

OS AA01

Statement of details of parent law and other  
information for an overseas company



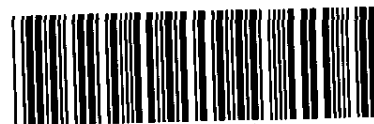
Companies House

100041/80

☒ What this form is for  
You may use this form to  
accompany your accounts  
disclosed under parent law.

☐ What this form is for  
You cannot use this form for  
an alteration of name  
with accounting requirements.

THU SATURDAY



A16 07/12/2019 #138  
COMPANIES HOUSE  
LD3 28/11/2019 #26  
COMPANIES HOUSE

**Part 1** Corporate company name

Corporate name of overseas company ① Standard Chartered Holdings (International) B.V.

UK establishment number B R 0 0 6 7 1 6

→ Filling in this form

Please complete in typescript or in  
bold black capitals.

All fields are mandatory unless  
specified or indicated by \*

① This is the name of the company in  
its home state.

**Part 2** Statement of details of parent law and other  
information for an overseas company

**A1** Legislation

Please give the legislation under which the accounts have been prepared and,  
if applicable, the legislation under which the accounts have been audited.

Legislation ② Dutch Civil Code

② This means the relevant rules or  
legislation which regulates the  
preparation and, if applicable, the  
audit of accounts.

**A2** Accounting principles

Accounts Have the accounts been prepared in accordance with a set of generally accepted  
accounting principles?

Please tick the appropriate box.

☐ No. Go to Section A3.

☒ Yes. Please enter the name of the organisation or other  
body which issued those principles below, and then go to Section A3.

Name of organisation  
or body ③ Dutch GAAP

③ Please insert the name of the  
appropriate accounting organisation  
or body.

**A3** Accounts

Accounts Have the accounts been audited? Please tick the appropriate box.

☒ No. Go to Section A5.

☐ Yes. Go to Section A4.

**OS AA01**

Statement of details of parent law and other information for an overseas company


**A4 Audited accounts**

Audited accounts	Have the accounts been audited in accordance with a set of generally accepted auditing standards? Please tick the appropriate box. <input type="checkbox"/> No. Go to Part 3 'Signature'. <input checked="" type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'.	<b>1</b> Please insert the name of the appropriate accounting organisation or body.
Name of organisation or body <b>1</b>	International Accounting Standards Board	

**A5 Unaudited accounts**

Unaudited accounts	Is the company required to have its accounts audited? Please tick the appropriate box. <input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes.
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**Part 3 Signature**

I am signing this form on behalf of the overseas company.	
Signature	<div><div>X</div><div></div><div>FOR AND ON BEHALF OF SC (SECRETARIES) LIMITED</div><div>X</div></div>
This form may be signed by: Director, Secretary, Permanent representative.	

# OS AA01

Statement of details of parent law and other information for an overseas company



## Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Group Corporate Secretariat									
Company name	Standard Chartered Bank									
Address	1 Basinghall Avenue									
Post town	London									
County/Region										
Postcode	E	C	2	V		5	D	D		
Country										
DX										
Telephone										



## Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.



## Important information

Please note that all this information will appear on the public record.



## Where to send

You may return this form to any Companies House address:

### England and Wales:

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

### Scotland:

The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post).

### Northern Ireland:

The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG.  
DX 481 N.R. Belfast 1.



## Further information

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

**Standard Chartered Holdings (International) B.V.**

**Directors' Report and Financial Statements**

**For the year ended 31 December 2018**

**Registered Number: 33243770**



LDS

2017/2018  
COMPANIES HOUSE

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## Directors' Report

The Directors present their Directors' report and Financial Statements of Standard Chartered Holdings (International) B.V (the "Company") for the year ended 31 December 2018.

### Principal activities

The principal activity of the Company is that of a holding company. The results of the Company are set out from page 4 to page 7.

### Business Review

The Directors set out below a review of the development and performance of the business during the year and its position at the year end. The review is consistent with the size and nature of the business and is written in the context of the risks and uncertainties faced.

