THIS ANNOUNCEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. THIS ANNOUNCEMENT DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR UNITS OF THE EXCHANGE TRADED FUNDS DESCRIBED BELOW.

IF YOU ARE IN ANY DOUBT ABOUT THIS ANNOUNCEMENT, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, PROFESSIONAL ACCOUNTANT OR OTHER PROFESSIONAL FINANCIAL ADVISER.

***If you have sold or transferred** all your Units in ComStage 1 DAX® UCITS ETF and/or ComStage 1 DivDAX® UCITS ETF, you should at once hand this Announcement to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.*

*The Stock Exchange of Hong Kong Limited ("**SEHK**"), Hong Kong Securities Clearing Company Limited, Hong Kong Exchanges and Clearing Limited ("**HKEX**") and the Hong Kong Securities and Futures Commission ("**SFC**") take no responsibility for the contents of this Announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Announcement.*

*Commerz Funds Solutions S.A. (the "**Management Company**"), the Management Company of ComStage 1, accepts full responsibility for the accuracy of the information contained in this Announcement as at the date of publication, and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, as at the date of publication, there are no other facts the omission of which would make any statement misleading.*

SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

ComStage 1

(the “**Fund**”)

(an umbrella Sondervermögen UCITS established in Germany and authorised under section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong)

ComStage 1 DAX® UCITS ETF

Stock Code: 03171

ComStage 1 DivDAX® UCITS ETF

Stock Code: 03177

(each a “**Sub-Fund**”, collectively the “**Sub-Funds**”)

ANNOUNCEMENT OF THE PROPOSED CESSATION OF TRADING OF THE HONG KONG UNITS OF THE SUB-FUNDS ON SEHK, PROPOSED 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

IMPORTANT: Investors are strongly advised to consider the contents of this Announcement. This Announcement is important and requires your immediate attention. It concerns the proposed cessation of trading of the units of Class (II) (i.e. the only class of Units of the Sub-Funds which is listed and traded in Hong Kong and which is available to Hong Kong investors) of each of the Sub-Funds which are listed and traded on SEHK (collectively, the "Hong Kong Units"), the proposed termination of the Hong Kong Units, the proposed voluntary deauthorisation of the Fund and the Sub-Funds, the proposed delisting of the Sub-Funds in Hong Kong and the non-applicability of certain provisions of the Code on Unit Trusts and Mutual Funds (the

"Code") for the period from and including 15 February 2020 (the "Trading Cessation Date") up until the date of Deauthorisation (as defined below). In particular, investors should note that:

- **Having taken into account the interests of the Unitholders of the Hong Kong Units and after considering various factors, including the low Net Asset Value of the Hong Kong Units, the Management Company is of the view that the proposed Cessation of Trading, Termination, Deauthorisation and Delisting (each as further described below) would be in the best interest of the Unitholders of the Hong Kong Units. The proposed termination arrangement will not prejudice the Unitholders of the Hong Kong Units as compared to Unitholders of other Unit classes of the Sub-Funds which are available in other jurisdictions.**

- **Each of the Fund and the Sub-Funds is a German *Sondervermögen* UCITS, which is a contractual non-body corporate entity and does not have any legal personality. Given the special nature of *Sondervermögen* under German law, the Management Company has (on behalf of the Fund and the Sub-Funds), by means of a resolution of the Board of Directors of the Management Company dated 27 March 2019, resolved to (a) seek the cessation of trading of the Hong Kong Units of the Sub-Funds on SEHK ("Cessation of Trading"), (b) terminate the Hong Kong Units (the "Termination"), (c) apply to the SFC for the voluntary withdrawal of the authorisation of (i) the Sub-Funds, (ii) the Fund, (iii) the Hong Kong Prospectus (as defined below) and (iv) the product key facts statements of the Sub-Funds under section 106 of the Securities and Futures Ordinance ("SFO") ((i) to (iv) above, the "Deauthorisation"), and (d) apply to SEHK for the withdrawal of listing of the Sub-Funds on SEHK (the "Delisting"). The proposed Deauthorisation and Delisting will be subject to the respective approvals of the SFC and SEHK.**

- **The last trading day of the Hong Kong Units of the Sub-Funds on SEHK in the secondary market will be 14 February 2020 ("Last Trading Day"), i.e. the last day on which investors may buy or sell Hong Kong Units of the Sub-Funds on SEHK. This is also the last day on which subscription (by Hong Kong Participating Dealers for market making activities of the SEHK Market Makers to provide liquidity of the trading of the Hong Kong Units on the SEHK) and redemption of Hong Kong Units in the Sub-Funds in the primary market may be made in accordance with the usual trading arrangements currently in place.**

- **The Hong Kong Units of the Sub-Funds will cease trading on SEHK with effect from the Trading Cessation Date. From and including the Trading Cessation Date, the Sub-Funds will only be operated in a limited manner in Hong Kong in the sense that (i) the Sub-Funds shall no longer be marketed or offered to the public in Hong Kong, (ii) no further buying or selling of the Hong Kong Units of the Sub-Funds on SEHK will be possible, and (iii) no further subscription and redemption of Hong Kong Units in the Sub-Funds in the primary market will be accepted. For the avoidance of doubt, the Fund and the Sub-Funds will maintain their authorisation status with the SFC, and the Sub-Funds will maintain its listing status with the SEHK, in each case up until the completion of the Deauthorisation and Delisting.**

- **Given the Fund and the Sub-Funds will no longer be marketed to the public and have limited operations after they cease trading, pursuant to 8.6(t) of the Code and**

paragraph 13 of the Frequently Asked Questions on Exchange Traded Funds and Listed Funds (the "ETF FAQs"), the Fund and the Sub-Funds will continue to maintain their authorisation status with the SFC without the need to strictly comply with certain provisions of the Code for the period from and including the Trading Cessation Date up until the date of Deauthorisation, provided that the specific conditions and requirements imposed by the SFC are met. Such conditions and requirements are described in the section headed "9. Non-applicability of certain provisions of the Code" below.

- **Until the completion of the proposed Deauthorisation and Delisting, the Management Company confirms that the Fund and the Management Company will continue to comply with the Fund's constitutive documents, all the other applicable provisions of the Code, the applicable provisions in the "Overarching Principles Section" of the SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products (the "Handbook"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and all other applicable laws and regulations save for the particular provisions of the Code set out in the section headed "9. Non-applicability of certain provisions of the Code" below.**

- **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 (the "Custodian") 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) ("KAGB") 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.**

- **The Hong Kong Record Date (as defined in section 5 below) in respect of any payment of liquidation proceeds resulting from such liquidation is 19 February 2020. The liquidation proceeds will be paid to Unitholders of the Hong Kong Units as of the Hong Kong Record Date on or before 27 February 2020 (the "Hong Kong Payment Date").**

- **All costs, charges and expenses associated with the proposed Cessation of Trading, Termination, Deauthorisation and Delisting will be borne by the Management Company or its affiliate and will not be borne by the Fund, the Sub-Funds, the Hong Kong Units, the Custodian or the Unitholders.**

- **After the payment of the liquidation proceeds to the Unitholders of the Hong Kong Units, the Management Company does not expect or anticipate there will be any further amount payable to any Unitholder of the Hong Kong Units. However, in the unlikely event there is any further amount payable to the Unitholders of the Hong Kong Units, the Management Company will issue an announcement on or before 4 March 2020 informing the investors of the amount and the payment date. For the avoidance of doubt, after the payment of the liquidation proceeds to the Unitholders of the Hong Kong Units, in the unlikely event that there is any**

unexpected outstanding liability in respect of the Hong Kong Units, it will be borne by the Management Company or its affiliate.

- **Any unclaimed liquidation proceeds will at the completion of the Termination procedure be deposited with the local court in Germany for 30 years, and upon expiration of such 30-year period any claims for such proceeds shall expire and the proceeds shall be allocated to the federal state where the German local court is situated.**

- **On the date that the Management Company and the Custodian form an opinion that the Hong Kong Units cease to have any outstanding contingent or actual assets or liabilities, the Management Company and the Custodian will commence the completion of the Termination (i.e. the Termination Date). The Termination Date is expected to fall on or before 13 March 2020.**

- **The Management Company expects that the Deauthorisation and Delisting will take effect on a date (the "Deauthorisation and Delisting Date") which falls either on the Termination Date or shortly after the Termination Date.**

- **After the Deauthorisation of the Fund and Sub-Funds in Hong Kong, the Fund and the Sub-Funds will no longer be subject to the regulation by the SFC. (Please note that any product documentation for the Sub-Funds and/or the Fund previously issued to investors including the Hong Kong Prospectus and the KFS in respect of each Sub-Fund should be retained for personal use only and not for public circulation.)**

- **The Management Company accepts full responsibility for the accuracy of the information contained in this Announcement as at the date of publication, and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, as at the date of publication, there are no other facts the omission of which would make any statement misleading.**

- **Investors should pay attention to and consider the risk factors as set out in the section headed "10. Risk Factors relating to the proposed Cessation of Trading, Termination, Deauthorisation and Delisting" below (including additional trading risk, fluctuation of EUR and HKD exchange rate, tracking errors during the period from the date of this Announcement to the Last Trading Day risk, Net Asset Value downward adjustment risk and delay in payment of liquidation proceeds and any further amount payable risk). Investors should exercise caution and consult with their professional and financial advisers before dealing in the Hong Kong Units of the Sub-Funds or otherwise deciding on any course of action to be taken.**

Financial intermediaries are urged to:

❖ **forward a copy of this Announcement to their clients holding Hong Kong Units of the Sub-Funds, and inform them of the contents of this Announcement as soon as possible;**

- ❖ **assist their clients who want to dispose of Hong Kong Units of the Sub-Funds on or before the Last Trading Day; and**
- ❖ **inform their clients as soon as possible if any earlier dealing deadline, additional fees or charges, and/or other terms and conditions will be applicable in respect of the provision of their services in connection with any disposal of Hong Kong Units of the Sub-Funds.**

If investors are in doubt about the contents of this Announcement, they should contact their independent financial intermediaries or professional advisers to seek their professional advice, or direct their queries to the Hong Kong Representative (please refer to section headed "15. Enquiries" below for further information).

Reminder announcements to Unitholders of the Hong Kong Units will be issued on a monthly basis from the date of this Announcement to the Last Trading Day, informing and reminding Unitholders of the Hong Kong Units of the Last Trading Day, the Trading Cessation Date and the Hong Kong Record Date. In addition, further announcements will be issued in due course to inform Unitholders of the Hong Kong Units of the Hong Kong Payment Date, the amount of liquidation proceeds per Unit, whether there will be any further amount payable to the Unitholders of the Hong Kong Units after the payment of the liquidation proceeds to the Unitholders of the Hong Kong Units, the Termination Date, the Deauthorisation and Delisting Date and any changes to the schedule of proposed key dates set out in Annex I, as and when appropriate in accordance with the applicable regulatory requirements.

Unless otherwise defined in this Announcement, capitalised terms used in this Announcement shall have the same meaning as defined in the Hong Kong Prospectus of the Fund and the Sub-Funds dated 30 July 2019 (the "**Hong Kong Prospectus**").

