

Unaudited excerpt of the audited Annual Report – 30 June 2019

ComStage 1

This report is an unaudited abridged version of the audited Annual Report established in conformity with the German Investment Code (Kapitalanlagegesetzbuch – the “KAGB”). The complete version is available on request from the registered office of the Management Company in Luxembourg and from the Hong Kong Representative, SG Securities (HK) Limited.

This report does not constitute an offer of units of any subfund of ComStage 1 (the "Fund").

Certain subfunds or unit classes of the Fund are not authorised for offer or distribution in or from Hong Kong. Accordingly, no reference is made to these subfunds / unit classes in this unaudited excerpt of the audited Annual Report. The attention of the investors is drawn to the fact that certain figures in this unaudited excerpt of Annual Report are expressed on a consolidated basis and, thus, may include the assets of those subfunds / unit classes which are not authorised in Hong Kong.

Table of contents:

Consolidated annual report for the Specialised Sub-fund ComStage 1 DAX® UCITS ETF and ComStage 1 DivDAX® UCITS ETF.....	1
Custodian Report.....	3
ComStage 1 DAX® UCITS ETF.....	4
ComStage 1 DivDAX® UCITS ETF.....	12

DIRECTORY

Management Company

Until May 25, 2019
Commerz Funds Solutions S.A.
22, rue Edward Steichen
L-2540 Luxembourg, Luxembourg

Since May 25, 2019:
Commerz Funds Solutions S.A.
22, Boulevard Royal
L-2449 Luxembourg,
Grand Duchy of Luxembourg

Board of Directors of the Management Company

Until May 27, 2019
Thomas Timmermann
Hermann Berger
Peter Corner
Thomas Meyer zu Drewer
Andreas Neumann
Mathias Turra
Roberto Vila

Since May 27, 2019
Lionel Paquin
Mathias Turra
Guillaume de Martel
Alexandre Cegarra

Investment Manager

Commerzbank AG
Kaiserplatz
60311 Frankfurt, Germany

Custodian bank, registrar and paying agent

BNP Paribas Securities Services S.C.A., Zweigniederlassung Frankfurt am Main
Europa-Allee 12
60327 Frankfurt, Germany

Administrator

BNP Paribas Securities Services S.C.A., Zweigniederlassung Frankfurt am Main
Europa-Allee 12
60327 Frankfurt, Germany

SEHK Market Maker

Until June 30, 2019
Commerz Securities Hong Kong Limited
15/F, Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

Since July 1, 2019
SG Securities (HK) Limited
Level 38
Three Pacific Place
1 Queen's Road East, Hong Kong

Hong Kong Participating Dealer and Hong Kong Representative

Until June 30, 2019
Commerzbank AG, Hong Kong Branch
15/F Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

Since July 1, 2019
SG Securities (HK) Limited
Level 38
Three Pacific Place
1 Queen's Road East, Hong Kong

Hong Kong Participating Dealer Agent (until June 30, 2019) and Hong Kong Transfer Agent

BNP Paribas Securities Services, Hong Kong Branch
21/F PCCW Tower
Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

Hong Kong Service Agent

HK Conversion Agency Services Limited
1/F One and Two Exchange Square
8 Connaught Place
Central, Hong Kong

Auditors

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft
Mergenthalerallee 3-5, 65760
Eschborn, Germany

Hong Kong Legal Advisers

Simmons & Simmons
30/F One Taikoo Place
979 King's Road
Hong Kong

ComStage 1

Consolidated annual report for the specialised subfunds ComStage 1 DAX® UCITS ETF and ComStage 1 DivDAX® UCITS ETF

Investment objectives and policy

The investment objective of the respective subfund is to achieve an income for investors, based on the performance of the respective underlying index of the subfund.

ComStage 1 DAX® UCITS ETF (II) Performance of the DAX® Index (Performance Index) (ISIN DE0008469008)

ComStage 1 DivDAX® UCITS ETF (II) Performance of the DivDAX® Index (Price Index) (ISIN DE000A0C33C3)

No guarantee can be given that the investment objective of the subfund will in fact be achieved.

By linking performance to the underlying index, we expect there to be some tracking error.

Detailed presentation of the investment objectives and policy can be found in the sales prospectus.

Significant tendencies during the period

Between 1 July 2018 and 30 June 2019 global equity markets were characterised by predominantly positive performance.

The value performances outlined below always refer to the index currency, which can lead to a change in the investment result for Euroland investors taking into account the exchange rate.

Performance of leading indices

Dax Performance index:	+0.75%
DivDax Performance index:	+1.68%
DivDax Price index:	- 2.39%

As at 29 June 2018, the yield on 10-year German government bonds was 0.34%. During the period under review the yield of this long-dated debt from the German Republic sank 65 basis points to -0.31% as of 29 June 2019.

Over the period global equities, bonds and the commodities markets continued to be strongly influenced by the central banks and their monetary policies. The US Federal Reserve further increased its key interest rate, although at the end of the period under review it also hinted at renewed easing of monetary policy.

Possible interest rate cuts and further supportive signs from the ECB have allowed both equity and bond markets to rise. Another influencing factor on the global financial markets in the reporting period is the US government's protectionist economic policy. In particular, the fear of a further escalation in the trade disputes between the USA, the EU and China, that could compromise global free trade with tariffs and counter-tariffs, led to market uncertainty and price fluctuations.

The as yet unsettled outcome of the Brexit negotiations has not helped to stabilise markets.

Material changes

During the financial year Commerzbank AG's investment company, Commerz Fund Solutions S.A. (the Management Company), was sold to Lyxor International Asset Management S.A., a subsidiary of Société Générale S.A.

No new subfunds were launched in the period under review.

No changes were made to the subfunds in the period under review.

No subfunds were liquidated during the period under review.

Significant risks to the specialised subfunds in the period under review:

Alongside the general risks of a fund investment in addition to the risks of investing in a UCITS securities fund (index risk), there were the following significant risks for the specialised subfunds during the period:

Change in value risks

The fixed assets in which the Management Company invests for the account of the respective subfund are subject to risks. For example, value losses can occur if the market value of the asset falls compared to the cost price, or the spot and forward prices develop differently.

Fund volume and performance

<u>Sub-fund</u>	<u>Fund volume in €</u>	<u>Performance in %</u>
ComStage 1 DAX UCITS ETF, II	6,138,085.62	0.17
ComStage 1 DivDAX UCITS ETF, II	5,807,861.69	0.90

Capital market risk

The rate or market value trends of financial products depend in particular on the performance of the capital markets, which in turn are influenced by the general situation of the global economy and the economic and political conditions in the respective country. In particular, irrational factors such as feelings, beliefs and

rumours can also have an influence on the general performance of an index on a stock exchange. Fluctuations in the index and market value can also be attributable to changes in interest rates, exchange rates or the creditworthiness of issuers.

Default risk/Counterparty risks (excluding central bank contract arrangers)

An issuer default, or counterparty entitlements outstanding against the fund, may result in losses for the respective subfund. Issuer risk describes the impact of the particular developments of the respective issuer, which, in addition to the general tendencies of the capital markets, affect the price of a security. Even careful selection of securities does not exclude the possibility that losses can arise from asset defaults by issuers. The party to a contract concluded for the account of the respective subfund may be partially or wholly cancelled (counterparty risk). This applies to all contracts concluded for the account of the respective subfund.

Share price change risk

Shares are traditionally subject to strong price fluctuations and thus also to the risk of price declines. These are particularly influenced by profit performance of the issuing company, industry sector performance and overall macroeconomic performance. Market participants' confidence in the respective company can also influence the price performance of the respective company. This particularly applies to companies whose shares are listed on the stock exchange or another organised market for a short period; with these, slight changes in forecasts can lead to significant price fluctuations. If the share of freely tradeable shares held by many shareholders (the so-called free float) is low, smaller purchase and sales orders can have a strong impact on the market price and thus lead to higher price fluctuations.

Negative credit interest rate risk

The company deposits the respective subfund's liquid assets with a custodian or other banks for the account of the respective subfund. For this cash-at-bank an interest rate is sometimes agreed that corresponds to the European Interbank Offered Rate (Euribor) minus a certain margin. If the Euribor sinks below the agreed margin it leads to negative interest on the corresponding account. Consequently, the short- medium- and long-term cash-at-bank can realise negative interest, depending how the interest rate policy of the European Central Bank performs.