The Company is a holding company. Given the upcoming change to the EU legislation on the prudential requirements for banks and financial holdings, a review is currently being undertaken to decide what impact the change would have on the current Group structure. During the year, the Company received gross dividends of \$215.2 million (2017: \$85.5 million).

During the year the Company received \$388.0 million capital injection from its parent which it then fully injected into its subsidiary, Standard Chartered MB Holdings B.V. This investment was fully impaired. The Company's main investments in subsidiaries are set out in note 7.

The Company also fully impaired its investment in Standard Chartered Metropolitan Holdings SAL by \$1.5 million.

The Company forms part of the Standard Chartered Group and this is not expected to change in the foreseeable future.

The key performance indicator used by management in assessing the performance of the Company is the monitoring of the net return on the specific underlying transaction which the Company has entered into. Monthly management accounts are prepared and reviewed by management of the Standard Chartered Group business in which this Company resides.

### Financial instruments

Financial instruments for the year comprised inter-group balances.

### Results and dividends

During the year, the Company did not declare any dividend (2017: \$85.0 million).

### Management

The Directors of the Company perform a role of management and, for the purpose of the financial statements, are considered to undertake the roles and responsibilities of Management required by Title 9 of Book 2 of the Dutch Civil Code.

**Directors**  
P S Chambers  
N K J Taylor  
S Singh Rai

**Date of appointment**  
21 November 2012  
02 September 2010  
28 June 2017

As at December 2018, the female composition of the Standard Chartered PLC Group's board of directors was 31%. The Group's Board Diversity Policy is committed to ensuring a diverse board membership which includes increasing the representation of women on the Board with the aim of having a minimum of 33% female representation.

### Employees

The Company had no employees (2017: nil).

### Risk management

The risk management objectives of the Company are set out in note 12.

## Directors' Report

### Subsequent events

In 2019, the Company received \$224.0 million capital injection from its parent which it then fully injected into its subsidiary, Standard Chartered MB Holdings B.V.. This investment was subsequently fully impaired.

During the year, local trading in foreign currencies were banned in Zimbabwe including the US dollar. The Zimbabwe dollar has been reintroduced. This has resulted in a devaluation of the amount due from Africa Enterprise Network Trust.

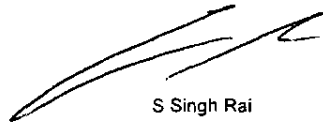
### Political and charitable contributions

The Company made no political contributions during the year (2017: nil).

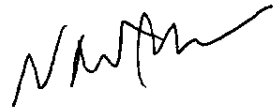
By order of the board



P S Chambers



S Singh Rai



N K J Taylor

Directors  
Company registration number - 33243770  
Date: 29 October 2019

1 Basinghall Avenue  
London  
EC2V 5DD  
UK

## Balance sheet after appropriation of profit

as at 31 December 2018

	Note	2018 \$000	2017* \$000
<b>Financial fixed assets</b>			
Investments in subsidiaries	7	228,273	229,773
<b>Current assets</b>			
Amount due from group companies	11	339,923	112,842
Investment securities	8	26,594	42,151
<b>Total assets</b>		<b>594,790</b>	<b>384,766</b>
<b>Current liabilities</b>			
Amounts due to group companies	11	1,313	1,313
Corporation tax payable	6	174	320
<b>Total liabilities</b>		<b>1,487</b>	<b>1,633</b>
<b>Equity</b>			
Share capital		4,197	4,352
Share premium		730,546	342,598
Translation reserves		426	219
(Accumulated losses)/Retained earnings		(141,866)	35,964
<b>Total equity</b>		<b>593,303</b>	<b>383,133</b>
<b>Total equity and liabilities</b>		<b>594,790</b>	<b>384,766</b>

\*Restated, see note 1 to the Financial Statements.

