

**ABN Amro Securities Holding  
(Denmark) ApS**

**c/o Harbour House, Sundkrogsgade 21, 2100-  
Copenhagen**

**CVR no. 28 28 22 57**

**Annual report for 2017**

Adopted at the annual general meeting  
on 27 June 2018



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Vibeke Rohde  
chairman

## Contents

|  | <b>Page</b> |
|--|-------------|
| <b>Statements</b>                            |             |
| Statement by management on the annual report | 1           |
| Independent auditor's report                 | 2           |
| <b>Management's review</b>                   |             |
| Company details                              | 5           |
| Management's review                          | 6           |
| <b>Financial statements</b>                  |             |
| Income statement 1 January - 31 December     | 7           |
| Balance sheet 31 December                    | 8           |
| Notes to the annual report                   | 10          |
| Accounting policies                          | 12          |

## Statement by management on the annual report

The management has today discussed and approved the annual report of ABN Amro Securities Holding (Denmark) ApS for the financial year 1 January - 31 December 2017.

The annual report is prepared in accordance with the Danish Financial Statements Act.

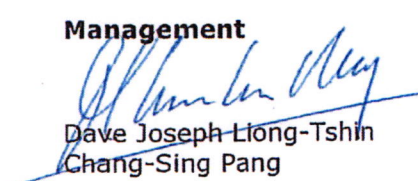
In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January - 31 December 2017.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

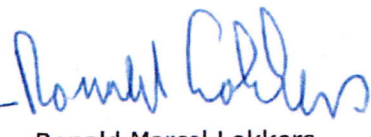
Management recommends that the annual report should be approved at the annual general meeting.

Copenhagen, 27 June 2018

### Management



Dave Joseph Liang-Tshin  
Chang-Sing Pang



Ronald Marcel Lokkers



Niels Christian Wedell-  
Wedellsborg

## **Independent auditor's report**

### ***To the shareholder of ABN Amro Securities Holding (Denmark) ApS***

#### **Opinion**

We have audited the financial statements of ABN Amro Securities Holding (Denmark) ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 december 2017 and of the results of the company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

#### **Basis for Opinion**

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

#### **Independence**

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

#### **Management's responsibilities for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as management determines 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, management is 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 in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

## Independent auditor's report

### **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 and the additional requirements applicable in Denmark 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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

## Independent auditor's report

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

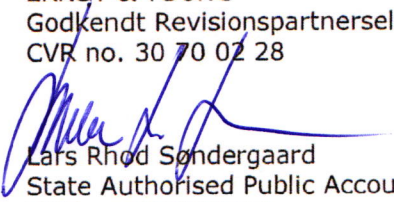
In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.


Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 27 June 2018

ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

  
Lars Rhod Søndergaard  
State Authorised Public Accountant  
MNE no. MNE28632

  
Anders Flymer-Dindler  
State Authorised Public Accountant  
MNE no. MNE35423

## Company details

### The company

ABN Amro Securities Holding (Denmark) ApS  
c/o Harbour House  
Sundkrogsgade 21  
2100-Copenhagen

CVR no.: 28 28 22 57

Reporting period: 1 January - 31 December 2017

Domicile: Copenhagen

### Management

Dave Joseph Liong-Tshin Chang-Sing Pang  
Ronald Marcel Lokkers  
Niels Christian Wedell-Wedellsborg

### Auditors

ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
c/o Postboks 250, Osvald Helmuths Vej 4  
DK-2000 Frederiksberg

### Consolidated financial statement

The Company is included in the group annual report of the ultimate parent company: ABN AMRO Groep N.V., Holland

The group annual report may be obtained at the following address:

[https://www.abnamro.com/en/images/Documents/050\\_Investor\\_Relations/Financial\\_Disclosures/2017/ABN\\_AMRO\\_Group\\_Annual\\_Report\\_2017.pdf](https://www.abnamro.com/en/images/Documents/050_Investor_Relations/Financial_Disclosures/2017/ABN_AMRO_Group_Annual_Report_2017.pdf)

## **Management's review**

### **Business activities**

The company's activities comprise different arbitrage strategies which involve listed shares and derivatives hereof. All of the company's strategies involve limited market risk. The trading activities ended in 2010, and there have been no other activities since.

### **Financial review**

On 5 May 2015 the Swiss Federal Supreme Court held a public hearing which caused the company to expense dividend taxes including accrued interest.

The company's management expect that the company will be wound up once the case is settled conclusively.

During 2017 the case with the Swiss Tax Authorities is final settled and no further liabilities remain outstanding for the company on this matter. The finalization of the case results in a gain before tax of tEUR 50.202 as a direct result of a reversal of initial accrued debt worth tEUR 15.951 and a repayment of overstated interests from the Swiss Tax Authorities, worth tEUR 34.251.

### **Significant events occurring after end of reporting period**

No events have occurred after the balance sheet date which could significantly affect the company's financial position, however the Management are now discussing means on how to liquidate the company after the case with the Swiss Tax Authorities have been finalized.