1. Introduction

Having taken into account the interests of the Unitholders of the Hong Kong Units and after considering various factors, including the low Net Asset Value of the Hong Kong Units of each of the Sub-Funds (i.e. the only class of Units of the Sub-Funds which is listed and traded in Hong Kong and which is available to Hong Kong investors), the Management Company is of the view that the proposed Cessation of Trading, Termination, Deauthorisation and Delisting would be in the best interest of the Unitholders of the Hong Kong Units. The proposed termination arrangement will not prejudice the Unitholders of the Hong Kong Units as compared to Unitholders of other Unit classes of the Sub-Funds which are available in other jurisdictions.

Each of the Fund and the Sub-Funds is a German *Sondervermögen* UCITS, which is a contractual non-body corporate entity and does not have any legal personality. Given the special nature of *Sondervermögen* under German law, the Management Company has (on behalf of the Fund and the Sub-Funds), by means of a resolution of the Board of Directors of the Management Company dated 27 March 2019, resolved to:

(a) seek the Cessation of Trading (whereby the Hong Kong Units of the Sub-Funds will cease to trade on SEHK) with effect from 15 February 2020;

(b) commence the completion of the termination of the Hong Kong Units (the "**Termination**") on the date that the Management Company and the Custodian form an opinion that the Hong Kong Units cease to have any outstanding contingent or actual assets or liabilities; and

(c) apply to the SFC for the Deauthorisation and to apply to SEHK for the Delisting, in each case either on the Termination Date or shortly after the Termination Date. The proposed Deauthorisation and Delisting will be subject to the respective approvals of the SFC and SEHK.

The Management Company confirms that such resolution is effective under German law.

The Net Asset Value of the Sub-Funds, the Net Asset Value of the Hong Kong Units and the Net Asset Value per Unit of the Hong Kong Units of each of the Sub-Funds as of 12 August 2019 were as follows:

ComStage 1 DAX® UCITS ETF

Net Asset Value of the Sub-Fund	**Net Asset Value of the Hong Kong Units**	**Net Asset Value per Unit of the Hong Kong Units**
EUR 82,014,129.28	EUR 5,781,328.11	EUR 11.43

ComStage 1 DivDAX® UCITS ETF

Net Asset Value of the Sub-Fund	**Net Asset Value of the Hong Kong Units**	**Net Asset Value per Unit of the Hong Kong Units**
EUR 35,205,396.19	EUR 5,528,995.19	EUR 15.80

The Custodian has no objection to the Cessation of Trading, Termination, Deauthorisation and Delisting, and acknowledges the non-applicability of certain provisions of the Code as referred to in this Announcement.

2. Proposed Last Trading Day and Cessation of Trading

The Management Company has applied to the Listing Committee of SEHK for the Hong Kong Units of the Sub-Funds to formally cease trading on SEHK, which is expected to be from 15 February 2020 (i.e. the Trading Cessation Date).

14 February 2020 is expected to be the Last Trading Day when investors may buy or sell the Hong Kong Units on the SEHK in accordance with the usual trading arrangements currently in place, and no subscription and redemption of Hong Kong Units through Hong Kong Participating Dealers will be allowed after such date. Subscription and redemption of Hong Kong Units by Hong Kong Participating Dealers will continue to be permitted until the Last Trading Day. Subscriptions of Hong Kong Units will be limited to the subscription of Hong Kong Units by Hong Kong Participating Dealers for market making activities of the SEHK Market Makers to provide liquidity of the trading of the Hong Kong Units on the SEHK. There will be no subscription of Hong Kong Units for other purposes after the publication of this Announcement.

3. What will happen and what can investors do on or before the Last Trading Day?

3.1 Subscription for Hong Kong Units

After the publication of this Announcement, subscriptions for Hong Kong Units in the Sub-Funds (other than by Hong Kong Participating Dealers for market making activities) cannot be made through the Hong Kong Participating Dealer in the primary market. In other words, after the publication of this Announcement, Hong Kong Units in the Sub-Funds cannot be acquired by investors in Hong Kong in the primary market by way of subscription via the Hong Kong Participating Dealer.

3.2 Redemption of Hong Kong Units

Requests for redemption of Hong Kong Units in the Sub-Funds in the primary market through the Hong Kong Participating Dealer may be made in accordance with the usual trading arrangement in place (except that any redemption fee will be waived) until 14 February 2020 (i.e. the Last Trading Day). From and including 15 February 2020 (i.e. the Trading Cessation Date), no further requests for any redemption of Hong Kong Units in the primary market will be accepted. In other words, with effect from 15 February 2020 (i.e. the Trading Cessation Date), Hong Kong Units in the Sub-Funds cannot be disposed of by investors in Hong Kong in the primary market by way of redemption via the Hong Kong Participating Dealer.

3.3 Trading of Hong Kong Units of the Sub-Funds on SEHK

On any trading day up to and including the Last Trading Day, an investor may continue to buy or sell Hong Kong Units of the Sub-Funds on SEHK in accordance with the usual trading arrangements currently in place during the trading hours of SEHK and based on the prevailing market prices. The Management Company expects that the SEHK Market Maker(s) of the Sub-Funds will continue to perform its market making functions in accordance with the Trading Rules of the SEHK until the Trading Cessation Date.

Please note that the Fund does not charge any redemption fee for the sale of Hong Kong Units of the Sub-Funds on SEHK. Orders to sell Hong Kong Units of the Sub-Funds on SEHK can be placed via a stockbroker. However, Unitholders of the Hong Kong Units should note that such orders in the secondary market may incur costs (such as brokerage, transaction levy (0.0027% of the total consideration for the Hong Kong Units, payable by each of the buyer and the seller) and trading fee (0.005% of the total consideration for the Hong Kong Units, payable by each of the buyer and the seller)) over which the Management Company has no control and to which the disapplication of the redemption fee described in section 3.2 does not apply.

No charge to stamp duty will arise in Hong Kong in respect of the sale or purchase of Hong Kong Units of the Sub-Funds on SEHK.

The trading price of Hong Kong Units of each of the Sub-Funds may be below or above the respective Net Asset Value per Hong Kong Units of the Sub-Funds.

4. What will happen on or after the Trading Cessation Date?

4.1 Cessation of Trading

Effective from the Trading Cessation Date, the Hong Kong Units of the Sub-Funds will cease trading on SEHK. Accordingly, no further buying or selling of the Hong Kong Units of the Sub-Funds on SEHK will be possible from and including the Trading Cessation Date. In addition, no further requests for subscription or redemption of Hong Kong Units in the Sub-Funds in the primary market will be accepted from and including the Trading Cessation Date.

4.2 Limited operation of the Sub-Funds in Hong Kong

From and including the Trading Cessation Date, the Sub-Funds will only be operated in a limited manner in Hong Kong in the sense that (a) the Sub-Funds shall no longer be marketed or offered to the public in Hong Kong, (b) no further buying or selling of the Hong Kong Units of the Sub-Funds on SEHK will be possible, and (c) no further requests for subscription or redemption of Hong Kong Units in the Sub-Funds in the primary market will be accepted.

5. Liquidation of investments attributable to the Hong Kong Units

The Management Company will proceed to the Termination of the Hong Kong Units by liquidating all the investments attributable to the Hong Kong Units with effect from 19 February 2020. The Custodian will provide the necessary oversight and technical support which are reasonably expected from a UCITS depository (*OGAW-Verwahrstelle*) in accordance with the KAGB 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.

The liquidation proceeds from the disposal of the investments attributable to the Hong Kong Units will be converted from EUR to HKD based on the bid market rate at 4:00 p.m. (CET time) on 19 February 2020. Such conversion will be consistent with the best execution standards. The liquidation proceeds will then be distributed among the Unitholders of the Hong Kong Units as of the Hong Kong Record Date who shall be entitled to payment of the liquidation proceeds in HKD in proportion to the Units held by them in the Sub-Fund.

The Hong Kong Record Date[1] in respect of any payment of liquidation proceeds resulting from such liquidation is 19 February 2020. The liquidation proceeds will be paid to the Unitholders of the Hong Kong Units as of the Hong Kong Record Date on or before 27 February 2020 (the "**Hong Kong Payment Date**"). The Management Company will issue an announcement on or before 24 February 2020 informing the investors of the liquidation proceeds to be distributed before the Hong Kong Payment Date.

Any unclaimed liquidation proceeds will at the completion of the termination procedure be deposited with the local court in Germany for 30 years, and upon expiration of such 30-year period any claims for such proceeds shall expire and the proceeds shall be allocated to the federal state where the German local court is situated.

After the payment of the liquidation proceeds to the Unitholders of the Hong Kong Units, the Management Company does not expect or anticipate there will be any further amount payable to any Unitholder of the Hong Kong Units. However, in the unlikely event there is any further amount payable to the Unitholders of the Hong Kong Units, the Management Company will issue an announcement on or before 4 March 2020 informing the investors of the amount and the payment date. For the avoidance of doubt, after the payment of the liquidation proceeds to the Unitholders of the Hong Kong Units, in the unlikely event that there is any unexpected outstanding liability in the Hong Kong Units, it will be borne by the Management Company or its affiliate.

6. Proposed Termination, Deauthorisation and Delisting

6.1 Continued Authorisation and Listing Status

During the period from and including the Trading Cessation Date up until the completion of the Deauthorisation and Delisting:

(a) the Fund and the Sub-Funds will continue to maintain their authorisation status with the SFC and the Sub-Funds will continue to maintain its listing status with SEHK, although the Hong Kong Units of the Sub-Funds cannot be bought or sold on SEHK and the Sub-Funds shall no longer be marketed or offered to the public in Hong Kong;

(b) the Sub-Funds will be operated only in a limited manner in Hong Kong (in the sense described in section 4.2 above); and

(c) the Fund and the Sub-Funds will continue to comply with the Fund's constitutive documents, all the other applicable provisions of the Code, the applicable provisions in the "Overarching Principles Section" of the Handbook, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and all other applicable laws and regulations save for the

[1] For the purposes of this announcement, the Hong Kong Record Date means the date on which the Management Company will identify the Unitholders of the Hong Kong Units based on the names appearing on the records of the Central Clearing and Settlement System ("**CCASS**") established and operated by Hong Kong Securities Clearing Company Limited. For these purposes, the Hong Kong Record Date will be the third trading day following the Last Trading Day, the latter being 14 February 2020.

particular provisions of the Code set out in the section headed "9. Non-applicability of certain provisions of the Code" below.

6.2 Termination

On the date that the Management Company and the Custodian form an opinion that the Hong Kong Units cease to have any outstanding contingent or actual assets or liabilities, the Management Company and the Custodian will commence the completion of the Termination (i.e. the Termination Date). The Termination Date is expected to fall on or before 13 March 2020.

6.3 Deauthorisation and Delisting

Subject to the respective approvals of the SFC and SEHK of the Deauthorisation and Delisting, the Deauthorisation and Delisting are expected to take effect on a date (i.e. the Deauthorisation and Delisting Date) which falls either on the Termination Date or shortly after the Termination Date. The Management Company expects, subject to SEHK's approval, that the Delisting will only take place at or around the same time as the Deauthorisation.

