1,480)
At 31 December	**399**	755
Non-current	**19**	200
Current	**380**	555
At 31 December	**399**	755

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

17. Equity accounted investments

The Group's interest in its joint ventures and associates, all of which are unlisted, is set out below:

	Joint ventures	**Associates**	**Total**
	$000	**$000**	**$000**
At 1 January 2023	**33,475**	**-**	**33,475**
Share of profit after tax	**2,214**	**-**	**2,214**
Dividend received	**(3,364)**	**-**	**(3,364)**
Translation adjustment	**(852)**	**-**	**(852)**
At 31 December 2023	**31,473**	**-**	**31,473**

	Joint ventures	Associates	Total
	$000	$000	$000
At 1 January 2022	41,686	2,374	44,060
Share of profit after tax	2,220	168	2,388
Acquisition of remaining interest in associate	-	(2,542)	(2,542)
Impairment	(8,631)	-	(8,631)
Translation adjustment	(1,800)	-	(1,802)
At 31 December 2022	33,475	-	33,473

Joint Ventures

Name	**Nature of business**	**Group share**	**Investment**
CMIC Ashfield Co., Ltd 7–10–4 Nishi-Gotanda, Shinagawa-ku, Tokyo, Japan	Contract sales outsourcing	49.99%	Ordinary Shares

The Group accounts for CMIC Ashfield Co. Limited as a joint venture on the basis of contractual arrangements which establish joint control between the Group and the remaining shareholders. These contractual arrangements outline the requirement for all significant strategic, financial, and operational decisions to be jointly approved by both parties to the respective agreements. In 2022, an impairment charge was recognised on the investment in CMIC Ashfield Co., Ltd. The impairment charge was primarily due to an increase in the discount rate.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

17. Equity accounted investments (continued)

Joint venture balance sheet (100%)	2023 $000	2022 $000
Non-current assets	**3,842**	4,400
Cash and cash equivalents	**4,850**	9,987
Other current assets	**18,745**	17,275
Non-current liabilities	**(3,348)**	(3,660)
Current liabilities	**(8,542)**	(8,449)
Net assets	**15,547**	19,553

Carrying value of Group's interest in joint ventures:

	2023 $000	2022 $000
Group's equity interest	**49.99%**	49.99%
Group's share of net assets	**7,772**	9,774
Goodwill	**23,701**	23,701
Carrying value of Group's interest in joint ventures	**31,473**	33,475

	2023 $000	2022 $000
Revenue	**78,893**	77,655
Expenses, net of tax	**(74,464)**	(73,214)
Profit after tax	**4,429**	4,441
Group's share of profit after tax	**2,214**	2,220

Associates

In the prior year, the Group acquired 100% of Propensity4 Smart Data LLC on 28 February 2022. Previously this company was accounted for as an associate.

	2023 $000	2022 $000
Revenue	**-**	1,216
Expenses, net of tax	**-**	(378)
Profit after tax	**-**	838
Group's share of profit after tax	**-**	168

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

18. Provisions

	Note	Redemption liability $000	Deferred contingent consideration $000	Reorganisation and other provisions $000	Total $000
At 1 January 2022		44,352	89,293	10,798	144,443
Arising during the year		-	21,659	8,606	30,265
Released during the year		-	-	(54)	(54)
Remeasurements	6	(2,669)	3,757	-	1,088
Utilised		(36,945)	(24,337)	(6,431)	(67,713)
Reclassification to trade and other payables		-	(47,329)	(1,912)	(49,241)
Foreign exchange movements		(1,040)	(3,320)	(630)	(4,990)
Unwind of discount		745	2,155	-	2,900
At 31 December 2022		**4,443**	**41,878**	**10,377**	**56,698**
Arising during the year		**-**	**-**	**7,934**	**7,934**
Released during the year		**-**	**-**	**(52)**	**(52)**
Remeasurements	6	**314**	**(10,984)**	**-**	**(10,670)**
Utilised		**(4,857)**	**(7,539)**	**(2,563)**	**(14,959)**
Reclassification to trade and other payables		**-**	**(22,823)**	**(1,347)**	**(24,170)**
Foreign exchange movements		**35**	**599**	**273**	**907**
Unwind of discount		**65**	**1,710**	**-**	**1,775**
At 31 December 2023		**-**	**2,841**	**14,622**	**17,463**
Current		**-**	**2,841**	**9,183**	**12,024**
Non-current		**-**	**-**	**5,439**	**5,439**
At 31 December 2022					
Current		4,443	20,536	3,409	28,388
Non-current		-	21,342	6,968	28,310

Redemption liability for acquisitions

Certain acquisitions made by the Group included a put/call option to purchase the non-controlling interests' equity share at a future date, payable in either cash or a combination of cash and shares at the Group's option, which was contingent on the future financial performance of the acquired entity. The amount utilised in the year represents the cash paid in relation to acquisition of the remaining 30% of Logic Earth Learning Services Limited and a further payment for the prior year exercise of the Inizio Evoke Media put/call option.

Deferred contingent consideration for acquisitions

Acquisitions made by the Group typically involve an earn-out arrangement whereby the consideration payable includes a deferred element, payable in either cash or a combination of cash and shares at the Group's option, which is contingent on the future financial performance of the acquired entity. The amount utilised in the year represents the cash paid under the earn-out arrangements. The amount arising or released in the year represents a change in the estimated future financial performance of the acquired company. Where deferred consideration is not contingent on the outcome of future events the amount was included in trade and other payables.

Reorganisation and other provisions

This provision relates principally to redundancy and onerous leases. The Group expects that $9.2 million of these provisions will be utilised within one year, with the balance over 2 to 5 years of the balance sheet date.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

19. Deferred tax

	Tax depreciation	Interest restrictions & tax losses	IFRS 16 property timing	Pension liabilities	Intangible assets	Other temporary differences	Total
	$000	$000	$000	$000	$000	$000	$000
At 31 December 2021	(220)	26,357	5,216	(1,381)	(343,934)	20,474	(293,488)
Acquisition related items	(20)	-	277	-	(24,367)	(707)	(24,817)
Credit/(expense) to income	492	(330)	1,572	236	25,848	(856)	26,962
Charge to other comprehensive income	-	-	-	15	-	(963)	(948)
Exchange differences and other movements	(280)	(660)	218	117	19,055	(775)	17,675
At 31 December 2022	(28)	25,367	7,283	(1,013)	(323,398)	17,173	(274,616)
Credit/(expense) to income	**2,333**	**22,330**	**(1,353)**	**926**	**20,200**	**(1,491)**	**42,945**
Charge to other comprehensive income	**-**	**-**	**-**	**97**	**-**	**1,873**	**1,970**
Exchange differences and other movements	**157**	**75**	**1**	**(10)**	**(7,352)**	**139**	**(6,990)**
At 31 December 2023	**2,462**	**47,772**	**5,931**	**-**	**(310,550)**	**17,694**	**(236,691)**

After netting off balances within countries, the following are the deferred tax assets and liabilities recognised in the consolidated balance sheet:

	2023	2022
	$000	$000
Deferred tax assets	**-**	-
Deferred tax liabilities	**(236,691)**	(274,616)
Net deferred tax liability	**(236,691)**	(274,616)

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

19. Deferred tax (continued)

Deferred tax has been calculated using the anticipated rates that will apply when the assets and liabilities are expected to reverse. The recoverability of deferred tax assets is supported by the expected level of future profits in the countries concerned and the future unwind of existing deferred tax liabilities.

Unrecognised temporary differences in respect of tax losses and other temporary differences amounting to $100.0 million (2022: $89.7 million), have not been recognised on the basis that their future economic benefit is uncertain. These comprise tax losses of $26.6 million (2022: $75.4 million), capital losses of $16.1 million (2022: $14.9 million) and restricted interest carried forward of $57.3 million (2022: $Nil). Of this total, tax losses of $0.5 million (2022: $4.6 million) will expire at various dates between 2024 and 2033 (2022: 2023 and 2032) and the remaining losses and interest restriction can be carried forward indefinitely.

Overseas dividends are largely exempt from UK tax but may be subject to foreign withholding taxes. The unremitted earnings of those overseas subsidiaries affected by such taxes is $643.0 million (2022: $740.0 million). No deferred tax liability is recognised on these temporary differences as the Group is able to control the timing of reversal and it is probable that they will not reverse in the foreseeable future.

The UK Government enacted an increase in the main rate of corporation tax to 25% with effect from 1 April 2023 and its effects are incorporated in these financial statements.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

20. Financial instruments

Capital management policies and strategies

The primary objective of the Group's capital management policy is to maintain an appropriate capital structure in order to support its business and maximise shareholder value.

The Board periodically reviews the capital structure of the Group, including the cost of capital and the risks associated with each class of capital. The Group manages, and if necessary makes adjustments to, the capital structure in light of changes in economic conditions. The capital structure of the Group consists of its share capital, as disclosed in Note 22, and its total borrowings, comprising bank loans, as disclosed in Note 21.

The Group has committed to adhering to the loan covenants set out in its principal debt facilities, the capital requirement under which is a maximum leverage ratio. The Group was not in breach of the requirements at any time in the financial year. The capital requirements at 31 December 2023 was as follows:

First Lien Leverage: First Lien debt / adjusted Group pro-forma EBITDA: maximum ratio 8.75x

Financial risk management policies and strategies

The Group's principal financial instruments comprise bank loans and cash and cash equivalents. The main purpose of these financial instruments is to provide finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. During the year, the Group has financed its business through a revolving credit facility and long-term loan facilities arranged with a syndicate of banks.

The main risks arising from the Group's financial instruments are interest rate risk, foreign exchange risk, liquidity risk and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group assesses its borrowing requirements by monitoring short and medium-term cash flow forecasts and interest rate risks are assessed through sensitivity analysis. The interest rates paid by the Group on financial debt are disclosed in Note 21.

