

Multiplex Global Limited  
Annual Report and Financial Statements  
31 December 2019

# Multiplex Global Limited

Registration number 09948128

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# **Directory**

## **Multiplex Global Limited**

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### **Directors of Multiplex Global Limited**

John Paul Flecker  
Derek Edward Gorgi

### **Company secretary**

Benjamin Keenan  
Margaret Redwin

### **Registered office**

99 Bishopsgate, 2nd Floor  
London EC2M 3XD  
United Kingdom

### **Company registration number**

09948128

### **Bank**

HSBC Bank Plc  
Level 18, 8 Canada Square  
London E14 5HQ  
United Kingdom

### **Auditor**

Deloitte LLP  
London

# Strategic report

## Multiplex Global Limited

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The board of Directors presents the strategic report of Multiplex Global Limited ("Company") for the period from 1 January 2019 to 31 December 2019. The financial statements are expressed in US dollars, which is the functional currency of the Company.

The Directors, in preparing this Strategic Report, have complied with S414(c) of the Companies Act 2006. The Directors have considered the requirements of S172 of the Companies Act 2006 and note that the Company does not meet the qualifying conditions for disclosure in the financial statements.

### Business review

The Company had net assets of \$1,456 million at 31 December 2019 (2018: \$1,624 million). The \$168 million reduction in net assets was primarily due to a \$122 million impairment of the Company's investment in subsidiaries to reflect the forecasted future size and scale of the subsidiaries. The Company accounts for these investments on a historic cost basis and as a result the subsidiary's earnings are not reflected in this basis. Accordingly, the historic cost of the investments after the impairment reflects, at a minimum, management's estimated future cash flows of the business on a discounted basis.

The Company recorded a loss after tax of \$169 million (2018: \$25 million profit) during the year ended 31 December 2019. The \$194 million decrease in profit in 2019 was primarily due to the impairment of investment in subsidiaries noted above and \$26 million of unrealised foreign currency revaluation losses recorded in 2019 (2018: \$60 million gain).

### Principal risks and uncertainties

The principal activity of the Company is acting as an investment holding company for its operational companies in Australia, Europe, Canada, India and the Middle East.

The principal activity of the Multiplex Group is as a building contractor, and future results will therefore be impacted by any increase or reduction in building activity brought about by the prevailing economic conditions. In the day to day operations of the business, the Group is exposed to various risks and uncertainties. The Directors of Multiplex Global Limited recognise their responsibility to manage these risks, and are satisfied with the procedures in place to mitigate them.

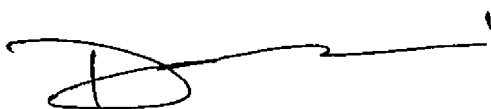
### Funding and liquidity risk

The potential risks and uncertainties, which could have a material impact on the Company's long-term performance include the ability to meet the cash flow requirements resulting from subsidiary construction business operation. The principal risks and uncertainties facing the business are continuously monitored and managed.

### Covid-19

Covid-19 will undoubtedly have a substantial economic impact on the global economy, although as the pandemic is ongoing the nature of that impact will be uncertain for some time to come. As a holding company, Multiplex Global Limited is not directly exposed to many of the specific risks and circumstances that other companies would face as a consequence of Covid-19. The Company is continually assessing the recoverability of its direct and indirect investments and its ongoing liquidity requirements. The Directors have a reasonable expectation that the Company will continue to be a going concern as noted on page 5.

Approved by the board and signed on its behalf by:



Derek Gorgi  
Director  
Multiplex Global Limited

Level 2, 99 Bishopsgate  
London  
EC2M 3XD

27 November 2020

# Directors' report

## Multiplex Global Limited

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The Directors present their report and the audited financial statements for the year from 1 January 2019 to 31 December 2019.

### Principal activities

The Company carries on business principally as a holding company.

### Results and dividends

The results for the period are set out on page 9. There was no dividend declared by the Directors during the period (2018: nil).