## Income statement 1 January - 31 December

|                                     | Note | 2017<br>TEUR  | 2016<br>TEUR  |
|-------------------------------------|------|---------------|---------------|
| Other external expenses             |      | -38           | -43           |
| <b>Gross profit</b>                 |      | <b>-38</b>    | <b>-43</b>    |
| Financial income                    | 2    | 50,202        | 0             |
| Financial costs                     | 3    | -577          | -1,474        |
| <b>Profit/loss before tax</b>       |      | <b>49,587</b> | <b>-1,517</b> |
| Tax on profit/loss for the year     |      | 0             | 0             |
| <b>Net profit/loss for the year</b> |      | <b>49,587</b> | <b>-1,517</b> |

### Distribution of profit

#### Proposed distribution of profit

|                   |  |               |               |
|-------------------|--|---------------|---------------|
| Retained earnings |  | 49,587        | -1,517        |
|                   |  | <b>49,587</b> | <b>-1,517</b> |

## Balance sheet 31 December

|                                  | Note | 2017                 | 2016                 |
|----------------------------------|------|----------------------|----------------------|
|                                  |      | TEUR                 | TEUR                 |
| <b>Assets</b>                    |      |                      |                      |
| Receivables from group companies |      | 49,938               | 16,289               |
| Corporation tax                  |      | 0                    | 18                   |
| Prepayments                      |      | 6                    | 4                    |
| <b>Receivables</b>               |      | <u>49,944</u>        | <u>16,311</u>        |
| <b>Cash at bank and in hand</b>  |      | <u>22</u>            | <u>19</u>            |
| <b>Current assets total</b>      |      | <u>49,966</u>        | <u>16,330</u>        |
| <b>Assets total</b>              |      | <u><u>49,966</u></u> | <u><u>16,330</u></u> |

## Balance sheet 31 December

|                                     | Note | 2017<br>TEUR  | 2016<br>TEUR  |
|-------------------------------------|------|---------------|---------------|
| <b>Liabilities and equity</b>       |      |               |               |
| Share capital                       |      | 1,306         | 1,306         |
| Retained earnings                   |      | 48,598        | -989          |
| <b>Equity</b>                       | 4    | <b>49,904</b> | <b>317</b>    |
| Trade payables                      |      | 21            | 32            |
| Payables to group companies         |      | 41            | 30            |
| Other payables                      |      | 0             | 15,951        |
| <b>Short-term debt</b>              |      | <b>62</b>     | <b>16,013</b> |
| <b>Debt total</b>                   |      | <b>62</b>     | <b>16,013</b> |
| <b>Liabilities and equity total</b> |      | <b>49,966</b> | <b>16,330</b> |
| Special items                       | 5    |               |               |
| Related parties and ownership       | 6    |               |               |

## Notes

|  | <u>2017</u> | <u>2016</u> |
|--|-------------|-------------|
|  | TEUR        | TEUR        |

### 1 Staff costs

|                             |          |          |
|-----------------------------|----------|----------|
| Average number of employees | <u>0</u> | <u>0</u> |
|-----------------------------|----------|----------|

|  | <u>2017</u> | <u>2016</u> |
|--|-------------|-------------|
|  | TEUR        | TEUR        |

### 2 Financial income

|  |                      |                 |
|--|----------------------|-----------------|
| Repaid interests from swiss tax authorities        | 34,251               | 0               |
| Reversal of accrued interest-debt for loss on case | 15,951               | 0               |
|  | <u><b>50,202</b></u> | <u><b>0</b></u> |

|  | <u>2017</u> | <u>2016</u> |
|--|-------------|-------------|
|  | TEUR        | TEUR        |

### 3 Financial costs

|                                    |                   |                     |
|------------------------------------|-------------------|---------------------|
| Financial expenses, group entities | 264               | 235                 |
| Other financial costs              | 0                 | 1,195               |
| Exchange loss                      | 313               | 44                  |
|                                    | <u><b>577</b></u> | <u><b>1,474</b></u> |

## Notes

### 4 Equity

|                                   | Share capital | Retained earnings | Total         |
|-----------------------------------|---------------|-------------------|---------------|
| Equity at 1 January 2017          | 1,306         | -989              | 317           |
| Net profit/loss for the year      | 0             | 49,587            | 49,587        |
| <b>Equity at 31 December 2017</b> | <b>1,306</b>  | <b>48,598</b>     | <b>49,904</b> |

### 5 Special items

During 2017 the case with the Swiss Tax Authorities is final settled and no further liabilities remain outstanding for the company on this matter. The finalization of the case results in a gain before tax of tEUR 50.202 as a direct result of a reversal of initial accrued debt worth tEUR 15.951 included under financial income as reversal of interest, and a repayment of overstated interests from the Swiss Tax Authorities, worth tEUR 34.251 included under financial income as repayment of interests.

### 6 Related parties and ownership

#### Consolidated financial statements

The Company is included in the group annual report of the ultimate parent company:  
ABN AMRO Groep N.V., Holland

The group annual report may be obtained at the following address:

[https://www.abnamro.com/en/images/Documents/050\\_Investor\\_Relations/Financial\\_Disclosures/2017/ABN\\_AMRO\\_Group\\_Annual\\_Report\\_2017.pdf](https://www.abnamro.com/en/images/Documents/050_Investor_Relations/Financial_Disclosures/2017/ABN_AMRO_Group_Annual_Report_2017.pdf)

## Accounting policies

The annual report of ABN Amro Securities Holding (Denmark) ApS for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2017 is presented TEUR.

### Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

### Income statement

#### Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

## Accounting policies

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

### Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

## Balance sheet

### Receivables

Receivables are measured at amortised cost.

### Cash and cash equivalents

Cash and cash equivalents comprise cash and cash equivalents.

### Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

### Liabilities

Liabilities, which include trade receivables, payables to group enterprises and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign-exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.