The Group continually reviews and assesses the balance of debt held at floating rates and the need for additional instruments to meet both short-term and long-term requirements. The Group uses interest rate swaps to mitigate the variability of future cashflows caused by movement in market interest rates.

The table below shows the financial assets and liabilities that expose the Group to interest rate risk.

At 31 December 2023	**Within 1 year $000**	**5+ years $000**	**Total $000**
Bank loans[1]	**(134,581)**	**(2,447,464)**	**(2,582,045)**
Cash and cash equivalents	**65,559**	**-**	**65,559**
	(69,022)	**(2,447,464)**	**(2,516,486)**

At 31 December 2022	Within 1 year $000	5+ years $000	Total $000
Bank loans[1]	(75,483)	(2,395,866)	(2,471,349)
Cash and cash equivalents	78,769	-	78,769
	3,286	(2,395,866)	(2,392,580)

[1] Interest rate swaps currently in place cover 48% (2022: 49%) of the variable loan principal outstanding.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

20. Financial instruments (continued)

The other financial instruments of the Group that are not included in the above table are non-interest bearing and are therefore not subject to interest rate risk. Floating rate surplus cash earns interest based on relevant local LIBID equivalents. The floating rate bank loans payable bear interest based on SOFR on our USD-denominated loan, Sonia on our Pound Sterling-denominated loan and Euribor on our Euro-denominated loan. In April 2023, the Group modified the underlying benchmark of the floating US denominated debt from Libor to SOFR.

In accordance with the UK Financial Conduct Authority's announcement on 5 March 2021, Libor benchmark rates were discontinued after 31 December 2021 except for the majority of the US dollar settings which were discontinued after 30 June 2023. The Alternative Reference Rates Committee (AARC) in the US identified the Secure Overnight Financing Rate (SOFR) as a replacement for US Libor. In accordance with this reform, the Group has modified the existing USD Term Loans to reflect the USD Libor transition. In April 2023, the Entity modified the underlying benchmark of the floating debt from USD Libor to USD Term SOFR in accordance with the IBOR transition. The transitions from Libor to SOFR made on 11 April 2023, with the SOFR based payments coming into effect from 30 June 2023.

Interest rate sensitivity analysis

The interest rate sensitivity analysis below is based on the exposure arising from the Group's borrowings, before the impact of interest rate swaps, at the balance sheet date. A 1% (100 basis points) movement is considered to represent a reasonably possible change in interest rates. All other variables have been held constant.

If US SOFR (post April 2023), US Libor (pre April 2023), Euribor and Sonia interest rates had been 1% higher or lower, the Group's profit before tax for the year ended 31 December 2023 would decrease or increase by $24.7 million (2022: $24.8 million). The Group has no borrowings denominated in a currency other than US Dollars, Pound Sterling or Euro so would be unaffected by interest rate movements in other jurisdictions.

Foreign currency risk

Structural currency risk

A significant proportion of the Group's operations are carried out in the UK and Europe and as a result the Group is exposed to structural currency fluctuations in respect of Pound Sterling and Euro. Where practical, the Group finances investments through borrowings denominated in the same currency in which the related cash flows will be generated. To the extent that the non-US dollar-denominated assets and liabilities of the Group do not offset, the Group is exposed to structural currency risk. Such movements are reported through the Group Statement of Comprehensive Income.

Euro and Pound Sterling-denominated profits are translated into US Dollars at the average rate of exchange for the financial year. The average rate at which Euro profits were translated during the year was $1: €0.9263 (2022: $1: €0.9464) and Pound Sterling profits were translated at $1: £0.8082 (2022: $1: £0.8064).

The Group is also subject to translational currency risk on the translation of profits earned outside of the US.

Transactional currency risk

The Euro is the functional currency of the Group's Irish and Continental European businesses, Pound Sterling is the functional currency for the Group's UK businesses and the US Dollar is the functional currency for the Group's US businesses.

Sensitivity analysis on transactional currency risk

For the purposes of performing sensitivity analysis on transactional currency risk, financial assets and liabilities outstanding at the balance sheet date denominated in a currency other than the functional currency of individual entities, have been aggregated by currency and the impact of a 10% weakening of the denominated currency against the functional currency calculated. This analysis assumes that all other variables, in particular interest rates, remain constant.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

20. Financial instruments (continued)

Foreign currency risk (continued)

Euro

Based on the value of Euro-denominated financial assets and liabilities held by individual entities with a functional currency other than Euro, a 10% weakening of the Euro at 31 December 2023 and 31 December 2022 would have decreased equity and profit after tax by the amounts shown below:

	2023	2022
	$000	$000
Profit after tax	**(1,666)**	(1,457)

Pound Sterling

Based on the value of Pound Sterling-denominated financial assets and liabilities held by individual entities with a functional currency other than Pound Sterling, a 10% weakening of Pound Sterling at 31 December 2023 and 31 December 2022 would have increased equity and profit after tax by the amounts shown below:

	2023	2022
	$000	$000
Profit after tax	**32,589**	26,852

Credit risk

The Group has detailed procedures for monitoring and managing the credit risk related to its trade receivables (Note 14) based on experience, clients' track record and historic default rates. Individual credit limits are generally set by client and credit is only extended above such limits in defined circumstances.

The Group establishes an impairment provisions matrix based on an expected credit loss model in respect of trade and other receivables (Note 14). Where the Group considers that no recovery of the amount owing is possible, the amount is considered irrecoverable and is written off directly against the receivable.

Risk of counterparty default arising on cash and cash equivalents is controlled within a framework of dealing with high quality institutions and by a policy limiting the amount of credit exposure to any one bank or institution.

At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

20. Financial instruments (continued)

Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves and undrawn banking facilities and by continuously monitoring the forecast and actual cash flows.

The Group has the following facilities in place at 31 December 2023 with a syndication of banks:

a) Committed facilities of $2.6 billion

b) Revolving credit facility of $286 million

The tables below summarises the maturity profile of the Group's financial liabilities at 31 December 2023 based on contractual undiscounted payments.

At 31 December 2023	**Within 1 year $000**	**1–2 years $000**	**2–5 years $000**	**5 + years $000**	**Total $000**
Interest-bearing loans and borrowings	**394,939**	**253,141**	**2,608,570**	**588,336**	**3,844,986**
Lease liabilities	**33,409**	**23,028**	**40,561**	**25,687**	**122,685**
Trade and other payables[1]	**277,729**	**15**	**-**	**-**	**277,744**
Derivative financial liability	**6,420**	**(10,508)**	**-**	**-**	**(4,088)**
	712,497	**265,676**	**2,649,131**	**614,023**	**4,241,327**

At 31 December 2022	Within 1 year $000	1–2 years $000	2–5 years $000	5 + years $000	Total $000
Interest-bearing loans and borrowings	306,679	219,627	656,141	2,723,406	3,905,853
Lease liabilities	34,585	28,588	44,449	27,574	135,196
Trade and other payables[1]	277,507	15,003	-	-	292,510
Derivative financial liability	8,062	6,320	(10,344)	-	4,038
	626,833	269,538	690,246	2,750,980	4,337,597

[1] Balance excludes tax and social security creditors and contract liabilities.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

20. Financial instruments (continued)

Fair values of financial liabilities and assets

All financial assets and financial liabilities have been recognised at carrying amounts, which are not materially different to their fair values.

Fair value measurement

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	**Level 2**	**Level 3**	**Total**
At 31 December 2023	**$000**	**$000**	**$000**	**$000**
Liabilities measured at fair value				
Designated as hedging instruments				
Interest rate swaps	**-**	**3,321**	**-**	**3,321**

	Level 1	**Level 2**	**Level 3**	**Total**
At 31 December 2022	**$000**	**$000**	**$000**	**$000**
Assets measured at fair value				
Designated as hedging instruments				
Interest rate swaps	-	6,004	-	6,004
Liabilities measured at fair value				
Designated as hedging instruments				
Interest rate swaps	-	2,050	-	2,050

Valuation techniques used to derive Level 2 fair values

	2023	2022
	$000	$000
Derivative financial assets	**-**	6,004
Derivative financial liabilities	**(3,321)**	(2,050)
Net derivative financial (liability)/asset	**(3,321)**	3,954

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

20. Financial instruments (continued)

Fair values of financial liabilities and assets (continued)

All derivatives entered into by the Group are included in Level 2 of the fair value hierarchy and consist of interest rate swaps.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument.

The group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, there is an economic relationship.

Hedge ineffectiveness for interest rate swaps may occur due to:

- Different interest rate curve applied to discount the hedged item and hedging instrument
- Differences in timing of cash flows of the hedged item and hedging instrument
- Differences in critical terms between the interest rate swaps and loans.

Hedge ineffectiveness in relation to the interest rate swaps was negligible for 2023 and 2022.

At 31 December 2023, the Group had USD interest rate swap agreements in place with a notional amount of $668 million whereby the Group pays a fixed rate of interest of 4.12% and receives interest at a variable rate equal to floating USD 3 month SOFR. The swap is being used to hedge the exposure to cashflow variability on floating interest rate USD secured loans.

The Group also has EUR interest rate swap agreements in place at 31 December 2023 with a notional amount of €545 million ($602.2 million) whereby the Group pays a fixed rate of interest between 2.76% and 2.86% and receives interest at a variable rate equal to floating 3 month Euribor The swap is being used to hedge the exposure to cashflow variability on floating interest rate EUR secured loans.

