

Company Registration No. 04604778 (England and Wales)

INTERTEK HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017



INTERTEK HOLDINGS LIMITED

COMPANY INFORMATION

Directors

F M Evans
R McCluskey
N A Hare (Appointed 4 June 2018)

Company number

04604778

Registered office

Academy Place
1-9 Brook Street
Brentwood
Essex
CM14 5NQ

Independent Auditor

PricewaterhouseCoopers LLP
London

INTERTEK HOLDINGS LIMITED

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INTERTEK HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present the strategic report and audited financial statements for the year ended 31 December 2017.

Review of the business

The results for the year and the state of affairs of the company at 31 December 2017 are shown in the financial statements on pages 8 to 29.

Principal risks and uncertainties

The principal risks and uncertainties affecting the company are closely aligned with those discussed in the Group's annual report, which is publicly available from the Group Company Secretary, Intertek Group plc, 33 Cavendish Square, London, W1G 0PS or on the website www.intertek.com. Risks relating specifically to the company are as follows:

Financial risk management

Market risk

At 31 December 2017, the company had investments in Group companies of £179,787,000 (2016: £179,948,000) and amounts due from Group companies of £347,627,000 (2016: £220,852,000). A sustained period of economic recession could impact the operating results and financial position of these Group companies and impact their carrying value and ability to repay the amounts due to the company.

Foreign exchange risk

The amounts payable to and receivable from Group undertakings include amounts denominated in currencies other than sterling; therefore, fluctuations in currency exchange rates will impact the results and financial position of the company.

Business outlook

The management expects that future performance will be in line with current performance.

Key performance indicators

As a holding company which also provides funding to other Group companies, performance is monitored by a review of the investments underlying intercompany balances for their susceptibility to impairment.

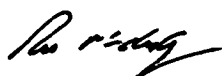
Environment

The company is committed to complying with relevant environmental legislation and preventing any adverse impact on the environment as a result of its operations. Where an adverse environmental impact is identified, a practicable, timely and environmentally sympathetic solution will be implemented. If a serious risk to the environment is identified, that activity will be halted and appropriate remedial action taken to eliminate the risk.

Employees

The company employed no people on average in 2017 (2016: none).

On behalf of the board



R McCluskey

Director

26 September 2018

INTERTEK HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their annual report and audited financial statements for the year ended 31 December 2017.

Principal activities

The principal activity of the company continued to be that of a holding company with interests in subsidiary undertakings, which provide a range of international services.

Results and dividends

The results for the year are set out on page 8.

Income from shares in group undertakings of £131,500,000 (2016: £45,983,000) was received in the year.

Dividends of £Nil (2016: £100,000,000) were paid in the year. The directors do not propose the payment of any further dividends in respect of the year.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

F M Evans

J C Burge

R McCluskey

N A Hare

(Resigned 4 June 2018)

(Appointed 4 June 2018)

Future developments

The company will continue to be a holding company for its subsidiary companies for the foreseeable future. The entity continues to operate as a going concern as discussed within note 1 on pages 11 to 14.

Independent Auditor

The independent auditor, PricewaterhouseCoopers LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

INTERTEK HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 101, 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of:

- principal risks and uncertainties
- financial key performance indicators

Statement of disclosure to independent auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's independent auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's independent auditor is aware of that information.

Going concern

The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern.

Directors' indemnities

As permitted by the Articles of Association, the company purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors. No qualifying third party indemnity provisions for the benefit of its directors were made during the year.

INTERTEK HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

On behalf of the board



R McCluskey

Director

26 September 2018

INTERTEK HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INTERTEK HOLDINGS LIMITED

Opinion

In our opinion, Intertek Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: The Statement Of Comprehensive Income, Statement Of Financial Position, Statement of Changes in Equity and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

INTERTEK HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF INTERTEK HOLDINGS LIMITED

Reporting on other information

The other information comprises all of the information in the Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

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 year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 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.

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

INTERTEK HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF INTERTEK HOLDINGS LIMITED

Use of this report

This report, including the opinions, has been prepared for and only for the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Christopher Solomides (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants
Statutory Auditor
London

26 September 2018

INTERTEK HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017

| | | 2017 | 2016 |
|---|--------------|----------------|---------------|
| | Notes | £'000 | £'000 |
| Administrative expenses | | (100) | 2 |
| Income from shares in group undertakings | | 131,500 | 45,983 |
| Interest receivable from group undertakings | | 543 | 1,136 |
| Other investment income | | 679 | - |
| Interest payable to group undertakings | | (5,327) | (5,580) |
| Other finance costs | | - | (2,309) |
| Other gains and losses | 5 | 12,590 | - |
| Profit before taxation | | 139,885 | 39,232 |
| Tax on profit | 6 | 771 | 1,461 |
| Profit and total comprehensive income for the financial year | 14 | 140,656 | 40,693 |

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

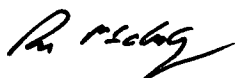
INTERTEK HOLDINGS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

| | Notes | 2017 £'000 | 2016 £'000 |
|--|-------|---------------|---------------|
| Fixed assets | | | |
| Investments | 8 | 179,787 | 179,948 |
| Current assets | | | |
| Trade and other receivables | 11 | 347,627 | 220,852 |
| Current tax recoverable | | 2,243 | 1,461 |
| Cash and cash equivalents | | 66 | 95 |
| | | 349,936 | 222,408 |
| Current liabilities | | | |
| Trade and other payables | 12 | (122,879) | (136,168) |
| Net current assets | | 227,057 | 86,240 |
| Total assets less current liabilities | | 406,844 | 266,188 |
| Net assets | | 406,844 | 266,188 |
| Equity | | | |
| Called up share capital | 13 | 11,110 | 11,110 |
| Retained earnings | 14 | 395,734 | 255,078 |
| Total equity | | 406,844 | 266,188 |

