A.T. Kearney Holdings Limited and Subsidiaries

Registered number 05625494

Annual Report and Financial Statements for the Year ended December 31, 2022 and 2021

A.T. KEARNEY HOLDINGS LIMITED
AND SUBSIDIARIES

Table of Contents

	Page
STRATEGIC REPORT	3
DIRECTORS' REPORT	10
Statement of Directors' Responsibilities in Respect of the Strategic Report, the Directors' Report and the Financial Statements	12
Independent Auditor's Report to the members of A.T. Kearney Holdings Limited	13
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022	
Consolidated Statement of Comprehensive (Loss) Income	17
Consolidated Statement of Changes in Equity	18
Consolidated Statement of Financial Position	19
Consolidated Statement of Cash Flows	21
Notes to the Consolidated Financial Statements	22
COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022	
Company Statement of Changes in Equity	73
Company Statement of Financial Position	74
Notes to the Company Financial Statements	75

STRATEGIC REPORT - Registered Number 05625494

Principal Activities
A.T. Kearney Holdings Limited (the "Company") and its subsidiaries (collectively, the "A.T. Kearney Group" or the "Group") form a global strategic management consulting firm that operates under the Kearney brand. Kearney is a global team of forward-thinking, collaborative partners that delivers immediate, meaningful results and long-term transformative advantage to clients. Since 1926, we have been trusted advisors on CEO-agenda issues to the world's leading organizations across all major industries and sectors. Kearney's offices are located in major business centers in 46 countries.

Results
The consolidated results of the Group presented herein are for the years ended December 31, 2022 and December 31, 2021.

The A.T. Kearney Group's consolidated profit for the year after income taxes was $71.6 million (2021: loss $18.3 million).

Business Review
The following table presents highlights and key performance indicators from our 2022 and 2021 financial statements (in millions of U.S. Dollars):

	Year ended December 31, 2022	Year ended December 31, 2021
Revenue	$ 1,697.2	$ 1,459.0
Operating profit (before pension plan amendment in 2021)	140.8	108.5
Profit before tax	132.1	22.0
Profit for the year before the fair value adjustment on mandatorily redeemable shares and after income taxes	71.6	37.6
Profit (loss) for the year	$ 71.6	$ (18.3)
Average consulting headcount	3,701	3,183

Revenue growth was driven by strong customer demand, across all industries and regions, for core services in areas of strategic operations, leadership and change management and large-scale transactions and transformations, as well as increasing demand for digital, analytics and sustainability services. Reported revenue increased 16% compared to 18% at constant rates; this indicates the loss received from changes in other currencies against the USD over the course of the year. Operating costs increased in alignment with revenue, with benefits to operating margin arising from scale and more efficient use of resources. As such, operating profit increased to $140.8 million in 2022 compared to $108.5 million in 2021 (prior to a one-time past service cost of $32.4 million recognized in 2021 related to an amendment to a pension plan operated by one of the Group's subsidiaries). Operating profits are reported prior to the pension plan amendment because the amendment was a one-time charge incurred in the period when a judgment was made; it was not a true representation of the operating performance of that period. See Note 17 for more information relating to the pension plan amendment. Average consulting headcount increased with the growth of business.

During the year ended December 31, 2022, the Company's shareholders voted to amend the Company's Articles of Association and, among other changes, remove the stipulation that the shares be mandatorily redeemable. In accordance with IFRS, this amendment resulted in the associated financial liability being derecognized and the shares being reclassified as equity. This meant that net assets reported at December 31, 2022 were significantly greater than at December 31, 2021 (see below) and that in 2022, the fair value adjustment on mandatorily redeemable shares was no longer recognized in the Group's profit or loss for the year. As such, the fair value adjustment on mandatorily redeemable shares in 2022 was $nil (2021: $55.9 million). See Note 19 for more details.

STRATEGIC REPORT - Registered Number 05625494 (CONTINUED)

Business Review (continued)
Also in 2022, the Group acquired 100% of Optano GmbH ("Optano") stock for total consideration of $10.1 million, comprising $6.4 million in cash consideration with the remainder consideration contingent on various performance-based criteria. See Note 1 for more details. In 2021, the Group acquired 100% of Prokura Management Consulting ApS ("Prokura"). Throughout 2022, Prokura continued to perform in line with expectations at the time of acquisition.

Net assets at December 31, 2022 stood at $440.0 million (2021: $4.3 million) which is comprised of non-current assets of $388.7 million (2021: $363.1 million), current assets of $1,019.3 million (2021: $881.0 million) less current liabilities of $682.5 million (2021: $655.5 million) and non-current liabilities of $285.5 million (2021: $584.3 million). Current assets include cash and cash equivalents of $180.0 million (2021: $248.1 million). Cash at December 31, 2022 was lower than at December 31, 2021 due to investments in the growing business and a slowing rate of working capital turnover.

Non-current liabilities principally comprise employee benefit obligations of $90.7 million (2021: $98.2 million) and other non-current liabilities which are principally employee-related of $101.4 million (2021: $78.4 million), which have accrued over time as services were performed. Borrowings under a credit facility were $nil at year end (2021: $nil).

The directors will continue to maintain and develop the strategic focus of the A.T. Kearney Group. The A.T. Kearney Group will continue to focus on providing clients with innovative solutions to help them gain and sustain competitive advantage. To support our clients, we anticipate continuing to strengthen and deepen our industry, service and geographic practice capabilities.

Risks
In addition to other information set out in this report, the factors listed below may affect our business, financial strength and future performance.

These risks are not the only factors affecting the A.T. Kearney Group. New risks, additional risks and uncertainties not currently known to us, or those presently deemed immaterial, may affect our business, financial condition or operating results.

We may face damage to our professional reputation or legal liability if our clients are not satisfied with our services.

We depend largely on our relationships with our clients and our reputation for high-caliber professional services and integrity to attract and retain clients. As a result, if a client is not satisfied with our services or products, including those of subcontractors we engage, it may be damaging to our business.

Our engagements with clients may not be profitable.

When making proposals for engagements, we estimate the costs and timing for completing the projects. In the case of contingency-based engagements, we also estimate the level and timing of client savings and other defined goals. Any increased or unexpected costs or unanticipated delays in connection with the performance of these engagements or attainment of related contingencies, including delays caused by factors outside our control, could make these contracts less profitable or unprofitable, which would have an adverse effect on our profit margin.

Our global operations pose complex management, foreign currency, legal, tax and economic risks, which we may not adequately manage.

At December 31, 2022, we have 73 offices in 46 countries. As a result, we are subject to a number of risks, including:

- Multiple and possibly overlapping and conflicting tax laws;
- Restrictions on the movement of cash;
- Longer payment cycles;
- The burdens of complying with a wide variety of national and local laws;

Risks (continued)

- Political instability;
- Brexit and uncertainties around EU cross-border dynamics;
- The possibility of violence, crime or war affecting us or our clients in certain regions;
- Economic and other effects of natural disasters;
- Cybersecurity and the protection of sensitive data;
- Currency fluctuations; and
- Price controls or restrictions on exchange of foreign currencies.

The consulting market is highly competitive, the nature of the competition in the industry is changing and we may not be able to compete effectively.

The consulting market in which we operate includes a growing number of participants and is highly competitive. Our primary competitors include:

- Traditional management consulting firms, including McKinsey & Company, The Boston Consulting Group, Inc., and Bain & Company, Inc.;
- Large systems integration and other professional service firms, including the current and former consulting operations of each of the major accounting firms;
- Information technology service providers and their consulting subsidiaries; and
- Smaller specialized consulting firms that operate only in select industries, geographies or service areas.

In addition, a client may choose to use its own resources, rather than engage an outside firm, for some of the services we provide. Our marketplace is experiencing rapid changes in its competitive landscape. Some of our competitors have sought access to public and private capital and others have merged or consolidated with better-capitalized partners. In addition, the nature of the expertise our clients seek, and the way they want to structure the compensation to the firms that provide it, is changing as well. These changes may create larger and better-capitalized competitors with enhanced abilities to compete for market share generally and our clients specifically, in some cases, through significant economic incentives to clients to secure contracts. These competitors may also be better able to compete for skilled professionals by offering them larger compensation incentives than the compensation incentives that we offer. In addition, one or more of our competitors are continuing to develop methodologies and new or different service lines and products, which could result in superior productivity or margins and price reductions without adversely affecting the competitors' profit margins. Any of these circumstances impose a competitive threat to the firm and its profitability.

If we are unable to attract and retain Partners and other employees, we will not be able to compete effectively and will not be able to grow our business.

Our success and ability to grow are dependent, in part, on our ability to hire and retain large numbers of talented people, including our Partners. The Partners are not legally partners, but the highest level of employee who have acquired shares in the Company. The inability to attract qualified employees in sufficient numbers to meet demand, or the loss of a significant number of our Partners and other employees could have a serious negative effect on us, including our ability to obtain and successfully complete important client engagements and thus maintain or increase our revenues.

No absolute assurance can be given that we will be able to realize the benefit of all deferred tax assets.

Our balance sheet reflects certain deferred tax assets of the A.T. Kearney Group that when realized will reduce our tax payments. No absolute assurance can be given that we will be able to realize the full benefit of our deferred tax assets. In addition, any reduction in a country's tax rate will reduce the benefit. To the extent we are unable to realize these deferred tax assets, we will not benefit from reduced tax liabilities.

Risks (continued)
Foreign exchange

Although we report our results of operations in U.S. dollars, a large portion of our revenue is denominated in currencies other than the U.S. dollar. Unfavorable fluctuations in foreign currency exchange rates could have a material adverse effect on our results of operations.

Liquidity risk

The Group is financed principally from the profits generated by its operating subsidiaries. In 2022, cash used by operating activities was $38.6 million (2021: cash provided by operating activities $122.5 million). In such cases the Group has access to a revolving credit facility to fund operations. At the statement of financial position date, the Group had drawn credit lines of $nil (2021: $nil) and undrawn credit lines of $331.1 million (2021: $270.7 million) with various financial institutions. At the statement of financial position date, the Group had net assets of $440.0 million (2021: $4.3 million) with cash and cash equivalents of $180.0 million (2021: $248.1 million).

In reaction to the ongoing conflict in Ukraine in 2022, we wound down our operations in Russia and are in the process of exiting the country. As revenue generated in Russia represented 0.3% of the Group's revenues in 2022 (2021: 0.7%), these actions will have minimal impact to the Group as a whole. We are also well positioned and adequately diversified to manage risks inherent in the broader global economic impact of this conflict, as well as the more general challenges of certain macroeconomic forces, such as raised rates of inflation, higher interest rates, a tight labor market, geopolitical tension, currency volatility and uncertainty of demand. Our mix of clients, industries, services, and geographies of operation, as well as low reliance on debt borrowing, has enabled us to grow our business in 2022 and remain adequately capitalized despite these headwinds and other risks noted above. Furthermore, we have also been able to help our clients achieve similar success in this period of uncertainty. We expect this to continue in 2023.

Section 172 Statement - Directors' Duty to Promote the Success of the Company
The directors behave and carry out their activities to promote the success of the Company for the benefit of the Company's shareholders, and in doing so have regard to its employees, clients, suppliers, and other stakeholders. The directors focus on the Company passing on a stronger, better, and more sustainable business to those who follow, while considering the need to act fairly between shareholders of the company. They engage with shareholders and take into account input from employees, clients and other stakeholders when making decisions on strategy, evaluating business acquisitions, overseeing operational effectiveness, driving initiatives, and committing to deliver outcomes that enhance social value.

The directors implement strategic plans to foster long-term business relationships with clients and ensure the provision of excellent quality and innovative guidance to our clients across the world. Continued development of our employees and their capabilities is of paramount importance. Generally, employees share in the Company's global financial success through salary, bonus, profit sharing, and other long-term benefit arrangements, rather than through sole reliance on the financial outcomes of any particular entity. Employees' views are solicited through regularly administered surveys, and the results provide important input for the directors' decision-making.

In 2022, we engaged the shareholders, who successfully passed a vote to amend the Company's Articles of Association. This was a culmination of a strategic project focusing on improving the equity structure and governance processes of the Company which we conducted with the best interests of our shareholders and employees in mind.

The directors' plans include consideration of our operations on our community and environment, and an intention to behave responsibly with high standards of conduct and good governance. These efforts are enabled through regular updates that the board receives on social impact and diversity, equity, and inclusion. Fostering good relationships with our suppliers and business partners is also important. These are typically managed with a single functional point of contact with specialist skill aligned to the supplier's industry. Lastly, the plans give fair consideration to all shareholders, serving them to preserve and grow the value of the Company.

STRATEGIC REPORT - Registered Number 05625494 (CONTINUED)

Section 172 Statement - Directors' Duty to Promote the Success of the Company (continued)
The founder of our firm, Tom Kearney, decades ago established the principle of "essential rightness" in how the Group should conduct business. In keeping with this spirit, the directors promote culture and values that focus on observing and maintaining the highest standards of business conduct across the Group in making a positive impact on the world while also promoting the long-term success of the Company. For example, the Company is proud to be a signatory of the UN Global Compact and to support the UN Sustainable Development Goals. The narratives in the directors' report further highlight how the directors have observed these principles and engaged with shareholders, employees, clients, and stakeholders in decision-making in doing so.

Environmental and Social Governance
Inspired by our founder, Tom Kearney, and his principle of "essential rightness," Kearney is dedicated to making a positive impact. We seek to be the difference by embedding environmental, social and governance best practices, and sustainability in all that we do: as a business, with our clients, our people, our planet, and our community.

In 2022, Kearney approved near and long-term emissions reduction targets in accordance with the Science Based Targets initiative (SBTi). Our commitment to reducing emissions in the value chain, and reaching science-based net-zero targets, is aligned with the 1.5°C pathway and includes the following goals (from a 2019 base year):

1. Near-term target: We commit to reduce absolute Scope 1 and 2 GHG emissions by 50 percent by 2030. We also commit to reduce absolute scope 3 GHG emissions from business travel, and all other absolute Scope 3 emissions, by 30 percent by 2030. Furthermore, our goal is to reach 100 percent renewable energy in our offices by 2025 and continue sourcing 100 percent renewable electricity through 2030.

2. Long-term target: We aim to reduce absolute Scope 1, 2, and 3 GHG emissions by 90 percent and reach net-zero GHG emissions across the value chain by 2050.

The world continues to face some of its biggest challenges, and we remain committed to supporting the UN Sustainable Development Goals and the 10 principles of the UN Global Compact. We firmly believe that achieving these goals requires dedicated action from the private sector, governments, and civil society. Building on our strengths in transformation and strategic operations, we strive to become the leading firm in making our clients' bold sustainability ambitions a reality, alongside driving business growth. We're proud to work on more than 100 sustainability projects a year with leading organizations across diverse sectors and geographies to tackle their most pressing issues: from ESG transformation and achieving net zero to sustainable and responsible sourcing, circularity, and fostering inclusive and equitable societies. By partnering with our clients and other stakeholders, we can build a sustainable future, together. Sustainability and social impact are vital for our people—more than 90% of colleagues around the world say it is important to them. As such, Kearney is dedicated to creating opportunities for everyone to engage with sustainability through our clients, our local office initiatives, social impact externships, volunteering, and beyond. Not only is social impact and sustainability a core component of Kearney's expertise and skill set, but also it is a central path to a workplace culture of joy and justice.

STRATEGIC REPORT - Registered Number 05625494 (CONTINUED)

Environmental and Social Governance (continued)

Our global GHG emissions, measured as greenhouse gases generated by our offices and people while under our operational control are set out in the following table

		2022 tCO2e	2021 tCO2e
Scope 1	From sources owned or controlled by us (such as use of owned or leased vehicles)	1,364	1,709
Scope 2	From purchased electricity, heating and cooling	337	1,205
Scope 3	From business travel, hotel accommodation and waste generation	63,652	22,926
Total		**65,353**	**25,840**
Total per employee		**13.3**	**5.8**

Specific to our locations within the UK, in 2022 GHG emissions were 41 tCO2e and 21 tCO2e (together an intensity ratio of 0.004 tCO2e per sq ft), and energy consumption was 226 MWh and 108 MWh, for Scope 1 and Scope 2, respectively. In 2021 GHG emissions were 49 tCO2e and 20 tCO2e (together an intensity ratio of 0.004 tCO2e per sq ft), and energy consumption was 265 MWh and 94 MWh, for Scope 1 and Scope 2, respectively. The methodology used to calculate this footprint is in accordance with the Greenhouse Gas (GHG) Protocol and Environmental Reporting Guidelines, including streamlined energy and carbon reporting guidance, and based on data gathered from a variety of internal and external sources. Reporting for UK locations is in accordance with the Streamlined Energy and Carbon Reporting (SECR) framework under UK companies' regulations 2018, utilizing emission factors issued by UK Department for Environment, Food and Rural Affairs (DEFRA).

Going forward, we are dedicated to doing even better, as outlined in our Global Sustainability Policy. We will implement our net-zero strategy, published in 2022, with focus on rapid deep emission cuts, neutralizing all residual emissions with high-quality nature and technology-based removal offsets, engaging stakeholders to join us in our journey and empowering our employees to adopt climate-smart behaviors. Our efforts will include cascading these global policies to every project team, aiming to influence the way our teams work. Our office-level environmental dashboards will allow our teams to assess their baseline performance and set near and medium-term targets that are aligned with our firm-wide global commitments. We are also working toward implementing internal carbon pricing within the next two years to support Kearney's transition to a net-zero business.

STRATEGIC REPORT - Registered Number 05625494 (CONTINUED)

Going Concern

After reviewing the Group's forecasts and projections, which cover the 24-month period from the date of signing the financial statements, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. These forecasts and projections have considered two downside scenarios in sales levels; however, management have also identified mitigating actions that could be taken to ensure that the Group has sufficient funds to meet liabilities as they fall due over the next 24 months. At the balance sheet date, the Group had $nil in outstanding related to a credit facility, which is subject to several covenants that are measured on a quarterly basis. Should borrowing on this facility be undertaken during the next 24 months, management are confident the agreed covenants will be met. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

By order of the Board

Mauricio Zuazua
Director

Adelphi, 1-11 John Adam Street
London, WC2N 6HT
April 27, 2023

DIRECTORS' REPORT - Registered Number 05625494

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

Certain requirements of the Directors' Report including the principal risks and uncertainties of the Company, energy and carbon reporting, and how the Company has fostered business relationships with suppliers, customers and others during the year, including principal decisions taken by the Company, are not included within the Report of the Directors as they are shown in the Strategic Report on pages 3 to 7.