### Going concern basis

As the Company has net current liabilities at year end, despite having net total assets, the Directors have considered the going concern of the Company and continue to conclude that the Company is a going concern. This assessment was based on the positive performance of the Company's underlying subsidiaries and the fact that the vast majority of the Company's current liabilities are related party balances. Therefore, despite the Covid-19 pandemic (see page 4), the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Financial risk management is further considered in the Strategic Report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### Directors

The Directors who served throughout the period, and subsequently, except where noted were:

John Paul Flecker	(appointed 2 August 2016)
Derek Edward Gorgi	(appointed 21 November 2016)
Ashley Thomas Edward Muldoon	(appointed 2 August 2016, resigned 15 November 2019)

### Events subsequent to the reporting date

Since the year end, the outbreak of the Covid-19 virus has given rise to material economic and financial uncertainties. This is considered to be a non-adjusting post balance sheet event for the Company. The impact has been considered by the Directors as set out on page 4.

The Company has made additional investments in its subsidiaries, which are set out in note 13. There have been no other significant events or transactions that have arisen since the end of the financial period which in the opinion of the Directors would affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company.

### Future Developments

The Company will continue its activity of acting as a holding company.

### Disclosure of information to auditor


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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

### Auditor

Deloitte LLP have indicated their willingness to continue in office. A resolution for the re-appointment of Deloitte LLP as auditor of the Company will be proposed at the meeting of the Directors.

Approved by the board and signed on its behalf by:



Derek Gorgi  
Director  
Multiplex Global Limited

Level 2, 99 Bishopsgate  
London  
EC2M 3XD

27 November 2020

# Statement of Directors' responsibilities

## Multiplex Global Limited

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The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the Profit and Loss of the Company for that period. In preparing these financial statements, IAS 1, *Presentation of Financial Statements* requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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

# **Independent auditor's report to the members of Multiplex Global Limited**

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## **Independent auditor's report to the members of Multiplex Global Limited Report on the audit of the financial statements** *Opinion*

- In our opinion the financial statements of Multiplex Global Limited (the 'company'):
- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of Profit and Loss;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Conclusions relating to going concern*

We are required by ISAs (UK) to report in respect of the following matters where:

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

We have nothing to report in respect of these matters.

### *Other information*

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in respect of these matters.

# Independent auditor's report to the members of Multiplex Global Limited

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## *Responsibilities of directors*

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## *Auditor's responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

## **Report on other legal and regulatory requirements**

### *Opinions on other matters prescribed by the Companies Act 2006*

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

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

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

### *Matters on which we are required to report by exception*

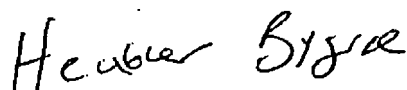
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

## **Use of our report**

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



Heather Bygrave FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
2 December 2020



# Statement of Profit and Loss

## Multiplex Global Limited

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Year ended 31 December

Millions	Note	2019	2018
Other income		\$ 13.7	\$ 3.5
Interest income		33.1	0.5
Foreign exchange (losses) / gains		(25.9)	59.7
Interest expenses		(55.7)	(30.2)
Impairment of investment in subsidiaries	10	(121.9)	-
Corporate costs		(11.9)	(8.3)
Net (loss) / profit before income tax		(168.6)	25.2
Income tax (charge) / benefit	7	(0.2)	0.2
Net (loss) / profit		\$ (168.8)	\$ 25.4

All activities relate to continuing operations.

There were no items of other comprehensive income other than those stated above and consequently no statement of other comprehensive income is presented.

The Statement of Profit and Loss should be read in conjunction with the notes to the financial statements.

# Statement of Financial Position

## Multiplex Global Limited

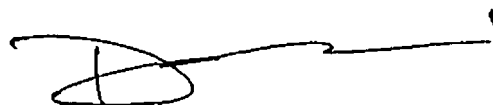
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As at 31 December

Millions	Note	2019	2018
<b>Assets</b>			
<i>Current assets</i>			
Cash and cash equivalents		\$ 0.6	\$ 36.7
Trade and other receivables	12	781.1	645.8
Other assets		4.1	-
<b>Total current assets</b>		<b>785.8</b>	<b>682.5</b>
<i>Non-current assets</i>			
Trade and other receivables	12	620.8	-
Investment in subsidiaries	10	1,746.2	1,760.9
Deferred tax asset		4.8	2.0
<b>Total non-current assets</b>		<b>2,371.8</b>	<b>1,762.9</b>
<b>Total assets</b>		<b>\$ 3,157.6</b>	<b>\$ 2,445.4</b>
<i>Liabilities</i>			
<i>Current liabilities</i>			
Trade and other payables	12	\$ 896.2	\$ 818.1
Provisions	8	-	2.9
<b>Total current liabilities</b>		<b>896.2</b>	<b>821.0</b>
<i>Non-current liabilities</i>			
Trade and other payables	12	805.8	-
<b>Total non-current liabilities</b>		<b>805.8</b>	<b>-</b>
<b>Total liabilities</b>		<b>\$ 1,702.0</b>	<b>\$ 821.0</b>
<b>Equity</b>	9	<b>1,455.6</b>	<b>1,624.4</b>
<b>Total liabilities and equity</b>		<b>\$ 3,157.6</b>	<b>\$ 2,445.4</b>

The Statement of Financial Position should be read in conjunction with the notes to the financial statements.

