Supplement

pursuant to Section 16 para. 1 of the German Securities Prospectus Act (*Wertpapierprospekt-gesetz*) (old version)

dated 8 May 2020

to the base prospectuses of

Citigroup Global Markets Europe AG

Frankfurt am Main

(the "Issuer")

This supplement of Citigroup Global Markets Europe AG, Frankfurt am Main, Germany relates to the base prospectuses dated 5 June 2019 as indicated in the table on page 9.

The Supplement and the Base Prospectuses are available free of charge at the offices of Citigroup Global Markets Europe AG, Frankfurter Welle, Reuterweg 16, 60323 Frankfurt am Main and furthermore are available on the website of the issuer at www.citifirst.com under the rider Products>Legal Documents.

Pursuant to Section 16 para. 3 of the German Securities Prospectus Act (old version), investors who have already agreed to purchase or subscribe for securities before this Supplement has been published shall have the right, exercisable within a time period of two working days (or such longer period as may be required by a relevant jurisdiction) after the publication of this Supplement, to withdraw their acceptances, provided that the new factor, mistake or inaccuracy arose before the final closing of the offer to the public and the delivery of the securities.

Addressee of a withdrawal is Citigroup Global Markets Europe AG, Attn. Legal Department, Frankfurter Welle, Reuterweg 16, 60323 Frankfurt am Main. The withdrawal does not have to contain reasons and has to be in text form. The timely dispatch of the withdrawal is sufficient to comply with the deadline.

Subject of this supplement (the "**Supplement**") in relation to the base prospectus for the issuance, increase or a resumption of the offer of certificates relating to shares or securities representing shares, share indices, exchange rates, commodities, funds, exchange traded funds, futures contracts or a basket consisting of shares or securities representing shares, share indices, exchange rates, commodities, funds, exchange traded funds, futures contracts dated 5 June 2019, as supplemented on 2 October 2019 and on 29 January 2020, and the base prospectus for the issuance, increase or a resumption of the offer of Warrants relating to shares or securities representing shares, share indices, exchange rates, commodities, funds, exchange traded funds, futures contracts dated 5 June 2019, as supplemented on 2 October 2019 and on 29 January 2020, (all base prospectuses together the "**Base Prospectuses**"), is information as regards the Issuer's annual financial information as of 31 December 2019 which was published on 29 April 2020 (the "**Annual-Report**").

The Base Prospectuses are supplemented on the pages as indicated in the table on page 9 (the "**Table**") as follows:

Amendments regarding Section "I. Summary"

*1. In the Base Prospectuses the information contained in "**A. English Summary**" in Element B.4b of "**Section B - Issuer and any guarantors**" on the pages indicated in **Item 1** of the **Table** shall be deleted and replaced by the following information:*

"

B.4b	A description of any known trends affecting the issuer and the industries in which it operates.	The development of the economic, financial and above all capital markets faces a variety of risks and dangers. In the Issuer's view, the economic outlook is impacted by substantial uncertainties. The Issuer believes that the cause for these uncertainties are, among other things, a protectionist economic policy, a less dynamic economy and the impact of the coronavirus that has spread dramatically since the beginning of the year 2020. The individual economies have become fragile due to the relatively long-lasting interest rate phase and, in some cases, to a

		dearth of reform and consolidation efforts and to elevated private debt. The continued low interest rate environment, in the Issuer's view, only increases the danger to which the financial and capital markets are exposed. Protectionist policies and measures, which have emanated above all from the United States, are a threat to the economic growth in individual countries and to the financial markets. To this extent, the Issuer believes that trade conflicts and the concomitant reduction in the supply of goods and services in the current year cannot be ruled out. Furthermore, the political backsliding from European cohesion in the European Union now poses additional risks. The withdrawal of Great Britain from the European Union as well as the independence movements of certain countries in Central and Eastern Europe could adversely influence the economy of the European Economic Area. In regard to the effects of the coronavirus pandemic for the world economy, the risk of a recession can no longer be generally ruled out. Financial markets are also exposed to the aforementioned risks and uncertainties in 2020. Overall, the volatilities that began in early 2020 could further escalate. The Issuer continues to assume that there will be capacity for public offerings and refinancing deals.

"

*2. In the Base Prospectuses the information contained in "**A. English Summary**" in Element B.10 and B.12 of "**Section B - Issuer and any guarantors**" on the pages indicated in **Item 2** of the **Table** shall be deleted and replaced by the following information:*

"

B.10	A description of the nature of any qualifications in the audit report on the historical financial information.	Not applicable; the annual financial statements of the Issuer for the financial years from 1 January 2019 to 31 December 2019, from 28 April 2018 to 31 December 2018 (short fiscal year) and from 1 January 2018 to 27 April 2018 (short fiscal year) were audited by the Issuer's statutory auditor and certified with an unqualified auditor's opinion.
B.12	Selected historical key financial information regarding the issuer, presented for each financial year of the period covered by the historical financial information and any subsequent interim financial period accompanied by comparative data from the same period in the prior financial year, except that the requirement for comparative balance sheet information is satisfied by presenting the year-end balance	**Key Annual Financial Information of Citigroup Global Markets Europe AG** The business development of Citigroup Global Markets Europe AG is shown below in the light of some figures, which are taken from the audited financial statements of Citigroup Global Markets Europe AG (name change with effect from 15 June 2018, formerly Citigroup Global Markets Deutschland AG) for the the fiscal year from 1 January 2019 to 31 December 2019, the short fiscal year from 28 April 2018 to 31 December 2018 and the short fiscal year from 1 January 2018 through 27 April 2018. The figures are broken down according to economic factors compared to the respective previous reporting periods:

	31.12.2019	31.12.2018	27.04.2018
Balance sheet total in million Euro	16,317.9	5,695.7	6,808.4
Equity capital in million Euro	1,252.8	575.7	590.5
Average number of employees in the fiscal year	409	227	262

	01.01.2019 -	28.04.2018 -	01.01.2018 -

<table>
<tr>
<td></td>
<td>sheet information. A statement that there has been no material adverse change in the prospects of the issuer since the date of its last published audited financial statements or a description of any material adverse change.

A description of significant changes in the financial or trading position of the issuer subsequent to the period covered by the historical financial information.</td>
<td>
<table>
<tr><th></th><th>31.12.2019
in million Euro</th><th>31.12.2018
in million. Euro</th><th>27.04.2018
in million Euro</th></tr>
<tr><td>Interest income from loans and money market transactions</td><td>18.9</td><td>3.1</td><td>0.2</td></tr>
<tr><td>Negative interest income from loans and money market transactions</td><td>10.3</td><td>2.9</td><td>0.1</td></tr>
<tr><td>Interest expenses</td><td>18.8</td><td>4.6</td><td>0.0</td></tr>
<tr><td>Positive interest from loans and money market transactions</td><td>0.0</td><td>0.0</td><td>0.0</td></tr>
<tr><td>Commission income</td><td>211.8</td><td>95.2</td><td>34.8</td></tr>
<tr><td>Commission expenses</td><td>34.5</td><td>7.4</td><td>1.5</td></tr>
<tr><td>Net income from financial trading operations</td><td>29.0</td><td>25.0</td><td>24.9</td></tr>
<tr><td>Wages and salaries</td><td>151.2</td><td>36.7</td><td>18.2</td></tr>
<tr><td>Social security contributions, pension and welfare expenses</td><td>10.3</td><td>6.8</td><td>3.6</td></tr>
<tr><td>Other administrative expenses</td><td>99.9</td><td>55.6</td><td>31.4</td></tr>
</table>
As of the balance sheet date, the balance sheet equity capital consists of the following components:
<table>
<tr><th></th><th>31.12.2019
in million Euro</th><th>31.12.2018
in million Euro</th><th>27.04.2018
in million Euro</th></tr>
<tr><td>Share capital</td><td>242.4</td><td>210.6</td><td>210.6</td></tr>
<tr><td>Capital reserves</td><td>949.5</td><td>319.0</td><td>319.0</td></tr>
<tr><td>Legal reserves</td><td>33.0</td><td>33.0</td><td>33.0</td></tr>
<tr><td>Other earnings reserves</td><td>27.9</td><td>27.9</td><td>27.9</td></tr>
</table>
The Issuer declares that since the date of the last audited annual financial statements on 31 December 2019 no material adverse change in the outlook of the Issuer has occurred.

Not applicable. The Issuer declares that since the date of the last audited annual financial statements on 31 December 2019 no material change has occurred in the financial or trading position.
</td>
</tr>
</table>

"

*3. In the Base Prospectuses the information contained in "**B. Deutsche Zusammenfassung**" in Element B.4b of "**Abschnitt B - Emittent und etwaige Garantiegeber**" on the pages indicated in **Item 3** of the **Table** shall be deleted and replaced by the following information:*

"

B.4b	Alle bereits bekannten Trends, die sich auf den Emittenten und die Branchen, in denen er	Die Entwicklung der Wirtschaft-, Finanz- und insbesondere der Kapitalmärkte ist unterschiedlichen Risiken und Gefahren ausgesetzt. Der wirtschaftliche Ausblick ist nach Ansicht des Emittenten von wesentlichen Unsicherheiten geprägt. Ursächlich

	tätig ist, auswirken.	hierfür sind nach Auffassung des Emittenten u. a. eine protektionistische Wirtschaftspolitik, eine weniger dynamische Konjunktur sowie die Auswirkungen des sich seit Jahresbeginn 2020 stark ausbreitenden Corona-Virus. Die einzelnen Volkswirtschaften sind aufgrund der vergleichsweise langen Niedrigzinsphase und teilweise mangelnden Reform- und Konsolidierungsanstrengungen sowie gestiegener privater Verschuldung anfälliger geworden. Ein weiterhin anhaltendes Niedrigzinsniveau verstärkt nach Ansicht des Emittenten die Gefahren für die Finanz- und Kapitalmärkte. Protektionistische Maßnahmen, die insbesondere von den USA ausgehen, stellen eine Bedrohung für die konjunkturelle Entwicklung in den einzelnen Ländern sowie für die Finanzmärkte dar. Insofern können nach Ansicht des Emittenten Handelskonflikte und die daraus resultierende Verminderung der Versorgung mit Gütern und Dienstleistungen im laufenden Jahr nicht ausgeschlossen werden. Ferner birgt die politische Abkehr vom europäischen Zusammenhalt in der Europäischen Union zusätzliche Gefahren. Der Austritt von Großbritannien aus der Europäischen Union sowie Unabhängigkeitsbestrebungen einzelner Länder in Zentral- und Osteuropa können die Konjunktur im Europäischen Wirtschaftsraum negativ beeinflussen. Im Hinblick auf die Auswirkungen der Corona-Virus-Pandemie auf die Weltwirtschaft kann eine Rezession insgesamt nicht mehr ausgeschlossen werden. Auch die Finanzmärkte sind in 2020 den genannten Risiken und Unsicherheiten ausgesetzt. Insgesamt können sich die bereits Anfang 2020 eingetretenen Volatilitäten weiter verstärken. Von einer Aufnahmefähigkeit für Emissionen und Refinanzierungen geht der Emittent unverändert aus.