Dividends
The Company did not pay any dividends during the period and the directors have not recommended the payment of any dividend (2021: $nil).

Financial instruments
The Group's financial risk management objectives, policies and risk exposures are set out in Note 13 of the consolidated financial statements.

Acquisition of own shares
During the year, the Company did not redeem any redeemable ordinary shares. The Employee Share Trust (the "EST") repurchased 48,771 redeemable ordinary shares, each with a par value of $0.0001 from shareholders who had left the employment of the Group for an aggregate consideration of $23.7 million (see Note 19 of the consolidated financial statements).

Events after December 31, 2022
There were no events between the balance sheet date of December 31, 2022, and the date of the approval of these accounts that are required to be brought to the attention of shareholders.

Directors
The directors who held office during the year and/or up to the date of this report were as follows:

Nigel Andrade
Robert Haas
Tobias Lewe (resigned December 31, 2022)
Alex Liu
Leslie Parker
Luca Rossi
Ben Smith
Jerome Souied
Mauricio Zuazua
Stefan Marcu (from January 1, 2023)

All the directors noted above benefited from qualifying third-party indemnity provisions in place during the year and at the date of this report. A.T. Kearney also provided qualifying third-party indemnity provisions to certain of the directors above where they were also directors of subsidiary companies during the financial year and at the date of this report.

Research and development
The Group continues to invest in developing and updating intellectual capital during the year, the costs of which are expensed in the period incurred.

DIRECTORS' REPORT - Registered Number 05625494 (CONTINUED)

Political contributions
The Company made no political contributions during the year (2021: $nil).

Environment and social governance
The Group maintains a strong commitment to Sustainability. 2022 program achievements, with methodology, metrics and future-looking objectives are disclosed in the accompanying Strategic Report.

Disclosure of information to auditor
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Employees
The A.T. Kearney Group believes in the values of inclusiveness and diversity, and supports equal opportunity for all employees, an ethos which is enshrined in our Code of Business Conduct. Employment with any A.T. Kearney Group company is based upon merit, qualification, relevant experience and business need.

Communication with employees is also distributed through Company-wide electronic mail announcements, the Company's Intranet, information bulletins, briefings meetings conducted by senior management, formal and informal discussions, and town hall meetings. These communications include financial and economic factors affecting the performance of the Group or individual operating subsidiaries. In addition, the Group complies with all relevant legal requirements in each jurisdiction for consultation with employees on matters which are likely to affect their interests. The A.T. Kearney Group endeavors to treat any employee who becomes disabled with fairness and consideration, subject to the terms and conditions of country-specific disability regimes.

It is the Group's policy to give full and fair consideration to suitable applications for employment from disabled persons. Once employed, disabled persons receive equal opportunities for training, career development and promotion. Opportunities exist for employees of the Group who become disabled to continue their employment or to be trained for other positions within the Group.

Our employees contribute to the financial success of our global network through their teamwork and collaboration to serve our clients worldwide. They share in the Company's global financial success through salary, bonus, profit sharing, and other long-term benefit arrangements, rather than through sole reliance on the financial outcomes of any particular entity. The Company's largest cost is comprised of its compensation and rewards to its employees, some of which are highly variable in relation to our results of operations. The compensation and rewards we pay to our employees create significant related social tax expenditures that are dictated by the laws of the jurisdictions in which we operate, and which are funded by the Company and recognized as expenses in the respective jurisdictions where we do business.

Future developments
We remain confident in our ability to deliver excellent guidance to our clients, and opportunities for our people across the world. We will continue to grow using a mix of organic and inorganic strategies. We believe we are in a strong position to grow and thrive in the years to come.

By order of the Board

Mauricio Zuazua
Director

Adelphi, 1-11 John Adam Street
London, WC2N 6HT
April 27, 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare group and parent company 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 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 the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the parent company and of the profit or loss of the Group and parent company for that period.

In preparing each of the Group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
- for the parent company financial statements, state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Independent Auditor's Report To The Members Of A.T. Kearney Holdings Limited

Opinion

We have audited the financial statements of A.T. Kearney Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022, which comprise the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of financial position, the consolidated statement of cash flows, the company statement of changes in equity, the company statement of financial position and notes to the financial statements, including a summary of significant accounting policies. 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 Financial Reporting Standard 101 'Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the group's profit 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 and the parent company 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

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as the cost of living crisis and the wider economic climate, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

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's and the 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.

Other information

The other information comprises the information included in the financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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 this 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 the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

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, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting frameworks, including UK-adopted international accounting standards, United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006 and the relevant tax legislation in the jurisdictions in which the Group operates;
- We understood how A.T. Kearney Holdings Limited is complying with those legal and regulatory frameworks by making inquiries of management including the Group legal counsel responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and other relevant correspondence received from legal advisors and regulatory bodies;
- We also enquired of management, those charged with governance and the Group legal counsel concerning the Group's policies and procedures relating to the identification, evaluation, detection and response to the risk of fraud and the establishment of internal controls to mitigate risks related to fraud. We enquired of these groups as to whether they had any knowledge of actual, suspected or alleged fraud;
- Audit procedures performed by the audit team included:
    - Identifying and assessing the design and implementation of controls management utilises to prevent and detect fraud;
    - Challenging key assumptions used and judgements made by management in relation to significant accounting estimates including contingent fee revenue which was unbilled at the year end;
    - Designing specific custom routines and using data interrogation software to identify and test large or unusual account combinations and journal entries which may carry a higher risk of fraud, including those entries posted directly to the consolidation that had a large financial statement impact;
    - Performing audit procedures to conclude on the compliance of disclosures in the financial statements with applicable financial reporting requirements.

- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We considered the risk of fraud to be higher in those areas of the financial statements which require the application of estimates which could be subject to potential bias or subject to manipulation including contingent fee revenue which was unbilled at the year end and the posting of large or unusual journal entries to the accounting systems.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement teams:
  - Understanding of, and practical experience with the audit engagements of a similar nature and complexity through appropriate training and participation;
  - Knowledge of the industry in which the client operates;
  - Understanding of the relevant legal and regulatory frameworks including UK-adopted accounting standards, United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006, and the relevant tax legislation in the jurisdictions in which the Group operates, and the application of the legal and regulatory requirements of these to A.T. Kearney Holdings Limited.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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.

Grant Thornton UK LLP

Jonathan Maile BSc (Hons) FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Crawley
Date: **April 27, 2023.**

A.T. KEARNEY HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE (LOSS) INCOME

For the years ending December 31, 2022 and 2021
(In millions of U.S. Dollars)

	Note	2022		2021	
Revenue	1	$	**1,697.2**	$	**1,459.0**
Operating expenses before pension plan amendment	2		(1,556.4)		(1,350.5)
Operating Profit Before Pension Plan Amendment		$	**140.8**	$	**108.5**
Pension plan amendment	17		-		(32.4)
Operating Profit After Pension Plan Amendment		$	**140.8**	$	**76.1**
Fair value adjustment on mandatorily redeemable shares	19		-		(55.9)
Finance income	6		5.7		10.3
Finance expense	6		(14.4)		(8.5)
Profit Before Tax		$	**132.1**	$	**22.0**
Income tax expense	7		(60.5)		(40.3)
Profit (Loss) for the Year		$	**71.6**	$	**(18.3)**
Other Comprehensive Income					
Items that will not be reclassified to profit or loss					
Post-employment benefit plan remeasurements	17		0.9		2.7
Deferred tax on post-employment benefit plan remeasurements	11		-		(0.4)
		$	**0.9**	$	**2.3**
Items that are or may be reclassified subsequently to profit or loss					
Foreign operations – foreign currency translation differences			(10.9)		(8.9)
Other Comprehensive Loss, Net of Tax		$	**(10.0)**	$	**(6.6)**
Total Comprehensive Income (Loss) Attributable to Owners of the Group		$	**61.6**	$	**(24.9)**

See Notes to consolidated financial statements.

A.T. KEARNEY HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the years ending December 31, 2022 and 2021
(In millions of U.S. Dollars)

	Founder Share	Share Capital	Share Premium	Shares Held by Employee Share Trust	Other Reserve	Share Based Payment Reserve	Retained Earnings (Deficit)	Other Comprehensive Income	Translation Reserve	Total
Balance at December 31, 2020	$ -	$ -	$ -	$ -	$ -	$ -	$ 4.5	$ 10.9	$ 13.8	$ 29.2
Loss for the year	-	-	-	-	-	-	(18.3)	-	-	(18.3)
Other comprehensive income:										
Translation adjustment	-	-	-	-	-	-	-	-	(8.9)	(8.9)
Post-employment benefit plans, net of deferred tax (Notes 11 and 17)	-	-	-	-	-	-	-	2.3	-	2.3
Balance at December 31, 2021	$ -	$ -	$ -	$ -	$ -	$ -	$ (13.8)	$ 13.2	$ 4.9	$ 4.3
Equity Accounting Transition (Note 19)	-	-	131.2	(39.5)	-	-	230.0	-	-	321.7
Profit for the year	-	-	-	-	-	-	71.6	-	-	71.6
Other comprehensive income:										
Translation adjustment	-	-	-	-	-	-	-	-	(10.9)	(10.9)
Post-employment benefit plans, net of deferred tax (Notes 11 and 17)	-	-	-	-	-	-	-	0.9	-	0.9
Employee share-based compensation (Note 21)	-	-	-	0.3	(0.3)	3.3	-	-	-	3.3
Transactions with owners (Note 19)	-	-	11.3	15.3	22.5	-	-	-	-	49.1
Balance at December 31, 2022	$ -	$ -	$ 142.5	$ (23.9)	$ 22.2	$ 3.3	$ 287.8	$ 14.1	$ (6.0)	$ 440.0

See Notes to consolidated financial statements

A.T. KEARNEY HOLDINGS LIMITED
AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2022 and 2021
(In millions of U.S. Dollars)

	Note		2022		2021
ASSETS					
Non-current Assets:					
Intangible assets and goodwill	8	$	43.9	$	35.5
Property and equipment	9		38.9		28.8
Right-of-use lease assets	10		89.0		91.2
Deferred tax assets	11		128.6		119.7
Other financial assets	12		61.6		63.3
Other non-current assets	14		26.7		24.6
		$	**388.7**	**$**	**363.1**
Current Assets:					
Income tax receivable		$	13.7	$	9.4
Trade receivables and other current assets	14		825.6		623.5
Cash and cash equivalents			180.0		248.1
		$	1,019.3	$	881.0
Total Assets		**$**	**1,408.0**	**$**	**1,244.1**
LIABILITIES					
Current Liabilities:					
Trade and other payables	15	$	601.2	$	557.6
Income tax payable			44.9		49.0
Lease liabilities	10		20.8		22.9
Notes payable	16		15.6		12.0
Mandatorily redeemable shares	19		-		14.0
		$	**682.5**	**$**	**655.5**

See Notes to consolidated financial statements. (continued)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

December 31, 2022 and 2021
(In millions of U.S. Dollars)

	Note	2022		2021	
Non-current Liabilities:					
Lease liabilities	10	$	80.8	$	80.7
Post-employment benefit obligations	17		29.4		32.7
Other long-term employee liabilities	18		61.3		65.5
Notes payable	16		11.5		7.4
Deferred tax liabilities	11		1.1		0.9
Other non-current liabilities	15		101.4		78.4
Borrowings under credit facility	16		-		-
Mandatorily redeemable shares	19		-		318.7
		$	**285.5**	**$**	**584.3**
Total Liabilities		**$**	**968.0**	**$**	**1,239.8**
NET ASSETS		**$**	**440.0**	**$**	**4.3**
RESERVES					
Share capital	19	$	-	$	-
Share premium	19		142.5		-
Shares held by employee share trust	19		(23.9)		-
Other reserve	19		22.2		-
Share based payment reserve	21		3.3		-
Translation reserve			(6.0)		4.9
Other comprehensive income			14.1		13.2
Retained earnings (deficit)			287.8		(13.8)
Total Reserves		**$**	**440.0**	**$**	**4.3**

The financial statements were approved by the board of directors and authorized for issue on April 27, 2023.
They were signed on its behalf by:

Mauricio Zuazua
Director

Registered number 05625494

A.T. KEARNEY HOLDINGS LIMITED AND SUBSIDIARIES

Consolidated Financial Statements and accompanying Notes, December 31, 2022 and 2021
All amounts in millions of U.S. dollars except for share and per-share

CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ending December 31, 2022 and 2021
(In millions of U.S. Dollars)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (Loss) for the year	$ 71.6	$ (18.3)
Adjustments for		
Fair value adjustment on mandatorily redeemable shares	-	55.9
Depreciation and amortization	37.7	37.2
Impairment expense (reversal) of trade receivables and other assets	(1.3)	1.3
Income tax expense	60.5	40.3
Pension plan amendment	-	32.4
Share-based compensation	3.3	0.2
Finance expense, net	11.7	(0.1)
	$ 183.5	$ 148.9
Movements in working capital		
Increase in trade receivables and other assets	(211.9)	(91.6)
Increase in trade and other payables	78.0	119.0
(Decrease) increase in post-retirement benefit obligations	(4.7)	8.6
	$ (138.6)	$ 36.0
Interest paid	(1.9)	(0.7)
Income taxes paid	(81.6)	(61.7)
Net cash (used in) provided by operating activities	**$ (38.6)**	**$ 122.5**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	1.1	1.0
Acquisition of subsidiary	(6.4)	(11.5)
Purchase of investments, net	(12.8)	(2.1)
Purchase of property and equipment	(22.4)	(10.7)
Net cash used in investing activities	**$ (40.5)**	**$ (23.3)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments under credit facility, net (Note 12)	-	-
Repayment of notes payable	(16.0)	(15.3)
Proceeds on the sale of shares	61.8	31.3
Repayment of lease liabilities	(25.9)	(30.7)
Net cash provided by (used in) financing activities	**$ 19.9**	**$ (14.7)**
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	**$ (59.2)**	**$ 84.5**
CASH AND CASH EQUIVALENTS – Beginning of year	**$ 248.1**	**$ 169.1**
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	**(8.9)**	**(5.5)**
CASH AND CASH EQUIVALENTS – End of year	**$ 180.0**	**$ 248.1**

See Notes to consolidated financial statements.

1. Significant Accounting Policies

General Information

A.T. Kearney Holdings Limited (the "Company") is incorporated under the laws of England and Wales. The address of the registered office is:

Adelphi
1-11 John Adam Street
London WC2N 6HT

The accounting policies set out below have been applied consistently to all periods presented in the Group financial statements.

Basis of preparation

The Group financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") (UK-adopted international accounting standards). The Company has elected to prepare its parent company financial statements in accordance with FRS 101; these are presented on pages 71 to 79.

Going concern

The A.T. Kearney Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 3 to 7. The financial position of the A.T. Kearney Group, its cash flows, liquidity position and borrowing facilities are described on pages 3 and 6 and in Note 13.

After reviewing the Group's forecasts and projections, which cover the 24-month period from the date of signing the financial statements, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. These forecasts and projections have considered two downside scenarios in sales levels; however, management have also identified mitigating actions that could be taken to ensure that the Group has sufficient funds to meet liabilities as they fall due over the next 24 months.

At the balance sheet date, the Group had $nil in outstanding related to a credit facility, which is subject to several covenants that are measured on a quarterly basis. Should borrowing on this facility be undertaken during the next 24 months, management are confident the agreed covenants will be met. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Measurement convention

The financial statements have been prepared on the historical cost basis, except for certain financial instruments and pension assets held at fair value. The principal accounting policies are set out below.

Functional and presentation currency

These consolidated financial statements are presented in U.S. dollars, which is the functional currency of the Company and presentation currency for the consolidated financial statements. All financial information presented in U.S. dollars has been rounded to the nearest $0.1 million, except for share and per share information.

Use of estimates and judgments

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognized to reflect current facts and circumstances (see Note 25).

Basis of consolidation
Subsidiaries include all entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The financial statements of the Company have been presented separately as set out on pages 70-78.

All intercompany and intergroup transactions, balances, income and expenses are eliminated in preparing the consolidated financial statements.

Business combinations
Acquisitions are accounted for in accordance with IFRS 3, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of fair value of the consideration transferred over the fair values of the identifiable net assets acquired is recognized as goodwill. Any deficiency of fair value of consideration transferred below the fair values of the identifiable net assets acquired is credited to the consolidated income statement in the period of acquisition. Costs incurred relating to acquisitions are expensed to the income statement. The results of subsidiaries acquired during the year are included in the consolidated income statement from the effective date of acquisition.

On October 31, 2022, the Group's wholly owned subsidiary, A.T. Kearney Holdings Germany GmbH, acquired 100% of the stock of Optano GmbH ("Optano") for total consideration of $10.1 million, consisting of $6.4 million in cash and consideration contingent on various performance-based criteria. Optano is a leading provider of AI-powered operations optimization solutions based in Paderborn, Germany. These solutions will enhance the Group's existing capabilities to deliver a market-leading platform for end-to-end supply chain and large-scale operation transformations to clients. The acquisition was accounted for as a business combination under IFRS 3.

Total consideration of $10.1 million, less tangible net assets acquired of $1.7 million, less identifiable intangible assets of $3.9 million (see Note 8) yielded a value of acquired goodwill of $4.5 million. Optano's contribution to revenue was $0.5 million for the year ended December 31, 2022.