The financial statements were approved by the board of directors and authorised for issue on 26 September 2018 and are signed on its behalf by:



R McCluskey
Director

Company Registration No. 04604778

INTERTEK HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

| | Notes | Called up share capital £'000 | Retained earnings £'000 | Total £'000 |
|--|-------|-------------------------------------|-------------------------------|----------------|
| Balance at 1 January 2016 | | 11,110 | 314,385 | 325,495 |
| Year ended 31 December 2016: | | | | |
| Profit and total comprehensive income for the financial year | | - | 40,693 | 40,693 |
| Dividends | 7 | - | (100,000) | (100,000) |
| Balance at 31 December 2016 | | 11,110 | 255,078 | 266,188 |
| Year ended 31 December 2017: | | | | |
| Profit and total comprehensive income for the financial year | | - | 140,656 | 140,656 |
| Balance at 31 December 2017 | | 11,110 | 395,734 | 406,844 |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

Intertek Holdings Limited is a private company limited by shares incorporated and domiciled in England and Wales. The registered office is Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. In preparing these financial statements, the company applied the recognition, measurement and disclosure requirements of the International Financial Reporting Standards as adopted by the EU ("Adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

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

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64 (o)(ii), B64 (p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Intertek Group plc in which the entity is consolidated;
- the requirements of paragraph 33 (c) of IFRS 5 Non current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40 ,111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member ; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share based payments, financial instruments, capital management, presentation of a cash flow statement, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets, business combinations, discontinued operations and related party transactions.

Where required, equivalent disclosures are given in the group financial statements of Intertek Group plc. The group financial statements of Intertek Group plc are available to the public and can be obtained as set out in note 18.

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated financial statements. The financial statements present information about the company as an individual entity and not about its group.

Intertek Holdings Limited is a wholly owned subsidiary of Intertek Group plc, the ultimate parent undertaking, and the results of Intertek Holdings Limited are included in the consolidated financial statements of Intertek Group plc which are available from 33 Cavendish Square, London, W1G 0PS or on the website www.intertek.com.

1.2 Going concern

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Director's Report on pages 2 - 4. The company generated a profit of £140,656,000 (2016: £40,693,000) in the year and has net current assets of £227,057,000 (2016: £86,240,000) as at 31 December 2017. The company participates in the Intertek group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern or its ability to continue as part of Intertek Group plc's current banking arrangements.

1.3 Non-current investments

Investments in subsidiaries are stated at cost less any provisions for impairment.

1.4 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The company is exempt under FRS 101 from the disclosure requirements of IFRS 13. There was no impact on the company from the adoption of IFRS 13.

1.5 Cash and cash equivalents

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

1.6 Financial assets

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

1.7 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the statement of comprehensive income for the period.

1.11 Dividends on shares presented within shareholders' funds

Dividend income is recognised in profit or loss on the date that the company's right to receive payment is established.

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2 Operating (loss)/profit

| | 2017 £'000 | 2016 £'000 |
|---|---------------|---------------|
| Operating (loss)/profit for the year is stated after charging: | | |
| Fees payable to the company's independent auditor for the audit of the company's financial statements | 2 | 2 |
| Impairment loss recognised on investments and other receivables | 161 | - |
| | <u>163</u> | <u>2</u> |

Amounts disclosed above reflect services provided by the company's auditor in respect of auditing these financial statements. These amounts, however, have been paid by the ultimate parent company, Intertek Group plc.

3 Employees

The company had no employees in the year (2016: nil)

4 Directors' remuneration

None of the directors were remunerated directly by the company or any of its subsidiaries (2016: none). The directors of the company are remunerated by Group companies, due to no qualifying services being provided in relation to Intertek Holdings Limited during the year.

5 Other gains and losses

| | 2017 £'000 | 2016 £'000 |
|--|---------------|---------------|
| Loans due to fellow group undertakings written off | 12,590 | - |
| | <u>12,590</u> | <u>-</u> |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

6 Tax on profit

| | 2017 £'000 | 2016 £'000 |
|--|---------------|----------------|
| Current tax | | |
| UK corporation tax on profits for the current year | (778) | (1,453) |
| Adjustments in respect of prior periods | (4) | (8) |
| Total UK current tax | (782) | (1,461) |
| Foreign taxes and reliefs | 11 | - |
| Taxation (credit) | (771) | (1,461) |

During 2015, the UK government announced a phased reduction in the main UK corporation tax rate from 20% to 18% over a period of three years from 1 April 2017. The reduction in the UK corporation tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020 was substantively enacted in October 2015. In 2016, a further reduction in the UK corporation tax rate to 17% by 1 April 2020 was announced.

