2024 HALF YEAR RESULTS ANNOUNCEMENT

2 August 2024

Strong performance with double digit growth in operating profit, EPS and free cash flow

- Revenue of £1,669.5m, +6.6% at constant currency, and +1.8% at actual rates
- **Broad-based LFL revenue growth of 6.1%**[1]: Consumer Products 6.0%, Corporate Assurance 8.3%, Health and Safety 8.5%, Industry and Infrastructure 2.2%, and World of Energy 8.3%
- Recent acquisitions in attractive growth and margin segments performing well
- **Cost reduction programme** delivered savings of £5m in H1 24 and £11m expected in 2024
- **Adjusted operating profit of £265.1m, +14.2% at constant currency** and +8.0% at actual rates
- **Strong margin progression of 110bps**[1] driven by mix, pricing, operating leverage, cost control and productivity
- **Double digit adjusted EPS growth**: +17.5% at constant currency and +10.2% at actual rates
- Daily cash discipline delivers cash conversion of 118%[1] and **+14%**[2] **growth in free cash flow**
- Strong financial position: **net debt reduced to £708m**[2] and net debt/EBITDA improved to 1.0x
- **Continuing investment in growth**: acquisition of Base Met Labs and capex of £56m
- **Excellent progress in ROIC to 20.4% up +220bps at constant currency** and +110bps at actual rates
- **Interim dividend of 53.9p, +43.0% year on year** in line with new dividend policy of 65% payout ratio
- **Strong H2 2024 expected**, **on track to deliver our medium-term targets of mid-single digit LFL revenue growth**[1], **17.5%+ margin and strong cash**

André Lacroix: Chief Executive Officer statement

"I would like to recognise all my colleagues for having delivered a strong performance in the first half of 2024, resulting in double-digit growth in adjusted operating profit, adjusted EPS and free cash flow. Our revenue grew by 6.6%[1] driven by broad based LFL revenue growth of 6.1%[1] and the contribution of acquisitions. We have seen strong margin progression of 110bps[1] driven by mix, pricing initiatives, operating leverage linked growth, our disciplined cost approach and productivity improvements.

Our cash performance was excellent with cash conversion of 118%[1] and free cash flow up 14% strengthening our balance sheet. We continue to invest in growth to seize the exciting organic and inorganic opportunities we see in high growth and high margin segments. We are pleased with the performance of our acquisitions and the integration of Base Met Labs is progressing well. Our ROIC increased by 220bps to 20.4%[1] demonstrating the strong returns of our high-quality earnings model.

Our clients are increasing their focus on Risk-based Quality Assurance to operate with higher standards on quality, safety and sustainability in each part of their value chain. This is triggering higher demand for our ATIC solutions and creating a significant value growth opportunity moving forward, capitalising on our high-quality compounder earnings model. Indeed, during the period from 2014 to 2023, we delivered growth of 59% in revenue, an 81% EBITDA progression, a margin increase of 110bps, a cash flow improvement of +80%, a 128% dividend increase and 420bps improvement in ROIC.

Our good to great journey continues and in May 2023, we unveiled our Intertek AAA differentiated growth strategy to accelerate our revenue growth leveraging the best-in-class operating platform we have built, and targeting the areas where we have opportunities to get better. Our highly engaged, customer-centric organisation is laser-focused to take Intertek to greater heights, and the execution of our AAA strategy is on track to create sustainable growth and value for all stakeholders.

We enter the second half of the year with confidence, given the day-adjusted LFL growth rate acceleration in the May/June period and we expect the Group will deliver a strong performance in 2024 with mid-single digit LFL revenue growth at constant currency, margin progression and a strong cash flow performance. We are well-positioned to deliver our medium-term target of 17.5%+ margin, leveraging the revenue growth acceleration we are seeing for our ATIC solutions, our disciplined performance management and our investments in high growth and high margin segments."

Note 1: at constant currency
Note 2: at actual rates

Key Adjusted Financials	2024 H1	2023 H1	Change at actual rates	Change at constant rates[1]
Revenue	£1,669.5m	£1,640.0m	1.8%	6.6%
Like-for-like revenue[2]	£1,659.6m	£1,637.5m	1.3%	6.1%
Operating profit[3]	£265.1m	£245.4m	8.0%	14.2%
Operating margin[3]	15.9%	15.0%	90bps	110bps
Profit before tax[3]	£242.6m	£223.2m	8.7%	16.2%
Diluted earnings per share[3]	104.9p	95.2p	10.2%	17.5%
Interim dividend per share	53.9p	37.7p	43.0%	
Cash generated from operations[3]	£267.4m	£270.5m	(1.1%)	
Free cash flow[3]	£90.6m	£79.6m	13.8%	
Financial net debt[4]	£708.2m	£791.3m	(10.5%)	
Financial net debt / EBITDA[3, 4]	1.0x	1.1x		
ROIC (rolling 12 months)	20.4%	19.3%	110bps	220bps

Key Statutory Financials	2024 H1	2023 H1	Change at actual rates
Revenue	£1,669.5m	£1,640.0m	1.8%
Operating profit	£232.4m	£215.0m	8.1%
Operating margin	13.9%	13.1%	80bps
Profit before tax	£206.2m	£191.7m	7.6%
Profit after tax	£153.3m	£142.3m	7.7%
Diluted earnings per share	87.2p	80.4p	8.5%
Cash generated from operations	£260.3m	£261.6m	(0.5%)

[1] Constant rates are calculated by translating H1 23 results at H1 24 exchange rates.

[2] LFL revenue includes acquisitions following their 12-month anniversary of ownership and excludes the historical contribution of any business disposals/closures.

[3] Adjusted results are stated before Separately Disclosed Items ('SDIs'), see note 3 to the Condensed Consolidated Financial Statements.

[1,2,3] Reconciliations for these measures are shown in the Presentation of Results section on page 20.

[4] Financial net debt excludes the IFRS 16 lease liability of £294.6m. Total net debt is £1,002.8m. Reflects prior 12 months' EBITDA for relevant period. See note 7 to the Condensed Consolidated Financial Statements.

The Directors have approved an interim dividend of 53.9p per share (H1 23: 37.7p) to be paid on 8 October 2024 to shareholders on the register at close of business on 13 September 2024.

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Analysts' Call
A call for analysts and investors will be held today at 9.30am UK time. Details can be found at http://www.intertek.com/investors/

intertek
Total Quality. Assured.

Intertek is a leading Total Quality Assurance provider to industries worldwide.

Our network of more than 1,000 laboratories and offices in more than 100 countries, delivers innovative and bespoke Assurance, Testing, Inspection and Certification solutions for our customers' operations and supply chains.

Intertek is a purpose-led company to Bring Quality, Safety and Sustainability to Life. We provide 24/7 mission-critical quality assurance solutions to our clients to ensure that they can operate with well-functioning supply chains in each of their operations.

Our Customer Promise is: Intertek Total Quality Assurance expertise, delivered consistently, with precision, pace and passion, enabling our customers to power ahead safely.

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Intertek CEO Letter

I would like to recognise all my colleagues for having delivered a strong performance in the first half of 2024, resulting in double-digit growth in adjusted operating profit, adjusted EPS and free cash flow. Our revenue grew by 6.6%[1] driven by broad based LFL revenue growth of 6.1%[1] and the contribution of acquisitions. We have seen strong margin progression of 110bps[1] driven by mix, pricing initiatives, operating leverage linked growth, our disciplined cost approach and productivity improvements.

Our cash performance was excellent with cash conversion of 118%[1] and free cash flow up 14% strengthening our balance sheet. We continue to invest in growth to seize the exciting organic and inorganic opportunities we see in high growth and high margin segments. We are pleased with the performance of our acquisitions and the integration of Base Met Labs is progressing well. Our ROIC increased by 220bps to 20.4%[1] demonstrating the strong returns of our high-quality earnings model.

Our clients are increasing their focus on Risk-based Quality Assurance to operate with higher standards on quality, safety and sustainability in each part of their value chain. This is triggering higher demand for our ATIC solutions and creating a significant value growth opportunity moving forward, capitalising on our high-quality compounder earnings model. Indeed, during the period from 2014 to 2023, we delivered growth of 59% in revenue, an 81% EBITDA progression, a margin increase of 110bps, a cash flow improvement of +80%, a 128% dividend increase and 420bps improvement in ROIC.

Our good to great journey continues and in May 2023, we unveiled our Intertek AAA differentiated growth strategy to accelerate our revenue growth leveraging the best-in-class operating platform we have built, and targeting the areas where we have opportunities to get better. Our highly engaged, customer-centric organisation is laser-focused to take Intertek to greater heights, and the execution of our AAA strategy is on track to create sustainable growth and value for all stakeholders.

We enter the second half of the year with confidence, given the day-adjusted LFL growth rate acceleration in the May/June period and we expect the Group will deliver a strong performance in 2024 with mid-single digit LFL revenue growth at constant currency, margin progression and a strong cash flow performance. We are well-positioned to deliver our medium-term target of 17.5%+ margin, leveraging the revenue growth acceleration we are seeing for our ATIC solutions, our disciplined performance management and our investments in high growth and high margin segments.

Strong Value Delivered

In 2015, we took the decision to reinvent ourselves, making Assurance, Testing, Inspection and Certification, or ATIC, our Customer Promise and we rebranded Intertek as Total Quality. Assured.

Our strategic goal with ATIC is to provide a better-quality Assurance customer service, given how much global trade has changed in the last 50 years. Today, companies operate in a truly global market, running complex global multi-sourcing and manufacturing operations, pursuing an omni-channel approach, when distributing their products and services globally and locally.

When we did this, we were ahead of our time and our clients agree that our industry has changed and is now all about Risk-based Quality Assurance powered by ATIC. Assurance provides the independent end-to-end data on where the quality, safety and sustainability risks are in the entire value chain of any company, while Testing, Inspection and Certification provide the critical independent quality controls in the high-risk areas of supply chains.

We have made strong progress between 2014 and 2023 notwithstanding the impact of Covid and have delivered sustainable growth and value for all stakeholders with the following achievements:

- Revenue growth of 59.0%, CAGR of 5.3%
- EBITDA growth of 81.2%, CAGR of 6.8%
- Operating margin increase of 110bps
- Cash generated from operations growth of 85.5%, CAGR 7.1%
- ROIC improvement of 420bps

Note 1: at constant currency

Metric[1]	2014[2]	2023	Change	CAGR
Revenue	£2,093.3m	£3,328.7m	59.0%	5.3%
EBITDA	£400.9m	£726.4m	81.2%	6.8%
Operating profit	£324.6m	£551.1m	69.8%	6.1%
Operating margin	15.5%	16.6%	110bps	12bps
Diluted earnings per share	132.1p	223.0p	68.8%	6.0%
Dividend	49.1p	111.7p	127.5%	9.6%
WC as % Revenue	9.3%	(2.4%)	(1,170bps)	n/a
Cash generated from ops	£403.7m	£749.0m	85.5%	7.1%
ROIC	16.3%	20.5%	420bps	47bps

Note (1): On an adjusted basis, (2) 2014 metrics are on an IAS17 basis

Faster Global Growth for ATIC Solutions

Our industry has always benefitted from attractive growth drivers and now more than ever everyone wants to build an ever-better world which means that corporations will invest more in quality, safety and sustainability, accelerating the demand for our industry-leading ATIC solutions.