The impact of the hedging instrument on the statement of financial position is as follows:

	Maturity date		**Notional amount**		**Carrying amount**	
	2023	2022	**2023**	2022	**2023**	2022
			$000	$000	**$000**	$000
USD interest rate swap	**31 December 2025**	31 December 2025	**668,000**	668,000	**(1,776)**	(2,050)
EUR interest rate swap	**31 December 2025**	31 December 2025	**602,000**	581,000	**(1,546)**	6,004

The fair value of interest rate swaps is calculated at the present value of the estimated future cash flows based on the terms and maturity of each contract using market interest rates as applicable for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include, where appropriate, adjustments to take account of the credit risk of the Group entity and counterparty. The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the balance sheet date, taking into account current interest rates.

The swaps consist of floating to fixed rate swaps and are classified as cash flow hedges and stated at their fair value. The fair value of these swaps at 31 December 2023 was an asset of $nil (2022: $6.0 million) and a liability of $3.3 million (2022: $2.05 million), and the effective portion of this adjustment was accounted for in the cash flow hedge reserve through Other Comprehensive Income. The interest element of the cash flow hedges will be recognised in the Consolidated Income Statement in the years to 31 December 2025, as the associated interest on the hedged debt is recognised.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

21. Borrowings

	2023 $000	2022 $000
Current		
Bank borrowings	**134,581**	75,483
	134,581	75,483
Non-current		
Bank borrowings	**2,447,464**	2,395,866
	2,447,464	2,395,866
At 31 December	**2,582,045**	2,471,349

During 2023, drawdowns relate to the ongoing funding of the business. Details of the interest-bearing loans and borrowings are noted below:

Interest-bearing loans and borrowings	Effective interest rate	2023 $000	2022 $000
Variable rate bank loans	SOFR + 4.25% + 0.10% CSA[1] with a 0.50% floor	**1,176,533**	1,169,092
	Euribor + 4.00%, with a 0% floor	**745,088**	713,555
	SOFR + 7.25% + 0.10% CSA[1]	**122,361**	121,924
	SONIA + 7.50% with a 0% floor + 0.1125% CAS[2]	**410,789**	386,778
	SOFR + 4.00%, with a 0% floor	**127,274**	80,000

[1] Credit Swap Adjustment

[2] Credit Adjustment Spread

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

22. Called up share capital

Called up, fully allotted and fully paid	Ordinary shares	
	Number of shares	Nominal value $000
At 31 December 2021	2,503,861,628	25,038
Share issue March	80,428,319	805
Share issue April	647,373	6
Sub-division April	123	-
At 31 December 2022	**2,584,937,443**	**25,849**
Share cancellation	**(2,584,937,442)**	**(25,849)**
At 31 December 2023	**1**	**-**

During the year the following shares were cancelled:

- On 12 May 2023, 2,584,937,442 ordinary shares of $0.01 were cancelled, resulting in share capital being reduced to 1 ordinary share of $0.01. The amount of $25.8 million created by the cancellation was transferred to the profit and loss account of the company.

During 2022, the following shares were issued:

- On 4 March 2022, 80,428,319 ordinary shares of $0.01 each were issued to CD&R Ulysses UK Holdco 2 Limited for consideration of $80.4 million resulting in a share premium of $79.6 million.
- On 6 April 2022, 647,373 ordinary shares of $0.01 each were issued to CD&R Ulysses UK Holdco 2 Limited for consideration of $0.6 million, resulting in a share premium of $0.6 million.
- On 6 April 2022, the share of US$0.0038 as allotted was consolidated with the issued share of US$1.2362 and the consolidated share was then sub-divided into 124 Ordinary Shares of US $0.01.

23. Dividends

During the financial year, the Group distributed $16.8 million to CD&R Ulysses UK Holdco 2 Limited (2022: $Nil). Dividends of $0.9 million were paid to non-controlling interests (2022: $1.6 million).

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

24. Reserves

Refer to the consolidated statement of changes in equity for details of movements in the year.

Share premium

The share premium account is used to record the premium on shares issued. On 12 May 2023, the directors passed a special resolution to reduce share premium by $80.3 million to $Nil. The amount of $80.3 million created by the reduction was transferred to the profit and loss account of the company.

During the prior year, following share issuances on 4 March 2022 and 6 April 2022, the share premium account increased from $Nil to $80.3 million.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of financial statements of foreign operations.

Cash flow hedge reserve

The hedging reserve is used to record the effective portion of the movements in the fair value of the Group’s derivative financial instruments that qualify for hedge accounting and are deemed to be effective hedges.

Put option reserve

The put option reserve relates to simultaneous put/call options over the non-controlling interests’ equity share in subsidiaries and arises on acquisitions made in 2018 and 2020. The reduction in the year of $0.6 million is a result of the exercise of a put option on the remaining minority shareholding of one of the Group's subsidiaries.

Non-controlling interests

Non-controlling interest is the equity in a subsidiary not attributable to the Group. Movements in the year comprise the profit attribution of $0.1 million (2022: loss $1.3 million), exercise of a put option on the remaining minority shareholding of one of the Group’s subsidiaries totaling $0.6 million (2022: $32.8 million), attribution of a capital contribution of $0.5m (2022: $Nil) and dividends paid of $0.9 million (2022: $1.6 million).

The impact on equity of changes in ownership interests in subsidiaries that do not result in a loss of control is summarised below:

Year ended 31 December 2023 **Subsidiary**	**Put option reserve**	**Non-controlling interests**	**Net impact on equity (retained earnings)**
	$000	**$000**	**$000**
Logic Earth Learning Services Limited	565	(593)	28

Year ended 31 December 2022 Subsidiary	Put option reserve	Non-controlling interests	Net impact on equity (retained earnings)
	$000	$000	$000
Evoke Media LLC	2,477	(1,613)	(864)
Evoke Navience LLC	13,911	(10,387)	(3,524)
JK Coaching Limited & Kyne Communications LLC	16,803	(18,305)	1,502
Creative-Ceutical SARL	5,571	(5,803)	232
Other	(874)	3,283	(2,409)

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

25. Commitments and contingent liabilities

Capital commitments

No capital expenditure has been contracted as at 31 December 2023 (2022: $2.0 million).

Contingent liabilities

In the normal course of business, the Group is, from time to time, subjected to legal actions, contractual disputes, employment claims and tax assessments. In the opinion of the Directors the ultimate resolution of these matters will not have a material adverse effect on the consolidated financial statements.

The Company and its subsidiaries have entered into a number of indemnifications, performance and financial guarantees, in the normal course of business, which give rise to obligations to pay amounts or fulfil obligations to external parties should certain conditions not be met or specified events occur. At the date of this report, $1.1 million has been guaranteed in respect of vehicle leasing arrangements with ALD Automotiv S.A.U. No further matters have come to the attention of the Group which indicate that any material outflow will occur as a result of these indemnities and guarantees.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

26. Cash flow analysis

(a) ***Reconciliation of operating loss to net cash inflow from operations***

	Note	2023 $000	2022 $000
Loss before tax:	4	**(393,426)**	(415,753)
Depreciation – property, plant and equipment	11	10,853	12,029
Depreciation – right-of-use assets	12	18,826	24,563
Share of profits from joint venture and associate	17	(2,214)	(2,388)
Net finance costs	7	260,904	178,917
Management Incentive Plan charge	8	1,041	1,257
Loss on disposal of property, plant and equipment	5	790	901
Loss on disposal of subsidiary	6	935	-
Amortisation of intangible assets	10	124,720	130,243
Impairment of intangible assets and goodwill	10	241,716	354,867
Impairment of investment in joint ventures	17	-	8,631
Net impairment of property, plant and equipment, right-of-use assets and related provisions		3,235	16,262
Impairment of defined benefit pension assets	8	4,427	-
Exchange translation adjustment		5,011	(15,108)
Deferred consideration revaluation adjustment	18	(10,670)	-
Decrease in contract fulfilment assets		356	114
Decrease/(increase) in debtors		95,333	(161,431)
(Decrease)/increase in creditors		(70,877)	80,648
Increase in provisions		5,101	2,887
Net cash inflow from operations		**296,061**	216,639

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

26. Cash flow analysis (continued)

(b) Reconciliation of financing cashflow

			Non-cash movements				
	Opening	**Cash flow**	**Acquisitions**	**Disposals**	**Other**	**Foreign exchange**	**2023**
	$000	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**
Cash and cash equivalents	78,769	(14,108)	-	-	-	898	**65,559**
Bank loans	(2,471,349)	(50,132)	-	-	(12,005)	(48,559)	**(2,582,045)**
Redemption liability	(4,443)	4,857	-	-	(379)	(35)	**-**
Lease liabilities	(114,386)	28,652	-	1,732	(14,516)	(1,519)	**(100,037)**
Net debt	**(2,511,409)**	**(30,731)**	**-**	**1,732**	**(26,900)**	**(49,215)**	**(2,616,523)**

	Opening	Cash flow	Acquisitions	Disposals	Other	Foreign exchange	2022
	$000	$000	$000	$000	$000	$000	$000
Cash and cash equivalents	164,870	(104,334)	26,443	-	-	(8,210)	78,769
Bank loans	(2,232,939)	(319,456)	-	-	(12,214)	93,260	(2,471,349)
Redemption liability	(44,352)	36,945	-	-	1,924	1,040	(4,443)
Lease liabilities	(133,904)	31,393	(2,409)	-	(14,021)	4,555	(114,386)
Net debt	(2,246,325)	(355,452)	24,034	-	(24,311)	90,645	(2,511,409)

(c) Analysis of statutory net debt

	2023 **$000**	2022 $000
Cash and cash equivalents	**65,559**	78,769
Bank loans	**(2,639,941)**	(2,539,663)
Prepaid loan fees	**57,896**	68,314
Lease liabilities	**(100,037)**	(114,386)
Net debt	**(2,616,523)**	(2,506,966)

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

27. Related party transactions

The Company's immediate parent entity is CD&R Ulysses UK Holdco 2 Limited.

Inizio Topco Limited, with effect from 4 March 2022, is the principal intermediate parent company of the Group. Prior to 4 March 2022, CD&R Artemis Holdco 1 Limited was the principal intermediate parent company of the Group.

