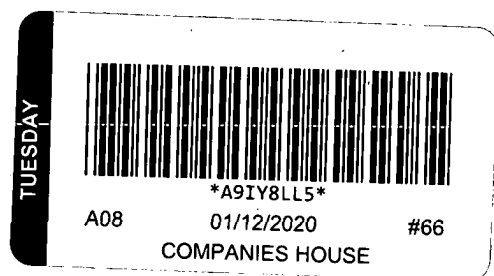

DBOI GLOBAL SERVICES (UK) LIMITED

Company number: 06583053

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2019



STRATEGIC REPORT

For the year ended 31 December 2019

The Directors of DBOI Global Services (UK) Limited (the "Company") present their annual report and audited financial statements for the year ended 31 December 2019. These financial statements have been 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.

Objectives

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" in these financial statements.

The primary objective of the Company is to provide processing and customer service support – in particular Client Lifecycle Management – across all major asset classes and products to other entities in the Group. The Company also provides a range of Technology, Anti-Financial Crime, Compliance and Human Resources services to other Group members. The Company supports more than 70 processes grouped across more than 20 major business lines including Derivatives, Interest Claims and Debt Client Service and Collateral Management. In exchange for these services revenues are recovered from its internal clients at a cost plus arms length pricing mark-up basis.

Section 172 Companies Act 2006 Statement

DBOI Global Services (UK) Limited ("DBOI" or the "Company") is a wholly owned indirect subsidiary of Deutsche Bank AG. The objective of the Company is to provide processing and customer service support across all major asset classes and products to other entities in the Group, as well as other infrastructure (Compliance, Legal, Human Resources) services to DB Group entities.

Consistent with the DB Group, the directors are committed to implementing and maintaining strong disciplines in their decision making. Insofar as the Board has made decisions during the financial year, it has had regard to s172 factors where relevant, particularly the likely consequences of such decisions in the long term and its impact for its staff. Board activities during the period centred on supervising the services it provides to other DB Group companies and employee related matters including pension scheme arrangements. During the period, the Board also considered and approved the DB Group consolidated Modern Slavery Statement for 2018:

The wider DB Group and DBOI have responsibility to clients, investors, communities and employees and earning and maintaining the trust of these stakeholders is fundamental. The Board recognises that it relies on its employees to support and join with the Board in seeking to establish and maintain a reputation for high standards of business conduct and integrity. To this end, behavioural expectations are set out in the DB Group Code of Conduct (the "Code") which defines the cultural tone of the organisation. The Code is designed to ensure that employees conduct themselves ethically, with integrity, and in accordance with the Group's policies and procedures as well as the laws and regulations that apply to the Group globally.

In its decision-making, DBOI is mindful of the DB Group's strategic agenda and, as a business partner, the need to promote the success of the franchise in the region in the long term. Given the nature and purpose of DBOI, and with the exception of interaction with its employees, it has limited direct interaction with external stakeholders, which are overseen by the DB Group. Its primary stakeholders, namely other internal DB Group companies, are carefully managed through intra-group service agreements which set out the services provided and the associated key performance indicators. In instances where it interacts with and is required to take into account the interests of broader stakeholders including suppliers, customers and others with interests in the Company, DBOI does so by applying and in accordance with relevant DB Group policies, procedures, principles and codes of conduct as well as its framework of prudent controls which enables risk to be assessed and managed. The wider DB Group is committed to the Paris Pledge for Action and has recently been part of the first round of signatories to the UN Principles for Responsible Banking.

The Group's HR function is responsible for managing and overseeing the framework of policies and procedures in relation to the management and development of DBOI's people, including amongst others, reward, recruitment, acquisition, development and mobility of talent, workforce planning, diversity and inclusion, reward, employee relations, performance, engagement and culture and delivery of HR information and services. The Board seeks to ensure a satisfactory dialogue with the DB Group on strategy, remuneration policy, resources and other relevant matters and to oversee the independence, autonomy and effectiveness of policies and procedures. Employee values and the required behaviours are reinforced throughout the DB Group through a variety of delivery mechanisms including mandatory training for all staff; transparent dialogue on the principles underpinning core values at town hall meetings; and articles on the intranet.

The DB Group and DBOI are keen to foster an environment that is open and inclusive and where opinions are valued. In serving clients, stakeholders and communities, the success of the Group and its employees is built on respect, collaboration and teamwork. To that end, a 'speak up' culture had been introduced which supports an open and honest dialogue across the organisation and also helps identify any areas for improvement. Such a culture promotes an environment where all employees feel comfortable, confident and empowered to voice concerns and challenge any behaviours or matters that could present potential conduct risk, such as violations of laws, rules and regulations or internal policies. A range of channels are available to report any suspected misconduct including through Compliance and Legal teams as well as via a telephone and electronic platform reporting system, the Integrity Hotline.

