

In accordance with Regulation 32 of the Overseas Companies Regulations 2009.

OS AA01

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



Companies House

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

What this form is NOT
You cannot use this form for an alteration of manner with accounting requirements.

MONDAY



A10 *A7KYSWX5* #206
17/12/2018
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.	② This means the relevant rules or legislation which regulates the preparation and, if applicable, the audit of accounts.
Legislation ②	Dutch Civil Code	

A2	Accounting principles	
Accounts	Have the accounts been prepared in accordance with a set of generally accepted accounting principles? Please tick the appropriate box. <input type="checkbox"/> No. Go to Section A3 . <input checked="" type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those principles below, and then go to Section A3 .	③ Please insert the name of the appropriate accounting organisation or body.
Name of organisation or body ③	Dutch GAAP	

A3	Accounts	
Accounts	Have the accounts been audited? Please tick the appropriate box. <input checked="" type="checkbox"/> No. Go to Section A5 . <input type="checkbox"/> Yes. Go to Section A4 .	

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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.

 No. Go to **Part 3 'Signature'**. Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**.

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

Name of organisation or body ❶

A5**Unaudited accounts**

Unaudited accounts

Is the company required to have its accounts audited?

Please tick the appropriate box.

 No. Yes.**Part 3****Signature**

I am signing this form on behalf of the overseas company.

Signature

Signature

X

FOR AND ON
BEHALF OF
SC (SECRETARIES)
LIMITED

X

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 or email 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

Standard Chartered Holdings (International) B.V.

Directors' Report and Financial Statements

For the year ended 31 December 2017

Registered Number: 33243770

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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 2017.

Principal activities

The principal activity of the Company is that of a holding company and it is not anticipated that this will change for the foreseeable future. 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. During the year, the Company received gross dividends of \$85.5 million (2016: \$283.8 million).

The Company's main investments in subsidiaries are set out in note 7.

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

The Company paid a dividend of \$85.0 million during the year (2016: \$270.0 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	Date of appointment	Date of resignation
P S Chambers	21 November 2012	
N K J Taylor	02 September 2010	
S Singh Rai	28 June 2017	
S D Davis	02 September 2010	29 June 2017

As at December 2017, 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 per cent female representation.

Employees

The Company had no employees (2016: nil).

Risk management

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

Directors' Report

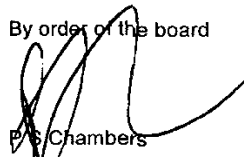
Subsequent events

In 2018, the Company received \$388m 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.

Political and charitable contributions

The Company made no political contributions during the year (2016: nil).

By order of the board



P/S Chambers

Directors

Company registration number - 33243770

Date: 8 October 2018



S Singh Rai



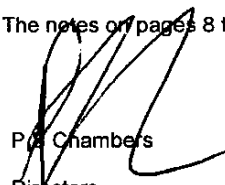
N K J Taylor
1 Basinghall Avenue
London
EC2V 5DD
UK

Balance sheet after appropriation of profit as at 31 December 2017


as at 31 December 2017

	Note	2017 \$000	2016 \$000
Financial fixed assets			
Investments in subsidiaries	7	229,773	234,962
Current assets			
Amounts owed by group companies	11	112,842	100,269
Investment securities	8	42,151	36,955
Corporation tax receivable	6	-	702
Total assets		384,766	372,888
Current liabilities			
Amounts due to group companies	11	1,313	1,313
Corporation tax payable	6	320	-
Total liabilities		1,633	1,313
Equity			
Share capital		4,352	3,822
Share premium		342,598	342,598
Available for sale reserve		5,257	-
Translation reserves		219	749
Retained earnings		30,707	24,406
Total equity		383,133	371,575
Total equity and liabilities		384,766	372,888

The notes on pages 8 to 16 form part of the financial statements.


P J Chambers
Directors
London, 8 October 2018


S Singh Rai


N K J Taylor

Profit and Loss Account for the year ended 31 December 2017

for the year ended 31 December 2017

		2017	2016
	Note	\$000	\$000
Interest income	3	2,020	1,602
Dividend income	4	85,469	283,760
Other (expenses)/income	5	(37)	1,812
Profit on sale of investment in subsidiaries		2,966	-
Total operating income		90,418	287,174
Interest expense on tax provision	6	-	76
Operating profit		90,418	287,250
Impairment credit		874	1,489
Profit before taxation		91,292	288,739
Tax credit/(charge)	6	9	(341)
Profit for the year		91,301	288,398

Statement of Other Comprehensive Income

for the year ended 31 December 2017

		2017	2016
	Note	\$000	\$000
Available for sale investments:			
Valuation gain taken to equity		5,257	-
Profit for the year		91,301	288,398
Total comprehensive income		96,558	288,398

The notes on pages 8 to 16 form part of the financial statements.