The notes on pages 8 to 17 form part of the Financial Statements

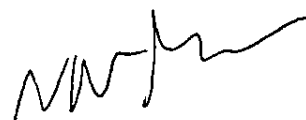


P S Chambers

Directors  
London, 29 October 2019



S Singh Rai



N K J Taylor



## Profit and Loss Account

for the year ended 31 December 2018

	Note	2018 \$000	2017* \$000
Interest Income	3	2,291	2,020
Dividend income	4	215,227	85,469
Other operating (expense)/income	5	(5,963)	6,094
Profit on sale of investment in subsidiaries		-	2,966
<b>Total operating income</b>		<b>211,555</b>	<b>96,549</b>
<b>Operating profit</b>		<b>211,555</b>	<b>96,549</b>
Impairment charge		(389,500)	-
<b>(Loss)/Profit before taxation</b>		<b>(177,945)</b>	<b>96,549</b>
Tax credit	6	115	9
<b>(Loss)/Profit for the year</b>		<b>(177,830)</b>	<b>96,558</b>

\*Restated, see note 1 to the Financial Statements.

## Statement of Other Comprehensive Income

for the year ended 31 December 2018

The Company had no comprehensive income for the years ended 31 December 2018 and 31 December 2017\* other than the (loss)/ profit for the year. A separate statement of other comprehensive income has therefore not been prepared.

The notes on pages 8 to 17 form part of the Financial Statements.

\*Restated, see note 1 to the Financial Statements.

## Statement of Changes in Equity

for the year ended 31 December 2018

	Share capital \$000	Share premium \$000	Translation reserves \$000	(Accumulated Losses)/Retained Earnings* \$000	Total \$000
At 1 January 2017	3,822	342,598	749	24,406	371,575
Currency translation reserve	530	-	(530)	-	-
Profit for the year*	-	-	-	96,558	96,558
Dividend paid	-	-	-	(85,000)	(85,000)
<b>At 31 December 2017/ 1 January 2018*</b>	<b>4,352</b>	<b>342,598</b>	<b>219</b>	<b>35,964</b>	<b>383,133</b>
Currency translation reserve	(207)	-	207	-	-
Loss for the year	-	-	-	(177,830)	(177,830)
Shares issued in year	52	387,948	-	-	388,000
<b>At 31 December 2018</b>	<b>4,197</b>	<b>730,546</b>	<b>426</b>	<b>(141,866)</b>	<b>593,303</b>

The exchange rate used to convert the Euro share capital is 0.87388 (2017: 0.83284)

\* Restated, see note 1 to the Financial Statements.

The notes on pages 8 to 17 form part of the Financial Statements.

## Statement of Cash Flows

for the year ended 31 December 2018

	Note	2018 \$000	2017* \$000
<b>Cash flows from operating activities</b>			
(Loss)/profit before tax		(177,945)	96,549
<b>Adjustment for items not involving the movement of funds</b>			
Withholding tax		-	(12)
Impairment charge		389,500	-
Profit on sale of investment in subsidiary		-	(2,966)
Change in amount due from Group Companies		(319)	(242)
Changes in fair value of investment in securities		6,245	(6,131)
Group tax relief (paid)/settled		(31)	1,043
<b>Net cash from operating activities</b>		<b>217,450</b>	<b>88,241</b>
<b>Cash flows from investing activities</b>			
Acquisition of investment in subsidiaries	7	(388,000)	-
Disposal of investment in subsidiaries	7	-	8,155
Acquisition of investment securities	8	(103)	(1,760)
Disposal of investment securities	8	9,415	2,695
<b>Net cash (used in)/from investing activities</b>		<b>(378,688)</b>	<b>9,090</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of new shares		388,000	-
Dividend paid		-	(85,000)
<b>Net cash from financing activities</b>		<b>388,000</b>	<b>(85,000)</b>
<b>Net increase in cash and cash equivalents</b>		<b>226,762</b>	<b>12,331</b>
Cash and cash equivalents at beginning of year		112,600	100,269
<b>Cash and cash equivalents at end of year</b>	9	<b>339,362</b>	<b>112,600</b>

\*Restated, see note 1 to the Financial Statements.

The notes on pages 8 to 17 form part of the Financial Statements.