STRATEGIC REPORT (continued)

For the year ended 31 December 2019

Understanding what motivates and engages employees and how they perceive the work environment serves to improve employees' experience at work and open and regular dialogue is encouraged. Tools to support this include the dbPeople survey and the UK Employee Forum. The dbPeople survey enables the DB Group to measure commitment and enablement of the workforce, identify trends and develop actions to address gaps. The UK Employee Forum provides a platform for the DB Group to consult and openly share information about relevant organisational matters which collectively impact employees in the UK. Consultation allows communication to be transparent and, in seeking resolution on mutual issues of concern, ensures that the views of employees are considered before any final decisions are taken.

The Board has sight of the Birmingham Leadership Forum ("BLF") which meets monthly to discuss actions affecting the Birmingham site. In addition to a number of DBOI board members being attendees of the BLF, extracts of the minutes are presented to the DBOI board on a quarterly basis and any relevant actions or discussions are escalated as appropriate.

The Company filed its Gender Pay Gap Report during the period, which provided transparency around the difference in average earnings between women and men across the organisation. Efforts by the HR function of the DB Group to address the pay gap in line with the DB Group's existing goal to increase the participation of women at the bank, especially in the senior and higher-paying roles continued. External programmes are in place to inspire more young women over time to opt for science, technology, engineering or mathematics (STEM) subjects at school and to choose a career in the financial services industry.

Principal risks and uncertainties

The Company is subject to a number of risks. While the Directors acknowledge their responsibility for the overall management of these risks, as a wholly owned subsidiary of the Group, they are centrally managed within the risk and control functions of the Group.

The key business risk affecting the Company is considered to be the risk of process failure creating credit and/or reputational risk to the Group via, inter alia, payment error, client confidentiality breach or business interruption.

Market and Credit Risk

The Company's credit risk is primarily attributable to unsecured amounts owed by the Group. The Company monitors collections and performs an ageing analysis of the outstanding amounts on a monthly basis, in order to mitigate this risk.

The Company's activities expose it to the risk of changes in foreign currency exchange rates and interest rates. The Company's foreign exchange exposures are sold-off on a monthly basis while interest bearing assets and liabilities are rolled on a monthly basis, in order to mitigate these risks.

Operational Risk

The approach to Operational Risk follows the Group Operational Risk framework which covers all entities in the Group. Risks are monitored and reviewed on a regular basis by the Directors.

Key performance indicators

Key business metrics for the Company which are regularly monitored by the Board include:

	2019	2018
Aged Intercompany Receivables % (>120 days)	35.2%	27.4%
Aged Intercompany Payables % (>120 days)	18.1%	6.3%
Internal movers	67	64
Diversity Statistic % (Male/Female)	60/40	60/40
Average training days per employee	2.59	4.42

Current period performance

The result of the Company for the year ended 31 December 2019 shows a post-tax profit of €5.6m (2018: post-tax profit of €6.4m).

The profit for the year was driven by the mark-up rate that was applied to the recharge of the Company's costs to other Group companies. The decrease in administrative expenses was mainly brought about by the decrease in Staff costs (Wages and Salaries, Social security costs and Other staff related costs), in occupancy costs due to decrease in allocation of 1 Brindley Place and professional fees.

The Company paid a €6.8m dividend during the year (2018: €5.8m).

STRATEGIC REPORT (continued)
For the year ended 31 December 2019

Events after the balance sheet date

A novel strain of coronavirus (COVID-19) that first surfaced in China was classified as a pandemic by the World Health Organization on March 11, 2020, impacting countries globally. The impact of COVID-19 is expected to continue on the global economy for the coming months with likely adverse effects on the operations and financial position of businesses. The Directors do not consider there to be a material impact on the operations and financial position of the Company. The Company has and continues to assess material risks and their implications to the business operations as a result of the global spread of COVID-19. As this is an evolving situation, emerging risks are reviewed and actively managed accordingly as they arise.

This is a non-adjusting event and an estimate of the financial effect cannot be made at the date of approving these financial statements as the situation remains a rapidly evolving one.

On 11 June 2020, the Company paid a dividend of €6,422,000 to its parent, DB UK Holdings Limited ("DBUKH").

On 2 September 2020, the Company terminated its prefunding of €46,900,000 with an offsetting impact on its restricted cash.

Future outlook

Nucleus Programme

The Nucleus Programme is a 10-year contractual agreement with Hewlett Packard Enterprise to address and transform an ageing and legacy technology estate. The ambition is to transform the way Deutsche Bank AG consumes, runs and manages technology infrastructure globally through the creation of a utility delivery model for technology infrastructure services. The Directors of the Company signed an accession agreement on 1 December 2015 with Deutsche Bank AG London Branch ("DB AG London Branch") as service provider to receive operational, application hosting and governance services specified in the services schedule of the Nucleus Programme.