On November 30, 2021, the Group acquired 100% of the stock of Prokura Management Consulting ApS, ("Prokura") for total consideration of $22.1 million, comprising cash consideration of $11.5 million and consideration contingent on various performance-based criteria. Prokura is a Denmark-based professional services firm headquartered in Copenhagen, specializing in procurement and supply chain consulting. These services enable the Group to accelerate its growth and consolidate its position as the market-leading procurement and supply chain consultants. The acquisition was accounted for as a business combination under IFRS 3.

Total consideration of $22.1 million, less tangible net assets acquired of $4.6 million, less identified intangible assets of $8.8 million (see Note 8) yielded a value of acquired goodwill of $8.7 million. Prokura's contribution to the Group's revenue for the years ended December 31, 2022 and 2021 was $12.5 million and $0.9 million, respectively.

Management's evaluation of the carrying value of goodwill at December 31, 2022 and 2021 did not identify any indicators of impairment. Total contingent consideration outstanding as a result of the above acquisitions, and those in years proceeding, was $15.0 million at December 31, 2022 (2021: $10.6 million).

Foreign currencies
The individual financial records of each Group company are held in the currency of the primary economic environment of its operations which is considered to be its functional currency. For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in U.S. dollars, which is the functional currency of the Company and presentation currency for the consolidated financial statements.

Transactions in foreign currencies are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are translated at the rates prevailing at the statement of financial position date. Related foreign exchange differences arising on translation are recognized in the statement of comprehensive income. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the statement of financial position date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are classified in equity and transferred to the Group's translation reserve.

Financial instruments

Recognition of Financial Instruments

Recognition and derecognition
Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and measurement of financial assets
Except for trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, and debt securities which are measured at amortized cost, all financial assets are measured at fair value and adjusted for transaction costs (where applicable).

Financial assets are classified into the following categories:
- amortized cost
- fair value through profit or loss ("FVTPL")
- fair value through other comprehensive income ("FVOCI")

The classification is determined by both:
- the Group's business model for managing financial assets
- the contractual cash flow characteristics of financial assets

All income and expenses relating to financial assets are recognized in the consolidated income statement and presented as finance costs, finance income, or other financial items, except for the impairment of trade receivables which are presented within other expenses.

Financial assets at amortized cost
The Group measures financial assets at amortized cost when the objective is to hold the assets and collect the contractual cash flows, and the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. Discounting using the effective interest model is omitted as the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and other receivables fall into this category.

Financial assets at fair value through profit or loss (FVTPL)
Financial assets that are held as other than "hold to collect" or "hold to collect and sell" are categorized at fair value through profit and loss. Financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. Assets in this category are measured at fair value with gains or losses recognized in the consolidated income statement. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at fair value through other comprehensive income (FVOCI)
The Group measures for financial assets at FVOCI if the objective is "hold to collect and sell," and the contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. Any gains or losses recognized in the consolidated income statement as other comprehensive income ("OCI") will be recycled upon derecognition of the asset. No financial assets currently fall in this category.

Classification and measurement of financial liabilities
The Group's financial liabilities include borrowings, trade and other payables. Financial liabilities are measured at amortized cost using the effective interest method except for financial liabilities designated at FVTPL. In the year ended December 31, 2021, mandatorily redeemable shares were held as liabilities on the balance sheet and measured at FVTPL with gains or losses recognized in the consolidated statement of income. Fair value was determined based on redemption price. During the year ended December 31, 2022, the Company's shareholders voted to amend the Company's Articles of Association and remove the stipulation that the shares be mandatorily redeemable. In accordance with IFRS, this amendment resulted in the associated financial liability being derecognized and the shares being reclassified as equity. Further details can be found in Note 19.

Impairment of financial assets
IFRS 9 requires entities to account for expected credit losses, with the amount of such losses being updated at each reporting period to reflect changes in credit risk. For financial instruments that have not deteriorated significantly, 12-month expected credit losses are recognized. For financial assets that have deteriorated significantly, lifetime expected credit losses are recognized.

Trade and other receivables and contract assets
The Group uses a simplified approach to account for trade and other receivables and records the loss allowance as lifetime expected credit losses. These losses represent the expected shortfalls in contractual cash flows and considers the potential for default at any point during the life of the financial instrument. The Group uses its historical experience, external indicators, and forward-looking information to calculate the expected credit losses using a provision matrix. The Group assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics and have been grouped based on the days past due.

Property and equipment
Property and equipment are measured at cost less accumulated depreciation and impairment losses. Depreciation expense is recognized on a straight-line basis over the estimated useful lives of the related assets. Leasehold improvements are amortized over the shorter of the lease term and their useful lives. Subsequent expenditures which enhance the property and equipment are capitalized to the extent that it enhances the existing standard of performance, otherwise it is expensed.

The estimated useful lives are as follows:

Leasehold improvements	2-14 years
Fixtures and equipment	2-7 years
Vehicles	3-5 years

Depreciation methods, useful lives and residual values are reviewed at each statement of financial position date.

Gains or losses arising on the disposal of property and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in consolidated income statement within operating expenses.

Leases

For any new contracts entered into on or after January 1, 2019, the Group considers whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.' To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contracts; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. This period varies by lease but is typically a period of three to ten years. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee, and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Short-term leases and leases of low-value assets
The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these leases are recognized as an expense in profit or loss on a straight-line basis over the lease term.

Intangible assets and goodwill
Intangible assets acquired in a business combination are identified and recognized separately from goodwill where they meet the definition of an intangible asset, and their fair values can be measured reliably. The costs of such intangible assets are initially recorded at their fair value on the acquisition date.

Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortization and accumulated impairment losses.

Amortization is recognized in the statement of comprehensive income over the estimated useful lives of the intangible assets from the date they are available for use. The estimated useful lives are as follows:

Trade name	Straight-line method	10 years
Customer relationships	Straight-line method	10 years
Technology	Straight-line method	3-5 years
Backlog	Straight-line method	1 year
Non-compete agreements	Straight-line method	1-3 years

Residual values and useful lives of intangible assets are reviewed at each reporting date. The method of amortization reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Group.

The value of goodwill acquired in a business combination is recognized as the value of total consideration less the value of identified tangible and intangible net assets. Goodwill is not amortized but it is subject to impairment testing as described below.

Impairment of tangible and intangible assets, and goodwill
The Group reviews the carrying amounts of its tangible and intangible assets, including goodwill, at least annually to determine whether there is any indication that those assets have been impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs 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 which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss on intangibles is recognized as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Cash and cash equivalents
Cash and cash equivalents include cash in hand and deposits held, together with other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Employee benefits
Defined contribution plans
Obligations for contributions to defined contribution pension plans are recognized as an expense in the statement of comprehensive income as incurred.

Defined benefit plans
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 return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets are deducted. The cost of providing benefits is determined using the projected-unit-credit method, with actuarial valuations being carried out at each statement of financial position date. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of the economic benefit that is 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.

The German pension scheme includes both a fixed and variable element. The defined benefit obligation should be set to be the higher of the value of the contributions paid into the scheme, (the fixed promise), and the value of the assets in the scheme (the variable element). IAS 19 provides no guidance on how to account for such schemes. The value of the contributions paid into the scheme has been determined using the Projected-Unit-Credit method. The variable promise to distribute the surplus assets has been determined based on the fair value of the assets. The re-measurement of the net defined benefit liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income ("OCI"). The Group determines the net interest (expense)/income on the net defined benefit (liability)/asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit (liability)/asset, taking into account any changes in the net defined benefit (liability)/asset during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized 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 recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when settlement occurs.

Short-term benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. An accrual is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Supplemental Executive Retirement Plan and Executive Deferral Plan
Assets contributed to the Supplemental Executive Retirement Plan ("SERP" and "ERP") and Executive Deferral Plan ("EDP") that are funded are recognized in the statement of financial position as a financial asset while obligations to

the employee are recognized as a liability. The Group's contributions to these plans are accounted for as defined contribution payments.

The assets and liabilities are reflected on the statement of financial position as the plan assets are not protected from the Group's creditors in the event of an insolvency or bankruptcy. The plan assets represent financial assets designated at fair value through profit or loss. The liability to the plan participants has been designated as a financial liability through profit or loss in order to avoid an accounting mismatch that would otherwise arise from measuring the assets and liabilities on different bases. Changes in the liability due to the performance of underlying assets are recognized for the amounts expected to be paid to the employee upon separation from the firm. Income recognized on the invested assets is disclosed as finance income and changes in the value of the liability are recognized as operating expenses.

Share-based payment transactions
The Group makes use of various share grants using its redeemable shares in order to provide incentives for certain of its employees. All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted.

Under the equity-settled method, the fair value of the amount granted to the employee is recognized as an expense with a corresponding increase in equity and is measured at grant date. Under the cash method, the fair value of the amount payable to the employee is recognized as an expense with a corresponding increase in liability and is initially measured at grant date and then subsequently re-measured at each reporting date and at settlement. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share grants expected to vest. Estimates are subsequently revised if there is any indication the number of share grants expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision in estimate is recognized in the current period. Further details can be found in Note 21.

Revenue recognition
The Group evaluates its revenue with customers based on the five-step model under IFRS 15, Revenue from Contracts with Customers: (1) identify the contract with the customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to separate performance obligations; and (5) recognize revenues as each performance obligation is satisfied. The Group's revenues are generated from providing consulting services, recognized over time, under fixed and contingent fee arrangements.

With the Group's fixed fee arrangements, the Group is contracted to complete a predetermined set of professional services for a predetermined fee (transaction price). However, the fee and engagement scope can be adjusted based on a mutual agreement between us and the client. In many cases, the recording of fixed revenue amounts requires us to make an estimate of the total amount of work to be performed, and revenues are then recognized as efforts are expended based on hours worked. There was no change in treatment of fixed fee arrangements with adoption of IFRS 15. Under contingent fee arrangements, the outcome is determined by performance (as defined by key performance indicators in the contract). In many cases, this fee is earned in addition to a fixed fee. For certain of these arrangements, the contingent consideration is estimated at the expected value and subject to constraint based on risks specific to the contract. The estimate is evaluated in each reporting period and included in the total transaction price to the extent it is highly probable that a significant reversal of revenue will not occur. Transaction price is then recognized into revenue based upon efforts expended based on hours worked. In some cases, the estimation of the contingent fees is complex and may require significant judgment as the contingent fees are often linked to the level and timing of client savings and other defined goals. Changes in the economic environment could affect the probability of the contingency being realized and hence the amount or timing of revenue recognition.

All amounts in millions of U.S. dollars except for share and per-share

The majority of the Group's contracts have a single performance obligation. However, when certain arrangements have more than one performance obligation that are distinct from one another, the transaction price is allocated to the separate performance obligations based on a relative standalone selling price basis. The Group determines the standalone selling prices based on the Group's overall pricing or margins. Revenue includes the reimbursement of out-of-pocket expenses, which are passed through to clients as contractually allowed. Reimbursable expenses are recognized into revenue consistent with the measure of progress of the respective performance obligation.

The Group's contracts may be modified to add, remove, or change existing performance obligations. The accounting for modifications to the Group's contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Although fixed and contingent fee arrangements exist, they are often blended within a single performance obligation and as such do not present distinct streams among which to disaggregate the Group's revenue. Similarly, the Group's contracts often include a blend of intermingled consulting services; these also do not present distinct revenue streams. As such the primary forms of disaggregation used by the Group's decision makers are by fee and reimbursable expense and by geographical region. For the years ended December 31, these were as follows:

		2022		2021
By fee and reimbursable expense:				
Consulting fees	$	1,561.1	$	1,382.1
Reimbursement of expenses		136.1		76.9
	$	**1,697.2**	**$**	**1,459.0**
By geographical region:				
Americas	$	553.2	$	493.1
Europe, Middle East & Africa		928.4		756.8
Asia-Pacific		215.6		209.1
	$	**1,697.2**	**$**	**1,459.0**

None of the revenue recognized in the years ended December 31, 2022 or 2021 includes amounts collected on behalf of third parties. There were no clients that individually exceeded 10% of revenue in 2022 or 2021.

Contract Assets and Liabilities
The Group defines contract assets as revenues recognized for fixed fee or contingent fee engagements for which the Group is not contractually able to bill, meaning that work has been performed, but an agreed milestone on the contract has not yet been reached. These contract assets are included in trade receivables and other current assets within the consolidated balance sheet. The Group defines contract liabilities as advance payments from, or billings to, customers for services that have not yet been performed or earned and retainers. These liabilities are recorded within trade and other payables and are recognized as services are provided. Any taxes assessed on revenues relating to services provided to clients are recorded on a net basis. As of December 31, 2022 and 2021, contract liabilities were $75.8 and $67.9 million, respectively. During the years ended December 31, 2022 and 2021, substantially all contract liabilities were recognized into revenue from the opening balance. Payment terms do not include any significant items greater than one year.

Performance Obligations

Unfulfilled performance obligations represent the remaining contract transaction prices allocated to the performance obligations that are unsatisfied, or partially unsatisfied, and therefore revenues have not yet been recorded. Unfulfilled performance obligations primarily consist of the remaining fees not yet recognized under proportional performance method for both fixed fee arrangements and the portion of contingent arrangements that the Group has deemed highly probable. As of December 31, 2022, and 2021, the aggregate amount of the transaction price allocated to unfulfilled performance obligations was $534.0 million and $482.6 million, respectively, and the Group expects to recognize substantially all of the related revenues over the subsequent year.

Finance income and expense

Finance income comprises interest income on funds invested, dividend income, gains on the disposal of financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognized as it accrues in profit or loss, using the effective interest method. Dividend income is recognized in profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date. Finance expense comprises interest expense on borrowings, unwinding of the discount on provisions and changes in the fair value of financial assets designated at fair value through profit or loss. Finance income and expense also includes the impact of foreign exchange gains and losses, respectively, on the Group's income.

Income tax expense

Income tax expense comprises current and deferred tax and is recognized in the statement of comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using the tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized if the temporary difference arises from goodwill, from the initial recognition (other than a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit, and the temporary difference relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based upon the laws that have been enacted or substantively enacted at the statement of financial position date. The deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilized. Deferred tax assets are reviewed at each statement of financial position date and are reduced to the extent that it is no longer probable that the tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities within a single jurisdiction and when the Group intends to settle its current tax assets and liabilities on a net basis.

Where an uncertain tax position is identified, management will make a judgment as to what the probable outcome will be, assuming that the relevant tax authority has full knowledge of the situation. The local filing history, and status of relationship with the domestic tax authorities will be factored into management's judgment. Where it is considered that an economic outflow is probable, a provision is made for the best estimate of that liability. In estimating any such liability, a risk-based approach has been applied using weighted probabilities of a range of key likely outcomes. These estimates take into account the specific circumstances of each uncertain tax position, together with the opinion of relevant external advisers, as appropriate.

Capital management

The Group includes as capital the value of its redeemable shares (constituting par value and paid-in premium, net of any value held by the Employee Share Trust as defined below), Founder Share, retained earnings (deficit), other comprehensive income (loss), and translation reserve.

The Group's objective in managing capital is to maintain its ability to continue as a going concern in order to provide returns for the holders of the redeemable shares. The Group manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk profile of its markets and underlying assets. The Group adjusts its capital needs by determining the amount of earnings to retain, the amount of shares it sells and the level of debt to maintain.

Employee Share Trust

The Company established an independent employee share trust (the "EST" or "trust"), the purpose of which is to purchase and sell shares in lieu of redemption as currently contemplated by the Articles of Association. Under the Companies Act, such transactions may occur irrespective of whether the Company has reserves available for distribution or proceeds of a new issuance of the Company's share capital. As such, the trust affords the Company with greater flexibility in transacting in the Company's share capital because it is not subject to the distributable reserves requirement applicable to the Company's redemptions under UK law. The cash for such transactions must be funded by the Company making contributions or non-interest-bearing loans to the trust. The trust has waived any entitlement to dividends and has no entitlement to vote under the Company's Articles of Association. The independent trustee of the trust retains significant discretion as to whether to enter into any particular transaction with respect to the shares, in each instance employing its judgment as to whether such transaction is for the benefit of the beneficiaries, which are certain employees of the Company, based on applicable law and tax regulations. The Group cannot predict whether the trustee will in the future act in the manner in which the Group currently anticipates. Moreover, the Company is not under any obligation to request that the trust purchase shares from departing shareholders that would otherwise be redeemed, even in the absence of distributable reserves. However, to the extent that the Company elects to make such requests, departing shareholders can be required under the Articles of Association to tender their shares to the trust.

Notes Payable

Upon redemption the employee share trust will establish a note payable in accordance with the Articles of Association, which provides for payments for shares purchased from former employees to be spread over a one- to eight-year period depending on the reason for the redemption and subject to the other conditions as set out in the Articles of Association. In addition, the Company pays interest on the outstanding notes payable balance. Interest is computed daily based on the Applicable Federal Rate as published by the US Internal Revenue Service . Interest is payable at the date of redemption.

Own Shares Held by EST

Transactions of the Company-sponsored EST are treated as being those of the Company and are therefore reflected in the Company and Group financial statements. In particular, shares held by the trust in the Company's share capital are presented as a deduction to redeemable shares.

All amounts in millions of U.S. dollars except for share and per-share

2. Operating Expenses

	2022	2021
Employee related costs	$ 1,191.3	$ 1,114.2
Reimbursable expenses	136.1	76.9
Marketing and meetings	95.0	47.0
Operations and technology	96.3	75.2
Depreciation and amortization	37.7	37.2
Operating expenses before pension plan amendment	**1,556.4**	**1,350.5**
Pension plan amendment	-	32.4
Operating expenses after pension plan amendment	**$ 1,556.4**	**$ 1,382.9**

3. Auditor's Remuneration

	2022	2021
Fees payable to the Group's auditor for the audit of the Company (including the consolidated financial statements)	$ 0.7	$ 0.6
Fees payable to the Group's auditor and associates for other services to the Group:		
The audits of the Group's subsidiaries, pursuant to legislation	0.7	0.7
Corporate finance fees	0.3	0.2
Other non-audit services	0.1	0.1
	$ 1.8	**$ 1.6**

Non-audit services are in line with the Group's policy on the allotment of such services. Audit and non-audit fees in 2022 and 2021 were rendered to Grant Thornton. Included in the other non-audit services are fees relating tax services of $0.003.