## Notes to the Financial Statements

for the year ended 31 December 2018

### 1. Principal accounting policies

#### Reporting entity

The Company is a closed limited liability company established in Amsterdam on 29 December 1992. The registered office of the Company is 1 Basinghall Avenue, London EC2V 5DD and the registered number is 33243770. The principal activity of the Company is to act as a holding company.

The Company is a wholly owned subsidiary undertaking of SCMB Overseas Limited, a company registered in England. The Company forms part of the Standard Chartered Group of which Standard Chartered PLC in London is the ultimate holding company. The Company has deposited the consolidated accounts of Standard Chartered PLC at the Trade Register in Amsterdam.

The principal activity of the Company is that of a holding company. During the year, the Company did not declare any dividends (2017 \$85.0 million).

#### Financial reporting period

These financial statements have been prepared for a reporting period of one year.

#### Basis of preparation

The financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code.

In 2017, a balance of \$0.2 million pertaining to dividend receivable was reported in the cash and cash equivalents balance. This has now been corrected.

In prior years, the Company's historical cost of investment in Standard Chartered Metropolitan Holdings SAL of \$6.8 million was erroneously netted down by \$2.5 million accumulated impairment. This resulted in the historical cost of investment being reported as \$4.3 million. This has no impact on the balance sheet but has been corrected in the investment in subsidiaries note 7 on page 14.

#### Changes in accounting policies

In accordance to Dutch reporting standard, for each (sub) category of investments in equity instruments without a stock exchange listing, the entity must make a choice to include them in the balance sheet at cost or fair value. If the entity opts to measure at fair value, the entity must make a choice per (sub) category for gains and losses arising from changes in the fair value of these instruments:

- directly recording in the income statement; or
- to the extent that the result of an individual financial asset is cumulative positive, to be recognized directly in equity (reserve) until the moment of realization the gain. When the relevant assets are no longer recognized in the balance sheet, the cumulative result that was previously included in equity must be recognized in the income statement at once. In the case of a cumulative impairment below the cost price, this impairment must be recognized immediately in the profit and loss account, because only cumulative positive revaluations are recognized directly in equity.

The Company had opted for second option above until the end of 2017. Following the implementation of IFRS 9 in the Standard Chartered Group, the investment securities are now measured at fair value through profit and loss. As a result of this, the Company has opted to record the changes in fair value of these directly in the income statement as stipulated in the first option. This has resulted in a change in the accounting policy.

The following table summarises the impact of these changes on the Company's Financial Statements for the year ended 31 December 2017. There was no impact on the opening net assets at 1 January 2017.

Statement of Financial Position as at 31 December 2017	As previously reported	Adjustments	As restated
	\$000	\$000	\$000
Available for sale reserve	5,257	(5,257)	-
Retained earnings	30,707	5,257	35,964
<b>Total equity</b>	<b>383,113</b>	<b>-</b>	<b>383,113</b>
Income Statement for the year ended 31 December 2017	As previously reported	Adjustments	As restated
	\$000	\$000	\$000
Impairment credit	874	(874)	-
Operating (expense)/income	(37)	6,131	6,094
<b>Profit for the year</b>	<b>91,301</b>	<b>5,257</b>	<b>96,558</b>

## Notes to the Financial Statements (continued)

for the year ended 31 December 2018

### 1. Principal accounting policies (continued)

#### Basis of preparation (continued)

	As previously reported	Adjustments	As restated
	\$000	\$000	\$000
<b>Statement of Other Comprehensive Income for the year ended 31 December 2017</b>			
Available for sale investments:			
Valuation gains taken to equity	5,257	(5,257)	-
<b>Other Comprehensive Income</b>	<b>5,257</b>	<b>(5,257)</b>	<b>-</b>
<b>Statement of Cash flows for the year ended 31 December 2017</b>	<b>As previously reported</b>	<b>Adjustments</b>	<b>As restated</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Profit before tax	91,292	(5,257)	96,549
Changes in fair value of investment in securities	-	6,131	6,131
Impairment credit	(874)	874	-
<b>Net cash from operating activities</b>	<b>88,483</b>	<b>-</b>	<b>88,483</b>

#### Application of Section 408, Book 2 of the Netherlands Civil Code

Consolidated Financial Statements have not been prepared, as is permitted by Article 408, Book 2 of the Dutch Civil Code. Pursuant to the conditions of this article, the Company will file with the Trade Register of the Chamber of Commerce in Amsterdam the consolidated financial statements of its ultimate parent company (Standard Chartered PLC, London, England).