Inizio Topco Limited is indirectly owned by:

- Clayton, Dubilier & Rice Fund X, L.P.; Clayton, Dubilier & Rice Fund X-A, L.P.; and CD&R Advisor Fund X, L.P., (collectively, Fund X); and
- Clayton, Dubilier & Rice Fund XI, L.P.; Clayton, Dubilier & Rice Fund XI-A, L.P.; CD&R Advisor Fund XI, L.P. (collectively, Cayman Fund XI Partnerships) and Clayton, Dubilier & Rice XI (Scotland), L.P. (Scotland Fund XI Partnership), (Cayman Fund XI Partnerships and Scotland Fund XI Partnership collectively, Fund XI).

The ultimate controlling party of Fund X and Fund XI is Clayton, Dubilier & Rice Holdings LLC.

The Group has a related party relationship with its subsidiaries and associates (Appendix 2), Directors and key management personnel and entities they control, and entities controlled by Clayton, Dubilier & Rice Holdings LLC.

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note.

Compensation of key management personnel

The remuneration of the Directors, the Company Secretary and the Group Executive Team (excluding share-based compensation relating to shares in intermediate parent undertakings as set out in Note 8 (iii)), who are the key management personnel of the Group, is set out below:

	2023	2022
	$000	$000
Short-term benefits	**4,333**	7,630
Post-employment benefits	**106**	182
	4,439	7,812

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

27. Related Party transactions (continued)

Transactions with other related parties

The following transactions occurred with related parties:

	2023	2022
	$000	$000
Subscriptions for new ordinary shares by CD&R Ulysses UK Holdco 2 Limited[1]	**-**	81,076
Dividend distributed to CD&R Ulysses UK Holdco 2 Limited[1]	**(16,763)**	-
Cancellation of shares by CD&R Ulysses UK Holdco 2 Limited[1]	**(25,849)**	-
Amounts credited/(charged) to the Consolidated Income Statement		
Revenue recognised (Clayton, Dubilier & Rice, LLC)[2]	**2,786**	2,247
Revenue recognised (Clayton, Dubilier & Rice, LLP)[2]	**122**	-
Professional fees (Clayton, Dubilier & Rice, LLC)[2]	**(102)**	(1,741)
Dividend received from joint venture (CMIC Ashfield Co., Limited)[3]	**3,534**	-
Management fee charged to joint venture (CMIC Ashfield Co., Limited)[3]	**1,909**	2,003
Lease agreement for building situated at 21 Rice Street, Manchester (Stephen and Clare's Pension)[4]	**(33)**	(204)
Joint lease agreement for building situated at Admiral House, 76-78 Old Street, London (Stephen and Clare's Pension)[4]	**(4)**	(523)
Joint lease agreement for building situated at Admiral House, 76-78 Old Street, London (DSPS Properties Limited)[4]	**(4)**	(958)
Invoices for salary recharge (DSPS Properties Limited)[4]	**(11)**	(61)
Invoices for salary recharge and reimbursement (EmCam Arts LLC)[5]	**-**	113

[1] Direct parent
[2] Indirect parent
[3] Joint venture
[4] Entity controlled / significantly influenced by key management
[5] Entity controlled / significantly influenced by close family member of key management

Terms and conditions

Services were sold to related parties during the year based on the price lists in force and terms that would be available to third parties.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

27. Related Party transactions (continued)

	2023	2022
	$000	$000
Transitional support services:		
Enestia Belgium N.V.[6]	-	140
European Packaging Centre B.V.[6]	-	51
Sharp Packaging Services, Inc[6]	-	649
Sharp Clinical Services, Inc[6]	-	103
Sharp Clinical Services (UK) Limited[6]	-	53
Sharp Clinical Holding Ireland Limited[6]	-	1,116

[6] Entities under joint control

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

27. Related Party transactions (continued)

Outstanding balances receivable/(payable) arising from sales/purchases of services

	2023 $000	2022 $000
CD&R Artemis Holdco 2 Limited	**24,268**	23,188
CD&R Artemis Holdco 1 Limited	**3,084**	831
CD&R Artemis Holdco 0.75 Limited	**2**	-
CD&R Artemis Holdco 0.5 Limited	**26**	-
Clayton, Dubilier & Rice, LLC	**465**	1,119
Clayton, Dubilier & Rice, LLP	**147**	-
Sharp Clinical Services, Inc	**-**	(6)
Sharp Clinical Holdings Ireland Limited	**-**	28
European Packaging Centre B.V.	**2**	36
Enestia Belgium N.V.	**-**	20
Sharp Packaging Services, Inc	**-**	(40)
Sharp Clinical Services (UK) Limited	**-**	3
EmCam Arts LLC	**17**	342
MediTech Media Directors Special Pension Scheme	**(65)**	-
DSPS Properties Limited	**83**	-

There is one loan outstanding at year end with a director totaling $0.5 million with Inizio Holdings Limited effective from 28 August 2020. Interest of 2.25% is applied on the loan which is outstanding at year end.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

28. Post balance sheet events

On the 7 February 2024, the Group increased its USD term loans by $150 million and the outstanding balance of the revolving credit facility has been repaid in full.

29. Audit exemption

In accordance with Section 479A of the Companies Act, the following subsidiary companies are exempt from the requirement to have their annual accounts audited:

ArticulateScience Limited (06858871)	Ashfield Excellence Academy Limited (04536485)	Ashfield Health Limited (01887613)
Ashfield Healthcare Limited (03286306)	Ashfield Meetings & Events Group Limited (06015247)	Ashfield Meetings & Events Limited (03486951)
Boldscience Medical Communications Limited (03008309)	Catalyst Communications Group Limited (00585636)	Chrysalis Medical Communications Limited (05830388)
Citigate Communications Group Limited (02188080)	Citigate Dewe Rogerson Limited (02184041)	ClinicalThinking Limited (07964514)
Cognito Medical Communications Limited (06843757)	Cormis Partnership Holdings Limited (12496754)	Cormis Partnership Limited (07541770)
Creativ-Ceutical Limited (06942665)	Dewe Rogerson Limited (00960343)	Evoke Galliard Limited (03898526)
Evoke Incisive Health Limited (08433190)	Evoke Mind+Matter Limited (03005235)	Grayling (CEE) Limited (05894329)
Grayling Communications Limited (03140273)	Grayling International Limited (05066506)	Grayling UK Limited (01593981)
Health Interactions Limited (03191357)	Holmes & Marchant Communications Limited (01766310)	Hunter UK Bidco Limited (12489386)
Huntsworth Communications Limited (06025252)	WRG Worldwide Limited (07661987)	Huntsworth Dormant 7 Limited (01951092)
Huntsworth Financial Group Limited (01076928)	Huntsworth Health Limited (03193979)	Huntsworth Healthcare Group Limited (05143203)
Huntsworth Holdings Limited (05595445)	Huntsworth Investments Limited (01894682)	Huntsworth Limited (01729478)
Huntsworth Proton UK Bidco Limited (12961001)	IG Communications Limited (02005521)	Inizio Holdings Limited (12488108)
Inizio Services UK Limited (14009810)	International Medical Press Limited (03210712)	Just Communicate Limited (04100166)
Knowledgepoint360 Group (Holdings) Limited (01689312)	Knowledgepoint360 UK Acquisitionco Limited (06160505)	LogicEarth Learning Services Limited (NI601280)
MedicalExpressions Limited (06859096)	Meditech Media Limited (02074409)	MFRHRC Holdings Ltd (08727704)
Nucleus Central Limited (06625423)	Nucleus Global Limited (02744813)	Nucleus Holdings Limited (05771207)

29. Audit exemption (continued)

NucleusX Consulting Limited (06874862)	Pharmexx UK Limited (02456441)	PHMR Limited (08741982)
Putnam Associates Limited (12302921)	ScientificPathways Limited (03793167)	Scimentum Limited (08128893)
SmartAnalyst UK Limited (05882443)	STEM Healthcare Limited (06194435)	SynaptikDigital Limited (05830385)
Team LGM Limited (01539280)	The Access Partnership Limited (08072929)	The Cirkle Partnership Limited (08946391)
The Creative Engagement Group (Holding Co) Ltd (10824165)	The Creative Engagement Group Ltd (01244084)	The Moment Content Company Limited (03962001)
The Moment Content Group Limited (09209488)	The Quiller Consultancy Limited (03609582)	The Red Consultancy Limited (02913684)
The Research Partnership Ltd. (03350410)	Tonic Life Communications Limited (05077475)	UDG Healthcare (UK) Holdings Limited (03384213)
UDG Healthcare UK (Holdco) Limited (10101233)	Ulysses Odin Bidco Limited (13871430)	Vynamic Limited (11180553)
WRG Group Limited (03552198)		

Company Balance Sheet

At 31 December 2023

	Note	**2023** **$000**	2022 $000
Fixed assets			
Investments	5	**1,202,400**	1,705,887
Current assets			
Debtors	6	**2,959**	221
Cash and cash equivalents		**22**	278
		2,981	499
Creditors: amounts falling due within one year	7	**(2,028)**	(2,032)
Net current assets		**953**	(1,533)
Net assets		**1,203,353**	1,704,354
Capital and reserves			
Called up share capital	9	**-**	25,849
Share premium account	10	**-**	80,265
Profit and loss account	10	**1,203,353**	1,598,240
Total shareholders' funds		**1,203,353**	1,704,354

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the Parent Company is not presented as part of these financial statements. The loss for the year amounted to $484.2 million (2022: $879.1 million).

The Company number is 12487650.