Indeed, our customer research shows the well-known attractive structural growth drivers in the Risk-based Quality Assurance industry will be augmented by:

- The need to operate with safer and more resilient supply chains
- Continued investments by corporations in new products and services
- A step-change in how companies manage Sustainability
- Increased investments in traditional Oil & Gas (‘O&G’) and renewables
- An increase in the number of new clients, both in developed and emerging economies

Covid-19 has been a catalyst for many corporations to improve the resilience of their supply chains. We are seeing a significant change of focus within our clients on how they manage their value chains with:

- Better data on what is happening in all parts of the supply chain
- Tighter risk management with razor-sharp business continuity planning
- A more diversified portfolio strategy with tier 1/2/3 suppliers
- A more diversified portfolio strategy regarding factories
- Investments in processes, technology, training, and independent assurance

Our superior Assurance offering means we are well positioned to help our clients reduce the intrinsic risks in their operations.

Our clients have also realised that they need to invest more in product and service innovation to meet the changing needs of their customers. A November 2023 survey by Capgemini shows that 67% of R&D leaders expect to increase their R&D investments in 2024. These investments in innovation mean a higher number of SKUs and a higher number of tests per SKUs – which will be beneficial for our Testing and Certification solutions.

The other major area of investment inside corporations is of course sustainability and we are seeing positive momentum with new and emerging regulation. This means companies will have to re-invent the way they manage their sustainability agenda with a greater emphasis on independently verified non-financial disclosures. This is excellent news for our industry leading Total Sustainability Assurance solutions. Sustainability is the movement of our time.

The growth opportunities in the World of Energy are truly exciting as energy companies are planning higher investments. In 2022 and 2023, we all witnessed the concerns reflecting energy security, and everyone agrees that global energy production capacity is an issue that needs to be addressed quickly to meet the growing demand for energy today. Given the under-investments in traditional O&G exploration and production in the last decade and the lack of scale for Renewables, investment for production in traditional O&G and in Renewables will increase. This is excellent news for our Caleb Brett and Moody businesses.

We are seeing significant growth in the number of companies globally given the lower barriers to entry for any brand with e-commerce capabilities. The lack of Quality Assurance expertise of these young companies is excellent news for our Global Market Access solutions. Our decentralised Customer 1st organisation has a strong track record of winning new clients.

Intertek AAA Differentiated Growth Strategy

At our Capital Markets event in London last year, we unveiled our Intertek AAA Differentiated Growth Strategy to capitalise on the best-in-class operating platform we have built and target the areas where we have opportunities to get better. Our passionate, innovative, and customer-centric organisation is energised to take Intertek to greater heights delivering AAA performance for all stakeholders. We are focused on delivering value consistently, targeting mid-single digit LFL revenue growth, margin accretion to get back to our 17.5% peak margin and beyond, and strong cash generation, while pursuing disciplined investments in attractive growth and margin sectors.

We have made strong progress between 2015 and 2023 delivering sustainable growth and value for our stakeholders and we are very excited about the significant growth value opportunity ahead, capitalising on our Science-based Customer Excellence TQA advantage.

Our clients understand the mission-critical nature of Risk-based Quality Assurance to make their businesses stronger, operating with higher quality, safety and sustainability standards. Therefore, we expect the demand for our ATIC solutions to accelerate post-Covid.

Our Intertek AAA Differentiated Growth Strategy is about being the best and creating significant value for every stakeholder every day.

We want to be the most trusted TQA partner for our customers, the employer of choice with our employees, to demonstrate sustainability excellence everywhere in our community and deliver significant growth and value for our shareholders.

To seize the significant growth value opportunity ahead we will be laser-focused on three strategic priorities and three strategic enablers. Our Strategic Priorities are defined as Science-based Customer Excellence TQA, Brand Push & Pull and Winning Innovations, and our three strategic enablers are based on 10X Purpose-based Engagement, Sustainability Excellence and Margin Accretive Investments. We will both further improve where we are already strong and address the areas where we can get better.

Our high-quality portfolio is poised for faster growth:

- The depth and breadth of our ATIC solutions positions us well to seize the increased corporate needs for Risk-based Quality Assurance
- All of our global business lines have plans in place to seize the exciting growth drivers in each of our divisions
- At the local level, our country-business mix is strong, with the majority of our revenues exposed to fast growth segments
- Geographically we have the right exposure to the structural growth opportunities across our global markets

We have improved our segmental disclosures to provide a deeper understanding of our ATIC growth drivers in our businesses and we now report revenue, operating profit and margin in five divisions:

- Consumer Products
- Corporate Assurance
- Health and Safety
- Industry and Infrastructure
- World of Energy

Mid-Single Digit LFL Revenue Growth Target

In terms of LFL revenue growth in the medium to long term, we are targeting Group mid-single digit LFL revenue growth at constant currency with the following expectations by division:

- Low- to mid-single digit in Consumer Products
- High-single digit to double digit in Corporate Assurance
- Mid- to high-single digit in Health and Safety
- Mid- to high-single digit in Industry and Infrastructure
- Low- to mid-single digit in the World of Energy

Margin Target of 17.5%+

Margin accretive revenue growth is central to the way we deliver value, and we are confident that over time we will deliver our medium-term margin target of 17.5%+. Our confidence is based on three simple reasons: we have the proven tools and processes in place, we operate with a span of performance giving us significant benchmarking opportunity, and we pursue a disciplined accretive portfolio strategy.

We announced a cost reduction programme in 2022 that targets productivity opportunities based on operational streamlining and technology upgrade initiatives. Our cost reduction programme delivered £13m of savings in 2023, £5m in the first half of 2024 and we expect the programme to deliver a further £6m additional savings in the second half.

We have also implemented some price increases and we will continue to do so in 2024.

AAA Virtuous economics

To deliver sustainable growth and value we will stay focussed on our AAA Intertek Virtuous Economics based on the compounding effect year after year of mid-single digit LFL revenue growth, margin accretive revenue growth, strong free cash-flow and disciplined investments in high growth and high margin sectors.

We believe in the value of accretive disciplined capital allocation and pursue the following priorities:

- Our first priority is to support organic growth through capital expenditure and investments in working capital (target c.5% of revenue in capex). In the first half of 2024, we invested £56m capital expenditure.

- The second priority is to deliver sustainable returns for our shareholders through the payment of progressive dividends. We announced with our preliminary results that we are increasing our targeted dividend payout to circa 65% of earnings from 2024 in recognition of our highly cash generative earnings model, our strong financial position and the Board's confidence in the attractive long-term growth prospects for the Group and its ability to fund continued growth investments.

- The third priority is to pursue M&A activities that strengthen our portfolio in attractive growth and margin areas, provided we can deliver good returns.

- And our fourth priority is to maintain an efficient balance sheet with flexibility to invest in growth. Our leverage target is 1.3x – 1.8x net debt to EBITDA with the potential to return excess capital to shareholders subject to our future requirements and prevailing macro environment.

Our acquisitions of JLA Brasil Laboratório de Análises de Alimentos S.A., and Clean Energy Associates LLC, have been successfully integrated and are performing well and in line with our expectations.

In April 2023, we announced the acquisition of Controle Analitico, a leading provider of environmental analysis, with a focus on water testing, based in Brazil. The acquisition was a compelling strategic fit, expanding our footprint of leading Food and Agri TQA solutions in Brazil.

In August 2023, we announced the acquisition of US-based PlayerLync, a leading provider of high-quality mobile-first training and learning content to frontline workforces at some of the world's leading consumer brands, strengthening our position as a leader in SaaS-based, technology-enabled People Assurance services. We invested in our People Assurance business with the acquisition of Alchemy/Wisetail in 2018, and PlayerLync provides a compelling opportunity to further enhance our differentiated TQA proposition and customer excellence advantage in what is a fast-evolving landscape.

In March 2024, we announced the acquisition of Base Metallurgical Laboratories, a leading provider of metallurgical testing services for the Minerals sector based in North America, reinforcing and expanding Intertek's ATIC offering in the Minerals Industry. The acquisition of Base Met Labs is highly complementary to our ATIC service offering, establishing a Minerals testing footprint for Intertek on the American continent and creating attractive growth opportunities with existing and new clients.

We will continue to look at M&A opportunities in attractive high-margin and high-growth areas to broaden our ATIC portfolio of solutions with new services we can offer to our clients and to expand our regional coverage.

Sustainability Excellence

Sustainability is the movement of our time and is central to everything we do at Intertek, anchored in our Purpose, our Vision, our Values and our Strategy.

Sustainability is important to all stakeholders in society who are consistently demanding faster progress and greater transparency in sustainability reporting. Companies therefore continuously need to upgrade and reinvent how they manage their sustainability agenda, particularly with regards to how they disclose their non-financial performance.

This is why, under our global Total Sustainability Assurance (TSA) programme, we provide our clients with proven independent, systemic and end-to-end assurance on all aspects of their sustainability strategies, activities and operations.

The TSA programme comprises three elements:

- Intertek Operational Sustainability Solutions
- Intertek ESG Assurance
- Intertek Corporate Sustainability Certification

For Intertek's Sustainability Excellence progamme, we focus on the 10 highly demanding TSA sustainability standards which are truly end-to-end and systemic.

Intertek is committed to:

- Reducing absolute scope 1 and 2 GHG emissions by 50% by 2030 from a 2019 base year;
- Reducing absolute scope 3 GHG emissions from business travel and employee commuting by 50% within the same timeframe;
- Ensuring 70% of its suppliers by spend will have science-based targets by 2027.

We will continue to lead by example by pursuing our Sustainability Excellence agenda, energising deeply and genuinely all stakeholders: our people, our customers, our regulators, our suppliers, our communities and our shareholders.

Read more about Intertek's Sustainability Excellence programme and progress in our 2023 Sustainability Report.

Outlook 2024

We enter the second half of 2024 with confidence, and we expect that the Group will deliver a strong performance in 2024 with mid-single digit LFL revenue growth at constant currency, margin progression and a strong free cash flow performance.