"

*4. In the Base Prospectuses the information contained in "**B. Deutsche Zusammenfassung**" in Element B.10 and B.12 of "**Abschnitt B - Emittent und etwaige Garantiegeber**" on the pages indicated in **Item 4** of the **Table** shall be deleted and replaced by the following information:*

"

B.10	Art etwaiger Beschränkungen im Bestätigungsvermerk zu den historischen Finanzinformationen.	Entfällt; die Jahresabschlüsse des Emittenten für die Geschäftsjahre vom 1. Januar 2019 bis zum 31. Dezember 2019, vom 28. April 2018 bis zum 31. Dezember 2018 (Rumpfgeschäftsjahr) und vom 1. Januar 2018 bis zum 27. April 2018 (Rumpfgeschäftsjahr) wurden vom Abschlussprüfer des Emittenten geprüft und mit dem uneingeschränkten Bestätigungsvermerk versehen.
B.12	Ausgewählte wesentliche historische Finanzinformationen über den Emittenten, die für jedes Geschäftsjahr des von den historischen Finanzinformationen abgedeckten Zeitraums und für jeden nachfolgenden Zwischenberichtszeitraum vorgelegt werden, sowie Vergleichsdaten für den	**Wesentliche Jahres-Finanzkennziffern der Citigroup Global Markets Europe AG** Die geschäftliche Entwicklung der Citigroup Global Markets Europe AG wird nachfolgend anhand einiger Zahlen, welche dem geprüften Jahresabschluss der Citigroup Global Markets Europe AG (Namensänderung mit Wirkung zum 15. Juni 2018, vormals Citigroup Global Markets Deutschland AG) für das Geschäftsjahr vom 1. Januar 2019 bis zum 31. Dezember 2019, für das Rumpfgeschäftsjahr vom 28. April 2018 bis zum 31. Dezember 2018 und das Rumpfgeschäftsjahr vom 1. Januar 2018 bis zum 27. April 2018 entnommen wurden, dargestellt. Die Zahlen sind aufgegliedert nach wirtschaftlichen Gesichtspunkten, im Vergleich zu den Finanzzahlen der jeweils vorangegangenen Berichtszeiträume:

gleichen Zeitraum des vorangegangenen Geschäftsjahres, es sei denn, diese Anforderung ist durch Vorlage der Bilanzdaten zum Jahresende erfüllt. Eine Erklärung, dass sich die Aussichten des Emittenten seit dem Datum des letzten veröffentlichten geprüften Abschlusses nicht wesentlich verschlechtert haben, oder beschreiben Sie jede wesentliche Verschlechterung.

Eine Beschreibung wesentlicher Veränderungen bei Finanzlage oder Handelsposition des Emittenten, die nach dem von den historischen Finanzinformationen abgedeckten Zeitraum eingetreten sind.

	31.12.2019	**31.12.2018**	**27.04.2018**
Bilanzsumme in Mio. Euro	16.317,9	5.695,7	6.808,4
Eigenkapital in Mio. Euro	1.252,8	575,7	590,5
Durchschnittliche Anzahl der Mitarbeiter im Geschäftsjahr	409	227	262

	01.01.2019 - 31.12.2019 in Mio. Euro	**28.04.2018 - 31.12.2018** in Mio. Euro	**01.01.2018 - 27.04.2018** in Mio. Euro
Zinserträge aus Kredit- und Geldmarktgeschäften	18,9	3,1	0,2
Negative Zinserträge aus Kredit- und Geldmarktgeschäften	10,3	2,9	0,1
Zinsaufwendungen	18,8	4,6	0,0
Positive Zinsen aus Kredit- und Geldmarktgeschäften	0,0	0,0	0,0
Provisionserträge	211,8	95,2	34,8
Provisionsaufwendungen	34,5	7,4	1,5
Nettoertrag des Handelsbestands	29,0	25,0	24,9
Löhne und Gehälter	151,2	36,7	18,2
Soziale Abgaben und Aufwendungen für Altersversorgung und für Unterstützung	10,3	6,8	3,6
Andere Verwaltungsaufwendungen	99,9	55,6	31,4

Das **bilanzielle Eigenkapital** setzt sich zum Bilanzstichtag wie folgt zusammen:

	31.12.2019 in Mio. Euro	**31.12.2018** in Mio. Euro	**27.04.2018** in Mio. Euro
Aktienkapital	242,4	210,6	210,6
Kapitalrücklage	949,5	319,0	319,0
Gesetzliche Rücklage	33,0	33,0	33,0
Andere Gewinnrücklagen	27,9	27,9	27,9

Der Emittent erklärt, dass es keine wesentlichen negativen Veränderungen in den Aussichten des Emittenten seit dem Stichtag des letzten geprüften Jahresabschlusses am 31. Dezember 2019 gegeben hat.

Entfällt. Der Emittent erklärt, dass seit dem Stichtag des letzten geprüften Jahresabschlusses am 31. Dezember 2019 keine wesentlichen Veränderungen bei der Finanzlage oder Handelsposition eingetreten sind.

"

Amendments regarding Section "IV. Important information about the Issuer"

*5. In the Base Prospectuses the information contained in section "**IV. Important information about the Issuer**" on the pages indicated in **Item 5** of the **Table** shall be supplemented by the following information:*

"On 29 April 2020 the Issuer has published its audited financial information as of 31 December 2019 which is printed on the following pages B-1 to B-51 which follow the pages A-1 to A-18.

<u>Annual financial information as of 31 December 2019 (condensed) (audited)</u>

No material change has occurred in the financial or trading position since the date of the last unaudited interim financial statements on 31 December 2019.

The Issuer informs about known trends affecting the Issuer and the industries in which it operates, as follows:

The development of the economic, financial and above all capital markets faces a variety of risks and dangers. In the Issuer's view, the economic outlook is impacted by substantial uncertainties. The Issuer believes that the cause for these uncertainties are, among other things, a protectionist economic policy, a less dynamic economy and the impact of the coronavirus that has spread dramatically since the beginning of the year 2020. The individual economies have become fragile due to the relatively long-lasting interest rate phase and, in some cases, to a dearth of reform and consolidation efforts and to elevated private debt. The continued low interest rate environment, in the Issuer's view, only increases the danger to which the financial and capital markets are exposed.

Protectionist policies and measures, which have emanated above all from the United States, are a threat to the economic growth in individual countries and to the financial markets. To this extent, the Issuer believes that trade conflicts and the concomitant reduction in the supply of goods and services in the current year cannot be ruled out.

Furthermore, the political backsliding from European cohesion in the European Union now poses additional risks. The withdrawal of Great Britain from the European Union as well as the independence movements of certain countries in Central and Eastern Europe could adversely influence the economy of the European Economic Area.

In regard to the effects of the coronavirus pandemic for the world economy, the risk of a recession can no longer be generally ruled out. Financial markets are also exposed to the aforementioned risks and uncertainties in 2020. Overall, the volatilities that began in early 2020 could further escalate. The Issuer continues to assume that there will be capacity for public offerings and refinancing deals.

Balance Sheet for the Fiscal Year as of December 31, 2019
Citigroup Global Markets Europe AG, Frankfurt am Main

A s s e t s

	EUR	EUR	EUR	12/31/2018 TEUR
1. Cash reserve				
a) Cash on hand		-.--		-
b) Credit balances held at central banks		-.--		-
of which: at the German *Bundesbank* (German Central Bank) EUR -.-- (12/31/2018 TEUR -)				
c) Credit balances held at post giro offices		-.--	-.--	-
2. Receivables from banks				
a) Due upon demand		322,581,132.82		130,752
b) Other receivables		-.--	322,581,132.82	-
3. Receivables from clients			5,406,732,096.58	785,695
of which: secured through *in rem* security interests *(Grundpfandrechte)* EUR -.-- (12/31/2018 TEUR -)				
municipal loans EUR -.-- (12/31/2018 TEUR -)				
4. Debt securities and other fixed-income securities				
a) Money market paper				
aa) issued by government entities	-.--			-
ab) issued by other entities	-.--	-.--		-
b) Bonds and debt securities				
ba) issued by government entities	-.--			-
of which: qualifying as collateral for the German *Bundesbank* EUR -.-- (12/31/2018 TEUR -)				
bb) issued by other entities	-.--	-.--		-
of which: qualifying as collateral for the German *Bundesbank* EUR -.-- (12/31/2018 TEUR -)				
c) Own debt securities		-.--	-.--	-
face value EUR -.-- (12/31/2018 TEUR -)				

(TEUR = EUR 1,000)

5.	**Stocks and other variable-yield securities**			-.--	-
5a	**Trading portfolio**			8,932,625,096.59	4,615,404
6.	**Equity investments**			1,135,714.07	1,136
	of which: held in banks	EUR -.-- (12/31/2018 TEUR -)			
	held in financial service institutions	EUR -.-- (12/31/2018 TEUR -)			
7.	**Trust assets**				
	of which: trust loans	EUR 507,280,870.90 (12/31/2018 TEUR -)		507,280,870.90	-
8.	**Intangible assets**				
	a) Internally generated industrial property rights and similar rights and assets		-.--		-
	b) Paid-for concessions, industrial property rights and similar rights and assets as well as licenses to such rights and assets		117,050.34		162
	c) Goodwill		83,416,667.00		-
	d) Prepayments		-.--	83,533,717.34	-
9.	**Tangible assets**			2,731,128.85	2,231
10.	**Other assets**			1,060,667,897.94	159,979
11.	**Prepaid and deferred items**			655,025.42	353
12.	**Excess of plan assets over post-employment benefit liability**			-.--	-
Total assets				16,317,942,680.51	5,695,712

				Liabilities and equity capital
	EUR	EUR	EUR	12/31/2018 TEUR
1. Liabilities owed to banks				
a) Payable on demand		76,277,731.38		12,301
b) With an agreed term or notice period		0.00	76,277,731.38	-
2. Liabilities owed to clients				
a) Savings deposits				
aa) with an agreed notice period of three months	-.--			-
ab) with an agreed notice period of more than three months	-.--	-.--		-
b) Other liabilities				
ba) payable on demand	3,531,591,976.00			44,533
bb) with an agreed term or notice period	761,502,994.10	4,293,094,970.10	4,293,094,970.10	285,538
3. Securitized liabilities				
a) Issued debt securities		-.--		-
b) Other securitized liabilities		-.--		-
of which:				
Money market paper EUR -.-- (12/31/2018 TEUR -)				
Own acceptances and promisory notes outstanding (sola *bill*) EUR -.-- (12/31/2018 TEUR -)				
c) Miscellaneous securitized liabilities	-.--	-.--	-.--	-
3a Trading portfolio			9,081,657,597.78	4,679,111
4. Trust liabilities			507,280,870.90	-

