
DB OVERSEAS HOLDINGS LIMITED

Company number: 01268118

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2018

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DB OVERSEAS HOLDINGS LIMITED

STRATEGIC REPORT

For the year ended 31 December 2018

The Directors of DB Overseas Holdings Limited ("the Company") present their annual report and audited financial statements for the year ended 31 December 2018. These financial statements have been prepared in accordance with FRS 101 *Reduced Disclosure Framework* ("FRS 101"). In so doing, the Company has applied the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the European Union ("IFRSs"), but has made amendments, where necessary, in order to comply with the requirements of Companies Act 2006.

Objectives

The primary objective of the Company is to function as a holding company.

The Company is one of the subsidiaries of Deutsche Bank Aktiengesellschaft ("Deutsche Bank AG"). Deutsche Bank AG and its other subsidiaries are collectively referred to as "the Group" for the purpose of these financial statements.

Principal risks and uncertainties

The risks faced by the Company are predominantly internal to the Group and include interest rate and credit risk stemming from its funding activities. As a wholly owned subsidiary within the Group, these and other risks are managed within the risk and control functions of the Group.

The Directors acknowledge their responsibility for the overall management of the risks faced by the Company. The key business risks and uncertainties affecting the Company are driven by those of its subsidiaries and derivative counterparties.

Key performance indicators

The key business metrics for the Company which are monitored by the Board include:

	<u>2018</u>	<u>2017</u>
	€ 000s	€ 000s
Pre-tax Profit	5,553	14,355
Net Assets	55,610	49,910

Current period results and dividends

The result of the Company for the year ended 31 December 2018 shows a post-tax profit of €5,700,000 (2017: €11,192,000).

The profit for the year was driven by €6,325,000 income from shares in group undertakings; €855,000 loss on fair value adjustments on the total return swap with Charitable Luxembourg Two S.a.r.l., Charitable Luxembourg Four S.a.r.l. and IVAF Jersey Limited; and €325,000 net foreign exchange gain attributable to realised gain from an Israeli Shekel/Euro hedge.

On 2 February 2018, the Company recognised a gain of €2,395 from the liquidation of DB Alternative Strategies Limited. It was subsequently dissolved on 8 February 2018.

On 12 March 2018, DB Capital Partners General Partner Limited was dissolved. The Company received €6,322,449 as liquidation proceeds on 25 May 2018. A gain of €6,322,447 was recognised from the liquidation.

On 13 March 2018, Deutsche Emerging Markets Investments (Netherlands) B.V. has been dissolved.

The Company's funding and cashflow profiles are largely unchanged and its balance sheet remains stable.

No final dividend is paid or proposed by the Directors during the year (2017: €nil).

Events after the balance sheet date

On 28 January 2019, the Company sold its remaining investment in Gordian Knot Limited for €174,495. A gain of €174,495 was recognised from the sale of investment.

DB OVERSEAS HOLDINGS LIMITED

STRATEGIC REPORT (continued)
For the year ended 31 December 2018

Future outlook

As a result of the letter of comfort from its indirect parent, Deutsche Holdings No.2 Limited, the Company is able to maintain its good standing and remain in a position to meet its obligations as they fall due.

Although the Company is in a net current liability position, the Directors are satisfied that the Company will not be required to settle its group short-term obligations unless it has sufficient resources to do so.

On 23 June 2016, the United Kingdom voted to leave the European Union ("Brexit"). The future impacts of Brexit to the Company cannot be predicted but the Directors will continue to closely monitor the developments and assess the possible impacts of these developments on the Company. As at the date of this report the Directors have no reason to believe that any of these uncertain factors will have any impact on the Company given that the Company does not have any balances that are external to the Group.

The outlook of the business is stable, and it is expected that the Company will maintain its current level of activity.