The charge for the year can be reconciled to the profit per the statement of comprehensive income as follows:

| | 2017 £'000 | 2016 £'000 |
|---|---------------|----------------|
| Profit before taxation | 139,885 | 39,232 |
| Expected tax charge based on a corporation tax rate of 19.25% (2016:20.00%) | 26,928 | 7,846 |
| Effect of expenses not deductible in determining taxable profit | 31 | - |
| Income not taxable | (27,737) | (9,196) |
| Adjustment in respect of prior periods | (4) | (8) |
| Effect of overseas tax rates | 11 | - |
| Transfer pricing adjustments | - | (103) |
| Taxation credit for the year | (771) | (1,461) |

7 Dividends

| | 2017 £'000 | 2016 £'000 |
|--|---------------|---------------|
| Amounts recognised as distributions to equity holders: | | |
| Ordinary Shares | | |
| Interim dividend paid | - | 100,000 |
| | - | 100,000 |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

8 Investments

| | 2017 £'000 | 2016 £'000 |
|-----------------------------|----------------|----------------|
| Investments in subsidiaries | 179,787 | 179,948 |
| | <u>179,787</u> | <u>179,948</u> |

Fair value of financial assets carried at amortised cost

Except as detailed below the directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

Movements in non-current investments

| | Shares in group undertakings £'000 |
|--------------------------------------|--|
| Cost or valuation | |
| At 1 January 2017 & 31 December 2017 | 204,178 |
| Impairment | |
| At 1 January 2017 | (24,230) |
| Impairment losses | (161) |
| At 31 December 2017 | (24,391) |
| Carrying amount | |
| At 31 December 2017 | 179,787 |
| At 31 December 2016 | 179,948 |

Impairment

During the year the company carried out a review to determine whether there had been impairment of carrying values of its fixed asset investments in line with IAS 36 "Impairment of Assets". It was deemed necessary to impair the investment held in Four Front Research (India) Private Ltd by £161,000.

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

9 Subsidiaries

Details of the company's subsidiaries at 31 December 2017 are as follows:

| Name of undertaking | Country of incorporation | Ownership interest (%) | Class of shares | Address |
|---|--------------------------|------------------------|-----------------|---|
| Amtac Certification Services Limited | United Kingdom | 100% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| Capcis Limited | United Kingdom | 100% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| Intertek India Private Limited | India | 100% | Ordinary | E-20, Block B1, Mohan Co-operative Industrial Area, Mathura Road, New Delhi, 110044, India |
| Intertek International Limited | United Kingdom | 100% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| Intertek Testing Management Limited | United Kingdom | 100% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| Intertek Testing Services Pacific Limited | Hong Kong | 100% | Ordinary | 11/F, Unit IJK, Garment Centre, 576 Castle Peak Road, Kowloon, Hong Kong |
| Intertek UK Holdings Limited | United Kingdom | 100% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| Lintec Testing Services Limited | United Kingdom | 100% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| Four Front Research (India) Pvt Limited | India | 100% | Ordinary | PLOT# 847, 5TH FLOOR, NEAR ELECTRICITY SUBSTATION, , AYYAPPA SOCIETY ROAD, MADHAPUR, HYDERABAD, ANDHRA PRADESH, 500081, India |
| Intertek Overseas Holdings Limited | United Kingdom | 87% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |

A full list of indirect related undertakings of Intertek Holdings Limited and their country of incorporation are shown below:

| | | | | |
|--|----------------|------|----------|---|
| Electrical Mechanical Instrument Services (UK) Limited | United Kingdom | 100% | Ordinary | Unit 19 & 20 Wellheads Industrial Centre, Dyce, Aberdeen, AB21 7GA, Scotland |
| Esperanza Guernsey Holdings Limited | Guernsey | 100% | Ordinary | PO Box 472, St Julian's Court, St Julian's Avenue, St Peter Port, GY1 6AX, Guernsey |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

9 Subsidiaries

(Continued)

| Name of undertaking | Country of incorporation | Ownership interest (%) | Class of shares | Address |
|---|--------------------------|------------------------|-----------------|---|
| Gellatly Hankey Marine Services (M) Sdn. Bhd. | Malaysia | 100% | Ordinary | Unit 30-01 Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia |
| Intertek Aruba N.V. | Aruba | 100% | Ordinary | Lago Heights Straat 28A, San Nicolas, Aruba |
| Intertek Azeri Limited | Azerbaijan | 100% | Ordinary | 2236 Mirza Davud Str., Xatai District, Baku, AZ 1026, Azerbaijan |
| Intertek Finance No. 2 Ltd | United Kingdom | 100% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| Intertek International Guinee S.A.R.L. | Guinea | 100% | Ordinary | Conakry Republique de Guinee, Compte Bancaire: 52481.369.10 0 (SGBG), Conakry, Guinea |
| Intertek Ltd | Bahamas | 100% | Ordinary | Borco Administration Bldg, West Sunrise Highway, Freeport, Grand Bahama, Bahamas |
| Intertek Statius N.V. | Saint Martin | 100% | Ordinary | Man 'O' War #B3, Oranjestad, St. Eustatius, Netherlands Antilles |
| Intertek Surveying Services (USA), LLC | United States | 100% | Membership unit | 3033 Chimney Rock Road, Suite 625, Houston TX 77056, United States |
| Intertek Surveying Services UK Limited | United Kingdom | 100% | Ordinary | Redshank House, Alness Point Business Park, Alness, Highland, IV17 0UP, Scotland |
| Intertek Testing & Certification Limited | United Kingdom | 100% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| Intertek Testing Services (Guangzhou) Ltd | China | 100% | Ordinary | 3F Hengyun Building, 235 Kaifa Ave, Guangzhou Economic & Technological Development District, Guangzhou, 510730 |
| Intertek Testing Services (Shanghai FTZ) Co., Ltd | China | 100% | Ordinary | Build T52-8, No. 1201, Gui Qiao Road, Jinqiao Development Area, Pudong District, Shanghai, 201206, China |
| Intertek Testing Services International (Hong Kong) Limited | Hong Kong | 100% | Ordinary | 5705, 57th Floor, The Center, 99 Queen's Road Central, Hong Kong |
| Intertek Testing Services Philippines, Inc. | Philippines | 100% | Ordinary | Intertek Building, 2307 Chino Roces Avenue Extension, Metro Manila, Makati City, 1231, Philippines |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