A detailed presentation of all the risks associated with the fund can be found in the sales prospectus.

Risk management

The utilisation of the upper limit for the market risk potential has been determined for this particular specialised subfund according to the Derivatives Regulation using the simple approach.

Substantial profits and losses

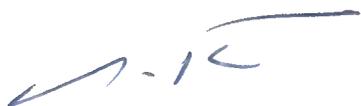
Substantial profits come from the sale of domestic shares (biggest position, Wirecard AG).

Substantial losses come from the sale of domestic shares (biggest position, United Internet AG).

Board of Directors

Luxembourg, on 17th September 2019

Note: The information in this report is based on historic data and cannot be relied upon for the future performance of the company.





**COMMERZ FUNDS SOLUTIONS,
as management company on behalf of COMSTAGE 1
22, Boulevard Royal
L-2449 Luxembourg**

**Custodian Report to the Shareholders of ComStage 1 ("the Company") for the year ended
30th June 2019**

Having carried out such procedures as we considered necessary to discharge our responsibilities as Custodian of the Company it is our opinion, based on the information available to us and the explanations provided, that in all material respects, the Company has managed the scheme in accordance:

- (i) with the current prospectus
- (ii) with the provisions of the constitutive documents / management regulations

On behalf of BNP Paribas Securities Services


Hilke ALTHOFF
Head of Client Service Management


Richard THIEL
Client Service Manager

Frankfurt am Main, 17 September 2019

ComStage 1 DAX[®] UCITS ETF

Statement of assets and liabilities as at 30 June 2019

	Market value in EUR	Market value in EUR	% of Fund Assets
I. Assets		90,282,953.10	100.04
1. Shares		90,240,656.43	99.99
- Banks	1,292,647.68		1.43
- Construction and construction industries	971,476.32		1.08
- Mining	583,281.00		0.65
- Chemicals industry	14,964,402.97		16.58
- Retail	1,386,728.42		1.54
- Electrics / Electronics	1,787,581.35		1.98
- Energy suppliers	2,992,980.11		3.32
- Engineering and vehicle manufacture	9,750,037.94		10.80
- Pharmaceuticals industry / Biotech	10,446,394.99		11.58
- Real Estate	1,966,314.00		2.18
- Software	9,152,521.16		10.14
- Other financial services	2,107,460.40		2.34
- Other industrial stocks	7,772,198.40		8.61
- Other	1,571,106.60		1.74
- Telecommunications	4,531,396.20		5.02
- Textiles and clothing	4,560,928.50		5.05
- Transportation	3,278,342.29		3.63
- Insurance	11,124,858.10		12.33
2. Cash at bank		42,296.67	0.05
II. Liabilities		-33,098.59	-0.04
III. Net asset value		90,249,854.51	100.00¹⁾

ComStage 1 DAX[®] UCITS ETF

Statement of Net Assets as at 30 June 2019

ISIN	Denomination	Market	Unit or shares or Cey in 1,000	Quantity 30/06/2019	Purchases/ Additions in the reporting period	Sales Disposals	Price	Market value in EUR	% of NAV
Stock exchange traded securities									
Shares									
Domestic									
DE000A1EWWW0	adidas AG		Qty.	16,799	4,549	3,023	EUR 271.500	4,560,928.50	5.05
DE0008404005	Allianz SE		Qty.	38,606	9,382	6,984	EUR 212.000	8,184,472.00	9.07
DE000BASF111	BASF SE		Qty.	84,863	23,985	16,484	EUR 63.920	5,424,442.96	6.01
DE000BAY0017	Bayer AG		Qty.	86,164	29,816	15,916	EUR 60.940	5,250,834.16	5.82
DE0005190003	Bayerische Motoren Werke AG		Qty.	29,608	8,479	5,861	EUR 65.090	1,927,184.72	2.14
DE0005200000	Beiersdorf AG		Qty.	9,081	2,533	1,730	EUR 105.550	958,499.55	1.06
DE0005439004	Continental AG		Qty.	9,979	2,797	1,915	EUR 128.220	1,279,507.38	1.42
DE0006062144	Covestro AG		Qty.	15,606	4,482	4,249	EUR 44.710	697,744.26	0.77
DE0007100000	Daimler AG		Qty.	82,519	24,853	17,558	EUR 48.925	4,037,242.08	4.47
DE0005140008	Deutsche Bank AG		Qty.	190,656	63,418	32,952	EUR 6.780	1,292,647.68	1.43
DE0005810055	Deutsche Börse AG		Qty.	16,941	4,386	3,020	EUR 124.400	2,107,460.40	2.34
DE0008232125	Deutsche Lufthansa AG		Qty.	43,907	12,273	8,261	EUR 15.070	661,678.49	0.73
DE0005552004	Deutsche Post AG		Qty.	90,542	27,616	16,551	EUR 28.900	2,616,663.80	2.90
DE0005557508	Deutsche Telekom AG		Qty.	297,883	84,577	58,286	EUR 15.212	4,531,396.20	5.02
DE000ENAG999	E.ON SE		Qty.	200,240	56,162	38,463	EUR 9.551	1,912,492.24	2.12
DE0005785802	Fresenius Medical Care KGaA		Qty.	19,291	5,213	3,788	EUR 69.040	1,331,850.64	1.48
DE0005785604	Fresenius SE & Co. KGaA		Qty.	37,899	10,558	7,126	EUR 47.680	1,807,024.32	2.00
DE0006047004	HeidelbergCement AG		Qty.	13,652	3,800	2,595	EUR 71.160	971,476.32	1.08
DE0006048432	Henkel AG & Co. KGaA		Qty.	16,121	4,510	3,085	EUR 86.020	1,386,728.42	1.54
DE0006231004	Infineon Technologies AG		Qty.	114,957	39,963	20,231	EUR 15.550	1,787,581.35	1.98
DE0006599905	Merck KGaA		Qty.	11,942	3,333	2,277	EUR 91.960	1,098,186.32	1.22
DE0008430026	Münchener Rückvers.-Ges. AG		Qty.	13,323	3,662	2,934	EUR 220.700	2,940,386.10	3.26
DE0007037129	RWE AG		Qty.	49,861	14,003	9,566	EUR 21.670	1,080,487.87	1.20
DE0007164600	SAP SE		Qty.	75,791	23,997	30,536	EUR 120.760	9,152,521.16	10.14
DE0007236101	Siemens AG		Qty.	74,304	23,036	17,240	EUR 104.600	7,772,198.40	8.61
DE0007500001	thyssenKrupp AG		Qty.	45,480	12,677	8,657	EUR 12.825	583,281.00	0.65
DE0007664039	Volkswagen AG		Qty.	16,908	4,707	3,212	EUR 148.220	2,506,103.76	2.78
DE000A1ML7J1	Vonovia SE		Qty.	46,817	14,646	8,469	EUR 42.000	1,966,314.00	2.18
DE0007472060	Wirecard AG		Qty.	10,612	12,297	1,685	EUR 148.050	1,571,106.60	1.74
							EUR	81,398,440.68	90.19
Foreign									
IE00BZ12WP82	Linde AG		Qty.	50,055	55,689	5,634	EUR 176.650	8,842,215.75	9.80
							EUR	8,842,215.75	9.80
							EUR	90,240,656.43	99.99
Total of securities									
Cash-at-bank, non-securitized money market instruments and money market funds									
							EUR	42,296.67	0.05
EUR balances at:									
Custodian		EUR		42,296.67			% 100.000	42,296.67	0.05
Other liabilities									
Liabilities Administration fees		EUR		-33,098.59				-33,098.59	-0.04
							EUR	-33,098.59	-0.04
Net asset value									
							EUR	90,249,854.51	100.00¹⁾
Unit class allocation									
ComStage 1 DAX[®] UCITS ETF (II)									
							EUR	6,138,085.62	
							EUR	12.14	
							Qty.	505,610	

Footnote:

¹⁾ Rounding the percentage shares in calculations may give rise to slight differences.