Our mid-single digit LFL revenue growth at constant currency will be driven by the following contribution from our divisions:

- Consumer Products: Mid-single digit
- Corporate Assurance: High-single digit
- Health and Safety: High-single digit
- Industry and Infrastructure: Low-single digit
- World of Energy: High-single digit

Our financial guidance for 2024 is that we expect:

- Capital expenditure in the range of £135-145m
- Net finance costs in the £41-43m range
- Effective tax rate in the 25-26% range
- Minority interests of between £23-24m
- Targeted dividend payout ratio of circa 65%
- FY24 financial net debt to be in the range of £510-560m

The average sterling exchange rate in the last three months applied to the full year results of 2023 would reduce our FY revenue and earnings growth by circa 300bps and 400bps respectively.

Significant Value Growth Opportunity Ahead

We have made strong progress in the last eight years and equally, the value growth opportunity ahead is significant.

The demand for our strong and differentiated ATIC value proposition is accelerating.

Our Science-based Customer Excellence TQA advantage and our stronger portfolio at the global and local level positions us well for faster growth.

Our Intertek AAA Differentiated Growth Strategy will capitalise on the best-in-class operating platform we have built and target the areas where we have opportunities to get better.

Our passionate, agile, and high-performance organisation is energised to take Intertek to greater heights delivering AAA performance for all stakeholders.

We will deliver value consistently, targeting mid-single digit LFL revenue growth at constant currency, 17.5%+ margin, and strong cash generation, while pursuing disciplined investments in attractive growth and margin ATIC spaces.

André Lacroix
Chief Executive Officer

Operating Review

For the six months ended 30 June 2024

To present the performance of the Group in a clear, consistent and comparable format, certain items are disclosed separately on the face of the income statement. These items, which are described in the Presentation of Results section of this report and in note 3, are excluded from the adjusted results. The figures discussed in this review (extracted from the income statement and cash flow) are presented before Separately Disclosed Items ('SDIs').

Overview of performance

	H1 24 £m	H1 23 £m	Change at actual rates	Change at constant rates[1]
Revenue	1,669.5	1,640.0	1.8%	6.6%
Like-for-like revenue[2]	1,659.6	1,637.5	1.3%	6.1%
Adjusted operating profit[3]	265.1	245.4	8.0%	14.2%
Adjusted operating margin[3]	15.9%	15.0%	90bps	110bps
Adjusted net financing costs[3]	(22.5)	(22.2)	1.4%	(3.8%)
Adjusted income tax expense[3]	(60.7)	(56.8)	6.9%	14.0%
Adjusted earnings for the period[3]	181.9	166.4	9.3%	17.0%
Adjusted diluted earnings per share[3]	104.9p	95.2p	10.2%	17.5%

1. Constant rates are calculated by translating H1 23 results at H1 24 exchange rates.
2. LFL revenue includes acquisitions following their 12-month anniversary of ownership and excludes the historical contribution of any business disposals/closures.
3. Adjusted results are stated before SDIs, see note 3 to the Condensed Consolidated Interim Financial Statements on page 34.

Total reported Group revenue increased by 1.8%, a LFL revenue increase of 1.3% at actual rates.

The Group's LFL revenue at constant rates of 6.1% reflected an increase of 6.0% in Consumer Products, 8.3% in Corporate Assurance, 8.5% in Health and Safety, 2.2% in Industry and Infrastructure and 8.3% in World of Energy.

We delivered an adjusted operating profit of £265.1m, +14.2% at constant rates and +8.0% at actual rates.

The Group's adjusted operating margin was 15.9%, an increase of 110bps compared to the prior year at constant exchange rates.

The Group's statutory operating profit after SDIs for the period was £232.4m (H1 23: £215.0m) and margin was 13.9% (H1 23: 13.1%).

Net Financing Costs

Adjusted net financing costs were £22.5m (H1 23: £22.2m), comprising £1.0m (H1 23: £1.7m) of finance income and £23.5m (H1 23: £23.9m) of finance expense. Statutory net financing costs of £26.2m (H1 23: £23.3m) included £3.7m expense (H1 23: £1.1m) relating to SDIs, predominantly driven by changes in the fair value of contingent consideration related to acquisitions.

Tax

The adjusted effective tax rate was 25.0%, a decrease of 0.5% on the prior year (H1 23: 25.5%, FY 23: 24.6%). The tax charge, including the impact of SDIs, of £52.9m (H1 23: £49.4m), equates to an effective rate of 25.7% (H1 23: 25.8%, FY 23: 24.7%).

Earnings Per Share

Adjusted diluted earnings per share at actual exchange rates was 10.2% higher at 104.9p. Diluted earnings per share after SDIs was 87.2p (H1 23: 80.4p) per share and basic earnings per share after SDIs was 87.8p (H1 23: 80.8p).

Dividend

The Board has approved an interim dividend of 53.9p per share, which is an increase of 43.0% compared to the prior year (H1 23: 37.7p), reflecting growth in adjusted diluted earnings per share and the implementation of our new dividend policy based on a payout ratio of circa 65% of earnings. The dividend will be paid on 8 October 2024 to shareholders on the register on 13 September 2024.

Investments

The Group invested £55.6m (H1 23: £51.4m) of organic net capital investment in laboratory expansions, new technologies and equipment to expand our market coverage and develop innovative ATIC solutions.

On 1 March 2024, the Group acquired Base Metallurgical Laboratories Ltd. and Base Met Labs US Ltd. (jointly "Base Met Labs"), a leading provider of metallurgical testing services for the Minerals sector based in North America, for a purchase price of £23.7m. Purchase consideration net of cash acquired was £23.4m. The purchase price includes cash consideration of £14.7m, further contingent consideration payable of £7.8m and deferred consideration of £0.9m. The cash outflow in the period associated with this acquisition was £14.7m.

In H1 2023, the Group acquired Controle Analítico Análises Técnicas Ltda (Controle Analítico), a leading provider of environmental analysis, with a focus on water testing, based in Brazil, for a purchase price of £19.1m. Purchase consideration net of cash acquired was £18.5m. The purchase price includes cash consideration of £15.4m and further contingent consideration payable of £3.7m.

Cash Flow

The Group's cash performance in the period was strong, with adjusted free cash flow of £90.6m (H1 23: £79.6m), driven by excellent cash conversion, the result of disciplined working capital management. Adjusted cash generated from operations was £267.4m (H1 23: £270.5m). Statutory cash generated from operations was £260.3m (H1 23: £261.6m).

Financial Position

The Group ended the period in a strong financial position. Financial net debt was £708.2m (H1 23: £791.3m), our net debt to EBITDA ratio is 1.0x (H1 23: 1.1x) and our weighted average interest rate is 3.1% (H1 23: 2.9%). The undrawn headroom on the Group's existing committed borrowing facilities at 30 June 2024 was £443.2m (FY 23: £664.3m).

Consumer Products Division

	H1 2024 £m	H1 2023 £m	Change at actual rates	Change at constant rates
Revenue	**467.9**	467.9	0.0%	5.7%
Like-for-like revenue	**466.6**	465.4	0.3%	6.0%
Adjusted operating profit	**122.8**	116.8	5.1%	11.7%
Adjusted operating margin	**26.2%**	25.0%	120bps	140bps

Intertek Value Proposition

Our Consumer Products division focuses on the ATIC solutions we offer to our clients to develop and sell better, safer, and more sustainable products to their own clients. This division was 28% of our revenue in 2023 and includes the following business lines: Softlines, Hardlines, Electrical/Connected World and Government and Trade Services (GTS).

As a trusted partner to the world's leading retailers, manufacturers and distributors, the division supports a wide range of industries including textiles, footwear, toys, hardlines, home appliances, consumer electronics, information and communication technology, automotive, aerospace, lighting, building products, industrial and renewable energy products, and healthcare.

Strategy

Our TQA Value Proposition provides a systemic approach to support the Quality Assurance efforts of our Consumer Products-related customers in each of the areas of their operations. To do this we leverage our global network of accredited facilities and world leading technical experts to help our clients meet high quality, safety, regulatory and brand standards, and develop new products, materials and technologies, as well as the import of goods in their markets, based on acceptable quality and safety standards. Ultimately, we assist them in getting their products to market quickly and safely, to continually meet evolving consumer demands.

Innovations

We continue to invest in innovation to deliver a superior customer service in our Consumer Products-related businesses:

- We announced our strategic partnership with **Trace For Good** with the launch of an SaaS platform designed to improve traceability and sustainability in complex supply chains, especially in the textile industry. The platform helps brands to effectively manage and communicate the environmental and social impacts of their products.

- We continue to invest in building new functionality into our **ToxClear** solution, the one-stop digital sustainable chemical management platform that helps brands and their suppliers detox their supply chains faster. New features include a product-agnostic chemical risk assessment module, which enables customers to gain visibility into the chemicals used and assess their risks against hazardous chemical lists, such as PFAS (OECD), PFAS (EPA), and REACH SVHC.

- Intertek recently launched **iCare**, an innovative digital platform that helps our clients to manage the testing processes from start to finish. Driven by increasing regulatory scrutiny and heightened consumer expectations, there is growing demand among customers in the ATIC space for bespoke, end-to-end solutions that can improve transparency and traceability around the processing and testing of lab samples. iCare enables our customers around the world to submit test requests, view reports and analytics online and connect with our in-house teams of experts in just a few clicks, allowing greater transparency for our customers regarding their samples and the testing process.

H1 2024 Performance

In H1 24, our Consumer Products-related business delivered a revenue of £467.9m, up year on year by 5.7% at constant currency and flat at actual rates. We delivered an adjusted operating profit of £122.8m, up 11.7% year on year at constant currency and up 5.1% year on year at actual rates resulting in an adjusted operating margin of 26.2%, up 140bps year on year at constant currency.

- Our Softlines business delivered high-single-digit LFL revenue growth in the period, benefitting from additional ATIC investments from our clients in e-commerce and sustainability, as well as an increased focus on new products.

- Hardlines reported mid-single digit LFL revenue growth in the period benefitting from ATIC investments by our clients in e-commerce and sustainability, as well as new product development in both the toy and furniture segments.

- With increased ATIC activities driven by greater regulatory standards in energy efficiency, more demand for medical devices and 5G investments, our Electrical & Connected World business delivered high-single digit LFL revenue growth in the period.

- Our Government and Trade Services business provides certification services to governments in the Middle East and Africa to facilitate the import of goods in their markets, based on acceptable quality and safety standards. The business reported LFL revenue slightly below last year.

2024 growth outlook

Based on the strong start to the year, we expect our Consumer Products division to deliver mid-single digit LFL revenue growth at constant currency.

Mid to long-term growth outlook

Our Consumer Products division will benefit from growth in new brands, SKUs & ecommerce, increased regulation, a greater focus on sustainability and technology, as well as a growing middle class. Our mid to long-term guidance for Consumer Products is low to mid-single digit LFL revenue growth at constant currency.