9 Subsidiaries

(Continued)

| Name of undertaking | Country of incorporation | Ownership interest (%) | Class of shares | Address |
|---|--------------------------|------------------------|-----------------|--|
| Intertek Testing Services Shenzhen Limited | China | 100% | Ordinary | West side of 1/F and 3,4,5/F of Bldg. 1, 1-5/F of Bldg. 3, Yuanzheng Science and Technology Industrial Park, No. 4012, Bantian Street, Longgang District, Shenzhen, Guangdong, China |
| Intertek Testing Services Taiwan Limited | Taiwan | 100% | Ordinary | 8F No. 423 Ruiguang Rd, Neihs District, Taipei, 11492, Taiwan |
| Intertek Testing Services Tianjin Limited | China | 100% | Ordinary | 2-F, No. 7 GuiYuan Road, Yi Shang Hu Tong Building, Hua Yuan High-tech Industry Park, Tianjin, China |
| IntertekGenalysis SI Limited | Solomon Islands | 100% | Ordinary | c/o Baoro & Associates, Top Floor, Y. Sato Building, Point Cruz, Honiara, Solomon Islands |
| ITS Testing Services (UK) Limited | United Kingdom | 100% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| Labtest Hong Kong Limited | Hong Kong | 100% | Ordinary | 11/F, Unit IJK, Garment Centre, 576 Castle Peak Road, Kowloon, Hong Kong |
| Materials Testing & Inspection Services Limited | United Kingdom | 100% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| Melbourn Scientific Limited | United Kingdom | 100% | Ordinary | Melbourn Scientific, Saxon Way, Melbourn, Hertfordshire, Royston, United Kingdom, SG8 6DN, United Kingdom |
| Metoc Limited | United Kingdom | 100% | Ordinary-A | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| NDT Services Limited | United Kingdom | 100% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| Paulsen & Bayes-Davy Ltd | Hong Kong | 100% | Ordinary | 11/F, Unit IJK, Garment Centre, 576 Castle Peak Road, Kowloon, Hong Kong |
| Intertek Testing Services Caleb Brett Egypt Limited | United Kingdom | 99% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| Intertek Ltd | Bahamas | 99% | Ordinary | Borco Administration Bldg, West Sunrise Highway, Freeport, Grand Bahama, The Bahamas |
| Intertek Colombia S.A. | Colombia | 88% | Ordinary | Calle 127A, No. 53A-45, Office 1103, Bogotá, Colombia |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

9

Subsidiaries

(Continued)

| Name of undertaking | Country of incorporation | Ownership interest (%) | Class of shares | Address |
|---|--------------------------|------------------------|--------------------|---|
| Intertek de Guatemala SA | Guatemala | 88% | Ordinary | 46 Calle 21-53 Zona 12, Expobodega 46, Edificio 10, Guatemala Ciudad, Guatemala |
| Intertek do Brasil Inspecoes Ltda | Brazil | 88% | Ordinary | Av Eng. Augusto Barata s/n, Alamoia, Santos, SP, CEP11095-650, Brazil |
| Adelaide Inspection Services Pty Limited | Australia | 87% | Ordinary | Level 3, 235 St Georges Terrace, Perth WA 6000, Australia |
| Caleb Brett Abu Dhabi LLC | United Arab Emirates | 87% | Ordinary | CB UAE (Private) Ltd, c/o Al Nahiya Group, PO Box 3728, Abu Dhabi, United Arab Emirates |
| Caleb Brett Ecuador S.A. | Ecuador | 87% | Ordinary | Centro Commercial Mall del Sol, Av. Joaquin Orrantia Gonzalez y Juan Tanca Marengo, Torre B, Piso 5, Oficina 505, Guayaquil, Ecuador |
| Esperanza International Services (Southern Africa) (Pty.) Limited | South Africa | 87% | Ordinary | Charter House, 13 Brand Road, Glenwood, Durban, South Africa |
| Genalysis Laboratory Services Pty Limited | Australia | 87% | Ordinary class A-F | Level 3, 235 St Georges Terrace, Perth WA 6000, Australia |
| Geotechnical Services Pty Limited | Australia | 87% | Ordinary | Level 3, 235 St Georges Terrace, Perth WA 6000, Australia |
| Intertek (Mauritius) Limited | Mauritius | 87% | Ordinary | 2 Palmerston Road, Phoenix, Mauritius |
| Intertek (Schweiz) AG | Switzerland | 87% | Ordinary | TechCenter, Kaegenstrasse 18, 4153 Reinach, Switzerland |
| Intertek ATI SRL | Romania | 87% | Ordinary | 266-268 Calea Rahovei Street, Building 61, 1st Floor, Sector 5, Bucharest, Romania |
| Intertek Australia Holdings Pty Limited | Australia | 87% | Ordinary | Level 3, 235 St Georges Terrace, Perth WA 6000, Australia |
| Intertek Bangladesh Limited | Bangladesh | 87% | Ordinary | Phoenix Tower, Plot - 407 (3rd Floor), Tejgaon I/A, Dhaka, Bangladesh |
| Intertek Burkina Faso Ltd Sarl | Burkina Faso | 87% | Ordinary | Ouagadougou, Secteur 13, Parcelle21, , Lot 11 Section EO Arrondissement de Nongr'Masson, Ouagadougou 11 Burkina Faso , 11 GP 1429, Burkina Faso |
| Intertek Caleb Brett (Uruguay) S.A. | Uruguay | 87% | Ordinary | Cerrito 507, 4th Floor, Of.46 and 47, Montevideo, 11000, Uruguay |
| Intertek Caleb Brett Chile S.A. | Chile | 87% | Ordinary | Avenida Las Condes N° 11287 Torre A, oficina 301 A Las Condes, Santiago, Chile |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