Following the Deauthorisation, the Fund and the Sub-Funds will no longer be an SFC-authorised scheme. The Fund and the Sub-Funds will no longer be subject to regulation by the SFC and shall not be marketed or offered to the public in Hong Kong. The cessation of regulation by the SFC in respect of the Fund and the Sub-Funds means that, amongst others, any future changes to the Fund will not be subject to any requirement under the Code or the "Overarching Principles Section" of the Handbook.

In addition, following the Deauthorisation, any Hong Kong Prospectus, product key facts statements and other product documentation relating to the Sub-Funds or the Fund such as factsheets and marketing materials previously issued to investors should be retained for personal use only and should not be circulated to the public in Hong Kong. Further, stockbrokers, financial intermediaries and investors must not circulate any marketing or other product information relating to the Sub-Funds to the public in Hong Kong as this may be in breach of the SFO.

Following the Deauthorisation and Delisting, the Sub-Funds will no longer be tradeable in the secondary market on SEHK, and the Fund the Sub-Funds will not be authorised by the SFC. This means that the Fund and the Sub-Funds will no longer be a Hong Kong exchange traded fund.

For the avoidance of doubt, the Fund and the Sub-Funds will not be terminated following the Deauthorisation and Delisting. The Management Company shall continue to manage the Fund and the Sub-Funds in accordance with applicable laws and regulations as well as the Fund's constitutive documents and the Fund and the Sub-Funds will continue to be regulated by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*).

7. Further Announcements

Reminder announcements to Unitholders of the Hong Kong Units will be issued on a monthly basis from the date of this Announcement to the Last Trading Day, informing and reminding Unitholders of the Hong Kong Units of the Last Trading Day, the Trading Cessation Date and the Hong Kong Record Date. In addition, further announcements will be issued in due course to inform Unitholders of the Hong Kong

Units of the Hong Kong Payment Date, the amount of liquidation proceeds per Hong Kong Unit, whether there will be any further amount payable to the Unitholders of the Hong Kong Units after the payment of the liquidation proceeds to the Unitholders of the Hong Kong Units, the Termination Date, the Deauthorisation and Delisting Date and any changes to the schedule of proposed key dates set out in Annex I, as and when appropriate in accordance with the applicable regulatory requirements.

Please refer to Annex I for the schedule of the proposed key dates.

All financial intermediaries are urged to forward a copy of this Announcement, together with any further announcements, to their clients holding Hong Kong Units of the Sub-Funds, and inform them of the contents of this Announcement, and any further announcements, as soon as possible. They should assist their clients who want to dispose of Hong Kong Units of the Sub-Funds on or before the Last Trading Day and inform their clients as soon as possible if any earlier dealing deadline, additional fees or charges, and/or other terms and conditions will be applicable in respect of the provision of their services in connection with any disposal of Hong Kong Units of the Sub-Funds.

IMPORTANT NOTE: Investors should pay attention to and consider the risk factors as set out in the section headed "10. Risk Factors relating to the proposed Cessation of Trading, Termination, Deauthorisation and Delisting" below (including additional trading risk, fluctuation of EUR and HKD exchange rate, tracking errors during the period from the date of this Announcement to the Last Trading Day risk, Net Asset Value downward adjustment risk and delay in payment of liquidation proceeds and any further amount payable risk). If Unitholders of the Hong Kong Units dispose of their holdings in the Hong Kong Units of the Sub-Funds at any time on or before the Last Trading Day, they will not, in any circumstances, be entitled to any portion of the liquidation proceeds or any further amount payable resulting from the liquidation in respect of any such Units so disposed. Investors should exercise caution and consult with their professional and financial advisers before dealing in the Hong Kong Units of the Sub-Funds or otherwise deciding on any course of action to be taken.

8. Costs

Any orders to buy or sell Hong Kong Units of the Sub-Funds on SEHK on or before the Last Trading Day may incur costs (such as brokerage, transaction levy and trading fee) over which the Management Company has no control.

Any redemption fee for redemption of Hong Kong Units of the Sub-Funds through the Hong Kong Participating Dealer prior to the Trading Cessation Date will be waived. However, the Hong Kong Participating Dealer may impose other fees and charges which would increase the cost of investment and/or reduce the redemption proceeds. Investors are advised to check with the Hong Kong Participating Dealer as to the relevant fees and charges.

The All-In Fee[2] and any other fees and expenses will continue to accrue daily in accordance with the Hong Kong Prospectus up to and including the date on which the liquidation of the investments attributable to the Hong Kong Units is completed.

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[2] The All-In Fee of the Hong Kong Units covers the costs and expenses as described in the “All-in Fee” sub-section in the General section of the Hong Kong Prospectus such as remuneration of Custodian and auditor’s

The All-In Fee of the Hong Kong Units of ComStage 1 DAX® UCITS ETF and ComStage 1 DivDAX® UCITS ETF for the year ended 31 December 2018 were 0.15% and 0.25% per annum respectively, and they are also capped at 0.15% and 0.25% per annum respectively. Since the All-In-Fee is the same as the ongoing charges, the ongoing charges are also capped at the same percentage. The Management Company confirmed that it will continue to cap the ongoing charges at the same percentage until the Termination Date.

The figures of ongoing charges shown above are calculated in accordance with the guidance under the SFC circular titled "Disclosure of the ongoing charges figure and past performance information in the Product Key Facts Statements", and represents the ongoing expenses expressed as a percentage of the respective Sub-Fund's average Net Asset Value over the same period. Such figures of ongoing charges exclude any costs, charges and expenses associated with the proposed Cessation of Trading, Termination, Deauthorisation and Delisting.

Notwithstanding the disclosure in the Hong Kong Prospectus that the All-in Fees include costs arising from "the termination of the Units' listing on the stock exchange", all costs, charges and expenses associated with the proposed Cessation of Trading, Termination, Deauthorisation and Delisting will be borne by the Management Company or its affiliate and will not be borne by the Fund, the Sub-Funds, the Hong Kong Units, the Custodian or the Unitholders. As such, no provision will be set aside for the ongoing charges.

The proposal set out in this Announcement is not expected to impact the figure of ongoing charges disclosed above.

As of the date of this Announcement, there are no unamortised preliminary expenses or contingent liabilities (such as outstanding litigation) attributable to the Hong Kong Units.

9. Non-applicability of certain provisions of the Code

9.1 General

As mentioned above, although the trading of the Hong Kong Units of the Sub-Funds on SEHK will cease with effect from the Trading Cessation Date, the Fund and the Sub-Funds will maintain their authorisation status with the SFC and the Sub-Funds will maintain its listing status with SEHK up until the completion of the Deauthorisation and Delisting.

However, from and including the Trading Cessation Date, the Sub-Funds will only be operated in a limited manner in Hong Kong in the sense that (a) the Sub-Funds shall no longer be marketed or offered to the public in Hong Kong, (b) no further buying or selling of the Hong Kong Units of the Sub-Funds on SEHK will be possible, and (c) no further requests for subscription and redemption of Hong Kong Units in the Sub-Funds in the primary market will be accepted.

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fees. However, it does not cover costs arising in connection with the acquisition and sale of assets (transaction costs).

Given the Fund and the Sub-Funds will no longer be marketed to the public and have limited operations after they cease trading, pursuant to 8.6(t) of the Code and paragraph 13 of the ETF FAQs, the Fund and the Sub-Funds will continue to maintain their authorisation status with the SFC without the need to strictly comply with certain provisions of the Code for the period from and including the Trading Cessation Date up until the date of Deauthorisation, provided that the specific conditions and requirements imposed by the SFC are met. Such conditions and requirements are described in this section 9.

9.2 Updating of the Hong Kong Prospectus and KFS in respect of the Sub-Funds

Under Chapters 6.1 and 11.1B of the Code, the Hong Kong Prospectus and the KFS in respect of the Sub-Funds must be up-to-date and must be updated to incorporate any relevant changes to the Sub-Funds.

The Management Company will continue to manage the Sub-Funds without updating the Hong Kong Prospectus and the KFS in respect of the Sub-Funds as required under 6.1 and 11.1B of the Code from the Trading Cessation Date to the Deauthorisation Date, subject to the following conditions and requirements imposed by the SFC and which the Management Company has undertaken to meet:

(a) the Management Company shall promptly notify investors of any changes to the Sub-Funds or to the Hong Kong Prospectus or the KFS of the Sub-Funds by means of publishing further announcement(s) on the website www.comstage.com.hk and the HKEX's website (each, a "**Relevant Future Announcement**"); and

(b) the Management Company shall ensure that each Relevant Future Announcement shall include a statement to refer investors to read this Announcement together with the Hong Kong Prospectus, the KFS of the Sub-Funds, and any other Relevant Future Announcement(s).

9.3 Provision of real time or near-real time indicative Net Asset Value per Unit and last Net Asset Value

Under 8.6(u)(i) and (ii) of the Code, the Management Company is required to provide real time or near-real time indicative Net Asset Value per Unit of the Sub-Funds (updated at least every 15 seconds during trading hours) and last Net Asset Value per Unit and last Net Asset Value of the Sub-Funds (updated on a daily basis) on the ETF website or such other channels as the SFC considers appropriate.

The Management Company will continue to manage the Sub-Funds without strict compliance with 8.6(u)(i) and (ii) of the Code from the Trading Cessation Date to the Deauthorisation Date, subject to the following conditions and requirements imposed by the SFC and which the Management Company has undertaken to meet:

(a) the Management Company shall ensure the Net Asset Value per Unit of each Sub-Fund as of 14 February 2020 (i.e. the Last Trading Day), which will be the latest Net Asset Value per Unit of each Sub-Fund, will be published on the website www.comstage.com.hk; and

(b) the Management Company shall update the latest available Net Asset Value per Unit of each of the Sub-Funds on the website www.comstage.com.hk as soon as practicable should there be any other change to the Net Asset Value of each Sub-Fund, including but not limited to changes arising from (i) the payment of liquidation proceeds (please see further in section 5 above); (ii) further distribution (if any); (iii) any deduction of transaction costs or taxes relating to the liquidation of assets attributable to the Hong Kong Units; and (iv) any change in market value of the scrip dividend receivable by the Sub-Funds (if any) of the underlying stocks.

9.4 Publication of suspension of dealing

Under 10.7 of the Code, the Management Company is required to: (a) immediately notify the SFC if dealing in Hong Kong Units in the Sub-Funds ceases or is suspended; and (b) publish the fact that dealing is suspended immediately following the decision to suspend and at least once a month during the period of suspension in an appropriate manner.

The Management Company will continue to manage the Fund and the Sub-Funds without strict compliance with 10.7 of the Code from the Trading Cessation Date to the Deauthorisation Date, subject to the condition that a statement shall be posted in a prominent position of the website www.comstage.com.hk from the Trading Cessation Date to the Deauthorisation Date to notify investors that the Hong Kong Units of the Sub-Funds have ceased trading on SEHK from 15 February 2020 (i.e. the Trading Cessation Date), and draw investors' attention to this Announcement, the subsequent reminder announcements and all other relevant announcements.

As the Sub-Funds will maintain their listing status with SEHK during the period from and including the Trading Cessation Date up until the date of Delisting, investors may continue to access further announcements in relation to the Fund and the Sub-Funds via the website www.comstage.com.hk and HKEX's website during such period.