Corporate Assurance Division

	H1 2024 £m	H1 2023 £m	Change at actual rates	Change at constant rates
Revenue	**242.1**	231.8	4.4%	9.4%
Like-for-like revenue	**239.6**	231.8	3.4%	8.3%
Adjusted operating profit	**52.3**	48.2	8.5%	14.4%
Adjusted operating margin	**21.6%**	20.8%	80bps	90bps

Intertek Value Proposition

Our Corporate Assurance division focuses on the industry agnostic assurance solutions we offer to our clients to make their value chains more sustainable and more resilient end-to-end. This division was 14% of our revenue in 2023 and includes Business Assurance and Assuris.

Strategy

Business Assurance and Assuris are central to our ATIC offering and are some of the most exciting businesses within Intertek, given the increased focus on operational risk management within the value chain of every company. Intertek Business Assurance provides a full range of business process audit and support services, including accredited third-party management systems auditing and certification, second-party supplier auditing and supply chain solutions, sustainability data verification, process performance analysis and training. Assuris' global network of experts provides a global network of scientists, engineers, and regulatory specialists to provide support to navigate complex scientific, regulatory, environmental, health, safety, and quality challenges throughout the value chain of our clients.

Innovations and M&A

We continue to invest in ATIC innovations to deliver a superior customer service in our Corporate Assurance related businesses:

- Through **Intertek Inlight**, we provide the technology and expertise that enables organisations to better understand their supply chain risks and protect their brand. With our **Wisetail** online learning platform built in, suppliers can be trained and upskilled in topics that matter to brands such as sustainability and compliance related matters.

- We continue to invest in our industry leading ATIC sustainability solutions, leveraging the depth of our experience and global network of experts, with two innovative solutions, **Green R&D** and **CircularAssure**, to support our clients as they transition to a more sustainable world. These solutions allow our customers to enhance the quality, safety, sustainability and performance of their products whilst meeting their stakeholders' increasingly demanding environmental expectations.

- Intertek strengthened its People Assurance offering with the acquisition in August 2023 of **PlayerLync**, a leading mobile workforce enablement platform. For businesses with large frontline workforces, including within the restaurant, hospitality and retail industries, delivering intuitive technology-enabled training, learning and development content to employees via mobile devices is mission critical. PlayerLync's unique value proposition addresses the critical gaps that currently exist for corporates in meeting the demands of a fast-evolving workforce, harnessing its innovative, tech-enabled mobile management platform to connect deskless and mobile workers to high-quality, engaging content.

H1 2024 Performance

In H1 24, our Corporate Assurance-related business reported revenue of £242.1m, LFL revenue growth of 8.3% at constant currency and up year on year by 9.4% at constant currency and 4.4% at actual rates. We delivered adjusted operating profit of £52.3m, up 14.4% year on year at constant currency and up 8.5% year on year at actual rates with an adjusted operating margin of 21.6%, an increase of 90bps year on year at constant currency.

- Business Assurance delivered high-single digit LFL revenue growth in the period driven by increased investments by our clients to improve the resilience of their supply chains, the continuous corporate focus on ethical supply and the greater need for sustainability assurance.

- The Assuris business reported mid-single digit LFL revenue growth as we continue to benefit from improved demand for our regulatory assurance solutions and from increased corporate investment in ESG.

2024 growth outlook

We continue to expect our Corporate Assurance division to deliver high-single digit LFL revenue growth at constant currency.

Medium- to long-term growth outlook

Our Corporate Assurance division will benefit from a greater corporate focus on sustainability, the need for increased supply chain resilience, enterprise cyber-security, People Assurance services and regulatory assurance. Our mid to long-term guidance for Corporate Assurance is high-single digit to double-digit LFL revenue growth at constant currency.

Health and Safety Division

	H1 2024 £m	H1 2023 £m	Change at actual rates	Change at constant rates
Revenue	**166.8**	156.7	6.4%	11.0%
Like-for-like revenue	**163.1**	156.7	4.1%	8.5%
Adjusted operating profit	**20.3**	16.5	23.0%	26.9%
Adjusted operating margin	**12.2%**	10.5%	170bps	160bps

Intertek Value Proposition

Our Health and Safety division focuses on the ATIC solutions we offer to our clients to make sure we all enjoy a healthier and safer life. This division was 10% of our revenue in 2023 and includes our AgriWorld, Food, and Chemicals & Pharma business lines.

Strategy

Our TQA value proposition provides our Health and Safety-related customers with a systemic, end-to-end ATIC offering at every stage of the supply chain. In an industry with significant structural growth drivers, our science-based approach supports clients as the sustained demand for food safety testing activities increases along with higher demand for hygiene and safety audits in factories. Our longstanding experience and expertise in the Chemicals and Pharma industries enables clients to mitigate risks associated with product quality and safety and processes, supporting them with their product development, regulatory authorisation, chemical testing and production.

Innovations and M&A

We continue to invest in innovation to deliver a superior customer service in our Health and Safety related businesses:

- Honey crystallisation is a natural phenomenon where honey turns from liquid state to a semi-solid state. Crystallisation is dependent on the ratio of the two principal sugars found inside: fructose and glucose. When the level of glucose increases, it becomes insoluble in the water, and crystallization will happen. Intertek has developed **Crystek,** a process to evaluate the glucose in honey, thus predicting and preventing the crystallisation of honey.

- Acquisitions in Brazil of providers of food and environmental testing services, **Controle Analítico**, represent entry into high-growth testing markets in an attractive region. Controle Analitico complements our leading Food and Agri Total Quality Assurance solutions in Brazil by expanding our presence and service offering in the environmental testing market.

H1 2024 Performance

In H1 24, our Health and Safety-related business delivered a LFL revenue growth of 8.5% at constant currency, and we delivered revenue of £166.8m which is a year on year increase of 11.0% at constant currency and 6.4% at actual rates. Adjusted operating profit was £20.3m, up 26.9% year on year at constant currency and up 23.0% at actual rates. Adjusted operating margin was 12.2%, up 160bps year on year at constant currency.

- AgriWorld provides inspection activities to ensure that the global food supply chain operates fully and safely. The business reported high-single digit LFL revenue growth as we continue to see an increase in demand for inspection activities driven by sustained growth in the global food industry.

- Our Food business registered double-digit LFL revenue growth in the period as we continue to benefit from higher demand for food safety testing activities as well as hygiene and safety audits in factories.

- In Chemicals & Pharma we saw high-single digit LFL revenue growth reflecting improved demand for regulatory assurance and chemical testing and from the increased R&D investments of the pharma industry.

2024 growth outlook

Based on the strong start to the year, we expect our Health and Safety division to deliver high-single digit LFL revenue growth.

Medium- to long-term growth outlook

Our Health and Safety division will benefit from the demand for healthier and more sustainable food to support a growing, global population, increased regulation, and new R&D investments in the pharma industry. Our mid to long-term guidance for our Health and Safety division is mid to high-single digit LFL revenue growth at constant currency.

Industry and Infrastructure Division

	H1 2024 £m	H1 2023 £m	Change at actual rates	Change at constant rates
Revenue	**420.5**	427.0	(1.5%)	2.8%
Like-for-like revenue	**418.1**	427.0	(2.1%)	2.2%
Adjusted operating profit	**36.8**	37.3	(1.3%)	4.0%
Adjusted operating margin	**8.8%**	8.7%	10bps	10bps

Intertek Value Proposition

Our Industry and Infrastructure division focuses on the ATIC solutions our clients need to develop and build better, safer and greener infrastructure. This division was 26% of our revenue in 2023 and includes Industry Services, Minerals and Building & Construction.

Strategy

Our TQA value proposition helps our customers to mitigate the risks associated with technical failure or delay, ensuring that their projects proceed on time and meet the highest quality standards as demand for more environmentally friendly buildings and infrastructure grows. By helping to improve safety conditions and reduce commercial risk, our broad range of assurance, testing, inspection, certification and engineering services allows us to assist clients in protecting both the quantity and quality of their mined and drilled products.

Innovations

We continue to invest in innovation to deliver a superior customer service in our Industry and Infrastructure-related businesses:

- Intertek Industry Services is harnessing the power of robotics, IoT and digital solutions to create a cutting-edge Digital Twin offering – **Intertek Aware**. The software provides energy asset managers and operators with all the tools they need to improve safety, increase reliability, and better manage inspection data, while also helping them to reduce costs.
- We renewed the **Metoc** brand, bringing with it 40 years of pioneering expertise in helping energy and water companies to navigate complex, sustainability-focused projects. Intertek Metoc's consultants, scientists, engineers, researchers and project managers operate at the critical nexus where engineering designs meet environmental constraints, working to ensure that projects around the world remain safe, economical and sustainable at every stage.
- Intertek acquired **Base Met Labs** in 2024, a leading provider of metallurgical testing services for the Minerals sector based in North America. Founded in 2014 and operating from laboratories in Kamloops, British Columbia,

and Tucson, Arizona, Base Met Labs' specialist focus on metallurgy capabilities complements Intertek Minerals' existing strengths in geochemistry, mine site laboratories and trade inspection, creating attractive commercial synergies within Intertek's high-quality service portfolio. Base Met Labs helps clients optimise mineral processing operations and maximise resource potential.

H1 2024 Performance

Our Industry and Infrastructure-related business reported LFL revenue growth of 2.2% at constant currency and we delivered revenue of £420.5m in H1 24, up year on year by 2.8% at constant currency but down 1.5% at actual rates. Adjusted operating profit of £36.8m, was up 4.0% at constant currency and down 1.3% year on year at actual rates. Adjusted operating margin was 8.8%, up year on year 10bps at constant currency.

- Industry Services, which includes our Capex Inspection services and Opex Maintenance services, delivered mid-single digit revenue growth as we benefitted from increased capex investment in traditional Oil and Gas exploration and production as well as in renewables.

- The continuing high demand for testing and inspection activities drove mid-single digit LFL revenue growth in our Minerals business.

- We continue to see growing demand for more environmentally friendly buildings and the increased number of infrastructure projects in our Building & Construction business in North America, which delivered a stable LFL revenue performance.

2024 growth outlook

We now expect our Industry and Infrastructure division to deliver low-single digit LFL revenue growth at constant currency.

Medium- to long-term growth outlook

Our Industry and Infrastructure division will benefit from increased investment from energy companies to meet growing demand and consumption of energy from the growing global population, the scaling up of renewables, increased R&D investments that OEMs are making in EV/hybrid vehicles and from the development of greener fuels. We expect mid to high-single digit LFL revenue growth in the medium-term at constant currency.

World of Energy Division

	H1 2024 £m	H1 2023 £m	Change at actual rates	Change at constant rates
Revenue	**372.2**	356.6	4.4%	8.3%
Like-for-like revenue	**372.2**	356.6	4.4%	8.3%
Adjusted operating profit	**32.9**	26.6	23.7%	31.1%
Adjusted operating margin	**8.8%**	7.5%	130bps	150bps

Intertek Value Proposition

Our World of Energy division focuses on the ATIC solutions we offer to our clients to develop better and greener fuels as well as renewables. This division was 22% of our revenue in 2023 and includes Caleb Brett, Transportation Technologies (TT) and Clean Energy Associates (CEA).