Price of transferable securities or market rate

Assets belonging to the specialised fund are valued based on the following prices/market rates:
All asset prices: Prices as at 28/06/2019

Transactions concluded during the reporting period that are not reflected in the asset portfolio:

Purchases and sales in transferable securities, investment fund units and promissory notes (market classification as of the reporting date):

ISIN	Denomination	Unit or shares or Ccy in 1,000	Purchases/ Additions	Sales Disposals	Volume in 1,000
Stock exchange traded securities					
Shares					
Domestic					
DE000CBK1001	Commerzbank AG	Qty.	0	83,744	
DE000A2E4L75	Linde AG	Qty.	395	14,780	
DE000A2TSGY3	Vonovia SE - Anrechte	Qty.	43,979	43,979	

Income and expense calculation including income equalisation/ComStage 1 DAX® UCITS ETF
for the period from 01/07/2018 to 30/06/2019

	Overall EUR	Overall EUR	per share ¹⁾ EUR
I. Income			
1. Dividend domestic issuer (before corporate tax)		2,765,856.62	3.841
2. Dividend foreign issuer (before withholding tax)		93,049.94	0.130
3. Interest on domestic liquid assets		135.63	0.000
4. Deduction of domestic corporate tax		-358,343.80	-0.497
Income total		2,500,698.39	3.474
II. Expenses			
1. Interest from borrowing transactions		-25.36	0.000
2. Administration fees		-129,151.70	-0.179
3. Other expenses		-145.71	0.000
Expenses total		-129,322.77	-0.179
III. Total net income		2,371,375.62	3.295
IV. Sales transactions			
1. Realised profit		1,677,227.51	2.329
2. Realised loss		-1,884,511.75	-2.617
Result from sales transactions		-207,284.24	-0.288
V. Realised result for the financial year		2,164,091.38	3.007
1. Net change in non-realised profit		5,362,567.67	7.421
2. Net change in non-realised loss		-5,957,625.13	-8.309
VI. Non-realised result for the financial year		-595,057.46	-0.888
VII. Result for the financial year		1,569,033.92	2.119

Performance of the subfund's net assets / ComStage 1 DAX® UCITS ETF

	EUR	EUR
		2018 - 2019
I. Value of the subfund's net assets at the beginning of the financial year		80,813,913.83
1. Distribution / tax for the previous year		-1,941,443.28
2. Cash inflow (net)	19,448,586.58	9,763,034.49
a) Cash inflows from unit sales	-9,685,552.09	
b) Cash outflows from unit redemptions		45,315.55
3. Income equalisation/cost compensation		1,569,033.92
4. Result for the financial year	5,362,567.67	
of which: Net change in non-realised profit	-5,957,625.13	
of which: Net change in non-realised loss		90,249,854.51
II. Value of the subfund's net assets at the end of the financial year		

Income and expense calculation including income equalization/ComStage 1 DAX® UCITS ETF (II)
for the period from 01/07/2018 to 30/06/2019

	Overall EUR	Overall EUR	per share ¹⁾ EUR
I. Income			
1. Dividend domestic issuer (before corporate tax)		188,120.95	0.372
2. Dividend foreign issuer (before withholding tax)		6,468.95	0.013
3. Interest on domestic liquid assets		9.23	0.000
4. Deduction of domestic corporate tax		-24,372.90	-0.048
Income total		170,226.23	0.337
II. Expenses			
1. Interest from borrowing transactions		-1.72	0.000
2. Administration fees		-8,750.37	-0.017
3. Other expenses		-9.89	0.000
Expenses total		-8,761.98	-0.017
III. Total net income		161,464.25	0.319
IV. Sales transactions			
1. Realised profit		113,822.54	0.225
2. Realised loss		-127,964.23	-0.253
Result from sales transactions		-14,141.69	-0.028
V. Realised result for the financial year		147,322.56	0.291
1. Net change in non-realised profit		322,565.52	0.638
2. Net change in non-realised loss		-459,490.30	-0.909
VI. Non-realised result for the financial year		-136,924.78	-0.271
VII. Result for the financial year		10,397.78	0.021

Performance of subfund / ComStage 1 DAX® UCITS ETF (II)

	EUR	EUR
		2018 / 2019
I. Value of the subfund's net assets at the beginning of the financial year		6,127,687.84
1. Distribution / tax for the previous year		0.00
2. Cash inflow (net)		0.00
a) Cash inflows from unit sales	0.00	
b) Cash outflows from unit redemptions	0.00	
3. Income equalization/cost compensation		0.00
4. Result for the financial year		10,397.78
of which: Net change in non-realised profit	322,565.52	
of which: Net change in non-realised loss	-459,490.30	
II. Value of the subfund's net assets at the end of the financial year		6,138,085.62

Application of subfund's income

	Overall EUR	per share ¹⁾ EUR
I. Available for reinvestment		
1. Realised result for the financial year	147,322.56	0.291
II. Reinvestment	147,322.56	0.291

1) Rounding in the calculations can lead to slight differences.

Comparison overview of the last three financial years / ComStage 1 DAX® UCITS ETF (II)

Financial year

2018/2019
2017/2018
2016/2017

Sub-fund
at the end of the
financial year
EUR
6,138,085.62
6,127,687.84
6,138,719.77

Share price
EUR
12.14
12.12
12.28

Comparative summary of the last three business years / ComStage 1 DAX® UCITS ETF (II)

Period	Sub-fund	Fund Volume in €	Performance of the fund price (NAV per share) in %	Highest Value in €	Lowest Value in €
30/06/2018 – 30/06/2019	ComStage 1 DAX UCITS ETF (II)	6.138.085,62	0,17	12.65	10.22
30/06/2017 – 30/06/2018	ComStage 1 DAX UCITS ETF (II)	6.127.687,84	-1,29	13.42	11.65
30/06/2016 – 30/06/2017	ComStage 1 DAX UCITS ETF (II)	6,138,719.77	26.93	12.84	9.35

List of any constituent securities of the DAX that each account for more than 10% of the weighting of the DAX

ISIN	Denomination	Shares	Price / Rate in €	% of Index
DE0007164600	SAP SE	755715	120.76	10.142321

The total investment stated at cost (in €)

	Value at cost	Unrealized P/L	Market value
Securities Portfolio	90,039,532.92	201,255.55	90,240,656.43
Cash at Bank	42,296.67	-	42,296.67
Dividends receivables shares	-	-	-
Liabilities: Administration fees	-33,098.60	-	-33,098.60
TOTAL	90,048,730.99	201,255.55	90,249,854.50

Comparison of the subfund's performance and the actual DAX's performance over the period under review

Period	Performance Dax (Performance-Index)	Performance subfund
30/06/2018-30/06/2019	0.75%	0.17%

Statement of Changes in Numbers of Units during the last three business years / ComStage 1 DAX® UCITS ETF (II)

Period	Number of Units in issue at the beginning of the period	Number of Units subscribed	Number of Units redeemed	Number of Units in issue at the end of the period
30/06/2018 – 30/06/2019	500,000	0	0	505,610
30/06/2017 – 30/06/2018	500,000	5,610	0	505,610
30/06/2016 – 30/06/2017	500,000	0	0	500,000

ComStage 1 DAX[®] UCITS ETF

Appendix pursuant to § 7 No. 9 KARBV German regulation regarding valuation and financial accounting of investment funds

Other information

ComStage 1 DAX[®] UCITS ETF (II)

International Security Identification Number (ISIN)		DE000ETF8019
Unit price	EUR	12.14
Units in circulation	Qty.	505,610.00
Investor		Private investor
Current front-end load	%	5.00
Current redemption fee	%	5.00
All-in fee p.a.	%	0.15
Utilization of earnings		accumulative

Quantity of securities in fund assets (in %) **99.99**

Quantity of derivatives in fund assets (in %) **0.00**

Information on the procedure for valuation of the assets

The valuation of the assets during the financial year and at the reporting date of 30/06/2019 was in principle the last traded stock exchange or market price, which ensures a reliable valuation.

Assets that are neither admitted to trading on stock exchanges nor are admitted to or included in any other organized market or for which no tradeable price is available, are valued at the current market value, with due consideration of suitable valuation models, taking into account current market conditions.