The Management Company confirms that the Fund and the Management Company will continue to comply with the Fund's constitutive documents, all the other applicable provisions of the Code, the applicable provisions in the "Overarching Principles Section" of the Handbook, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and all other applicable laws and regulations save for the particular provisions of the Code set out in this section 9.

10. Risk Factors relating to the proposed Cessation of Trading, Termination, Deauthorisation and Delisting

As a consequence of the proposed Cessation of Trading, Termination, Deauthorisation and Delisting, investors should pay attention to and consider the following risks:

Liquidity risk

Trading of Hong Kong Units on the SEHK from the date of this Announcement may become less liquid.

Units trading at a discount or premium and SEHK Market Maker's inefficiency risk

The Hong Kong Units in the Sub-Funds may trade at a discount or premium of their Net Asset Value. Although the Management Company expects that, up to (and including) the Last Trading Day, the SEHK Market Maker will continue to perform its market making functions in respect of the Sub-Funds in accordance with the Trading Rules of the SEHK, the Hong Kong Units in the Sub-Funds may trade at a discount compared to their Net Asset Value in extreme market situations. This is because many investors may want to sell their Hong Kong Units in the Sub-Funds after the proposal of Deauthorisation, Delisting and Termination has been announced but there may not be many investors in the market who are willing to purchase the Hong Kong Units. On the other hand, it is also possible that the Hong Kong Units in the Sub-Funds may trade at a premium, and consequently the divergence between the supply of and demand for the Hong Kong Units of the Sub-Funds may be larger than usual. In particular, should there be a large demand for Hong Kong Units before the Trading Cessation Date, the SEHK Market Maker may not be able to effectively perform its market making activities to provide liquidity of the trading of Hong Kong Units of the Sub-Funds on the SEHK in these extreme market situations. As a result, the price volatility of the Hong Kong Units of the Sub-Funds may be higher than usual from the date of this Announcement up to (and including) the Last Trading Day.

Fluctuation of EUR and HKD exchange rate risk

Although both the Sub-Funds and the Reference Index are denominated / calculated in EUR, the Hong Kong Units are traded in HKD. The liquidation proceeds will also be paid to Unitholders of the Hong Kong Units in HKD. Accordingly, Unitholders of Hong Kong Units will be exposed to exchange rate risk between EUR/HKD.

Tracking errors during the period from the date of this Announcement to the Last Trading Day risk

It is possible that the size of the Hong Kong Units may drop drastically before the Last Trading Day. This may impair the Management Company's ability to achieve the investment objective of the Hong Kong Units and result in increased tracking error.

Net Asset Value downward adjustment risk

Changes in economic environment, consumption pattern and investors' expectations may have significant impact on the value of the investments and there may be significant drop in value of the investments. Such market movements may result in substantial downward adjustment of the Net Asset Value per Unit before the Last Trading Day.

Delay in distribution risk

The Management Company will aim to realise all of the assets attributable to the Hong Kong Units and proceed with the distribution and further distribution (if any) as soon as practicable. However, the Management Company may not be able to realise all of the assets in a timely manner during certain periods of time, for example, when trading on the relevant stock exchanges is restricted or suspended or when the official clearing and settlement depositary of the relevant market is closed. In this case, the payment of distribution or further distribution (if any) may be delayed.

Delay in payment of liquidation proceeds and any further amount payable risk

The payment of the liquidation proceeds may be delayed if there are any specific local statutory provisions or events of force majeure which are beyond the Management Company's control which make it impossible to transfer the liquidation proceeds or to proceed with such payment within the normal delay. Such payment shall be made as soon as reasonably practicable thereafter but without interest.

In the unlikely event that, after the payment of the liquidation proceeds to the Unitholders of the Hong Kong Units, there is any further amount payable to any Unitholder of the Hong Kong Units, such payment may also be delayed in circumstances which are beyond the Management Company's control. Such payment shall also be made as soon as reasonably practicable thereafter but without interest.

Investors' attention is also drawn to the risks disclosed in the Hong Kong Prospectus of the Fund and the Sub-Funds (see the section headed "Risk Factors" in the Hong Kong Prospectus).

11. Tax implications

No tax will be payable by Unitholders in Hong Kong in respect of any capital gains arising on a sale, realisation, redemption or other disposal of Hong Kong Units in the Sub-Funds, except that Hong Kong profits tax may arise where such transactions form part of a trade, profession or business carried on in Hong Kong.

No tax should generally be payable by Unitholders in Hong Kong in respect of dividends or other income distributions of a Sub-Fund.

Investors should inform themselves of, and where appropriate take advice from their professional tax advisers on, the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription, purchase, holding, selling (via an exchange or otherwise) and redemption of Hong Kong Units in the country in which they are subject to tax.

12. Potential Conflicts of Interest

Commerzbank AG, the Investment Manager, currently owns certain amount of Hong Kong Units of each of the Sub-Funds.

Each of the Investment Manager and the calculation agent are presently part of the same Commerzbank group. On the other hand, each of the Management Company, the Hong Kong Representative, the Hong Kong Participating Dealer and the SEHK Market Maker are presently part of the same Société Générale group. Although operationally independent, conflicts of interest in respect of the Sub-Funds may arise from time to time amongst any of them. The Management Company and the Investment Manager will vigorously manage any such conflict in the best interest of investors.

Save as the above, no other Connected Person (of the Management Company, the Investment Manager and the Custodian) is involved in any transaction in relation to the Hong Kong Units of the Sub-Funds nor holds any interest in the Hong Kong Units of the Sub-Funds as of the date of this Announcement.

13. Documents available for inspection

Copies of the following documents may be inspected free of charge during usual business hours on any business day in Hong Kong at the registered office of the Hong Kong Representative and for making of copies thereof upon the payment of a reasonable fee:

(a) the General Investment Terms and Conditions of the Fund (in English translation);

(b) the Special Investment Terms and Conditions of each of the Sub-Funds (in English translation);

(c) the Investment Management Agreement (in English translation);

(d) the Depositary and Information Agreement (in English translation);

(e) the Service Agreement with regard to the outsourcing of the fund administration (in English translation);

(f) the Hong Kong Participating Agreement;

(g) the Hong Kong Representative Agreement;

(h) the Service Agreements;

(i) the Risk Management Policy of the Management Company;

(j) the most recent financial reports of the Fund; and

(k) the Hong Kong Prospectus and product key facts statements of the Sub-Funds.

14. Other Information

The authorisation of the Hong Kong Prospectus of the Fund and the product key facts statement of each of the Sub-Funds will be withdrawn on the Deauthorisation and Delisting Date.

The Management Company accepts full responsibility for the accuracy of the information contained in this Announcement as at the date of publication, and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, as at the date of publication, there are no other facts the omission of which would make any statement misleading.

15. Enquiries

If you have any queries, please direct these to your financial adviser or alternatively the Hong Kong Representative (see below):

SG Securities (HK) Limited

Address: Level 38 Three Pacific Place, 1 Queen's Road East, Hong Kong

Telephone number: +852 2166 4276

Commerz Funds Solutions S.A.
as Management Company of the Fund and Sub-Funds
14 August 2019

Annex I

Schedule of the proposed key dates

Subject to the respective approvals of the SFC and SEHK for the proposed arrangements set out in this Announcement, it is anticipated that the expected important dates in respect of the Fund and the Sub-Funds will be as follows:

Dispatch of this Announcement No further request for subscription of Hong Kong Units in the Sub-Funds by investors in Hong Kong in the primary market via the Hong Kong Participating Dealer (other than by Hong Kong Participating Dealers for market making activities) after the publication of this Announcement	14 August 2019
Last day on which requests for subscription by Hong Kong Participating Dealer for market making activities and redemption of Hong Kong Units in the Sub-Funds in the primary market may be accepted Last trading day in the Hong Kong Units of the Sub-Funds on SEHK in the secondary market (i.e. the Last Trading Day)	14 February 2020
No further requests for subscription and redemption of Hong Kong Units in the Sub-Funds in the primary market will be accepted Cessation of trading in the Hong Kong Units of the Sub-Funds on SEHK in the secondary market (i.e. the Trading Cessation Date) The Sub-Funds shall no longer be marketed or offered to the public in Hong Kong	15 February 2020
The record date for determining the eligibility of entitlement for the payment of liquidation proceeds resulting from the liquidation (i.e. the Hong Kong Record Date)	By close of business on 19 February 2020
The date with effect from which the Management Company proceeds to the Termination of the Hong Kong Units by liquidating all the investments attributable to the Hong Kong Units	19 February 2020
Dispatch of the announcement informing the investors of the distributed amount of liquidation proceeds	24 February 2020
The liquidation proceeds resulting from the liquidation (converted into HKD) paid to Unitholders of the Hong Kong Units as of the Hong Kong Record Date on or before this date (i.e. the Hong Kong Payment Date)	On or before 27 February 2020
In the unlikely event there is any further amount payable to the Unitholders of the Hong Kong Units as of the Hong Kong Record Date after the payment of the liquidation proceeds to such Unitholders, dispatch of an announcement to inform investors of the amount and payment date	On or before 4 March 2020

Payment of further amount (if any) to the Unitholders of the Hong Kong Units as of the Hong Kong Record Date as mentioned in the preceding paragraph	On or before 10 March 2020
Termination of the Hong Kong Units	On or before 13 March 2020, which is the date on which the Management Company and the Custodian form an opinion that the Hong Kong Units cease to have any outstanding contingent or actual assets or liabilities
Deauthorisation and Delisting of the Fund and the Sub-Funds	On or before 13 March 2020, which is the date on which the SFC and SEHK approve the Deauthorisation and Delisting respectively The Management Company expects that the Deauthorisation and Delisting will take place either on the Termination Date or shortly after the Termination Date

If there is any change to the schedule of proposed key dates above, an announcement will be issued by the Management Company as and when appropriate in accordance with the applicable regulatory requirements.

IMPORTANT: If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser for independent professional financial advice.

Hong Kong Prospectus

ComStage 1

(*an umbrella Sondervermögen UCITS established in Germany and authorised under section 104 of the Securities and Futures Ordinance (Cap.571) of Hong Kong*)

Management Company

Commerz Funds Solutions S.A.

Investment Manager

Commerzbank AG

30 July 2019

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited, Hong Kong Securities Clearing Company Limited and the Hong Kong Securities and Futures Commission take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

INTRODUCTION

General

This Prospectus has been prepared in connection with the offer in Hong Kong of the classes of units (the "Units") of the sub-funds (the "Sub-Funds") of ComStage 1 (the "Fund") to which this Prospectus relates to be listed and traded on The Stock Exchange of Hong Kong Limited (the "SEHK").

Each Sub-Fund is a fund falling within Chapter 8.6 of the Code on Unit Trusts and Mutual Funds issued by the SFC (the "Code"). The Fund and the Sub-Funds have been authorised by the Securities and Futures Commission (the "SFC") in Hong Kong pursuant to section 104 of the Securities and Futures Ordinance (Cap.571) of Hong Kong (the "SFO"). Any authorisation by the SFC of a Sub-Fund is not a recommendation or endorsement of the Sub-Fund, nor does it guarantee the commercial merits of the Sub-Fund or its performance. It does not mean the Sub-Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Units are listed on the SEHK and have been accepted as eligible securities by Hong Kong Securities Clearing Company Limited ("HKSCC") for deposit, clearing and settlement in the Central Clearing and Settlement System ("CCASS"). Settlement of transactions between participants of the SEHK is required to take place in CCASS on the second CCASS settlement day after any trading. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Subscriptions for Units can be accepted only on the basis of the latest available version of this Prospectus (including the Product Key Facts Statements), which is valid only if accompanied by a copy of the Fund's latest annual report (the "Annual Report") containing the audited accounts and semi-annual report (the "Semi-annual Report") provided such report is published after the latest annual report. The Annual Report and the Semi-annual report form an integral part of this Prospectus.