Statement of Changes in Equity

for the year ended 31 December 2017

	Share capital \$000	Share premium \$000	AFS Reserve \$000	Translation reserves \$000	Retained earnings \$000	Total \$000
At 1 January 2016	3,936	342,598	-	635	6,008	353,177
Currency translation reserve	(114)	-	-	114	-	-
Profit for the year	-	-	-	-	288,398	288,398
Dividend paid	-	-	-	-	(270,000)	(270,000)
At 31 December 2016/ 1 January 2017	3,822	342,598	-	749	24,406	371,575
Currency translation reserve	530	-	-	(530)	-	-
Profit for the year	-	-	-	-	91,301	91,301
Other comprehensive income	-	-	5,257	-	-	5,257
Dividend paid	-	-	-	-	(85,000)	(85,000)
At 31 December 2017	4,352	342,598	5,257	219	30,707	383,133

The exchange rate used to convert the Euro share capital is 0.83284 (2016: 0.94829)

The notes on pages 8 to 16 form part of the financial statements.

Statement of Cash Flows

for the year ended 31 December 2017

	Note	2017 \$000	2016 \$000
Cash flows from operating activities			
Profit before tax		91,292	288,739
Adjustment for items not involving the movement of funds			
Withholding tax		(12)	-
Foreign exchange gain		-	(1,853)
Decrease in accrued interest payable on tax provision		-	(2,795)
Impairment credit		(874)	(1,489)
Profit on sale of Investment in subsidiary		(2,966)	-
Group tax relief settled		1,043	(7,146)
Net cash from operating activities		88,483	275,456
Cash flows from investing activities			
Disposal of investment in subsidiaries		8,155	-
Acquisition of investment securities	8	(1,760)	(430)
Disposal of investment securities	8	2,695	392
Net cash from/(used in) investing activities		9,090	(38)
Cash flows from financing activities			
Dividend paid		(85,000)	(270,000)
Principal repayments on term loan		-	(38,626)
Repayment of loan received from partnership		-	38,626
Net cash used in financing activities		(85,000)	(270,000)
Net cash increase in cash and cash equivalents		12,573	5,418
Cash and cash equivalents at beginning of year		100,269	94,851
Cash and cash equivalents at end of year	9	112,842	100,269

The notes on pages 8 to 16 form part of the financial statements.

Notes to the Financial Statements

for the year ended 31 December 2017

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. The Company paid a dividend of \$85.0 million during the year (2016: \$270.0 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.

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 2017

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.

Changes in accounting policies

The entity has consistently applied the accounting policies set out in note 2 to all periods presented in these financial statements.

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.

Interest in investments

Interest in investments is stated at cost. A provision is made in the event of a permanent diminution in value, calculated by comparing the carrying value of each group of companies acquired in one transaction with the market value of this group at the balance sheet date.

Other assets and liabilities

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

Loans and receivables

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Notes to the Financial Statements (continued)

for the year ended 31 December 2017

1. Principal accounting policies (continued)

Impairment

At each reporting date, the Group reviews the carrying amounts of its 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. Goodwill is tested annually for impairment.

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 cash generating units ('CGUs'). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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 flows, 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. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, 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 had been recognised.

Financial instruments

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, financial assets, loans and receivables and financial assets.

The Group classifies non-derivative financial liabilities into the other financial liabilities category.

(i) Non-derivative financial assets and financial liabilities - recognition and derecognition

The Group initially recognises loans and receivables and debt securities issued on the date that they are originated. All other financial assets and financial liabilities are recognised initially on the trade date.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Non-derivative financial assets - measurement

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, which takes into account any dividend income, are recognised in profit or loss.

Held-to-maturity financial assets

Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method.

Loans and receivables

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Notes to the Financial Statements (continued)

for the year ended 31 December 2017

1. Principal accounting policies (continued)

Financial instruments (continued)

Available-for-sale financial assets

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments, are recognised in and accumulated in the fair value reserve. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

2. Directors' emoluments

None of the Directors received any fees or emoluments for performing services as a director of the Company during the year (2016: nil).

3. Interest income

	2017	2016
	\$000	\$000
Interest income from Standard Chartered Bank	2,020	1,602
Interest income	2,020	1,602

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 2017, SCB paid the Company interest of \$2.02 million (2016: \$1.6 million) on the cash balance deposited with SCB. The interest rate was a 12 month fixed rate of 1.91% (2016: 1.69%) on the average daily cash balance of \$106 million (2016: \$94.8 million).