Strategy

Our TQA Value Proposition provides world leading expertise to enable our clients to benefit from the significant opportunities in the World of Energy. We do this by providing specialist cargo inspection, analytical assessment, calibration and related research and technical services to the world's petroleum and biofuels industries.

We provide rapid testing and validation services to the transportation industry, leveraging our Transportation Technologies subject matter expertise that is recognised by leading manufacturers worldwide. We evaluate everything from automobiles and energy storage to airplanes, and deliver top tier testing for emerging markets, such as autonomous and electric/hybrid vehicles.

Clean Energy Associates (CEA) is a market-leading provider of Quality Assurance (QA), supply-chain traceability and technical services to the fast-growing solar energy sector. Its leading assurance service offering includes in-line monitoring that allows clients to oversee the management and traceability of their supply chains, offering a comprehensive, end-to-end service to support customers on their decarbonisation and energy sustainability journeys.

Innovations

We continue to invest in innovation to deliver a superior customer service in our World of Energy related businesses:

- Intertek Caleb Brett has partnered with **Zero Petroleum**, a breakthrough British technology company that makes whole-blend synthetic, non-biological fuels in a completely fossil free process, using just carbon dioxide taken from the air and renewable hydrogen made from water. Intertek is a preferred testing partner and is supporting Zero Petroleum, helping to accelerate the firm's development of its synthetic fuel that will power the engines of the future.
- Our **EV Centre of Excellence** state-of-the-art testing facility in the UK supports manufacturers to develop next generation electric propulsion systems, from high-speed motor testing to full vehicle validation capabilities. Our global network of automotive testing facilities can support manufacturers and suppliers with a wide portfolio of bespoke solutions and capabilities, such as engine and hybrid testing, EV fluids, and fuel, additive and lubricant testing.
- We recently opened our latest **Intertek Caleb Brett Centre of Excellence laboratory in O'ahu**, Hawaii, dedicated to ensuring the highest standards of quality assurance and consumer confidence in jet fuel. The laboratory is outfitted with state-of-the-art technology to conduct comprehensive testing of jet fuel, aligning with the stringent ASTM D1655 specification, a global standard for quality. The laboratory plays a pivotal role in certifying jet fuel quality, maintaining essential high standards for the aviation sector.

H1 2024 performance

H1 24 saw our World of Energy-related business report revenue of £372.2m, a LFL revenue increase of 8.3% at constant currency and year on year growth of 8.3% at constant currency and 4.4% at actual rates. Adjusted operating profit was £32.9m, up 31.1% year on year at constant currency and 23.7% at actual rates. Adjusted operating margin of 8.8% is ahead 150bps year on year at constant currency.

- Caleb Brett, the global leader in the Crude Oil and Refined products global trading markets, benefitted from improved momentum driven by increased global mobility and higher testing activities for biofuels with high-single digit LFL revenue growth in the period.
- Transportation Technologies delivered a low-single digit LFL revenue growth in the period driven by increased investment in new powertrains to lower CO_2/NOx emissions and in traditional combustion engines to improve fuel efficiency.
- Our CEA business continued to benefit from the increased investments in solar panels, which is the fastest growing form of renewable energy, and delivered double-digit LFL revenue growth in the period.

2024 growth outlook

Based on the strong start to the year, we expect our World of Energy division to deliver high-single digit LFL revenue growth at constant currency.

Medium- to long-term growth outlook

Our World of Energy division will benefit from increased investment from energy companies to meet growing demand and consumption of energy from the growing global population, the scaling up of renewables, increased R&D investments that OEMs are making in EV/hybrid vehicles and from the development of greener fuels. Our mid to long-term LFL guidance at constant currency for the World of Energy division is low to mid-single digit revenue growth.

Presentation of Results

For the half year ended 30 June 2024

Adjusted Results

To present the performance of the Group in a clear, consistent and comparable format, certain items are disclosed separately on the face of the income statement. These items, which are described in the Presentation of Results section of this report and in note 3, are excluded from the adjusted results. The figures discussed in this review (extracted from the income statement and cash flow) are presented before Separately Disclosed Items (SDIs).

Like-for-Like Growth

LFL revenue includes acquisitions following their 12-month anniversary of ownership and excludes the historical contribution of any business disposals and closures.

Constant Exchange Rates

In order to remove the impact of currency translation from our growth figures we present revenue and profit growth at constant exchange rates. This is calculated by translating H1 23 results at H1 24 exchange rates.

Separately Disclosed Items

SDIs are items which by their nature or size, in the opinion of the Directors, should be excluded from the adjusted results to provide readers with a clear and consistent view of the business performance of the Group and its operating divisions. Reconciliations of the Reported to Adjusted Performance Measures are given below.

When applicable, these SDIs include amortisation of acquisition intangibles; impairment of goodwill and other assets; the profit or loss on disposals of businesses or other significant non-current assets; costs of acquiring and integrating acquisitions; the cost of any fundamental restructuring; significant claims and settlements; and unrealised market gains/losses on financial assets/liabilities, including contingent consideration.

Adjusted operating profit excludes the amortisation of acquired intangible assets, primarily customer relationships, as we do not believe that the amortisation charge in the Income Statement provides useful information about the cash costs of running our business as these assets will be supported and maintained by the ongoing marketing and promotional expenditure, which is already reflected in operating costs. Amortisation of software, however, is included in adjusted operating profit as it is similar in nature to other capital expenditure.

The impairment of goodwill and other assets that by their nature or size are not expected to recur; the profit and loss on disposals of businesses or other significant assets; and the costs associated with successful, active or aborted acquisitions and the integration of such acquisitions are excluded from adjusted operating profit to provide useful information regarding the underlying performance of the Group's operations.

Details of the SDIs for the six months ended 30 June 2024 and the comparative period are given in note 3 to the Condensed Consolidated Interim Financial Statements.

Reconciliation of Results to Adjusted Performance Measures (£m)	2024 H1 Results	2024 H1 SDIs	2024 H1 Adjusted	2023 H1 Results	2023 H1 SDIs	2023 H1 Adjusted
Operating profit	232.4	32.7	265.1	215.0	30.4	245.4
Operating margin	13.9%	2.0%	15.9%	13.1%	1.9%	15.0%
Net financing costs	(26.2)	3.7	(22.5)	(23.3)	1.1	(22.2)
Profit before tax	206.2	36.4	242.6	191.7	31.5	223.2
Income tax expense	(52.9)	(7.8)	(60.7)	(49.4)	(7.4)	(56.8)
Profit for the year	153.3	28.6	181.9	142.3	24.1	166.4
Cash flow from operations	260.3	7.1	267.4	261.6	8.9	270.5
Free cash flow	83.5	7.1	90.6	70.7	8.9	79.6
Basic earnings per share	87.8p	17.8p	105.6p	80.8p	14.9p	95.7p
Diluted earnings per share	87.2p	17.7p	104.9p	80.4p	14.8p	95.2p

Reconciliation of Revenue	Six months to 30 June 2024 £m	Six months to 30 June 2023 £m	Change %
Reported revenue	1,669.5	1,640.0	1.8%
Less: Acquisitions/disposals/closures	(9.9)	(2.5)	
Like-for-like revenue	1,659.6	1,637.5	1.3%
Impact of foreign exchange movements	-	(73.1)	
Like-for-like revenue at constant currency	1,659.6	1,564.4	6.1%

Reconciliation of Financial Net Debt to Adjusted EBITDA (£m)			30 June 2024			30 June 2023
Net debt			1,002.8			1,089.5
IFRS 16 lease liability			(294.6)			(298.2)
Financial net debt			708.2			791.3
	2023 H2	**2024 H1**	**2024 LTM**	2022 H2	2023 H1	2023 LTM
Reported operating profit	271.2	232.4	503.6	255.4	215.0	470.4
Depreciation	76.1	70.8	146.9	82.9	79.9	162.8
Amortisation	9.5	9.3	18.8	10.4	9.8	20.2
EBITDA	356.8	312.5	669.3	348.7	304.7	653.4
SDIs	34.5	32.7	67.2	47.4	30.4	77.8
Adjusted EBITDA	391.3	345.2	736.5	396.1	335.1	731.2
Financial net debt / EBITDA			1.0x			1.1x

Constant Currency Reconciliations	Six months to 30 June 2024 £m	Six months to 30 June 2023 £m	Change %
Adjusted operating profit at actual rates	265.1	245.4	8.0%
Impact of foreign exchange movements	-	(13.3)	
Adjusted operating profit at constant rates	265.1	232.1	14.2%
Adjusted diluted EPS at actual rates	104.9p	95.2p	10.2%
Impact of foreign exchange movements	-	(5.9p)	
Adjusted diluted EPS at constant rates	104.9p	89.3p	17.5%
Diluted EPS at actual rates	87.2p	80.4p	8.5%
Impact of foreign exchange movements	-	(6.9p)	
Diluted EPS at constant rates	87.2p	73.5p	18.6%

Principal Risks and Uncertainties

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has an established, structured approach to risk management, which includes continuously assessing and monitoring the key risks and uncertainties of the business. Based on this review, the Board identified the below risks outlined on pages 52 to 57 of the Group's Annual Report for 2023, which is available from our website at www.intertek.com:

Operational

- Reputation
- Customer service
- People retention
- Macro-economic
- Health, safety and wellbeing
- Industry and competitive landscape
- IT systems and data security
- Contracting

Legal and Regulatory

- Regulatory and political Landscape
- Business ethics

Financial

- Financial risk

The Board does not consider that there has been any significant change to the nature of these risks and the key mitigating actions since the publication of the Group's Annual Report for 2023.

The Business Review and Operating Review include consideration of the significance of key uncertainties affecting the Group in the remaining six months of the year.

Management Reports and Trading Updates

Intertek will issue a Trading Update in the fourth quarter of 2024.

Half Year Results

If you require a printed copy of this statement, please contact the Group Company Secretary. This statement is available on www.intertek.com.

Legal Notice

Responsibility Statement of the Directors in Respect of the Half Year Report

We confirm that to the best of our knowledge:

- The condensed interim financial statements have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and gives a true and fair view of the assets, liabilities, financial position and profit of the Group;

- The interim management report includes a fair review of the information required by:

  a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

  b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last Annual report that could do so.

On behalf of the Board of Intertek Group plc

André Lacroix

Chief Executive Officer

1 August 2024

Colm Deasy

Chief Financial Officer

1 August 2024

Independent Review Report to Intertek Group plc

Report on the Condensed Consolidated Interim Financial Statements

Our Conclusion

We have reviewed Intertek Group plc’s condensed consolidated interim financial statements (the “interim financial statements”) in the 2024 Half Year Results Announcement of Intertek Group plc for the 6 month period ended 30 June 2024 (the “period”).

