

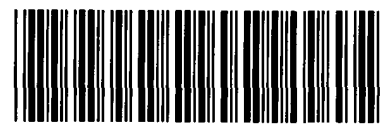
CITIGROUP JAPAN OVERSEAS HOLDINGS LIMITED

Registered Number: 3241580

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended 31 March 2020

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CITIGROUP JAPAN OVERSEAS HOLDINGS LIMITED

DIRECTOR'S REPORT

For the year ended 31 March 2020

The Directors present their report and the financial statements of Citigroup Japan Overseas Holdings Limited (the Company) for the year ended 31 March 2020.

Principal activities and business review

Until 13 April 2009, the principal activity of the Company was to act as the financial holding company of various group undertakings whose principal activity was merchant banking. The only trading subsidiary, The Nikko Merchant Bank (Singapore) Limited, was liquidated on 13 April 2009. As the Company has ceased to trade and is not expected to trade in the foreseeable future the Directors have not prepared the financial statements on a going concern basis. The effect of this is explained in note 1.

On 29 January 2013, the Company made a capital repayment of ¥1,521,647,000 to Citigroup Overseas Holdings G.K. (COH G.K.) its parent company at that time, which represented all of its available cash and consequently it became dormant on that date and has no assets and liabilities other than unrecognised deferred tax assets.

On 25 February 2013, the Company was sold and ownership of its ¥2,050,238,213 fully paid up shares of 1 yen each was transferred to Citigroup Capital Investments UK Limited (CCIUKL) from COH G.K.

The Company has been dormant from 31 March 2013.

Employees

There were no persons employed by the Company during the year or the prior year and no persons have been employed by the Company since the year end.

Dividends

The Directors do not recommend the payment of a dividend for the year (2019: ¥nil).

Reporting currency

The share capital of the Company is denominated in Japanese yen and the Company is dormant. The Directors consider it appropriate to prepare the financial statements in Japanese yen.

Events after the reporting period

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. The potential impacts from COVID-19 remain uncertain, including, among other things, on economic conditions, businesses and consumers.

This is a non-adjusting event and it is not expected to have any material financial effects to the Company.

Directors

The Directors who held office during the year ended 31 March 2020 and since year end were:

S J Cumming
G A Z Caspi

Directors' indemnity

The Directors benefit from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

CITIGROUP JAPAN OVERSEAS HOLDINGS LIMITED

DIRECTOR'S REPORT

For the year ended 31 March 2020

Statement of Directors' responsibilities in respect of the Directors' report and the Financial Statements

The Directors are responsible for preparing the 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. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (United Kingdom 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures 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 Arrangement 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 are responsible for 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, and 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.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Charitable donations and political contributions

Charitable donations and political contributions of ¥nil were made during the year (2018: ¥nil).

Principal place of business

The Company is managed and controlled in the United Kingdom. The registered office of the Company and the location of the board meetings throughout the year was Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.

Strategic Report

Section 414B of the Companies Act 2006 states that a company is entitled to the small companies exemption in relation to the strategic report for the financial year if it would be so entitled but for being a member of an ineligible group. The Company has elected to exercise this exemption in relation to the preparation of a Strategic Report for this financial year as it meets the definition of a small company.

CITIGROUP JAPAN OVERSEAS HOLDINGS LIMITED

DIRECTOR'S REPORT

For the year ended 31 March 2020

Provision of information to auditor

In accordance with section 418, Companies Act 2006 and subject to all the provisions of section 418, it is stated by the Directors who held office at the date of approval of this Directors' Report that:

- so far as that each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- that each Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Company's auditor in connection with preparing its report and to establish that the Company's auditor is aware of that information.

Auditor

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

This report was approved by the board and signed on its behalf.



S J Cumming
Director

17 December 2020

Incorporated in England and Wales
Registered Office: Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB
Registered Number: 3241580

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITIGROUP JAPAN OVERSEAS HOLDINGS LIMITED

Opinion

We have audited the financial statements of Citigroup Japan Overseas Holdings Limited ("the company") for the year ended 31 March 2020 which comprise the income statement, balance sheet 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 March 2020 and of its result 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.

Emphasis of matter - non-going concern basis of preparation

We draw attention to the disclosure made in Note 1 to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

Directors' report

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

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

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

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITIGROUP JAPAN OVERSEAS HOLDINGS LIMITED

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

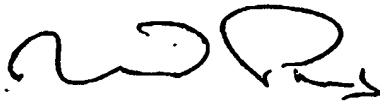
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Pinks (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London, E14 5GL
18 December 2020

CITIGROUP JAPAN OVERSEAS HOLDINGS LIMITED

INCOME STATEMENT

for the year ended 31 March 2020

The Company did not trade during the current and preceding financial year and earned no income and incurred no expenses during the current and previous year. Consequently, during those years the Company made neither a profit nor a loss and has not recognised any other comprehensive income. As such, no separate statement of changes in equity is prepared.