4. Dividend income

	2017	2016
	\$000	\$000
Dividend income from underlying subsidiaries	85,469	283,760
Total	85,469	283,760

5. Other operating (expense)/income

	2017	2016
	\$000	\$000
Foreign exchange gain	-	1,853
Other expenses	(37)	(41)
Total	(37)	1,812

Notes to the Financial Statements (continued)

for the year ended 31 December 2017

6. Taxation

Analysis of tax (credit)/charge for the year

	2017 \$000	2016 \$000
The (credit)/charge for taxation based upon the profits for the year comprises:		
Current tax:		
United Kingdom corporation tax at 19.25% (2016: 20.00%)		
Current tax on income for the year	289	341
Adjustments in respect of prior periods	(311)	-
Overseas tax:		
Current tax on income for the year	13	-
Tax (credit)/charge on profits on ordinary activities	(9)	341

Explanation of the relationship between tax (credit)/charge and accounting profit

	2017 \$000	2016 \$000
Profit on ordinary activities before taxation	91,292	288,739
Tax charge at 19.25% (2016: 20.00%)	17,574	57,748
Effects of:		
Non taxable dividends	(16,453)	(56,752)
Overseas tax	13	-
Impairments	(169)	(298)
Share of investment in securities' taxable loss	(92)	(89)
Non-taxable gain on disposal	-	-
Prior year adjustment	(311)	-
Other non taxable	-	(268)
Non taxable profit on sale of investment in subsidiary	(571)	-
Tax (credit)/charge on profits on ordinary activities	(9)	341

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\$1.9m (2016: US\$2.0m), 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.

Notes to the Financial Statements (continued)

for the year ended 31 December 2017

6. Taxation (continued)

On 8 July 2015, the UK Government announced a reduction in the UK corporation tax rate from 20 percent to 19 percent, effective from 1 April 2017. This tax rate has been enacted into law and results in a blended tax rate of 19.25% for the year ended 31 December 2017. On 16 March 2016, the UK Government announced a further reduction to the 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.

Balance Sheet

Current assets/(liabilities)

	2017	2016
	\$000	\$000
Amounts due to/(from) group undertakings for UK tax losses	(320)	702

7. Investment in subsidiaries

	2017	2016
	\$000	\$000
Cost at 1 January	241,625	241,625
Disposal	(5,189)	-
Cost at 31 December	236,436	241,625
Impairment at 1 January	(6,663)	(6,663)
Provision made	-	-
Impairment at 31 December	(6,663)	(6,663)
Net book value at 31 December	229,773	234,962

In April 2017, the Company sold its subsidiary, Standard Chartered Holding Inc to Standard Chartered Bank at a profit of \$3.0 million.

Notes to the Financial Statements (continued)

for the year ended 31 December 2017

7. Investment in subsidiaries (continued)

The subsidiary undertakings of the Company are as follows:

Investment	Place of incorporation	% Holding		Principal activity
		2017	2016	
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
Standard Chartered Holdings Inc	United States	-	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

8. Investment securities

	2017	2016
	\$000	\$000
At 1 January	36,955	35,428
Additions	1,760	430
Disposals	(2,695)	(392)
Change in fair value recognised in reserve	5,257	-
Impairment reversal	874	1,489
Fair value at 31 December	42,151	36,955
Net book value at 31 December	42,151	36,955

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.

	2017	2016
	\$000	\$000
Amounts owed by Standard Chartered Bank	112,842	100,269
Cash and cash equivalents	112,842	100,269

Notes to the Financial Statements (continued)

for the year ended 31 December 2017

10. Called up share capital

The Company's authorised share capital consists of 223,557 A shares, 257,373 B shares, 237,853 C shares, 247,883 D shares, 543,437 E shares, 96,017 F shares, and 312,347 G shares all of Euro 4.50 each, totalling Euro 8,633,101.50.

As at 31 December 2017 and 31 December 2016, issued and fully paid shares were comprised of 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 3,624,007.50.

The exchange rate used to convert the Euro share capital to US dollars is 0.83284 (2016: 0.94829)

All classes of shares rank equally in respect of voting rights and dividend payments.

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.

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 (2016: nil).

Company

	2017	2016
	\$000	\$000
Assets		
Standard Chartered Bank - interest bearing current account	112,842	100,269
Total assets	112,842	100,269
Liabilities		
Standard Chartered Group - non interest bearing current account	1,313	1,313
Total liabilities	1,313	1,313

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.

Notes to the Financial Statements (continued)

for the year ended 31 December 2017

12. Risk management (continued)

(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 (2016: 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.

15. Contingencies

The Company has no contingent assets or liabilities.

16. Appropriation of Profit for the year

A dividend of \$85.0 million was declared and paid during the year (2017: \$270.0 million). The profit for the year 2017 will be added to the retained earnings.

17. Subsequent events

In 2018, the Company received \$388m 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.

Standard Chartered Holdings (International) B.V.

Other Information

Appropriation of Profit

The Articles of Association provide that the profit for the 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.

All classes of shares rank equally in respect of dividend payments.

As at 31 December 2017 issued and fully paid shares were comprised of 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 totaling Euro 3,624,007.50. 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.