By order of the Board of Directors



Director / Secretary
A.W. BARTLETT
Registered office
Winchester House
1 Great Winchester Street
London
EC2N 2DB

Dated: 26 September 2019

Company number: 01268118

DIRECTORS' REPORT

For the year ended 31 December 2018

Directors

The directors of the Company who held office were as follows:

N.K.J. Calvert	
B. Craig	(resigned 16 August 2018)
B.J. Pallas	(appointed 15 August 2018)
C.C. Snailham	(appointed 19 November 2018)
R. Tandon	(resigned 23 May 2018)

Company secretary

A.W. Barlett	
P. Davis	(appointed 4 September 2018; resigned 16 September 2019)
R. Smith	(resigned 16 March 2018)

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The Directors are responsible for preparing the strategic report, 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. Accordingly, they have elected to prepare the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures which have been disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions, disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with Companies Act 2006.

They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The Directors have confirmed that they spent time appropriate to their responsibilities on the affairs of the Company during the year.

The Directors have chosen, in accordance with section 414C(11) of the Companies Act 2006, to set out in its Strategic Report information that is otherwise required to be contained in the Directors' Report:

- an indication of financial risk management objectives and policies;
- details of important events affecting the Company (and any subsidiaries in its consolidation) since the end of the
- an indication of likely future developments in the business of the Company.

Disclosure of information to auditor

The Directors of the company 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; and the Directors have taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

DB OVERSEAS HOLDINGS LIMITED

DIRECTORS' REPORT (continued)

For the year ended 31 December 2018

Qualifying third party indemnity provision

As at the date of approval of the financial statements, and during the year, a qualifying third party indemnity provision was in force for the benefit of the Company's Directors.

Auditor

Pursuant to Section 487 of Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board of Directors



Director / Secretary

A.W. BARTLETT

Registered office

Winchester House

1 Great Winchester Street

London

EC2N 2DB

Dated: 26 September 2019

Company number: 01268118

Opinion

We have audited the financial statements of DB Overseas Holdings Limited ("the company") for the year ended 31 December 2018 which comprise the Profit and loss account, Statement of Total Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Other Matter

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of the basis for a period for at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditors' report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DB OVERSEAS HOLDINGS LIMITED
For the year ended 31 December 2018

Matters on which we are required to report by exception

Under the Companies Act 2006, we required to report to you 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 director's 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 these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Mike Heath (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London E14 5GL

Dated: 30 September 2019

DB OVERSEAS HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2018

	Note	2018 € 000's	2017 € 000's
Income from shares in group undertakings	5	6,325	-
Interest receivable and similar income from group undertakings		23	-
Other interest receivable and similar income		6	-
Amounts written off investments	4	-	(2,074)
Interest payable and similar expenses to group undertakings	6	(123)	(205)
(Loss)/Gain on derivative contracts	7	(869)	15,922
Net foreign exchange gain		325	815
Other expenses		(134)	(103)
PROFIT BEFORE TAXATION		5,553	14,355
Tax credit/(charge) on profit	8	147	(3,163)
PROFIT FOR THE FINANCIAL YEAR		5,700	11,192

The profit for the year has arisen from continuing operations.

The notes on pages 11 to 17 form part of these financial statements.

DB OVERSEAS HOLDINGS LIMITED

STATEMENT OF TOTAL COMPREHENSIVE INCOME
For the year ended 31 December 2018

	<u>2018</u> <u>€ 000's</u>	<u>2017</u> <u>€ 000's</u>
Profit for the financial year	5,700	11,192
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR	5,700	11,192

The comprehensive income for the year has arisen from continuing operations.

The notes on pages 11 to 17 form part of these financial statements.

DB OVERSEAS HOLDINGS LIMITED


BALANCE SHEET

As at 31 December 2018

	Note	2018 € 000's	2017 € 000's
FIXED ASSETS			
Shares in group undertakings	4	73,156	73,156
		73,156	73,156
CURRENT ASSETS			
Debtors	9	30,203	30,915
Cash at bank and in hand	10	11,124	7,741
		41,327	38,656
CREDITORS: Amounts falling due within one year			
Amounts owed to group undertakings	11	(58,840)	(58,541)
Other creditors including taxation and social security	12		(3,337)
Accruals and deferred income		(33)	(24)
		(58,873)	(61,902)
NET CURRENT LIABILITIES		(17,546)	(23,246)
NET ASSETS		55,610	49,910
CAPITAL AND RESERVES			
Called up share capital	13	55,978	55,978
Profit and loss account		(368)	(6,068)
SHAREHOLDER'S FUNDS		55,610	49,910

The notes on pages 11 to 17 form part of these financial statements.