5. Other liabilities			970,490,324.51	10,353
6. Deferred income			-.--	-
7. Accrued liabilities				
a) Pensions and similar obligations		19,333,249.00		19,610
b) Tax reserves		6,094,196.68		-
c) Other accrued liabilities		82,552,323.87	107,979,769.55	40,188
8. Funds for general bank risks as defined in § 340e (4) HGB			28,333,610.23	28,334
9. Equity capital				
a) Subscribed capital				
aa) registered share capital	242,393,054.05			210,570
ab) silent partner capital	-.--	242,393,054.05		-
b) Capital reserve	949,491,018.15	949,491,018.15		318,967
c) Earnings reserves				
ca) legal reserve	33,027,197.15			33,027
cb) reserves for treasury shares	-.--			-
cc) reserves required by articles of association	-.--			-
cd) other earnings reserves	27,916,536.71	60,943,733.86		27,917
d) Unappropriated earnings/loss (balance sheet profit/loss)		-.--	1,252,827,806.06	-14,737
Total liabilities and equity capital			16,317,942,680.51	5,695,712

Income Statement

for the Period of January 1, 2019 through December 31,2019

Citigroup Global Markets Europe AG, Frankfurt am Main

	EUR	EUR	EUR	Short fiscal year 04/28/2018-12/31/2018 TEUR
1. Interest income from				
a) Loans and money market transactions	18,930,271.03			3,076
2. Negative interest income from				
a) Loans and money market transactions	10,324,754.53	8,605,516.50		2,932
3. Interest expenses	18,756,116.15			4,633
4. Positive interest from loans and money market transactions	10,804.61	-18,745,311.54	-10,139,795.04	40
5. Current income from				
a) Shares and other variable-yield securities		-. --		-
b) Equity investments		249,950.00		80
c) Interests in affiliated enterprises		-. --	249,950.00	-
6. Commission income		211,805,730.32		95,186
7. Commission expenses		34,506,518.56	177,299,211.76	7,414
8. Net income from financial trading operations			29,029,886.95	25,037
included therein are deposits into special accounts per § 340g HGB EUR -,- (04/28/2018-12/31/2018 EUR-.-)				
9. Other operating income			40,291,317.48	5,557
10. General administrative expenses				
a) Personnel expenses				
aa) wages and salaries	151,232,098.95			36,680
ab) social security contributions, pension and welfare expenses	10,269,490.59	161,501,589.54		6,801
of which: for pensions EUR 5,403,795.77 (04/28/2018-12/31/2018 TEUR 4,312)				
b) other administrative expenses		99,882,294.16	261,383,883.70	55,591
11. Depreciation, amortisation and write-downs of tangible and intangible assets			8,449,715.17	485
12. Other operating expenses			7,058,655.76	24,437
13. Write-downs of, provisions for, receivables and certain securities and additions to loan reserves		-. --		-

14. Income from reversal of write-downs of receivables and certain securities, and income from reversal of loan reserves	-. --	0.00	0
15. Write-downs on equity investments, interests in affiliated enterprises and long-term securities		-.--	-
16. Results from ordinary operations		./. 40,161,683.48	./. 9,997
17. Extraordinary income		-. --	-
18. Extraordinary expenses		-. --	-
19. Extraordinary result		-. --	0
20. Taxes on income and earnings	5,577,169.47		4,740
21. Other taxes, to the extent not included in item 12	-.--	5,577,169.47	-
22. Income from loss transfers		-. --	-
23. Profits transferred pursuant to a profit pooling, profit transfer or partial profit transfer agreement		-. --	0
24. Annual net loss		./. 45,738,852.95	./. 14,737
25. Profit carried forward/loss carried forward from prior year		./. 14,736,882.81	-
		./. 60,475,735.76	-
26. Transfers from capital reserves		60,475,735.76	-
		-. --	-
27. Transfers from earnings reserves			
a) from legal reserve	-. --		-
b) from reserve for treasury shares	-. --		-
c) from reserves required by the Bank's articles of association	-. --		-
d) from other earnings reserves	-. --	-. --	-
		-. --	-
28. Transfers from capital participation rights *(Genussrechtskapital)*		-. --	-
		-. --	-
29. Transfers to earnings reserves			
a) to legal reserve	-. --		-
b) to reserve for treasury shares	-. --		-
c) to reserves required by the Bank's articles of association	-. --		-
d) to other earnings reserves	-. --	-. --	-
		-. --	-
30. Replenishment of capital with profit participation rights		-. --	-
31. Unappropriated loss (balance sheet loss)		-. --	./. 14,737

Cash Flow Statement per German Accounting Standard No. 21

	Fiscal Year 1/1/19-12/31/19 TEUR	Short Fiscal Year 4/28/18 – 12/31/18 TEUR
Annual Net Loss	**-45,739**	**-14,736**
Cash positions included in the annual net income and reconciliation with cash flow from current operating activities:		
Amortization/depreciation, value adjustments and reversals on receivables, tangible and financial	-12,330	6,135
Changes in accruals	53,418	11,367
Change in other non-cash expenses/income	-	-
Gain/loss from the sale of financial and tangible assets	77	-
Other adjustments (in net terms)	9,845	-1,864
Subtotal:	**5,271**	**902**
Change in assets and liabilities from current operating activities:		
Receivables:		
- from banks	-191,829	605,145
- from clients	-5,151,565	-695,159
Trading portfolio assets	-4,317,221	1,313,112
Other assets from current operating activities	-901,968	-117,955
Liabilities:		
- owed to banks	63,976	-98,635
- owed to clients	4,470,305	275,621
Securitized liabilities	-	-
Trading portfolio liabilities	4,402,547	-1,228,622
Other liabilities from current operating activities	978,861	-21,092
Interest and dividend payments received	24,813	14,170
Interest paid	-29,081	-7,565
Income tax payments	-5,577	-4,741
Cash flow from current operating activities	**-651,468**	**35,181**
Payments received from the outflow of		
- Financial assets	5,318	5,421
- Tangible assets	53	-
Payments made for investments in		
- Financial assets	-1,667	-
- Tangible assets	-475	-482
Payments received from the sale of consolidated companies and other business units	-	-
Payments made for the purchase of consolidated companies in other business units	-	-
Change in cash resources based on investing activities (in net terms)	-	-
Cash flow from investing activities	**3,229**	**4,939**
Payments received from contributions to equity capital	624,992	-
Payments made to company owners:		
- Dividend payments	-	-40,120
- Other outgoing payments	-	-
Change in cash resources other capital (in net terms)	23,247	-
Cash flow from financing activities	648,239	-40,120
Cash and cash equivalents at the end of previous period	**0**	**0**
Cash flow from current operating activities	-651,468	35,181
Cash flow from investing activities	3,229	4,939
Cash flow from financing activities	648,239	-40,120
Cash and cash equivalents at the end of the period	**0**	**0**

Statement of Changes in Equity

The Bank's equity capital consists of the following:

	Share capital TEUR	Capital reserve TEUR	Earnings reserves TEUR	Unappro-priated profit/loss TEUR	Total equity capital TEUR
Per December 31, 2018	210,570	318,966	60,944	-14,736	575,744
Capital increases with premium	31,823	66,009	-	-	97,832
Capital reductions/share repurchases	-	-	-	-	-
Dividends paid	-	-	-	-	-
Additional payments into equity capital pursuant to § 272 para. 2 no. 4 of the German Commercial Code	-	624,992	-	-	624,992
Result December, 2019				-45,740	-45,740
Withdrawal from capital reserve	-	-60,476	-	60,476	0
Per December 31, 2019	242,393	949,491	60,944		1,252,828

The earnings reserves are made up of the legal reserves totaling TEUR 33,027 and other earnings reserves totaling TEUR 27,917.

Citigroup Global Markets Europe AG,
Frankfurt am Main

Notes
to the Financial Statements for the Fiscal Year of January 1, 2019 through December 31, 2019

I. General Information

Citigroup Global Markets Europe AG, Frankfurt am Main (abbreviated herein as "CGME"), is a stock corporation with its registered place of business in Frankfurt am Main and has been recorded in the Commercial Register of the Local Court of Frankfurt am Main under registration number HRB 88301 since June 10, 2010.

On February 15, 2019, the sole shareholder of CGME, Citigroup Global Markets Limited, London/UK, (CGML), resolved in a special shareholders' meeting of CGME to transfer its capital markets business, which had been operated in the Paris, Milan and Madrid branches and which included the related tangible and intangible assets and liabilities as well as other rights and duties (hereinafter referred to as "In-kind Capital Contribution"), into CGME by way of a capital contribution-in-kind pursuant to § 183 (1) of the German Stock Corporation Act (AktG), thereby increasing CGME's registered share capital. The registered share capital, which had previously totaled EUR 210,569,889.00 was thereby increased by EUR 31,823,165.05 to EUR 242,393,054.05 through the issuance of 1,244,814 new, registered no par shares with a *pro rated* value of EUR 25.56 per share (rounded-off to two decimal places). The capital increase was entered in the Commercial Register on April 2, 2019.

In February and December 2019, CGML also made an additional payment into equity capital pursuant to § 272 (2) no. 4 of the German Commercial Code in the amount of EUR 625 million.

II. Accounting Principles

The financial statements for the fiscal year of January 1 through December 31, 2019 ("Fiscal Year") were prepared in accordance with the provisions of the German Commercial Code (abbreviated herein as "HGB"), the German Stock Corporation Act (abbreviated herein as "AktG") and the supplemental accounting rules of the provisions under the Accounting Regulation for Banks and Financial Services Institutions (abbreviated herein as "RechKredV").

The balance sheet and income statement were organized and structured on the basis of the standard forms prescribed in RechKredV.

CGME is a capital markets-oriented corporation within the meaning of § 264d HGB in combination with § 340a (1) HGB.

In connection with explaining individual items on the balance sheet and income statement as of the balance sheet date, the discussion below will compare the relevant numbers with those booked as of the end of the preceding short fiscal year, which ran from April 28 through December 31, 2019 ("Previous Short Fiscal Year"). However, the ability to compare the relevant financial statement items is, in some cases, restricted because in addition to the different duration of periods under comparison, the business activity of CGME in 2019 compared to the Previous Short Fiscal Year featured, among other things, an expansion of trading in financial instruments that was done against the background of the restructuring effects on the business activities within Citigroup, which were occasioned by BREXIT.