On 31 January 2020, the United Kingdom ("UK") formally left the European Union ("EU") ("Brexit"), by reaching an agreement with the EU. The UK is now in the transition period which is due to end on 31 December 2020. 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 global spread of COVID-19 has resulted in governments taking varied actions towards stemming its spread and also bolstering economies. Consequently, the global economy has seen a slowdown of economic activity in many sectors and increased volatility in the financial markets including the UK. Since the Company does not have any trading operations, COVID-19 is not expected to have any significant impact on the business. The Company is closely monitoring the spread of COVID-19, the actions and reactions of Governments and the potential effects it will have on its business.

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 the annual report and financial statements.

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

Alex Thomas
18.9.20 ALEX THOMAS - SECRETARY

Director / Secretary

Registered office
Winchester House
1 Great Winchester Street
London
EC2N 2DB

Dated:

Company number: 06583053

DIRECTORS' REPORT

For the year ended 31 December 2019

Directors

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

P. Anderson	(resigned 4 June 2020)
C. Dearnley	
P. R. Hutchins	(appointed 4 June 2020)
C. Nicholls	(resigned 2 April 2019)
A.D. Thomas-Scrine	(appointed 5 February 2020)
B.B. Turnbull	(resigned 6 February 2020)

Company secretary

J. Bagshaw	(appointed 23 October 2019)
A.W. Bartlett	(appointed 23 October 2019)
P. Davis	(resigned 16 September 2019)

Employees

Disclosures under the Companies (Miscellaneous Reporting) Regulations 2018 with respect to the interests of the Company's employees are covered under the section 172 statement:

The Company seeks to recruit and appoint the best available person for a job and to encourage the development of all employees to their full potential. The Company promotes equality of opportunity. The Company is committed to providing support to employees with disabilities and carries out a personal assessment for each disabled employee to assess their needs. The Company operates a workstation assessment programme for all employees which examines the working environment and implements adjustments where necessary.

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 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 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 financial year; and
- an indication of likely future developments in the business of the Company.

DBOI Global Services (UK) Limited

DIRECTORS' REPORT (continued)
For the year ended 31 December 2019

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.

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

During the year 2020 KPMG LLP will resign as Auditor of the Company, satisfying the European and national regulation requiring the auditors' rotation. Ernst & Young will be recommended by the Directors, at the next board meeting, as external Auditors for the financial year 2020.

By order of the Board of Directors

Alex Thomason
18.9.20 ALEX THOMAS - SCRINE.

Director / ~~Secretary~~

Registered office
Winchester House
1 Great Winchester Street
London
EC2N 2DB

Dated:

Company number: 06583053

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DBOI GLOBAL SERVICES (UK) LIMITED
For the year ended 31 December 2019

Opinion

We have audited the financial statements of DBOI Global Services (UK) Limited ("the company") for the year ended 31 December 2019 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 2019 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.

Going concern

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").

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 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.

Strategic report and directors' report

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

Our responsibility is to read the strategic report and 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 strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DBOI GLOBAL SERVICES (UK) LIMITED
For the year ended 31 December 2019

Directors' responsibilities

As explained more fully in their statement set out on page 4, 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.

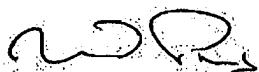
Auditor's responsibilities

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.



Richard Pinks (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London E14 5GL

Dated: 28 September 2020

DBOI Global Services (UK) Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2019

	Note	2019 € 000's	2018 € 000's
Turnover		99,441	106,600
Administrative expenses	3	(91,756)	(98,491)
Gross profit		7,685	8,109
Interest receivable and similar income from group undertakings	4	240	186
Other interest receivable and similar income		45	32
Interest payable and similar expenses to group undertakings		(4)	(9)
Income from government grant	5	116	151
Restructuring expenses	6	(719)	(514)
Net foreign exchange loss	7	(375)	(50)
PROFIT BEFORE TAXATION		6,988	7,905
Tax charge on profit	8	(1,377)	(1,483)
PROFIT FOR THE FINANCIAL YEAR		5,611	6,422

The profit for the year has arisen from continuing operations.

The notes on pages 12 to 22 form part of these financial statements.

DBOI Global Services (UK) Limited

STATEMENT OF TOTAL COMPREHENSIVE INCOME
For the year ended 31 December 2019

	<u>2019</u> <u>€ 000's</u>	<u>2018</u> <u>€ 000's</u>
Profit for the financial year	5,611	6,422
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR	5,611	6,422

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

The notes on pages 12 to 22 form part of these financial statements.