In the financial year and as at the reporting date of 30/06/2019, the following asset items were not valued at the last traded stock exchange or market price:

Cash-at-bank and other assets	at par value
Liabilities	at redemption amount

Information on transparency as well as on the total cost ratio according to Section 16 (1) No. 3 of the KARBV

Significant other income and other expenses (before income equalisation):

The other expenses incurred in the last financial year consisted of:

Negative deposit rate	EUR	-142.09
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Total cost ratio (in %) pursuant to Section 101 (2) No. 1 KAGB [German Investment

Code] ComStage 1 DAX[®] UCITS ETF (II) **0.15**

The total cost ratio expresses all costs and payments (without transaction costs) borne by the specialised subfund in the course of the year in relation to the average net asset value of the subfund net assets.

All-in fee pursuant to Section 101 (2) No. 2 KAGB [German Investment Code]

The Management Company receives a cost-sharing fee (the "all-in fee") from the respective specialised subfund, described in the special section, which may be different for the various share classes. Details of the remuneration and reimbursement expenses charged to the particular specialised subfund may be found in the Special Section of the sales prospectus, as well as the AAB and BAB. The all-in fee is calculated on the basis of the average daily net asset value of the unit class of the respective subfund assets and is payable monthly or quarterly in arrears. The all-in fee covers all services provided by the Management Company and third parties (such as the custodian, the auditor, etc.), unless otherwise specified in the applicable sales prospectus.

All-in fee paid to the management company or third parties including income equalisation

ComStage 1 DAX [®] UCITS ETF (II)		
All-in fee pursuant to Section 101 (2) No. 2 KAGB [German Investment Code] (absolute)	EUR	8,750.64
of which, for the capital management company	%	0.15

Transaction costs EUR 1,681.40

Total of the ancillary costs of the acquisition (incidental acquisition costs) and the costs of the sale of the assets.

The share of the securities transactions carried out in the period for the account of the specialised subfund's assets by way of brokerage, which are closely linked enterprises and persons, was 100.00 %. They amounted to a total of EUR 48,574,737.19.

Report on the costs

The EU Management Company will not receive any reimbursements of the remunerations and expenses paid by the specialised subfund to the custodian and to third parties.

The EU Management Company will not pay any remuneration to intermediaries.

Notes on the income and expenses statement

The net change in net non-realised profit and loss is determined every year by comparing the value of the asset items in the share price with the respective historical cost, the amount of the positive differences goes into the sum of the non-realised profit, and the amount of the negative differences into the sum of the non-realised losses. The net changes are determined from the comparison of the total positions at the end of the financial year with the total positions at the beginning of the financial year.

Information on Index funds pursuant to Section 16 (2) KARBV

Tracking Error and Tracking Difference

Tracking error describes the standard deviation of the difference between the performance of a specialised subfund and the performance of the underlying index (benchmark). A lower tracking error indicates very similar performance. The higher the tracking error, the greater the average deviation of fund performance from the performance of the benchmark.

Tracking error results from the tracking difference between the performance of individual subfund assets and that of the underlying index.

In the case of ETFs, positive tracking differences arise mainly where they refer to a price index with no dividend consideration. The ETF performs more positively than the benchmark index, which leads to a correspondingly large tracking error.

ComStage 1 DAX[®] UCITS ETF (II)

Tracking error at the end of the period		0.138%
Annual tracking difference		-0.590%

Information on securities lending transactions pursuant to Regulation (EU) No 2015/2365

There were no securities lending transactions concluded or total return swaps in the financial year within the meaning of EU Regulation No. 2015/2365.

Soft dollars and cash rebates

None of the Management Company, the Investment Manager, or any of their Connected Persons may retain cash or other rebates.

The Management Company and the Investment Manager shall not receive any non-cash benefits (broker research, financial analyses, market and price information systems) or charge any subfund in connection with transactions made on behalf of the subfund. The Management Company and the Investment Manager may grant recurring – mostly annual – brokerage fees, known as “trail commissions”, to financial intermediaries such as banks and other credit institutions. Currently there are no soft commission agreements in place for the Fund or the subfund.

Transaction with Connected Persons

Cash forming part of the property of the Fund or the subfund may be placed as deposits with the Custodian, the Management Company, the Investment Manager or with any Connected Persons of these companies (being an institution licensed to accept deposits) provided that such cash deposit is maintained in a manner that is in the best interests of holders, having regard to the prevailing commercial rate for a deposit of similar type, size and term, and negotiated at arm's length in accordance with ordinary and normal course of business. Money can be borrowed from the Custodian, the Management Company, the Investment Manager or any of their Connected Persons (being a bank) so long as that bank charges interest at no higher rate, and any fee for arranging or terminating the loan is of no greater amount than is in accordance with normal banking practice, the commercial rate for a loan of the size and nature of the loan in question negotiated at arm's length. Any transactions between the Fund or the subfund and the Management Company, the Investment Manager or any of their Connected Persons as principal may only be made with the prior written consent of the Custodian and will be disclosed in the Fund's Annual Report (see below). All transactions carried out by or on behalf of the Fund or the subfund must be at arm's length, executed on the best available terms and in the best interests of Unitholders. In transacting with brokers or dealers connected to the Management Company, the Investment Manager or any of their connected persons, the Management Company shall ensure that the following are complied with:

- a) such transactions are on arm's length terms;
- b) the Management Company must use due care in the selection of brokers or dealers and ensure that they are suitably qualified in the circumstances;
- c) transaction execution is consistent with applicable best execution standards;
- d) the fee or commission paid to any such broker or dealer in respect of a transaction must not be greater than that which is payable at the prevailing market rate for a transaction of that size and nature;
- e) the Management Company must monitor such transactions to ensure compliance with its obligations; and
- f) the nature of such transactions and the total commissions and other quantifiable benefits received by such brokers or dealers are disclosed in the Annual Report (see below)

All transactions carried out by or on behalf of the Fund or the subfund have been executed via the connected party Commerzbank AG in its functions as counterparty or broker at arm's length and on the best available terms. No commissions and other quantifiable benefits have been received by brokers or dealers connected to the Management Company, the Investment Manager or any of their connected persons.

Significant changes

It has been proposed that the Management Company will terminate its management in the unit class ComStage 1 DAX® UCITS ETF (II) (the “Hong Kong Units”) with effect from 15 February 2020.

The Management Company will proceed to the termination by liquidating all the investments attributable to the Hong Kong Units with effect from 19 February 2020. BNP Paribas Securities Services S.C.A., Zweigniederlassung Frankfurt am Main, as the Custodian of ComStage 1 DAX® UCITS ETF (II), will provide the necessary oversight and technical support which are reasonably expected from a UCITS depository (OGAW-Verwahrstelle) in accordance with the German Investment Code (Kapitalanlagegesetzbuch) to the Management Company during the termination process, including facilitating the payment of the liquidation proceeds to the unitholders of the Hong Kong Units upon receiving the Management Company's instructions.

Please refer to the announcement dated 14 August 2019 titled “Announcement of the Proposed Cessation of Trading of the Hong Kong Units of the Sub-Funds on SEHK, Termination of the Hong Kong Units, Proposed Voluntary Deauthorisation of the Fund and the Sub-Funds, Proposed Delisting of the Sub-Funds in Hong Kong and Non-applicability of Certain Provisions of the Code on Unit Trusts and Mutual Funds” for further information in this regard.

Information on remuneration pursuant to KAGB § 101 (4) 1-5:

Commerz Funds Solutions S.A. (hereinafter the “Management Company”) has adopted the remuneration policy of its sole shareholder, Commerzbank AG, taking into account the local and European requirements regarding UCITS and AIFMD regulations.

The remuneration policy sets out the principles applicable to:

The Management Company has taken over the remuneration policy of its previous, sole shareholder, Commerzbank AG. This is subject to local and European guidelines with regard to UCITS and AIFMD regulations

Due to the purchase of the Management Company by Lyxor International Asset Management S.A.S. on 27/05/2019 there will be, where appropriate, a reassessment of this remuneration policy during the course of 2019.

The remuneration policy sets out the principles applicable to:

- any form of payment or other benefits by the Management Company;
- any amount paid directly by the Management Company -managed collective investment company (hereinafter (“CIC”) itself, including the performance-related fee; and
- any transfer of units of the CIC concerned;
- exchange for professional services provided by the Management Company employees.