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom’s Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed Consolidated Interim Statement of Financial Position as at 30 June 2024;
- the Condensed Consolidated Interim Income Statement and the Condensed Consolidated Interim Statement of Comprehensive Income for the period then ended;
- the Condensed Consolidated Interim Statement of Cash Flows for the period then ended;
- the Condensed Consolidated Interim Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the 2024 Half Year Results Announcement of Intertek Group plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom’s Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, ‘Review of Interim Financial Information Performed by the Independent Auditor of the Entity’ issued by the Financial Reporting Council for use in the United Kingdom (“ISRE (UK) 2410”). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the 2024 Half Year Results Announcement and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the Interim Financial Statements and the Review

Our Responsibilities and Those of the Directors

The 2024 Half Year Results Announcement, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the 2024 Half Year Results Announcement in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the 2024 Half Year Results Announcement, including the interim financial statements, the directors are responsible for assessing the group'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 to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the 2024 Half Year Results Announcement based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, 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.

PricewaterhouseCoopers LLP

Chartered Accountants

London

1 August 2024

Condensed Consolidated Interim Income Statement

For the six months ended 30 June 2024

		Six months to 30 June 2024 (Unaudited)			Six months to 30 June 2023 (Unaudited)		
	Notes	**Adjusted Results £m**	**Separately Disclosed Items* £m**	**Total 2024**	Adjusted Results £m	Separately Disclosed Items* £m	Total 2023
Revenue	2	**1,669.5**	**-**	**1,669.5**	1,640.0	-	1,640.0
Operating costs		**(1,404.4)**	**(32.7)**	**(1,437.1)**	(1,394.6)	(30.4)	(1,425.0)
Group operating profit/(loss)	2	**265.1**	**(32.7)**	**232.4**	245.4	(30.4)	215.0
Finance income		**1.0**	**-**	**1.0**	1.7	-	1.7
Finance expense		**(23.5)**	**(3.7)**	**(27.2)**	(23.9)	(1.1)	(25.0)
Net financing costs		**(22.5)**	**(3.7)**	**(26.2)**	(22.2)	(1.1)	(23.3)
Profit/(loss) before income tax		**242.6**	**(36.4)**	**206.2**	223.2	(31.5)	191.7
Income tax (expense)/credit	4	**(60.7)**	**7.8**	**(52.9)**	(56.8)	7.4	(49.4)
Profit/(loss) for the period	2	**181.9**	**(28.6)**	**153.3**	166.4	(24.1)	142.3
Attributable to:							
Equity holders of the Company		**170.2**	**(28.6)**	**141.6**	154.4	(24.1)	130.3
Non-controlling interest		**11.7**	**-**	**11.7**	12.0	-	12.0
Profit/(loss) for the period		**181.9**	**(28.6)**	**153.3**	166.4	(24.1)	142.3
Earnings per share							
Basic	5	**105.6p**		**87.8p**	95.7p		80.8p
Diluted	5	**104.9p**		**87.2p**	95.2p		80.4p
Dividends in respect of the period				**53.9p**			37.7p

*** See Note 3**

Condensed Consolidated Interim Statement of Comprehensive Income

For the six months ended 30 June 2024

	Notes	Six months to 30 June 2024 (Unaudited) £m	Six months to 30 June 2023 (Unaudited) £m
Profit for the period	2	**153.3**	142.3
Other comprehensive income			
Remeasurements on defined benefit pension schemes	6	**1.2**	2.8
Tax on comprehensive income items		**1.6**	3.9
Items that will never be reclassified to profit or loss		**2.8**	6.7
Foreign exchange translation differences on foreign operations		**(18.2)**	(125.1)
Net exchange (loss)/gain on hedges of net investments in foreign operations		**(6.3)**	52.7
Gain/(loss) on fair value of cash flow hedges		**0.5**	-
Items that are or may be reclassified subsequently to profit or loss		**(24.0)**	(72.4)
Total other comprehensive expense for the period		**(21.2)**	(65.7)
Total comprehensive income for the period		**132.1**	76.6
Total comprehensive income for the period attributable to:			
Equity holders of the company		**115.5**	64.5
Non-controlling interest		**16.6**	12.1
Total comprehensive income for the period		**132.1**	76.6

Condensed Consolidated Interim Statement of Financial Position

As at 30 June 2024

	Notes	At 30 June 2024 (Unaudited) £m	At 30 June 2023 (Unaudited) £m	At 31 December 2023 (Audited) £m
Assets				
Property, plant and equipment		**663.1**	653.1	669.6
Goodwill	8	**1,395.0**	1,368.2	1,385.8
Other intangible assets		**324.5**	334.1	330.9
Trade and other receivables		**18.5**	19.9	21.8
Defined benefit pension asset	6	**21.9**	25.2	21.8
Deferred tax assets		**31.9**	40.4	36.4
Total non-current assets		**2,454.9**	2,440.9	2,466.3
Inventories*		**18.4**	17.5	17.2
Trade and other receivables*		**781.2**	763.2	725.1
Cash and cash equivalents	7	**355.9**	239.5	299.3
Current tax receivable		**26.4**	24.1	30.0
Total current assets		**1,181.9**	1,044.3	1,071.6
Total assets		**3,636.8**	3,485.2	3,537.9
Liabilities				
Interest bearing loans and borrowings	7	**(47.8)**	(303.4)	(97.5)
Current taxes payable		**(53.4)**	(57.6)	(60.5)
Lease liabilities		**(68.6)**	(66.4)	(69.9)
Trade and other payables*		**(698.9)**	(682.1)	(735.6)
Provisions*		**(62.8)**	(16.4)	(18.0)
Total current liabilities		**(931.5)**	(1,125.9)	(981.5)
Interest bearing loans and borrowings	7	**(1,016.3)**	(727.4)	(812.4)
Lease liabilities		**(226.0)**	(231.8)	(237.9)
Deferred tax liabilities		**(66.0)**	(83.7)	(75.3)
Defined benefit pension liabilities	6	**(2.7)**	(2.9)	(4.8)
Trade and other payables*		**(31.7)**	(30.8)	(30.1)
Provisions*		**(9.5)**	(17.7)	(35.8)
Total non-current liabilities		**(1,352.2)**	(1,094.3)	(1,196.3)
Total liabilities		**(2,283.7)**	(2,220.2)	(2,177.8)
Net assets		**1,353.1**	1,265.0	1,360.1
Equity				
Share capital		**1.6**	1.6	1.6
Share premium		**257.8**	257.8	257.8
Other reserves		**(156.4)**	(113.8)	(127.5)
Retained earnings		**1,205.6**	1,084.4	1,191.5
Total equity attributable to equity holders of the Company		**1,308.6**	1,230.0	1,323.4
Non-controlling interest		**44.5**	35.0	36.7
Total equity		**1,353.1**	1,265.0	1,360.1

* Working capital of negative £4.2m (H1 23: £31.4m; FY 23: negative £78.8m) comprises the asterisked items in the above Statement of Financial Position less IFRS16 Lease Receivable of £0.9m (H1 23: £2.3m; FY 23 £1.6m).

Condensed Consolidated Interim Statement of Changes in Equity

For the six months ended 30 June 2024

	Attributable to equity holders of the Company							
			Other Reserves					
	Share Capital	Share premium	Translation reserve	Other	Retained Earnings	Total before non-controlling interest	Non-controlling interest	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m
At 1 January 2023	**1.6**	**257.8**	**(47.7)**	**6.4**	**1,065.9**	**1,284.0**	**34.0**	**1,318.0**
Total comprehensive (expense)/income for the period								
Profit	-	-	-	-	130.3	130.3	12.0	142.3
Other comprehensive (expense)/income	-	-	(72.5)	-	6.7	(65.8)	0.1	(65.7)
Total comprehensive (expense)/income for the period	-	-	(72.5)	-	137.0	64.5	12.1	76.6
Transactions with owners of the company recognised directly in equity **Contributions by and distributions to the owners of the company**								
Dividends paid	-	-	-	-	(115.4)	(115.4)	(11.1)	(126.5)
Purchase of own shares	-	-	-	-	(8.4)	(8.4)	-	(8.4)
Tax paid on share awards vested[1]	-	-	-	-	(5.6)	(5.6)	-	(5.6)
Equity-settled transactions	-	-	-	-	11.0	11.0	-	11.0
Income tax on equity-settled transactions	-	-	-	-	(0.1)	(0.1)	-	(0.1)
Total contributions by and distributions to the owners of the company	-	-	-	-	(118.5)	(118.5)	(11.1)	(129.6)
At 30 June 2023 (unaudited)	**1.6**	257.8	(120.2)	6.4	1,084.4	1,230.0	35.0	1,265.0
At 1 January 2024	**1.6**	**257.8**	**(133.8)**	**6.3**	**1,191.5**	**1,323.4**	**36.7**	**1,360.1**
Total comprehensive (expense)/income for the period								
Profit	**-**	**-**	**-**	**-**	**141.6**	**141.6**	**11.7**	**153.3**
Other comprehensive (expense)/income	**-**	**-**	**(29.4)**	**0.5**	**2.8**	**(26.1)**	**4.9**	**(21.2)**
Total comprehensive (expense)/income for the period	**-**	**-**	**(29.4)**	**0.5**	**144.4**	**115.5**	**16.6**	**132.1**
Transactions with owners of the company recognised directly in equity **Contributions by and distributions to the owners of the company**								
Dividends paid	**-**	**-**	**-**	**-**	**(119.3)**	**(119.3)**	**(8.8)**	**(128.1)**
Purchase of own shares	**-**	**-**	**-**	**-**	**(15.7)**	**(15.7)**	**-**	**(15.7)**
Tax paid on share awards vested[1]	**-**	**-**	**-**	**-**	**(7.4)**	**(7.4)**	**-**	**(7.4)**
Equity-settled transactions	**-**	**-**	**-**	**-**	**12.1**	**12.1**	**-**	**12.1**
Income tax on equity-settled transactions	-	-	-	-	-	-	-	-
Total contributions by and distributions to the owners of the company	**-**	**-**	**-**	**-**	**(130.3)**	**(130.3)**	**(8.8)**	**(139.1)**
At 30 June 2024 (unaudited)	**1.6**	**257.8**	**(163.2)**	**6.8**	**1,205.6**	**1,308.6**	**44.5**	**1,353.1**

[1] The tax paid on share awards vested is related to settlement of the tax obligation by the Group via the sale of a portion of the equity-settled shares.

The £119.3m dividend paid on 21 June 2024 represented a final dividend of 74.0p per ordinary share in respect of the year ended 31 December 2023 which was approved and paid during the period. The £115.4m dividend paid on 15 June 2023 represented a final dividend of 71.6p per ordinary share in respect of the year ended 31 December 2022 which was approved and paid during the period. No ordinary shares were issued in the period to satisfy the vesting of share awards.