III. Accounting and Valuation Methods

The accounting and valuation methods remain unchanged from the Previous Short Fiscal Year.

Receivables from banks are stated at the nominal amount plus accrued interest. No write-downs were required in the Fiscal Year.

Receivables from clients are recorded on the balance sheet at the repayment amount plus accrued interest and, if required, less any allowances established to cover counterparty risks.

The valuation of the **financial instruments of the trading portfolio** was carried out at fair value less a risk discount in accordance with sentence one of § 340e (3) sentence 1 HGB. The financial instruments are recognized at their cost of acquisition at the time they are acquired. In accordance with an official statement (RS BFA 2) of the Institute of Public Auditors in Germany (IDW), the follow-up valuation at fair value is based on the value at which competent parties, who are independent of one another but wish to contract, could exchange an asset or pay a liability and is performed in accordance with the hierarchical order of valuation criteria set forth in § 255 (4) HGB. The recognized value of financial instruments, which are not traded on an active market, are determined using generally accepted valuation methods (e.g., on the basis of option pricing models). In general, these methods are based on estimates of future cash flows while factoring in any risk factors. In this regard, the most important factors, in each case dependent on the nature of the relevant financial instrument, are the "underlying price", "implicit volatilities", "yield curves" and "dividend forecasts". In this regard and depending on the structure of the respective financial instrument, there are, *inter alia*, other assumptions that the valuation is "risk-neutral" with regard to the future development of market prices, that interest rates and credit costs are deterministic and, for example, that the amount of dividends is generally known and will be paid on certain dates. Furthermore, when applying the valuation models, additional probabilities regarding the occurrence of certain valuation parameters or factor sensibilities (Delta, Gamma) are also taken into account.

The stock market prices used for the valuations are mid prices.

As of December 31, 2019, a risk discount (**Value at Risk figures**) in the amount of TEUR 6,779 (12/31/2018: TEUR 1,701) was applied.

To calculate the value at risk, CGME uses an internal model which was developed by Citigroup (IMA) and which, since the beginning of 2019 is used to meet the equity capital needs to cover market price risks. An approval for the temporary use of the market risk profile has been received from the Federal Financial Supervisory Authority ("BaFin"). Compared to the standard approach previously used, the IMA permits a more detailed calibration of the risk sensitivities. In this way, the market price risks, which represent the main component of the portfolio for CGME, are covered more precisely. The main driver for the increase in the position is the 10-day value at risk component available in the IMA, based on a 99% confidence level.

Moreover, CGME applied - as of the balance sheet date - a discount to the “Other Price Risks” trading book in the form of a “market value adjustment” totaling TEUR 1,867 (12/31/2018: TEUR 908), which was calculated using a mathematical method and which factors in the model-linked price risks related to derivatives as well as the potential risks of loss upon repurchasing derivatives that the Bank itself had issued.

The trading portfolio in foreign currencies is valued using the foreign exchange rates published by the European Central Bank.

The **equity investments** are recognized at their cost of acquisition or, in some cases, at the lower fair value.

The balance sheet items, **trust assets and trust liabilities**, reflect assets and liabilities that CGME holds in its own name but for the accounts of third-parties. These items are valued at amortized costs or the settlement amount.

The **intangible assets**, which were all acquired in exchange for consideration, and the **tangible assets** are valued at their cost of acquisition and are generally written-down on a straight-line basis in accordance with the expected standard useful life of those assets. Any permanent impairment that may exist is taken into account through an unscheduled write-down. When the branches in Paris, Milan and Madrid were contributed as capital as part of the CGME registered share capital increase (capital increase against contribution-in-kind), the customer relationships that existed at the branches were also transferred and those relationships were attributed a goodwill value, which is being amortized on a scheduled basis *pro rata temporis* over a 10-year period.

The **other assets** are shown on the balance sheet at their nominal value. In the event of any impairment, these assets are subject to a nonscheduled write-down to the stock exchange or stock market price or to the lower fair value in accordance with §253 (4) HGB.

Depending on their net acquisition costs, **low-value economic assets** (*geringwertige Wirtschaftsgüter*) are written-off in full in the year in which they are acquired.

The **accrual and deferral items** on the asset and liability side of the balance sheet include payments that are attributable the bottom-line in future fiscal years.

Liabilities owed to banks and to clients were stated at their settlement amount plus accrued interest.

Provisions for pension and similar obligations were valued on the basis of the projected unit credit method. Key principles underlying the valuation are the accrual-based allocation of pension benefits during the service relationship (employment tenure), for which pension commitments have been made, and the actuarial assumptions that are used to calculate the present cash value of such future benefits. The value of the obligation as of the balance sheet date is the actuarial present cash value of all those benefits which, based on the pension formula under the plan, are attributable to the period of service completed up to that point in time.

In order to calculate the present cash value, a discount rate of 2.71% based on a 15-year term was used. Pursuant to § 253 (2) sentence 1 HGB, the average market rate of the previous ten fiscal years was used as the discount rate for calculating the present cash value in the recently completed fiscal year. With respect to the resulting difference, we refer to our comments on page 16 of these notes regarding the total sum of the amounts barred from payout distribution. Future salary and wage increases were estimated at 2.5%, and at the same time, a 1.6% adjustment of the current annuities was assumed.

In general, the biometric data was derived from the Dr. Klaus Heubeck 2018 G mortality tables. In connection with accounting for the accruals for pensions and similar obligations, assets that serve only to settle the debts owed under the pension obligations or similar long-term obligations in accordance with § 340a (1) in combination with § 246 (2) sentence 2 HGB were offset against them.

In calculating the **accruals**, all recognizable risks as well as uncertain liabilities were taken into account on the basis of a prudent business judgment (*vorsichtiger kaufmännischer Beurteilung*). The settlement amount of **other accruals** was calculated by factoring in future price and cost increases. Accruals or provisions with a residual term to maturity of more than one year were discounted at the average market interest rate over the past seven fiscal years as such rate was calculated by the Deutsche Bundesbank for matching maturities. If recourse agreements existed, they were taken into account in calculating the accrual (net result shown).

Accruals were set up in the balance sheet for **contracts and pending legal disputes** that could have an adverse effect on the financial condition.

Futures and other derivative transactions involving currencies, indexes, stocks, raw materials and precious metals were valued at the rates and interest rates on the balance sheet date and shown in the trading portfolio.

Currency receivables and liabilities were valued in accordance with § 340a (1) in combination with § 256a HGB at the ECB average rates applicable on the balance sheet date. To the extent that the ECB does not publish any average rates, the currency positions are recognized at market rates. Spot exchange transactions or currency futures, which were not yet cleared, were valued at the average spot or futures rates of the balance sheet date and applicable to their maturity. The treatment of expenses and income from the currency translation satisfies the requirements under § 340h HGB. The result of the currency translation is included in the income statement under the item “net income from financial trading operations”.

Negative interest income and negative interest expenses are shown in the income statement line items no. 2 “Negative interest income” or no. 4 “Positive interest from loans and money market transactions” in accordance with § 340c (1) and (2) HGB in combination with § 265 (5) HGB.

IV. Notes to Individual Items on the Balance Sheet

With regard to the notes set forth below, we expressly reference the limited informative value of the comparative figures as of the previous balance sheet date (see also explanations in section II. of these Notes).

1. Assets based on terms to maturity

Receivables from banks

Composition:

	12/31/2019 TEUR	12/31/2018 TEUR
Other receivables with a term to maturity of		
up to three months	322,581	130,752
more than three months and up to one year	0	0
more than one year and up to five years and more than five years	0	0
Total	**322,581**	**130,752**

Receivables from clients

Composition:

	12/31/2019 TEUR	12/31/2018 TEUR
with a term to maturity of		
up to three months	5,406,732	785,695
more than three months and up to one year	0	0
more than one year and up to five years	0	0
more than five years	0	0
indefinite term	0	0
Total	**5,406,732**	**785,695**

Compared to the balance sheet date of the recently completed short fiscal year, **receivables from clients** rose by EUR 4,621 million to EUR 5,407 million. Of that sum, an amount totaling approximately EUR 4,020 million may be attributed to, *inter alia*, the broker/dealer business that CGME acquired in its own name and for its own account at the beginning of 2019 and that it settles directly through the futures exchanges “European Exchange” (EUREX; Dec 31, 2019: EUR 3,528 million) and “London Clearing House” (“LCH”; Dec 31, 2019: EUR 492 million) in connection with back-to-back transactions.

The balance sheet item also includes receivables generated from repo transactions (reverse repos) in the amount of EUR 832 million (prior year: EUR 680 million).

Accordingly, the **liabilities owed to clients** as of December 31, 2019 jumped from EUR 330 million to EUR 4,293 million.

Liabilities owed to banks

The liabilities are owed mainly to affiliated enterprises and exhibit the following maturities:

Composition:

	12/31/2019 TEUR	12/31/2018 TEUR
with an agreed term or notice period of up to three months	76,278	12,301
more than three months and up to one year	0	0
more than one year and up to five years	0	0
more than five years	0	0
Total	**76,278**	**12,301**

Liabilities owed to clients

Composition:

	12/31/2019 TEUR	12/31/2018 TEUR
with an agreed term or notice period of up to three months	3,839,110	330,071
more than three months and up to one year	0	0
more than one year and up to five years	0	0
more than five years	453,985	0
Total	**4,293,095**	**330,071**

This balance sheet item contains a total of EUR 308 million (12/31/2018: EUR 269 million) in liabilities for which trading portfolio securities were deposited as collateral.

