



MACQUARIE

Tollway Holdings Limited

Registered number 03724230

Financial Report 31 December 2017



Contents

Directors' Report	3
Independent auditors' report to the members of Tollway Holdings Limited	5
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statements of Changes in Equity.....	9
Notes to the Financial Statements	10
1 Summary of significant accounting policies	10
2 Auditors' remuneration	11
3 Tax on loss	11
4 Investments.....	12
5 Called up share capital	13
6 Employees' and directors' remuneration.....	13
7 Dividends paid and proposed	13
8 Related party transactions	13
9 Immediate and ultimate parent company.....	13
10 Events occurring after balance sheet date.....	13

Directors' Report

In accordance with a resolution of the Directors (the "Directors") of Tollway Holdings Limited (the "Company" or "THL"), the Directors submit herewith the report and audited financial statements in respect of the year ended 31 December 2017.

As the Company meets the qualifying conditions under section 382 of the *Companies Act 2006* (the "Act"), the Directors have taken advantage of the exemption provided in sections 414B (as incorporated into the Act by the Strategic Report and Directors' Report Regulations 2013) and 415A of the Act for the preparation of a Strategic Report.

The financial statements of THL have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101") and the Act as applicable to Companies using FRS 101. The financial statements have been prepared under the historical cost convention.

Principal activity and future developments

The principal activity of the Company consists of investment in infrastructure projects and associated activities as part of the Atlas Arteria International Limited ("ATLIX") (formerly Macquarie Atlas Roads International Limited) group, being ATLIX and its subsidiaries (the "Group"). The Group forms part of Atlas Arteria ("ALX") (formerly Macquarie Atlas Roads).

The Company does not envisage any changes in activity over the next 12 months.

Results and dividends

The Company's loss for the year ended 31 December 2017 of £29.7 million (2016: £31.8 million) was transferred to equity. The results for the year ended 31 December 2017 are summarised in the Statement of Comprehensive Income on page 7.

No dividend has been proposed or paid to ordinary shareholders for the year ended 31 December 2017 (2016: £nil).

Business review

Principal risks and uncertainties

As at 31 December 2017, the Company had net liabilities of £299.7 million (2016: £269.9 million). The Company had current liabilities payable as follows:

- ATLIX (ultimate parent undertaking) £275.2 million (2016: £245.0 million)
- Tipperhurst Limited ("Tipperhurst") £24.8 million (2016: £25.4 million)

The Directors of ATLIX and Tipperhurst have confirmed that as long as the Company remains in the ATLIX group and Tipperhurst remains as a direct subsidiary of THL:

- ATLIX and Tipperhurst will not require the repayment of their loans and interest accrued thereon, to THL for a period of at least twelve months from the date that the financial statements are approved by the Board of Directors; and

- it is not currently their intention to require repayment of the loan and interest accrued thereon. Beyond that time to the extent that any such repayment would place THL in a position where it would be unable to pay its debts as and when they become due and payable.

Key Performance Indicators ("KPIs")

Given the straightforward nature of the business and the information provided elsewhere in this report, the Directors are of the opinion that the production of KPIs in the Directors' Report is not necessary for an understanding of the development, performance or position of the business. KPIs are monitored at ALX level.

Creditor payment policy

The Company seeks to treat all of its suppliers fairly. It is the Company's policy to agree the terms of payment at the start of business with that supplier, ensure that suppliers are aware of the terms of payment and to pay in accordance with its contractual and other legal obligations.

Indemnification and insurance of Directors and officers

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Act. The indemnity was in force throughout the last year and is currently in force. ATLIX, the ultimate parent of the Company, paid a premium to insure the Directors and officers of ATLIX and its subsidiaries. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the Directors and officers in their capacity as Directors and officers of ATLIX and its subsidiaries, and any other payments arising from liabilities incurred by the Directors and officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the Directors and officers or the improper use by the Directors and officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to ATLIX or its subsidiaries. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities. So long as the Directors and officers of ATLIX and its subsidiaries act in accordance with the relevant company constitutions and the law, the Directors and officers remain indemnified out of the assets of the Group, against any losses incurred while acting on behalf of ATLIX and its subsidiaries.