4. Staff Costs

	2022	2021
Average monthly employees		
Consultants	3,701	3,183
Administrative	1,215	1,079
	4,916	4,262
The aggregate remuneration of these employees was as follows:		
Wages and salaries	$ 1,063.6	$ 983.9
Social security costs	75.1	65.8
Other pension costs	40.9	59.2
	$ 1,179.6	**$ 1,108.9**

All amounts in millions of U.S. dollars except for share and per-share

5. Directors' Remuneration

	2022	2021
Directors' emoluments (compensation related costs)	$ 15.2	$ 14.9
Contribution to money purchase pension schemes	0.5	0.5
	$ 15.7	**$ 15.4**
Highest paid director		
Director's emoluments (compensation related costs)	$ 3.8	$ 2.6
Contribution to money purchase pension schemes	0.1	0.1
	$ 3.9	**$ 2.7**
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	11	11
Defined benefit schemes	2	2

6. Finance Income and Finance Expense

	2022	2021
Finance income		
Interest income	$ 1.1	$ 1.0
Other income	3.0	1.7
Net foreign exchange gain	1.6	-
Net gain in fair value of financial assets through profit and loss (Note 18)	-	7.6
	$ 5.7	**$ 10.3**
Finance expense		
Interest expense on debt (Note 16)	$ (1.9)	$ (0.7)
Interest expense on leases (Note 10)	(2.8)	(2.8)
Net foreign exchange loss	-	(5.0)
Net loss in fair value of financial assets through profit and loss (Note 18)	(9.7)	-
	$ (14.4)	**$ (8.5)**

7. Income Taxes

	2022	2021
Current tax	$ 73.7	$ 68.9
Adjustments for prior periods	(0.4)	1.1
Deferred tax (Note 11)	(12.8)	(29.7)
Income tax expense	**$ 60.5**	**$ 40.3**

All amounts in millions of U.S. dollars except for share and per-share

Income tax expense for the period is reconciled to the profit before tax per the statement of comprehensive income as follows:

	2022	Percentage	2021	Percentage
Profit before tax	**$ 132.1**		**$ 22.0**	
Tax at the UK corporation tax rate of 19.0% (19.0% in 2021)	25.1	19.0%	4.2	19.0%
Tax effect of fair value adjustment on mandatorily redeemable shares not subject to tax	-	0.0	10.6	48.3
Tax expense arising from deferred tax assets not recognized	(1.6)	(1.2)	-	0.0
Tax expense (benefit) arising from deferred tax assets previously not recognized	0.3	0.2	(1.5)	(6.8)
Effect of different tax rates of subsidiaries operating in other jurisdictions	5.3	4.0	(0.4)	(1.8)
Meals and entertainment	0.8	0.6	0.4	1.8
Withholding taxes in foreign jurisdictions	33.1	25.1	26.0	118.2
Effect of tax rate changes	0.4	0.3	1.5	6.8
Uncertain tax positions	(2.2)	(1.7)	(0.4)	(1.8)
Adjustments to prior year estimates	(2.0)	(1.5)	(0.5)	(2.3)
Other permanent items	1.3	1.0	0.5	2.3
Other	-	0.0	(0.1)	(0.5)
Tax expense and effective tax rate for the year	**$ 60.5**	**45.8%**	**$ 40.3**	**183.2%**

All amounts in millions of U.S. dollars except for share and per-share

8. Intangible Assets and Goodwill

	Trade Name	Customer Relationship	Technology and Other	Goodwill	Total
Cost					
At December 31, 2020	$ 16.4	$ 16.4	$ 2.7	$ 11.2	$ 46.7
Acquisitions	0.8	7.0	1.0	8.7	17.5
Additions	-	-	1.0	-	1.0
At December 31, 2021	17.2	23.4	4.7	19.9	65.2
Acquisitions	0.4		3.5	4.5	8.4
Additions	-	-	3.5	-	3.5
Exchange differences	-	(0.3)	-	(0.1)	(0.4)
At December 31, 2022	$ 17.6	$ 23.1	$ 11.7	$ 24.3	$ 76.7
Accumulated amortization					
At December 31, 2020	$ (14.5)	$ (12.7)	$ (1.7)	$ -	$ (28.9)
Charge for the year	(0.2)	(0.5)	(0.1)	-	(0.8)
At December 31, 2021	(14.7)	(13.2)	(1.8)	-	(29.7)
Charge for the year	(0.2)	(1.2)	(1.7)	-	(3.1)
At December 31, 2022	$ (14.9)	$ (14.4)	$ (3.5)	$ -	$ (32.8)
Carrying amount - December 31, 2022	$ 2.7	$ 8.7	$ 8.2	$ 24.3	$ 43.9
Carrying amount - December 31, 2021	$ 2.5	$ 10.2	$ 2.9	$ 19.9	$ 35.5

Technology and other intangible assets include internally developed and acquired technology, noncompete agreements and backlog on contracts acquired in business combinations. Amortization expense is included in the statement of comprehensive income as a component of operating expenses.

Goodwill arising on consolidation is recognized as an asset and reviewed for impairment at least annually or when a change in circumstances or situation indicates that the goodwill has suffered an impairment loss. The need for impairment is tested by comparing the recoverable amount of the cash-generating unit ("CGU") to the carrying value. Any impairment is recognized immediately in the income statement. At December 31, 2022, the carrying value of goodwill and intangibles relating to the Group's acquisitions of Cervello, Inc. in 2019, Prokura Management Consulting ApS in 2020, and Optano GmbH in 2021, each considered a CGU, was $15.1 million, $14.9 million and $9.0 million, respectively. For each CGU, the value-in-use was calculated over a three-year cash forecast horizon using a discount rate of 7.5% and compound adjusted growth rate of approximately 10%. All tests demonstrated significant headroom between the recoverable amount and the carrying value reported. As such, the impairment assessment over the carrying value of goodwill and intangibles indicated that no impairment was necessary.

All amounts in millions of U.S. dollars except for share and per-share

9. Property and Equipment

	Leasehold Improvements	Fixtures and Equipment	Vehicles	Total
Cost				
At December 31, 2020	**$ 49.8**	**$ 80.1**	**$ 1.6**	**$ 131.5**
Additions	2.8	7.2	0.3	10.3
Disposals	(1.5)	(3.3)	(0.2)	(5.0)
Exchange differences	(1.3)	(1.7)	(0.1)	(3.1)
At December 31, 2021	**49.8**	**82.3**	**1.6**	**133.7**
Additions	6.6	11.4	0.6	18.6
Disposals	(0.8)	(2.3)	(0.3)	(3.4)
Exchange differences	(1.8)	(0.4)	0.2	(2.0)
At December 31, 2022	**$ 53.8**	**$ 91.0**	**$ 2.1**	**$ 146.9**

	Leasehold Improvements	Fixtures and Equipment	Vehicles	Total
Accumulated depreciation and impairment				
At December 31, 2020	**$ (33.9)**	**$ (65.9)**	**$ (1.0)**	**$ (100.8)**
Additions	(3.8)	(6.0)	(0.2)	(10.0)
Disposals	1.4	2.4	0.2	4.0
Exchange differences	0.1	1.9	(0.1)	1.9
At December 31, 2021	**(36.2)**	**(67.6)**	**(1.1)**	**(104.9)**
Additions	(3.7)	(6.4)	(0.2)	(10.3)
Disposals	0.7	3.8	0.3	4.8
Exchange differences	1.5	1.1	(0.2)	2.4
At December 31, 2022	**$ (37.7)**	**$ (69.1)**	**$ (1.2)**	**$ (108.0)**
Carrying amount - December 31, 2022	**$ 16.1**	**$ 21.9**	**$ 0.9**	**$ 38.9**
Carrying amount - December 31, 2021	**$ 13.6**	**$ 14.7**	**$ 0.5**	**$ 28.8**

At December 31, 2022, the Group had entered into contractual commitments for the acquisition of property and equipment amounting to $1.3 million (2021: $0.3 million).

All depreciation and impairment charges are included within depreciation, amortization and impairment of non-financial assets. The value of property and equipment acquired through business combination reflected in additions was $0.2 million and $0.6 million for the years ending December 31, 2022 and 2021, respectively.

All amounts in millions of U.S. dollars except for share and per-share

10. Leases

Lease assets
Details of the Group's right-of-use assets and their carrying amounts are as follows:

	Office Buildings	Vehicles	Total
Cost			
At December 31, 2020	**$ 137.6**	**$ 7.1**	**$ 144.7**
Additions	12.0	4.4	16.4
Modifications/re-measurements	5.0	0.3	5.3
Disposals	(5.9)	(1.2)	(7.1)
Derecognition of right-of-use assets	(4.1)	-	(4.1)
Exchange differences	(5.1)	(0.3)	(5.4)
At December 31, 2021	**139.5**	**10.3**	**149.8**
Additions	26.2	2.8	29.0
Re-measurements	(1.3)	0.2	(1.1)
Disposals	(16.7)	(1.6)	(18.3)
Exchange differences	(8.4)	(0.5)	(8.9)
At December 31, 2022	**$ 139.3**	**$ 11.2**	**$ 150.5**
	Office Buildings	**Vehicles**	**Total**
Accumulated depreciation and impairment			
At December 31, 2020	**$ (41.7)**	**$ (0.3)**	**$ (42.0)**
Charge for the year	(22.1)	(4.3)	(26.4)
Disposals	5.6	0.8	6.4
Derecognition of right-of-use assets	1.1	-	1.1
Exchange differences	2.2	0.1	2.3
At December 31, 2021	**(54.9)**	**(3.7)**	**(58.6)**
Charge for the year	(20.3)	(4.0)	(24.3)
Disposals	16.3	1.4	17.7
Exchange differences	3.5	0.2	3.7
At December 31, 2022	**$ (55.4)**	**$ (6.1)**	**$ (61.5)**
Carrying amount - December 31, 2022	**$ 83.9**	**$ 5.1**	**$ 89.0**
Carrying amount - December 31, 2021	**$ 84.6**	**$ 6.6**	**$ 91.2**

The Group has over 50 leases for office space from which it conducts its business. The lease terms vary but typically run for a period of between 3 to 15 years. The majority of leases include options to renew the lease for an additional period after the end of the contract term and approximately half of the leases include options to terminate. These terms are used to maximize operational flexibility in terms of managing contracts. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an option and are only included if reasonably certain to be exercised. Lease payments are generally fixed although a number of the leases have rentals that are linked to annual changes in an index such as the retail price index. Each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

All amounts in millions of U.S. dollars except for share and per-share

The Group leases vehicles in some countries for employees. The lease terms vary but typically run for a period of between two to four years. Effective December 1, 2020, the Group determined to no longer apply the practical expedient to account for vehicles' leases as low-value assets. Each vehicle lease is now reflected on the balance sheet as a right-of- use asset and a lease liability.

The Group's leases for office equipment are considered leases of low-value assets. Accordingly, the Group accounts for these leases using the practical expedient and payments in relation to these leases are recognized as an expense in profit or loss on a straight-line basis over the lease term.

Lease liabilities

		2022
Maturity analysis - contractual undiscounted cash flows		
Within one year	$	23.5
Within the first to second year		21.5
Within the second to third year		17.8
Within the third to fourth year		14.0
Within the fourth to fifth year		11.0
After five years		23.2
Total undiscounted cash flows		**111.0**
Discounted using incremental borrowing rate		(9.4)
Lease liabilities as presented in the statement of financial position	**$**	**101.6**
Current	$	20.8
Non-current		80.8
	$	**101.6**

The group has elected not to recognize a lease liability for short-term leases (leases of expected term of 12 months or less) or for leases of low-value assets. Payments made under such leases are expensed on a straight-line basis. Total cash outflows related to leases are disclosed in Note 12.

Amounts recognized in profit or loss as follows:

		2022		2021
Interest on lease liabilities	$	2.8	$	2.8
Expenses relating to short-term leases	$	1.1	$	0.6
Expenses relating to leases of low-value assets	$	0.4	$	0.4

All amounts in millions of U.S. dollars except for share and per-share

11. Deferred Income Taxes

The following are the major deferred tax liabilities and assets recognized by the Group and the associated deferred tax benefit or expense recognized in the statement of comprehensive income for each component.

2022	Deferred Tax Asset (Liability) Recognized at December 31, 2021	Deferred Tax Benefit (Expense) Recognized in the Statement of Income	Other Comprehensive Income (Expense)	Exchange Differences Other	Deferred Tax Asset (Liability) Recognized at December 31, 2022
Compensation	$ 63.4	$ 11.6	$ -	$ (1.7)	$ 73.3
Retirement/pensions	43.3	2.6	-	(1.7)	44.2
Property and equipment	4.4	0.3	-	(0.2)	4.5
Intangible assets	0.7	3.1	-	(0.1)	3.7
Trade receivable	2.7	0.2	-	(0.1)	2.8
Insurance	(1.6)	-	-	-	(1.6)
Contract liabilities	(1.3)	(0.5)	-	0.1	(1.7)
Contract assets	-	(2.0)	-	-	(2.0)
Tax losses (NOLs)	12.0	(4.4)	-	(0.6)	7.0
Foreign tax credits	6.1	0.2	-	-	6.3
Other	(10.9)	1.7	-	0.2	(9.0)
Total	**$ 118.8**	**$ 12.8**	**$ -**	**$ (4.1)**	**$ 127.5**
Deferred tax asset					$ 128.6
Deferred tax liability					(1.1)
Total					**$ 127.5**

All amounts in millions of U.S. dollars except for share and per-share

2021	Deferred Tax Asset (Liability) Recognized at December 31, 2020	Deferred Tax Benefit (Expense) Recognized in the Statement of Income	Other Comprehensive Income (Expense)	Exchange Differences Other	Deferred Tax Asset (Liability) Recognized at December 31, 2021
Compensation	$ 52.9	$ 11.4	$ -	$ (0.9)	$ 63.4
Retirement/pensions	28.3	16.5	(0.4)	(1.1)	43.3
Property and equipment	5.2	(0.6)	-	(0.2)	4.4
Intangible assets	0.7	-	-	-	0.7
Trade receivable	2.8	-	-	(0.1)	2.7
Insurance	(2.5)	0.8	-	0.1	(1.6)
Contract liabilities	(3.2)	1.7	-	0.2	(1.3)
Contract assets	(4.4)	4.0	-	0.4	-
Tax losses (NOLs)	10.8	1.6	-	(0.4)	12.0
Foreign tax credits	9.3	(3.1)	-	(0.1)	6.1
Other	(8.1)	(2.6)	-	(0.2)	(10.9)
Total	**$ 91.8**	**$ 29.7**	**$ (0.4)**	**$ (2.3)**	**$ 118.8**
Deferred tax asset					$ 119.7
Deferred tax liability					(0.9)
Total					**$ 118.8**

Compensation related deferred tax assets relate primarily to timing differences in recording bonus paid to employees, where IFRS accounts for the bonus in the period when service is rendered, and taxable income in certain jurisdictions accounts for the bonus in the period when payment is made. Certain potential deferred tax assets amounting to $33.1 million (2021: $28.9 million) (NOLs in the amount of $22.6 million (2021: $21.8 million)) have not been recognized because, under application of IFRS criteria, it is judged not sufficiently probable that future taxable profit will be available against which the Group can utilize the benefits there-from. In accordance with IFRS, deferred tax assets have been recognized based on expected future taxable profits over an appropriate estimation period to the extent that they are probable. The future profits are probability weighted to reflect the increased uncertainty of profits arising in later years. It should be noted, however, that while tax assets have not been recognized in respect of certain NOLs (to the extent the expected taxable profits do not meet the certainty criteria required by IFRS), $22.4 million of these unrecognized NOLs have lives extending to 2027 and beyond. The Company had $16.2 million of recognized deferred tax assets in 2022 and $21.2 million of deferred tax assets in 2021 for entities that suffered a loss in either the current or preceding period in the tax jurisdiction to which the deferred tax assets relate. The types of evidence that suggest recognition of these deferred tax assets are appropriate include strong earnings history, forecasted earnings, and sufficient time to utilize the tax losses before they expire.

All amounts in millions of U.S. dollars except for share and per-share

Tax losses carried forward in selected countries expire as follows:

2022	Belgium	Brazil	Hong Kong	Italy	Singapore	Norway	Other	Total
2023	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.2	$ 0.2
2024	-	-	-	-	-	-	0.2	0.2
2025	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	0.3	0.3
2027 and later	-	-	-	-	-	-	3.3	3.3
Not time-limited	7.5	21.8	44.1	18.4	17.1	3.6	16.8	129.3
Tax losses carried forward	$ 7.5	$ 21.8	$ 44.1	$ 18.4	$ 17.1	$ 3.6	$ 20.8	$ 133.3

As of December 31, 2022, the amount of NOL deferred taxes that have not been recognized is $22.6 million. The tax losses upon which deferred tax assets have been recognized is $7.0 million.

2021	Belgium	Brazil	Hong Kong	Italy	Singapore	UK	Other	Total
2022	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2023	-	-	-	-	-	-	0.5	0.5
2024	-	-	-	-	-	-	0.3	0.3
2025	-	-	-	-	-	-	0.1	0.1
2026 and later	-	-	-	-	-	-	2.2	2.2
Not time-limited	9.0	21.6	43.6	19.5	19.5	7.8	25.6	146.6
Tax losses carried forward	$ 9.0	$ 21.6	$ 43.6	$ 19.5	$ 19.5	$ 7.8	$ 28.7	$ 149.7

As of December 31, 2021, the amount of NOL deferred taxes that have not been recognized is $21.8 million. The tax losses upon which deferred tax assets have been recognized is $12.0 million.

No liability has been recognized in respect of temporary differences associated with the Company's investments in subsidiaries because the Company is able to control the timing of the reversal of the temporary differences, and it is probable that most differences will not reverse in the near future. As a result, no liability has been recorded.