#### Going concern

These financial statements have been prepared on the basis of the going concern assumption.

#### Investment in subsidiary undertakings

Subsidiaries are entities controlled by the Company. The subsidiaries are included in the Financial Statements from the date that control commences until the date that control ceases and are measured at cost. The accounting policies of subsidiaries will be changed when necessary to align them with the policies adopted by the Group.

Participating interests, including majority investments where significant influence can be exercised, are stated at acquisition cost in accordance with Article 214.325 of the Guideline for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board, with reference to Title 9, Book 2, Article 408 of the Dutch Civil Code or in case of a permanent impairment of the value of the shares, it is measured at impaired value; any write-offs are disclosed in the profit and loss account (refer to note 'Impairment').

#### Interest income and expense

Interest income and expense is recognised in the income statement using the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

#### Expense recharges

Costs and expenses which are incurred in respect of the corporate governance of the Company are recharged by Standard Chartered Group on a cost basis.

#### Functional currency

The Company's functional and presentational currency is the United States Dollar (USD or \$). All financial information presented in USD has been rounded to the nearest thousand, except when otherwise indicated.

## Notes to the Financial Statements (continued)

for the year ended 31 December 2018

### 1. Principal accounting policies (continued)

#### Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Non-monetary transactions are translated at historical exchange rates.

#### Share capital

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

#### Dividends

Dividends on equity instruments are recognised in the income statement when the Company's right to receive payment is established.

#### Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than three months maturity from the date of acquisition, including: cash and balances at central banks (unless restricted), treasury bills and other eligible bills, loans and advances to banks, short-term government securities.

#### Estimates and assumptions

The preparation of the financial statements requires management to form opinions and to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognised in the period in which the estimate is revised and in future periods for which the revision has consequences. There are no key assumptions concerning the future, or other key sources of estimation uncertainty at the Statement of Financial Position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Taxation

Income tax on profit or loss for the period comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable/recoverable on the taxable result for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustments payable/recoverable in respect of previous years.

Deferred taxation is accounted for on an undiscounted basis at expected tax rates on all timing differences which occur where items are tax-effected in a period different from that in which they are recognised in the financial statements.

#### Investment securities

In accordance to Dutch reporting standard, for each (sub) category of investments in equity instruments without a stock exchange listing, the entity must make a choice to include them in the balance sheet at cost or fair value. If the entity opts to measure at fair value, the entity must make a choice per (sub) category for gains and losses arising from changes in the fair value of these instruments:

- directly recording in the income statement; or,
- to the extent that the result of an individual financial asset is cumulative positive, to be recognized directly in equity (reserve) until the moment of realization the gain. When the relevant assets are no longer recognized in the balance sheet, the cumulative result that was previously included in equity must be recognized in the income statement at once. In the case of a cumulative impairment below the cost price, this impairment must be recognized immediately in the profit and loss account, because only cumulative positive revaluations are recognized directly in equity.

The Company had opted for second option above until the end of 2017. Following the implementation of IFRS 9 in the Standard Chartered Group, the investment securities are now measured at fair value through profit and loss. As a result of this, the Company has opted to record the changes in fair value of these directly in the income statement as stipulated in the first option.

#### Receivables from group companies

These assets are recognised at fair value.

## Notes to the Financial Statements (continued)

for the year ended 31 December 2018

### 1. Principal accounting policies (continued)

#### Other assets and liabilities

Unless otherwise indicated, assets and liabilities are stated at their nominal value, and are due within one year.

#### Impairment

At each reporting date, the Company reviews the carrying amounts of its financial and non-financial assets (other than biological assets, Investment property, Inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash inflows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. For assets other than goodwill, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

### 2. Directors' emoluments

None of the Directors received any fees or emoluments for performing services as a director of the Company during the year (2017: nil).