The financial statements of Multiplex Global Limited, registered number 09948128, were approved by the board of Directors on 27 November 2020 and were signed on its behalf by:



Derek Gorgi  
Director  
Multiplex Global Limited

# Statement of Changes in Equity

## Multiplex Global Limited

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For the year ended 31 December 2019

Millions	Note	Share capital	Accumulated losses	Total equity
As at 1 January 2019		\$ 2,021.2	\$ (396.8)	\$ 1,624.4
Net loss			(168.8)	(168.8)
As at 31 December 2019		\$ 2,021.2	\$ (565.6)	\$ 1,455.6

For the year ended 31 December 2018

Millions	Common equity	Accumulated losses	Total equity
As at 1 January 2018	\$ 1,038.6	\$ (422.2)	\$ 616.4
Net profit		25.4	25.4
Issue of share capital	982.6	-	982.6
As at 31 December 2018	\$ 2,021.2	\$ (396.8)	\$ 1,624.4

The Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

# Statement of Cash Flows

## Multiplex Global Limited

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Year ended 31 December

Millions	Note	2019	2018
<i>Cash flows from operating activities</i>			
Payments to suppliers		\$ (22.0)	\$ (12.7)
Other receipts		0.8	0.5
Cash outflow from operating activities		(21.2)	(12.2)
<i>Cash flows from investing activities</i>			
Additional investment in subsidiaries		(104.1)	(338.7)
Proceeds from net settlement of foreign exchange hedging items		-	1.6
Net cash outflow from investing activities		(104.1)	(337.1)
<i>Cash flows from financing activities</i>			
Proceeds from related parties		230.4	133.6
Advances to related parties		(141.6)	(98.3)
Equity issuances		-	348.2
Net cash inflow from financing activities		88.8	383.5
Net decrease in cash and cash equivalents		(36.5)	34.2
Cash and cash equivalents at the beginning of the financial period		36.8	3.4
Foreign currency exchange		0.3	(0.8)
Cash and cash equivalents at the end of the financial period		\$ 0.6	\$ 36.8

The Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

# Notes to the financial statements

## Multiplex Global Limited

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### 1 Reporting entity

Multiplex Global Limited ("the Company") is a holding company within a group structure which ultimately includes operating companies in Australia, the United Kingdom, the Middle East, Canada, and India. The Company is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England. The address of its registered office is shown on page 3.

### 2 Adoption of new and revised standards

At the date of authorisation of these financial statements, The Company has not applied the following new and revised IFRSs that have been issued by the IASB but are not yet effective and/or in some cases had not yet been adopted by the EU:

IFRS 17	Insurance Contracts
IFRS 10 and IAS 28 (amendments)	Sale or Contribution of Assets between an investor and its Associate or Joint Venture
Amendments to IFRS 3	Definition of a business
Amendments to IAS 1 and IAS 8	Definition of material
Conceptual Framework	Amendments to References to the Conceptual Framework in IFRS Standards

The potential effect of the revised standards and interpretations on the financial statements is currently being determined by the Company's management.

#### IFRS 16 Leases

The Company has adopted IFRS 16, *Leases* ("IFRS 16"), which brings most leases onto the Statements of Financial Position, eliminating the distinction between operating and finance leases. The Company did not have any leases upon transition, nor has it entered into any new leases during the year. As such, the adoption of IFRS 16 has not had an impact on the Statement of Financial Position or Statement of Profit and Loss.

#### Other new and revised standards

The Company has reviewed and adopted other new and revised standards which became effective during the current accounting period, including IFRIC 23; Annual improvements to IFRS Standards 2015-2017 Cycle; and amendments to IAS 19, IAS 28, and IFRS 9. Adoption of these new and revised standards did not have an impact on the Statement of Financial Position or Statement of Profit and Loss.