These financial statements on pages 120 to 127 were approved by the Board of Directors on 20 March 2024 and signed on their behalf by:

Ben Jackson

Director

Company Statement of Changes in Equity

For the year ended 31 December 2023

	Called up share capital	Share premium account	Profit and loss account	Total
	$000	$000	$000	$000
At 31 December 2021	25,038	-	2,477,372	2,502,410
Loss for the year	-	-	(879,132)	(879,132)
Issue of shares	811	80,265	-	81,076
At 31 December 2022	25,849	80,265	1,598,240	1,704,354
Loss for the year	**-**	**-**	**(484,238)**	**(484,238)**
Cancellation of shares	**(25,849)**	-	**25,849**	**-**
Transfer of reserves	**-**	**(80,265)**	**80,265**	**-**
Equity dividends	**-**	**-**	**(16,763)**	**(16,763)**
At 31 December 2023	**-**	**-**	**1,203,353**	**1,203,353**

Notes to the Company Financial Statements

For the year ended 31 December 2023

1. General information

Inizio Group Limited (**the Company**) is the parent company of an international healthcare and communications group. The Company is limited by shares, and is incorporated and domiciled in the UK. The address of its registered office is 8th Floor, Holborn Gate, 26 Southampton Buildings, London WC2A 1AN.

2. Basis of preparation

The Company financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law) for all periods presented. The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006. The preparation of financial statements in conformity with FRS 101 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 3.

The financial statements have been prepared on the going concern basis. After making an assessment, the Directors confirm that they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and accordingly continue to adopt the going concern basis in preparing the financial statements.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2023. These policies have been consistently applied to all the years presented unless otherwise stated.

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

- 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*;
- the requirements of IFRS 7 *Financial Instruments: Disclosures*;
- the requirements of paragraphs 91 to 99 of IFRS 13 *Fair Value Measurement*;
- the requirement in paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information inrespect of:
    i. paragraph 79(a)(iv) of IAS 1 *Presentation of Financial Statements*;
    ii. paragraph 73(e) of IAS 16 *Property, Plant and Equipment*;
    iii. paragraph 118(e) of IAS 38 *Intangible Assets*;
- the requirements of paragraphs 10(d), 10(f), 39(c), 16, 38A, 38B – D, 111 and 134 – 136 of IAS 1 *Presentation of Financial Statements*;
- the requirements of IAS 7 Statement of *Cash Flows*;
- the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*;
- the requirements of paragraph 17 of IAS 24 *Related Party Disclosures*;
- 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
- the requirements of paragraphs 134(d) – 134(f) and 135(c) – 135(e) of IAS 36 *Impairment of Assets*.

New and amended standards and interpretations effective in the year

The Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2023:

- *Definition of Accounting Estimates – amendments to IAS 8*
- *International Tax Reform – Pillar Two Model Rules – amendments to IAS 12*
- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12*
- *Disclosure of Accounting Policies – Amendments to IAS 1*

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Notes to the Company Financial Statements (continued)

For the year ended 31 December 2023

3. Material accounting policies

Standards and interpretations issued and amended but not yet effective or early adopted

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (Amendments to IAS 1, Presentation of Financial Statements) has been published but is not mandatory for 31 December 2023 reporting periods and has not been early adopted by the Group. These amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Deferred tax

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- Where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- In respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. Deferred tax assets and liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Foreign currencies

US Dollars is the functional currency and presentational currency of the Company. Transactions denominated in foreign currencies are initially translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date and the resulting gains and losses are recorded in the profit and loss account.

Investments

Investments are recognised and carried at cost less any identified impairment losses at the end of each reporting period.

The Company annually tests whether investments have suffered any impairment. The recoverable amounts of investments have been determined based on value-in-use calculations. The value-in-use calculation requires the Directors to estimate the future cash flows expected to arise from each investment and a suitable discount rate in order to calculate present value. Central costs are not allocated to individual investments.

Cash and cash equivalents

Cash and cash equivalents comprise cash-in-hand and cash equivalents.

Notes to the Company Financial Statements (continued)

For the year ended 31 December 2023

3. Material accounting policies (continued)

Trade and other receivables

Trade receivables and other receivables are measured initially at fair value, and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

The Company recognises a provision for impairment for trade receivables by applying the simplified approach permitted by IFRS 9 to apply a lifetime expected credit loss provision for trade receivables. Impairment losses on trade and other receivables are recognised in profit or loss.

Financial assets

Trade receivables and debt instruments issued are initially recognised when they are originated. All other financial instruments are recognised when the Group becomes a party to the contractual provisions. Financial assets are initially recognised at fair value. For financial instruments that are not measured at fair value through profit or loss, transaction costs are included in the initial measurement of the financial asset or financial liability.

Financial assets are classified as measured at:

- Amortised cost;
- Fair value through profit or loss (P&L); or
- Fair value through other comprehensive income (OCI).

Financial assets are classified based on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets are only reclassified between categories where there has been a change in the business model for managing those assets. Financial assets are derecognised when the Group's contractual rights to cash flows from the financial assets are extinguished, expire or transfer to a third party.

Significant accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements and assumptions about the future, based on historical experience and other factors which are considered to be relevant. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Carrying value of investments

The Company tests annually whether investments have suffered any impairment. The recoverable amounts of investments have been determined based on value-in-use calculations. The value-in-use calculation requires the Directors to estimate the future cash flows expected to arise from each investment and a suitable discount rate in order to calculate present value.

4. Employee information

The Company has no employees other than the Directors. The Directors are not remunerated for services provided to this Company and are paid for by another group company. It is not possible to accurately allocate remuneration between entities for qualifying services. The same was relevant in the prior year.

Notes to the Company Financial Statements (continued)

For the year ended 31 December 2023

5. Investments

Cost	**$000**
At 31 December 2021	2,503,812
Additions	81,075
Impairment	(879,000)
At 31 December 2022	**1,705,887**
Impairment	**(503,487)**
At 31 December 2023	**1,202,400**
Net book value at 31 December 2022	1,705,887
Net book value at 31 December 2023	**1,202,400**

Additions in the prior year relate to shares acquired in Inizio Holdings Limited. An impairment charge of $503.5 million (2022: $879.0 million) has been recognised during the year to write down the value of investments to the recoverable amount being the value-in-use. The impairment charge is driven by anticipated slower build in earnings and resultant cashflows as disclosed in Note 10 to the Consolidated Financial Statements.

The Company's principal trading subsidiaries and associated undertakings are listed in Appendix 2 to these financial statements.

6. Debtors

	2023 **$000**	2022 $000
Amounts owed by subsidiary undertakings	**2,943**	194
VAT receivable	**16**	27
	2,959	221

7. Creditors: amounts falling due within one year

	2023 **$000**	2022 $000
Amounts owed to subsidiary undertakings	**2,000**	2,000
Corporate tax liability	**28**	32
	2,028	2,032

Notes to the Company Financial Statements (continued)

For the year ended 31 December 2023

8. Dividends

During the financial year, the Company distributed $16.8 million to CD&R Ulysses UK Holdco 2 Limited (2022: $Nil).

9. Called up share capital

	Ordinary shares	
Called up, fully allotted and fully paid	**Number of shares**	**Nominal value $000**
At 31 December 2021	2,503,861,628	25,038
Share issue March	80,428,319	805
Share issue April	647,373	6
Sub-division April	123	-
At 31 December 2022	**2,584,937,443**	**25,849**
Share cancellation	(2,584,937,442)	(25,849)
At 31 December 2023	1	-

During the year the following shares were cancelled:

- On 12 May 2023, 2,584,937,442 ordinary shares of $0.01 were cancelled, resulting in share capital being reduced to 1 ordinary share of $0.01. The amount of $25.8 million created by the cancellation was transferred to the profit and loss account of the company.

During 2022, the following shares were issued:

- On 4 March 2022, 80,428,319 ordinary shares of $0.01 each were issued to CD&R Ulysses UK Holdco 2 Limited for consideration of $80.4 million resulting in a share premium of $79.6 million.
- On 6 April 2022, 647,373 ordinary shares of $0.01 each were issued to CD&R Ulysses UK Holdco 2 Limited for consideration of $0.6 million, resulting in a share premium of $0.6 million.
- On 6 April 2022, the share of US$0.0038 as allotted was consolidated with the issued share of US$1.2362 and the consolidated share was then sub-divided into 124 Ordinary Shares of US $0.01.

Notes to the Company Financial Statements (continued)

For the year ended 31 December 2023

10. Reserves

Called up share capital

The balance classified as called up share capital includes the total net proceeds (both nominal value and share premium) on issue of the Company's equity share capital, comprising $0.01 ordinary shares.

Share premium account

The share premium account is used to record the premium on shares issued. On 12 May 2023, the directors passed a special resolution to reduce share premium by $80.3 million to $Nil. The amount of $80.3 million created by the reduction was transferred to the profit and loss account of the company.

During the prior year, following share issuances on 4 March 2022 and 6 April 2022, the share premium account increased from $Nil to $80.3 million.

Profit and loss reserve

Includes all current and prior year retained profits and losses.

11. Related parties

The Company has not provided details of transactions with wholly owned subsidiaries as this disclosure is exempt.

The Company's immediate parent entity is CD&R Ulysses UK Holdco 2 Limited.

Inizio Topco Limited which, with effect from 4 March 2022, is the principal intermediate parent company of the Group. Prior to 4 March 2022, CD&R Artemis Holdco 1 Limited was the principal intermediate parent company of the Group.

Inizio Topco Limited is indirectly owned by:

- Clayton, Dubilier & Rice Fund X, L.P.; Clayton, Dubilier & Rice Fund X-A, L.P.; and CD&R Advisor Fund X, L.P., (collectively, Fund X); and
- Clayton, Dubilier & Rice Fund XI, L.P.; Clayton, Dubilier & Rice Fund XI-A, L.P.; CD&R Advisor Fund XI, L.P. (collectively, Cayman Fund XI Partnerships) and Clayton, Dubilier & Rice XI (Scotland), L.P. (Scotland Fund XI Partnership), (Cayman Fund XI Partnerships and Scotland Fund XI Partnership collectively, Fund XI).