As of December 31, 2022, the Group has recorded tax-related provisions of $16.4 million (2021: $19.2 million). This amount is subject to discussions with the tax authorities in multiple jurisdictions. As a result, the Group is unable to assess with certainty the actual liability which will crystalize. However, the impact of any adjustment either individually or collectively is not expected to be material in any financial period.

Royal Assent of the Finance Tax Act 2021 was granted on June 10, 2021, which included an increase in the UK corporate income tax rate, from 19% to 25% with effect from April 1, 2023. The effect of this increase is reflected in the results for the year ended December 31, 2022.

All amounts in millions of U.S. dollars except for share and per-share

12. Other Financial Assets and Liabilities

Financial Assets

2022	Amortized Cost	FVTPL	Total
Marketable securities (Note 18)	$ -	$ 53.7	$ 53.7
Debt securities (See Note below)	7.9	-	7.9
Total other financial assets	**7.9**	**53.7**	**61.6**
Trade receivables (Note 14)	519.4	-	519.4
Contract assets (Note 14)	257.4	-	257.4
	$ 784.7	**$ 53.7**	**$ 838.4**

2021	Amortized Cost	FVTPL	Total
Marketable securities (Note 18)	$ -	$ 55.6	$ 55.6
Debt securities (See Note below)	7.7	-	7.7
Total other financial assets	**7.7**	**55.6**	**63.3**
Trade receivables (Note 14)	386.1	-	386.1
Contract assets (Note 14)	206.1	-	206.1
	$ 599.9	**$ 55.6**	**$ 655.5**

The financial assets designated at fair value through profit and loss include investments in marketable securities or mutual funds held to partly fund the Group's obligations under the Supplemental and Executive Retirement Plan or Executive Deferral Plan (see Note 18). The financial assets at amortized cost include life insurance policies on certain retired employees, measured on cash surrender values provided by the insurance company.

Financial Liabilities

2022	Amortized Cost	FVTPL	Total
Marketable securities (Note 18)	$ -	$ 61.3	$ 61.3
Debt securities (Note 16)	27.1		27.1
Total other financial liabilities	**27.1**	**61.3**	**88.4**
Trade payables	65.3	-	65.3
	$ 92.4	**$ 61.3**	**$ 153.7**

2021	Amortized Cost	FVTPL	Total
Marketable securities (Note 18)	$ -	$ 65.5	$ 65.5
Debt securities (Note 16)	19.4	-	19.4
Total other financial liabilities	**19.4**	**65.5**	**84.9**
Trade payables	52.5	-	52.5
	$ 71.9	**$ 65.5**	**$ 137.4**

All amounts in millions of U.S. dollars except for share and per-share

The Group's exposure to credit, currency, and interest rate risks related to financial assets at fair value through profit and loss is disclosed in Note 13. The obligations for the retirement plans are disclosed as part of other long-term incentive plans as part of non-current liabilities.

Reconciliation of Liabilities Arising from Financing Activities

	Borrowings Under Credit Facility	Notes Payable	Mandatorily Redeemable Shares	Lease Liabilities	Total
December 31, 2020	**$ -**	**$ 17.1**	**$ 262.9**	**$ 113.9**	**$ 393.9**
Cash-flows:					
Repayment	(10.3)	(15.3)	-	(30.7)	(56.3)
Proceeds	10.3	-	31.3	-	41.6
Non-cash:					
Notes issued for mandatorily redeemable shares	-	17.6	(17.6)	-	-
Fair value adjustment	-	-	55.9	-	55.9
Share-based payments	-	-	0.2	-	0.2
Lease additions, net	-	-	-	17.6	17.6
Lease interest expense	-	-	-	2.8	2.8
December 31, 2021	**-**	**19.4**	**332.7**	**103.6**	**455.7**
Cash-flows:					
Repayment	(58.8)	(16.1)	-	(25.9)	(100.8)
Proceeds	58.8	-	-	-	58.8
Non-cash:					
Notes issued for redeemable shares	-	23.8	-	-	23.8
Equity Accounting Transition (Note 19)	-	-	(332.7)		(332.7)
Lease additions, net	-	-	-	21.1	21.1
Lease interest expense	-	-	-	2.8	2.8
December 31, 2022	**$ -**	**$ 27.1**	**$ -**	**$ 101.6**	**$ 128.7**

All amounts in millions of U.S. dollars except for share and per-share

13. Financial Instruments

The Group's financial risk of credit, liquidity, currency, and interest is managed on a day-to-day basis by a corporate treasury group interacting with local finance teams and the board of directors to ensure that the agreed upon objectives are met. Exposure to credit, interest, and foreign exchange risk arises through the normal course of the Group's operations. This note presents information about the Group's exposure to each. The Group's objectives, policies, and processes for measuring and managing risk are included throughout these consolidated financial statements.

Credit risk
The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

The Group's exposure to credit risk is in respect of financial assets at fair value through profit or loss and is mitigated by transacting with counterparties with high credit ratings assigned by international credit rating agencies. All changes in the value of the financial assets at fair value through the profit and loss are due to market conditions.

Exposure to credit risk
The maximum exposure to credit risk is represented by the carrying amount of each financial asset on the statement of financial position.

Therefore, the maximum exposure to credit risk, excluding the balance of cash and cash equivalents of $183.6 million (2021: $248.1 million), at the reporting date was:

	2022	2021
Trade and other receivables	$ 519.4	$ 386.1
Financial assets at fair value through profit or loss	53.7	55.6
Financial assets at amortized cost	7.9	7.7
	$ 581.0	**$ 449.4**

Trade and other receivables
Payment of invoices can vary by country and interest is rarely charged on trade receivables. The Group utilizes a specific reserving methodology to consider impairment under IFRS 9 when a trade receivable is identified as a risk of non- payment.

Included in the Group trade receivables balance are debtors that are past due at the reporting date of $195.3 million (2021: $149.8 million) for which the Group has not provided allowances as the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

All amounts in millions of U.S. dollars except for share and per-share

The aging of trade receivables at the reporting date was:

	2022		2021	
	Receivables	Allowance	Receivables	Allowance
Not due and past due 1-30 days	$ 439.4	$ -	$ 275.4	$ -
Past due 31-150 days	44.3	-	62.4	-
Past due more than 150 days	35.7	(5.3)	48.3	(9.8)
	$ 519.4	**$ (5.3)**	**$ 386.1**	**$ (9.8)**

The Group's exposure to credit risk is influenced by the individual characteristics and location of each client. The Group's receivables are not concentrated in one specific client or industry. Credit risk is managed at the project level by the project teams following up on receivables past due, along with business head reviews of aging and specific client issues.

Movement in allowance for expected credit losses:

	2022	2021
Balance at January 1	$ (9.8)	$ (4.1)
Collections	5.2	2.2
Amount when written down	1.9	0.6
Charge for the year	(2.6)	(8.5)
December 31	**$ (5.3)**	**$ (9.8)**

An allowance for lifetime expected credit losses is recognized against trade receivables where shortfalls in contractual cash flows are expected. The maximum exposure to credit risk is represented by the carrying value for financial assets at the statement of financial position date. The exposure to credit risks on contract assets is not deemed to be material.

Liquidity risk

The Group has built an appropriate liquidity risk management framework that aims to ensure that the Group has sufficient cash or credit facilities at all times to meet all the current and forecast liabilities as they fall due. It is the intention to continue to finance the activities and development of the Group from retained earnings and mandatorily redeemable shares and to operate the Group's business while maintaining the net cash/debt position within a relative band.

Cash and cash equivalents at the year-end relate to cash at bank. Cash surpluses are periodically invested in short-term deposits, with any working capital requirements being provided from the Group cash resources, Group facilities, or by overdraft facilities. The Group also operates a multi-currency cash pool to facilitate interest and bank consolidation of cash and bank overdrafts.

All amounts in millions of U.S. dollars except for share and per-share

The following are contractual maturities of financial liabilities:

	0-3 Month	3-12 Months	More Than 12 Months	Total
Trade Payables (Note 15)				
2022	$ 65.3	$ 0.1	$ -	$ 65.4
2021	52.1	0.4	-	52.5
Lease Liabilities (Note 10)				
2022	4.7	16.1	80.8	101.6
2021	4.8	18.1	80.7	103.6
Borrowings Under Credit Facility (Note 16)				
2022	-	-	-	-
2021	-	-	-	-
Notes Payable (Note 16)				
2022	12.3	3.3	11.5	27.1
2021	6.1	5.9	7.4	19.4
Mandatorily Redeemable Shares (Note 19)				
2022	-	-	-	-
2021	3.2	10.8	318.7	332.7
Total				
2022	$ 82.3	$ 19.5	$ 92.3	$ 194.1
2021	$ 66.2	$ 35.2	$ 406.8	$ 508.2

Currency risk

Foreign exchange fluctuations are an element of the Group's business outside the U.S. where a significant amount of revenue is non-U.S. dollar denominated. This risk is reduced by the natural hedging that occurs within an entity's statement of comprehensive income maintained in the local currency, where the translation impact for revenue is offset by the translation impact created by the entity's expenses.

Significant non-us denominated financial assets and financial liabilities by currency:

	2022	2021
EUR trade receivables and other assets	$ 118.9	$ 115.7
GBP trade receivables and other assets	32.9	17.2
INR trade receivables and other assets	27.3	17.7
Other trade receivables and other assets	100.1	85.6

All amounts in millions of U.S. dollars except for share and per-share

		2022		2021
EUR cash and cash equivalents	$	20.3	$	16.4
INR cash and cash equivalents		6.9		8.4
JPY cash and cash equivalents		5.9		3.4
Other cash and cash equivalents		35.6		37.9

Sensitivity analysis - currency risk
A 10% strengthening of the dollar against the following currencies at December 31, 2022 would have increased/(decreased) equity and profit or loss before tax by the amounts shown in the table. This analysis is applied currency by currency in isolation, ignoring the impact of currency correlation, and assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2021.

2022		Equity		PBT
EUR	$	(4.9)	$	(1.4)
GBP		(4.2)		(0.4)
CHF		(1.9)		(0.1)
Other		(6.3)		(0.5)
2021		**Equity**		**PBT**
EUR	$	(1.8)	$	1.3
GBP		(4.6)		(0.6)
CHF		(1.7)		(0.1)
Other		(4.4)		(2.7)

A 10% weakening of the dollar against the above currencies at December 31, 2022 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

Interest rate risk
The Group is subject to interest rate risk on the cash which is invested in highly liquid investments (certificates of deposits) with maturities of 3 months or less as well as other short-term instruments. At December 31, 2022 and 2021, the Group held only cash.

In addition, the Group is exposed to interest rate risk on the shares where notices of redemption have been issued in respect of the holders of the mandatorily redeemable shares whose employment with the Group has been terminated. The loans carry a floating rate of interest linked to the Federal funds rate.

The Group is also subject to interest rate risk on the borrowings from its revolving credit facility. Outstanding borrowings carry a floating rate of interest linked to either the prime rate or LIBOR rate.

Sensitivity analysis - interest rate risk
A one percentage point decrease in the interest rate would have increased (decreased) the equity and the profit and loss before tax by the amounts shown in the table. This analysis has been performed for illustrative purposes only using reasonable possible changes, on the basis that all other variables, cash balances in particular, remain constant.

All amounts in millions of U.S. dollars except for share and per-share

	Equity		PBT	
2022	$	0.3	$	0.3
2021		0.3		0.3

A one percentage point increase in the interest rate would have had the equal but opposite effect on the basis that all other variables remained constant.

Fair value of financial assets and financial liabilities
The carrying amounts of financial assets and financial liabilities reported on the consolidated statement of financial position approximate their respective fair values due to their short-term maturity. We do not consider that there is a material difference between the carrying amounts of the non-current financial liabilities due to their quantum and the credit worthiness of the Group.

Fair value hierarchy
The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities
- Level 2: 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1		Level 2		Level 3		Total	
2022								
Financial assets designated at fair value through profit and loss	$	53.7	$	-	$	-	$	53.7
Other long-term employee liabilities (Note 18)		-		(61.3)		-		(61.3)
Contingent consideration (Note 1)		-		-		(15.0)		(15.0)
Notes payable (Note 16)		-		-		(27.1)		(27.1)
	$	**53.7**	**$**	**(61.3)**	**$**	**(42.1)**	**$**	**(49.7)**

All amounts in millions of U.S. dollars except for share and per-share

	Level 1	Level 2	Level 3	Total
2021				
Financial assets designated at fair value through profit and loss	$ 55.6	$ -	$ -	$ 55.6
Other long-term employee liabilities (Note 18)	-	(65.5)	-	(65.5)
Contingent consideration (Note 1)	-	-	(10.6)	(10.6)
Notes payable (Note 16)	-	-	(19.4)	(19.4)
Mandatorily redeemable shares (Note 19)	-	-	(332.7)	(332.7)
	$ 55.6	**$ (65.5)**	**$ (362.7)**	**$ (372.6)**

The methods used to measure the fair value of Level 3 financial liabilities is set out in Note 19. Considerations around capital management risks are discussed in Note 1.

14. Trade Receivables and Other Assets

	2022	2021
Trade receivables	$ 519.4	$ 386.1
Contract assets	257.4	206.1
Other receivables	26.2	19.2
Prepayments	54.6	46.5
Total gross receivables	**857.6**	**657.9**
Less: allowance for expected credit losses	(5.3)	(9.8)
Total trade receivables and other assets	**$ 852.3**	**$ 648.1**
Current	$ 825.6	$ 623.5
Non-current	26.7	24.6
	$ 852.3	**$ 648.1**

The Group's receivables' due dates can vary by country.

The Group's credit risk is primarily attributable to its trade receivables and contract assets. The amounts presented in the statement of financial position are net of allowances for lifetime expected credit losses. An allowance for impairment is made when, based on aging analysis of trade receivables and previous experience, shortfalls in contractual cash flows are expected.

All amounts in millions of U.S. dollars except for share and per-share

Movement in contract assets and liabilities:

	Contract Assets	Contract Liabilities
December 31, 2020	$ **157.7**	$ **(57.7)**
Revenue recognized that was included in the contract liability balance at the beginning of the period	-	57.7
Increases as a result of amounts recognized as revenue during the period	1,459.0	-
Increases due to invoices raised, excluding amounts recognized as revenue during the period	-	(67.9)
Transfers from contract assets to trade receivables during the period	(1,410.6)	-
December 31, 2021	$ **206.1**	$ **(67.9)**
Revenue recognized that was included in the contract liability balance at the beginning of the period	$ -	$ 67.9
Increases as a result of amounts recognized as revenue during the period	1,697.2	-
Increases due to invoices raised, excluding amounts recognized as revenue during the period	-	(75.8)
Transfers from contract assets to trade receivables during the period	(1,645.9)	-
December 31, 2022	$ **257.4**	$ **(75.8)**

15. Trade and Other Payables

	2022	2021
Employee related	$ 509.2	$ 491.3
Lease obligation	4.7	6.0
Trade payables	65.3	52.5
VAT/sales tax	37.2	16.2
Other creditors	10.3	2.1
Contract liabilities	75.9	67.9
	$ **702.6**	$ **636.0**
Current	$ 601.2	$ 557.6
Non-current	101.4	78.4
	$ **702.6**	$ **636.0**

Non-current liabilities contain $92.0 million and $77.2 million of employee-related items at December 31, 2022 and 2021, respectively.

Trade payables and other creditors principally comprise amounts outstanding for trade purchases and short-term employee benefits.

All amounts in millions of U.S. dollars except for share and per-share

16. Debt

Description of Credit Agreement
On May 31, 2022, the Company and certain of its subsidiaries entered into a credit facility (the "new facility") with various financial institutions including Bank of America N.A as Administrative Agent. The new facility replaced a credit facility which expired on December 20, 2022. The new facility provides for up to $350.0 million of credit and will expire on May 31, 2027. It is secured by assets of A.T. Kearney Holdings and certain of its subsidiaries.

The Company had borrowings under the new facility of $nil as of December 31, 2022 (2021: $nil, under the expired facility). The Group utilizes the facility for short-term liquidity needs and the issuance of letters of credit which aggregated to approximately $18.9 million as of December 31, 2022, (2021: $29.3 million). The issuance of a letter of credit reduces the amount of available borrowing under the credit facility. Interest on outstanding borrowings for base rate loans is calculated with daily fluctuating rate of interest per annum equal to the highest of (a) the Federal Funds Rate *plus* 0.50%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its "prime rate," and (c) Term SOFR *plus* 1.00%. Any accrued interest shall be payable the last business day of each March, June, September and December and the maturity date. Interest on outstanding borrowings for SOFR rate loans is calculated with a rate per annum plus the SOFR adjustment for such interest period. The facilities contain certain financial and other restrictive covenants that would allow any amounts outstanding under the facilities to be accelerated or restrict the Group's ability to borrow in the event of noncompliance. The Group was in compliance with all covenants at December 31, 2022. In addition to the new facility, the Group issued guarantees to clients related to the tender and performance phases of certain engagements. Guarantees outstanding at December 31, 2022 were $38.7 million (2021: $33.8 million); none of which were drawn.

Notes Payable
Upon redemption the employee share trust will establish a note payable in accordance with the Articles of Association, which provides for payments for shares purchased from former employees to be spread over a one- to eight-year period depending on the reason for the redemption and subject to the other conditions as set out in the Articles of Association. The redemption price may differ depending on the timing and circumstances of the departure.

In addition, the Company pays interest on the shares where notices of redemption have been issued in respect of the holders of the redeemable shares. Up to November 17, 2017, the interest on the shares under notice of redemption was computed quarterly based on the prime rate (the interest rate that commercial banks charge their most creditworthy borrowers as published in The Wall Street Journal). From November 17, 2017 until May 11, 2022, the interest on shares under notice of redemption was computed daily based on the Federal Reserve Bank of New York rate. From May 12, 2022, the interest on the shares under notice of redemption is computed based on the Applicable Federal Rate as published by the US Internal Revenue Service. Interest is payable at the date of redemption. During the year, $16.0 million (2021: $15.3 million) of notes payable to former employees were settled in cash, and $23.7 million (2021: $17.6 million) of shares were purchased by the employee share trust. An analysis of the currently expected payment dates and amounts are shown below:

Year		Total
2023	$	15.6
2024		2.8
2025		2.4
2026		2.2
After five years		4.1
	$	**27.1**

17. Post-Employment Benefit Obligations

Defined Contribution Plans
The Group, through its subsidiaries, operates several defined contribution benefit plans. In some countries, contributions are made into state plans.