To provide the Management Company employees with overall remuneration that meets market supervisory requirements, the remuneration is made up of several components: the success of the Management Company, voluntary occupational benefits and voluntary occupational pension. The above remuneration components determine the overall remuneration of employees that meet market supervisory requirements, taking into consideration an appropriate and permissible ratio of variable and fixed remuneration.

The following information — in particular the information on remuneration and determination of the number of beneficiaries — is based on the financial statements of the Management Company from 31 December 2018, pertaining to the 2018 financial year.

In the 2018 financial year the overall fixed remuneration for all employees of the Management Company amounted to EUR 1,504,000.00 (96.23%) and the variable amount was EUR 59,000 (3.77%). Overall remuneration amounted to EUR 1,563,000.

A performance fee is not generally paid to the Management Company employees. The number of beneficiaries corresponds to the average number of employees (18) in the 2018 financial year. The total amount of remuneration paid to certain employee groups in the 2018 financial year is pro rata for ComStage 1:

- Directors: EUR 9,310
- Employees with risk responsibilities according to remuneration guidelines (risk-takers): EUR 15,780
- Employees with control functions: EUR 36,220
- Employees with a total remuneration such as directors or risk-takers: not applicable.

In the 2018 financial year the total amount of fixed remuneration paid by Commerzbank AG for portfolio management was EUR 1,710,000 (87.24%) and the variable portion was EUR 250,000 (12.76%).

The number of beneficiaries corresponds to the average number of employees (15) in portfolio management at Commerzbank AG in the 2018 financial year. The total amount of remuneration paid to portfolio management in the 2018 financial year is pro rata for ComStage 1:

- Portfolio Management (Commerzbank AG): EUR 59,590

Pursuant to Chapter 7 of ESMA guidelines on remuneration policy (final report of 31/03/2016) the Management Company applies the proportionality principle envisaged. As a result, the Management Company:

- has declared the following as risk-takers: Mathias Turra, Hermann Berger, Thomas Meyer zu Drewer, Jinghua Wu and Martin Rausch
- has no remuneration committee;
- disbursement of the variable remuneration is not made in AIF/UCITS instruments, and
- the “disbursement procedure” (i.e. blocking period, deferral and ex-post consideration of risk) is not applied.

A change in remuneration policy has to date not taken place. The remuneration policy was reviewed regularly up to 30 June 2018, pursuant to Art. 14b para. 1, subsections c and d and, where appropriate, changes to the same were made.

Additional information on the EU management company's remuneration policy can be found on the internet at the website <http://www.am.commerzbank.de/News/EditorialList.aspx?c=34929>. A printed version is available free of charge upon request.

ComStage 1 DivDAX[®] UCITS ETF

Statement of assets and liabilities as at 30 June 2019

	Market value in EUR	Market value in EUR	% of NAV
I. Assets		37,002,781.59	100.06
1. Shares		35,710,664.10	96.57
- Chemicals industry	7,678,576.22		20.76
- Energy suppliers	2,358,907.38		6.38
- Engineering and vehicle manufacture	4,700,761.45		12.71
- Pharmaceuticals industry / Biotech	3,952,080.88		10.69
- Real Estate	1,549,716.00		4.19
- Other industrial stocks	3,516,861.20		9.51
- Telecommunications	3,509,058.52		9.49
- Transportation	2,583,772.45		6.99
- Insurance	5,860,930.00		15.85
2. Cash at bank		1,292,117.49	3.49
II. Liabilities		-22,350.54	-0.06
III. Net asset value		36,980,431.05	100.00¹⁾

ComStage 1 DivDAX[®] UCITS ETF

Statement of Net Assets as at 30 June 2019

ISIN	Denomination	Market	Unit or shares or Ccy in 1,000	Quantity 30/06/2019	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of NAV
Stock exchange traded securities									
Shares									
Domestic									
DE0008404005	Allianz SE		Qty.	16,715	3,519	4,263	EUR 212.000	3,543,580.00	9.58
DE000BASF111	BASF SE		Qty.	56,711	21,394	669	EUR 63.920	3,624,967.12	9.80
DE000BAY0017	Bayer AG		Qty.	64,852	33,656	268	EUR 60.940	3,952,080.88	10.69
DE0005190003	Bayerische Motoren Werke AG		Qty.	23,335	4,967	2,545	EUR 65.090	1,518,875.15	4.11
DE0006062144	Covestro AG		Qty.	12,300	13,812	1,512	EUR 44.710	549,933.00	1.49
DE0007100000	Daimler AG		Qty.	65,036	15,594	1,085	EUR 48.925	3,181,886.30	8.60
DE0008232125	Deutsche Lufthansa AG		Qty.	34,605	7,348	3,655	EUR 15.070	521,497.35	1.41
DE0005552004	Deutsche Post AG		Qty.	71,359	16,033	6,254	EUR 28.900	2,062,275.10	5.58
DE0005557508	Deutsche Telekom AG		Qty.	230,677	55,796	35,556	EUR 15.212	3,509,058.52	9.49
DE000ENAG999	E.ON SE		Qty.	157,818	33,586	17,206	EUR 9.551	1,507,319.72	4.08
DE0008430026	Münchener Rückvers.-Ges. AG		Qty.	10,500	2,221	1,480	EUR 220.700	2,317,350.00	6.27
DE0007037129	RWE AG		Qty.	39,298	42,353	3,055	EUR 21.670	851,587.66	2.30
DE0007236101	Siemens AG		Qty.	33,622	10,819	3,520	EUR 104.600	3,516,861.20	9.51
DE000A1ML7J1	Vonovia SE		Qty.	36,898	9,242	3,832	EUR 42.000	1,549,716.00	4.19
							EUR	32,206,988.00	87.09
Foreign									
IE00BZ12WP82	Linde AG		Qty.	19,834	23,898	4,064	EUR 176.650	3,503,676.10	9.47
							EUR	3,503,676.10	9.47
							EUR	35,710,664.10	96.57
Total of securities									
Cash-at-bank, non-securitized money market instruments and money market funds									
							EUR	1,292,117.49	3.49
EUR balances at:									
Custodian		EUR		1,292,117.49			% 100.000	1,292,117.49	3.49
Other liabilities									
Liabilities Administration fees		EUR		-22,350.54				-22,350.54	-0.06
							EUR	-22,350.54	-0.06
Net asset value									
							EUR	36,980,431.05	100.00¹⁾
Allocation to unit classes									
ComStage 1 DivDAX[®] UCITS ETF (II)									
							EUR	5,807,862	
							EUR	16.59	
							Qty.	350,000	

Footnote:

¹⁾ Rounding the percentage shares in calculations may give rise to slight differences.

Price of securities or market rate

Assets belonging to the specialised fund are valued based on the following prices/market rates:
All asset prices: Prices as at 28/06/2019

Transactions concluded during the reporting period that are not reflected in the asset portfolio:

Purchases and sales in transferable securities, investment fund units and promissory notes (market classification as of the reporting date):

ISIN	Denomination	Unit or shares or Ccy in 1,000	Purchases/ Additions	Sales Disposals	Volume in 1,000
Stock exchange traded securities					
Shares					
Domestic					
DE0005810055	Deutsche Börse AG	Qty.	0	12,068	
DE000A2E4L75	Linde AG	Qty.	887	12,033	
DE000PSM7770	ProSiebenSat.1 Media SE	Qty.	0	14,942	
DE000A2TSGY3	Vonovia SE - Anrechte	Qty.	34,363	34,363	

Income and expense calculation including income equalisation/ComStage 1 DivDAX® UCITS ETF
for the period from 01/07/2018 to 30/06/2019

	Overall EUR	Overall EUR	per share ¹⁾ EUR
I. Income			
1. Dividend domestic issuer (before corporate tax)		1,430,558.83	7.073
2. Dividend foreign issuer (before withholding tax)		51,366.54	0.255
3. Interest on domestic liquid assets		104.81	0.000
4. Deduction of domestic corporate tax		-171,023.21	-0.846
Income total		1,311,006.97	6.483
II. Expenses			
1. Interest from borrowing transactions		-6.40	0.000
2. Administration fees		-89,433.04	-0.442
3. Other expenses		-2,096.90	-0.010
Expenses total		-91,536.34	-0.453
III. Total net income		1,219,470.63	6.030
IV. Sales transactions			
1. Realised profit		884,257.59	4.372
2. Realised loss		-419,226.47	-2.073
Result from sales transactions		465,031.12	2.300
V. Realised result for the financial year		1,684,501.75	8.330
1. Net change in non-realised profit		998,049.78	4.954
2. Net change in non-realised loss		-2,009,454.43	-9.824
VI. Non-realised result for the financial year		-1,011,404.65	-4.871
VII. Result for the financial year		673,097.10	3.459