Legal status of investors

By subscribing or purchasing Units, investors become fractional co-owners of the assets held by the relevant Sub-Fund. Investors do not have any right to dispose of a Sub-Fund's assets. There are no voting rights associated with the Units.

The contractual relationship between Commerz Funds Solutions S.A. (the "Management Company") and investors are governed by German law.

Investment restriction for U.S. persons

The dissemination of the information contained in this Prospectus and the offering of Units described in this Prospectus by way of public distribution are only permitted in countries in which a marketing authorisation has been obtained.

In particular, the Units in the Sub-Funds are not intended for distribution in the United States of America or to U.S. citizens. Commerz Funds Solutions S.A. and/or the Sub-Funds of ComStage 1 described in this Prospectus are not and will not be registered pursuant to the United States Investment Company Act of 1940 as amended. The Units in the Sub-Funds are not and will not be registered pursuant to the United States Securities Act of 1933 as amended or pursuant to the securities laws of any federal state of the United States of America. Units in the Sub-Fund(s) may not be offered or sold within the United States nor to any U.S. person or for the account of any U.S. person. Applicants may be required to show that they are not U.S. persons, are not acquiring Units on behalf of U.S. person and will not resell them to U.S. persons. U.S. persons are persons who are citizens of the United States of America or who are domiciled and/or liable to taxes in the United States of America. Partnerships or companies limited by shares formed pursuant to the laws of the United States of America or any federal state, territory or possession of the United States may also qualify as U.S. persons.

The Units in the Sub-Funds have neither been approved by the United States Securities and Exchange Commission (the "SEC") or any other supervisory authority in the United States, nor was any such approval declined. Furthermore, neither the SEC nor any other supervisory authority in the United States of America has made any judgment on the correctness or the appropriateness of this Prospectus or the benefits of the Units. Any claims to the contrary are subject to criminal prosecution.

The United States Commodity Futures Trading Commission has not reviewed or approved either this Prospectus or any other sales documents for the Fund or the Sub-Funds. This Prospectus may not be circulated in the United States of America. The distribution of this Prospectus and the offering of the Units may also be subject to restrictions in other jurisdictions.

Responsibility for this Prospectus

The Management Company accepts full responsibility for the accuracy of the information contained in this Hong Kong Prospectus and the Product Key Facts Statements and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading.

Questions and complaints

Investors may raise any questions on or make any complaints about the Fund (including the Sub-Funds) by contacting the Hong Kong Representative at its address as set out in the Directory of this Prospectus or calling the Hong Kong Representative on +852 2166 4276 during normal office hours.

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GENERAL SECTION

The General Section of this Prospectus includes information relevant to the Fund and all Sub-Funds listed on the SEHK.

The information presented in this General Section should be read in conjunction with the information presented in the relevant Appendix of this Prospectus in respect of a particular Sub-Fund. Where the information in the Appendix of this Prospectus conflicts with the information presented in this General Section, the information in the relevant Appendix prevails, however, it is applicable to the specific Sub-Fund of the relevant Appendix only.

GENERAL PRINCIPLES

The Fund and the Sub-Funds

The Fund comprises a number of Sub-Funds pursuant to section 96(2) of the German Investment Code (*Kapitalanlagegesetzbuch*) (the "KAGB"). The Fund is established as a *Sondervermögen* in Germany and constitutes an investment undertaking in compliance with Directive 2009/65/EC of the European Parliament and of the European Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (the "UCITS Directive") within the meaning of the KAGB. The Fund and the Sub-Funds are managed by Commerz Funds Solutions S.A. (the "Management Company").

The management of the Sub-Funds primarily comprises investing the money deposited by investors in various assets permitted under the KAGB applying the principle of diversification of risk. The assets of the Fund and each Sub-Fund are invested separately from the Management Company's own assets.

The KAGB and related regulations together with the investment terms and conditions that govern the legal relationship between the investors and the Sub-Funds stipulate the assets in which the Sub-Funds may invest and what provisions must be observed in the process. The investment terms and conditions (i.e. the constitutive documents of the Fund) consist of a general section and a special section ("General Investment Terms and Conditions" or "GITC" and "Special Investments Terms and Conditions" or "SITC"). The application of the investment terms and conditions to any Sub-Fund is subject to prior approval by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) (the "BaFin"). The Sub-Funds do not form part of the Management Company's assets on any insolvency of the Management Company.

Publication of information

This Prospectus (including the Product Key Facts Statements), the GITC and SITC and the current Annual Report and Semi-annual Reports are available free of charge from the Management Company and, in Hong Kong, from the Hong Kong Representative.

Additional information on investment limits of the Fund and Sub-Funds, the risk management methods and the latest developments in risks and returns for the key asset categories can be obtained from the Management Company and, in Hong Kong, from the Hong Kong Representative.

In the event that the Management Company provides further information concerning the composition of a Sub-Fund's portfolio or a Sub-Fund's performance to individual investors, such information shall be provided to all investors in the relevant Sub-Fund at the same time.

The Management Company publishes information with respect to the Fund and the Sub-Funds which are offered to Hong Kong investors, both in the English and in the Chinese languages and free of charge, on the website www.comstage.com.hk. Please refer to sub-section "Information on the Internet" in section "Reports and Other Information" of this Prospectus for further information.

Amendments to constitutive documents

The GITC and SITC which are the constitutive documents of the Fund may be amended by the Management Company. However amendments to the GITC and the SITC require BaFin's and the SFC's prior approval. Amendments to the investment objective or investment strategy of each Sub-Fund require the additional approval of the Management Company's Board of Directors.

Any proposed amendments will be announced on www.comstage.com.hk. If the amendments (i) relate to any fees and expenses that may be paid out of a Sub-Fund's assets, (ii) relate to a Sub-Fund's investment objective or investment strategy; or (iii) may materially affect Unitholders' rights or interests, the announcement will include important information concerning the amendments (including the reason for such amendments) which is necessary to enable Unitholders to appraise the position of the Sub-Fund, the investors' rights in connection with the amendments, and where and how further information in this regard may be obtained. Normally the soonest the amendments can take effect will be the day following their announcement in the *Federal Gazette* (subject to additional requirements of the Code, including at least one month's prior notice to Unitholders (where applicable)).

Any amendments to the fees and expenses that may be paid out of a Sub-Fund's assets will take effect no earlier than three months following an announcement in the *Federal Gazette*, unless an earlier date is stipulated with the approval of BaFin (and in any event, subject to at least one month's prior notice to Unitholders). Amendments to a Sub-Fund's existing investment objective or investment strategy will likewise take effect no earlier than three months following their announcement in the *Federal Gazette* and will only be permissible under the condition that the Management Company offers investors the opportunity to exchange their Units, free of charge, for Units in another investment fund with a comparable investment objective/investment strategy, provided that such investment fund is managed by the Management Company or another company from within its group and is authorised by the SFC, or offers to redeem their Units prior to the amendments taking effect without charging any redemption fee or charge.

Subscriptions

Subscription orders are accepted only on the basis of this Prospectus and the Product Key Facts Statements. This Prospectus and the Product Key Facts Statements are only valid in Hong Kong if they are accompanied by a copy of the Annual Report as well as a copy of the Semi-annual Report (provided such report is published after the latest Annual Report). The Annual Report and the Semi-annual Report constitute integral parts of this Prospectus.

Potential investors should read this Prospectus and the Product Key Facts Statements carefully and in full and refer to their legal, tax and financial advisers with respect to:

(a) the statutory and regulatory requirements for the subscription, purchase, possession, redemption or sale of Units applying in the countries in which they are domiciled or of which they are citizens;

(b) foreign exchange restrictions to which they are subject in their respective countries in connection with the subscription, purchase, possession, redemption or sale of Units;

(c) the legal, tax, financial or other consequences of the subscription, purchase, possession, redemption or sale of Units; and

(d) other consequences of these actions. Investors who are unclear about the content of this Prospectus in any respect should refer to their stock exchange broker, banking adviser, attorney, auditor, tax consultant or other adviser.

No person is authorised to provide information or issue declarations or assurances in connection with the offer of the Units that are not included in this Prospectus and the Product Key Facts Statements as well as the reports referred to above. If nevertheless information is provided or declarations or assurances are issued, it may not be assumed that this has been approved by the Management Company. This Prospectus and the Product Key Facts Statements may be updated from time to time in order to reflect material amendments and investors should make inquiries as to whether a more recent version of this Prospectus and the Product Key Facts Statements are available.

Any amendment or addendum to this Prospectus will only be posted on the Fund's website (www.comstage.com.hk) the contents of which, and of any other websites referred to in this Prospectus, have not been reviewed by the SFC. This Prospectus may refer to information and materials included in websites. Such information and materials do not form part of this Prospectus and they have not been reviewed by the SFC or any regulatory body. Investors should note that the information provided in websites may be updated and changed periodically without any notice to any person.

LISTING

General

Dealings on the SEHK in Units began on 18 May 2016.

Certain Units of the Sub-Funds are listed on other stock exchange as described in the relevant Appendix.

Application may be made in the future for a listing of other Units of the Sub-Funds on other stock exchanges.

Units trade on the SEHK in board lot as set out in the relevant Appendix.

The purpose of the listing of the Units on the SEHK is to enable investors to buy and sell Units on the secondary market, normally via a broker or dealer in smaller quantities than would be possible if they were to subscribe and/or redeem Units in the primary market.

The market price of a Unit listed or traded on the SEHK may not reflect the Net Asset Value per Unit. Any transactions in the Units on the SEHK will be subject to the customary brokerage commissions and/or transfer taxes associated with the trading and settlement through the SEHK. There can be no guarantee that once the Units are listed on the SEHK they will remain listed.

The Management Company will use its best endeavours to put in place arrangements so that at least one SEHK Market Maker will maintain a market for Units. Broadly, the obligations of a SEHK Market Maker will include quoting bid and offer prices on the SEHK with the intention of providing liquidity. Given the nature of the SEHK Market Maker's role, the Management Company will make available to a SEHK Market Maker the portfolio composition information made available to a Hong Kong Participating Dealer.

Units may be purchased from and sold through a SEHK Market Maker. However, there is no guarantee or assurance as to the price at which a market will be made. In maintaining a market for Units, the SEHK Market Makers may make or lose money based on the differences between the prices at which they buy and sell Units, which is to a certain extent dependent on the difference between the purchase and sale prices of the underlying Securities comprised within the Index. The SEHK Market Makers may retain any profits made by them for their own benefit and they are not liable to account to the Sub-Fund in respect of their profits.

If you wish to buy or sell Units on the secondary market, you should contact your brokers.