DBOI Global Services (UK) Limited

BALANCE SHEET
As at 31 December 2019

	Note	2019 € 000's	2018 € 000's
FIXED ASSETS			
Tangible assets	9	1	118
Intangible assets	10	2	2
		3	120
CURRENT ASSETS			
Amounts owed by group undertakings	11	33,360	20,975
Other debtors	12	1,191	877
Cash at bank and in hand	13	47,257	60,620
		81,808	82,472
CREDITORS: Amounts falling due within one year			
Amounts owed to group undertakings	14	(60,452)	(8,966)
Other creditors including taxation and social security	15	(8,968)	(7,723)
Accruals and deferred income	16	(2)	-
		(69,422)	(16,689)
NET CURRENT ASSETS		12,386	65,783
CREDITORS: Amounts falling due after more than one year			
Amounts owed to group undertakings	14	-	(52,618)
		-	(52,618)
NET ASSETS		12,389	13,285
CAPITAL AND RESERVES			
Called up share capital	19	6	6
Other reserve		356	63
Profit and loss account		12,027	13,216
SHAREHOLDER'S FUNDS		12,389	13,285

The notes on pages 12 to 22 form part of these financial statements.

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


Director

ALEX THOMAS SCRINZI
18.9.20

Dated:

Company number: 06583053

DBOI Global Services (UK) Limited

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2019

	<u>Called up Share</u> <u>Capital</u> <u>€ 000's</u>	<u>Other Reserve</u> <u>€ 000's</u>	<u>Profit and Loss</u> <u>Account</u> <u>€ 000's</u>	<u>Total</u> <u>€ 000's</u>
Balance at 1 January 2019	6	63	13,216	13,285
Profit for the financial year	-	-	5,611	5,611
Dividends paid	-	-	(6,800)	(6,800)
Credit in relation to share based payments (Note 17)	-	174	-	174
Re-charge in relation to share based payments	-	119	-	119
Balance at 31 December 2019	6	356	12,027	12,389

For the year ended 31 December 2018

	<u>Called up Share</u> <u>Capital</u> <u>€ 000's</u>	<u>Other Reserve</u> <u>€ 000's</u>	<u>Profit and Loss</u> <u>Account</u> <u>€ 000's</u>	<u>Total</u> <u>€ 000's</u>
Balance at 1 January 2018	6	9	12,633	12,648
Profit for the financial year	-	-	6,422	6,422
Dividends paid	-	-	(5,839)	(5,839)
Credit in relation to share based payments (Note 17)	-	99	-	99
Re-charge in relation to share based payments	-	(45)	-	(45)
Balance at 31 December 2018	6	63	13,216	13,285

The notes on pages 12 to 22 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

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 disclosures:

- A cash flow statement and related notes;
- 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.

A novel strain of coronavirus (COVID-19) that first surfaced in China was classified as a pandemic by the World Health Organization on 11 March 2020, impacting countries globally. In considering going concern, the Company continues to closely monitor developments related to the outbreak of COVID-19. The potential impacts from COVID-19 remain uncertain, including, among other things, on economic conditions, businesses and consumers. To assess any potential impact on the Company, the directors reassessed the components of funding, liquidity and the financial position of the Company and have concluded that the going concern basis is still appropriate. The reassessment by management demonstrated that the Company has access to sufficient funding and liquidity to withstand the current market conditions.

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 benefit and 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 liabilities.

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

DB UK Holdings 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 statements 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) Changes in accounting policy

There were no amendments to the accounting standards that are effective for the year ended 31 December 2019 that would have a material impact to the Company.

(b) 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.
- Financial assets available for sale and the related fair value hedge are stated at fair value.

Amounts owed by and amounts owed to DB AG London Branch are reported net as they meet the netting requirements of IAS 32.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

1 ACCOUNTING POLICIES (continued)

(c) Turnover

Turnover is comprised of all administrative expenses incurred by the Company to which a mark-up is applied and then billed by

(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) Current and deferred taxation

The charge or credit for taxation is based on profit or loss for the year and takes into account taxation deferred because of timing

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that sufficient taxable profit will be available against which those unused tax losses, unused tax credits and deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period that the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

(f) Share based compensation

The costs of awards to employees that take the form of shares are recognised over the period of the employees' related performance. The schemes are classified as being equity settled. Share based compensation is accounted for in equity based on the fair value on the grant date with a corresponding charge in profit and loss spread evenly over the vesting period of the award. Recharges by the Group are debited to equity.

(g) Pension schemes

The Company offers participation in a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

(h) 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.

(i) Grants

Government grants are included within creditors in the balance sheet and amortised to the profit and loss account over a period of 10 years to match the income against the expenditure incurred in meeting the condition of the grant.

(j) Tangible fixed assets

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal installments over their estimated useful economic lives as follows:

The estimated useful life of Furniture and Equipment is 10 years.

The carrying amounts of the assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated. Impairment losses are recognised in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

1 ACCOUNTING POLICIES (continued)

(k) Intangible assets

Intangible assets are initially measured at cost. Those with a finite useful life are subsequently carried at cost less any accumulated depreciation and impairment.