Development of the Sub-fund / ComStage 1 DivDAX® UCITS ETF

	EUR	EUR
		2018 / 2019
I. Value of the subfund's net assets at the beginning of the financial year		30,925,732.64
1. Distribution / tax for the previous year		-996,214.60
2. Cash inflow (net)	6,451,945.40	6,410,389.27
a) Cash inflows from unit sales	-41,556.13	
b) Cash outflows from unit redemptions		-32,573.36
3. Income equalization/cost compensation		673,097.10
4. Result for the financial year	998,049.78	
of which: Net change in non-realised profit	-2,009,454.43	
of which: Net change in non-realised loss		
II. Value of the subfund at the end of the financial year		36,980,431.05

Income and expense calculation including income equalisation/ComStage 1 DivDAX® UCITS ETF (II)
for the period from 01/07/2018 to 30/06/2019

	Overall EUR	Overall EUR	per share ¹⁾ EUR
I. Income			
1. Dividend domestic issuer (before corporate tax)		224,699.01	0.642
2. Dividend foreign issuer (before withholding tax)		7,933.58	0.023
3. Interest on domestic liquid assets		16.46	0.000
4. Deduction of domestic corporate tax		-26,862.67	-0.077
Income total		205,786.38	0.588
II. Expenses			
1. Interest from borrowing transactions		-1.01	0.000
2. Administration fee		-14,045.63	-0.040
3. Other expenses		-329.33	-0.001
Expenses total		-14,375.97	-0.041
III. Total net income		191,410.41	0.547
IV. Sales transactions			
1. Realised profit		138,881.99	0.397
2. Realised loss		-65,843.12	-0.188
Result from sales transactions		73,038.87	0.209
V. Realised result for the financial year		264,449.28	0.756
1. Net change in non-realised profit		148,997.25	0.426
2. Net change in non-realised loss		-360,320.09	-1.029
VI. Non-realised result for the financial year		-211,322.84	-0.604
VII. Result for the financial year		53,126.44	0.152

Performance of the subfund's net assets / ComStage 1 DivDAX® UCITS ETF (II)

	EUR	EUR
		2018 / 2019
I. Value of the subfund's net assets at the beginning of the financial year		5,946,290.25
1. Distribution / tax for the previous year		-191,555.00
2. Cash inflow (net)		0.00
a) Cash inflows from unit sales	0.00	
b) Cash outflows from unit redemptions	0.00	
3. Income equalization/cost compensation		0.00
4. Result for the financial year		53,126.44
of which: Net change in non-realised profit	148,997.25	
of which: Net change in non-realised loss	-360,320.09	
II. Value of the sub-fund's net assets at the end of the financial year		5,807,861.69

Use of the Income of the subfund / ComStage 1 DivDAX® UCITS ETF (II)

	Overall EUR	Overall EUR	per share ¹⁾ EUR
I. Available for reinvestment		778,095.90	2.223
1. Previous year's report		513,646.62	1.468
2. Realised result for the financial year		264,449.28	0.756
II. Not used for distribution		778,095.90	2.223
1. Reinvestments made		0.00	0.000
2. Report on new account		778,095.90	2.223
III. Overall distribution		0.00	0.000
1. Final distribution ²⁾		0.00	0.000

1) Rounding in the calculations can lead to slight differences.

2) The deduction of capital gains tax and solidarity surcharge is made in accordance with Section 7 (3), (3a) and (3c) of the InvStG through the custodian account or the last domestic paying body as the body liable to pay the tax.

Comparison overview of the last three financial years / ComStage 1 DivDAX® UCITS ETF (II)

Financial year

2018/2019
2017/2018
2016/2017

Subfund
at the end of the
financial year
EUR
5,807,861.69
5,946,290.25
6,088,815.67

Share price

EUR
16.59
16.99
17.40

Comparative summary of the last three business years / ComStage 1 DivDAX® UCITS ETF (II)

Period	subfund	Fund Volume in €	Performance of the fund price (NAV per share) in %	Highest Value in €	Lowest Value in €
30/06/2018 – 30/06/2019	ComStage 1 DivDAX UCITS ETF (II)	5,807,861.69	0.90	17.78	14.37
30/06/2017 – 30/06/2018	ComStage 1 DivDAX UCITS ETF (II)	5,946,290.25	0.27	18.89	16.51
30/06/2016 – 30/06/2017	ComStage 1 DivDAX UCITS ETF (II)	6,088,815.67	27.45	18.19	13.29

List of any constituent securities of the DivDAX that each account for more than 10% of the weighting of the DivDAX

ISIN	Denomination	Shares	Price / Rate in €	% of Index
DE000BAY0017	Bayer-AG REG	124052	60.94	11.067

The total investment stated at cost in €

	Value at cost	Unrealized P/L	Market value
Securities Portfolio	36,798,774.17	-1,088,009.80	35,928,066.93
Cash at Bank	1,292,117.49	-	1,072,158.09
Dividends receivables shares	-	-	-
Liabilities: Administration fees	-22,350.54	-	-19,793.38
TOTAL	38,068,541.12	-1,088,009.80	36,980,431.05

Comparison of the subfund's performance and the actual DivDAX's performance over the period under review

Period	Performance DivDax (Performance-Index)	Performance DivDax (Price-Index)	Performance subfund
30/06/2018-30/06/2019	1.68%	-2.39%	0.90%

Statement of Changes in Numbers of Units during the last three business years / ComStage 1 DivDAX® UCITS ETF (II)

Period	Number of Units in issue at the beginning of the period	Number of Units subscribed	Number of Units redeemed	Number of Units in issue at the end of the period
30/06/2018 – 30/06/2019	350,000	0	0	350,000
30/06/2017 – 30/06/2018	350,000	0	0	350,000
30/06/2016 – 30/06/2017	350,000	0	0	350,000

ComStage 1 DivDAX[®] UCITS ETF

Appendix pursuant to § 7 No. 9 KARBV German regulation regarding valuation and financial accounting of investment funds

Other information

ComStage 1 DivDAX[®] UCITS ETF (II)

International Security Identification Number (ISIN)		DE000ETF8027
Unit price	EUR	16.59
Units in circulation	Qty.	350,000
Investor		Private investor
Current front-end load	%	5.00
Current redemption fee	%	5.00
All-in fee p.a.	%	0.25
Utilization of earnings		distributing
Quantity of securities in fund assets (in %)		96.57
Quantity of derivatives in fund assets (in %)		0.00

Information on the procedure for valuation of the assets

The valuation of the assets during the financial year and at the reporting date of 30/06/2019 was in principle the last traded stock exchange or market price, which ensures a reliable valuation.

Assets that are neither admitted to trading on stock exchanges nor are admitted to or included in any other organized market or for which no tradeable price is available, are valued at the current market value, with due consideration of suitable valuation models, taking into account current market conditions.

In the financial year and as at the reporting date of 30/06/2019, the following asset items were not valued at the last traded stock exchange or market price:

Cash-at-bank and other assets	at par value
Liabilities	at redemption amount

Information on transparency as well as on the total cost ratio according to Section 16 (1) No. 3 of the KARBV

Significant other income and other expenses (before income equalisation):

The other expenses incurred in the last financial year consisted of:

Negative deposit rate	EUR	-1,950.49
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Total cost ratio (in %) pursuant to Section 101 (2) No. 1 KAGB [German Investment Code] ComStage 1 DivDAX[®] UCITS ETF (II)

0.25

The total cost ratio expresses all costs and payments (without transaction costs) borne by the specialised subfund in the course of the year in relation to the average net asset value of the subfund net assets.