The Units have been accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS. Settlement of transactions between participants of the SEHK is required to take place in CCASS on the second CCASS Settlement Day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

If trading of the Units on the SEHK is suspended or trading generally on the SEHK is suspended, then there will be no secondary market dealing for the Units.

Certain Units of the Sub-Funds are also listed on other stock exchanges. Given the trading and settlement of the Units in such stock exchanges and the SEHK will be operated on an entirely separate basis, there will be no overlapping of trading or settlement issues under such markets and the SHEK.

RISK FACTORS

Prior to making a decision about subscribing or purchasing Units in a Sub-Fund, investors should carefully read the following risk factors together with the other information contained in this Prospectus and take this into account when making their investment decision. The occurrence of one or more of these risks, either in their own right or in conjunction with other circumstances, may have an adverse effect on the performance of a Sub-Fund, or of the assets held in a Sub-Fund, and therefore also adversely affect the Net Asset Value.

If investors dispose of their Units in a Sub-Fund at a time when the prices of the assets held by the Sub-Fund have fallen compared to the date on which the investors acquired their Units, they will not recover some or all of the capital invested by them in the relevant Sub-Fund. Investors could face a partial or even total loss of the capital invested in the relevant Sub-Fund. Capital appreciation cannot be guaranteed. The investor's risk exposure is limited to the amount invested. There is no obligation to make additional contributions beyond the capital that the investor has already invested.

In addition to the risks and uncertainties described below or elsewhere in this Prospectus, the performance of a Sub-Fund may be negatively affected by a variety of further risks and uncertainties that are currently unknown. The order in which the risks below are listed does not represent a statement about the probability that they will occur nor about their extent or significance in the event of the occurrence of individual risks.

Investment in funds risk

A Sub-Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.

Fluctuations in the Net Asset Value

The Net Asset Value per Unit is calculated as the value of the relevant Sub-Fund divided by the number of Units issued. For this purpose, the value of a Sub-Fund is equal to the total of the market values of all the assets in that Sub-Fund less the total of the market values of all the liabilities in that Sub-Fund. The Net Asset Value per Unit therefore depends on the value of the assets held in the relevant Sub-Fund and the level of the relevant Sub-Fund's liabilities. If the value of those assets declines or the value of the liabilities rises, then the Net Asset Value per Unit of a Sub-Fund will fall.

Changes in investment policy, GITC or SITC

The Management Company may modify the GITC or the SITC with BaFin's and the SFC's prior approval. A change in the GITC or the SITC may also result in a change in the rules applying to investors. For example, the Management Company may revise the investment policy of a Sub-Fund by making a change to the SITC, or it may increase the costs chargeable to a Sub-Fund. Subject to the relevant regulations, the Management Company may also modify the investment policy of a Sub-Fund without (i) changing the GITC or the SITC; or (ii) obtaining BaFin's or the SFC's prior approval, provided that the investments of the Sub-Fund still fall within the permissible investments under the relevant regulations and the changes are immaterial. This modification may however alter the risk associated with the Sub-Fund.

Management Risk

Because there can be no guarantee that each Sub-Fund will fully replicate the relevant Index, it is subject to management risk. This is the risk that the Investment Manager's strategy, the implementation of which is subject to a number of constraints, may not produce the intended results. In addition, the Investment Manager has absolute discretion to exercise Unitholders' rights with respect to securities comprising a Sub-Fund. There can be no guarantee that the exercise of such discretion will result in the investment objective of a Sub-Fund being achieved.

Passive investment

The Sub-Funds are not actively managed. Accordingly, the Sub-Funds may be affected by a decline in the market segments relating to the relevant Index. The Investment Manager will not take defensive positions in declining markets. Investors may lose a significant part of their respective investments if the Index falls. Each

Sub-Fund invests in the securities included in or representative of the relevant Index regardless of their investment merit, except to the extent of any representative sampling strategy. The Investment Manager does not attempt to select securities individually or to take defensive positions in declining markets. The lack of discretion on the part of the Investment Manager to adapt to market changes due to the inherent investment nature of the Sub-Funds will mean that falls in the Index are expected to result in corresponding falls in the value of the Sub-Fund, and you may lose substantially all of your investment.

Representative sampling risk

With a representative sampling strategy, a Sub-Fund does not hold all of the securities in its Index and may invest in securities not included in its Index, provided that the sample closely reflects the overall characteristics of the Index which the Investment Manager believes will help the Sub-Fund achieve its investment objective. The securities held by a Sub-Fund may also be over or underweight relative to the securities in its Index. It is therefore possible that a Sub-Fund may be subject to larger tracking error.

Tax impact on individual returns

The tax treatment of investment income depends on the investor's individual circumstances and may be subject to changes in the future. For specific queries – especially taking the individual tax situation into account – investors should contact their personal tax advisers.

Suspension of Unit redemption

The Management Company may temporarily suspend the redemption of the Units if exceptional circumstances arise that make such suspension of redemption appear necessary in the investors' interests. Exceptional circumstances in this context may relate to e.g. economic or political crises, an extraordinary volume of redemption requests as well as the closure of exchanges or markets, trade restrictions or other factors impeding the determination of the Net Asset Value. Additionally, BaFin may direct the Management Company to suspend redemptions of Units if this is necessary in the interests of investors or of the general public. Investors cannot redeem their Units during this period. Suspension of Unit redemption may also result in a decline in the Net Asset Value, e.g. if the Management Company is forced to sell assets at below market value during the suspension of Unit redemption. The Net Asset Value per Unit once redemption of Units is resumed may be lower than the value prior to the suspension of redemption.

A suspension may be followed directly by the dissolution of a Sub-Fund without the resumption of redemptions of Units if, for example, the Management Company terminates the management of a Sub-Fund in order to dissolve that Sub-Fund subsequently. Investors therefore face the risk that they may be unable to achieve their planned holding period and that substantial portions of the capital invested may be inaccessible for an indefinite period or lost in their entirety.

Dissolution of a Sub-Fund

A Sub-Fund may be terminated early under certain circumstances, for example, the Management Company has the right to terminate its management of a Sub-Fund. Once its management has been terminated, the Management Company may dissolve the relevant Sub-Fund altogether. The right of disposition over the relevant Sub-Fund passes to the Custodian after a notice period of six months. This therefore results in the risks that investors will not be able to hold their Units for the planned period and unable to recover their investments and suffer a loss when the Sub-Fund is terminated. When a Sub-Fund is transferred to the Custodian, taxes other than German income tax may be levied on that Sub-Fund. When a Sub-Fund's Units are cleared from the investor's securities account at the end of the liquidation process, income taxes may be levied on the investor.

Dividends may not be paid

Whether a Sub-Fund will pay distributions on Units is subject to the Management Company's distribution policy (as described in the relevant Appendix). If a Sub-Fund intends to pay dividends, its ability to do so mainly depends on dividends declared and paid in respect of securities held by the Sub-Fund, where the Sub-Fund holds securities as part of its investment strategy. In addition, dividends received by a Sub-Fund may be applied towards meeting the costs and expenses of that Sub-Fund. Dividend payment rates in respect of such securities will depend on factors beyond the control of the Management Company including, general economic conditions, and the financial position and dividend policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

Transfer of all of the assets of the Sub-Fund to another fund

The Management Company may transfer all of the assets of a Sub-Fund to another UCITS. In such case, investors may (i) redeem their Units, (ii) keep their Units with the consequence that they become investors in the receiving UCITS or (iii) exchange their Units for Units in a fund with a comparable investment objective/investment strategy, provided that the Management Company or one of its affiliates manages such a fund with a comparable investment objective/investment strategy. The same applies if the Management Company transfers all the assets of another fund to a Sub-Fund. The transfer therefore means that investors must make a new investment decision earlier than planned. A liability to income taxes may be incurred if the Units are redeemed. Taxes may be payable by the investor in the event that the Units are exchanged into Units in a fund with comparable investment objective/investment strategy if, for example, the value of the Units received is higher than the value of the old Units at the date of acquisition.

Transfer of the management of the Fund or a Sub-Fund

The Management Company may transfer the management of the Fund or a Sub-Fund to another management company. The Fund, the Sub-Fund as well as the position of the investor remain unchanged. However, the investor may come to the view that the new management company is not as appropriate as the previous management company. If the investor does not wish to remain invested in the Sub-Fund managed by the new management company, he can redeem his Units but costs, expenses and/or taxes may be incurred as a result of such redemption.

Profitability and fulfilment of the investor's investment objectives

There can be no guarantee that investors will achieve their desired investment objective. A Sub-Fund's Net Asset Value may fall and lead to losses for investors. There are no guarantees from the Management Company or third parties with respect to a commitment to pay a specified minimum amount on redemption or with respect to a specified investment performance by a Sub-Fund. In addition, a subscription fee or initial charge paid at the time of subscribing Units or a redemption fee or exit charge paid at the time of redeeming Units (if applicable) may diminish or even fully erode investment performance, particularly in the case of short investment periods. Investors could receive back an amount that is lower than the amount originally invested.

Risks applicable to Index funds

In the event that an Index performs negatively, investors are exposed to an unlimited corresponding risk of loss by holding the relevant Units. The Management Company will only limit loss of value using hedging transactions (i.e. there is no active management to mitigate a fall in the relevant Index).

Availability of securities

The temporary non-availability of particular securities in the market or other extraordinary circumstances could result in a deviation from the exact performance of the Index. Furthermore, each Sub-Fund incurs transaction costs in replicating the Index, together with other costs, fees or taxes and levies, that are not reflected in the calculation of the Index. The result of this is that a Sub-Fund is unable to track the performance of the Index with complete accuracy. In addition, the composition of the Index may change over time as the securities of the Index are delisted, or as new securities are included in the Index. There is no guarantee that the Index will continue to be calculated and published on the basis described in this Prospectus or that no material changes will be made to it.

Calculation and replacement of the Index

In certain circumstances, the calculation or publication of the Index may be suspended or even terminated. Moreover, the components of the Index may be changed or the Index may, with SFC approval, be replaced by another Index. The regular adjustment of the Index components by the Index sponsor may give rise to costs that could have an adverse effect on the value of the Index. In certain circumstances, such as the termination of the calculation or publication of the Index or the suspension of trading in the Index components, this may result in the suspension of trading in the Units or the suspension of the obligation on the part of market makers to quote bid and offer prices on the relevant exchanges.

No assurance can be given that an Index will be calculated and published in the manner described in this Prospectus for an unlimited period of time or that it will not be significantly modified. The performance of an

Index in the past does not permit conclusions to be drawn that the Index will perform positively in the future. An Index sponsor is under no obligation to take the needs of the Management Company or of the Unitholders into account in the determination, composition or calculation of an Index. An Index sponsor is neither responsible for nor involved in determining the timing of the launch of a Sub-Fund or the prices and quantities of the Units issued. Equally, it has no influence over the redemption procedures.

Licence to use Index may be terminated

The Management Company is granted a licence by the Index sponsor to use each Index to create the relevant Sub-Fund based on the Index and to use certain trade marks and any copyright in the Index. A Sub-Fund may not be able to fulfil its objective and may be terminated if the licence agreement is terminated. The initial term of the licence agreement may be limited in period and thereafter renewable for only short periods. There can be no guarantee that the relevant licence agreement will be perpetually renewed. For further information on the grounds for terminating the licence agreement, please refer to the section on "Index sponsors and licences" in the relevant Appendix. Although the Management Company will seek to find a replacement Index, a Sub-Fund may also be terminated if the relevant Index ceases to be compiled or published and there is no replacement Index using the same or substantially similar formula for the method of calculation as used in calculating the Index.