Directors

The following persons were Directors of the Company during the whole of the year and up to the date of this report (unless otherwise stated):

- Richard Abel
- Steve Barth
- Peter Trent (resigned on 1 February 2018)

Secretary

Steven Smith has been the sole company secretary of the Company during the whole of the year and up to the date of signing this report.

Directors' Report (continued)

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Directors' 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Act. The Directors 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.

Statement of disclosure of information to auditors

In the case of each of the persons who are Directors at the time when the Directors' Report is approved, the following applies:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Financial risk management objectives and policies

The Company is exposed to financial risks in the form of foreign exchange risk and cash flow interest rate risk.

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is different from the currency in which the entity normally operates. The Company does not hedge the foreign exchange exposure on investments due to their long-term horizon.

The Company has interest bearing assets consisting of cash balances. The Company has a policy of monitoring cash balances to ensure working capital requirements are at an appropriate level to fund its operations.

Going concern

An assessment of going concern has been carried out by the Directors during the year. They have considered the solvency of the Company and do not intend to liquidate the Company for at least 12 months from the date of signing this report. Confirmation has been received from the Directors of ATLIX and Tipperhurst that the existing loans will not be called upon in the next 12 months from the date of signing this report. As such, the financial results have been prepared on a going concern basis, which assumes that the Company will be able to meet its liabilities as and when they fall due for at least 12 months from the date of signing this report.

Following the disposal of the Company's interest in the M6 Toll, there is uncertainty around the future necessity of the Company and consideration will be given as to whether the wind up of this entity is appropriate.

Events occurring after balance sheet date

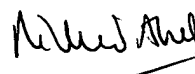
There have been no circumstances or events subsequent to the year-end which require adjustment of or disclosure in the financial statements or in the notes thereto.

Independent auditors

Pursuant to section 487(2) of the Act, PricewaterhouseCoopers LLP are deemed re-appointed as the auditors of the company for each financial year unless the Directors or the members of the Company resolve to terminate their appointment. As at the date of these financial statements, the Directors are not aware of any resolution to terminate the appointment of the auditors.

On behalf of the Board

Director - *RICHARD ABEL*



13 September 2018

Ropemaker Place
28 Ropemaker Street
London EC2Y 9HD
United Kingdom

Independent auditors' report to the members of Tollway Holdings Limited

Report on the audit of the financial statements

Opinion

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

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

We have audited the financial statements, included within the Financial Report (the "Annual Report"), which comprise: the statement of financial position; the statement of comprehensive income, the statements of changes in equity; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

Reporting on other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

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

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Use of this report

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

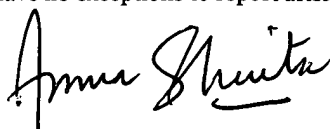
• Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Amena Shaista (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
13 September 2018

Statement of Comprehensive Income

	Note	Year ended 31 Dec 2017 £'000	Year ended 31 Dec 2016 £'000
Foreign exchange gain/(loss)		585	(4,765)
Audit fees	2	(12)	(15)
Taxation fees	2	(7)	(2)
Administrative expenses		(3)	(1)
Operating profit/(loss)		563	(4,783)
Interest payable to ultimate parent undertaking		(30,278)	(27,015)
Loss before taxation¹		(29,715)	(31,798)
Tax on loss	3	-	-
Loss for the financial year		(29,715)	(31,798)
Other comprehensive income			
Other comprehensive income		-	-
Total other comprehensive income		-	-
Total comprehensive expense for the year		(29,715)	(31,798)

The notes on pages 10 to 13 are integral part of these financial statements.