Amortisation is provided to write off the cost less the estimated residual value of intangible assets by equal installments over their estimated useful economic lives as follows:

The estimated useful life of the purchased software is 1 year.

The carrying amounts of the assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated. Impairment losses are recognised in the profit and loss account.

(l) 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 directors do not believe that there are any critical accounting estimates or judgments.

2 DIRECTORS' EMOLUMENTS, TRANSACTIONS AND INTERESTS

	<u>2019</u> <u>€ 000's</u>	<u>2018</u> <u>€ 000's</u>
Emoluments		
Directors' emoluments	282	387
Amounts Receivable under long term schemes	13	58
	<u>295</u>	<u>445</u>
	<u>2019</u> <u>€ 000's</u>	<u>2018</u> <u>€ 000's</u>
Company contributions to money purchase pension schemes	4	16
	<u>4</u>	<u>16</u>

During the year, 2 Directors received shares or payments under long term incentive schemes totalling €12,785 (2018: 4 Directors received Group shares or payments under long term incentive schemes totalling €58,235).

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director were €222,631 (2018: €270,833) and the pension contributions were €nil (2018: €nil).

	<u>Number of Directors</u> <u>2019</u>	<u>Number of Directors</u> <u>2018</u>
Retirement benefits are accruing to the following number of Directors under:		
Money Purchase Schemes	3	3
Defined benefit schemes	1	1

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

3 ADMINISTRATIVE EXPENSES

	<u>2019</u> € 000's	<u>2018</u> € 000's
Staff costs		
- Wages and salaries	39,550	44,396
- Social security costs	5,335	5,788
- Other pension costs	4,775	4,941
- Other staff related costs	3,588	5,519
- Share based payments	174	99
	<u>53,422</u>	<u>60,743</u>
Lease and occupancy	15,688	17,857
IT costs	5,378	6,020
Professional service fees	2,632	3,719
Staff related non-compensation expenses	890	793
Communication and data services	1,383	844
Depreciation	117	151
Amortisation	3	1
Other administrative expenses	12,243	8,363
	<u>91,756</u>	<u>98,491</u>

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

	<u>2019</u> € 000's	<u>2018</u> € 000's
Audit of these financial statements	60	56
	<u>60</u>	<u>56</u>

Average staff numbers, including Directors, during the year were as follows.

	<u>2019</u>	<u>2018</u>
Operations support	793	904
	<u>793</u>	<u>904</u>

4 INTEREST RECEIVABLE AND SIMILAR INCOME FROM GROUP UNDERTAKINGS

	<u>2019</u> € 000's	<u>2018</u> € 000's
Interest income on deposits	240	186
	<u>240</u>	<u>186</u>

5 INCOME FROM GOVERNMENT GRANT

	<u>2019</u> € 000's	<u>2018</u> € 000's
Income from government grant	116	151
	<u>116</u>	<u>151</u>

The government grant was awarded from Advantage West Midlands to establish a specialised service centre at 1 Brindley Place Birmingham. The total amount of the grant offered was €1.9m (£1.7m). The total amount of the grant drawn down was €1.5m (£1.3m). The amounts received are presented within deferred income in the creditors note and will be amortised to the profit and loss account over a period of 10 years to match the income against the expenditure incurred in meeting the condition of the grant.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

6 RESTRUCTURING EXPENSES

	<u>2019</u> <u>€ 000's</u>	<u>2018</u> <u>€ 000's</u>
Restructuring expenses	719	514
	<u>719</u>	<u>514</u>

In 2019, the Company incurred restructuring expenses relating to cessation of infrastructure support functions.

7 NET FOREIGN EXCHANGE LOSS

	<u>2019</u> <u>€ 000's</u>	<u>2018</u> <u>€ 000's</u>
Net foreign exchange loss	(375)	(50)
	<u>(375)</u>	<u>(50)</u>

Foreign exchange loss is driven by the revaluation of GBP denominated deposit with DB AG London Branch to EUR.

8 TAX CHARGE ON PROFIT

(a) Analysis of tax on profit

	<u>2019</u> <u>€ 000's</u>	<u>2018</u> <u>€ 000's</u>
<i>Current taxation</i>		
Group relief charge for the year	(1,331)	(1,483)
Adjustment in respect of prior periods	(44)	12
Tax charge on profit	<u>(1,375)</u>	<u>(1,471)</u>
<i>Deferred Taxation</i>		
Short term timing differences	(2)	(12)
Total tax charge on profit	<u>(1,377)</u>	<u>(1,483)</u>

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19% (2018: 19%). 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>2019</u> <u>€ 000's</u>	<u>2018</u> <u>€ 000's</u>
Profit before taxation	6,988	7,905
Tax on profit at standard rate (2019: 19%; 2018: 19%)	(1,328)	(1,502)
Tax adjustments for non-taxable items:		
Effect of tax rate change in the year	-	2
Adjustment in respect to share based	2	5
Non-deductible expenditure	(6)	-
Adjustment in respect of prior periods	(45)	12
Tax charge on profit	<u>(1,377)</u>	<u>(1,483)</u>

The Finance Bill 2016, which announced a reduction in the UK corporation tax rate to 17% by 2020, was substantively enacted on 6 September 2016 and is the rate at the Balance Sheet date. The Government has utilised the Provisional Collection of Taxes Act 1968 to maintain the main corporation tax rate at 19%. Substantive enactment of the 19% tax rate occurred on 17 March 2020 and therefore the Company's future tax rate remains unchanged.