The total cost for the year related to defined contribution plans, including state plans, was $43.0 million (2021: $40.1 million) representing contributions payable to these plans at rates specified in the respective scheme rules. The Group's obligation is limited to the contributions due for the year which are expensed as incurred. As of December 31, 2022, the Group had accrued contributions of $82.5 million (2021: $85.4 million) related to defined contribution plans. The accrued contributions include the liabilities under the Supplemental and Executive Retirement Plan in Note 18.

Defined Benefit Plans
The Group, through its subsidiaries, operates 12 (2021: 12) defined benefit plans worldwide for qualifying employees, of which eleven are retirement benefit plans or have payments due at the cessation of employment and one is a post-retirement medical benefit plan. The plans typically provide benefits based on years of qualifying service and final salary as specified in the individual plan. The defined benefit plans expose the Group to actuarial risks such as interest rate, salary rate, longevity, and investment risk. In the funded plans, the Group invests a portion of plan assets in liability-driven investment portfolios, which hold investments designed to offset interest rate risks, and in insurance contracts, to mitigate some of these risks.

The plans in Germany, UK and Norway are funded through separately administered schemes. Such plans are funded by contributions from the employing entities and in some cases also by employees.

The UK plan is closed to new entrants. The plan is subject to the scheme funding requirements outlined in UK legislation and is governed by an independent trustee board. Contribution rates are agreed by the trustees and the employing entity every three years as part of a funding valuation. The last triennial valuation was performed at January 31, 2018 and the 2021 valuation is in progress. The employer paid contributions until March 2018 to an escrow account designed to meet unquantified liabilities of the plan. No assets may be removed from the escrow account without the consent of the trustees. The trustees hold an insurance policy matching the established liabilities of the plan. Consequently, the main risks related to these liabilities is that the insurance provider defaults on the buy-in policy and the trustees are unable to recover the full value. This event is extremely unlikely given the regulatory capital requirements for insurance companies and other regulatory protections in place. As the employing entity is not entitled to an unconditional right to a refund of any surplus in the plan if the plan winds up, the surplus has been restricted in the statement of financial position in respect of the plan surplus under the accounting valuation.

The German plan is governed by a contractual trust agreement between the employing entity and an independent trust board in accordance with German legislation. The employing entity is required to fully fund a minimum level of benefits earned by employees each year, which are predominantly cash lump sum payments at retirement plus some contingent death and disability benefits. Historically, the employing entity has understood that it has discretion over the distribution of any surplus in the plan, and when a surplus has existed, it has recognized this on its balance sheet. However, there has been practice of paying employees a share of any surplus available, which has become more significant as the plan matures. As a result, it was determined in 2021 that the German pension scheme includes both a fixed and variable element. As such, the defined benefit obligation should be set to be the higher of the value of the contributions paid into the scheme (the guaranteed element), and the value of the assets in the scheme (the variable element). The value of the contributions paid into the scheme has been determined using the Projected-Unit-Credit method, and the assets are valued at fair value. The maximum (on an individual level) is used to calculate the defined benefit obligation for this scheme. This change was recognized as a one-time past service cost amendment in the amount of $ 32.4 million in the year ended December 31, 2021.

All amounts in millions of U.S. dollars except for share and per-share

The Norwegian plan had a funded and an unfunded component. The funded component was closed effective January 1, 2022 and all benefits fully settled. The unfunded component is closed to new entrants and benefits are secured through a pension insurance contract. .

A cash balance plan operates for U.S. partners, sponsored by the employing entity. Members of the plan benefit from a guaranteed return on their savings accounts in line with asset investment returns, which effectively minimizes risk to the employing entity. Benefits accrued under this plan are funded with cash contributions by the employing entity as required under ERISA and IRS regulations. Plan investments are managed by an investment committee established by the employing entity.

The retirement plans in Japan, France, Italy, Indonesia, UAE, India, and the medical plan in the U.S. are unfunded. The Group has obligations to certain eligible retirees under a former U.S. post-retirement medical benefit program which is now closed to new entrants. The current U.S. post-retirement medical plan provides access to healthcare for eligible retirees and the costs of this plan are fully funded by the beneficiaries.

Following legislative changes in Italy, benefit entitlements accruing after January 1, 2007 under the Italian retirement benefit plan are accounted for as defined contributions. Benefit entitlements accrued up to the date of this change continue to be accounted for as defined benefits.

Following legislative changes in Dubai, the DIFC End of Service Gratuity regime ceased on January 31, 2021 and was replaced by the DIFC Employee Workplace Savings Scheme. Benefit entitlements accrued in the Dubai plan up to the date of this change continue to be accounted for as defined benefits. Benefit entitlements accruing after the date of this change are accounted for as defined contributions.

The amounts included in the consolidated statement of financial position arising from the Group's defined benefit plans are as follows:

	2022	2021
Net defined benefit asset	$ -	$ -
Net defined benefit liability	(29.4)	(32.7)
	$ (29.4)	**$ (32.7)**

All amounts in millions of U.S. dollars except for share and per-share

The following table presents the reconciliation from the opening balances to the closing balances for net defined benefit (liability) asset and its components:

2022	Defined Benefit Obligation Funded	Defined Benefit Obligation Unfunded	Fair-Value of Plan Assets Funded	Fair-Value of Plan Assets Unfunded	Adjustment for Asset Ceiling Funded	Adjustment for Asset Ceiling Unfunded	Net Defined Benefit (Liability) Asset
Balance at January 1, 2022	$ (209.8)	$ (28.8)	$ 207.9	$ -	$ (2.0)	$ -	$ (32.7)
Current service costs	(7.5)	(3.3)	-	-	-	-	(10.8)
Past service costs	-	0.4	-	-	-	-	0.4
Settlement gain	0.4	-	-	-	-	-	0.4
Interest (expense) income	(2.4)	(0.7)	2.4	-	-	-	(0.7)
Included in profit or loss	(9.5)	(3.6)	2.4	-	-	-	(10.7)
Actuarial gains (losses) from changes in demographic assumptions	-	1.6	-	-	-	-	1.6
Actuarial gains (losses) from changes in financial assumptions	12.4	2.6	-	-	-	-	15.0
Actuarial gains (losses) from experience adjustments	9.0	(0.5)	-	-	-	-	8.5
Return (loss) on plan assets excluding interest income	-	-	(24.1)	-	-	-	(24.1)
Effect of asset ceiling limit excluding amountsincluded in interest income (expense)	-	-	-	-	(0.1)	-	(0.1)
Remeasurement gains (losses)	21.4	3.7	(24.1)	-	(0.1)	-	0.9
Exchange differences	13.4	1.9	(13.4)	-	0.2	-	2.1
Included in other comprehensive income	34.8	5.6	(37.5)	-	0.1	-	3.0
Employer contributions	-	-	8.2	2.8	-	-	11.0
Member contributions	-	(0.4)	-	0.4	-	-	-
Benefits paid	5.1	3.2	(5.1)	(3.2)	-	-	-
Other	-	-	-	-	-	-	-
Balance at December 31, 2022	**$ (179.4)**	**$ (24.0)**	**$ 175.9**	**$ -**	**$ (1.9)**	**$ -**	**$ (29.4)**
Medical benefit plan - unfunded							$ (0.3)
Retirement benefit plans - unfunded							(23.7)
Retirement benefit plans - funded							(5.4)
							$ (29.4)

All amounts in millions of U.S. dollars except for share and per-share

A.T. KEARNEY HOLDINGS LIMITED AND SUBSIDIARIES

2021	Defined Benefit Obligation Funded	Defined Benefit Obligation Unfunded	Fair-Value of Plan Assets Funded	Fair-Value of Plan Assets Unfunded	Adjustment for Asset Ceiling Funded	Adjustment for Asset Ceiling Unfunded	Net Defined Benefit (Liability) Asset
Balance at January 1, 2021	$ (165.3)	$ (31.2)	$ 193.4	$ -	$ (2.1)	$ -	$ (5.2)
Current service costs	(8.6)	(2.9)	-	-	-	-	(11.5)
Past service costs	(32.4)	0.3	-	-	-	-	(32.1)
Interest (expense) income	(1.7)	(0.6)	1.9	-	-	-	(0.4)
Included in profit or loss	(42.7)	(3.2)	1.9	-	-	-	(44.0)
Actuarial gains (losses) from changes in demographic assumptions	-	0.1	-	-	-	-	0.1
Actuarial gains (losses) from changes infinancial assumptions	2.8	0.4	-	-	-	-	3.2
Actuarial gains (losses) from experience adjustments	(18.1)	(0.1)	-	-	-	-	(18.2)
Return (loss) on plan assets excluding interest income	-	-	17.5	-	-	-	17.5
Effect of asset ceiling limit excluding amountsincluded in interest income (expense)	-	-	-	-	0.1	-	0.1
Remeasurement gains (losses)	(15.3)	0.4	17.5	-	0.1	-	2.7
Exchange differences	9.5	1.6	(10.3)	-	-	-	0.8
Included in other comprehensive income	(5.8)	2.0	7.2	-	0.1	-	3.5
Employer contributions	-	-	9.4	3.6	-	-	13.0
Member contributions	-	(0.5)	-	0.5	-	-	-
Benefits paid	4.0	4.1	(4.0)	(4.1)	-	-	-
Other	-	-	-	-	-	-	-
Balance at December 31, 2021	**$ (209.8)**	**$ (28.8)**	**$ 207.9**	**$ -**	**$ (2.0)**	**$ -**	**$ (32.7)**
Medical benefit plan - unfunded							$ (0.6)
Retirement benefit plans - unfunded							(28.2)
Retirement benefit plans - funded							(3.9)
							$ (32.7)

The Group expects to contribute approximately $12.0 million (2021: $12.4 million) to its funded and unfunded defined benefit schemes in the year ended December 31, 2023.

All amounts in millions of U.S. dollars except for share and per-share

The allocation of plan assets at the statement of financial position date was as follows:

	2022			2021*		
	Quoted in Active Market	Other	Total	Quoted in Active Market	Other	Total
Equities	$ 90.7	$ 37.7	$ 128.4	$ 127.6	$ 16.9	$ 144.5
Corporate bonds	5.9	-	5.9	5.7	-	5.7
Government bonds	-	-	-	-	-	-
Insurance contracts	-	21.0	21.0	-	36.7	36.7
Cash	-	6.2	6.2	-	4.2	4.2
Other assets	-	14.4	14.4	-	16.8	16.8
	$ 96.6	$ 79.3	$ 175.9	$ 133.3	$ 74.6	$ 207.9

* restated to reallocate $16.9 million of equities and $16.8 million of other assets which are not quoted in an active market.

The principal assumptions as at the statement of financial position date (expressed as weighted average of the assumptions used for the individual plans) can be summarized as follows:

	2022	2021
Discount rate	4.2%	1.4%
Expected rate of future salary increases	3.1%	3.0%
Expected rate of future pensions in payment increases	0.3%	0.5%

The assumed life expectancies (in years) on retirement at age 65 for the UK plan is as follows:

	2022	2021
Retiring today:		
Males	22.6	22.6
Females	23.7	23.6
Retiring in 20 years:		
Males	22.5	22.5
Females	24.6	24.6

All amounts in millions of U.S. dollars except for share and per-share

At December 31, 2022, the weighted-average duration of the defined benefit obligation was 9.4 years (2021: 11.4 years). A reasonable possible change to one of the principal assumptions, holding other assumptions constant, would have (increased) decreased the defined benefit obligation at December 31, 2022 by the amounts shown below:

Sensitivity Analysis		**(Increase) Decrease in Defined Benefit**
Discount Rate:		
Increase by 50 basis points	$	0.8
Decrease by 50 basis points		(0.9)
Expected rate of future salary increases:		
Increase by 50 basis points		(0.7)
Decrease by 50 basis points		0.6
Expected rate of future pensions in payment increases:		
Increase by 50 basis points		-
Decrease by 50 basis points		-
Future life expectancy (one year movement):		
Increase by 50 basis points		-
Decrease by 50 basis points		-

The sensitivity analysis excludes liabilities connected to the UK scheme. This is on the basis that these liabilities are wholly insured, and so any movement in the value of liabilities would be offset by the movement in the value of assets.

18. Supplemental and Executive Retirement Plan

Supplemental and Executive Retirement Plan ("SERP" and "ERP") exist in the United States that provide benefits to certain employees whose compensation exceeds the maximum amount that could be considered for benefits under the qualified Profit Sharing and 401(k) Plan. Participants received a discretionary contribution from the firm equal to a percentage of their compensation. New contributions to the SERP and ERP were discontinued effective January 1, 2003. Contributions vest in the employee's account ratably over a five-year period beginning on their date of hire. The participant's account is invested in one or more predetermined hypothetical investment funds selected by the participant. The participant's account is increased or decreased for the investment experience of the investment options and is marked to market through the statement of comprehensive income of the Group. Upon termination of employment, the individual is entitled to receive a lump sum cash payment equal to the vested balance of the credits in their account, unless the participant previously made an irrevocable election to receive the account balance in three annual installments. The participants of these plans are general unsecured creditors with respect to the benefits under the plans. The value of the liability as of December 31, 2022 is $7.6 million (2021: $9.9 million) and is included in other long-term employee liabilities on the statement of financial position which represents financial liabilities at fair value through the profit or loss. The fair value of the liability is determined using aggregate mutual fund prices provided by a third-party financial intermediary. The gains and losses are all attributable to changes in market conditions and there is no difference between the financial liability's carrying amount and the amount the entity would be contractually required to pay at maturity to the holder of the obligation. The decrease in the plan obligation arising from the investment decisions of the participants was $1.4 million (2021: $1.4 million increase) and is disclosed as part of the operating expenses.

The Group used to maintain a rabbi trust to fund the benefits under SERP and ERP plan. The assets of the rabbi trust were not protected from the Group's creditors in the event of an insolvency or bankruptcy. The assets in the rabbi trust were invested in a similar manner as the individual participant accounts and reallocated periodically in proportion to participants' elections. However effective as of January 18, 2018, all assets in the rabbi trust held under SERP and ERP plan were disbursed.

Effective January 1, 2005, the Group implemented a new Executive Deferral Plan ("EDP") in the United States that provides benefits to certain employees whose compensation exceeds the maximum amount that could be considered for benefits under the qualified Profit Sharing and 401(k) Plan. Participants can defer a portion of their compensation and may receive a discretionary contribution from the firm equal to a percentage of their compensation. The individual is 100% vested in the employee's deferral contributions and would vest ratably over a five-year period, beginning on their date of hire, related to employer contributions. The participant's account is invested in one or more predetermined investment funds selected by the participant. The participant's account is increased or decreased for the investment experience of the investment options and is marked to market through the statement of comprehensive income of the Group. Upon termination of employment, the individual is entitled to receive a lump sum cash payment equal to the vested balance of the credits in their account unless the participant previously made an irrevocable election to receive the account balance in three annual installments. The participants of these plans are general unsecured creditors with respect to the benefits under the plans.

The Group maintains a rabbi trust that contains the assets contributed to the EDP. The value of the assets in the rabbi trust as of December 31, 2022 is $53.7 million (2021: $55.6 million) and is included in other non-current assets on the statement of financial position. The assets of the rabbi trust are maintained by the Group and are not protected from the Group's creditors in the event of an insolvency or bankruptcy. The assets in the rabbi trust are invested in the same manner as the individual participant accounts and are reallocated periodically in proportion to participants' elections. The assets are marked to market through the statement of comprehensive income of the Group. The investment loss on the plan assets was $9.7 million (2021: $7.6 million gain) and is disclosed as part of the finance expense.

The liability associated with maintaining the EDP as of December 31, 2022 is $53.7 million (2021: $55.6 million) and is included in other long-term employee liabilities on the statement of financial position which represents financial liabilities at fair value. The gains and losses are all attributable to changes in market conditions of the assets in the rabbi trust, which represent the financial liability's carrying amount and the amount the Group would be contractually required to pay the plan participants. The decrease in the liability arising from the investment decisions of the participants was $9.7 million (2021: $7.6 million increase) and is disclosed as part of operating expenses.

The financial liabilities related to the EDP have been excluded from the maturity table in Note 12 because the maturity cannot be reliably estimated as the timing of payment is not in the Group's control.

19. *Equity*

The share capital of the Company consists of one ordinary share, par value £1 (the Founder Share), voting redeemable ordinary shares, par value $0.0001 (Class A shares) and non-voting redeemable ordinary shares, par value $0.0001 (Class B shares).

The Group has transferred the one Founder Share to a trust for the benefit of the current Managing Partner of A.T. Kearney Holdings Limited. The holder of the Founder Share is not entitled to receive dividends, participate in any surplus related to the distribution of assets of the Group, or vote at any general meeting of the Group.

The holders of Class A shares are Partners or former Partners of the Group. Partners are entitled to one vote on matters to be voted on by shareholders regardless of the number of Class A shares held. Former Partners are not entitled to vote and, in certain circumstances, are subject to other curtailments of rights once active employment with the group ceases. Class A shares are entitled to dividends and other distributions when and if declared by a resolution of shareholders of the Group but not to exceed the amount recommended by the board of directors. The holders of the Class B shares have the same rights and privileges as the Class A shares except they are non-voting.