### 3 Significant accounting policies

#### Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial statements have been prepared under the historical cost convention. The financial statements are expressed in US dollars, which is the functional currency of the Company.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

#### Going concern

In accordance with their responsibilities, as the Company has net current liabilities at year end, despite having net total assets, the Directors have considered the going concern of the Company and continue to conclude that the Company is a going concern.

At the year end the Company has a \$110m (2018: \$139m) net current liability, whereby current liabilities exceed current assets. However the Company has total net assets of \$1,456m (2018: \$1,624m) when including non-current assets and liabilities.

This assessment was based on the positive performance of the Company's underlying subsidiaries and the fact that the vast majority of the Company's current liabilities are related party balances. Therefore, despite the Covid-19 pandemic (see page 4), the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Financial risk management is further considered in the Strategic Report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### Investments

Investments are recorded at cost less impairment, if applicable.

# Notes to the financial statements

## Multiplex Global Limited

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### Financial Instruments

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Loans and borrowings are measured at amortised cost using effective interest method. Interest expenses are recognised by applying the effective interest rate.

Intercompany loans are repayable on demand and therefore, for the purposes of considering expected credit losses, have a contractual period of one day or less. The Company, as lender, expects to recover the loan in full and consequently considers the expected credit loss to be immaterial.

### Foreign currency

The individual financial statements are presented in USD, being the currency of the company's primary economic environment in which the entity operates (its functional currency).

In preparing the financial statements, transactions in currencies other than the entity's functional currency are recorded at foreign currency rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Foreign currency exchange differences are recognised in the income statement in the period in which they arise.

### 4 Critical accounting estimates and judgements

The preparation of the financial statements in conformity with International Financial Reporting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The Directors believe that there are no critical accounting estimates relevant to this Company. Judgment is applied when determining whether indicators of impairment exist when assessing the carrying values of the Company's assets including investments in subsidiaries. Following a review of forecast discounted cash flows against the carrying value of investments, the Company recognised an impairment related to two of the Company's investments. See note 10 for further information.

### 5 Operating loss

Audit fees of \$11,700 (2018: \$16,000) for the audit of the financial statements were incurred for the period.

### 6 Remuneration of Directors

None of the Directors received remuneration for their services as Director of the Company in the period ended 31 December 2019 (2018: nil). There were no employees in the current period (2018: nil).

### 7 Income tax

For the year ended 31 December

Millions	2019	2018
Net (loss) / profit before tax	\$ (168.6)	\$ 25.2
Income tax benefit / (charge) at 19%	32.0	(4.8)
Tax effect of expenses that are not deductible in determining taxable profit	(27.4)	5.7
Tax effect of utilisation of tax losses not previously recognised	-	(1.2)
Change in unrecognised deferred tax assets	(4.0)	(0.1)
Prior year true-up	(0.8)	0.7
Income tax benefit / (charge)	\$ (0.2)	\$ 0.2

# Notes to the financial statements

## Multiplex Global Limited

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### 8 Provisions

As at 31 December

Millions		2019	2018
Opening balance	\$	2.9	\$ 3.1
Additions		0.8	3.0
Releases		(3.7)	(3.2)
Total provisions	\$	-	\$ 2.9

The provision relates to the Company's Global Risk Allowance. This provision is recognised to reflect the financial impact of the risks associated with the Company's consolidated construction projects, including cost overruns.

### 9 Equity

As at 31 December

Millions	Note	2019	2018
19,958,076 ordinary shares, fully paid		\$ 1,995.8	\$ 1,995.8
Share premium		25.4	25.4
Retained loss		(565.6)	(396.8)
Total common equity		\$ 1,455.6	\$ 1,624.4

Holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at shareholders' meetings. In the event of the winding up of the Company, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation. All ordinary shares have a nominal value of \$100.

### 10 Investment in subsidiaries

As at 31 December

Millions		2019	2018
Opening balance	\$	1,760.9	\$ 709.5
Acquisitions		107.2	1,051.4
Impairment in investment in subsidiaries <sup>1</sup>		(121.9)	-
Closing balance	\$	1,746.2	\$ 1,760.9

The Company held investments in the following companies (all investments consist of ordinary shares):

As at 31 December

Millions		2019	2018
Multiplex Europe Limited	\$	789.6	\$ 789.6
Brookfield BBP Construction Holdings Limited <sup>1</sup>		365.2	378.4
BBPHA 1 Pty Ltd		577.4	577.4
Multiplex Canada Holdings Limited <sup>1</sup>		10.0	14.1
Multiplex Global Limited Insurance Limited		2.6	-
Multiplex (Mauritius) Limited		1.3	1.3
Multiplex Construction (US) Holding Limited		0.0	0.0
Total investment in subsidiaries	\$	1,746.2	\$ 1,760.9

<sup>1</sup>2019 included an impairment to investment in subsidiaries totalling \$121.9 million (2018: nil). The investment in Brookfield BBP Construction Holdings Limited was impaired by \$110.8 million and Multiplex Canada Holdings Limited was impaired by \$11.1 million, reflecting the resizing of the Company's businesses.