Condensed Consolidated Interim Statement of Cash Flows

For the six months ended 30 June 2024

	Notes	Six months to 30 June 2024 (Unaudited) £m	Six months to 30 June 2023 (Unaudited) £m
Cash flows from operating activities			
Profit for the period	2	**153.3**	142.3
Adjustments for:			
Depreciation charge		**70.8**	79.9
Amortisation of software		**9.3**	9.8
Amortisation of acquisition intangibles		**16.4**	17.2
Equity-settled transactions		**12.1**	11.0
Net financing costs		**26.2**	23.3
Income tax expense	4	**52.9**	49.4
Profit on disposal of property, plant, equipment and software		**-**	(0.3)
Operating cash flows before changes in working capital and operating provisions		**341.0**	332.6
Change in inventories		**(1.3)**	(1.4)
Change in trade and other receivables		**(60.4)**	(99.3)
Change in trade and other payables		**(25.1)**	27.3
Change in provisions		**6.1**	2.4
Cash generated from operations		**260.3**	261.6
Interest and other finance expense paid		**(27.6)**	(48.6)
Income taxes paid		**(59.1)**	(56.0)
Net cash flows generated from operating activities*		**173.6**	157.0
Cash flows from investing activities			
Proceeds from sale of property, plant, equipment and software*		**0.7**	3.2
Interest received*		**1.2**	1.7
Acquisition of subsidiaries, net of cash received		**(14.7)**	(14.8)
Consideration paid in respect of prior year acquisitions		**-**	(2.7)
Acquisition of property, plant, equipment, software*	9	**(55.6)**	(51.4)
Net cash flows used in investing activities		**(68.4)**	(64.0)
Cash flows from financing activities			
Purchase of own shares		**(15.7)**	(8.4)
Tax paid on share awards vested		**(7.4)**	(5.6)
Drawdown of borrowings		**228.8**	53.6
Repayment of borrowings		**(82.6)**	(32.8)
Repayment of lease liabilities*		**(36.4)**	(39.8)
Dividends paid to non-controlling interest		**(8.8)**	(11.1)
Equity dividends paid		**(119.3)**	(115.4)
Net cash flows used in financing activities		**(41.4)**	(159.5)
Net increase/(decrease) in cash and cash equivalents		**63.8**	(66.5)
Cash and cash equivalents at 1 January	7	**298.6**	320.7
Effect of exchange rate fluctuations on cash held	7	**(7.5)**	(18.7)
Cash and cash equivalents at end of period	7	**354.9**	235.5

* Free cash flow of £83.5m (H1 23: £70.7m) comprises the asterisked items in the above Statement of Cash Flows.

Adjusted cash flow from operations of £267.4m (H1 23: £270.5m) comprises statutory cash flow from operations of £260.3m (H1 23: £261.6m) before cash outflows relating to Separately Disclosed Items of £7.1m (H1 23: £8.9m).

Notes to the Condensed Consolidated Interim Financial Statements

1. Basis of Preparation

Reporting Entity

Intertek Group plc (the 'Company') is a company incorporated and domiciled in the United Kingdom. The Condensed Consolidated Interim Financial Statements of the Company as at and for the six months ended 30 June 2024 comprise the Company and its subsidiaries (together referred to as the 'Group').

The Consolidated Financial Statements of the Group as at, and for the year ended, 31 December 2023 are available upon request from the Company's registered office at 33 Cavendish Square, London, W1G 0PS. An electronic version is available from the Investors section of the Group website at www.intertek.com.

Statement of Compliance

These Condensed Consolidated Interim Financial Statements for the half-year reporting period ended 30 June 2024 have been prepared in accordance with the UK-adopted International Accounting Standards 34, 'Interim Financial Reporting' ("IAS 34") and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. They do not include all of the information required for full annual financial statements and should be read in conjunction with the Consolidated Financial Statements of the Group as at and for the year ended 31 December 2023. These Condensed Consolidated Interim Financial Statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006.

The Condensed Consolidated Financial Statements have also been prepared in accordance with the accounting policies set out in the 2023 Annual Report and have been prepared under the historical cost convention as modified by the revaluation of certain financial assets and liabilities (including derivative financial instruments) at fair value.

The comparative figures for the financial year ended 31 December 2023 are the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

Significant Accounting Policies

These Condensed Consolidated Interim Financial Statements are unaudited and, except as described below, have been prepared on the basis of accounting policies consistent with those applied in the Consolidated Financial Statements for the year ended 31 December 2023.

There are no significant new accounting standards or amendments to accounting standards that are effective for annual periods beginning on or after 1 January 2024 that have a material effect on the results of the Group.

Key Estimations and Uncertainties

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. There are no critical accounting judgements.

1. Basis of Preparation *(continued)*

In preparing these Condensed Consolidated Interim Financial Statements, the nature of the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation were the same as those that were applied to the Consolidated Financial Statements as at and for the year ended 31 December 2023. During the six months ended 30 June 2024 management reassessed its estimates and judgements in respect of pensions (note 6) and impairment (note 8(c)).

Risks and Uncertainties

The Operating Review includes consideration of the risks and uncertainties affecting the Group in the remaining six months of the year.

The Board has reviewed the Group's financial forecasts up to 31 December 2025, to assess both liquidity requirements and debt covenants. In addition, these have been sensitised for a severe yet plausible decline in economic conditions (including an illustrative sensitivity scenario of a reduction of 30% to the base profit forecasts and the corresponding impact to cash flow forecasts in each of these years). The Board remains satisfied with the Group's funding and liquidity position, with the Group forecasts to remain within its committed facilities and compliant with debt covenants even following the 30% downside sensitivity. On the basis of its forecasts to 31 December 2025, both base case and stressed, and available facilities, the Board has concluded that there are no material uncertainties over going concern, including no anticipated breach of covenants, and therefore the going concern basis of preparation continues to be appropriate.

Foreign Exchange

The assets and liabilities of foreign operations, including goodwill arising on acquisition, are translated to sterling at foreign exchange rates ruling at the reporting date. The income and expenses of foreign operations are translated into sterling at cumulative average rates of exchange during the year.

The most significant currencies for the Group were translated at the following exchange rates:

	Assets and Liabilities Actual Rates			Income and expense Cumulative average rates		
Value of £1	**30 June 2024**	**30 June 2023**	**31 December 2023**	**H1 24**	**H1 23**	**FY 23**
US dollar	**1.26**	1.26	1.28	**1.27**	1.23	1.24
Euro	**1.18**	1.16	1.15	**1.17**	1.14	1.15
Chinese renminbi	**9.18**	9.16	9.14	**9.13**	8.56	8.81
Hong Kong dollar	**9.86**	9.90	10.00	**9.89**	9.64	9.71
Australian dollar	**1.90**	1.92	1.87	**1.92**	1.83	1.87

2. Operating Segments

Business Analysis

The Group is organised into business lines, which are the Group's operating segments and are reported to the CEO, the chief operating decision maker. These operating segments are aggregated into five segments, which are the Group's reportable segments, based on the similar nature of products and services and the mid- to long-term structural growth drivers. When aggregating operating segments into the five reportable segments we have applied judgement over the similarities of the services provided, the customer base and the mid- to long-term structural growth drivers. The costs of the corporate head office and other costs which are not controlled by the five segments are allocated appropriately. A description of the activity in each segment is given in the Operating Review.

The results of the divisions are shown below:

Six months to 30 June 2024	Revenue from external customers £m	Depreciation and software amortisation £m	Adjusted operating profit £m	Separately disclosed items £m	Operating profit £m
Consumer Products	467.9	(25.3)	122.8	(9.3)	113.5
Corporate Assurance	242.1	(6.1)	52.3	(10.7)	41.6
Health and Safety	166.8	(10.3)	20.3	(2.2)	18.1
Industry and Infrastructure	420.5	(15.0)	36.8	(8.8)	28.0
World of Energy	372.2	(23.4)	32.9	(1.7)	31.2
Total	**1,669.5**	**(80.1)**	**265.1**	**(32.7)**	**232.4**
Group operating profit			**265.1**	**(32.7)**	**232.4**
Net financing costs			(22.5)	(3.7)	(26.2)
Profit before income tax			**242.6**	**(36.4)**	**206.2**
Income tax (expense)/credit			(60.7)	7.8	(52.9)
Profit for the year			**181.9**	**(28.6)**	**153.3**

2. Operating Segments *(continued)*

Six months to 30 June 2023	Revenue from external customers £m	Depreciation and software amortisation £m	Adjusted operating profit £m	Separately disclosed items £m	Operating profit £m
Consumer Products	467.9	(29.6)	116.8	(4.2)	112.6
Corporate Assurance	231.8	(6.1)	48.2	(11.7)	36.5
Health and Safety	156.7	(11.2)	16.5	(2.4)	14.1
Industry and Infrastructure	427.0	(16.2)	37.3	(5.3)	32.0
World of Energy	356.6	(26.6)	26.6	(6.8)	19.8
Total	1,640.0	(89.7)	245.4	(30.4)	215.0
Group operating profit			245.4	(30.4)	215.0
Net financing costs			(22.2)	(1.1)	(23.3)
Profit before income tax			223.2	(31.5)	191.7
Income tax (expense)/credit			(56.8)	7.4	(49.4)
Profit for the year			166.4	(24.1)	142.3

3. Separately Disclosed Items (SDIs)

		Six months to 30 June 2024 £m	Six months to 30 June 2023 £m
Operating costs			
Amortisation of acquisition intangibles	(a)	**(16.4)**	(17.2)
Acquisition and integration costs	(b)	**(1.8)**	(3.6)
Restructuring costs	(c)	**(10.6)**	(9.6)
Significant claims and settlements	(d)	**(3.9)**	-
Total operating costs		**(32.7)**	(30.4)
Net financing costs	(e)	**(3.7)**	(1.1)
Total before income tax		**(36.4)**	(31.5)
Income tax credit on Separately Disclosed Items		**7.8**	7.4
Total		**(28.6)**	(24.1)

Refer to Presentation of Results section for further details on SDIs.

(a) The amortisation of acquisition intangibles relates to customer relationships, trade names, technology and non-compete covenants acquired.
(b) Acquisition and integration costs relating to acquisition activity in the period and integration of prior period acquisitions were £1.8m (H1 23: £3.6m).
(c) During 2022, the Group initiated the first year of a cost reduction programme. In six months to June 2024 costs of £10.6m (H1 23: £9.6m) included consolidating sites and offices, streamlining headcount, Group-wide technology upgrades and related asset write-offs.
(d) Significant claims and settlements relate to commercial claims that are separately disclosable due to their size and nature.
(e) Net financing costs of £3.7m (H1 23: £1.1m) relates to unwinding of discount and changes in fair value of contingent consideration in relation to acquisitions from prior periods.