These financial statements were approved by the Board of Directors and signed on its behalf by



Director
B.J. PAULAS

Dated: 26/9/19

Company number: 01268118

DB OVERSEAS HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2018

	<u>Called up share capital</u> € 000's	<u>Profit and loss account</u> € 000's	<u>Total</u> € 000's
Balance at 1 January 2018	55,978	(6,068)	49,910
Profit for the financial year	-	5,700	5,700
Balance at 31 December 2018	55,978	(368)	55,610

For the year ended 31 December 2017

	<u>Called up share capital</u> € 000's	<u>Profit and loss account</u> € 000's	<u>Total</u> € 000's
Balance at 1 January 2017	55,978	(17,260)	38,718
Profit for the financial year	-	11,192	11,192
Balance at 31 December 2017	55,978	(6,068)	49,910

The notes on pages 11 to 17 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

These financial statements were prepared in accordance with FRS 101 *Reduced Disclosure Framework*.

In so doing, the Company has applied the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the European Union ("IFRSs"), but has made amendments where necessary in order to comply with the requirements of Companies Act 2006. Accordingly, the relevant IFRS have been referenced in the following notes where relevant.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following

- A cash flow statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of the transactions with related parties; and
- The effects of new but not yet effective IFRSs.

As the Company is not a 'Financial Institution', as defined by the Financial Reporting Council, it has applied the exemptions available for disclosures required by IFRS 7, IFRS 13 and IAS 1.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

The executive directors of the Company are members of the Group defined contribution pension schemes operated by DB Group Services (UK) Limited ("DBGS"): details of which are disclosed in the financial statements of that entity. The Company has no obligation to pay employee retirement benefits, and has no commitment or guarantee to indemnify DBGS for retirement benefit

The Company is incorporated, registered and domiciled in England and Wales (UK) as a private limited company, limited by shares.

Deutsche Holdings No. 3 Limited, a company registered in England and Wales, is the Company's immediate controlling entity.

Deutsche Bank Aktiengesellschaft ("Deutsche Bank AG"), a company incorporated in Germany, is the parent company, the ultimate controlling entity and the parent undertaking of the largest and smallest group of undertakings for which group financial statement are prepared, in accordance with IFRSs. Its registered address is Taunusanlage 12, Frankfurt am Main, 60325, Germany. Copies of the Group financial statements of this company are available to the public and may be obtained from Winchester House, 1 Great Winchester Street, London, EC2N 2DB.

(a) Group financial statements

Since 1 January 2018, the Company has applied the new accounting standards IFRS 9 "Financial Instruments" which replaced IAS 39 and IFRS 15 "Revenue from Contracts with Customers". The adoption of the two new accounting standards did not have an impact on the financial statements of the Company. There were no other amendments to the accounting standards that are effective for the year ended 31 December 2018 that would have a material impact to the Company.

(b) Changes in accounting policy

Since 1 January 2018, the Company has applied the new accounting standards IFRS 9 "Financial Instruments" which replaced IAS 39 and IFRS 15 "Revenue from Contracts with Customers". The adoption of the two new accounting standards did not have an impact on the financial statements of the Company. There were no other amendments to the accounting standards that are effective for the year ended 31 December 2018 that would have a material impact to the Company.

(c) Basis of measurement

The financial statements have been prepared on the historical cost basis, except for the following:

- Amounts owed by group undertakings are initially measured at fair value, and subsequently at amortised cost.
- Amounts owed to group undertakings are initially measured at fair value, and subsequently at amortised cost.
- Cash at bank and in hand is carried at fair value (IAS 39).
- Cash at bank and in hand is carried at amortised cost (IFRS 9).
- Financial assets available for sale and the related fair value hedge are stated at fair value.

There is no offsetting of financial assets and liabilities in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

1 ACCOUNTING POLICIES (continued)

(d) Interest receivable and similar income and Interest payable and similar expenses to/from group undertakings

This includes interest on interest-earning deposits and short-term borrowings. Interest income and expense are recognised in the profit and loss as they accrue using the effective interest rate method.