2. Receivables from, and liabilities owed to, affiliated enterprises

The individual balance sheet items include receivables from, and liabilities to, affiliated enterprises as set forth below:

Receivables from affiliated enterprises

Composition:

	12/31/2019 TEUR	12/31/2018 TEUR
Receivables from banks	291,301	130,196
Receivables from clients	2,225,787	753,563
Other receivables	35,756	155,118
Total	**2,552,844**	**1,038,877**

Liabilities owed to affiliated enterprises

Composition:

	12/31/2019 TEUR	12/31/2018 TEUR
Liabilities owed to banks	63,776	10,177
Liabilities owed to clients	3,032,358	305,294
Other liabilities	661,528	644
Total	**3,757,662**	**316,115**

3. Trading portfolio assets and liabilities

The **trading portfolio assets and liabilities** consist of the following:

Trading Portfolio				
	asset	**liability**	**asset**	**liability**
	Book value 12/31/2019 (TEUR)	**Book value 12/31/2019 (TEUR)**	**Book value 12/31/2018 (TEUR)**	**Book value 12/31/2018 (TEUR)**
1. Derivative financial instruments				
• FX-induced trades				
OTC-currency options	1,280,652	1,275,786	19	-
Currency warrants own issues	166,589	169,935	47,799	50,037
Foreign exchange spot transactions	102,497	103,299	-	-
• Stock warrants own issues	3,133,918	3,327,242	2,041,447	2,127,020
• OTC stocks & index options	131,563	132,712	131	-
• Stock & index warrants issued by third parties	-	-	1,659	-
• Index warrants own issues	1,669,404	1,683,193	1,486,256	1,500,152
• Exchange-traded stock & index options	145,299	53,088	71,824	70,828
• OTC interest rate options	1,758,272	1,755,424	-	-
• Commodity warrants own issues	41,313	42,175	16,200	16,635
• Other	3,637	3,637	-	-
Carryover	8,433,144	8,546,491	3,665,335	3,764,672

Trading Portfolio				
	asset	**liability**	**asset**	**liability**
	Book value 12/31/2019 (TEUR)	**Book value 12/31/2019 (TEUR)**	**Book value 12/31/2018 (TEUR)**	**Book value 12/31/2018 (TEUR)**
Carryover	8,433,144	8,546,491	3,665,335	3,764,672
2. Bonds and other fixed income securities	183,376	462,165	676,832	883,726
of which marketable (börsenfähig)	183,376	462,165	676,832	883,726
of which exchange-traded	183,376	462,165	676,832	883,726
3. Stocks and other variable yield securities	322,884	71,135	274,938	29,805
of which marketable	322,884	71,135	274,938	29,805
of which exchange-traded	322,884	71,135	274,938	29,805
4. Market-Value-Adjustment	-	1,867	-	908
5. Value at Risk	- 6,779	**-**	- 1,701	**-**
Total	**8,932,625**	**9,081,658**	**4,615,404**	**4,679,111**

4. Trust assets and trust liabilities

Since the commencement of fiscal year 2019, CGME has been providing to its clients as part of its business services connected with derivatives; services that had been previously provided by its sole shareholder, "CGML". Under so-called "**FCC Business**" (which stands for "Futures, Clearing and Collateral Services"), the CGME investor services business encompasses, *inter alia*, the trading of derivate financial instruments in its own name but for the account of the clients and the related receipt and forwarding of client funds, which must be deposited by the client to serve as collateral to secure the trading in futures. The contractual arrangements that were thereby made stipulate a certain segregation of client assets from the CGME assets in an effort to specifically shield client assets from any third-party enforcement action that could be initiated in the event that the "asset-managing" CGME becomes the subject of an insolvency proceeding. The client assets are therefore held in trust. Accordingly, as of the end of fiscal year 2019, CGME is reporting **trust assets** and **trust liabilities** *vis-à-vis* the clients in an amount totaling EUR 507 million.

5. Movement of fixed assets

The fixed assets (intangible fixed assets and tangible fixed assets) developed as follows in the Fiscal Year:

	Original Acquisition costs			**Accumulated depreciation, amortization and write downs**					**Book values**	
	01/01/ 2019	**Additions (Disposals) Re-posting**	**12/31/ 2019**	**01/01/ 2019**	**Write-downs**	**Write-ups**	**Additions (Disposals) Re-posting**	**12/31/ 2019**	**12/31/ 2019**	**12/31/ 2018**
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Intangbile assets acquired for consideration	5,399	91,000 0 -371	96,028	5,237	7,628	0	0 0 -371	12,494	83,534	162
Office and plant equipment	9,850	1,073 559 301	10,665	8,985	464	0	0 475 312	9,286	1,379	865
Leasehold improvements	15,587	332 0 70	15,989	14,398	347	0	0 0 59	14,804	1,185	1,189
Construction in progress	184	46 63 0	167	7	0	0	0 7 0	0	167	177
Equity investments	1,136	0 0 0	1,136	0	0	0	0	0	1,136	1,136
Total	**32,156**	**92,451** **622** **0**	**123,985**	**28,627**	**8,439**	**0**	**0** **482** **0**	**36,584**	**87,401**	**3,529**

The intangible and tangible assets (office and plant equipment as well as leasehold improvements), as reported as of the end of the Fiscal Year, are used solely by CGME itself. Depreciation, amortization and write-downs relating to the additions made during the Fiscal Year totaled TEUR 4 for tangible assets and TEUR 7,583 for goodwill.

When the branches in Paris, Milan and Madrid were contributed as capital, the customer relationships that existed at the branches were also transferred and were recognized as **goodwill**, which was originally valued at EUR 91 million and then amortized on a scheduled basis over a period of 10 years.

The **equity investments** that are recognized on the balance sheet and are unchanged from the Previous Short Fiscal Year are not marketable and relate to the following companies:

Equity investments	**12/31/2019 (TEUR)**	**12/31/2018 (TEUR)**
True-Sale International GmbH, Frankfurt	150	150
Börse Stuttgart CATS GmbH, Stuttgart	986	986
Total	**1,136**	**1,136**

6. Other assets

The item “Other Assets” (TEUR 1,060,668; 12/31/2018: TEUR 159,979) includes mostly receivables from variation/initial margins (TEUR 1,037,404; 12/31/2018: TEUR 140,649) as well as tax refund claims (TEUR 11,637; 12/31/2018: TEUR 12,615).

7. Prepaid and deferred items

This balance sheet item (TEUR 655) relates to prepaid fees.

8. Other liabilities

The item “Other Liabilities” (TEUR 970,490: 12/31/2018: TEUR 10,353) involves mainly liabilities from variation/initial margins (TEUR 933,722: 12/31/2018: TEUR 0), liabilities owed to employees from deferred cash bonuses in the amount of TEUR 14,703 (12/31/2018: TEUR 5,198) and liabilities from taxes in the amount of TEUR 7,846 (12/31/2018: TEUR 1,867).

9. Accruals for pensions and similar obligations

To hedge third-party claims from pension and similar commitments, assets in the form of liquid funds and units or shares in securities funds (*Wertpapiersondervermögen*) are available as of the balance sheet date. The funds are managed exclusively by outside asset managers who invest in exchange-traded securities in accordance with the relevant investment guidelines. In the event CGME enters insolvency, CGME creditors will be denied access to those assets that are transferred to the trustees.

In accordance with § 246 (2) sentence 2 in combination with § 340a (1) HGB, the assets used for hedging purposes will be set off at their fair value against the obligations valued at the settlement amount. The fair values of the relevant funds' assets are documented as of the balance sheet date in a schedule (*Aufstellung*) that is provided by the administrator.

The contractual hedge of the **business pension obligations** was carried out on the basis of a contractual trust arrangement (CTA) with the trustee, Towers Watson Treuhand e.V.

To hedge the pension commitments, units that are held in the "Rose" fund (acquisition costs of TEUR 104,782) and were purchased or contractually promised by CGME, are made available and, pursuant to § 246 (2) sentence 2 in combination with § 340a (1) HGB, were netted at their fair value (TEUR 191,349) against the settlement amount from the pension obligations (TEUR 198,768). The settlement amount exceeding the plan assets as of the balance sheet date and equaling TEUR 7,419 (12/31/2018: TEUR 9,369) is recognized on the balance sheet under the item "Accruals for pensions and similar obligations".

As of December 31, 2019, **pension obligations under the "PAS", "PRS" and "Deferred Compensation" plans** also exist and arose from **bonus conversions**. The obligations under the "PAS" and "Deferred Compensation" plans are linked to the fair value of the relevant fund serving as the plan assets.

Factoring in the existing pension plan set-offs (netting the assets and liabilities) carried out at fair value pursuant to § 246 (2) sentence 2 HGB, the **balance sheet components** of accruals for pensions and similar obligations consist of the following:

	12/31/2019		12/31/2018	
	TEUR	TEUR	TEUR	TEUR
I. General pension obligations				
Settlement amount	201,115		183,689	
less				
plan assets Rose*)	-191,349	9,766	-174,320	9,369
II. Pension obligations PAS)**				
Settlement amount	9,031		7,618	
less				
plan assets	- 9,031	-	- 7,618	-
III. Pension obligations deferred compensation*)**				
Settlement amount	8,483		9,152	
less				
plan assets	-8,483	-	-9,152	-
IV. Pension obligations PRS **)**				
Settlement amount	54,764		56,082	
less				
plan assets	-45,197	9,567	-45,841	10,241
Excess of plan assets over post-employment benefit liabilities		**-**		**-**
Accruals for pension and similar obligations		**19,333**		**19,610**

*) Acquisition costs TEUR 104,782
**) Acquisition costs TEUR 1,553
***) Acquisition costs TEUR 7,338
****) Acquisition costs TEUR 35,795

The effects on income arising from the accounting of the accruals for pension and similar obligations and from netting assets, which are attributable to plan assets, against the respective fair value, are shown in the table below:

	1/1/2019 - 12/31/2019 (TEUR)		4/28/2018 - 12/31/2018 (TEUR)	
I. General pension obligations				
- Expense (-)/income based on interest accrued on pension obligations	- 18,665		- 12,178	
- Change in the fair value of the plan assets	17,029		- 4,213	
- Expense for standard allocation	- 6,727	-8,363	- 4,312	-20,703
II. Pension obligations PAS				
- Expense (-)/income based on interest accrued on pension obligations	2,227		1,856	
- Change in the fair value of the plan assets	- 2,227	-	- 1,856	-
III. Pension obligations deferred compensation				
- Expense (-)/income based on interest accrued on pension obligations	5		40	
- Change in the fair value of the plan assets	- 5	-	- 40	-
IV. Pension obligations PRS				
- Expense (-)/income based on interest accrued on pension obligations	- 4,007		- 2,485	
- Change in the fair value of the plan assets	1,518		460	
- Expense for standard allocation	1,496	-993	150	-1,875
Total		**-9,356**		**-22,578**

The total sum of the amounts that are barred from payout distribution developed as follows compared to the previous balance sheet date:

Reason for barring payout distribution	12/31/2019 (TEUR)	12/31/2018 (TEUR)
Capitalization of the plan assets in connection with pension obligations at fair value (12/31/2019; TEUR 254,061; 12/31/2018: TEUR 236,931) pursuant to § 268 (8) sentence 3 in combination with § 340a (1) HGB	104,593	83,813
Differential amount in connection with the differentiated interest applied to pension accruals pursuant to § 253 (6) in combination with § 340a (1) HGB	25,333	27,525
Total	**129,926**	**111,338**

The **differential amount pursuant to § 253 (6) in combination with § 340a (1) HGB** is calculated as follows:

	10-year average interest rate and term to maturity of 15 years		**7-year average interest rate and term to maturity of 15 years**	
	12/31/2019	**12/31/2018**	**12/31/2019**	**12/31/2018**
Average interest rate (%)	2.71	3.21	1.97	2.32
Accrual for pensions and similar obligations (TEUR)	231,311	229,443	256,644	256,968
Differential amount (TEUR)				
	12/31/2019		**12/31/2018**	
	25,333		**27,525**	

As of the balance sheet date, the freely available provisions (reserves) exceed the total sum of the amounts that are barred from payout distribution.