1. The loss before taxation for current and prior year relates wholly to continuing operations.

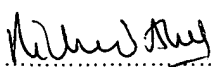
Statement of Financial Position

	Note	As at 31 Dec 2017 £'000	As at 31 Dec 2016 £'000
Current assets			
Cash		4	4
Receivables from ultimate parent undertaking		457	479
Total current assets		461	483
Non-current assets			
Investments	4	-	-
Total non-current assets		-	-
Total assets		461	483
Current liabilities			
Payables to ultimate parent undertaking		(275,248)	(244,970)
Payables to group undertaking		(24,838)	(25,421)
Other payables and accruals		(26)	(28)
Total current liabilities		(300,112)	(270,419)
Net liabilities		(299,651)	(269,936)
Equity			
Called up share capital	5	39,998	39,998
Accumulated losses		(339,649)	(309,934)
Total equity		(299,651)	(269,936)

The notes on pages 10 to 13 are integral part of these financial statements.

The financial statements on pages 8-13 were approved by the Board of Directors on 13 September 2018 and were signed on its behalf by:

7



Director

RICHARD ABEL

Statements of Changes in Equity

	Attributable to owners		
	Called up share capital £'000	Accumulated losses £'000	Total equity £'000
Total equity at 1 January 2017	39,998	(309,934)	(269,936)
Loss for the year	-	(29,715)	(29,715)
Other comprehensive income	-	-	-
Total comprehensive expense	-	(29,715)	(29,715)
Total equity at 31 December 2017	39,998	(339,649)	(299,651)

	Attributable to owners		
	Called up share capital £'000	Accumulated losses £'000	Total equity £'000
Total equity at 1 January 2016	39,998	(278,136)	(238,138)
Loss for the year	-	(31,798)	(31,798)
Other comprehensive income	-	-	-
Total comprehensive expense	-	(31,798)	(31,798)
Total equity at 31 December 2016	39,998	(309,934)	(269,936)

The notes on pages 10-13 are an integral part of these financial statements.

Notes to the Financial Statements

1 Summary of significant accounting policies

The financial statements contain information about Tollway Holdings Limited (the "Company" or "THL") as an individual company and do not contain consolidated financial information of any of its subsidiaries. The Company is exempt under section 401 of the *Companies Act 2006* (the "Act") from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in full consolidation in the consolidated financial statements of its ultimate parent Atlas Arteria International Limited ("ATLIX") (formerly Macquarie Atlas Roads International Limited), which are publicly available.

The Company is a private company and is incorporated and domiciled in the UK. The address of its registered office is Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD, United Kingdom.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements of THL have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101") and the Act as applicable to Companies using FRS 101. The financial statements have been prepared under the historical cost convention.

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in FRS 101 which addresses the financial reporting requirements and disclosure exemptions in the financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards ("IFRS").

The Company is a qualifying entity for the purposes of FRS 101. Note 9 gives details of the Company's parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

In accordance with FRS 101 the following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements:

- International Accounting Standard ("IAS") 7 "Statement of Cash Flows": The Company has elected to utilise the disclosure exemption to not produce a cash flow statement.
- IAS 24 "Related Party Disclosures": The Company's ultimate parent undertaking, ATLIX, prepares consolidated financial statements which are publicly available. Accordingly, the Company has elected to utilise the disclosure exemptions to not disclose transactions with entities that are part of the group or investees of group entities as related parties in these financial statements.
- IFRS 13 "Fair Value Measurement": The Company has elected to utilise the disclosure exemptions to not disclose valuation techniques and inputs used for fair value measurement of assets and liabilities.
- IAS 1 "Presentation of financial statements": The Company has utilised the disclosure exemptions in regard to the following paragraphs of IAS 1:
 - a) Paragraph 10(d) and 111: The Company has elected to utilise the disclosure exemption to not produce a cash flow statement given in IAS 7 and therefore has not presented the cash flow statement as mentioned in paragraph 10(d); and
 - b) Paragraphs 134-136: The Company has elected to utilise the exemption in respect to capital management disclosures as given in these paragraphs in accordance with FRS 101.
- IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors": The requirements of paragraphs 30 and 31 of IAS 8 (disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).