All-in fee pursuant to Section 101 (2) No. 2 KAGB [German Investment Code]

The Management Company receives a cost-sharing fee (the "all-in fee") from the respective specialised subfund, described in the special section, which may be different for the various share classes. Details of the remuneration and reimbursement expenses charged to the particular specialised subfund may be found in the Special Section of the sales prospectus, as well as the AAB and BAB. The all-in fee is calculated on the basis of the average daily net asset value of the unit class of the respective subfund assets and is payable monthly or quarterly in arrears. The all-in fee covers all services provided by the Management Company and third parties (such as the custodian, the auditor, etc.), unless otherwise specified in the applicable sales prospectus.

All-in fee paid to the management company or third parties including income equalisation

ComStage 1 DivDAX[®] UCITS ETF (II)

All-in fee pursuant to Section 101 (2) No. 2 KAGB [German Investment Code] (absolute)	EUR	14,045.63
of which, for the capital management company	%	0.25

Transaction costs

EUR 1,107.06

Total of the ancillary costs of the acquisition (incidental acquisition costs) and the costs of the sale of the assets.

The share of the securities transactions carried out in the period for the account of the specialised subfund's assets by way of brokerage, which are closely linked enterprises and persons, was 100.00 %. They amounted to a total of EUR 17,491,257.52.

Report on the costs

The EU Management Company will not receive any reimbursements of the remunerations and expenses paid by the specialised subfund to the custodian and to third parties.

The EU Management Company will not pay any remuneration to intermediaries.

Notes on the income and expenses statement

The net change in net non-realised profit and loss is determined every year by comparing the value of the asset items in the share price with the respective historical cost, the amount of the positive differences goes into the sum of the non-realised profit, and the amount of the negative differences into the sum of the non-realised losses. The net changes are determined from the comparison of the total positions at the end of the financial year with the total positions at the beginning of the financial year.

Information on Index funds pursuant to Section 16 (2) KARBV

Tracking Error and Tracking Difference

Tracking error describes the standard deviation of the difference between the performance of a specialised subfund and the performance of the underlying index (benchmark). A lower tracking error indicates very similar performance. The higher the tracking error, the greater the average deviation of fund performance from the performance of the benchmark.

Tracking error results from the tracking difference between the performance of individual subfund assets and that of the underlying index.

In the case of ETFs, positive tracking differences arise mainly where they refer to a price index with no dividend consideration. The ETF performs more positively than the benchmark index, which leads to a correspondingly large tracking error.

ComStage 1 DivDAX[®] UCITS ETF (II)

Tracking error at the end of the reporting period	3.480%
Annual tracking difference	0.067%

Information on securities lending transactions pursuant to Regulation (EU) No 2015/2365

There were no securities lending transactions concluded or total return swaps in the financial year within the meaning of EU Regulation No. 2015/23645.

Soft dollars and cash rebates

None of the Management Company, the Investment Manager, or any of their Connected Persons may retain cash or other rebates.

The Management Company and the Investment Manager shall not receive any non-cash benefits (broker research, financial analyses, market and price information systems) or charge any subfund in connection with transactions made on behalf of the subfund. The Management Company and the Investment Manager may grant recurring – mostly annual – brokerage fees, known as “trail commissions”, to financial intermediaries such as banks and other credit institutions. Currently there are no soft commission agreements in place for the Fund or the subfund.

Transaction with Connected Persons

Cash forming part of the property of the Fund or the subfund may be placed as deposits with the Custodian, the Management Company, the Investment Manager or with any Connected Persons of these companies (being an institution licensed to accept deposits) provided that such cash deposit is maintained in a manner that is in the best interests of holders, having regard to the prevailing commercial rate for a deposit of similar type, size and term, and negotiated at arm's length in accordance with ordinary and normal course of business. Money can be borrowed from the Custodian, the Management Company, the Investment Manager or any of their Connected Persons (being a bank) so long as that bank charges interest at no higher rate, and any fee for arranging or terminating the loan is of no greater amount than is in accordance with normal banking practice, the commercial rate for a loan of the size and nature of the loan in question negotiated at arm's length. Any transactions between the Fund or the subfund and the Management Company, the Investment Manager or any of their Connected Persons as principal may only be made with the prior written consent of the Custodian and will be disclosed in the Fund's Annual Report (see below). All transactions carried out by or on behalf of the Fund or the subfund must be at arm's length, executed on the best available terms and in the best interests of Unitholders. In transacting with brokers or dealers connected to the Management Company, the Investment Manager or any of their connected persons, the Management Company shall ensure that the following are complied with:

- a) such transactions are on arm's length terms;
- b) the Management Company must use due care in the selection of brokers or dealers and ensure that they are suitably qualified in the circumstances;
- c) transaction execution is consistent with applicable best execution standards;
- d) the fee or commission paid to any such broker or dealer in respect of a transaction must not be greater than that which is payable at the prevailing market rate for a transaction of that size and nature;
- e) the Management Company must monitor such transactions to ensure compliance with its obligations; and
- f) the nature of such transactions and the total commissions and other quantifiable benefits received by such brokers or dealers are disclosed in the Annual Report (see below)

All transactions carried out by or on behalf of the Fund or the subfund have been executed via the connected party Commerzbank AG in its functions as counterparty or broker at arm's length and on the best available terms. No commissions and other quantifiable benefits have been received by brokers or dealers connected to the Management Company, the Investment Manager or any of their connected persons.

Significant changes

It has been proposed that the Management Company will terminate its management in the unit class ComStage 1 DivDAX® UCITS ETF (II) (the “Hong Kong Units”) with effect from 15 February 2020.

The Management Company will proceed to the termination by liquidating all the investments attributable to the Hong Kong Units with effect from 19 February 2020. BNP Paribas Securities Services S.C.A., Zweigniederlassung Frankfurt am Main, as the Custodian of ComStage 1 DivDAX® UCITS ETF (II), will provide the necessary oversight and technical support which are reasonably expected from a UCITS depository (OGAW-Verwahrstelle) in accordance with the German Investment Code (Kapitalanlagegesetzbuch) to the Management Company during the termination process, including facilitating the payment of the liquidation proceeds to the unitholders of the Hong Kong Units upon receiving the Management Company's instructions.

Please refer to the announcement dated 14 August 2019 titled “Announcement of the Proposed Cessation of Trading of the Hong Kong Units of the Sub-Funds on SEHK, Termination of the Hong Kong Units, Proposed Voluntary Deauthorisation of the Fund and the Sub-Funds, Proposed Delisting of the Sub-Funds in Hong Kong and Non-applicability of Certain Provisions of the Code on Unit Trusts and Mutual Funds” for further information in this regard.

Information on remuneration pursuant to KAGB § 101 (4) 1.-5.:

Commerz Funds Solutions S.A. (hereinafter the “Management Company”) has adopted the remuneration policy of its sole shareholder, Commerzbank AG, taking into account the local and European requirements regarding UCITS and AIFMD regulations.

The remuneration policy sets out the principles applicable to:

The Management Company has taken over the remuneration policy of its previous, sole shareholder, Commerzbank AG. This is subject to local and European guidelines with regard to UCITS and AIFMD regulations

Due to the purchase of the Management Company by Lyxor International Asset Management S.A.S. on 27/05/2019 there will be, where appropriate, a reassessment of this remuneration policy during the course of 2019.

The remuneration policy sets out the principles applicable to:

- any form of payment or other benefits to employees by the Management Company;
- any amount paid directly by the Management Company -managed collective investment company (hereinafter (“CIC”) itself, including the performance-related fee; and
- any transfer of units of the CIC concerned;
- exchange for professional services provided by the Management Company employees.

To provide the Management Company employees with overall remuneration that meets market supervisory requirements, the remuneration is made up of several components: the success of the Management Company, voluntary occupational benefits and voluntary occupational pension. The above remuneration components determine the overall remuneration of employees that meet market supervisory requirements, taking into consideration an appropriate and permissible ratio of variable and fixed remuneration.

The following information — in particular the information on remuneration and determination of the number of beneficiaries — is based on the financial statements of the Management Company from 31 December 2018, pertaining to the 2018 financial year.

In the 2018 financial year the overall fixed remuneration for all employees of the Management Company amounted to EUR 1,504,000.00 (96.23%) and the variable amount was EUR 59,000 (3.77%). Overall remuneration amounted to EUR 1,563,000.