### 3. Interest income

	2018 \$000	2017 \$000
Interest income from Standard Chartered Bank	2,291	2,020
<b>Interest income</b>	<b>2,291</b>	<b>2,020</b>

The Finance Act (No 2) 2015 introduced legislation to levy a surcharge of 8% on the profits of banking companies from 1 January 2016.

With this change all intercompany balances due from and to the Company's parent, Standard Chartered Bank (SCB) are charged interest from 1 January onwards. In 2018, SCB paid the Company interest of \$2.3 million (2017: \$2.0 million) on the cash balance deposited with SCB. The interest rate was the overnight rate of 1.84% on the average daily cash balance of \$124.8 million (2017: fixed rate of 1.91% and \$ 106.0 million).

### 4. Dividend income

	2018 \$000	2017 \$000
Dividend income from underlying subsidiaries	215,227	85,469
<b>Total</b>	<b>215,227</b>	<b>85,469</b>

## Notes to the Financial Statements (continued)

for the year ended 31 December 2018

### 5. Other operating (expense)/income

	2018	2017*
	\$000	\$000
Change in fair value on investment in securities	(6,245)	6,131
Change in fair value of amount due from group companies	319	-
Other expenses	(37)	(37)
<b>Total</b>	<b>(5,963)</b>	<b>6,094</b>

\*Restated, see note 1 to the Financial Statements.

### 6. Taxation

#### Analysis of tax credit for the year

	2018	2017
	\$000	\$000
The credit for taxation based upon the profits for the year comprises:		
<b>Current tax:</b>		
United Kingdom corporation tax at 19% (2017: 19.25%)		
Current tax for the year	424	289
Adjustments in respect of prior periods	(539)	(311)
<b>Overseas tax:</b>		
Current tax on income for the year	-	13
<b>Tax credit on profit on ordinary activities</b>	<b>(115)</b>	<b>(9)</b>



## Notes to the Financial Statements (continued)

for the year ended 31 December 2018

### 6. Taxation (continued)

Explanation of the relationship between tax (credit)/charge and accounting profit	2018 \$000	2017 \$000
(Loss)/profit on ordinary activities before taxation	(177,945)	96,549
Tax (credit)/charge at 19% (2017: 19.25%)	(33,810)	18,586
Effects of:		
Impairments	74,005	-
Non-taxable dividend income	(40,893)	(16,453)
Non-deductible loss/(gain) on change in fair value through investment in securities	1,188	(1,180)
Non-taxable fair value gain on receivables	(61)	-
Overseas tax	-	13
Share of investment in securities' taxable loss	(14)	(92)
Prior year adjustment	(539)	(311)
Transfer pricing adjustment	9	-
Non-taxable profit on sale of investment in subsidiary	-	(572)
<b>Tax credit on (loss)/profit on ordinary activities</b>	<b>(115)</b>	<b>(9)</b>

The UK corporation tax rate is 19% for the year ended 31 December 2018. The UK corporation tax rate is 19.25% for the year ended 31 December 2017, on account of a reduction in the UK corporation tax rate from 20 percent to 19 percent, effective from 1 April 2017. On 16 March 2016, the UK Government announced a reduction to the future main rate of UK Corporation Tax to 17 percent, effective from 1 April 2020. This rate change has been substantively enacted at the balance sheet date and accordingly has been reflected in these Financial Statements for deferred tax.

#### Share of investment in securities' taxable profit/(loss)

The company is subject to UK corporation tax on the underlying taxable profits/(loss) of the entity which represents its investment in securities. Any tax payable/receivable is settled through group relief arrangements. The tax arising from this investment is recognised in the Profit & Loss Account of the company.

#### Unrecognised Deferred Tax Asset

Deferred tax assets of approximately US\$2 million (2017: US\$1.9 million), as at the end of the financial year, in respect of realised capital losses have not been recognised as their future recovery is uncertain or not currently anticipated. Capital losses can be carried forward indefinitely.