Deficiency of net current assets/net assets

The Directors of the Company have prepared the financial statements on a going concern basis despite there being an excess of current liabilities over current assets at 31 December 2017 of £299.7 million (2016: £269.9 million). The Company had current liabilities payable as follows:

- ATLIX (ultimate parent undertaking) £275.2 million (2016: £245.0 million)
- Tipperhurst Limited ("Tipperhurst") £24.8 million (2016: £25.4 million)

The Directors of ATLIX and Tipperhurst have confirmed that as long as the Company remains in the ATLIX group and Tipperhurst remains as a direct subsidiary of THL:

- ATLIX and Tipperhurst will not require the repayment of their loans and interest accrued thereon, to THL for a period of at least twelve months from the date that the financial statements are approved by the Board of Directors; and
- it is not currently their intention to require repayment of the loan and interest accrued thereon. Beyond that time to the extent that any such repayment would place THL in a position where it would be unable to pay its debts as and when they become due and payable.

New standards, amendments and IFRIC interpretations

No new accounting standards, or amendments to accounting standards or IFRIC interpretations that are effective for the year ended 31 December 2017, have had a material impact on the Company.

Critical accounting estimates and judgements

The preparation of the financial statements in accordance with FRS 101 requires the use of certain critical accounting estimates. It also requires the Directors to exercise judgement in the process of applying the accounting policies. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including reasonable expectations of future events. The Directors believe the estimates used in the preparation of the financial statements are reasonable. Actual results in the future may differ from those reported.

Notes to the Financial Statements (continued)

1 Summary of significant accounting policies (continued)

Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in Pounds Sterling (£), which is also the Company's functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income. All other foreign exchange gains and losses are presented in the income statement within 'other operating income'.

2 Auditors' remuneration

	Year ended 31 Dec 2017 £'000	Year ended 31 Dec 2016 £'000
Amounts paid or payable to PricewaterhouseCoopers LLP for:		
Audit services	12	15
Taxation services	7	2
	19	17

3 Tax on loss

Taxation and deferred taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided fully in respect of all timing differences between the accounting and tax treatment of income and expenses at the reporting date, the anticipated reversal of which will result in a change in future liability to tax.

The provision is calculated using the rates expected to be applicable when the asset or liability crystallises based on current tax rates and law measured on a non-discounted basis. A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of temporary differences can be deducted.

	Year ended 31 Dec 2017 £'000	Year ended 31 Dec 2016 £'000
Reconciliation of current tax and deferred tax charge		
Loss before taxation	(29,715)	(31,798)
Loss multiplied by the applicable rate of corporation tax of 19.25% (2016: 20.00%) ¹	(5,720)	(6,360)
Transfer pricing adjustment non-interest bearing loans	(73)	(76)
Effect of other non-deductible expense	5,829	5,403
Losses (claimed through)/carried forward to group relief	(36)	1,033
Tax on loss	-	-

1. The UK corporation tax rate was 19.25% for the year ended 31 December 2017 (2016: 20.00%).

Deferred Tax

A deferred tax asset should only be recognised where it can be regarded as more likely than not that there will be suitable taxable profits from which a future reversal of the underlying timing differences can be deducted. In the opinion of the Directors this is currently not the case and therefore no asset is recognised in the financial statements. The Company has no carried forward tax losses as at 31 December 2017 and therefore no deferred tax asset has been recognised (2016: nil).

Notes to the Financial Statements (continued)

4 Investments

Investments

Investments are measured at cost less any provisions for impairment. Management have reviewed the recognition and measurement of adopting FRS101 with respect to both existing and new investments and concluded that the use of fair value did not enhance the assets' appropriateness for subsequent measurement. This decision was based on the challenges of obtaining market prices on a consistent basis.

Impairment of assets

The carrying amount of investments is assessed periodically to determine whether there are any indications of impairment. If that is the case, an impairment charge is taken against the carrying amount of the assets, if that is higher than the recoverable amount. The impairment of investment is recognised as an expense in the Statement of Comprehensive Income.