9 Subsidiaries

(Continued)

| Name of undertaking | Country of incorporation | Ownership interest (%) | Class of shares | Address |
|---|----------------------------------|------------------------|-----------------|--|
| Intertek Caleb Brett El Salvador S.A. de C.V. | El Salvador | 87% | Ordinary-A | Recinto Industrial de RASA, zona industrial de Acajutla, Sonsonate, El Salvador |
| Intertek Caleb Brett Panama, Inc. | Panama | 87% | Ordinary | Zona Procesadora para la Exportacion de Albrook, Building 6, Ancon Panama, Panama |
| Intertek Caleb Brett Venezuela C.A. | Bolivarian Republic of Venezuela | 87% | Ordinary | 2a AV El Mirador Edif. Saragon Palace Piso, PH-602/603 La Campina, Caracas, 1050, Venezuela |
| Intertek Capacitacion Chile Spa | Chile | 87% | Ordinary | Avenida Las Condes N° 11287 Torre A, oficina 301 A Las Condes, Santiago, Chile |
| Intertek Commodities Botswana (Proprietary) Limited | Botswana | 87% | Ordinary | First Floor, Time Square, Plot 134 Independence Avenue, Gaborone, Botswana |
| Intertek Commodities Mozambique Lda | Mozambique | 87% | Quota capital | Rua 1233, NR 72 R/C, Distrito Urbano 1, Maputo, Mozambique |
| Intertek Denmark A/S | Denmark | 87% | Ordinary | Dokhavnsvej 3, 4400, Kalundborg, Denmark |
| Intertek Egypt for Testing Services | Egypt | 87% | Ordinary | 2nd Floor, Block 13001, Piece 15, Street 13, First Industrial Zone, (Beside Abou Ghali Motors), Elobour City, , Cairo, Egypt |
| Intertek Engineering Service Shanghai Limited | China | 87% | Ordinary | Room 308A, 3rd Floor, No. 1 Building, No.1287, Shangcheng Road, Pulot Free Trade Zone, Shanghai, China |
| Intertek Engineering Services (Wuhu) Ltd | China | 87% | Ordinary | No. 65 Chang Ye Street, YinHu District, WuHu, China |
| Intertek Evaluate AB | Sweden | 87% | Ordinary | Torshamnsgatan 43, Box 1103, KISTA, S-164 22, Sweden |
| Intertek Finland OY | Finland | 87% | Ordinary | Teknoblevardi 3-5, FI -01530, Vantaa, Finland |
| Intertek Fujairah FZC | United Arab Emirates | 87% | Ordinary | P.O. Box 1307, Fujairah, United Arab Emirates |
| Intertek Genalysis (Zambia) Limited | Zambia | 87% | Ordinary | Plot No 25/26 Nkwazi House, Nkwazi and Cha Cha Roads, PO Box 31014, Lusaka, Zambia |
| Intertek Genalysis Madagascar SA | Madagascar | 87% | Ordinary | Saint Denis Terrain II, Parcel 2 Ambatofotsy, Ampandrianomby, Madagascar |
| Intertek Genalysis South Africa Pty Ltd | Australia | 87% | Ordinary | Level 3, 235 St Georges Terrace, Perth WA 6000, Australia |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

9 Subsidiaries

(Continued)

| Name of undertaking | Country of incorporation | Ownership interest (%) | Class of shares | Address |
|---|----------------------------------|------------------------|-----------------|--|
| Intertek Ghana Limited | Ghana | 87% | Ordinary | 1st Floor Gian, Towers Office, Number 2 Community, Gian Towers Tema, Accra, Accra Metropolitan, P.O. BOX GP 199, Ghana |
| Intertek Global (Iraq) Limited | United Kingdom | 87% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |
| Intertek International Gabon SARL | Gabon | 87% | Ordinary | Quartier Montagne Sainte – Immeuble Dumez, 2 ^{ème} étage, Libreville, B.P: 13312, Gabon |
| Intertek International Niger SARL | Niger | 87% | Ordinary | BP 2769, 2nd Floor Lot 792 Block Q, Independance Boulevard, Rue GM-20, Niger |
| Intertek International Tanzania Limited | United Republic of Tanzania | 87% | Ordinary | Minazini Street, Kilwa Road 5, Dar es Salaam, Tanzania, United Republic of |
| Intertek Japan K.K. | Japan | 87% | Ordinary | Pier City Shibaura Building, 4F, 3-18-1, Kaigan, Minato-ku, Tokyo, 108-0022, Japan |
| Intertek Management Services (Australia) Pty Ltd | Australia | 87% | Ordinary | Level 3, 235 St Georges Terrace, Perth WA 6000, Australia |
| Intertek Med SARL AU | Morocco | 87% | Ordinary | Zone Franche Logistique Tanger Med , Plateau Bureaux 4, Lot 130, Tanger, Morocco |
| Intertek Minerales Services SARL | Guinea | 87% | Ordinary | Rue KM 10, Route de Kouroussa S/P Karifamoriah, Commune Urbaine de, Kankan, Guinea |
| Intertek Minerals Limited | Ghana | 87% | Ordinary | Osu Badu Street, Airport Residential Area, Accra, Greater Accra, CP8196, Ghana |
| Intertek Overseas Holdings, Eritrea Limited | Eritrea | 87% | Ordinary | 3rd Floor, Warsay Avenue, P.O. Box 4588, Asmara, Eritrea |
| Intertek Pakistan (Private) Limited | Pakistan | 87% | Ordinary | Intertek House, Plot No.1-5/11-A, Sector-5, Korangi Industrial Area, Karachi, Pakistan |
| Intertek Poland sp.z o.o. | Poland | 87% | Ordinary | Cyprysowa 23 B, 02-265, Warsaw, Poland |
| Intertek Services (Pty) Ltd | South Africa | 87% | Ordinary | 151 Monument Road , Aston Manor , 1619, South Africa |
| Intertek Servicios C.A. | Bolivarian Republic of Venezuela | 87% | Ordinary | Res. San Ignacio, Calle San Ignacio de Loyola con Avenue Francisco de Miranda, Local 3, Chacao, Caracas, Venezuela |
| Intertek Testing and Inspection Services UK Limited | United Kingdom | 87% | Ordinary | Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ, England |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