The effective interest rate is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or expense over the relevant period using the estimated future cash flows. The estimated future cash flows used in this calculation include those determined by the contractual terms of the asset or liability, all fees that are considered to be integral to the effective interest rate, direct and incremental transaction costs, and all other premiums or discounts.

(e) Foreign exchange

Foreign currency transactions are translated into Euros at the rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are then re-translated into Euros at the rates ruling on that date with the resulting translation differences being recognised in the profit and loss account.

(f) Income from shares in group undertakings

Dividend income is recognised in the profit and loss account when the right to receive the payment is established.

Dividends to the Company's shareholder are recognised when the dividends are approved for payment.

(g) Current and deferred taxation

The charge for taxation is based on profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

(h) Impairment

A financial asset cannot be reported at more than what the Company can recover from it (the recoverable amount), either from using it (value in use) or selling it (fair value less costs of disposal). If the asset's carrying amount exceeds the recoverable amount the asset is deemed impaired and an impairment loss must be recognised in the profit and loss account.

The Company follows a 3 step approach to determining impairment:

1. Assess whether there is any indication of impairment.
2. If any indication of impairment exists, the recoverable amount of the asset must be estimated. This will involve:
 - a) determination of the unit of valuation for impairment purposes; and
 - b) determination of the recoverable amount.
3. If the recoverable amount (defined as the higher of fair value less costs of disposal and value in use) is below the carrying amount of the asset, then the carrying amount must be written down to its recoverable amount. That reduction is an impairment loss.

(i) Shares in group undertakings

Shares in group undertakings, as disclosed in Note 4 are stated at cost less impairment.

(j) Derivatives - total return swaps

The risks and rewards of certain co-investments made by the Company on behalf of the Group are borne via total return swaps.

As swap counterparty, the Company reflects the net payments in respect of the total return swap agreements, which comprise the interest expense on the funding costs of the underlying funds/investments, any impairment and any distribution of income.

The swaps are fair valued based on the underlying investments' fair value.

(k) Critical accounting estimates and judgements

The preparation of these financial statements requires the directors to make estimates and assumptions for certain categories of assets and liabilities. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's estimates.

The significant accounting policy of the Company that involves critical accounting estimates relates to the impairment of investments in subsidiaries (Note (h)), and valuation of total return swaps (Note (j)).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

2 ADMINISTRATIVE EXPENSES

The Company does not have any employees. The staff involved in the Company's operations are all employees of the Group. Their total staff costs are borne by other Group companies without recharge. Consequently, staff costs have not been included in these financial statements (2017: €nil).

Auditor's remuneration for services rendered to the Company have been borne by another group undertaking.

	<u>2018</u> <u>€ 000's</u>	<u>2017</u> <u>€ 000's</u>
Audit of these financial statements	34	34
	<u>34</u>	<u>34</u>

3 DIRECTORS' EMOLUMENTS, TRANSACTIONS AND INTERESTS

a) Emoluments

As per Note 2, staff and directors are not paid by the Company but by a fellow group undertaking.

	<u>2018</u> <u>€ 000's</u>	<u>2017</u> <u>€ 000's</u>
Directors' emoluments	-	2
	<u>-</u>	<u>2</u>

During the year, no director received shares or payments under long term incentive schemes (2017: 1 director received group shares or payments under long term incentive schemes totalling £399 (€449)).

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £2,236 (€2,490) and the pension contributions were nil (2017: The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £2,236 (€2,532)).

No Directors exercised any shares options under long term incentive schemes.

b) Transactions

There were no amounts outstanding to the Directors of the Company as at 31 December 2018 (2017: €nil) or at any point during the year ended 31 December 2018. In this instance, the term Directors also covers individuals connected to directors as defined by s.252 of the Companies Act, 2006.

c) Interests

None of the Directors had any other disclosable interest in the shares or debentures of any UK group undertaking at the end of the year, or were granted or exercised any right to subscribe for shares in, or debentures of, any UK group undertaking during the year.