The recoverable amount of the asset is the higher of the net realisable value and the value in use. If it is not possible to determine a recoverable amount for the individual assets, the assets are assessed together in the smallest group of assets which generate cash inflows that are largely independent of those from other assets or groups of assets.

All investments have been fully written off as at 31 December 2017 and 31 December 2016. Below are the details of investments:

Subsidiary Undertaking	Country of Corporation	Principal activities	Year end	As at 31 Dec 2017	As at 31 Dec 2016
				Percentage of ordinary shares held	Percentage of ordinary shares held
Tipperhurst Limited	UK	Dormant	31 December	100%	100%
MQA Infrastructure US Pty Limited	AUSTRALIA	Dormant	31 December	100%	100%
Greenfinch Motorways Limited	UK	Dormant	31 December	100%	100%
MQA 125 Holdings Inc ¹	US	Dormant	31 December	100%	100%

1. MQA 125 Holdings Inc is a direct subsidiary of MQA Infrastructure US Pty Limited.

Associate Undertaking	Country of Corporation	Principal activities	Year end	As at 31 Dec 2017	As at 31 Dec 2016
				Percentage of ordinary shares held by direct subsidiary	Percentage of ordinary shares held by direct subsidiary
Peregrine Motorways Limited ¹ ("PML")	UK	Infrastructure Investment	31 December	-	100%
Midland Motorways Group Limited ("MMG") (formerly known as Macquarie Motorways Group Limited) ¹	UK	Infrastructure Investment	31 December	-	100%
Midland Expressway Limited ¹ ("MEL")	UK	Toll road operator	31 December	-	100%

1. On 1 May 2017, the transfer of THL's 100% ordinary equity interest in the M6 Toll to the M6 Toll Lender Group was announced. On 5 May 2017, the equity interest in PML, MMG and MEL was transferred to the M6 Toll Lender and THL received £1.00 as final consideration.

Notes to the Financial Statements (continued)

5 Called up share capital

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

	As at 31 Dec 2017 £'000	As at 31 Dec 2016 £'000
Allotted and fully paid		
1,936,940,676 (2016: 1,936,940,676) Ordinary shares of £0.02065 each	39,998	39,998
Total called up share capital	39,998	39,998

Each fully paid share confers the right to vote at the meetings of the shareholders.

6 Employees' and directors' remuneration

There are no employees engaged in the Company's principal activity (2016: nil).

During the year ended 31 December 2017 and the year ended 31 December 2016, all Directors were employed by and received remuneration from subsidiaries of Macquarie Group Limited ("MGL"), the ultimate parent of Macquarie Fund Advisers Pty Limited, the adviser of ATLIX. The Directors perform director duties for multiple entities in connection with their employment by members of the Macquarie Group (being MGL and its subsidiaries) as well as their employment duties within the Macquarie Group businesses. Consequently, allocating their employment compensation accurately across all these duties would not be feasible. Accordingly, no separate remuneration has been disclosed.

7 Dividends paid and proposed

No dividend has been proposed or paid in the year ended 31 December 2017 (2016: nil).

8 Related party transactions

The Company has taken advantage of the exemptions available under FRS 101 for disclosure of transactions with entities that are 100% owned within the ATLIX Group as related parties in these financial statements.

The Company does not have any related party other than the parties covered under the above mentioned exemption.

The Company does not have any transactions with the Directors during the year.

9 Immediate and ultimate parent company

The immediate parent undertaking of the Company is ALX Investments Limited, a company incorporated in Bermuda having registered office, Belvedere Building, 69 Pitts Bay Road, Pembroke HM08, Bermuda.

The ultimate parent undertaking and controlling party is ATLIX, a mutual fund company incorporated in Bermuda, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the consolidated financial statements which include the results of the Company can be obtained from Belvedere Building, 69 Pitts Bay Road, Pembroke HM08, Bermuda.

10 Events occurring after balance sheet date

There have been no circumstances or events subsequent to the year-end which require adjustment of or disclosure in the financial statements or in the notes thereto.