The deferred tax asset at 31 December 2019 has been calculated based on the rate of 17% (2018:17%) substantively enacted at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

9 TANGIBLE ASSETS

	<u>Furniture and Equipment</u> € 000's	<u>Total</u> € 000's
Cost		
At 1 January 2019	3,504	3,504
Disposals	(29)	(29)
At 31 December 2019	<u>3,475</u>	<u>3,475</u>
Accumulated Depreciation		
At 1 January 2019	(3,386)	(3,386)
Additions	(117)	(117)
Disposals	29	29
At 31 December 2019	<u>(3,474)</u>	<u>(3,474)</u>
Net book amount		
At 31 December 2019	<u>1</u>	<u>1</u>
	<u>Furniture and Equipment</u> € 000's	<u>Total</u> € 000's
Cost		
At 1 January 2018	3,504	3,504
At 31 December 2018	<u>3,504</u>	<u>3,504</u>
Accumulated Depreciation		
At 1 January 2018	(3,235)	(3,235)
Depreciation for the year	(151)	(151)
At 31 December 2018	<u>(3,386)</u>	<u>(3,386)</u>
Net book amount		
At 31 December 2018	<u>118</u>	<u>118</u>

10 INTANGIBLE ASSETS

	<u>Purchased Software</u> € 000's	<u>Total</u> € 000's
Cost		
At 1 January 2019	3	3
Additions	3	3
At 31 December 2019	<u>6</u>	<u>6</u>
Accumulated Amortisation		
At 1 January 2019	(1)	(1)
Amortisation for the year	(3)	(3)
At 31 December 2019	<u>(4)</u>	<u>(4)</u>
Net book amount		
At 31 December 2019	<u>2</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

11 AMOUNTS OWED BY GROUP UNDERTAKINGS

	<u>2019</u>	<u>2018</u>
	<u>€ 000's</u>	<u>€ 000's</u>
Interest earning deposits	6,548	5,234
Intragroup receivables	27,176	13,326
Other receivables	(364)	2,415
	<u>33,360</u>	<u>20,975</u>

12 OTHER DEBTORS

	<u>2019</u>	<u>2018</u>
	<u>€ 000's</u>	<u>€ 000's</u>
VAT	322	291
Prepayments and accrued income	661	448
Interim accounts	79	-
	<u>1,062</u>	<u>739</u>
Deferred taxation		
Balance at 1 January	138	156
Profit and Loss Account	(2)	(12)
Statement of Total Recognised Gains & Losses	(7)	(8)
Effect of tax rate changes	-	2
Balance at 31 December	<u>129</u>	<u>138</u>
Breakdown as follows:		
Timing differences in respect of equity based bonus schemes	3	5
Accelerated capital allowances	126	133
Balance at 31 December	<u>129</u>	<u>138</u>
	<u>1,191</u>	<u>877</u>

The deferred tax asset at 31 December 2019 has been calculated based on the rate of 17% substantively enacted at the balance sheet date.

13 CASH AT BANK AND IN HAND

	<u>2019</u>	<u>2018</u>
	<u>€ 000's</u>	<u>€ 000's</u>
Cash at bank held with group undertakings	47,257	60,620
	<u>47,257</u>	<u>60,620</u>

As at the year-end, €46.9m of the Company's cash held at DB AG London Branch is restricted. Refer to the Borrowings in Note 14.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

14 AMOUNTS OWED TO GROUP UNDERTAKINGS

	<u>2019</u> € 000's	<u>2018</u> € 000's
Amounts falling due within one year		
Borrowings	48,728	-
Compensations payable	4,646	4,447
Other costs payable	610	900
Overhead expense allocations	6,468	3,619
	<u>60,452</u>	<u>8,966</u>
Amounts falling due after more than one year		
Borrowings	-	52,600
Capitalised income grant	-	18
	<u>-</u>	<u>52,618</u>

On 1 June 2019, the Company's borrowing from DB AG London Branch representing restricted cash decreased by €5.7m.

The long-term borrowing from DB AG London Branch was terminated on 2 September 2020, and therefore reclassified as amounts falling due within one year.