During the year ended December 31, 2022, the Company's shareholders voted to amend the Company's Articles of Association which among other changes removed the mandatory requirement for the Company to redeem shares upon termination of employment (including by death or disability). In its place, the Company adopted language providing it with the right, but not the contractual obligation, to determine at its sole discretion, whether to purchase shares back from the shareholder in the event of termination of employment. If the Company exercises the right, the departing employee is required to sell their shares to the Company. If the Company does not trigger the right, then the departing employee is required to continue to hold the Company's shares until such right is exercised. This amendment was approved by shareholder special resolution on May 12, 2022. In accordance with IFRS, this amendment resulted in the associated financial liability being derecognized and the shares being reclassified as equity. As a result of this transaction, no gain or loss was recorded; this is identified as a key judgment in Note 25.

The amendment to the Company's Articles of Association also established new share classes. Existing Class A shares and Class B shares were redesignated as Class A1 shares and Class B1 shares respectively and new share classes, Class A2 and Class B2 shares, were introduced. Class A Shares are together Class A1 Shares and Class A2 Shares and Class B shares are together the Class B1 Shares and Class B2 Shares.

All amounts in millions of U.S. dollars except for share and per-share

An analysis of the derecognition of the redeemable shares as financial liabilities is shown in the table below:

	Outstanding with Shareholders, including Employee Share Trust			Held by Employee Share Trust			Outstanding with Shareholders, net of Employee Share Trust		
	Class A1 Shares	**Class B1 Shares**	**Class A1 and B1 Amount**	**Class A1 Shares**	**Class B1 Shares**	**Class A1 and B1 Amount**	**Class A1 Shares**	**Class B1 Shares**	**Class A1 and B1 Amount**
Balance at December 31, 2020	**664,524**	**4,300**	**$ 297.0**	**(72,863)**	**(3,400)**	**$ (34.1)**	**591,661**	**900**	**$ 262.9**
Issue of Shares	69,966	-	$ 31.3	-	-	-	69,966	-	$ 31.3
Share-based payments (Note 21)	388	-	$ (0.3)	1,120	-	$ 0.5	1,508	-	$ 0.2
Purchase of shares by employee share trust	-	-	-	(42,411)	-	$ (17.6)	(42,411)	-	$ (17.6)
Fair value adjustment	-	-	$ 68.4	-	-	$ (12.5)	-	-	$ 55.9
Balance at December 31, 2021	**734,878**	**4,300**	**$ 396.4**	**(114,154)**	**(3,400)**	**$ (63.7)**	**620,724**	**900**	**$ 332.7**
Issue of shares	10,182	-	$ 4.6	-	-	-	10,182	-	$4.6
Purchase of shares by employee share trust	-	-	-	(32,935)	(100)	$ (15.6)	(32,935)	(100)	$ (15.6)
Fair value adjustment	-	-	$ 3.3	-	-	$(2.3)	-	-	$ 1.0
Balance at May 12, 2022 before derecognition of liability	**745,060**	**4,300**	**$ 404.3**	**(147,089)**	**(3,500)**	**$ (81.6)**	**597,971**	**800**	**$ 322.7**
Derecognize prior years fair value adjustment	-	-	$ (269.8)	-	-	$ 39.8	-	-	$ (230.0)
Derecognize current year fair value adjustment	-	-	$ (3.3)	-	-	$ 2.3	-	-	$ (1.0)
Recognize equity	(745,060)	(4,300)	$ (131.2)	-	-	-	(745,060)	(4,300)	$ (131.2)
Recognize shares held by employee share trust	-	-	-	147,089	3,500	$ 39.5	147,089	3,500	$ 39.5
Balance at May 12, 2022 after derecognition of liability	-	-	$ -	-	-	$ -	-	-	$ -

All amounts in millions of U.S. dollars except for share and per-share

From the date of the amendment, the redeemable shares are classified and reported as equity on the balance sheet as shown in the table below:

	Outstanding with Shareholders, including Employee Share Trust					Held by Employee Share Trust				Other Reserve	Total
	Class A1 Shares	Class A2 Shares	Class B1 Shares	Share Capital Amount	Share Premium Amount	Class A1 Shares	Class A2 Shares	Class B1 Shares	Amount	Amount	Amount
Balance at May 12, 2022, after recognition of equity	745,060	-	4,300	$ -	$ 131.2	(147,089)	-	(3,500)	$ (39.5)	$ -	$ 91.7
Share-based payments (Note 21)	2,607	2,607	-	$ -	$ -	924	-	-	$ 0.3	$ (0.3)	$ -
Issue of shares	360	614,611	-	$ -	$ 11.3	-	(612,616)	-	$ (11.0)	-	$ 0.3
Sale of shares by employee share trust	-	-	-	$ -	$ -	85,490	586,974	-	$ 34.4	$ 22.5	$ 56.9
Purchase of shares by employee share trust	-	-	-	$ -	$ -	(15,636)	-	(100)	$ (8.1)	$ -	$ (8.1)
Balance at December 31, 2022	748,027	617,218	4,300	$ -	$ 142.5	(76,311)	(25,642)	(3,600)	$ (23.9)	$ 22.2	$ 140.8

No Class B2 shares were issued or outstanding during the year ended December 31, 2022.

The Group may at any time offer to redeem shares held by any shareholder on such terms as the board of directors may determine provided that such offer is made available to all holders of redeemable ordinary shares. The Company may selectively redeem any of the shares held by any shareholder who, at the time of the redemption, is still providing services to A.T. Kearney. Shareholders do not have the right to require the Group to redeem any of the shares. The shares are subject to substantial contractual restrictions on transferability.

The share price for Class A1 and B1 (collectively known as Class 1) shares is determined as follows. In connection with the approval by the directors of the Company's audited consolidated accounts, the board shall determine the Class 1 share price that will apply for the then current calendar year which shall be conclusive and binding on all shareholders. The Class 1 share price shall:

- be determined by reference to the book value per share as reflected in the audited consolidated financial statements of the Group;
- be determined on a consistent basis with that applied in determining the book value for previous years; and
- exclude the any nominal value and share premium related to the Class A2 and B2 (collectively known as Class 2) shares.

The share price for the Class 2 shares is intended to capture the long-term value of the Company (incremental to its book value) in accordance with the formulas and procedures set forth in the Company's Articles of Association. The initial Class 2 share price was determined to be $18 per share. This share price was established based on an independent third-party valuation.

The board of directors applied the foregoing principles to agree Class 1 share price at December 31, 2022 of $638 per share (2021: $542 per share) and a Class 2 share price at December 31, 2022 of $61 per share.

20. Other Reserve

The Other Reserve relates to share transactions by the employee share trust for consideration other than at the carrying value of shares held. Share purchases by the employee share trust are recorded at cost. On sale or transfer of shares by the employee share trust any consideration in excess of the carrying value of shares held is recognized as an increase in Other Reserve and any consideration less under the carrying value of shares held is recognized as a decrease in Other Reserve.

21. Share-Based Payments

The Company operates share-based payment programs to provide incentives for certain of its employees. These programs grant restricted units pursuant to a restricted unit agreement. Each restricted unit represents the right to receive one redeemable ordinary Class A1 share and one redeemable ordinary Class A2 share subject to the terms and conditions of the restricted unit agreement. The restricted unit agreement provides that each restricted unit will vest and will be settled by the issuance of shares in exchange upon the satisfaction of vesting requirements. Such vesting requirements include election to Partner, the purchase of shares sufficient to meet minimum equity ownership criteria and the continuation of employment until the end of the vesting period. These conditions result in a term that is expected to range from one to twelve years. Any unvested restricted units expire upon the earlier of the termination of the holder's employment with the Group or at the anniversary of the grant date as specified in the restricted unit agreement. The awards are primarily equity settled with the exception of certain jurisdictions which are designated at cash settled plans.

During 2022, 907 grants were awarded (2021: 117), 38 vested (2021: nil) and 31 forfeited (2021: nil). In 2022, the grants that vested resulted in the issuance of 1,916 redeemable ordinary Class A1 shares and 1,916 redeemable ordinary Class A2 shares (2021: nil redeemable ordinary shares). The fair value of the grants awarded during 2022 was determined to be at the share price prevailing during the period in accordance with the Company's Articles of Association (see Note 19). For those grants unvested at December 31, 2022, the exercise price is expected to be the share price prevailing when the vesting requirements are met, and the average remaining term is expected to be six years.

In addition, during 2022, the Company provided a one-time grant of restricted units to certain Partners. Each restricted unit represents the right to receive one redeemable ordinary Class A1 share and one redeemable ordinary Class A2 share subject to the terms and conditions of the restricted unit agreement. The restricted unit agreement provides that each restricted unit will vest and be settled by the issuance of shares in exchange if the Partner remains employed at the fourth anniversary of the grant date. During 2022, 73 grants were awarded (2021: nil), nil vested (2021: nil) and 7 forfeited (2021: nil). The fair value of the grants awarded during 2022 was determined to be at the share price prevailing during the period in accordance with the Company's Articles of Association (see Note 19). For those grants unvested at December 31, 2022, the exercise price is expected to be the share price prevailing when the vesting requirements are met, and the average remaining term is expected to be three years.

All amounts in millions of U.S. dollars except for share and per-share

Further share grants of 1,615 redeemable ordinary Class A1 shares and 691 redeemable ordinary Class A2 shares (2021: 1,508 redeemable ordinary Class A1 shares) were made to certain Partners upon acceptance of employment in 2022.

As of December 31, 2022, 144,000 units remained unvested (2021: 8,000 units), of which none were excisable (2021: nil).

The Group recognized expense associated with these share-based payment awards of $3.8 million in 2022 (2021: $0.2 million). As of December 31, 2022, share-based payment awards recognized in equity was $3.3 million (2021: nil), and as a liability in trade and other payables $5.4 million (2021: $3.1 million).

22. Contingent Liabilities

The Group is exposed to contingent liabilities in respect of legal claims arising in the ordinary course of business. The probability of any material losses will arise from those contingencies is considered remote; therefore, no provision has been recorded for these claims. There exist exposures in certain subsidiaries related to the Group's history of operations where the Group's exposure to fines or penalties is deemed probable of occurrence, but for which an estimated range of loss is not reasonably determinable. In these circumstances, until such time as a reasonable range of loss is determinable, no provision has been recorded.

23. Related Party Transactions

Transactions between the Group companies are considered related parties and have been eliminated on consolidation and are not disclosed in this Note. Transactions between the Company and its subsidiaries are disclosed in the Company's separate financial statements.

Remuneration of Key Management Personnel
Aggregate compensation for key management, being the directors and certain members of the Operating Committee were as follows:

		2022		2021
Short-term employee benefits	$	31.3	$	28.1
Post-employment benefits		0.9		0.9
	$	**32.2**	**$**	**29.0**

Final performance remuneration obligations to key management personnel are not paid until after the financial statements are completed. Included in the total above is estimated performance-related remuneration due to the key management personnel in respect of the period totaling $23.7 million (2021: $20.4 million).

At the statement of financial position date, the Company had liabilities of $3.6 million (2021: $2.5 million) due to key management personnel in accordance with the terms of two U.S. retirement plans. The amounts are included within non- current liabilities as part of the long-term employee benefits.

During the year, the Company sold 7,098 Class A1 shares for a value of $3.8 million (2021: 3,669 shares for a value of $1.6 million) and 62,290 Class A2 shares for a value of $1.1 million to key management personnel.

All amounts in millions of U.S. dollars except for share and per-share

The key management personnel benefited from qualifying third-party indemnity provisions during the period, and such indemnity provisions are still in place at the date of this report. Qualifying third-party indemnity provisions were also provided to key management personnel during the period where they were directors of subsidiary companies and such indemnity provisions remain in place at the date of this report.

24. Subsidiaries

Details of the Group's subsidiaries, all wholly owned, at December 31, 2022 are as follows:

Name of Subsidiary (*Indicates Direct Holding)	Registered Address	Principal Activity
A T Kearney Argentina S.A.*	c/o Brons & Salas Maipu 1210 5th Floor (1006CAT) Buenos Aires Argentina	Management Consulting
A.T. Kearney Australia Pty Ltd*	Level 5, MCA Building 140 George Street The Rocks NSW 2000 Australia	Management Consulting
A.T. Kearney Ges.m.b.H.	Seitzergasse 2-4/3. Stock1010 Vienna Austria	Management Consulting
A.T. Kearney S.A.-N.V.*	Boulevard du Régent 43-44Regentlaan 1000 Brussels Belgium	Management Consulting
A.T. Kearney Consultoria deGestao Empresarial Ltda	Av. Presidente JuscelinoKubitschek 1455 - 12th Floor São Paulo 04543-011 Brazil	Management Consulting
A.T. Kearney ConsultoriaEstratégica Ltda	Av. Presidente Juscelino Kubitschek 1455 - 12th Floor São Paulo 04543-011 Brazil	Management Consulting
A.T. Kearney Ltd.*	Box 114, Suite 1910 121 King Street West Toronto, Ontario M5H 3T9 Canada	Management Consulting
A T Kearney (Shanghai) Management Consulting Co Ltd	34th Floor, Jin Mao Tower 88 Century Avenue, Pudong NewArea, Shanghai Shanghai 200121 China	Management Consulting
A.T. Kearney, SAS	Cra 7 # 73- 55 Floor 14 100221 Bogotá Colombia	Management Consulting
A.T. Kearney Denmark A/S	Sankt Annæ Plads 13 1250 Copenhagen K Denmark	Management Consulting
A.T. Kearney P/S	Sankt Annæ Plads 13 1250 Copenhagen K Denmark	Management Consulting

All amounts in millions of U.S. dollars except for share and per-share

Name of Subsidiary (*Indicates Direct Holding)	Registered Address	Principal Activity
A.T. Kearney Oy*	Mannerheimintie 12 B 5th Floor 00100 Helsinki Finland	Management Consulting
A.T. Kearney S.A.S.*	23 rue de l'Université 75007 Paris France	Management Consulting
A.T. Kearney GmbH	Dreischeibenhaus 1 40211 DüsseldorfGermany	Management Consulting
A.T. Kearney Holdings Beteiligungsgesellschaft mbH	Dreischeibenhaus 1 40211 DüsseldorfGermany	Holding Company
A.T. Kearney Holdings GermanyGmbH*	Dreischeibenhaus 1 40211 DüsseldorfGermany	Holding Company
A.T. Kearney IMProve HoldingGmbH	Dreischeibenhaus 1 40211 DüsseldorfGermany	Management Consulting
IMP³rove - European Innovation Management Academy EWIV	Dreischeibenhaus 1 40211 DüsseldorfGermany	Management Consulting
A.T. Kearney Restructuring GmbH	Dreischeibenhaus 1 40211 DüsseldorfGermany	Management Consulting
A.T. Kearney Monoprosopi Epe*	Avramopoulous & Partners Law Firm 70 Panormou Street 11523 Athens Greece	Management Consulting
A.T. Kearney (Hong Kong) LTD.	Room 1115 Lippo Centre Tower Two 89 Queensway Hong Kong	Management Consulting
A.T. Kearney India PrivateLimited	Global Business Park6th Floor, Tower D Gurugram - 122002, Haryana India	Shared Service Center
PT A.T. Kearney*	Capital Place, 48th Floor, Unit BJl. Jend. Gatot Subroto Kav. 18. Jakarta Selatan 12710 Indonesia	Management Consulting
A.T. Kearney S.p.A.*	Via Borghetto, 6 20122 Milano Italy	Management Consulting

All amounts in millions of U.S. dollars except for share and per-share

Name of Subsidiary (*Indicates Direct Holding)	Registered Address	Principal Activity
A.T. Kearney K.K.*	ARK Mori Building, East 32F 12-32, Akasaka 1-chome Minato-ku Tokyo 107-6032 Japan	Management Consulting
A.T. Kearney (Kenya) Limited*	LR. No. 209/6921, Riverside Park,Chiromo Road, Westlands P.O. Box 10643-00100 Nairobi Kenya	Management Consulting
A.T. Kearney, S.A. de C.V.*	Av. Santa Fe 481, Piso 18 Col. Cruz Manca Santa Fe Cuajimalpa de Morelos 05349, Ciudad de México	Management Consulting
A.T. Kearney B.V.*	IJdok 21 1013 mm Amsterdam P.O. Box 22926 1100 DK Amsterdam The Netherlands	Management Consulting
A.T. Kearney New ZealandLimited*	Level 14 - Cigna House 40 Mercer Street Wellington New Zealand	Management Consulting
A.T. Kearney (Nigeria) Limited*	KPMG Tower Bishop Aboyade Cole StreetVictoria Island, Lagos Nigeria	Management Consulting
A.T. Kearney AS*	Henrik Ibsens Gate 100 N-0255 Oslo Norway	Management Consulting
A.T. Kearney Sp. z.o.o.	Krolewska 18 00-103 Warsaw Poland	Management Consulting
A.T. Kearney (Portugal) Consultadoria de Gestão Lda*	Edificio Heron Castilho Rua Braamcamp n°40 - 10° 1250-050 Lisbon Portugal	Management Consulting
A T Kearney LLC*	Al Fardan Office Tower 25th Floor, Office 2 61 Al Funduq Street West Bay, Doha Qatar	Management Consulting

All amounts in millions of U.S. dollars except for share and per-share

Name of Subsidiary (*Indicates Direct Holding)	Registered Address	Principal Activity
A.T. Kearney Saudi Limited*	King Faisal Foundation Building South Tower, 7th Floor, Office FS07A King Fahad Highway, Olaya District Riyadh Kingdom of Saudi Arabia	Management Consulting
A.T. Kearney Pte. Ltd.	One Temasek Avenue #32-01 Millenia Tower Singapore 039192 Singapore	Management Consulting
A.T. Kearney Svetovanje d.o.o.*	Dunajska cesta 151 1000 Ljubljana Slovenia	Management Consulting
A.T. Kearney (Proprietary)Limited*	1st Floor, Building 5 Commerce Square 39 Rivonia Road, Sandton 2196 P.O. Box 653515 Benmore 2010, JohannesburgSouth Africa	Management Consulting
A.T. Kearney, S.A.*	Paseo de la Castellana, 31 28046 Madrid Spain	Management Consulting
A.T. Kearney AB	Biblioteksgatan 11 Box 1751 S-111 87 Stockholm Sweden	Management Consulting
A.T. Kearney (International) AG*	Weberstrasse 4 8004 Zurich Switzerland	Management Consulting
A.T. Kearney Co., Ltd.*	Regus Taipei Walsin Xinyi Centrel I/F, No.1, Songzhi Road Taipei 11047 Taiwan	Management Consulting
A.T. Kearney, (Thailand) Limited	19th Floor Capital Tower All Seasons Place 87/1 Wireless Road, Lumpini, Pathumwan Bangkok 10330 Thailand	Management Consulting
A.T. Kearney YönetimDanismanlik A.S.*	Buyukdere Cad. No: 193 193 Plaza, Kat:2, Levent34394 Istanbul Turkey	Management Consulting