DB OVERSEAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

4 SHARES IN GROUP UNDERTAKINGS

	<u>2018</u> <u>€ 000's</u>	<u>2017</u> <u>€ 000's</u>
Cost		
At 1 January	85,109	85,109
Disposals	-	-
At 31 December	<u>85,109</u>	<u>85,109</u>
Provision		
At 1 January	11,953	9,879
Impairment	-	2,074
Reversal of impairment	-	-
At 31 December	<u>11,953</u>	<u>11,953</u>
Net book amount		
At 31 December	<u>73,156</u>	<u>73,156</u>

Direct group undertakings

<u>Name of Company</u>	<u>Number and Class of Shares Owned</u>	<u>2018 % Holding</u>	<u>2017 % Holding</u>	<u>Registered Address</u>	<u>Nature of Business</u>
DB Alternative Strategies Limited	1 Ordinary	-	100	171 Elgin Avenue, Century Yard, Cricket Square, 4th Floor, George Town, Grand Cayman, Cayman Islands	Formerly investment adviser
DB Capital Partners General Partner Limited	2 Ordinary	-	100	15 Canada Square, Canary Wharf, London, Great Britain	Formerly investment company
DB International Investments Limited	2 Ordinary	100	100	23 Great Winchester Street, London, Great Britain	Holding company
Deutsche Colombia S.A.S. (in liquidation)	129,199 Ordinary	100	100	Calle 67 # 7-35, Oficina 1204, Bogotá, Colombia	Formerly proprietary trading
Deutsche Securities Israel Ltd.	50,822 Ordinary	100	100	46 Rothschild Boulevard, Alrov Tower, 21st Floor, Tel Aviv, Israel	Investment banking
Deutsche Securities Venezuela S.A. (in liquidation)	2,358,000 Ordinary	100	100	Av. Francisco de Miranda, Torre Cavendes, Piso 11, Oficina 1103 (Las Palos Grandos), Caracas, Venezuela	Own-account trading

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

4 SHARES IN GROUP UNDERTAKINGS (continued)**Indirect group undertakings**

<u>Name of Company</u>	<u>Number and Class of Shares Owned</u>	<u>2018 % Holding</u>	<u>2017 % Holding</u>	<u>Registered Address</u>	<u>Nature of Business</u>
Deutsche Emerging Markets Investments (Netherlands) B.V.	19,999 Ordinary	-	100	De Entree 99 - 197, Amsterdam, Netherlands	Rendering services
Deutsche Global Markets Limited	9,900 Ordinary	100	100	46 Rothschild Boulevard, Alrov Tower, 15th Floor, Tel Aviv, Israel	Investment adviser
Deutsche Investments (Netherlands) N.V.	1,000 Ordinary	100	100	De Entree 99 - 197, Amsterdam, Netherlands	Holding companies without management function

Associated direct undertakings and incorporated significant holdings

<u>Name of Company</u>	<u>Number and Class of Shares Owned</u>	<u>2018 % Holding</u>	<u>2017 % Holding</u>	<u>Registered Address</u>	<u>Nature of Business</u>
Gordian Knot Limited	6,177, Ordinary A	25	25	Berkeley Square, Lansdowne House, London, Great Britain	Investment management

On 2 February 2018, the Company recognised a gain of €2,395 from the liquidation of DB Alternative Strategies Limited. It was subsequently dissolved on 8 February 2018.

On 12 March 2018, DB Capital Partners General Partner Limited was dissolved. The Company received €6,322,449 as liquidation proceeds on 25 May 2018. A gain of €6,322,447 was recognised from the liquidation.

On 13 March 2018, Deutsche Emerging Markets Investments (Netherlands) B.V. has been dissolved.