The ultimate controlling party of Fund X and Fund XI is Clayton, Dubilier & Rice Holdings LLC (Cayman Islands).

12. Contingent liabilities

In connection with the Group's banking and borrowing facilities, the Company and certain of its subsidiary undertakings have entered into cross-guarantee and indemnity arrangements with Lloyds Bank plc, HSBC Bank plc, JP Morgan (agent) and GLAS (agent).

In the normal course of business, the Company is, from time to time, subjected to legal actions, contractual disputes, employment claims and tax assessments. In the opinion of the Directors, the ultimate resolution of these matters will not have a material adverse effect on the Company.

The Company has entered into a number of indemnifications, performance and financial guarantees, in the normal course of business, which give rise to obligations to pay amounts or fulfil obligations to external parties should certain conditions not be met or specified events occur. At the date of this report, no matter has come to the attention of the Company which indicates that any material outflow will occur as a result of these indemnities and guarantees.

13. Post balance sheet events

There were no events since the balance sheet date that would require adjustment to, or disclosure within, these financial statements.

Appendix 1 – Non-IFRS Measures

This report makes reference to various non-IFRS measures, which are defined below. All performance-based measures are presented to provide insight into ongoing profit generation, both individually and relative to other companies.

Adjusted net revenue and adjusted operating profit

Adjusted net revenue and adjusted operating profit are calculated as Group revenue and Group operating profit adjusted for the following:

- To include the contributions from acquisitions for the same periods for both comparable years and to remove the contribution from entities closed or disposed of during the year;
- Foreign denominated prior year earnings are translated at current year exchange rates in order to present a better reflection of underlying performance in the year as earnings can be impacted by movements in foreign exchange rates versus US dollars, the Group's presentational currency;
- In 2023, the Group continued to centralised functions and as a result amounts have been allocated from the operating divisions to central costs to align with the treatment in the current year;
- Adjusted net revenue excludes revenue associated with pass-through costs for which the Group earn an insubstantial margin;
- Adjusted operating profit before highlighted items excludes highlighted items. An analysis of highlighted items is presented in Note 6.

Adjusted net revenue

	MarComms	**Medical**	**Advisory**	**Engage**	**Accordience**	**Total**
Year ended 31 December 2023	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**
Revenue (Note 4)	**501,408**	**414,357**	**339,867**	**835,882**	**149,130**	**2,240,644**
Pass-through revenue	**(161,717)**	**(42,329)**	**(12,462)**	**(215,341)**	**(43,118)**	**(474,967)**
Net impact of acquisitions and disposals	**(12,514)**	**-**	**(17,878)**	**(1,883)**	**(2,839)**	**(35,114)**
Adjusted net revenue	**327,177**	**372,028**	**309,527**	**618,658**	**103,173**	**1,730,563**

	MarComms	Medical	Advisory	Engage	Accordience	Total
Year ended 31 December 2022	$000	$000	$000	$000	$000	$000
Revenue (Note 4)	505,045	390,132	309,228	748,313	148,845	2,101,563
Pass-through revenue	(152,069)	(37,638)	(12,254)	(166,329)	(41,419)	(409,709)
Impact of disposals	-	-	-	(4,373)	(2,185)	(6,558)
Currency impact	254	(1,021)	634	(291)	1,122	698
Adjusted net revenue	353,230	351,473	297,608	577,320	106,363	1,685,994

Adjusted operating profit

	MarComms	**Medical**	**Advisory**	**Engage**	**Accordience**	**Central**	**Total**
Year ended 31 December 2023	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**
Operating profit before highlighted items (Note 4)	**92,259**	**122,899**	**73,531**	**103,109**	**14,003**	**(74,928)**	**330,873**
Impact of acquisitions and disposals	**(2,256)**	**-**	**(5,519)**	**(729)**	**493**	**-**	**(8,011)**
Adjusted operating profit	**90,003**	**122,899**	**68,012**	**102,380**	**14,496**	**(74,928)**	**322,862**

	MarComms	Medical	Advisory	Engage	Accordience	Central	Total
Year ended 31 December 2022	$000	$000	$000	$000	$000	$000	$000
Operating profit before highlighted items (Note 4)	99,111	101,923	64,841	82,920	15,998	(59,385)	305,408
Impact of acquisitions and disposals	-	-	-	(102)	327	-	225
Central cost reallocation	313	1,269	746	2,984	-	(5,312)	-
Currency impact	66	1,063	(264)	490	119	(1,161)	313
Adjusted operating profit	99,490	104,255	65,323	86,292	16,444	(65,858)	305,946

Adjusted operating profit margin

Adjusted operating profit as a percentage of adjusted net revenue.

	MarComms	**Medical**	**Advisory**	**Engage**	**Accordience**	**Central**	**Total**
Year ended 31 December 2023	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**
Adjusted net revenue (A)	**327,177**	**372,028**	**309,527**	**618,658**	**103,173**	**-**	**1,730,563**
Adjusted operating profit (B)	**90,003**	**122,899**	**68,012**	**102,380**	**14,496**	**(74,928)**	**322,862**
Adjusted operating profit margin (B/A)	**28%**	**33%**	**22%**	**17%**	**14%**	**-**	**19%**

	MarComms	Medical	Advisory	Engage	Accordience	Central	Total
Year ended 31 December 2023	$000	$000	$000	$000	$000	$000	$000
Adjusted net revenue (A)	353,230	351,473	297,608	577,320	106,363	-	1,685,994
Adjusted operating profit (B)	99,490	104,255	65,323	86,292	16,444	(65,858)	305,946
Adjusted operating profit margin (B/A)	28%	30%	22%	15%	15%	-	18%

Appendix 1 – Non-IFRS Measures (continued)

Net debt and cash conversion

Net cash inflow from operations is analysed as follows:

	Note	2023 $000	2022 $000
Before highlighted items		**376,069**	281,959
Highlighted items		**(80,008)**	(65,320)
Net cash inflow from operations	**26**	**296,061**	216,639

Cash conversion			
Operating profit before highlighted items	**4**	**330,873**	305,408
Depreciation and amortisation	**5**	**30,867**	38,157
Adjusted EBITDA		**361,740**	343,565
Cash from operations before highlighted items		**376,069**	281,959
Share of profits from joint venture and associate	**17**	**2,214**	2,388
Net cash flow on leases		**(24,197)**	(28,474)
Purchases of property, plant and equipment	**11**	**(7,788)**	(9,730)
Proceeds from sale of property, plant and equipment		**2,593**	1,008
Cost of internally developed intangible assets	**10**	**(171)**	(457)
Adjusted cash from operations		**348,720**	246,694
Cash conversion		**96%**	72%

Free cash flow			
Net cashflow from operating activities	**Cash flow Statement**	**13,793**	(101,011)
Cost of internally developed intangible assets	**10**	**(171)**	(457)
Purchases of property, plant and equipment	**11**	**(7,788)**	(9,730)
		5,834	(111,198)

Net debt excluding prepaid loan fees			
Net debt	**26**	**(2,616,523)**	(2,506,966)
Prepaid loan fees	**26**	**(57,896)**	(68,314)
		(2,674,419)	(2,575,280)

Appendix 2 – Subsidiaries and Associates

This appendix forms part of the financial statements.

The Group consists of the Parent Company, Inizio Group Limited, and a number of subsidiaries held both directly and indirectly by Inizio Group Limited, which operate and are incorporated around the world. Details of the Company's subsidiary undertakings at 31 December 2023 are set out below.

Subsidiary undertakings	Registered office	% of shares held directly by Parent	% of shares held directly by Group
Trading companies - MarComms division			
Evoke Canale LLC	4010 Goldfinch Street, San Diego, CA 92103, United States	0%	100%
Evoke Create, LLC	300 Vesey Street, 10th Floor, New York, NY 10282, United States	0%	100%
Evoke Galliard Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Evoke Giant LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Inizio Evoke North America LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Evoke Incisive Health Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Inizio Evoke Media LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Evoke Mind+Matter Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Inizio Evoke Transformation LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Evolution Road, LLC	300 Vesey Street, 10th Floor, New York, NY 10282, United States	0%	100%
Inizio Evoke Comms LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Inizio Evoke Drive LLC	100 Regency Forest Drive, Ste 160, Cary NC 27518, United States	0%	100%
Kyne Communications Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
Tonic Life Communications Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Trading companies - Medical division			
Ashfield Health Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Ashfield Health, LLC	300 Vesey Street, 10th Floor, New York, NY 10282, United States	0%	100%
Ashfield MedComms GmbH	Harrlachweg 11, 68163 Mannheim, Germany	0%	100%
HH Medical Inc.	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Huntsworth Health Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Institute for Medical and Nursing Education, Inc	2 Ravinia Drive, Suite 605, Atlanta, GA 30346, United States	0%	100%