# Notes to the financial statements

## Multiplex Global Limited

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Indirectly held investments	Principal activity	Country of incorporation	Effective proportion held
Multiplex Construction Europe Holding Limited (99 Bishopsgate, Second Floor, London, EC2M 3XD, United Kingdom)	Holding Company	UK	100%
Multiplex CDM Services Europe Limited (99 Bishopsgate, Second Floor, London, EC2M 3XD, United Kingdom)	Construction, Design and Management (CDM) Services	UK	100%
Multiplex Services Europe Limited (99 Bishopsgate, Second Floor, London, EC2M 3XD, United Kingdom)	Facilities Management	UK	100%
Multiplex Plant & Equipment Europe Limited (99 Bishopsgate, Second Floor, London, EC2M 3XD, United Kingdom)	Plant and Equipment Hire	UK	100%
Multiplex Construction Europe Limited (99 Bishopsgate, Second Floor, London, EC2M 3XD, United Kingdom)	Construction	UK	100%
Multiplex Construction Ireland Limited (1st Floor Temple Hall, Temple Road, Blackrock, Co. Dublin, Ireland)	Construction	Republic of Ireland	100%
BBP Australia Holdings Pty Ltd (Level 22, 135 King Street, Sydney, NSW 2000)	Holding Company	Australia	100%
Multiplex Pty Ltd (Level 22, 135 King Street, Sydney, NSW 2000)	Holding Company	Australia	100%
Multiplex Australasia Pty Ltd (Level 22, 135 King Street, Sydney, NSW 2000)	Holding Company	Australia	100%
Multiplex Constructions Pty Ltd (Level 22, 135 King Street, Sydney, NSW 2000)	Construction	Australia	100%
Brookfield Multiplex Constructions (NZ) Limited (Level 3, 48 Courthouse Lane, Chancery, Auckland, 1010, New Zealand)	Construction	New Zealand	100%
Brookfield Multiplex FSH Hold Co Pty Limited (Level 22, 135 King Street, Sydney, NSW 2000)	Construction	Australia	100%
Brookfield Multiplex FSH Contractor Pty Limited (Level 22, 135 King Street, Sydney, NSW 2000)	Construction	Australia	100%
Brookfield Multiplex HSP Pty Ltd (Level 22, 135 King Street, Sydney, NSW 2000)	Operations	Australia	100%
Brookfield Multiplex HSP Hotel Owner Pty Ltd (Level 22, 135 King Street, Sydney, NSW 2000)	Operations	Australia	100%
Brookfield Multiplex HSP Operator Pty Ltd (Level 22, 135 King Street, Sydney, NSW 2000)	Operations	Australia	100%
CS Stage 4 Pty Ltd (Level 22, 135 King Street, Sydney, NSW 2000)	Operations	Australia	100%