10. Other accruals

In comparison to the prior year, the item "Other Accruals" consists of the following:

Accruals for	**12/31/2019 TEUR**	**12/31/2018 TEUR**
Bonus payments to employees	57,158	19,190
Investment income withholding tax for past fiscal years	0	9,308
Early retirement obligations	165	114
Personnel costs	7,519	2,125
Audit costs	4,829	3,519
Outstanding vacation	5,505	840
Outstanding invoices	7,376	5,082
Total	**82,552**	**40,188**

In calculating the provisions set aside for early retirement obligations (TEUR 165; 12/31/2018: TEUR 124), claims arising from pledged reinsurance policies and totaling TEUR 1,011 (12/31/2018: TEUR 1,470) were reconciled against the settlement amount of TEUR 1,176 (12/31/2018: TEUR 1,594).

In the recently completed Fiscal Year, expenses in the amount of TEUR 17 (4/28 - 12/31/2018: TEUR 30) were generated from interest accrued on the obligations, and income totaling TEUR 16 (4/28 - 12/31/2018: expenses totaling TEUR 13) was yielded from a change in the fair value of the plan assets income. In connection with the standard allocation, the expense was TEUR 173 (4/28 - 12/31/2018: TEUR 0).

11. Funds for general bank risks within the meaning of § 340g (4) HGB

The disbursement ban shown under the balance sheet item "Special Items for General Bank Risk" pursuant to § 340e (4) HGB was TEUR 19,685 as of the end of the fiscal year.

12. Subscribed capital

The **subscribed capital** totaling TEUR 242,393 (12/31/2018: TEUR 210,570) is divided into 9,481,592 no par shares (12/31/2018: 8,236,778). The sole shareholder of CGME is Citigroup Global Markets Ltd., London/Great Britain, (abbreviated herein as “CGML”), whose financial statements are included in the consolidated financial statements of Citigroup Inc. New York/USA.

The increase in the subscribed capital by TEUR 31,823 to TEUR 242,393 was caused by a capital increase against a contribution-in-kind when the assets and liabilities of the branches in Paris, Madrid and Milan were contributed as capital.

13. Capital reserves

The TEUR 630,524 increase in capital reserves to TEUR 949,491 (12/31/2018: TEUR 318,967) resulted from the shareholder’s additional payments into the capital accounts pursuant to § 272 (2) no. 4 HGB in an amount totaling TEUR 624,992 and from the premium paid in connection with in-kind capital contributions (TEUR 66,009) as well as a withdrawal for purposes of covering the annual net loss for 2018 in the amount of TEUR 45,740 as well as the unappropriated balance sheet loss as of December 31, 2018 in the amount of TEUR 14,737.

14. Assets and liabilities denominated in foreign currencies

The total amount of assets denominated in a foreign currency is TEUR 2,310,794 (12/31/2018: TEUR 37,108); the liabilities contain foreign currency amounts totaling TEUR 1,979,251 (12/31/2018: TEUR 21,024).

V. Notes to Individual Items on the Income Statement

1. Interest result

The interest result totaling TEUR - 10,140 (4/28 – 12/31/2018: TEUR - 4,449) can be attributed primarily to the interest expenses owed to Citicorp LLC, USA, (TEUR 14,012).

2. Commission income

The commission income is derived from the following components:

Type of fee	1/1/- 12/31/2019 TEUR	4/28/- 12/31/2018 TEUR
Commissions from affiliated enterprises	129,013	71,516
Commissions on foreign currency products	14,467	9,700
Commissions from M&A/Advisory	68,155	13,961
Miscellaneous fees	171	24
Internal group cost-sharing arrangements	- 34,507	- 7,430
Total	**177,299**	**87,771**

3. Net income from financial trading operations

The net income from financial trading operations (TEUR 29,030; 4/28 – 12/31/2018: TEUR 25,037) is composed of, among other things, the negative result generated from the "Equities and Index Risk" trading book (TEUR 56,759; 4/28 – 12/31/2018: positive result TEUR 82,177) as well as the positive result generated from the "Currency Risk" trading book (TEUR 90,867; 4/28 – 12/31/2018: negative result of TEUR 57,636), which consists mostly of the results from the warrants traded on the price of gold and on the US Dollar (as the underlying assets). The net income from financial trading operations includes currency translation income in the amount of TEUR 73,774 and currency translation expenses in the amount of TEUR 87,213.

4. Other operating income

The item encompasses primarily income from passing through expenses to affiliated enterprises in the amount of TEUR 17,409 (4/28 – 12/31/2018: TEUR 3,807), income from passing through fees charged to the companies by the exchanges (TEUR 10,432; 4/28 – 12/31/2018: TEUR 0) and, for the first time, income from tax refund claims totaling TEUR 6,372 and held against clients in connection with forwarded dividends.

5. Other administrative expenses

The item (TEUR 99,882; 4/28 – 12/31/2018: TEUR 55,591) consists of, among other things, the item "processing costs Citigroup" totaling TEUR 1,629 (4/28 – 12/31/2018: TEUR 3,990), expenses involving "Citi Chargeouts" that total TEUR 8,963 (4/28 – 12/31/2018:

TEUR 12,869), custody fees totaling TEUR 9,118 (4/28 – 12/31/2018: TEUR 4,658), lease expenses equaling TEUR 5,953 (4/28 – 12/31/2018: TEUR 1,925) and costs for listing derivative products on exchanges in the amount of TEUR 13,325 (4/28 – 12/31/2018: TEUR 1,215), costs for client advertising in the amount of TEUR 4,210 (4/28 – 12/31/2018: TEUR 1,926), dues owed to professional associations in the amount of TEUR 3,560 (4/28 – 12/31/2018: TEUR 1,435) and travel costs of TEUR 6,993 (4/28 – 12/31/2018: TEUR 2,067).

6. Other operating expenses

The item includes primarily expenses and income from valuing the pension plan obligations and the corresponding pension assets (netting) totaling TEUR 1,636 for Rose (4/28 – 12/31/2018: TEUR 16,391 expenses from valuing the pension plan assets and the pension obligations) and totaling TEUR 2,489 for PRS (4/28 – 12/31/2018: TEUR 1,875).

7. Income and expenses related to another period

Other operating income includes income that is related to another accounting period and is based on turnover tax refunds resulting from the tax audit (TEUR 1,948) as well as income from tax refund claims against clients in connection with transferred dividends (TEUR 6,372).

Income tax back-payments totalling TEUR 1,213 have been booked as expenses related to another period under the item “Taxes on income and earnings“.

VI. Miscellaneous Notes

1. Derivative financial instruments

Types of derivatives transactions

As of the end of the recently completed Fiscal Year, the derivatives business of the bank included the following transactions allocated to the respective trading books:

- **Foreign Currency Risk" trading book**
  - OTC currency option transactions and swaps
  - Currency warrants
  - Foreign exchange spot transactions
- **"Equities and Index Risk" trading book**
  - Equities and other variable-yield securities in the trading portfolio
  - OTC index & stock options
  - Equities and index warrants
  - Exchange-traded futures and options transactions on equities and stock indexes
  - Index certificates and equity certificates
- **"Interest Risks" trading book**
  - OTC interest rate options and swaps
  - Exchange-traded interest rate futures
- **Other trading book**
  - Exchange-traded futures transactions
  - Warrants on commodities and precious metals
  - OTC options on commodities and precious metals

Trade volumes of derivatives and futures transactions

The total volume of derivatives transactions based on the terms to maturity as of December 31, 2019 is set forth below:

- **"Foreign Currency Risks" trading book**

	< 1 year nominal amount	1-5 years nominal amount	> 5 years nominal amount	Total nominal amount	Market value
	EUR in millions	EUR in millions	EUR in millions	EUR in millions	EUR in millions
OTC-currency options					
Bought	35,982	7,411	3,676	47,069	1,280.7
Sold	12,532	7,422	3,626	23,580	- 1,275,8
Currency warrants own issues					
Bought	215	-	1,727	1,942	166.6
Sold	262	-	1,754	2,016	- 169.9
Exchange-traded currency futures					
Bought	10,228	58	-	10,286	102.5
Sold	10,228	58	-	10,286	- 103.3

The "**Foreign Currency Risks"** trading book consists primarily of options on the price of gold and on the US Dollar. The cash flow anticipated from the derivatives depends mainly on how the relevant underlying performs. As of the balance sheet date, the book contained exclusively European options (exercise possible only at the end of the term).

- **"Equities and Index Risks" trading book**

Type of transaction	< 1 year nominal amount	1-5 years nominal amount	> 5 years nominal amount	Total nominal amount	Market value
	EUR in millions	EUR in millions	EUR in millions	EUR in millions	EUR in millions
Equity warrants issued by third parties					
Bought	-	-	-	-	-
Equity warrants own issues					
Bought	5,411	706	4,770	10,887	3,133,9
Sold	7,039	1,333	4,979	13,351	- 3,327,2
OTC-stock options					
Bought	2,432	1,324	518	4,274	125,7
Sold	1,999	1,352	517	3,868	- 126,9
OTC-index options					
Bought	0	0	-	0	5,8
Sold	0	0	-	0	- 5,8
Index warrants own issues					
Bought	3,496	6	6,337	9,839	1,669,4
Sold	3,854	18	6,417	10,289	- 1,683,2
Exchange-traded index futures					
Bought	19	-	-	19	-
Sold	69	-	-	69	0.3
Exchange-traded index options					
Bought	203	11	-	214	3.5
Sold	108	14	-	122	-1.7
Exchange-traded stock options					
Bought	1,036	453	-	1,489	141.8
Sold	303	25	-	328	- 51.4
Index and equity certificates own issues					
Bought	135	20	28	183	183.4
Sold	372	55	28	455	- 462.2

The “**Other Price Risks”** trading book includes primarily options on European and American stocks and options on European and American exchange indexes. The cash flow anticipated from the derivatives depends mainly on how the underlying performs. As of the balance sheet date, the book contained both European options (exercise possible only at the end of the term) and American options (exercise of the option possible throughout the entire term).