Subsidiary undertakings	Registered office	% of shares held directly by Parent	% of shares held directly by Group
International Medical Press Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Medistrava Japan G.K.	C/o TMF Group Limited, Tokyo Club Building 11F, 3-2-6 Kasumigaseki, Chiyoda-ku, Tokyo, Japan	0%	100%
Medistrava LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Medisys Health Communications LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Nucleus Holdings Asia Pacific Pte Limited	158 Cecil St, #05-01, Singapore 069545	0%	100%
Nucleus Holdings Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
The Nucleus Group Holdings, Inc	2 Ravinia Drive, Suite 605, Atlanta, GA 30346, United States	0%	100%
Trading companies - Engage division			
AH Services, Inc.	1100 Virginia Drive, Suite 200, Fort Washington PA 19034, United States	0%	100%
Ashfield Direct GmbH	Harrlachweg 11, 68163 Mannheim, Germany	0%	100%
Ashfield Excellence Academy Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Ashfield Healthcare (Ireland) Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
Ashfield Healthcare Canada Inc	263 av. Labrosse, Pointe-Claire, Quebec H9R 1A3, Canada	0%	100%
Ashfield Healthcare GmbH	Harrlachweg 11, 68163 Mannheim, Germany	0%	100%
Ashfield Healthcare GmbH	Wienerbergstraße 11, Turm A, 10. OG 1100 Wien, Austria	0%	100%
Ashfield Healthcare Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Ashfield Healthcare LLC	1100 Virginia Drive, Suite 200, Fort Washington PA 19034, United States	0%	100%
Ashfield Iberia LDA	Avenida Dom João II No 44 C, Edificio Atlantis, Parque Das Naçoes, 1990-095 Lisboa, Portugal	0%	100%
Ashfield Iberia S.L.U	Calle Quintanavides, Num 17, Bloque 3, Planta 1, 28050 Madrid, Spain	0%	100%
Ashfield Market Access LLC	1100 Virginia Drive, Suite 200, Fort Washington PA 19034, United States	0%	100%
Ashfield Medical Dialogue Centre GmbH	Harrlachweg 11, 68163 Mannheim, Germany	0%	100%
Ashfield Meetings & Events Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Ashfield Meetings and Events Inc	1100 Virginia Drive, Suite 200, Fort Washington PA 19034, United States	0%	100%
Ashfield Nordic AB	Kungsgatan 48, 111 35 Stockholm, Sweden	0%	100%
Ashfield Nordic ApS	Rådhuspladsen 16, 1550 København V, Denmark	0%	100%
Ashfield Nordic Oy	Ruoholadenkatu 21, 0180 Helsinki, Finland	0%	100%

Subsidiary undertakings	Registered office	% of shares held directly by Parent	% of shares held directly by Group
Ashfield S.A	Fountain Plaza, Building 501, Belgicastraat 1 1930 Zaventem, Belgium	0%	100%
Auryn - Produtos Farmaceuticos Unipessoal LDA	Avenida Dom João II No 44 C, Edificio Atlantis, Parque Das Naçoes, 1990-095 Lisboa, Portugal	0%	100%
Cormis Partnership Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Cormis Partnership LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Excelent Farma Portugal, Consultoria E Formação Farmacêutica - Unipessoal Lda	Avenida Dom João II No 44 C, Edificio Atlantis, Parque Das Naçoes, 1990-095 Lisboa, Portugal	0%	100%
Flexifarma - Promoção De Produtos Farmacêuticos, Unipessoal Lda	Avenida Dom João II No 44 C, Edificio Atlantis, Parque Das Naçoes, 1990-095 Lisboa, Portugal	0%	100%
Kironfarma Produtos Farmacêuticos, Sociedade Unipessoal, Lda	Avenida Dom João II No 44 C, Edificio Atlantis, Parque Das Naçoes, 1990-095 Lisboa, Portugal	0%	100%
LogicEarth Learning Services Limited	Pinsent Masons LLP, 1 Lanyon Place, Belfast, BT1 3LP, Northern Ireland	0%	100%
Nuvera LLC	1100 Virginia Drive, Suite 200, Fort Washington PA 19034, United States	0%	100%
Pharmexx UK Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Prévis - Produtos Farmacêuticos, Unipessoal Lda	Avenida Dom João II No 44 C, Edificio Atlantis, Parque Das Naçoes, 1990-095 Lisboa, Portugal	0%	100%
Propensity4 Smart Data, LLC	1100 Virginia Drive, Suite 200, Fort Washington PA 19034, United States	0%	100%
Rofarm Ibérica - Produtos Farmacêuticos, Unipessoal Lda	Avenida Dom João II No 44 C, Edificio Atlantis, Parque Das Naçoes, 1990-095 Lisboa, Portugal	0%	100%
selldirekt GmbH	Harrlachweg 11, 68163 Mannheim, Germany	0%	100%
Ashfield-sellxpert AG	Hauptstrasse 53, 4127 Birsfelden, Switzerland	0%	50%
sellxpert GmbH & Co. KG	Harrlachweg 11, 68163 Mannheim, Germany	0%	100%
sellxpert Verwaltungs GmbH	Harrlachweg 11, 68163 Mannheim, Germany	0%	100%
The Creative Engagement Group Inc.	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
The Creative Engagement Group Ltd	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
The Moment Content Company, LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Trading and non-trading companies - Accordience division			
AdvicePartners GmbH	Behrenstraße 27, 10117 Berlin, Germany	0%	100%
CFF Communications B.V.	James Wattstraat 100, 10e Verdieping, 1097DM, Amsterdam, Netherlands	0%	100%
Citigate Communications Group Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Citigate Dewe Rogerson (Beijing) Consulting Services Co., Ltd	1402A, 02C, Avic Mansion, No. 10 Yi, Central East Third Ring Road, Chaoyang District, Beijing, 100022, China	0%	100%
Citigate Dewe Rogerson Asia Limited	15th Floor, Chinachem Hollywood Centre, 1 Hollywood Road, Central, Hong Kong	0%	100%

Subsidiary undertakings	Registered office	% of shares held directly by Parent	% of shares held directly by Group
Citigate Dewe Rogerson Japan Limited	Office 103, 12th Floor, Ark Mori Building, 1-12-32 Akasaka, Minato-ku, Tokyo, Japan 107-6012, Japan	0%	100%
Citigate Dewe Rogerson Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Citigate Dewe Rogerson Singapore Pte Ltd	105 Cecil Street, #09-01 The Octagon, Singapore 069534	0%	100%
Dewe Rogerson Group Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Dewe Rogerson Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Dunwoodie Communications Inc.	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Dutko Global LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Dutko Worldwide, LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Grayling (CEE) Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Grayling (Shanghai) Public Relations Consulting Co., Ltd	Room 102, 6th Floor, No.819 Nan Jing Xi Road, Shanghai, China	0%	100%
Grayling Asia Pte Ltd	105 Cecil Street, #09-01 The Octagon, Singapore 069534	0%	100%
Grayling Austria GmbH	Siebensterngasse 31, 1070 Vienna, Austria	0%	100%
Grayling Bulgaria EOOD	9 Positano Street, Entry B, Floor 2, 1301 Sofia, Bulgaria	0%	100%
Grayling China Limited	Room 1504, Chinachem Hollywood Center, 1 Hollywood Road, Central, Hong Kong	0%	100%
Grayling Communications Inc.	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Grayling Communications Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Grayling Comunicacion SL	Paseo De La Castellana 8, 4th floor left, 28046, Madrid, Spain	0%	100%
Grayling Czech Republic s.r.o	Palackého 740/1, Nové Město, 110 00 Praha 1, Czech Republic	0%	100%
Grayling d.o.o	Takovska 6, Belgrade, Serbia, Serbia	0%	100%
Grayling d.o.o	Ajdovščina 4, 8th floor, Ljubljana, 1000, Slovenia	0%	100%
Grayling d.o.o.	Trg bana Josipa Jelačića 3, Zagreb, Croatia	0%	100%
Grayling Deutschland GmbH	Bleichstraße 52-56, 60313 Frankfurt am Main, Germany	0%	100%
Grayling Eurasia LLC	Gasheka St 7, Building 1, Moscow, Russian Federation, 123056	0%	100%
Grayling France SAS	15-17 Rue Marsollier, 75002 Paris, France	0%	100%
Grayling Holdings AG	Gwattstrasse 8, c/o Ueltschi Solutions GmbH, 3185, Schmitten FR, Switzerland	0%	100%
Grayling Hungary Kft	1011 Budapest, Corvin tér 10, Hungary	0%	100%
Grayling International AG	Gwattstrasse 8, c/o Ueltschi Solutions GmbH, 3185, Schmitten FR, Switzerland	0%	100%

Subsidiary undertakings	Registered office	% of shares held directly by Parent	% of shares held directly by Group
Grayling International Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Grayling München GmbH	Bleichstraße 52-56, 60313 Frankfurt am Main, Germany	0%	100%
Grayling Nederland B.V.	James Waatstraat 100, 10e Verdieping, 1097DM, Amsterdam, Netherlands	0%	100%
Grayling Poland Sp.z.o.o	Al. Jerozolimskie 80, 00-807 Warsaw, Poland	0%	100%
Grayling Romania S.R.L	71 Zorileanu Street, Bucharest, Romania	0%	100%
Grayling SA	Avenue des Arts, 46, 1000 Bruxelles, Belgium	0%	100%
Grayling Slovakia s.r.o.	Palisády 36, 811 06 Bratislava, Slovakia	0%	100%
Grayling UK Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Huntsworth Communications Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Huntsworth Dormant 7 Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Huntsworth Spain SL	Paseo De La Castellana 8, 4th floor left, 28046, Madrid, Spain	0%	100%
Sanchis y Asociados Imagen y Comunicacion, S.A.	Paseo De La Castellana 8, 5º, 28046, Madrid, Spain	0%	100%
The Cirkle Partnership Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
The Quiller Consultancy Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
The Red Consultancy Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Trading companies - Advisory division			
Creativ-Ceutical B.V.	Westblaak 90, 3012 KM, Rotterdam, Netherlands	0%	100%
Creativ-Ceutical K.K (Japan)	2-15-1 Konan, Minato-ku, Tokyo, Japan	0%	100%
Creativ-Ceutical Poland sp. z.o.o.	Przemysłowa 12 Street, 30-701 Kraków, Poland	0%	100%
Creativ-Ceutical Tunisie	33 Immeuble Africa Rue, Cdt Bjaoui, 3000 SFAX, Tunisia	0%	100%
Creativ-Ceutical USA Inc.	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
PHMR Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
PHMR Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Putnam Associates Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Putnam Associates, LLC.	501 Boylston Street Suite 5102, Boston, MA 02116, United States	0%	100%
Smart Analyst (India) Private Ltd	90/31 B, First Floor, Malviya Nagar, New Delhi-110017	0%	100%
SmartAnalyst Inc	300 Vesey Street, 10th Floor, New York, NY 10282, United States	0%	100%