# Notes to the financial statements

## Multiplex Global Limited

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Indirectly held Investments	Principal activity	Country of Incorporation	Effective proportion held
JEJB Pty Ltd (Level 22, 135 King Street, Sydney, NSW 2000)	Operations	Australia	100%
Multiplex Constructions Qld Pty Ltd (Level 22, 135 King Street, Sydney, NSW 2000)	Construction	Australia	100%
Multiplex Engineering And Infrastructure Pty Ltd (Level 22, 135 King Street, Sydney, NSW 2000)	Construction	Australia	100%
Brookfield Multiplex Engineering & Infrastructure Pty Ltd & BG&E Pty Limited (P.O. Box 247, Subiaco PO WA 6904, Australia)	Construction	Australia	89%
Multiplex Middle East Holdings WLL (Flat 2131 Building 2504, Road 2832, Block 428, Al Moayed, Al Seef, Manama, Bahrain)	Holding Company	Bahrain	100%
Multiplex Middle East Management Company Ltd (Unit 08, Level 3, Gate Village Building 4, Dubai International Financial Centre, Dubai, PO BOX 22975, United Arab Emirates)	Operations	UAE	100%
Multiplex (Oman) LLC (C/- Denton Wilde Sapte & Co., Muscat Branch, Al Fannar Building, Second and Penthouse Floors, Building No 569, Way No 3009, Shatti Al Aunum, P O Box 3552, Ruwi - 12, Oman)	Operations	Oman	100%
Multiplex Constructions WLL (Level 2, Jaldah Square, Umm Ghuwailina, 63 Airport Road, P.O. Box 23793, Doha, Qatar)	Operations	Qatar	49%
Multiplex Constructions LLC (Level 1 Al Manara Building, Sheikh Zayed Road, PO Box 22975, Dubai, United Arab Emirates)	Operations	UAE	49%
Multiplex Constructions LLC (P.O. Box 113503, Abu Dhabi, United Arab Emirates)	Construction	UAE	49%
Brookfield Multiplex Holdings Ltd (Internal Office No. 1101 Office No. 1 Amalkis Centre, King Abdul Aziz Road, Jeddah, Saudi Arabia)	Holding Company	Saudi Arabia	54%
El Seif Brookfield Multiplex Services LLC (Khalid Bin Al Waleed Street, Al Hamra District, P.O. Box 25639, Riyadh, 1166, Saudi Arabia)	Operations	Saudi Arabia	50%
Multiplex Technologies Plant And Equipment LLC (Level 1 Al Manara Building, Sheikh Zayed Road, PO Box 22081 Dubai, United Arab Emirates)	Operations	UAE	49%
Inspire Integrated Solutions Holding Limited (Unit 45, Level 15 Gate Building, Dubai International Financial Centre, Dubai, PO BOX 22081 United Arab Emirates)	Holding Company	UAE	100%
Inspire Integrated Solutions Limited (Unit 45, Level 15 Gate Building, Dubai International Financial Centre, Dubai, PO BOX 22081 United Arab Emirates)	Operations	UAE	100%
Inspire Integrated Services L.L.C. (Suite 504, 5th Floor, International Tower, Capital Centre, PO Box 40163, Abu Dhabi, United Arab Emirates)	Operations	UAE	49%
Inspire Integrated Services LLC (Office 1700AF, Property of Ahmed Abdulrahim, Al Attar Business Tower, Sheikh Zayed Road, PO Box 22081 Dubai, United Arab Emirates)	Operations	UAE	49%

# Notes to the financial statements

## Multiplex Global Limited

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Indirectly held investments	Principal activity	Country of incorporation	Effective proportion held
Multiplex Constructions India Private Limited (Unit No. 1405, Parthee Crescenzo, G Block, Plot No. C-38/39, Bandra Kurla Complex, Bandra (E), Mumbai, Mumbai City, 400051 India)	Operations	India	100%
Multitrades Construction Workforce Private Limited (Unit No. 1405, Parthee Crescenzo, G Block, Plot No. C-38/39, Bandra Kurla Complex, Bandra (E), Mumbai, Mumbai City, 400051 India)	Operations	India	100%
Brookfield Multiplex Gammon India LLP (Gammon House, Veer Savarkar Marg, Prabhadevi, Dadar (West), Mumbai, Maharashtra, 400025, India)	Construction	India	50%
Multiplex Canada Holdings Limited (130 King Street, W., Suite 2350, Exchange Tower, Toronto ON M5X 2A2, Canada)	Holding Company	Canada	100%
Multiplex Construction Canada Limited (130 King Street, W., Suite 2350, Exchange Tower, Toronto ON M5X 2A2, Canada)	Operations	Canada	100%
Multiplex Canada HSP Holdings Limited (130 King Street, W., Suite 2350, Exchange Tower, Toronto ON M5X 2A2, Canada)	Holding Company	Canada	100%
Multiplex Construction (US) Holding Ltd (Suite 201 City of Dover, United States, DE 19904)	Holding Company	USA	100%
Multiplex Construction (California) Ltd (Suite 201 City of Dover, United States, DE 19904)	Operations	USA	100%

# Notes to the financial statements

## Multiplex Global Limited

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### 11 Related party transactions

Transactions between the Company and its parent, affiliates and joint ventures are disclosed below.

