

# ABC LIMITED & ITS SUBSIDIARIES

## BALANCE SHEETS

As at 31 December 2014

	Note	Group 31 December 2014 \$'000	31 December 2013 \$'000	Company 31 December 2014 \$'000	31 December 2013 \$'000
Share capital	3	1,016,112	906,409	1,016,112	906,409
Reserves	4	6,374,270	5,508,975	4,193,452	3,783,517
Share capital & reserves		7,390,382	6,415,384	5,209,564	4,689,926
Non-controlling interests		3,800,674	2,866,384	-	-
Capital employed		11,191,056	9,281,768	5,209,564	4,689,926
Represented by:					
Fixed assets	5	2,715,517	2,243,150	4,080	5,120
Investment properties	6	4,610,107	3,207,539	-	-
Subsidiaries	7	-	-	3,928,160	3,580,409
Associated companies	8	4,232,047	3,586,904	-	55
Investments	9	310,759	299,896	-	-
Long term assets	10	267,060	28,646	339	360
Intangibles	11	98,573	107,676	-	-
		12,234,063	9,473,811	3,932,579	3,585,944
Current assets					
Stocks & work-in-progress in excess of related billings	12	6,218,945	3,940,126	-	-
Amounts due from:					
- subsidiaries	13	-	-	2,204,813	1,732,273
- associated companies	13	403,775	305,162	1,483	2,575
Debtors	14	2,027,933	1,958,993	78,164	82,416
Short term investments	15	577,400	536,872	-	-
Bank balances, deposits & cash	16	3,020,454	4,245,990	1,621	207,073
		12,248,507	10,987,143	2,286,081	2,024,337
Current liabilities					
Creditors	17	5,323,267	4,342,963	234,396	138,435
Billings on work-in- progress in excess of related costs	12	1,863,881	1,638,193	-	-
Provisions	18	77,674	83,586	-	-
Amounts due to:					
- subsidiaries	13	-	-	229,852	241,792
- associated companies	13	63,918	180,609	-	-
Term loans	19	808,475	391,764	17,668	9,047
Taxation	27	478,911	455,079	22,244	26,147
Bank overdrafts	20	-	736	-	-
		8,616,126	7,092,930	504,160	415,421
Net current assets		3,632,381	3,894,213	1,781,921	1,608,916
Non-current liabilities					
Term loans	19	4,068,696	3,675,968	500,000	500,000

Deferred taxation	21	<b>606,692</b>	410,288	<b>4,936</b>	4,934
		<b>4,675,388</b>	4,086,256	<b>504,936</b>	504,934
<b>Net assets</b>		<b>11,191,056</b>	9,281,768	<b>5,209,564</b>	4,689,926

See accompanying notes to the financial statements.

# ABC LIMITED & ITS SUBSIDIARIES

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the financial year ended 31 December 2014

	<u>Note</u>	<b>2014</b> <b>\$'000</b>	2013 \$'000
<b>Revenue</b>	22	<b>10,082,467</b>	9,139,608
Materials and subcontract costs		<b>(6,273,001)</b>	(5,767,767)
Staff costs	23	<b>(1,432,889)</b>	(1,367,077)
Depreciation and amortisation		<b>(208,571)</b>	(188,633)
Other operating expenses		<b>(270,699)</b>	(259,820)
<b>Operating profit</b>	24	<b>1,897,307</b>	1,556,311
Investment income	25	<b>24,589</b>	7,946
Interest income	25	<b>113,982</b>	111,350
Interest expenses	25	<b>(98,230)</b>	(64,701)
Share of results of associated companies	8	<b>239,772</b>	278,211
<b>Profit before tax and exceptional items</b>		<b>2,177,420</b>	1,889,117
Exceptional items	26	<b>1,135,282</b>	661,101
<b>Profit before taxation</b>		<b>3,312,702</b>	2,550,218
Taxation	27	<b>(640,506)</b>	(560,060)
<b>Profit for the year</b>		<b>2,672,196</b>	1,990,158
Attributable to:			
<b>Shareholders of the Company</b>		<b>1,840,512</b>	1,511,064
<b>Non-controlling interests</b>		<b>831,684</b>	479,094
		<b>2,672,196</b>	1,990,158
Earnings per ordinary share	28		
- basic		<b>103.5 cts</b>	85.9 cts
- diluted		<b>102.4 cts</b>	85.3 cts
Gross dividend per ordinary share	29		
Interim dividend paid		<b>17.0 cts</b>	14.5 cts
Final dividend proposed		<b>26.0 cts</b>	23.7 cts
Total distribution		<b>43.0 cts</b>	38.2 cts

See accompanying notes to the financial statements.

# ABC LIMITED & ITS SUBSIDIARIES

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2014

	2014 \$'000	2013 \$'000
<b>Profit for the year</b>	<b>2,672,196</b>	<b>1,990,158</b>
Available-for-sale assets		
- Fair value changes arising during the year	(146,669)	130,996
- Realised & transferred to profit and loss account	(18,906)	1,663
Cash flow hedges		
- Fair value changes arising during the year, net of tax	(116,932)	(1,247)
- Realised & transferred to profit and loss account	10,725	(47,508)
Foreign exchange translation		
- Exchange difference arising during the year	15,617	(100,559)
- Realised & transferred to profit and loss account	(4,077)	10,013
Share of other comprehensive (expense)/income of associated companies	(13,880)	3,133
<b>Other comprehensive (expense)/income for the year, net of tax</b>	<b>(274,122)</b>	<b>(3,509)</b>
<b>Total comprehensive income for the year</b>	<b>2,398,074</b>	<b>1,986,649</b>
<b>Attributable to:</b>		
Shareholders of the Company	1,570,211	1,547,122
Non-controlling interests	827,863	439,527
	<b>2,398,074</b>	<b>1,986,649</b>

See accompanying notes to the financial statements.