- **Interest rate transactions**

	< 1 year nominal amount	1-5 years nominal amount	> 5 years nominal amount	Total nominal amount	Market value
	EUR in millions	EUR in millions	EUR in millions	EUR in millions	EUR in millions
OTC interest options					
Bought	10,665	26,734	16,713	54,112	1,758.3
Sold	10,670	26,782	16,802	54,254	-1,755.4
Exchange-traded interest futures					
Bought	13	-	-	13	-

- **Other trading operations**

	< 1 year nominal amount	1-5 years nominal amount	> 5 years nominal amount	Total nominal amount	Market value
	EUR in millions	EUR in millions	EUR in millions	EUR in millions	EUR in millions
OTC options on commodities and precious metals					
Bought	18	64	-	82	3.6
Sold	18	64	-	82	- 3.6
Warrants on commodities and precious metals own issues					
Bought	12	-	163	175	41.3
Sold	14	-	168	182	-42.2
	< 1 year nominal amount	**1-5 years nominal amount**	**> 5 years nominal amount**	**Total nominal amount**	**Market value**

	EUR in millions	EUR in millions	EUR in millions	EUR in millions	EUR in millions
Exchange-traded futures on commodities and precious metals					
Bought	23	-	-	23	0.6
Sold	2	-	-	2	-

The "**Other Trading Operations**" trading book includes primarily options on the price of oil, gold and silver. The cash flow anticipated from the derivatives depends mainly on how the underlying performs. As of the balance sheet date, the book contained only European options (exercise possible only at the end of the term).

Counterparty risk in derivatives trading

As of December 31, 2019, the credit equivalents under the CRR (Capital Requirements Regulation), before credit risk weighting and after regulatory netting, are as follows:

Credit risk	**Companies and individuals and public bodies, including central banks from Zone B**	**Credit institutions from Zone A**	**Credit institutions from Zone B**	**Central Settlement**
Product group	**Credit equivalent (in TEUR)**			
Trading book "currency risks" and trading book "other price risks"	822,898	1,318,251	10,603	231,270
Other trading operations	-	-	-	-
Total	**822,898**	**1,318,251**	10,603	**231,270**

Non-settled forward transactions

In connection with the options transactions, CGME books the premiums on the trade date. On the balance sheet date, this practice results in obligations under futures transactions, which have not yet settled, being reported in the trade balance sheet for currency risks, equity and index risks and other risks.

2. Recommendation for the use of the unappropriated balance sheet profit

The Executive Board recommends compensating the annual net loss totaling EUR 45,738,852.95 and shown as of December 31, 2019 as well as the unappropriated balance sheet loss totaling EUR 14,736,882.81 and shown as of December 31, 2018 by withdrawing funds from capital reserves in the amount of EUR 60,475,735.76.

3. Other financial obligations

Other financial obligations take the form of rental and lease obligations, which equal EUR 6.4 million per year through the end of the lease term for the premises or other leased property.

4. Fee for the annual accounts auditor

The total fees charged by the annual accounts auditor for the Fiscal Year encompass the annual accounts auditing services (TEUR 1,161), expenditures incurred (TEUR 97), other certification work (TEUR 250), tax advisory services (TEUR 0) and other consulting services (TEUR 70).

5. Information about the business relations with related enterprises and parties

The companies identified as **related enterprises** were the sole shareholder, CGML, as well as all of its own subsidiaries and affiliated enterprises of the Citigroup Group.

The individuals classified as key management personnel (Executive Board members and Supervisory Board members) of the Citigroup Group are viewed as **related persons**.

The following financial transactions are executed with related enterprises and persons (exclusively group companies)[1]:

• Money market transactions, investment and borrowing of funds
• Futures transactions involving stocks, currencies, indexes, commodities and precious metals
• Option transactions involving stocks, currencies, indexes, raw materials and precious metals
• Securities transactions (reverse repos and repos)
• Purchase/performance of intra-group services

All transactions were concluded on arm's length terms and conditions.

6. Information about significant transactions following the balance sheet date

In March 2020, the sole shareholder decided to make an additional payment pursuant to § 272 (2) no. 4 HGB into the equity capital of CGME in the amount of EUR 300 million.

Furthermore, there are no known significant transactions of special importance (*keine wesentlichen Vorgänge von besonderer Bedeutung*) that occurred after the end of the Fiscal Year and that have not yet been included in either the income statement or the balance sheet.

7. Group affiliation

CGME is included in the group of consolidated companies of CGML, whose financial statements are, in turn, included in the consolidated financial statements of Citigroup Inc., New York, 388 Greenwich Street. The consolidated financial statements can be viewed at the website, www.citigroup.com.

8. Branches

Effective as of March 1, 2019 and as part of a registered share capital increase, the sole shareholder of CGME transferred its branches in Paris, Milan and Madrid to CGME as a contribution-in-kind. In addition, a branch is still maintained in London.

[1] Please also see the Executive Board report on relations with affiliated enterprises pursuant to §§ 312 *et seq.* AktG for the fiscal year from January 1 through December 31, 2019.

9. Governing bodies (officers and directors) of the Company

The CGME **Executive Board** consists of the following members:

- Mr. Stefan Wintels, Frankfurt am Main, COO, Bank Director, Chairman, (term ending 3/31/2020)
- Mrs. Kristine Braden, Frankfurt am Main, CEO, Bank Director, (term commencing 4/1/2020)
- Dr. Silvia Carpitella, Milan/Italy, CFO, Bank Director, (term ending 3/31/2019),
- Mr. Thomas Falk, Hochheim am Main, CRO, Bank Director, (term ending 11/30/2019),
- Mr. Stefan Hafke, Kelkheim, (Corporate/Commercial Banking), Bank Director,
- Mr. Andreas Hamm, Dreieich, CTO, Bank Director,
- Dr. Jasmin Kölbl-Vogt, Frankfurt am Main, (Legal), Bank Director,
- Mr. Ingo Mandt, Frankfurt am Main, CRO, Bank Director, (term commencing 11/18/2019),
- Mr. Oliver Russmann, Bad Vilbel, CFO, Bank Director, (term commencing 4/1/2019),
- Mr. Christian Spieler, Bad Homburg, (Treasury/Markets) Bank Director.

The **Supervisory Board** consists of the following members:

- Mr. Hans W. Reich, Kronberg, Bank Director (retired), Chairman,
- Mr. Bradley Gans, London, Bank Director, Citigroup Global Markets Limited, London, (term ending 8/31/2019),
- Mr. Leo Arduini, London, Bank Director, Citigroup Global Markets Limited, London
- Mr. James Bardrick, London, CEO, Citigroup Global Markets Limited, London
- Mr. Tim Färber, Kelsterbach, Bank Employee, Employee Representative
- Mr. Dirk Heß, Friedrichsdorf, Bank Employee, Employee Representative, (term commencing 10/19/2019)
- Mr. Sascha Schmidt, Frankfurt am Main, Bank Employee, Employee Representative,
  (term ending 10/18/2019)

10. Board member remuneration

In the Fiscal Year, total remuneration for members of the Executive Board was TEUR 7,414. As of the end of the Fiscal Year, pension obligations totaled TEUR 4,184.

In the reporting year, total remuneration for the former members of management bodies and their survivors totaled TEUR 1,259. Funds set aside for pensions and early retirement obligations owed to former members of the management bodies and their survivors totaled TEUR 22,420.

Due to the stock-based remuneration, approximately 27.6 thousand shares in the amount of approx. TUSD 1,724 were granted as variable compensation.

In the recently completed Fiscal Year, expenses for supervisory board compensation benefits in the amount of TEUR 38 were incurred. CGME is exercising its elective right under § 286 (4) HGB regarding disclosures about provisions (accrued liabilities) for current pensions and pension expectancies (*Anwartschaften*) of the Supervisory Board members under § 285 (9b) HGB.

As consideration for their work, the members of the advisory board (*Beirat*) received TEUR 605 in remuneration in the fiscal year.

As of the end of the year, there were no outstanding loans to members of the CGME Executive Board and Supervisory Board.

11. Employees

During the Fiscal Year, CGME employed an average of 409 persons. Of that amount, 390 were full-time employees and 19 persons were part-time employees. No trainees were on staff.

The employees within CGME and its branches are distributed as follows:

	12/31/2019
Citigroup Global Markets Europe AG	212
Citigroup Global Markets Europe AG France Branch	94
Citigroup Global Markets Europe AG Spain Branch	50
Citigroup Global Markets Europe AG Italy Branch	45
Citigroup Global Markets Europe AG UK Branch	8
Total	**409**

Frankfurt am Main, March 31, 2020

Citigroup Global Markets Europe AG

Kristine Braden (CEO)	Stefan Hafke
Andreas Hamm	Dr. Jasmin Kölbl-Vogt
Ingo Mandt	Oliver Russmann
Christian Spieler	

CONVENIENT TRANSLATION ONLY

Report by the Supervisory Board of Citigroup Global Markets Europe AG (CGME)

for the financial year 1 January to 31 December 2019

The Supervisory Board had information provided to it on an ongoing basis by the Management Board orally and in writing with regard to the situation for the company as well as the development of business during the financial year. The chairman of the Supervisory Board regularly obtained information in a timely and comprehensive manner from the Management Board about the course of business and the main developments at the Bank. The chairman consulted with the Management Board in close and good faith cooperation and monitored the management, also between the meetings. In addition, the chairman of the Supervisory Board and the chairman of the Management Board had regular meetings in which information was provided and matters were discussed.

The main topics included, among others:

- the effects of the departure of the United Kingdom from the European Union ("Brexit") and the direction for the company, establishing corresponding procedures and planning for the end of the transition period after the exit,
- the strategic plan and the organizational structure of the company,
- the risk position and risk management at the company,
- the outsourcing of services,
- accounting for services within the corporate group as well as
- challenges in the area of taxation.

In addition, the Supervisory Board dealt with numerous changes in the law and regulations, for example, the implementation of the compensation rules under CRD IV and the German Regulation on Compensation in Institutions (*Institutsvergütungsverordnung*). The Supervisory Board also monitored the management of the company in accordance with the provisions in the law, the articles of association of the company and the rules of procedure for the Supervisory Board.

The company's business model changed substantially as a result of the outsourcing of the classic banking business and the conversion of the company to a securities trading bank in the year 2018. This continued in the financial year 2019 as a result of the capital increase with a contribution in kind when assuming the branches of Citigroup Global Markets Ltd. in France, Spain and Italy.

The Supervisory Board consists of six members under the articles of association. The composition of the Supervisory Board changed in the reporting year. Brad Gans resigned his office as a member of the Supervisory Board effective as of 31 August 2019. His place in the Supervisory Board remained vacant for the rest of the financial year. The employees' representative Sascha Schmidt resigned his mandate in the Supervisory Board as of 18 October 2019. Dirk Hess succeeded him as the employees' representative in the Supervisory Board as the replacement member elected by the employees.