#### Income statement transactions

For the year ended 31 December  
Millions

Counterparty	Relationship		2019	2018
Multiplex Europe Limited	Subsidiary	Interest expense	\$ (25.8)	\$ -
BBP Australia Holdings Pty Ltd	Subsidiary	Interest expense	(19.6)	(30.2)
Multiplex Pty Ltd	Subsidiary	Interest expense	(10.1)	-
Multiplex Global Limited Insurance Limited	Subsidiary	Interest expense	(0.1)	-
BBPHA 1 Pty Ltd	Subsidiary	Interest received	32.8	-

#### Balances owed (to) / from related parties

As at 31 December  
Millions

Counterparty	Relationship	Type	2019	2018
Multiplex Pty Ltd	Subsidiary	Interest bearing loan	\$ (803.0)	\$ -
Multiplex Europe Limited	Subsidiary	Interest bearing loan	(658.3)	-
Multiplex Pty Ltd	Subsidiary	Interest payable	(82.1)	-
Multiplex Europe Limited	Subsidiary	Interest payable	(26.8)	-
Multiplex Global Limited Insurance Limited	Subsidiary	Interest bearing loan	(7.7)	-
Multiplex Europe Limited	Subsidiary	Non interest bearing loan	(7.3)	(96.0)
Multiplex Construction Canada Limited	Subsidiary	Non interest bearing loan	(3.1)	-
BCI UK Holdings Limited	Parent	Non interest bearing loan	(1.5)	(1.5)
BBPHA 1 Pty Ltd	Subsidiary	Non interest bearing loan	(0.8)	(2.1)
Multiplex Global Limited Insurance Limited	Subsidiary	Interest payable	(0.2)	-
Multiplex Australasia Pty Ltd	Subsidiary	Non interest bearing loan	(0.0)	4.0
Multiplex Construction Canada Limited	Subsidiary	Non interest bearing loan	(0.0)	(0.1)
BBP Australia Holdings Pty Ltd	Subsidiary	Interest bearing loan	-	(673.7)
BBP Australia Holdings Pty Ltd	Subsidiary	Interest payable	-	(35.3)
Brookfield BBP Construction Holdings Limited	Subsidiary	Non interest bearing loan	0.1	-
Multiplex Construction Holding (US) Limited	Subsidiary	Non interest bearing loan	0.2	0.2
Multiplex Construction (California) Limited	Subsidiary	Non interest bearing loan	0.5	0.7
Multiplex Constructions LLC	Subsidiary	Non interest bearing loan	1.9	1.4
Multiplex Pty Ltd	Subsidiary	Non interest bearing loan	2.0	-
Multiplex Construction Europe Limited	Subsidiary	Non interest bearing loan	6.0	2.7
Brookfield Multiplex (Mauritius) Limited	Subsidiary	Non interest bearing loan	6.9	5.5
BBPHA 1 Pty Ltd	Subsidiary	Interest payable	31.9	-
BBPHA 1 Pty Ltd	Subsidiary	Interest bearing loan	620.8	-
Brookfield BBP UK Holdings III Limited	Immediate parent	Non interest bearing loan	627.9	627.4

No guarantees have been given or received.

# Notes to the financial statements

## Multiplex Global Limited

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### 12 Financial Instruments

#### Categories of financial instruments

The following table summarises the fair values of the financial assets and liabilities recorded in the Company's financial statements.

As at 31 December

Millions	2019	2018
<b>Current - Financial assets</b>		
Cash	\$ 0.6	\$ 36.7
Amounts due from related parties	776.1	644.3
Other receivables	5.0	1.5
<b>Total current - financial assets</b>	<b>\$ 781.7</b>	<b>\$ 682.5</b>
<b>Non-current - Financial assets</b>		
Amounts due from related parties	\$ 620.8	\$ -
<b>Total current - financial assets</b>	<b>\$ 620.8</b>	<b>\$ -</b>

As at 31 December

Millions	2019	2018
<b>Current - Financial liabilities</b>		
Amounts due to related parties	\$ 777.4	\$ 775.4
Intercompany interest payable	89.1	35.3
Current tax liability	0.1	0.1
Other payables and accruals	29.6	7.3
<b>Total current - financial liabilities</b>	<b>\$ 896.2</b>	<b>\$ 818.1</b>
<b>Non-current - Financial liabilities</b>		
Amounts due to related parties	\$ 803.0	\$ -
Other payables	2.8	-
<b>Total current - financial liabilities</b>	<b>\$ 805.8</b>	<b>\$ -</b>

The carrying value of receivables from group undertakings are carried at amortised cost, the value of which is equivalent to their fair value. There have been no net gains or losses on financial assets and liabilities carried at amortised cost.