No research or reviews relating to the Index or indices

Neither the Management Company, the Investment Manager nor their affiliates have commissioned or undertaken any research or reviews relating to the Index on behalf of the Unitholders, nor will they do so in the future. Research or reviews are carried out by or for the Management Company, the Investment Manager or their affiliates solely for investment purposes. Specific risks associated with an investment in particular Indices or in the respective Index components are described below.

Tracking error

A deviation from the performance of the Index (tracking error) may arise due to the temporary non-availability of particular securities in the market, compliance with legally binding limits relating to issuers, the reinvestment of dividends at the Index level, transaction costs that may be associated with the purchase of Index components or with the use of derivatives, taxes, Index adjustments or other exceptional circumstances. Furthermore, a Sub-Fund incurs transaction costs in replicating the Index, together with other costs, fees or taxes and levies, that are not reflected in the calculation of the Index. The result of this is that a Sub-Fund is unable to track the performance of the Index with complete accuracy. The tracking error expected under normal market circumstances which is specified in the relevant Appendix for the Sub-Funds is the result of an assessment by the Management Company based on the standard deviation of the difference between the performance of a Sub-Fund and the performance of the Index in recent months. The actual tracking error may differ from the expected tracking error due to the occurrence of unexpected circumstances.

Market risk

Market risk is the risk of loss for a fund resulting from fluctuations in the market value of positions in the portfolio of the fund which are attributable to changes in market variables such as interest rates, exchange rates, share and commodity prices or in the credit rating of an issuer.

The risks associated with investment in individual assets by a Sub-Fund are described below. These risks may negatively impact the performance of a Sub-Fund or of the assets held by a Sub-Fund and therefore have an adverse effect on the Net Asset Value and on the capital invested by the investor.

Value

The assets in which the Management Company invests for the account of a Sub-Fund are subject to risks. Thus losses in value may be incurred if the market value of the assets falls in relation to the purchase price or spot and forward prices diverge.

Capital market

The price or market performance of financial products depends, in particular, on the developments on the capital markets, which are in turn impacted by the general state of the global economy and the underlying economic and political conditions in individual countries. Irrational factors such as moods, opinions and rumours may also impact general price performance, particularly on stock exchanges. Price or market value fluctuations may also be attributable to changes in interest rates, exchange rates or the credit quality of an issuer.

Price of equities

A Sub-Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. These price fluctuations are influenced in particular by the earnings performance of the issuing company as well as developments in the industry and macroeconomic developments. The confidence of market participants in the respective company may also influence price performance. This applies in particular to companies whose shares have only been admitted to the stock exchange or another organised market for a relatively short period. For these companies, even small changes in forecasts may lead to high price fluctuations. If a stock only has a small proportion of freely tradable shares held by many different shareholders (known as free float), even small buy or sell orders may have a major impact on the market price and thus lead to relatively high price fluctuations.

Negative interest on deposits

The Management Company invests liquid funds of a Sub-Fund with the Custodian or other banks for the account of the relevant Sub-Fund. A rate of interest is sometimes agreed for these bank deposits equal to the European Interbank Offered Rate ("Euribor") less a specified margin. If Euribor falls below the agreed margin, this will result in negative interest on the relevant account. Depending on the development of the European Central Bank's interest rate policy, short-, medium- and long-term bank deposits could all return a negative rate of interest.

Derivatives transactions

The Management Company may enter into derivatives transactions for a Sub-Fund only up to the limit referred to in the sub-section entitled "General" in the section "Investment Policy and Restrictions" and for the purpose specified. The purchase and sale of options and the conclusion of futures and swaps are associated with the following risks:

(a) The use of derivatives may generate losses that are not predictable in advance and may even exceed the amounts used for the derivatives transaction.

(b) Changes in the price of the underlying may reduce the value of a derivative. If the value is reduced and as a result the derivative becomes worthless, the Management Company may be forced to allow the rights acquired to expire.

(c) There may be no liquid secondary market for a certain instrument at a given point in time. Under certain circumstances, it may then not be economically possible to neutralise (close) a derivatives position.

(d) The leverage effect of derivatives transactions may result in a greater impact on the value of a Sub-Fund than would be the case if the underlyings had been acquired directly. It may not be possible to determine the risk of loss at the time the transaction is entered into.

(e) The purchase of options is associated with the risk that the option is not exercised because the price of the underlyings does not develop as expected, meaning that the option premium paid by a Sub-Fund will lapse. The sale of options is associated with the risk that a Sub-Fund may be obligated to purchase assets at a price that is higher than the current market value or to deliver assets at a price that is lower than the current market value. In that case, a Sub-Fund would suffer a loss equivalent to the price difference minus the option premium received.

(f) In the case of futures, there is a risk that the Management Company is obligated, for the account of a Sub-Fund, to bear the cost of the difference between the price on which the contract was based at the time it was entered into and the market price at the time of close-out or maturity. A Sub-Fund would incur losses as a result. The risk of loss cannot be determined at the time the futures contract is entered into.

(g) It may be necessary to enter into a counter-transaction (close-out), which is associated with additional costs.

(h) The forecasts made by the Management Company about the future performance of underlying assets, interest rates, prices and currency markets may subsequently prove to be incorrect.

(i) It may be impossible to buy or sell the assets underlying the derivatives at a time that would otherwise be favourable or they may have to be bought or sold at an unfavourable time.

The following risks may arise in the case of off-exchange, over-the-counter ("OTC") transactions:

(i) There may not be an organised market, and as a result it may be difficult for the Management Company to sell the financial instruments acquired for the account of a Sub-Fund on an OTC market, or it may not be able to sell them at all.

(ii) Due to the individual arrangement, it may be difficult or impossible enter into a counter-transaction (close-out), or such a transaction may entail considerable cost.

Acceptance of collateral

The Management Company accepts collateral for derivatives transactions. Derivatives may increase in value. The collateral provided may in such cases no longer be enough to cover the full amount of the Management Company's delivery or retransfer claim against the counterparty.

The Management Company can invest cash collateral in blocked accounts, high-quality government bonds or in money market funds with a short-term maturity structure. However, the credit institution holding the bank deposits may default. Government bonds and money market funds may perform negatively. When the agreement terminates, the invested collateral may no longer be available in the full amount, although the Management Company has to return it on behalf of the relevant Sub-Fund in the amount originally pledged. In such a case, the Management Company may be obligated to top up the collateral to the pledged amount for the account of the relevant Sub-Fund and thus compensate for the loss suffered as a result of the investment.

Inflation

Inflation poses a devaluation risk for all assets. This also applies to the assets held by a Sub-Fund. The inflation rate may exceed the capital appreciation of a Sub-Fund.

Currency and foreign exchange

The underlying investments of a Sub-Fund may be denominated in currencies other than the Reference Currency of the Sub-Fund. Also, a class of Units may be designated in a currency other than Reference Currency of the Sub-Fund. A Sub-Fund may receive the income, repayments and proceeds of such investments in a currency other than the Reference Currency. The Net Asset Value of a Sub-Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and the Reference Currency and by changes in exchange rate controls. Furthermore, the Units of the Sub-Fund listed on the SEHK are traded in HKD, but the Net Asset Value of the Sub-Fund and the Index may not be calculated in HKD and the underlying investments or distributions of a Sub-Fund may be denominated in currency other than HKD. In such circumstances, Unitholders will be exposed to foreign exchange currency risks arising from the fluctuations of HKD and such foreign currency. Unitholders may suffer a loss if such foreign currency depreciates against HKD, irrespective of the positive performance of the Index.

Concentration

The Index of a Sub-Fund may concentrate on a particular market. This means that the Sub-Fund is dependent solely on the performance of the relevant market, and not of the market as a whole.

Investing in funds

The risks inherent in funds whose interests may be acquired for a Sub-Fund ("target funds") are closely related to the risks inherent in the assets included in these target funds and/or the investment strategies pursued by these target funds. As the managers of the individual target funds act independently of each other, however, it may also be the case that several target funds pursue similar or mutually opposing investment strategies. This may result in a cumulative effect of existing risks, and possible opportunities might cancel each other out. The Management Company is generally not able to control the management of each target fund. The investment decisions of the management of target funds do not necessarily have to concur with the Management Company's assumptions or expectations. The Management Company often does not have up-to-the-minute information on the current composition of each target fund. If the composition does not correspond to its assumptions or expectations, it may in some instances react only with a substantial delay by redeeming or disposing of interests in the target fund.

In addition, open-ended funds in which a Sub-Fund may acquire units could temporarily suspend unit redemption. The Management Company would then be prevented from selling the interests in the respective target fund by returning such interests to the respective target fund's management company or Custodian against payment of the redemption price.

Range of investments

Given the investment policies and restrictions prescribed by the KAGB, the GITC or the SITC, which provide the Management Company in respect of the Sub-Funds with a degree of investment discretion, the investment policy pursued may also be directed at primarily acquiring assets of only a limited number of industries, markets or regions/countries. This focus on a few specific investment sectors may be associated with risks (e.g. tight market, high degree of fluctuation in certain economic cycles). The Annual Report only provides retrospective information on the substance of the investment policy for the past reporting year.

Liquidity risk

Liquidity risk is the risk that an exposure in the portfolio of the fund cannot be sold, liquidated or closed quickly enough at limited cost and that this negatively impacts on the ability of the fund to meet the requirements to settle redemption demands pursuant to the KAGB or other payment obligations.

The following paragraphs describe the risks that could adversely affect the liquidity of a Sub-Fund. This may result in a scenario where a Sub-Fund is temporarily or permanently unable to meet its payment obligations or the Management Company is temporarily or permanently unable to meet the redemption demands of investors. Investors may not be able to hold their Units for the planned period and the capital invested or parts thereof may not be accessible to them for an indefinite period. If the liquidity risks materialise, the value of a Sub-Fund and thus the Net Asset Value could also decrease as a result, for example if the Management Company is forced, if permissible under law, to sell assets for a Sub-Fund at below market value. Moreover, if the Management Company is not in a position to satisfy redemption requests from investors, this could result in the suspension of redemptions and, in the worst case, to the subsequent dissolution of a Sub-Fund.

Investing in assets

A Sub-Fund is permitted to acquire assets that are not admitted to a stock exchange or admitted to or included in another organised market. It may not be possible to resell such assets at all or only at greatly reduced prices and a delay in timing. Depending on the market situation, volume, timeframe and planned costs, it may be impossible to sell assets even if they are admitted to a stock exchange, or it may only be possible to sell them at greatly reduced prices. Despite the fact that only assets that can in principle be liquidated at any time may be acquired for a Sub-Fund, the possibility cannot be ruled out that it may be temporarily or permanently impossible to sell such assets except at a loss.