# ABC LIMITED & ITS SUBSIDIARIES

## CONSOLIDATED STATEMENT OF CASH FLOWS For the financial year ended 31 December 2014

	2014 \$'000	2013 \$'000
<b>OPERATING ACTIVITIES</b>		
Operating profit	1,897,307	1,556,311
Adjustments:		
Depreciation and amortisation	208,571	188,633
Share-based payment expenses	51,274	38,437
Profit on sale of fixed assets and investment properties	(26,959)	(4,949)
Impairment of assets	-	10,715
Operational cash flow before changes in working capital	2,130,193	1,789,147
Working capital changes:		
Stocks & work-in-progress	(1,856,459)	(594,375)
Debtors	(314,907)	(292,304)
Creditors	563,681	(65,033)
Investments	(217,518)	(71,646)
Intangibles	(10,199)	(5,256)
Advances to associated companies	(223,772)	928
Translation of foreign subsidiaries	9,414	(73,660)
	80,433	687,801
Interest received	119,032	112,888
Interest paid	(98,118)	(57,223)
Income taxes paid, net of refunds received	(343,424)	(293,226)
<b>Net cash (used in)/from operating activities</b>	<b>(242,077)</b>	<b>450,240</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of subsidiary and business	-	(49,184)
Advance payment for acquisition of a subsidiary	(207,930)	-
Acquisition and further investment in associated companies	(477,340)	(343,788)
Acquisition of fixed assets and investment properties	(875,773)	(873,073)
Proceeds from disposal of interest in a subsidiary	-	16,281
Disposal of subsidiaries	(153)	-
Return of capital and disposal of associated companies	53,970	303,165
Proceeds from disposal of fixed assets and investment properties	73,936	58,430
Dividend received from investments and associated companies	175,516	245,119
<b>Net cash used in investing activities</b>	<b>(1,257,774)</b>	<b>(643,050)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from share issues	99,281	73,501
Proceeds from non-controlling shareholders of subsidiaries	245,275	5,091
Proceeds from disposal of interest in a subsidiary	24,991	-
Proceeds from term loans	1,231,567	3,221,224
Repayment of term loans	(422,128)	(921,644)
Acquisition of additional shares in subsidiaries	(22,211)	(117,464)
Dividend paid to shareholders of the Company	(723,857)	(627,183)
Dividend paid to non-controlling shareholders of subsidiaries	(157,867)	(129,580)
<b>Net cash from financing activities</b>	<b>275,051</b>	<b>1,503,945</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,224,800)</b>	<b>1,311,135</b>
<b>Cash and cash equivalents as at 1 January</b>	<b>4,245,254</b>	<b>2,934,119</b>
<b>Cash and cash equivalents as at 31 December</b>	<b>3,020,454</b>	<b>4,245,254</b>

See accompanying notes to the financial statements.

# 14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Trade debtors	1,249,437	1,053,217	-	-
Provision for doubtful debts	(39,367)	(39,156)	-	-
	<u>1,210,070</u>	<u>1,014,061</u>	<u>-</u>	<u>-</u>
Long term receivables due within one year (Note 10)	11,315	1,431	195	200
Sundry debtors	83,154	62,598	853	371
Prepaid project cost & prepayments	85,628	57,275	210	197
Derivative financial instruments (Note 33)	96,736	106,488	76,541	81,228
Tax recoverable	21,652	23,189	-	-
Goods & Services Tax receivable	92,094	88,466	-	-
Interest receivable	14,701	19,751	31	42
Deposits paid	19,479	18,246	334	378
Land tender deposits	38,020	140,021	-	-
Advance land payments	115,493	241,796	-	-
Recoverable accounts	42,057	41,765	-	-
Accrued receivables	17,981	9,459	-	-
Advances to subcontractors	103,294	116,386	-	-
Advances to corporations in which the Group has investment interests	249	250	-	-
Advances to non-controlling shareholders of subsidiaries	104,474	44,759	-	-
	<u>846,327</u>	<u>971,880</u>	<u>78,164</u>	<u>82,416</u>
Provision for doubtful debts	(28,464)	(26,948)	-	-
	<u>817,863</u>	<u>944,932</u>	<u>78,164</u>	<u>82,416</u>
Total	<u>2,027,933</u>	<u>1,958,993</u>	<u>78,164</u>	<u>82,416</u>

Movements in the provision for debtors are as follows:

At 1 January	66,104	64,372	-	-
Charge to profit and loss account	4,619	5,609	-	-
Amount written off	(2,370)	(2,598)	-	-
Subsidiary disposed	(228)	-	-	-
Exchange differences	(294)	(1,279)	-	-
At 31 December	<u>67,831</u>	<u>66,104</u>	<u>-</u>	<u>-</u>

## 17. TRADE AND OTHER PAYABLES

	Group		Company	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Trade creditors	850,953	682,357	-	38
Customers' advances and deposits	98,334	74,999	57	57
Derivative financial instruments (Note 33)	141,422	51,720	90,665	26,950
Sundry creditors	1,000,570	754,078	3,404	16,905
Accrued operating expenses	2,720,461	2,305,512	136,798	90,980
Advances from non-controlling shareholders	361,795	337,410	-	-
Retention monies	132,489	119,756	-	-
Interest payables	17,243	17,131	3,472	3,505
	<u>5,323,267</u>	<u>4,342,963</u>	<u>234,396</u>	<u>138,435</u>

Advances from non-controlling shareholders of certain subsidiaries are unsecured and are repayable on demand. Interest is charged at rates ranging from 0.93% to 12.00% (2013: 1.04% to 6.00%) per annum on interest-bearing loans.