#### Financial risk management objectives

Financial derivatives are not used to mitigate financial risks.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

As at 31 December

Millions	2019	2018
<b>Assets</b>		
AED	\$ 2.0	\$ -
AUD	622.9	4.0
CAD	-	-
GBP	8.0	2.7
<b>Total</b>	<b>\$ 630.9</b>	<b>\$ 6.7</b>
<b>Liabilities</b>		
AED	\$ -	\$ -
AUD	834.1	711.1
CAD	3.1	-
GBP	692.4	96.3
<b>Total</b>	<b>\$ 1,529.6</b>	<b>\$ 807.4</b>

# Notes to the financial statements

## Multiplex Global Limited

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The Company undertakes transactions denominated in foreign currencies; consequently exposures to exchange rate fluctuations arise. The Company has no exposure to interest rate changes. Sensitivity analysis is prepared consistently with these assumptions and the following table details the Company's sensitivity to a 10 per cent increase and decrease in US Dollar against the relevant foreign currencies:

As at 31 December

Millions	2019	2019
AED	10%	(10%)
AUD	0.2	(0.2)
AUD	(21.1)	21.1
CAD	(0.3)	0.3
GBP	(68.6)	68.6

#### Credit risk management

Credit risk exposure refers to the risk that a company will default on its contractual obligations resulting in financial loss to the Company. The Company recognises expected credit losses based on the probability that the entities receivables are held with are unable to meet their obligations. In making this assessment the Company considers all available reasonable and supportable information about past events, current conditions and forecasts of future economic conditions.

The Company considers receivables to have low credit risk exposure since they are all held with intercompany entities. All group companies are considered together and as the intercompany relationships have not changed, the level of credit risk has not increased since initial recognition and the expected credit loss is immaterial.

#### Liquidity risk

Included within net amounts due to related parties are loans payable of \$803m (AUD denominated loan) and \$658m (GBP denominated loan). The AUD denominated loan is a variable interest rate instrument with interest payable monthly with an average effective interest rate of 2.52% plus the BBSW 6 month bid rate per annum. The GBP denominated loan is a variable interest rate instrument with interest payable monthly with an average effective interest rate of 4%. Any interest not paid when due will be capitalised. Its expected maturity is one year from loan commencement but this may be extended if agreed by both parties in writing. The Company has access to financing facilities through its parent and subsidiary undertakings. The Group expects to meet its other obligations from operating cash flows, proceeds from subsidiary undertakings and financing as applicable.

#### Interest rate risk

The Company is exposed to interest rate risk as a result of the \$658m variable interest rate loan. The loan has an average effective interest rate of 2.52% plus the BBSW 6 month bid rate per annum. The risk is mitigated by the fact that this is an intercompany loan.

#### 13 Events subsequent to the reporting date

Since the year end, the outbreak of the Covid-19 virus has given rise to material economic and financial uncertainties. This is considered to be a non-adjusting post balance sheet event for the Company. The impact has been considered by the Directors as set out on page 4.

The Company has made the following additional investments in its subsidiaries:

- Brookfield BBP Construction Holdings Limited
  - \$25m on 23 January 2020
  - \$8m on 24 March 2020
  - \$4m on 28 May 2020
- Multiplex Canada Holdings Limited
  - \$2m on 3 March 2020

There have been no other significant events or transactions that have arisen since the end of the financial period which in the opinion of the Directors would affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company.

#### 14 Ultimate parent undertaking and controlling party

The immediate parent entity of the Company is Brookfield BBP UK Holdings III Ltd, a company incorporated in the UK. The ultimate parent and controlling party is Brookfield Asset Management Inc., a company incorporated in Canada, registered address: 181 Bay Street, Suite 300, Brookfield Place, Toronto, M5J 2T3.

The largest group in which the results of the Company are consolidated is that headed by Brookfield Asset Management Inc. The smallest group in which they are consolidated is that headed by Brookfield Business Partners L.P., registered in the Canada. The consolidated financial statements of Brookfield Business Partners L.P. are available to the public and may be obtained from Brookfield Place, Suite 300, 181 Bay Street, Toronto, ON M5J 2T3 (the same address as Brookfield Asset Management Inc.).