The Supervisory Board met for five regular meetings in the financial year. In addition, the Supervisory Board held seven extraordinary meetings which dealt with the direction of the Company and implementation of the processes in the course of Brexit and the compensation matters. The subject of all regular meetings of the Supervisory Board consisted of the regular reports from the Management Board about the current situation for the company, including on the basis of the risk report. The Supervisory Board did not adopt any resolutions by circulating them in written form.

The further development of the leadership structure for the company also involved changes in the members in the Management Board. Dr. Silvia Carpitella left the Management Board at her own request on 31 March 2019. Oliver Russmann was appointed to succeed Dr. Silvia Carpitella effective as of 1 April 2019.
Thomas Falk left the Management Board at his own request effective as of 30 November 2019.
Ingo Mandt was newly appointed to the Management Board effective as of 18 November 2019.
The Supervisory Board resolved not to establish any separate committees for the time being.

The annual financial statements and the management report for the financial year beginning on 1 January 2019 and ending on 31 December 2019 have been audited together with the accounting by KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, and they were found to be in accordance with the provisions in the law as well as the articles of association. The Supervisory Board instructed the auditors to place an emphasis on examining the project organization in compliance with the requirements in supervisory law when implementing the processes for introducing products at the company which had previously only been offered through Citigroup Global Markets Limited, London.

The annual financial statements and the management report have been fully certified. We approve the audit report.

No objections are raised after the final result of the audit of the annual financial statements and the management report made by the Supervisory Board and the explanations provided by the auditor. The Supervisory Board approved the annual financial statements for the financial year as well as the management report submitted by the Management Board in the meeting of the Supervisory Board on 23 April 2020.

The Supervisory Board thanks the members of the Management Board and all employees for their service and contribution to achieving the targets set for the company in the last financial year.

Frankfurt am Main, den 23 April 2020

The Supervisory Board

Hans W. Reich

- Chairman –

Note: This is a translation of the German original. Solely the original text in German language is authoritative.

Independent Auditor's Report

To Citigroup Global Markets Europe AG, Frankfurt am Main

Report on the Audit of the Annual Financial Statements and of the Management Report

Opinions

We have audited the annual financial statements of Citigroup Global Markets Europe AG, Frankfurt am Main, which comprise the balance sheet as at December 31, 2019, the statement of profit and loss, the statement of cash flows and the statement of changes in equity for the financial year from January 1, 2019 to December 31, 2019, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of Citigroup Global Markets Europe AG for the financial year from January 1, 2019 to December 31, 2019. In accordance with German legal requirements, we have not audited the content of those components of the management report specified in the "Corporate Governance Statement pursuant to § 289f of the German Commercial Code" section.

In our opinion, on the basis of the knowledge obtained in the audit,

– the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to banks and give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2019 and of its financial performance for the financial year from January 1 to December 31, 2019 in compliance with German Legally Required Accounting Principles, and

– the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the management report does not cover the content of the above mentioned Corporate Governance Statement.

Pursuant to Section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Section 317 HGB and the EU Audit Regulation No. 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2019. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Determination of fair values based on valuation models for the valuation of the trading portfolios

Please refer to the notes, Section "III. Accounting and Valuation Methods" for more information regarding the accounting and valuation policies applied by CGME. Please refer to the notes, subsection "3. Trading portfolio assets and liabilities" regarding the composition of the derivatives transactions in the trading portfolio on the assets and liabilities side of the balance sheet.

THE RISK FOR THE FINANCIAL STATEMENTS

The transactions of the trading portfolio are measured at fair value and relate to the issue of warrants and certificates, the associated hedging transactions (i.e., OTC-traded and exchange-traded derivatives) as well as any buybacks arising from market maker activity. Furthermore, the trading portfolio also includes derivative financial instruments as well as stocks and other variable-yield securities. At 55 % of total assets and 56 % of total equity and liabilities respectively (EUR 8,933 million and EUR 9,082 million, respectively, in absolute amounts), the balance sheet items related to the trading portfolio are the largest line items in the annual financial statements of Citigroup Global Markets Europe AG.

In some cases, market prices are not observable for warrants, certificates, and OTC derivatives. The fair values are to be determined on the basis of accepted valuation methods. The selection of the valuation models as well as their parameters are subject to discretionary judgments. The risk for the financial statements in this regard is, above all, that no appropriate valuation models and/or valuation parameters are used to calculate fair values and that the trading portfolio as well as net trading income are therefore not measured or calculated in compliance with the accounting requirements.

OUR APPROACH IN THE AUDIT

Based on our risk assessment and the assessment of misstatement risk, we have based our audit opinion on both control-based audit procedures as well as substantive audit procedures. Accordingly, we performed the following audit work, among others:

In an initial step, we gained a comprehensive overview of the changes in the financial instruments of the trading portfolio, the associated risks, and the internal control system with respect to the valuation of the financial instruments of the trading portfolio.

For the assessment of the appropriateness of the internal control system with respect to the valuation of financial instruments for which no market prices can be observed, we conducted surveys and inspected the relevant documents. After performing this test of design and implementation (*Aufbauprüfung*), we tested the effectiveness of the established controls with the help of tests of operating effectivness (*Funktionsprüfungen*).

In particular, the control tests covered whether the models were validated independently of trading activity both when they were introduced as well as regularly or as needed. As part of a sample, we audited whether the validations were conducted and documented properly and whether the implemented valuation model together with the influent valuation parameters are suitable and reasonable for the respective product. Furthermore, we audited the control of the trade transaction valuation through a trade-neutral department using parameters procured from third parties.

Moreover, our valuation specialists also carried out a subsequent valuation for a particular and deliberate selection of products under materiality and risk considerations and compared the results with the values determined by the Bank. With respect to this subsequent valuation, observable pricing and market information was used to the extent possible.

OUR CONCLUSIONS

The valuation principles that are used to calculate the fair values of the trading portfolios, for which no prices can be observed on the market, are proper and in compliance with the valuation principles applied. The Company's valuation parameters underlying the valuation are as a whole reasonable.

Invoicing of intra-group services

With regard to the accounting and valuation methods applied by Citigroup Global Markets Europe AG, we refer to Section 3 of the notes.

THE RISK FOR THE FINANCIAL STATEMENTS

Of the commission income totaling EUR 211.8 million, EUR 129 million is attributable to brokerage commissions of affiliated enterprises. The commission expenses equaled EUR 34.5 million and included primarily amounts from the intra-group invoicing of transfer pricing. The other operating income totaled EUR 40.3 million and included income from passing through expenses to affiliated enterprises in the amount of EUR 17 million.

As a result of the high level of global job-sharing within Citigroup, great importance has been ascribed to intra-group service relationships both with respect to the provision of the original bank services as well as services involving support functions. The invoicing is performed *vis-à-vis* all Citigroup entities, although the billing process, the number of transactions requiring billing and the calculation of the billing amount could be very different depending on the work or service supplied. The risk for the financial statements in this regard is that service relationships with other Citigroup entities could be incorrectly recognized and, consequently, the corresponding income and expenses might be presented in the wrong amounts.

OUR APPROACH IN THE AUDIT

Based on our risk assessment and the assessment of misstatement risk, we have based our audit opinion on both control-based audit procedures as well as substantive audit procedures. Accordingly, we performed the following audit work, among others:

First, we gained an overview of key product lines and services of Citigroup Global Markets Europe AG, the invoicing models specified for these products and services, and the associated risks. We thereupon gained an understanding about the processes for the recognition, invoicing, and accounting treatment of the intra-group services rendered and about the internal control system set up with respect thereto.

We conducted surveys and inspected the relevant documents for the assessment of the adequacy of the internal control system. The control processes regarded as relevant for our audit are intended in particular to ensure the accuracy of the income and expenses from intra-group services and their processing. After performing this test of design, we tested the effectiveness of the established controls with the help of tests of operating effectiveness.

Finally, as part of substantive audit procedures, we audited the correctness of manual closing entries by inquiry of management and inspecting the documentation serving as a basis. For services that are compensated based on the revenue and/or fee split method, we audited a sample as to whether the services were calculated and compensated correctly on the basis of the group-wide standard and documented transfer pricing method.

OUR CONCLUSIONS

The measures implemented in the bank are appropriate to accurately recognize income and expenses from intra-group services in Citigroup Global Markets Europe AG annual financial statements.

Other Information

Management is responsible for the other information. The other information comprises the the corporate governance statement pursuant to § 289f (4) of the German Commercial Code (Information on the female quota).

Our opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

– is materially inconsistent with the annual financial statements, with the management report information audited or our knowledge obtained in the audit, or
– otherwise appears to be materially misstated.

Responsibilities of Management and the Supervisory Board for the Annual Financial Statements and the Management Report

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to banks, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, management is responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, management is responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

– Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by management in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the annual general meeting on September 17, 2019. We were engaged by the chairman of the supervisory board on September 18, 2019. We have been the auditor of the Citigroup Global Markets Euope AG, Frankfurt am Main, without interruption for more than 27 years.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

[In addition to the financial statement audit, we have provided to the Company the following services that are not disclosed in the annual financial statements or in the management report:

- Implementation of agreed additional audit work in accordance with the requirement under Section 2 (4) of the Ordinance on Contributions to the Compensation Facility for Securities Trading Companies at the Kreditanstalt für Wiederaufbau (EdWBeitrV)
- Audit of the securities services business pursuant to § 89 of the German Securities Trading Act (WpHG);
- Tax advice in connection with transfer pricing
- Consent Letter to include our audit report for the fiscal years from January 1 to April 27, 2018, from April 28 to December 31, 2018 and from January 1 to December 31, 2017 in a listing document for the Hong Kong Exchange.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Andreas Dielehner.

Frankfurt am Main, 23 April 2020

KPMG AG
Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Dielehner Wirtschaftsprüfer [German Public Auditor]	Dr. Niemeyer Wirtschaftsprüfer [German Public Auditor]

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No.	Name	Supplement No.	Date of the Base Prospectus	Item 1	Item 2	Item 3	Item 4	Item 5
1	Base Prospectus for the issuance, increase or a resumption of the offer of Certificates based on shares or securities representing shares, share indices, exchange rates, commodities, funds, exchange traded funds, futures contracts or a basket consisting shares or securities representing shares, share indices, exchange rates, commodities, funds, exchange traded funds, futures contracts	3	5 June 2019	10	10 et seqq.	50	50 et seqq.	169
2	Base Prospectus for the issuance, increase or a resumption of the offer of Warrants relating to shares or securities representing shares, share indices, exchange rates, commodities, funds, exchange traded funds, futures contracts	3	5 June 2019	9	9 et seqq.	43	44 et seq.	152