9 Subsidiaries

(Continued)

| Name of undertaking | Country of incorporation | Ownership interest (%) | Class of shares | Address |
|---|--------------------------|------------------------|-----------------|--|
| Intertek Testing Services (Australia) Pty Limited | Australia | 87% | Ordinary | Level 3, 235 St Georges Terrace, Perth WA 6000, Australia |
| Intertek Testing Services (Cambodia) Company Limited | Cambodia | 87% | Ordinary | 13AC, Street 337, Sangkat Boeung Kak I, Khan Tuol Kork, Phnom Penh, Cambodia |
| Intertek Testing Services (East Africa) Pty Limited | South Africa | 87% | Ordinary | Djibouti Free Zone, Room 19, Rue De Venice, P.O. Box 6419, Djibouti, Republique de Djibouti, South Africa |
| Intertek Testing Services (Fiji) Limited | Fiji | 87% | Ordinary | c/- BDO, Level 10, FNPF Place, 343 Victoria Parade, Suva, Fiji |
| Intertek Testing Services (Singapore) Pte Ltd. | Singapore | 87% | Ordinary | 3 Irving Road #05-01 to 05, Tai Seng Centre, 369522, Singapore |
| Intertek Testing Services Bolivia S.A. | Bolivia | 87% | Ordinary | Calle Chichapi # 2125, , Santa Cruz , de la Sierra, Bolivia |
| Intertek Testing Services Center LLC | Russian Federation | 87% | Ordinary | office 165-N, Letter A, 21 Rozenshteina Street, 198095, Saint Petersburg, Russian Federation |
| Intertek Testing Services Chongqing Co., Limited | China | 87% | Ordinary | 1-2/F, Building #3, 5 Gangcheng East Ring Road, Jiangbei District, Chongqing, China |
| Intertek Testing Services Namibia (Proprietary) Limited | Namibia | 87% | Ordinary | 15th Floor, Frans Indongo Gardens, Dr Frans Indongo Street, Windhoek, Namibia |
| Intertek Testing Services Peru S.A. | Peru | 87% | Ordinary | Jr. Mariscal Jose de la Mar No. 200 Urb., Res. El Pino, San Luis, Lima, Peru |
| Intertek Trinidad Limited | Trinidad and Tobago | 87% | Ordinary | #91-92 Union Road , Marabella, Trinidad and Tobago |
| Intertek Ukraine | Ukraine | 87% | Unclassified | Chernomorskogo Kazachestva, 115, Office 507, Odessa, 65003, Ukraine |
| Intertek West Africa SARL | Cote d'Ivoire | 87% | Ordinary | Rue du Canal de Vridi Face Appontement, SIAP, Abidjan, 15 BP 882, Cote d'Ivoire |
| ITS (PNG) Limited | Papua New Guinea | 87% | Ordinary | Section 27 Allotment 27, Voco Point, Lae, Morobe Province, Papua New Guinea |
| ITS (Subic Bay), Inc. | Philippines | 87% | Ordinary | Area 8 - 10, Lots 11/12 Boton Wharf, Argonaut Highway, Subic Bay Freeport Zone, Olongapo City, Philippines |
| ITS Labtest Bangladesh Limited | Bangladesh | 87% | Ordinary | Phoenix Tower, Plot - 407 (3rd Floor), Tejgaon I/A, Dhaka, Bangladesh |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

9 Subsidiaries

(Continued)

