

ABN Amro Securities Holding (Denmark) ApS

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

CVR no. 28 28 22 57

Annual report for 2016

Adopted at the annual general meeting
on 23 June 2017

Anders Solem
chairman

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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 2016.

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 2016 and of the results of the company's operations for the financial year 1 January - 31 December 2016.

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, 23 June 2017

Management

Dave Joseph Liong-Tshin
Chang-Sing Pang

Ronald Marcel Lokkers

Peter Drachmann

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 2016, 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 2016 and of the results of the company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, 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.

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.

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

Independent auditor's report

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.

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.

Independent auditor's report

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, 23 June 2017

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

Lars Rhod Søndergaard
State Authorised Public Accountant

Anders Flymer-Dindler
State Authorised Public Accountant

Company details

The company

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

CVR no.: 28 28 22 57
Reporting period: 1 January - 31 December
Domicile: Copenhagen

Management

Dave Joseph Liong-Tshin Chang-Sing Pang
Ronald Marcel Lokkers
Peter Drachmann

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 consolidated Financial Statement of the ultimate parent company:

ABN AMRO Groep N.V., Holland

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

https://www.abnamro.com/en/images/Documents/Investor_Relations/Financial_Disclosures/2016/ABN_AMRO_Group_Annual_Report_2016.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.

The Company's capital has been restored through a cash contribution during the course of the fiscal year of 2016, from the parent company which has been used to settle the liabilities of the company.

Significant events occurring after end of reporting period

No events have occurred, which could affect the Company's financial position.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2016</u> TEUR	<u>2015</u> TEUR
Other external expenses		-43	-50
Value adjustments		<u>0</u>	<u>-57,401</u>
Profit/loss before financial income and expenses		-43	-57,451
Financial costs	2	<u>-1,474</u>	<u>-14,615</u>
Profit/loss before tax		-1,517	-72,066
Tax on profit/loss for the year		<u>0</u>	<u>0</u>
Net profit/loss for the year		<u>-1,517</u>	<u>-72,066</u>
Distribution of profit			
Proposed distribution of profit			
Retained earnings		<u>-1,517</u>	<u>-72,066</u>
		<u>-1,517</u>	<u>-72,066</u>

Balance sheet 31 December

	<u>Note</u>	<u>2016</u>	<u>2015</u>
		TEUR	TEUR
Assets			
Receivables from group companies		16,289	0
Corporation tax		18	0
Prepayments		4	4
Receivables		<u>16,311</u>	<u>4</u>
Cash at bank and in hand		<u>19</u>	<u>1</u>
Current assets total		<u>16,330</u>	<u>5</u>
Assets total		<u><u>16,330</u></u>	<u><u>5</u></u>

Balance sheet 31 December

	Note	2016 TEUR	2015 TEUR
Liabilities and equity			
Share capital		1,306	1,306
Retained earnings		-989	-97,571
Equity	3	317	-96,265
Trade payables		32	17
Payables to group companies		30	24,349
Other payables		15,951	71,904
Short-term debt		16,013	96,270
Debt total		16,013	96,270
Liabilities and equity total		16,330	5

Notes

	<u>2016</u>	<u>2015</u>
	TEUR	TEUR
1 Staff costs		
Average number of employees	<u>0</u>	<u>0</u>

	<u>2016</u>	<u>2015</u>
	TEUR	TEUR
2 Financial costs		
Financial expenses, group entities	235	113
Other financial costs	1,195	14,502
Exchange loss	<u>44</u>	<u>0</u>
	<u>1,474</u>	<u>14,615</u>

3 Equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2016	1,306	-97,572	-96,266
Cash capital increase	0	98,100	98,100
Net profit/loss for the year	<u>0</u>	<u>-1,517</u>	<u>-1,517</u>
Equity at 31 December 2016	<u>1,306</u>	<u>-989</u>	<u>317</u>

Accounting policies

The annual report of ABN Amro Securities Holding (Denmark) ApS for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

Changes to presentation and disclosures only

Effective 1 January 2016, the Company has implemented act no. 738 of 1 June 2015 with amendments to the Danish Financial Statements Act. As the implementation of the amendment act has no impact in terms of value on the income statement or the balance sheet in the financial year, nor on the comparative figures, the financial statements have been prepared based on the same accounting policies as last year.

The amendment act has solely implied new or changed presentation and disclosure requirements, which have been incorporated in the financial statements.

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

The annual report for 2016 is presented in 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's 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's 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 are presented and which confirm or invalidate matters existing at the balance sheet date.

Accounting policies

Income statement

Other external expenses

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

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.