#### Balance Sheet

Current liabilities	2018 \$000	2017 \$000
Amounts due to group undertakings for UK tax losses	(174)	(320)

## Notes to the Financial Statements (continued)

for the year ended 31 December 2018

### 7. Investment in subsidiaries

	2018 \$000	2017* \$000
Cost at 1 January	238,886	244,075
Additions	388,000	-
Disposal	-	(5,189)
<b>Cost at 31 December</b>	<b>626,886</b>	<b>238,886</b>
Impairment at 1 January	(9,113)	(9,113)
Provision made	(389,500)	-
<b>Impairment at 31 December</b>	<b>(398,613)</b>	<b>(9,113)</b>
<b>Net book value at 31 December</b>	<b>228,273</b>	<b>229,773</b>

\*Reclassified, see note 1 to the Financial Statements.

During the year, the Company invested \$388.0 million into its subsidiary, Standard Chartered MB Holdings B.V.. This investment was fully impaired.

The Company also fully impaired its investment in Standard Chartered Metropolitan Holdings SAL by \$1.5 million.

The subsidiary undertakings of the Company are as follows:

Investment	Place of incorporation	% Holding		Principal activity
		2018	2017	
Standard Chartered MB Holdings B.V.	Netherlands	100	100	Holding company
Smart Application Investment B.V.	Netherlands	100	100	Holding company
Standard Chartered Finance (Brunei) Bhd	Brunei Darussalam	100	100	Auto hire-purchase & leasing
Standard Chartered Holdings (Africa) B.V.	Netherlands	100	100	Holding company
Standard Chartered Holdings (Asia Pacific) B.V.	Netherlands	100	100	Holding company
Raffles Nominees (Pte.) Limited	Singapore	100	100	Nominee services
Standard Chartered Bank Zimbabwe Limited	Zimbabwe	3.17	3.17	Banking
Standard Chartered Metropolitan Holdings SAL	Lebanon	100	100	Holding company

## Notes to the Financial Statements (continued)

for the year ended 31 December 2018

### 8. Investment securities

	2018 \$000	2017* \$000
At 1 January	42,151	36,955
Additions	103	1,760
Disposals	(9,415)	(2,695)
Change in fair value recognised through profit and loss	(6,245)	6,131
<b>Fair value at 31 December</b>	<b>26,594</b>	<b>42,151</b>
<b>Net book value at 31 December</b>	<b>26,594</b>	<b>42,151</b>

\* Restated, see note 1 to the Financial Statements.

Since the investment in securities is unlisted, its fair value is determined on the basis of the Company's share in the Partnership's net equity value.

### 9. Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise the following balances with less than three months maturity from the date of acquisition.

	2018 \$000	2017* \$000
Amounts owed by Standard Chartered Bank	339,362	112,600
<b>Cash and cash equivalents</b>	<b>339,362</b>	<b>112,600</b>

\*Reclassified, see note 1 to the Financial Statements.

### 10. Called up share capital

During the year, class B, C, D, E, F and G shares were all converted into class A shares.

The Company's authorised share capital consists of 1,918,467 ordinary shares of Euro 4.50 each, totalling Euro 8,633,101.5 (2017: 223,557 A shares, 257,373 B shares, 237,853 C shares, 247,833 D shares, 543,437 E shares, 96,017 F shares and 312,347 G shares all of Euro 4.5 each, totalling Euro 8,633,101.5).

As at 31 December 2018, issued and fully paid shares were comprised of 815,335 ordinary shares totalling Euro 3,669,007.5 (2017: 67,067 A shares, 77,212 B shares, 71,356 C shares, 74,365 D shares, 162,785 E shares, 40,203 F shares and 312,347 G shares all of Euro 4.50 totalling Euro 3,624,007.5).

The exchange rate used to convert the Euro share capital to US dollars is 0.87388 (2017: 0.83284).

During the year the Company received \$388.0 million as capital injection from its parent which was fully injected into its subsidiary Standard Chartered MB Holdings B.V..