| Name of undertaking | Country of incorporation | Ownership interest (%) | Class of shares | Address |
|---|--------------------------|------------------------|-----------------|--|
| McPhar Geoservices (Philippines) Inc. | Philippines | 87% | Ordinary | Building 7 & 8 Philcrest 1 Compound, Km23 West Service Road, Bo. Cupang , Muntinlupa City, Philippines |
| Northern Territory Environmental Laboratories Pty Ltd | Australia | 87% | Ordinary | Level 3, 235 St Georges Terrace, Perth WA 6000, Australia |
| Petroleum Services of Union Lab Sdn Bhd | Malaysia | 87% | Ordinary | Suite C-7-10 (B), Level 9, Block C, UE3 Corporate Offices, Menara Uncang Emas, , No 85 Jalan Loke Yew, Taman Miharja, 55200 Kuala Lumpur, Malaysia |
| Shanghai Orient Intertek Testing Services Company Limited | China | 87% | Ordinary | Build T52-8, No. 1201, Gui Qiao Road, Jinqiao Development Area, Pudong District, Shanghai, 201206, China |
| Shanghai Tianxiao Investment Consultancy Company Limited | China | 87% | Ordinary | Room 520, No. 5-6, Lane 1218, WanRong Road, ZhaBei District, Shanghai, China |
| Technical Company for Testing and Conformity Services & Systems LLC | Iraq | 87% | Ordinary | Gates No. 1/2/6, Building 73/ Area 903, Karadah, Al Rusafa, Baghdad, Iraq |
| Tradegood Singapore Pte. Ltd. | Singapore | 87% | Ordinary | 3 Irving Road #05-01 to 05, Tai Seng Centre, 369522, Singapore |
| Tradegood WFOE - Beijing Rui Gu Information Consultancy Company Ltd | China | 87% | Ordinary | Room 802, Information Building, Linyin North Road No.13, Pinggu District, Beijing City, 101200, China |
| Tradegood.com International Limited | Hong Kong | 87% | Ordinary | 11/F, Unit IJK, Garment Centre, 576 Castle Peak Road, Kowloon, Hong Kong |
| UAB Intertek Lithuania | Lithuania | 87% | Ordinary | Jogailos 9, Vilnius, Lithuania |
| Wisco SE Asia PTE Limited | Singapore | 87% | Ordinary | 3 Irving Road #05-01 to 05, Tai Seng Centre, 369522, Singapore |
| Youngever Holdings Ltd. | Virgin Islands, British | 87% | Ordinary | 171 Main Street, Road Town, P.O. Box 4041, Tortola, VG 1110, Virgin Islands, British |
| Intertek Angola LDA | Angola | 86% | Ordinary | 282 Rua Amilcar Cabral, no.147, 2nd floor, Apartment Z, Luanda, Angola |
| Intertek de Nicaragua S.A. | Nicaragua | 86% | Ordinary | Zona Franca Astro KM 47, Carretera Tipitapa Masaya, Nave 20, Managua, Nicaragua |
| Intertek Testing Services de Honduras, S.A. | Honduras | 85% | Ordinary | Edificio la Pradera, locales 5 y 6. 1-2 Ave, 1 calle, Puerto Cortes, Barrio el Centro, Honduras |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

| 9 | Subsidiaries | | | | (Continued) |
|--|--------------------------|------------------------|-------------------------|---|-------------|
| Name of undertaking | Country of incorporation | Ownership interest (%) | Class of shares | Address | |
| Intertek Testing Services Limited Shanghai | China | 85% | Ordinary | Room 1605, No 201, NanQuan North Road, Pudong, Shanghai, China | |
| Intertek Timor, S.A. | Timor-Leste | 85% | Ordinary | Hotel Timor, Colmera, Vera Cruz, Dili, Timor-Leste | |
| Intertek Argentina Certificaciones S.A. | Argentina | 84% | A Ordinary & B Ordinary | Cerrito 1136 3rd floor CF, Ciudad Autónoma de , Buenos Aires, C1010AAX, Argentina | |
| Intertek de Guatemala SA | Guatemala | 83% | Ordinary-A | 46 Calle 21-53 Zona 12, Expobodega 46, Edificio 10, Guatemala Ciudad, Guatemala | |
| Intertek Rus JSC | Russian Federation | 83% | Ordinary | 8, 2nd Brestskaya Str., 125047, Moscow, Russian Federation | |
| Intertek Testing Services Argentina S.A. | Argentina | 83% | Ordinary | Cerrito 1136, piso 3ro, Frente. Ciudad Autonoma de Buenos Aires, (C1010AAX), Argentina | |
| Intertek ETL SEMKO KOREA Limited | Republic of Korea | 78% | Ordinary | 5F, Intertek building, Gongdan-ro , 160beon-gil 3, Gunpo-si, Gyeonggi-do, 15845, Korea, Republic of | |
| Intertek Testing Services Sichuan Co., Ltd | China | 78% | Ordinary | No 1, Jiuxiang Blvd, Pharmacy Industry Park, Luzhou National High Technology District, Sichuan, China | |
| Moody International de Argentina SA | Argentina | 74% | Ordinary | Cerrito 1136, 2nd floor CF, Ciudad Autonoma de, Buenos Aires, C1010AAX, Argentina | |
| Intertek GM Testing Service Zhuhai Co., Ltd | China | 70% | Ordinary | 55 Guangdong-Macau TCM Park Commercial Service Center, 522 Huan Dao Bei Road, Hengqin New Area, Zhuhai, Guangdong, China | |
| Intertek Life Bridge (Shanghai) China Testing Services Co., Ltd. | China | 70% | Ordinary | Room 401, Building #5-6, Lane 1218, WanRong Road, JinAn District , Shanghai, Shandong, China | |
| Intertek Testing Services Wuxi Ltd | China | 70% | Ordinary | No. 8 Fubei Road, Xishan Economic Development Zone, Wuxi, Jiangsu, 214101, China | |
| Intertek Testing Services (South Africa) (Proprietary) Limited | South Africa | 65% | Ordinary | 5th Floor, Charter House, 13 Brand Road, Glenwood, Durban, South Africa | |
| ITS Testing Services (M) Sdn Bhd | Malaysia | 64% | Ordinary | Unit 30-01 Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia | |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