BALANCE SHEET

as at 31 March 2020

| | Note | 2020 ¥000 | 2019 ¥000 |
|-----------------------------------|------|--------------|--------------|
| Net assets | | - | - |
| Capital and reserves | | | |
| Called up share capital | 6 | 2,050,238 | 2,050,238 |
| Profit and loss account | | (37,144,799) | (37,144,799) |
| Capital redemption reserve | | 35,094,561 | 35,094,561 |
| Equity shareholder's funds | | - | - |

The accompanying notes on pages 8 to 10 form an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Directors and were signed on their behalf on 17 December 2020.



S J Cumming
Director

Registered Number: 3241580

CITIGROUP JAPAN OVERSEAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Principal accounting policies

a) Basis of presentation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company has taken the exemption available under FRS 101 not to prepare a cash flow statement, the effects of new but not yet effective IFRSs and capital management disclosures.

These financial statements have been prepared under the historical cost convention. The functional and financial statements presentational currency of the Company is Japanese Yen and all values are rounded to the nearest Yen, except where otherwise indicated.

As the Company is dormant and not expected to trade in the foreseeable future the Directors have not prepared the financial statements on going concern basis but on a net realisable value basis. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements.

The Company's results are consolidated in the financial statements of its ultimate parent company, Citigroup Inc., which are made available to the public annually.

The accounting policy set out below has, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

b) Changes in accounting policy and disclosures

Standards issued and effective

There are a number of accounting standards that have been issued by the International Accounting Standards Board ("IASB"), which became effective during 2019. They include:

- **IFRS 16 – Leases.** In January 2016, the IASB issued IFRS 16, which sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard removes the current requirement for lessees to classify leases as finance leases or operating leases by introducing a single lessee accounting model that requires the recognition of lease assets and lease liabilities on the balance sheet for most leases. Lessees will also recognise depreciation expense on the lease asset and interest expense on the lease liability in the income statement. There are no significant changes to lessor accounting aside from enhanced disclosure requirements. The change in accounting standard did not have any impact on the Company, as it does not enter into lease arrangements.
- **IFRIC 23 – Uncertainty over Income Tax Treatments.** The interpretation provides requirements that add to the requirements in IAS 12 – Income Taxes by specifying how to reflect the effects of uncertainty in accounting for income taxes. The interpretation did not have any impact on the Company.

CITIGROUP JAPAN OVERSEAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Principal accounting policies (continued)

c) Taxation

Corporation tax is provided on taxable profits/losses at the current tax rate.

Full provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their treatment for tax purposes on an undiscounted basis. Deferred tax assets are recognised to the extent that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

2. Director's emoluments

Total emoluments of the Directors during the year was ¥nil (2019: ¥nil).

The Directors of the Company are employed by another group company and qualifying services in respect of the Company are considered to be incidental to their role within the parent company. In addition, they are not covered by any remuneration or formal pension scheme of the Company (2019: ¥nil).

3. Employee information

There were no persons employed by the Company during the year or the prior year and no persons have been employed by the Company since the year end.

4. Auditor's remuneration

The audit fee for the current year of ¥722,421 (2019: ¥735,796) has been borne and paid by an associated company.

5. Deferred taxation

The main rate of corporation tax in the UK has been 19% from 1 April 2017. The Finance Act 2016 reduced the main rate of corporation tax to 17% with effect from 1 April 2020.

The 2020 Budget removed the reduction to 17% such that the rate will remain at 19%. The deferred tax at 31 March 2020 has been calculated based on the rate of 19% substantially enacted at the balance sheet date.

The Company has an unrecognised deferred tax asset at 31 March 2020 comprising ¥174,301,167 (2019: ¥155,953,659) of trading losses and ¥4,081,602,988 (2019: ¥4,131,014,718) of capital losses (some of which are of restricted use).

The deferred tax asset has not been recognised as its recoverability from future taxable profits is unlikely.

6. Called up share capital

| | 2020 ¥000 | 2019 ¥000 |
|---------------------------------------------------------------------------------------|--------------|--------------|
| Allotted, called up and fully paid 2,050,238,213 ordinary shares of ¥1 each | 2,050,238 | 2,050,238 |

CITIGROUP JAPAN OVERSEAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

7. Ultimate parent undertaking and controlling party

The audited financial statements of the immediate parent are available to the public annually and may be obtained from its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E 14 5LB.

The Company's ultimate parent and ultimate controlling party is Citigroup Inc., a company registered at 1209 Orange Street, Wilmington, New Castle, DE 19810, United States of America.

The audited consolidated financial statements of Citigroup Inc. are made available to the public annually in accordance with Securities and Exchange Commission regulations and may be obtained from www.citigroup.com/citi/corporategovernance/ar.htm.

8. Events after the reporting period

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. The potential impacts from COVID-19 remain uncertain, including, among other things, on economic conditions, businesses and consumers.

This is a non-adjusting event and it is not expected to have any material financial effects to the Company.