4. Income Tax Expense

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period in respect of the adjusted results. The income tax expense for the adjusted results for the six months ended 30 June 2024 is £60.7m (H1 23: £56.8m). The Group's adjusted consolidated effective tax rate for the six months ended 30 June 2024 is 25.0% (H1 23: 25.5%). The income tax expense for the total results for the six months ended 30 June 2024 is £52.9m (H1 23: £49.4m). The Group's consolidated effective tax rate for the six months ended 30 June 2024 is 25.7% (H1 23: 25.8%).

There is no difference between the consolidated effective tax rate of 25.0% and the notional statutory UK rate of 25.0% but there are a number of differences which net to zero net impact. These items include: the mix of profits; the effect of tax rates in foreign jurisdictions; non-deductible expenses; the effect of movements in unrecognised deferred tax assets; movements in the provision for uncertain tax positions; withholding tax on intra-group dividends; tax exempt income; and under/over provisions in previous periods.

On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax which applies to Intertek for the financial year ending 31 December 2024 onwards. Based on our forecast profits for the year end 31 December 2024, most territories in which the Group operates are expected to qualify for one of the safe harbour exemptions. Where this is not the case, the incremental tax arising under Pillar Two is not expected to be material. The Group continues to monitor the release of additional guidance and legislation including outside of the UK. Intertek has applied the exception under IAS 12 to recognising and disclosing information about deferred tax assets and liabilities related to top-up income taxes.

5. Earnings Per Share (EPS)

	Six months to 30 June 2024 £m	Six months to 30 June 2023 £m
Based on the profit for the period:		
Profit attributable to ordinary shareholders	**141.6**	130.3
Separately Disclosed Items after tax (note 3)	**28.6**	24.1
Adjusted earnings	**170.2**	154.4
Number of shares (millions):		
Basic weighted average number of ordinary shares	**161.2**	161.3
Potentially dilutive share awards	**1.1**	0.8
Diluted weighted average number of shares	**162.3**	162.1
Basic earnings per share	**87.8p**	80.8p
Potentially dilutive share awards	**(0.6p)**	(0.4p)
Diluted earnings per share	**87.2p**	80.4p
Adjusted basic earnings per share	**105.6p**	95.7p
Potentially dilutive share awards	**(0.7p)**	(0.5p)
Adjusted diluted earnings per share	**104.9p**	95.2p

6. Pension Schemes

A full triennial actuarial valuation for the United Kingdom Scheme was carried out as at 31 March 2022.

The Group obtained updated actuarial valuations to 31 May 2024, the asset and liability values have been reviewed and have not moved materially in the month to 30 June 2024. A net actuarial gain before taxation of £1.2m (H1 23: £2.8m) has been recognised in the consolidated statement of comprehensive income. The net pension asset stands at £21.9m for the UK pension scheme (31 December 2023: £21.8m) and a net pension liability of £2.7m for the Swiss pension scheme as at 30 June 2024 (31 December 2023: £4.8m).

7. Analysis of Net Debt

	30 June 2024 £m	30 June 2023 £m	31 December 2023 £m
Cash and cash equivalents per the Statement of Financial Position	**355.9**	239.5	299.3
Overdrafts	**(1.0)**	(4.0)	(0.7)
Cash per the Statement of Cash Flows	**354.9**	235.5	298.6

The components of net debt are outlined below:

	1 January 2024 £m	Cash flow £m	Non-cash adjustments £m	Exchange adjustments £m	30 June 2024 £m
Cash	298.6	63.8	-	(7.5)	**354.9**
Borrowings:					
Revolving credit facility US$850m 2027	-	(228.8)	-	(1.5)	**(230.3)**
Senior notes US$125m 2024	(97.7)	82.6	-	(0.7)	**(15.8)**
Senior notes US$120m 2025	(93.8)	-	-	(1.3)	**(95.1)**
Senior notes US$75m 2026	(58.6)	-	-	(0.8)	**(59.4)**
Senior notes US$150m 2027	(117.2)	-	-	(1.6)	**(118.8)**
Senior notes US$165m 2028	(129.0)	-	-	(1.8)	**(130.8)**
Senior notes US$165m 2029	(129.0)	-	-	(1.8)	**(130.8)**
Senior notes US$160m 2030	(125.0)	-	-	(1.7)	**(126.7)**
Senior notes EUR€120m 2026	(104.1)	-	-	2.6	**(101.5)**
Senior notes EUR€25m 2027	(21.7)	-	-	0.5	**(21.2)**
Senior notes EUR€40m 2028	(34.7)	-	-	0.8	**(33.9)**
Other*	1.6	-	(0.4)	-	**1.2**
Total borrowings	(909.2)	(146.2)	(0.4)	(7.3)	**(1,063.1)**
Total financial net debt	(610.6)	(82.4)	(0.4)	(14.8)	**(708.2)**
Lease liability	(307.8)	36.4	(25.7)	2.5	**(294.6)**
Total net debt	(918.4)	(46.0)	(26.1)	(12.3)	**(1,002.8)**

*Other borrowings include other uncommitted borrowings of £0.8m (1 Jan 2024: £0.8m) and facility fees of £2.0m (1 Jan 2024: £2.4m).

Total undrawn committed borrowing facilities as at 30 June 2024 were £443.2m (31 December 2023: £664.3m).

7. Analysis of Net Debt *(continued)*

	30 June 2024 £m	30 June 2023 £m	31 December 2023 £m
Borrowings due in less than one year	**46.8**	299.4	96.8
Borrowings due in one to two years	**62.8**	46.7	93.2
Borrowings due in two to five years	**826.2**	423.1	464.6
Borrowings due in over five years	**127.3**	257.6	254.6
Total borrowings	**1,063.1**	1,026.8	909.2

Key Facilities

The Group has a US$850m multi-currency revolving facility which is the Group's principal facility. Drawings under the facility as at the 30 June 2024 were £230.3m.

In February 2024, US$105m Senior notes fell due and were repaid. Subsequent to the balance sheet date, in July 2024, US$20m Senior notes were repaid.

Further details of the Group's borrowing facilities were disclosed in note 14 to the 2023 Annual Report.

Fair Values

The carrying value of interest-bearing loans and borrowings is £1,063.1m. The fair value, based on the present value of the future principal and interest cash flows discounted at the market rate at reporting date, was £967.8m. The carrying values of trade and other payables are considered approximate to their fair values.

The carrying value of derivative assets/liabilities (namely foreign currency forwards and cross currency interest rate swaps) is equal to their fair value. The fair value of foreign currency forwards is estimated using present value of future cash flows based on the forward exchange rates at the balance sheet date. Derivative liabilities of £0.5m are included within trade and other payables (H1 23: £0.6m derivative liabilities included within trade and other payables).

The cross currency interest rate swaps designated in hedge relationships are disclosed within other payables in the statement of financial position. Derivative liabilities of £0.3m are included within trade and other payables (H1 23: nil).

The fair value of cash and cash equivalents is based on the sterling equivalent value of the Group's cash balances at the market rate, which at reporting date was £355.9m. There is no material difference between the carrying values of trade and other receivables and their fair values, due to their short-term duration. There is no concentration of credit risk with respect to trade receivables as the Group has a large number of customers who are internationally dispersed.

8. Acquisition of New Businesses

(a) Acquisitions

On 1 March 2024, the Group acquired a 60% controlling interest in Base Metallurgical Laboratories Ltd. and Base Met Labs US Ltd. (jointly "Base Met Labs"), a leading provider of metallurgical testing services for the Minerals sector based in North America, for a purchase price of £23.7m. Purchase consideration net of cash acquired was £23.4m. The purchase price includes cash consideration of £14.7m, further contingent consideration payable of £7.8m and deferred consideration of £0.9m. The cash outflow in the period associated with this acquisition was £14.7m.

The acquisition of Base Met Labs will expand Intertek's industry leading ATIC offering in the Minerals industry, growing its geographic footprint into North America. Base Met Labs metallurgy capabilities are complementary to Intertek's existing strengths in geochemistry, mine site laboratories and trade inspection, creating synergies across the Intertek ATIC Minerals project cycle.

Provisional details of the net assets acquired and fair value adjustments are set out in the following tables. These analyses are provisional and amendments may be made to these figures in the 12 months following the date of acquisition.

	Fair value to Group on acquisition £m
Property, plant and equipment	2.9
Goodwill	15.6
Other intangible assets	7.0
Trade and other receivables	1.4
Trade and other payables	(1.6)
Provisions for liabilities and charges	-
Deferred tax liabilities	(1.9)
Net assets acquired	**23.4**

(b) Prior Period Acquisitions

£nil (H1 23: £2.7m) was paid during the period in respect of prior period acquisitions.

(c) Impairment

Goodwill generated from past acquisitions has been tested annually as required by accounting standards. No impairment triggers were identified during the period and as such no impairment charge was recorded (H1 23: £nil).

8. Acquisition of New Businesses *(continued)*

(d) Reconciliation of Goodwill

	£m
Goodwill at 1 January 2024	1,385.8
Additions	15.6
Fair value adjustments	(2.1)
Foreign exchange	(4.3)
Goodwill at 30 June 2024	**1,395.0**

	£m
Goodwill at 1 January 2023	1,418.4
Additions	13.3
Fair value adjustments	0.4
Foreign exchange	(63.9)
Goodwill at 30 June 2023	**1,368.2**

(e) Impact of Acquisitions on the Group Results

The revenue and profit for the period for the period from 1 January 2024 to the date of acquisition and the impact on the Group's revenue and profit for the period from the date of acquisition to 30 June 2024 were not significant.

9. Property, Plant, Equipment and Computer Software

(a) Property, Plant, Equipment Additions

During the six months ended 30 June 2024, the Group acquired property, plant and equipment with a cost of £44.0m (H1 23: £41.2m; year ended 31 December 2023: £93.0m).

During the six months ended 30 June 2024, the Group acquired £1.5m of property, plant and equipment through business combinations (H1 23: £1.2m; year ended 31 December 2023: £2.2m). At 30 June 2024, the IFRS 16 right of use asset is £271.4m (H1 23: £275.5m; year ended 31 December 2023: £286.6m).

(b) Computer Software Additions

During the six months ended 30 June 2024, the Group acquired computer software with a cost of £11.6m (H1 23: £10.2m; year ended 31 December 2023: £23.9m). During the six months ended 30 June 2024, the Group did not acquire computer software through business combinations (H1 23: £nil; year ended 31 December 2023: £nil).

(c) Capital Commitments

Contracts for capital expenditure which are not provided in these accounts amounted to £19.4m (H1 23: £15.1m).

10. Related Parties

There are no material changes in related parties or in related party transactions from those described in the 2023 Annual Report.

11. Subsequent Events

There are no post balance sheet events to report.

12. Approval

The Condensed Consolidated Interim Financial Statements were approved by the Board on 1 August 2024.