The Company's primary objective in respect of capital management is to ensure that it has sufficient capital now and in the future to support the risks in the business. The Company is not subject to externally imposed capital requirements in either the current year or the prior year. The Company manages its ordinary share capital in order that there is sufficient capital, in the opinion of the Directors, to support the transactions and level of business undertaken by the Company.

## Notes to the Financial Statements (continued)

for the year ended 31 December 2018

### 11. Related parties

#### Directors and officers

None of the Directors or officers received any fees or emoluments in respect of qualifying services to the Company during the year (2017: nil).

#### Company

	2018 \$000	2017* \$000
<b>Assets</b>		
Standard Chartered Bank - interest bearing current account	339,362	112,600
Standard Chartered Group - non interest bearing current account	561	242
<b>Total assets</b>	<b>339,923</b>	<b>112,842</b>
<b>Liabilities</b>		
Standard Chartered Group - non interest bearing current account	1,313	1,313
<b>Total liabilities</b>	<b>1,313</b>	<b>1,313</b>

\*Reclassified, see note 1 to the Financial Statements.

### 12. Risk management

#### (a) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Company by failing to discharge its obligation towards the Company. Financial instruments for the year comprised inter group balances and investments. The Standard Chartered Group has policies and procedures in place to manage risk so that the credit risk from amounts owed by group undertakings is not considered significant.

#### (b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk is mitigated as both investing and funding decisions are within the control of the ultimate parent undertaking.

#### (c) Foreign currency risk

Foreign currency risk is the risk of a loss from assets or liabilities denoted in a foreign currency. Share capital is denominated in Euro. Changes in the value of share capital is reported within Equity so is not considered significant.

#### (d) Market risk

Market risk is the exposure created by potential changes in market prices and rates. The Company is not directly exposed to any significant market risk.

### 13. Staff numbers and employment costs

The Company has no employees (2017: nil).

### 14. Ultimate holding and parent undertaking of larger group

The Company is a subsidiary undertaking of SCMB Overseas Limited, a company registered in England and Wales. The ultimate holding company is Standard Chartered PLC registered in England and Wales. The smallest group in which the results of the Company are consolidated is Standard Chartered Bank, the largest group in which the results of the Company are consolidated is that headed by Standard Chartered PLC. The consolidated financial statements of this Company are available to the public and may be obtained from its registered office located at 1 Basinghall Avenue, London EC2V 5DD.

## **Notes to the Financial Statements (continued)**

for the year ended 31 December 2018

### **15. Contingencies**

The Company has no contingent assets or liabilities.

### **16. Appropriation of Profit for the year**

During the year, the Company did not declare any dividend (2017: \$85.0 million). The loss for the year 2018 will be charged to the retained earnings.

### **17. Subsequent events**

In 2019, the Company received \$224.0 million capital injection from its parent which it then fully injected into its subsidiary, Standard Chartered MB Holdings B.V.. This investment was subsequently fully impaired.

During the year, local trading in foreign currencies were banned in Zimbabwe including the US dollar. The Zimbabwe dollar has been reintroduced. This has resulted in a devaluation of the amount due from Africa Enterprise Network Trust.

## **Standard Chartered Holdings (International) B.V.**

### **Other Information**

#### **Appropriation of Profit**

The Articles of Association provide that the profit of a year and reserves are at the free disposal of the Annual General meeting of Shareholders.

An interim dividend out of the profits made in the current financial year can be distributed if the general meeting upon the proposal of the managing board so determines.

During the year, class B,C,D,E,F and G shares were all converted into class A shares.

As at 31 December 2018, issued and fully paid shares were comprised of 815,335 ordinary shares totalling Euro 3,669,007.5 (2017: 67,067 A shares, 77,212 B shares, 71,356 C shares, 74,365 D shares, 162,785 E shares, 40,203 F shares and 312,347 G shares all of Euro 4.50 totalling Euro 3,624,007.5). All shares have voting rights and with no limitations of distribution of profits. All of the shares are owned by SCMB Overseas Limited and the articles do not require the company to issue share certificates.

#### **Audit**

An audit of the Financial Statements has not been carried out as the Company qualifies as small as defined in Article 396 of Part 9 Book 2 of the Dutch Civil Code.