9 Subsidiaries

(Continued)

| Name of undertaking | Country of incorporation | Ownership interest (%) | Class of shares | Address |
|---|--------------------------|------------------------|-----------------------------|---|
| Intertek Myanmar Limited | Myanmar | 61% | Ordinary | Classic Strand Cono, No.693/701, Room (4-A), (4th Floor), Merchant Road, Pabedan Township, Yangon, Myanmar |
| Intertek Lanka (Private) Limited | Sri Lanka | 61% | Ordinary | Intertek House, No: 282, Kaduwela Road, Battaramulla, Sri Lanka |
| Intertek Testing Services (Hangzhou) Limited | China | 61% | Ordinary | No. 16, First Street South , Hangzhou Economic Development Zone, Hangzhou, Zhejiang Province, 310018, China |
| Intertek Libya Technical Services and Consultations Company Spa | Libya | 57% | Ordinary | P.O Box 3788, Hay Alandalus, Gargaresh, Tripoli, Libya |
| Intertek (Qeshm Island) Limited | Islamic Republic of Iran | 57% | Ordinary | Unit 107, Goldis Building, Valiasr Boulevard, Qeshm Island, Iran, Islamic Republic of |
| UzIntertek Testing Services LLC | Uzbekistan | 57% | Charter Fund capital shares | Abdulla Kodiriy Str., C-4, House 24, 100017, Tashkent, Uzbekistan |
| Intertek Testing Services Nigeria Limited | Nigeria | 52% | Ordinary | No. 2 Bombay Crescent , Apapa, Lagos, Nigeria |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

10 Associates

Details of the company's indirect associates at 31 December 2017 are as follows:

| Name of undertaking | Country of incorporation | Ownership interest (%) | Class of shares | Address |
|---|--------------------------|------------------------|-----------------|---|
| Euro Mechanical Instrument Services LLC | United Arab Emirates | 49% | Ordinary | PO Box 46153, Abu Dhabi, United Arab Emirates |
| Qatar Calibration Services LLC | Qatar | 49% | Ordinary | Petrotec, PO Box 16069, 8th Floor, Toyota Tower, Doha, Qatar |
| Intertek Riyadh Geotechnique and Foundations Laboratory | Saudi Arabia | 44% | Ordinary | Buildings Number 1 and 2, Khamra Area, Mikaish 2, Jeddeh, Saudi Arabia |
| Intertek Robotic Laboratories Pty Limited | Australia | 44% | Ordinary | 15 Davison Street, Maddington WA 6109, Australia |
| PT Citrabuana Indoloka | Indonesia | 44% | Ordinary | Jl. Raya Bogor KM 28, RT/RW. 04/07, Kel. Pekayon, Kec. Pasar Rebo, Jakarta Timur, 13710, Indonesia |
| PT. Intertek Utama Services | Indonesia | 44% | Ordinary | Jl. Raya Bogor KM. 28, RT/RW. 04/07, Kel. Pekayon, Kec. Pasar Rebo, Jakarta Timur, 13710, Indonesia |
| Societe Tunisienne d'Inspection Caleb Brett SARL | Tunisia | 44% | Ordinary | 67 rue Ech-Chem , Tunis, 1002, Tunisia |
| ITS Testing Services Holdings (M) Sdn. Bhd. | Malaysia | 43% | Ordinary | Unit 30-01 Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia |
| Moody International Angola Ltda | Angola | 26% | Quota capital | Rua de Macau, Edificio ex Edil Apto 1, Res de Chao Esq. C.P 215, Cabinda, Angola |

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

11 Trade and other receivables

| | 2017 £'000 | 2016 £'000 |
|--|---------------|---------------|
| Amounts due from fellow group undertakings | 347,627 | 220,852 |

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

12 Trade and other payables

| | 2017 £'000 | 2016 £'000 |
|--|---------------|---------------|
| Amounts due to fellow group undertakings | 122,879 | 136,168 |

13 Called up share capital

| | 2017 £'000 | 2016 £'000 |
|--|---------------|---------------|
| Ordinary share capital | | |
| <i>Issued and fully paid</i> | | |
| 11,109,889 (2016: 11,109,889) Ordinary Shares of £1 each | 11,110 | 11,110 |

14 Retained earnings

| | 2017 £'000 | 2016 £'000 |
|-------------------------------|---------------|---------------|
| At 1 January 2017 | 255,078 | 314,385 |
| Profit for the financial year | 140,656 | 40,693 |
| Dividends | - | (100,000) |
| At 31 December 2017 | 395,734 | 255,078 |

15 Contingent liabilities

The company is a member of a group of UK companies that are a part of a composite banking cross guarantee arrangement. This is a joint and several guarantee given by all members of the Intertek UK cash pool guaranteeing the total gross liability position of the pool which was £1,479,300 at 31 December 2017 (2016: £5,944,000). The company has also guaranteed the lease obligations of a fellow Group company.

From time to time, in the normal course of business, the company may give guarantees in respect of certain liabilities of other Group undertakings. 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.

INTERTEK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

16 Events after the reporting date

There are no subsequent events to note that would affect the balance sheet as at 31 December 2017.

17 Related party transactions

Under FRS 101 reduced disclosure framework, the company has taken advantage of the exemption from the IAS24 requirement to disclose transactions with entities that are wholly owned by the Group and disclosures in respect of the compensation of Key Management Personnel.

18 Controlling party

The immediate and ultimate parent undertaking and controlling party is Intertek Group plc which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Intertek Group plc consolidated financial statements can be obtained from the Group Company Secretary at 33 Cavendish Square, London, W1G 0PS or on the website www.intertek.com.