All amounts in millions of U.S. dollars except for share and per-share

Name of Subsidiary (*Indicates Direct Holding)	Registered Address	Principal Activity
LLC "A.T. Kearney"	Yaroslaviv Val str, 23-A, 2nd Floor, 01054, Kiev Ukraine	Management Consulting
A.T. Kearney FZ-LLC	Level 13, Unit C1301 Burj Daman, DIFC P.O. Box 126299 Dubai United Arab Emirates	Management Consulting
A.T. Kearney Middle East LLC*	Level 13, Unit C1301 Burj Daman, DIFC P.O. Box 126299 Dubai United Arab Emirates	Management Consulting
A.T. Kearney Limited*	Adelphi 1-11 John Adam Street London, WC2N 6HT United Kingdom	Management Consulting
A.T. Kearney Finance LTD*	Adelphi 1-11 John Adam StreetLondon, WC2N 6HT United Kingdom	Finance Company
A.T. Kearney Italia, Inc.	227 West Monroe Street Chicago, IL 60606 USA	Management Consulting
A.T. Kearney Public Sector andDefense Services, LLC	227 West Monroe Street Chicago, IL 60606 USA	Management Consulting
A.T. Kearney, Inc.	227 West Monroe Street Chicago, IL 60606 USA	Management Consulting
ATK U.S., Inc.*	227 West Monroe Street Chicago, IL 60606 USA	Holding Company
Cervello, Inc.	2 Seaport Ln #11 Boston, MA 02210 USA	Management Consulting
A.T. Kearney Lebanon	Ashrafieh 5585 Building Pierre Gemayel Avenue P.O. Box 16 6742 Ashrafieh Beirut 2066 7113 Lebanon	Management Consulting
Prokura Management Consulting, APS*	Store Kongensgade 59A 1264 Copenhagen K Denmark	Management Consulting
Hoptek Inc.	251 Little Falls Drive Wilmington, DE 19808 USA	Management Consulting
Optano GmbH	Technologiepark 18 33100 Paderborn Germany	Management Consulting
A.T. Kearney Philippines, Inc.	31-107 WeWork RCBC Plaza, Makati Metro Manila, Philippines	Management Consulting

25. Accounting Estimates and Judgments

Defined benefit plans
The net defined benefit asset (liability) of the Group's pension schemes at December 31, 2022 of $(29.4) million (2021: $(32.7) million) is based on certain financial assumptions such as market conditions at the statement of financial position date including yields in high quality corporate bonds and implied rates of inflation in each jurisdiction. The demographic assumptions are set by reference to the plan's membership profile and the latest available research in areas such as mortality in each jurisdiction which is considered to be a crucial accounting estimate. To the extent that the estimates of mortality are revised from time to time as more up-to-date research becomes available, this will impact the surplus or deficit in the defined benefit plans and the related profit for subsequent periods.

Historically, the Group has understood that it has discretion over the distribution of any surplus in the German plan. However, there has been practice of paying employees a share of any surplus available, which has become more significant as the plan matures. Significant judgment exists in assessing at what point this practice became a material constructive obligation, but based on the pattern of past practice, the Group concluded it was reasonable to form a judgment that this occurred in the year ended December 31, 2021. This change to the judgment formed related to benefits accrued in the past, and as a result meant that the German entity recognized a one-time pension plan amendment as a past service cost in the year ended December 31, 2021. Since the practice of paying employees a share of surplus continued in 2022, the Group's judgment in 2022 remained consistent with 2021 and service cost was recorded accordingly. See Note 17 for more information.

Share-based payments
During the year ended December 31, 2022, the Group recognized $3.8 million (2021 $0.2 million) of share-based payment expense. The Group evaluated the transfer restriction and redemption mechanism itself and determined that they are independent of the share-based payment arrangement such that they constitute a shareholder related condition. This is a key judgment, and as a result, it was determined that the scheme falls under equity settled rather than cash settlement share based payments in accordance with IFRS 2. See Note 21 for more information.

Recognition of deferred tax assets
As of December 31, 2022, the Group had $127.5 million (2021: $118.8 million) of net deferred tax assets on its consolidated statement of financial position. Since there is no absolute assurance that these assets will be ultimately realized, significant judgment is required in determining the value of the deferred tax assets. In assessing the value of the deferred tax assets, management considers all available evidence including past operating results and estimates of future taxable income. In the event that the Group changes its determination as to the amount of the deferred tax assets that can be realized, the Group will adjust the asset with the corresponding impact to income tax expense in the period in which such determination is made. Since changes in estimates can materially affect profit for the period, management believes the accounting estimate related to deferred tax assets is a critical accounting estimate.

Goodwill
The carrying value of goodwill of $24.3 million (2021: $19.9 million) is subject to annual impairment testing given the present value of projected future cash flows of a cash generating unit, defined as the smallest group of assets that independently generates cash flow and whose cash flow is largely independent of the cash flows generated by other assets. The analysis involves several estimates and assumptions around future cash flows and applicable discount rates. A change in these estimates could impact the carrying value and related impairment loss, if applicable, recognized during the period. In the years ended December 31, 2022 and 2021, there was no loss on impairment of goodwill. See Note 8 for more information.

Equity accounting transition
During the year ended December 31, 2022, the Company's shareholders voted to amend the Company's Articles of Association which among other changes removed the mandatory requirement for the Company to redeem shares upon termination of employment (including by death or disability). In making such decision, the Group determined that the shareholders were acting in their capacity as shareholders rather than employees, and as such entered into this transaction as part of a wider restructuring of the Group's capital. This determination involves judgment which resulted in $230 million of fair value appreciation from prior years and $1 million of fair value appreciation from 2022 being applied to increase reserves and not the profit recorded for the year. See Note 19 for more information.

26. Events after the Statement of Financial Position Date

There were no events between the balance sheet date of December 31, 2022, and the date of the approval of these accounts that are required to be brought to the attention of shareholders.

A.T. KEARNEY HOLDINGS LIMITED
FINANCIAL STATEMENTS

(UK Holding Company)

A.T. KEARNEY HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

December 31, 2022 and 2021
(In millions of U.S. Dollars)

	Founder Share	Share Capital	Share Premium	Shares held by employee share trust	Other Reserve – employee share trust	Share Based Payment Reserve	Capital Redemption Reserve	Other Reserve	Retained Deficit	Total
Balance at December 31, 2020	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2.3	$ (234.2)	$ (231.9)
Loss for the year	-	-	-	-	-	-	-	-	(58.6)	(58.6)
Balance at December 31, 2021	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2.3	$ (292.8)	$ (290.5)
Equity Accounting Transition	-	-	131.2	(39.5)	-	-	-	-	230.0	321.7
Employee share-based compensation	-	-	-	0.3	(0.3)	3.3	-	-	-	3.3
Transactions with owners	-	-	11.3	15.3	22.5	-	-	-	-	49.1
Loss for the year	-	-	-	-	-	-	-	-	(4.9)	(4.9)
Balance at December 31, 2022	$ -	$ -	$ 142.5	$ (23.9)	$ 22.2	$ 3.3	$ -	$ 2.3	$ (67.7)	$ (78.7)

A.T. KEARNEY HOLDINGS LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION

December 31, 2022 and 2021
(In millions of U.S. Dollars)

	Note	2022	2021
ASSETS			
Non-Current Assets:			
Investments in subsidiaries	2	$ 89.6	$ 91.1
Deferred tax assets		0.2	0.1
		$ 89.8	$ 91.2
Current Assets:			
Trade receivables and other current assets	3	8.5	1.4
Cash and cash equivalents	4	24.8	3.4
		33.3	4.8
Total Assets		**$ 123.1**	**$ 96.0**
LIABILITIES			
Current Liabilities:			
Trade and other payables	5	$ 10.8	$ 26.4
Mandatorily redeemable shares	6	-	14.0
Notes payable		15.6	12.0
		$ 26.4	$ 52.4
Non-Current Liabilities:			
Mandatorily redeemable shares	6	$ -	$ 318.7
Notes payable		11.5	7.4
Other non-current liabilities	13	6.5	8.0
		$ 18.0	$ 334.1
Total Liabilities		**$ 44.4**	**$ 386.5**
NET ASSETS (LIABILITIES)		**$ 78.7**	**$ (290.5)**
RESERVES			
Share capital	6	$ -	$ -
Share premium	6	142.5	-
Shares held by employee share trust	6	(23.9)	-
Other reserve – employee share trust	7	22.2	-
Share based payment reserve	8	3.3	-
Other reserves	9	2.3	2.3
Retained deficit		(67.7)	(292.8)
Total Reserves		**$ 78.7**	**$ (290.5)**

A.T. Kearney Holdings Limited reported a loss for the year of $4.9 million (2021: $58.6 million). The financial statements were approved by the board of directors and authorized for issue on April 27, 2023. They were signed on its behalf by:

Mauricio Zuazua
Director

Registered number 05625494

1. Significant Accounting Policies

Basis of preparation
These financial statements were prepared in accordance with Financial Reporting Standard 101, *Reduced Disclosure Framework* ("FRS 101") and the requirements of the Companies Act.

Under section s408 of the Companies Act 2006, the Company is exempt from the requirement to present its own profit and loss account.

The separate financial statements of the Company are presented as required by the Companies Act 2006. The Company has taken advantage of the exemption in Section 408 (4) of that Act, not to present its individual income statement and related Notes that form a part of these approved financial statements. Fees payable to the Group's auditors and their associates for services related to the audit of the Company's financial statements are not required to be disclosed as part of the Company only financial statements because the consolidated financial statements disclose such fees on a consolidated basis. In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the Company.

As the consolidated financial statements of A.T. Kearney Holdings Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share-Based Payments in respect of group settled share-based payments; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening FRS 101 balance sheet at January 1, 2015 for the purposes of the transition to FRS 101.

Functional and presentation currency
These financial statements are presented in U.S. dollars, which is the functional currency of the Company. All financial information presented in U.S. dollars has been rounded to the nearest $0.1 million, except for share and per share amounts.

Cash and cash equivalents
Cash and cash equivalents include cash in hand and deposits held, together with other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Share-based payment transactions
The Company makes use of various share grants using its redeemable shares in order to provide incentives for certain of the Group's employees. All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. Under the equity-settled method, the fair value of the amount granted to the employee is recognized as an expense with a corresponding increase in equity and is measured at grant date. Under the cash method, the fair value of the amount payable to the employee is recognized as an expense with a corresponding increase in liability and is initially measured at grant date and then subsequently re-measured at each reporting date and at settlement.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share grants expected to vest. Estimates are subsequently revised if there is any indication the number of share grants expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision in estimate is recognized in the current period. Further details can be found in Note 21 of the consolidated financial statements.

Taxation
Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the temporary difference relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based upon the laws that have been enacted or substantially enacted at the statement of financial position date. The deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each statement of financial position date and are reduced to the extent that it is no longer probable that the tax benefit will be realized.

Financial instruments
The Company has no financial assets at fair value through profit or loss, or fair value through other comprehensive income. The Company's financial liabilities include trade and other payables measured at amortized cost using the effective interest method. Mandatorily redeemable shares and notes payable are financial liabilities designated at FVTPL, which are carried at fair value with gains or losses recognized in the income statement.

Equity
In the year ended December 31, 2021, mandatorily redeemable shares were held as liabilities on the balance sheet and measured at FVTPL with gains or losses recognized in the consolidated statement of income. Fair value was determined based on redemption price. During the year ended December 31, 2022, the Company's shareholders voted to amend the Company's Articles of Association and remove the stipulation that the shares be mandatorily redeemable. In accordance with IFRS, this amendment resulted in the associated financial liability being derecognized and the shares being reclassified as equity. Further details can be found in Note 19 of the consolidated financial statements.

Investment in Subsidiaries
The Company's investment in the equity shares of the subsidiaries are recorded at cost, including any transaction costs associated with the management buyout less accumulated impairment loses. The Company's basis for determining impairment of its investment in subsidiaries is similar to the impairment policy disclosed in Note 1 of the consolidated financial statements.

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

All amounts in millions of U.S. dollars except for share and per-share amounts

2. Investment in Subsidiaries

The Company's investments in subsidiaries are comprised of wholly owned equity shares. A full listing of the subsidiaries is disclosed in Note 24 to the consolidated financial statements.

Cost		
At December 31, 2020	$	117.4
Capital contributions in fellow group undertakings		22.1
Return of capital from fellow group undertakings		-
Capital contribution related to share-based payments granted to employees of subsidiaries		(0.4)
At December 31, 2021		**139.1**
Capital contributions in fellow group undertakings		0.5
Return of capital from fellow group undertakings		-
Capital contribution related to share-based payments granted to employees of subsidiaries		-
At December 31, 2022	**$**	**139.6**
Impairment		
At December 31, 2021		(48.0)
Impairment losses		(2.0)
At December 31, 2022	**$**	**(50.0)**
Carrying amount - December 31, 2022	**$**	**89.6**
Carrying amount - December 31, 2021	**$**	**91.1**

Fixed asset investments in subsidiaries, associates and joint ventures are shown at cost less provision for impairment. The Company is the principal holding company of the Group, and the subsidiary undertakings of the Company are set out in Note 24 of the consolidated financial statements. The Company reviews its investments in subsidiaries for indicators of impairment at least annually. A net impairment loss of $2.0 million (2021: $nil) has been recognized in respect of the Company's investments.

All amounts in millions of U.S. dollars except for share and per-share amounts

3. Trade Receivables and Other Current Assets

Trade receivables and other assets principally comprise amounts receivable from fellow Group companies as detailed below. The carrying amounts of these assets approximate to their fair value.

		2022		2021
A.T. Kearney Inc	$	1.6	$	-
A.T. Kearney (Shanghai) Management Consulting Co. Limited		0.4		0.3
A.T. Kearney Public Sector and Defense Services, LLC		0.4		-
A.T. Kearney GmbH		0.4		-
A.T. Kearney S.A.S.		0.3		-
A.T. Kearney Consulting (India) Private Limited		0.2		-
A.T. Kearney K.K.		0.2		-
A.T. Kearney Holdings Germany GmbH		0.2		-
A.T. Kearney Australia Pty Ltd		0.2		-
A.T. Kearney Co., Ltd		0.2		0.2
Other group undertakings		1.7		-
Amount owed by group undertakings		5.8		0.5
Prepayments		1.7		0.1
Other debtors		1.0		0.8
	$	**8.5**	$	**1.4**
Current	$	**8.5**	$	**1.4**
Non-current		-		-
	$	**8.5**	$	**1.4**

There are $ 0.3 million allowances for doubtful debts for the amounts receivable from fellow Group companies (2021: $0.3 million).

4. Cash and Cash Equivalents

These comprise cash held at bank and investments with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

All amounts in millions of U.S. dollars except for share and per-share amounts

5. Trade and Other Payables

Trade and other payables principally comprise amounts due to fellow Group companies as described below. The directors consider that the carrying amount of trade and other payables approximates their fair value and are repayable upon demand.

	2022	2021
Amounts owed to group undertakings	$ 4.5	$ 18.8
Other payables	6.3	7.6
	$ 10.8	**$ 26.4**

6. Equity

See Note 19 to the consolidated financial statements.

7. Other Reserve – Employee Share Trust

See Note 20 to the consolidated financial statements.

8. Share-Based Payments

See Note 21 to the consolidated financial statements.

9. Other Reserve and Capital Redemption Reserve

The Other Reserve and Capital Redemption Reserve relate to the redemption of shares in excess of the fresh proceeds from fresh issuance. A capital redemption reserve is created representing the nominal value of the shares redeemed and another reserve is created representing the original share premium on the shares redeemed. Both reserves are non-distributable reserves.

10. Events After the Statement of Financial Position Date

See Note 26 to the consolidated financial statements.

11. Related Party Transactions

Transactions with subsidiaries
During the period, charges by the Company to its subsidiaries for payments made on their behalf and for interest charged on inter-company lending totaled $2.2 million (2021: $1.4 million). During the period a total of $2.7 million (2021: $0.6 million) was charged by subsidiaries to the Company in respect of payments made on behalf of the Company, for services provided to it and for interest charged on inter-company lending.

Transactions with subsidiaries reflect appropriate charges for the cost of such services.

During the period, as part of regular Group funding activities, the Company has lent and borrowed funds to and from subsidiaries. At December 31, 2022, the Company was owed $5.8 million (2021: $0.5 million) by its subsidiaries while the balance due to subsidiaries totaled $4.5 million (2021: $18.8 million).

12. Parent Company Guarantees

The Company has outstanding guarantees issued as support for several third-party financial commitments of its subsidiaries. These guarantees would be due by the Company in the event of default by the subsidiary. At December 31, 2022, the Company has issued total guarantees of $35.0 million (2021: $39.5 million).

13. Other Non-Current Liabilities

Other non-current liabilities are primarily comprised of purchase consideration contingent upon acquired subsidiary meeting various performance targets in future periods. Further details are set out in Note 2 of the Company's financial statements.

14. Employees

The Company had no employees in 2022 or 2021. The directors of the Company are employed by subsidiary companies.

15. Key Accounting Judgement

Impairment of investment in subsidiaries

The carrying value of the investment in subsidiaries of $89.6 million (2021: $91.1 million) is subject to impairment review at least annually. The analysis may involve several estimates and assumptions around future business performance and cash flows and applicable discount rates. A change in these estimates could impact the carrying value and related impairment loss, if applicable, recognized during the period.