15 OTHER CREDITORS INCLUDING TAXATION AND SOCIAL SECURITY

	<u>2019</u> € 000's	<u>2018</u> € 000's
Accruals	2,787	1,426
Staff-related provision	3,181	4,472
Current taxation	2,958	1,453
Other liabilities	6	6
Capitalised income grant	18	116
Interim accounts	-	184
Other taxes payable	18	66
	<u>8,968</u>	<u>7,723</u>

16 ACCRUALS AND DEFERRED INCOME

	<u>2019</u> € 000's	<u>2018</u> € 000's
Accrued interest payable on borrowings	2	-
	<u>2</u>	<u>-</u>

17 SHARE BASED COMPENSATION

The entity made grants of share-based compensation under the Deutsche Bank Equity Plan. This plan represent a contingent right to receive Deutsche Bank AG common shares after a specified period of time. The award recipient is not entitled to receive dividends during the vesting period of the award.

The share awards granted under the terms and conditions of the Deutsche Bank Equity Plan may be forfeited fully or partly if the recipient voluntarily terminates employment before the end of the relevant vesting period. Vesting usually continues after termination of employment in cases such as redundancy or retirement.

In countries where legal or other restrictions hinder the delivery of shares, a cash plan variant of the DB Equity Plan was used for granting awards.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

17 SHARE BASED COMPENSATION (continued)

The following table sets forth the basic terms of the share plans.

Grant year(s)	Deutsche Bank Equity Plan	Vesting schedule	Eligibility
2018-2020	Annual Award (CIB)	1/4: 12 months ¹	Select employees as annual performance-compensation
		1/4: 24 months ¹	
		1/4: 36 months ¹	
		1/4: 48 months ¹	
	Annual Award (non-CIB)	1/3: 12 months ¹	Select employees as annual performance-based compensation
		1/3: 24 months ¹	
2017	Annual Award (Senior Management)	1/3: 36 months ¹	Members of Management Board or of Senior Management
		1/5: 12 months ¹	
		1/5: 24 months ¹	
		1/5: 36 months ¹	
	Retention/New Hire	1/5: 48 months ¹	Select employees to attract and retain the best talent
		1/5: 60 months ¹	
	Retention/New Hire	Individual specification	Select employees to attract and retain the best talent
		Individual specification	
	Annual Award – Upfront	Vesting immediately at grant ²	Regulated employees
		Vesting immediately at grant ²	
2016	Annual Award	1/4: 12 months ¹	Select employees as annual performance-based compensation
		1/4: 24 months ¹	
		1/4: 36 months ¹	
		1/4: 48 months ¹	
	Retention/New Hire	Or cliff vesting after 54 months ¹	Members of Management Board or of Senior Leadership Cadre
		Individual specification	
	Retention/New Hire	Individual specification	Select employees to attract and retain the best talent
		Individual specification	
	Annual Award – Upfront	Vesting immediately at grant ³	Regulated employees
		Vesting immediately at grant ³	
2015/ 2014	Key Retention Plan (KRP) ⁴	1/2: 50 months ⁵	Material Risk Takers (MRTs)
		1/2: 62 months ⁵	
		Cliff vesting after 43 months	
		Cliff vesting after 43 months	
	Annual Award	1/4: 12 months ¹	Select employees as annual performance-based compensation
		1/4: 24 months ¹	
		1/4: 36 months ¹	
		1/4: 48 months ¹	
	Retention/New Hire	Or cliff vesting after 54 months ¹	Members of Management Board or of Senior Leadership Cadre
		Individual specification	
	Retention/New Hire	Individual specification	Select employees to attract and retain the best talent
		Individual specification	
	Annual Award – Upfront	Vesting immediately at grant ³	Regulated employees
		Vesting immediately at grant ³	
2015/ 2014	Key Position Award (KPA) ⁶	Cliff-vesting after 4 years ³	Select employees as annual retention
		Cliff-vesting after 4 years ³	
	Annual Award	1/3: 12 months ¹	Select employees as annual performance-based compensation
		1/3: 24 months ¹	
		1/3: 36 months ¹	
		Or cliff vesting after 54 months ¹	
2015/ 2014	Retention/New Hire	Members of Management Board or of Senior Management Group	Select employees to attract and retain the best talent
		Individual specification	
2015/ 2014	Retention/New Hire	Individual specification	Select employees to attract and retain the best talent
		Individual specification	
2015/ 2014	Annual Award – Upfront	Vesting immediately at grant ⁷	Regulated employees
		Vesting immediately at grant ⁷	

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

17 SHARE BASED COMPENSATION (continued)

Compensation Expense

Expense related to share awards is recognized on a straight-line basis over the requisite service period. The service period usually begins on the grant date of the award and ends when the award is no longer subject to plan-specific forfeiture provisions. Awards are forfeited if a participant terminates employment under certain circumstances. The accrual is based on the number of instruments expected to vest. The entity recognized compensation expense related to its significant share-based compensation plans, described above, as follows.