A performance fee is not generally paid to the Management Company employees. The number of beneficiaries corresponds to the average number of employees (18) in the 2018 financial year. The total amount of remuneration paid to certain employee groups in the 2018 financial year is pro rata for ComStage 1:

- Directors: EUR 9,310
- Employees with risk responsibilities according to remuneration guidelines (risk-takers): EUR 15,780
- Employees with control functions: EUR 36,220
- Employees with a total remuneration such as directors or risk-takers: not applicable.

In the 2018 financial year the total amount of fixed remuneration paid by Commerzbank AG for portfolio management was EUR 1,710,000 (87.24%) and the variable portion was EUR 250,000 (12.76%).

The number of beneficiaries corresponds to the average number of employees (15) in portfolio management at Commerzbank AG in the 2018 financial year. The total amount of remuneration paid to portfolio management in the 2018 financial year is pro rata for ComStage 1:

- Portfolio Management (Commerzbank AG): EUR 59,590

Pursuant to Chapter 7 of ESMA guidelines on remuneration policy (final report of 31/03/2016) the Management Company applies the proportionality principle envisaged. As a result, the Management Company:

- has declared the following as risk-takers: Mathias Turra, Hermann Berger, Thomas Meyer zu Drewer, Jinghua Wu and Martin Rausch
- has no remuneration committee;
- disbursement of the variable remuneration is not made in AIF/UCITS instruments, and
- the “disbursement procedure” (i.e. blocking period, deferral and ex-post consideration of risk) is not applied.

A change in remuneration policy has to date not taken place. The remuneration policy was reviewed regularly up to 30 June 2018, pursuant to Art. 14b para. 1, subsections c and d and, where appropriate, changes to the same were made.

Additional information on the EU management company's remuneration policy can be found on the internet at the website <http://www.am.commerzbank.de/News/EditorialList.aspx?c=34929>. A printed version is available free of charge upon request.

ComStage 1

Auditor's report

To: Commerz Funds Solutions S.A.

Audit opinion

We have audited the annual reports for the specialised subfunds ComStage 1 DAX® UCITS ETF, ComStage 1 MDAX® UCITS ETF, ComStage 1 DivDAX® UCITS ETF, ComStage 1 EUROSTOXX 50® UCITS ETF, ComStage 1 TecDAX® UCITS ETF, ComStage 1 SDAX® UCITS ETF and ComStage 1 STOXX® Europe 600 UCITS ETF of the Umbrella structure ComStage 1, consisting of the activity reports for the financial year from 01/07/2018 to 30/06/2019, the balance sheets and asset statements to 30/06/2019, the income and expense statements, the utilization statements, the performance statements for the financial year from 01/07/2018 to 30/06/2019 and the comparison overview of the last three financial years, the statements of transactions concluded in the reporting period, insofar as these are no longer part of the statement of assets, and the appendices.

In our opinion, based on our findings of our audit, the attached annual reports comply, in all material aspects, with the provisions of the German Capital Investment Code (KAGB) and the applicable European Regulations and provide, taking these regulations into account, a comprehensive picture of the factual circumstances and performance of the specialised funds.

Basis for the audit opinion

We have carried out our audit pursuant to Section 102 of the KAGB and taking into account the German principles of proper accounting set out by the German Institute of Auditors (IDW). Our responsibility under these regulations and principles is further described in the section: "Auditor's responsibility when auditing annual reports" of our report. We are independent of Commerz Funds Solutions S.A. in accordance with German commercial and professional legal regulations and we have fulfilled our other German professional obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our audit opinion of the annual reports.

Highlighting circumstances

We refer to the information from the legal representative in the appendices to the annual reports of the subfunds ComStage 1 DAX® UCITS ETF and ComStage 1 DivDAX® UCITS ETF in connection with the continuation of the Specialised funds, which states that the unit classes ComStage 1 DAX® UCITS ETF (II) and ComStage 1 DivDAX® UCITS ETF (II) are scheduled to be wound up by termination of administrative right on 15 February 2020. Our audit opinion of the annual reports is unchanged concerning this matter.

Other information

The legal representative is responsible for the other information. The other information includes the additional component "Other ComStage Products" provided for the reports. We have obtained a version of this information to issue this audit report.

Our audit opinion on the annual reports does not extend to the other information, and accordingly, we do not give either an audit opinion or any other form of audit conclusions on it.

In connection with our audit we are responsible for reading the other information and in doing so to acknowledge whether the other information

- shows material inconsistencies with the annual reports or with the knowledge we have obtained in the course of our audit, or
- otherwise appears to be substantially misstated.

If, on the basis of our work, we come to the conclusion that there is a material misstatement in this other information, we are required to report this fact. We have nothing to report in this regard.

Legal representative's responsibility for the annual report

The legal representatives of Commerz Fund Solutions S.A. are responsible for preparing the annual reports, so they correspond to the provisions of the German Capital Investment Code (KAGB) and the applicable European Regulations in all material aspects, and provide, taking these regulations into account, a comprehensive picture of the factual circumstances and performance of the specialised funds. In addition, the legal representatives are responsible for the internal controls they have determined as necessary, to enable the annual reports to be prepared free from material misstatements — intentional or otherwise.

In preparing the annual reports the legal representatives are responsible for including in the reporting, events, decisions and other factors that could significantly influence the performance of the investment assets. This means, inter alia, that in preparing the annual reports the legal representatives should assess the continuation of the specialised funds by Commerz Funds Solutions S.A. and they have the responsibility of disclosing events or circumstances relating to the continuation of the specialised funds — if relevant.

Auditor's responsibility for auditing the annual reports

Our aim is to ascertain with sufficient assurance whether or not the annual reports as a whole are free from material misstatements — intentional or otherwise — and to issue a report with our audit opinion on those annual reports.

Sufficient assurance is a high level of assurance, though not a guarantee of it, that an audit carried out in compliance with Section 102 KAGB, and taking into account the German principles for proper auditing set out by the Institute of Auditors (IDW) will invariably reveal a material misstatement. Misstatements may either result from inaccuracies or infringements and are deemed to be material if it can be reasonably assumed that these individual or overall factors could influence the economic decisions made on the basis of these annual reports by the addressees.

During the audit we have exercised due discretion and maintained a critical stance. Moreover,

- we have identified and assessed the risk — intentional or otherwise — of material misstatements in the annual reports, we have planned and carried out the audit procedure in response to these risks and obtained audit evidence that is adequate and reasonable to serve as the basis for our audit opinion. The risk of material misstatements not being detected is greater in the case of infringements than in the case of inaccuracies, as infringements may include fraudulent co-operation, counterfeiting, intentional incompleteness, misleading information or the abolition of internal controls.

- we have gained an understanding of the relevant internal control systems used for the audit of the annual reports, in order to plan the audit procedure, which is reasonable under the given circumstances. It does not, however, have the aim of giving an audit opinion on the effectiveness of the internal control systems of Commerz Funds Solutions S.A.
- we have assessed the adequacy of the accounting methods used by the legal representatives of Commerz Funds Solutions S.A. in preparing the annual reports and the reasonableness of estimates and related data they have presented.
- we draw our conclusions based on audit evidence obtained as to whether there is a material inaccuracy in connection with events or circumstances that could raise considerable doubt about the continuation of the specialised funds by Commerz Funds Solutions S.A. If we conclude that there is a material inaccuracy, we are required to draw attention to the related information in the annual reports or, if this information is inappropriate, to modify our audit opinion. We draw our conclusions based on the evidence obtained up to the date of the audit opinion. However, future events or circumstances may result in the specialised funds not being continued by Commerz Funds Solutions S.A.
- we have assessed the overall presentation, the structure and content of the annual reports including the data, and whether the annual reports, based on the underlying business incidents and events, provide, with regard to the provisions of the German Capital Investment Code (KAGB) and the applicable European Regulations, a comprehensive picture of the factual circumstances and performance of the specialised funds.

We have discussed with those responsible for monitoring, inter alia, the planned scope and timetable of the audit and significant audit findings, including potential defects in the internal control system that we have determined during our audit.

Eschborn / Frankfurt am Main, 17 September 2019

Ernst & Young GmbH
Auditing firm

Oliver Heist
Auditor

Moritz Arlt
Auditor