Subsidiary undertakings	Registered office	% of shares held directly by Parent	% of shares held directly by Group
STEM Healthcare Auditoria E Consultoria Ltda	Edificio Birmann 11, Rua Alexandre Dumas, 1711, 5º Andar, Chácara Santo Antônio, Sao Paulo, Brazil	0%	100%
STEM Healthcare Australia Pty Ltd	36 Fox Street, Lane Cove, NSW 2066, Australia	0%	100%
STEM Healthcare Canada Limited	489 Gallivan Drive, Ennismore ON K0L 1T0, Canada	0%	100%
STEM Healthcare China Limited	Room 1022 Building 1, 215 LianHe North Road, Fengxian, Shanghai, 201417, China	0%	100%
STEM Healthcare France SARL	12 Quai du Commerce Le Thelemos, 69009 Lyon, France	0%	100%
STEM Healthcare Germany GmbH	Harrlachweg 11, 68163 Mannheim, Germany	0%	100%
STEM Healthcare Italy S.r.l	Via Borgogna n. 5 – Milano 20122, Italy	0%	100%
STEM Healthcare Japan KK	5-11-12 Minamiazabu, Minato-ku, Tokyo, Japan	0%	100%
STEM Healthcare Korea Ltd	Level 43, International Finance Centre Seoul, Three IFC, 10 Gukjegeumyung-ro, Youngdeungpo-gu, Seoul 07326, Democratic People's Republic of Korea	0%	100%
STEM Healthcare Limited	1.04 Power Road Studios, 114 Power Road, Chiswick, London, W4 5PY, England	0%	100%
STEM Healthcare Russia	Leningradsky prospect 47, Building 2, Floor 4, Moscow, Russian Federation, 125167	0%	100%
STEM Healthcare Singapore Pte Limited	50 Raffles Place, #15-05/06, Singapore Land Tower, Singapore 048623	0%	100%
STEM Healthcare Spain SL	Avda de Europa, 19 3ºA, Parque empresarial La Moraleja, 28108 Alcobendas, Madrid, Spain	0%	100%
STEM Healthcare US Inc	2555 Kingston Road, Suite 235, York, PA 17402, United States	0%	100%
STEM Marketing Asia Limited	31F Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong	0%	100%
The Research Partnership Healthcare Asia Pte. Limited	158 Cecil St, #05-01, Singapore 069545	0%	100%
The Research Partnership Inc.	1100 Virginia Drive, Suite 200, Fort Washington PA 19034, United States	0%	100%
The Research Partnership Ltd.	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Vynamic Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Vynamic LLC	1600 Arch Street, Suite 200, Philadelphia, PA 19103, United States	0%	100%
Other trading and non-trading companies			
Ashfield Alliance Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
Ashfield Meetings & Events Group Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%

Subsidiary undertakings	Registered office	% of shares held directly by Parent	% of shares held directly by Group
Ballina Pharma Inc	1100 Virginia Drive, Suite 200, Fort Washington PA 19034, United States	0%	100%
Bruno Healthcare, Inc.	1100 Virginia Drive, Suite 200, Fort Washington PA 19034, United States	0%	100%
Congachant Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
Cormis Partnership Holdings Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Creativ-Ceutical SARL	207 Rue de Bercy, 75012 Paris, France	0%	100%
Creativ-Ceutical SARL	4, rue Jean Pierre Brasseur, L-1258 Luxembourg, Luxembourg	0%	100%
Giant Creative Holdings, LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
HS Corporate Investments Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Hunter UK Bidco Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Hunter US Bidco Inc.	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Huntsworth Blocker Acquisition LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Inizio Evoke Inc	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Huntsworth GCS Acquisition LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Huntsworth Giant, Inc.	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Huntsworth Group LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Huntsworth Healthcare Group Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Huntsworth Health North America LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Huntsworth Holdings GmbH	Bleichstraße 52-56, 60313 Frankfurt am Main, Germany	0%	100%
Huntsworth Holdings Inc.	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Huntsworth Holdings Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Huntsworth Investments Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Huntsworth Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Huntsworth Proton UK Bidco Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
IG Communications Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Inizio Finance Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%

Subsidiary undertakings	Registered office	% of shares held directly by Parent	% of shares held directly by Group
Inizio Healthcare Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
Inizio Holdings Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	100%	100%
Inizio Services North America LLC	1100 Virginia Drive, Suite 200, Fort Washington PA 19034, United States	0%	100%
Inizio Services UK Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Inizio Switzerland AG	C/o Nadimco AG, Stampfenbachstrassse 5, 8001, Zurich, Switzerland	0%	100%
Inizio US Holdings Inc	1100 Virginia Drive, Suite 200, Fort Washington PA 19034, United States	0%	100%
JK Coaching Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
Knowledgepoint360 Group (Holdings) Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Knowledgepoint360 UK AcquisitionCo Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Magna Healthcare Inc	300 Vesey Street, 10th Floor, New York, NY 10282, United States	0%	100%
MFRHRC Holdings Ltd	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Nenelite Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
Pharmexx Partipacoes Ltda	Av. Brigadiero Faria Lima 3729 / 4 andar - Itaim Bibi, Brazil	0%	100%
Putnam Healthcare, LLC	501 Boylston Street Suite 5102, Boston, MA 02116, United States	0%	100%
River Walk Healthcare Inc	1600 Arch Street, Suite 200, Philadelphia, PA 19103, United States	0%	100%
Speyloft Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
SynopiaRx Inc	1100 Virginia Drive, Suite 200, Fort Washington PA 19034, United States	0%	100%
The Creative Engagement Group (Holding Co) Ltd	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
The Moment Content Group Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
UDG Healthcare (UK) Holdings Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
UDG Healthcare (US) Holdings Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
UDG Healthcare Ayrtons (Dublin) Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%

Subsidiary undertakings	Registered office	% of shares held directly by Parent	% of shares held directly by Group
UDG Healthcare Distributors Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
UDG Healthcare Holdings B.V.	Neptunus 12, 8448 CN Heerenveen, Netherlands	0%	100%
UDG Healthcare KK	Shibaura 1-1-1, Minato Ku, Tokyo, Japan	0%	100%
UDG Healthcare Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
UDG Healthcare Packaging Group Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
UDG Healthcare UK (Holdco) Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
Ulysses Odin Bidco Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Ulysses US Newco LLC	1100 Virginia Drive, Suite 200, Fort Washington PA 19034, United States	0%	100%
United Care Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
Inizio Evoke Holdings Inc	300 Vesey Street, 10th Floor, New York, NY 10282, United States	0%	100%
WRG Group Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
WRG Worldwide Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Dormant Companies			
Aquilant Nederland B.V.	Neptunus 12, 8448 CN Heerenveen, Netherlands	0%	100%
ArticulateScience Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Ashfield Healthcare Communications KK	Hamamatsucho Building 1-1-1 Shibaura, Minato-ku Tokyo 105-0023, Japan	0%	100%
Ashfield Meetings & Events S.R.L.	Rome (Rm) Via Salaria 292, Cap 00198, Italy	0%	100%
Axiom Professional Health Learning LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%
Boldscience Medical Communications Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Catalyst Communications Group Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Chrysalis Medical Communications Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
ClinicalThinking Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Cognito Medical Communications Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Conscientia Communications Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Creativ-Ceutical Bulgaria EOOD	28 Hristo Botev Blvd., Floor 5, Office 8, 1000 Sofia, Bulgaria	0%	100%

Subsidiary undertakings	Registered office	% of shares held directly by Parent	% of shares held directly by Group
Creativ-Ceutical Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Dublin Drug Company Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
Health Interactions Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Holmes & Marchant Communications Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Huntsworth Dormant (IL) Limited	15th Floor, Chinachem Hollywood Centre, 1 Hollywood Road, Central, Hong Kong	0%	100%
Huntsworth Financial Group Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Just Communicate Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Kaminvatta Hill Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
Lilliendal Limited	20 River Walk, Citywest Business Campus, Citywest, Dublin 24, Ireland	0%	100%
Magna Finance B.V.	Hoogoorddreef 15, 1101 BA, Amsterdam, Netherlands	0%	100%
Marker International B.V.	Hoogoorddreef 15, 1101 BA, Amsterdam, Netherlands	0%	100%
MedicalExpressions Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Meditech Media Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Nucleus Central Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Nucleus Global Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
NucleusX Consulting Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
ScientificPathways Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Scimentum Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Smart Analyst UK Limited	Ground Floor, Ceva House, Excelsior Road, Ashby Business Park, Nottingham Road, Ashby-de-la-Zouch, Leicestershire, LE65 1NG, England	0%	100%
SynaptikDigital Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
Team LGM Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
The Access Partnership Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
The Moment Content Company Limited	8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, England	0%	100%
The Nucleus Group (Shanghai) Consultancy Co. Ltd	Unit 1207, 555 Nanjing Road West, Shanghai, 200041, China	0%	100%
Vitiello Communications Group LLC	800 Township Line Road, Yardley, PA 19067, United States	0%	100%

Subsidiary undertakings	Registered office	% of shares held directly by Parent	% of shares held directly by Group
Joint Venture			
CMIC Ashfield Co., Ltd	7–10–4 Nishi-Gotanda, Shinagawa-ku, Tokyo, Japan	0%	49.99%

Other Information

Company Secretary
Martin Morrow

Registered Number
12487650

Registered office
Inizio Group Limited
8th Floor, Holborn Gate
26 Southampton Buildings
London
England
WC2A 1AN

Independent auditors
Ernst & Young
Harcourt Centre
Harcourt Street
Dublin 2
D02 YA40
Ireland

If you would like further information about Inizio, please visit our website at https://inizio.com.