	<u>2019</u> € 000's	<u>2018</u> € 000's
Restricted Equity Units Plan / DB Equity Plan	174	99
Total recognised in profit and loss	<u>174</u>	<u>99</u>

As of 31 December 2019, unrecognized compensation costs related to non-vested share-based compensation was €60,465 (2018: €37,293) which is expected to be recognized over an average period of approximately 1.41 years (2018: 1.67 years).

Recognised Amortisation expense for Unvested Stock Compensation Awards

As at 31st December 2019, the Company's life to date recognised amortisation expense in respect of unvested share based compensation awards totalled €94,177 (2018: €55,031). This balance is based on the grant date value and is therefore at fixed values and represents that part of the ultimate commitment to its employee that has already been amortised.

Award Related Activities

The following table summarises the activity in plans involving share awards, which are those plans granting a contingent right to receive Deutsche Bank common shares after a specified period of time.

In Units (except per share data)	DB Equity Plan	Weighted-average grant date fair value per unit
Balance at Dec 31, 2017	3,130	€ 8.73
Granted	3,174	€ 8.73
Issued	-	€ 0.00
Balance at Dec 31, 2018	6,304	€ 8.73
Adjusted Balance at Dec 31, 2018	8,813	€ 12.48
Granted	7,498	€ 7.78
Issued	4,018	€ 14.39
Forfeited/Transferred	1,631	€ 10.13
Balance at Dec 31, 2019	21,960	€ 11.67

¹ For employees of certain legal entities, deferred equity is replaced with restricted shares due to local regulatory requirements.

² For members of the Management Board or the Senior Management and all other InstVV-regulated employees a further retention period of 12 months applies.

³ For members of the Management Board or of the Senior Leadership Cadre and all other regulated employees a further retention period of six months applies.

⁴ The Key Retention Plan (KRP) is referenced as the "Retention Award Program" in the Bank's Compensation Report. Equity-based awards granted under this program in January 2017 are subject to an additional share price hurdle, meaning this award proportion only vests in the event that the Bank's share price reaches a certain share target price prior to vesting.

⁵ For Material Risk Takers (MRTs) share delivery takes place after a further retention period of twelve months.

⁶ A predefined proportion of the individual's KPA is subject to an additional share price hurdle, meaning this award proportion only vests in the event that the Bank's share price reaches a certain share target price prior to vesting.

⁷ For members of the Management Board share delivery takes place after a retention period of three years. For all other regulated employees share delivery takes place after a retention period of six months.

⁸ Outstanding Dec 31, 2018 balance has been recomputed and validated using HR Shareworks data. This realignment results to no nominal impact on the P&L considering that the amortization of equity retention awards is based on the granted value of the awards spread over the service retention period.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

18 RETIREMENT BENEFITS

The Company's employees participate in pension plans, either the DB Operations International (UK) Limited Personal Pension Plan or the DB Operations International Private Limited Plan. Eligibility is normally determined by corporate title. Non corporate title employees are enrolled in the DB Operations International (UK) Limited Personal Pension Plan, with corporate employee titles being enrolled in the DB Operations International Private Limited Plan. Company contribution is dependent on corporate title and is a percentage of basic salary.

In 2019, the Company made contributions in the amount of €4,774,780 (2018: €4,940,506) to these two defined contribution schemes.

19 CALLED UP SHARE CAPITAL

	<u>2019</u> <u>No. of Shares</u>	<u>2018</u> <u>No. of Shares</u>
Allotted, called up and fully paid:		
Ordinary shares of £1 each	5,000	5,000
	<u>5,000</u>	<u>5,000</u>
	<u>2019</u> <u>€ 000's</u>	<u>2018</u> <u>€ 000's</u>
Allotted, called up and fully paid:		
Ordinary shares of £1 each (historical rate at which capital was translated to Euros was €1.12)	6	6
	<u>6</u>	<u>6</u>

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

20 EVENTS AFTER THE BALANCE SHEET DATE

A novel strain of coronavirus (COVID-19) that first surfaced in China was classified as a pandemic by the World Health Organization on March 11, 2020, impacting countries globally. The impact of COVID-19 is expected to continue on the global economy for the coming months with likely adverse effects on the operations and financial position of businesses. The Directors do not consider there to be a material impact on the operations and financial position of the Company. The Company has and continues to assess material risks and their implications to the business operations as a result of the global spread of COVID-19. As this is an evolving situation, emerging risks are reviewed and actively managed accordingly as they arise.

This is a non-adjusting event and an estimate of the financial effect cannot be made at the date of approving these financial statements as the situation remains a rapidly evolving one.

On 11 June 2020, the Company paid a dividend of €6,422,000 to its parent, DBUKH.

On 2 September 2020, the Company terminated its prefunding of €46,900,000 with an offsetting impact on its restricted cash.