5 INCOME FROM SHARES IN GROUP UNDERTAKINGS

During the year, the Company received dividends from shares in group undertakings as follows:

	<u>2018 € 000's</u>	<u>2017 € 000's</u>
DB Capital Partners General Partner Limited	6,323	-
DB Alternative Strategies Limited	2	-
	<u>6,325</u>	<u>-</u>

6 INTEREST PAYABLE AND SIMILAR EXPENSES TO GROUP UNDERTAKINGS

	<u>2018 € 000's</u>	<u>2017 € 000's</u>
Interest expense on short-term borrowings	(147)	(136)
Overhead expense allocation - group	24	(69)
	<u>(123)</u>	<u>(205)</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

7 (LOSS)/GAIN ON DERIVATIVE CONTRACTS

	<u>2018</u> <u>€ 000's</u>	<u>2017</u> <u>€ 000's</u>
(Loss)/Gain on total return swaps	(855)	16,178
Loss on currency translation adjustments	(14)	(256)
	<u>(869)</u>	<u>15,922</u>

8 TAX CREDIT/(CHARGE) ON PROFIT

(a) Analysis of tax on profit

	<u>2018</u> <u>€ 000's</u>	<u>2017</u> <u>€ 000's</u>
<i>Current taxation</i>		
Group relief credit/(charge) for the year	147	(3,163)
Tax credit/(charge) on profit	<u>147</u>	<u>(3,163)</u>

The standard rate of tax for the year, based on the UK standard rates of corporation tax is 19% (2017: 19.25%). The actual tax charge for the year differs from the standard rate for the reasons set out in the following reconciliation.

(b) Current tax reconciliation

	<u>2018</u> <u>€ 000's</u>	<u>2017</u> <u>€ 000's</u>
Profit before taxation	5,553	14,355
Tax charge on profit at standard rate (2018: 19%; 2017: 19.25%)	(1,055)	(2,764)
Tax adjustments:		
UK dividend income	1,202	-
Impairment of shares in group undertakings	-	(399)
Tax credit/(charge) on profit	<u>147</u>	<u>(3,163)</u>

A reduction in the rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015. The Finance Bill 2016 which announced a further reduction in the UK corporation tax rate to 17% by 2020 was substantively enacted on 6 September 2016. This will reduce the company's future tax charge accordingly.

9 DEBTORS

	<u>2018</u> <u>€ 000's</u>	<u>2017</u> <u>€ 000's</u>
Financial assets at fair value through profit or loss	29,795	30,650
Overhead expense allocation - group	263	265
Other debtors	145	-
	<u>30,203</u>	<u>30,915</u>

Financial assets at fair value through profit or loss pertain to total return swaps with IVAF Jersey Limited, Charitable Luxembourg Two S.a.r.l. and Charitable Luxembourg Four S.a.r.l.

10 CASH AT BANK AND IN HAND

	<u>2018</u> <u>€ 000's</u>	<u>2017</u> <u>€ 000's</u>
Cash at bank held with group undertakings	11,124	7,741
	<u>11,124</u>	<u>7,741</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

11 AMOUNTS OWED TO GROUP UNDERTAKINGS

	<u>2018</u> <u>€ 000's</u>	<u>2017</u> <u>€ 000's</u>
Short-term borrowings	(58,840)	(58,541)
	<u>(58,840)</u>	<u>(58,541)</u>

Short-term borrowings include amounts owed to Deutsche Bank AG, London Branch, which were mainly used to fund the acquisition of the Company's various subsidiaries.

12 OTHER CREDITORS INCLUDING TAXATION AND SOCIAL SECURITY

	<u>2018</u> <u>€ 000's</u>	<u>2017</u> <u>€ 000's</u>
Current taxation	-	(3,117)
Other creditors	-	(220)
	<u>-</u>	<u>(3,337)</u>

13 CALLED UP SHARE CAPITAL

	<u>2018</u> <u>No. of Shares</u> <u>000's</u>	<u>2017</u> <u>No. of Shares</u> <u>000's</u>
Allotted, called up and fully paid:		
Ordinary shares of £1 each	50,000	50,000
	<u>50,000</u>	<u>50,000</u>
	<u>2018</u> <u>€ 000's</u>	<u>2017</u> <u>€ 000's</u>
Allotted, called up and fully paid:		
Ordinary shares of €1.12 each	55,978	55,978
	<u>55,978</u>	<u>55,978</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and entitled to one vote per share.

14 EVENTS AFTER THE BALANCE SHEET DATE

On 28 January 2019, the Company sold its remaining investment in Gordian Knot Limited for €174,495. A gain of €174,495 was recognised from the sale of investment.