Absence of active market and liquidity risks

Although Units of each Sub-Fund are listed for trading on the SEHK, there can be no assurance that an active trading market for such Units will develop or be maintained. In addition, if the underlying securities which comprise each Sub-Fund themselves have limited trading markets, or if the spreads are wide, this may adversely affect the price of the Units and the ability of an investor to dispose of its Units at the desired price. If an investor needs to sell his, her or its Units at a time when no active market for them exists, the price received for the Units — assuming an investor is able to sell them — is likely to be lower than the price received if an active market did exist.

Increased redemptions or subscriptions

Buy orders of investors result in inflows of liquidity into a Sub-Fund and sell orders result in outflows from a Sub-Fund. When offset, the inflows and outflows may result in a net inflow of liquid assets into or a net outflow from a Sub-Fund. This net inflow or outflow may prompt the Management Company to buy or sell assets, and transaction costs will be incurred as a result. This applies in particular if the inflows or outflows mean that the liquid assets fall below or exceed a liquid asset ratio the Management Company has set for a Sub-Fund. The resulting transaction costs are charged to a Sub-Fund and may negatively impact on the performance of the Sub-Fund. In the case of inflows, increased liquidity in the Sub-Fund may have a negative effect on the performance of the relevant Sub-Fund, if the Management Company is unable to invest the funds on satisfactory terms or cannot do so in the short term.

Units may trade at prices other than Net Asset Value

While the subscription/redemption feature of each Sub-Fund is designed to make it likely that Units will trade close to their Net Asset Value, disruptions to subscriptions and redemptions (for example, as a result of imposition of capital controls by a foreign government) may result in trading prices that differ significantly from the Net Asset Value. The secondary market prices of Units will fluctuate in accordance with changes in the Net Asset Value and supply and demand on any exchange on which Units are listed. In addition, when buying or selling Units on the SEHK additional charges (such as brokerage fees) mean that an investor may pay more than the Net Asset Value per Unit when buying Units on the SEHK and may receive less than the Net Asset Value per Unit when selling Units on the SEHK. The Management Company cannot predict whether Units will trade below, at, or above their Net Asset Value. Since, however, Units must be subscribed and redeemed (unlike shares of many closed-end funds, which frequently trade at appreciable discounts from, and sometimes at premiums to, their Net Asset Value) the Management Company believes that ordinarily large discounts or premiums to the Net Asset Value of Units should not be sustained. If the Management Company suspends subscriptions and/or redemptions of Units, the Management Company anticipates that there may be larger discounts or premiums as between the secondary market price of Units and the Net Asset Value.

Public holidays in certain regions/countries and trading hours difference

According to the investment strategy, investments for a Sub-Fund should in particular be made in certain regions/countries. Due to local public holidays in these regions/countries, the trading days on exchanges in these regions/countries may not coincide with the Valuation Days of the Sub-Funds. It is possible that, on a day that is not a Valuation Day, the Sub-Funds are unable to react on the same day to market developments in these regions/countries or may be unable to trade on the local market on a Valuation Day that is not a trading day in these regions/countries. As a result, the Sub-Funds may be prevented from to selling assets within the required time period. This may adversely affect the Sub-Funds' ability to satisfy redemption requests or other payment obligations. Furthermore, as an exchange may be open when the Units are not priced, the value of any securities in a Sub-Fund's portfolio may change when investors may not be able to buy or sell Units. Further the price of securities may not be available during part of the SEHK trading day due to trading hour differences which may result in the trading price of Units deviating from the Net Asset Value per Unit.

Borrowing or financing liquidity

The Management Company may raise short-term loans for the account of a Sub-Fund. Loans with variable interest rates may have an adverse effect on a Sub-Fund if interest rates rise. If the Management Company has to repay a loan and is unable to settle the balance using replacement financing or liquidity available in a Sub-Fund, it may be forced to sell assets prematurely or on worse terms than planned. There can be no assurance that a Sub-Fund can borrow on favourable terms or be able to be refinanced at any time.

Counterparty risk

Counterparty risk is the risk of loss for a fund due to the fact that the counterparty to a transaction may be unable to meet its obligations in the settlement of payment claims.

The following paragraphs describe the risks which may arise for a Sub-Fund in the context of a business relationship with another party (counterparty). The risk arises that the contracting party is no longer able to comply with its contractually agreed obligations. This may negatively impact the performance of a Sub-Fund and therefore also have an adverse effect on the Net Asset Value and the capital invested by the investor.

Counterparty credit (excluding central counterparties)

A default on the part of an issuing entity (issuer) or of a contracting party (counterparty) against which the Fund has claims could give rise to losses for a Sub-Fund. Issuer risk describes the impact of particular developments faced by the relevant issuer on the price of a security above and beyond the general trend on the capital markets.

Losses due to the financial collapse of an issuer cannot be ruled out, even if the securities are carefully selected. The party to a contract entered into for the account of a Sub-Fund may default in full or in part (counterparty risk). This applies to all contracts entered into for a Sub-Fund's account.

Central counterparties

A central counterparty (a "CCP") enters into certain transactions for a Sub-Fund as an intermediary institution, especially transactions involving financial derivative instruments. In such cases, it acts as buyer towards the seller and as seller towards the buyer. A CCP hedges itself against the risk that its business partners may not be able to perform their agreed obligations using a variety of protection mechanisms which give it the ability at all times to offset losses from the transactions entered into (e.g. by means of collateralisation). Despite these protection mechanisms, the possibility cannot be ruled out that a CCP will become insolvent itself and default, and that this may also affect the Management Company's claims for the relevant Sub-Fund. This may give rise to losses for the relevant Sub-Fund.

Reliance on SEHK Market Makers

Although it is a requirement that the Management Company will use its best endeavours to put in place arrangements so that that at least one SEHK Market Maker will maintain a market for the Units of each Sub-Fund, it should be noted that liquidity in the market for the Units may be adversely affected if there is no SEHK Market Maker for Units of the relevant Sub-Fund. The Management Company will seek to mitigate this risk by using its best endeavours to put in place arrangements so there is at least one SEHK Market Maker for the Units of the Sub-Fund gives not less than three months' notice prior to terminating market making under the relevant market making agreement(s). It is possible that there is only one SEHK Market Maker to a Sub-Fund or the Management Company may not be able to engage a substitute SEHK Market Maker within the termination notice period of a market maker, and there is also no guarantee that any market making activity will be effective.

Reliance on Hong Kong Participating Dealers

The subscription and redemption of Units may only be effected through Hong Kong Participating Dealers. A Hong Kong Participating Dealer may charge a fee for providing this service. Hong Kong Participating Dealers will not be able to subscribe or redeem Units during any period when, amongst other things, dealings on the SEHK are restricted or suspended, settlement or clearing of Securities through the CCASS is disrupted or the Index is not compiled or published. In addition, Hong Kong Participating Dealers will not be able to issue or redeem Units if some other event occurs that impedes the calculation of the Net Asset Value of the relevant Sub-Fund or disposal of the relevant Sub-Fund's securities cannot be effected. Since the number of Hong Kong Participating Dealers at any given time will be limited, and there may even be only one Hong Kong Participating Dealer at any given time, there is a risk that investors may not always be able to subscribe or redeem Units freely.

Operational and other risks

Operating risk is the risk of loss for a fund that arises from inadequate internal processes and human or system failure at the Management Company. It may also result from external events and includes legal, documentation and reputational risks as well as risks from the trading, settlement and valuation systems operated for a fund.

The following paragraphs describe risks that may arise, for example, from inadequate internal processes or from human or system failure at the Management Company or external third parties. These risks may negatively impact the performance of a Sub-Fund and therefore also have an adverse effect on the Net Asset Value and on the capital invested by the investor.

Criminal acts, defects or natural disasters

A Sub-Fund may become the victim of fraud or other criminal acts. It may suffer losses as a result of misunderstandings or mistakes made by employees of the Management Company or external third parties or it may incur loss or damage as a result of external events such as natural disasters.

Country or transfer

There is a risk that a foreign debtor, despite its ability to pay, might not be able to make payments at all, or not on time or only in a different currency, because its currency is not transferable or its country of domicile is unwilling to execute transfers, or for other reasons. This means, for example, that payments to which the Management Company is entitled for the account of a Sub-Fund may not be made, may be made in a currency that is not convertible (any longer) due to foreign exchange restrictions or may be made in a different currency. If the debtor makes payment in a different currency, then this position is exposed to the currency risk described above.

Legal and political

A Sub-Fund is permitted to make investments in jurisdictions where German law does not apply or, in the event of legal disputes, the place of jurisdiction is outside Germany. The resulting rights and obligations of the Management Company for the account of a Sub-Fund may differ from those in Germany and may be to the Sub-Fund's or the investor's disadvantage. The Management Company may fail to detect political or legal developments, including changes to the legal framework in these jurisdictions, or fail to detect them in good time, or these developments may lead to restrictions on assets that can be or have already been acquired. These consequences may also arise if the legal framework changes for the Management Company and/or the management of the Sub-Funds in Germany.

Changes in the fiscal environment and tax

No guarantee can be given that the tax treatment of the Fund and the Sub-Funds will not change by virtue of legislation, court decisions or decrees of the tax authorities.

A change in tax bases for the Sub-Funds that were incorrectly calculated for previous financial years (e.g. as a result of external tax audits) can result in a subsequent correction that is fundamentally disadvantageous for the investor's tax situation in that investors must bear the tax burden from the correction for previous financial years although they may not have invested in the Fund at that point in time. Conversely, investors may no longer benefit from an essentially favourable tax correction for the current or previous financial years during which they held an investment in a Sub-Fund because they have redeemed or sold their Units before the correction takes place.

In addition, a correction of tax data can lead to taxable income or tax benefits being assessed in assessment periods that differ from the period which actually applies. This may have an adverse effect on individual investors.

Compliance with United States reporting and withholding requirements

The Management Company will endeavour to satisfy the relevant requirements imposed by the Foreign Account Tax Compliance Act ("FATCA") to reduce the risk of FATCA withholding tax being imposed on the Fund and each Sub-Fund. However, there can be no guarantee or assurance that the Fund and each Sub-Fund will be able to comply with all the requirements imposed by FATCA. In the event that the Fund and/or a Sub-Fund is not able to comply with the requirements imposed by FATCA and the Fund and/or a Sub-Fund does suffer withholding tax on certain withholdable payments as a result of non-compliance, the Net Asset Value per Unit may be adversely affected and investors may suffer material loss as a result. Investors and prospective investors should consult their own tax advisers regarding the possible implications of FATCA on an investment in the Sub-Funds. Please refer to sub-section "FATCA" in section "Taxation" of this Prospectus for further information.

Reliance on the same group

Potential conflicts of interest may arise in particular due to the fact that Commerzbank AG and/or affiliates act as the Investment Manager and the calculation agent for the Sub-Funds. When Commerzbank AG or the affiliate in one of the functions mentioned above engages in the respective activities, that may possibly lead to conflicts of interest, including, among other things, financial or banking transactions with the Investment Manager and/or any of their affiliates, or investment or trading in Units, other securities or assets that are held as part of the Sub-Fund's assets or are Index components (including the sale to and the purchase from the Investment Manager). On the other hand, each of the Management Company, the Hong Kong Representative, the Hong Kong Participating Dealer and the SEHK Market Maker are presently part of the same Société Générale group. Although operationally independent, conflicts of interest in respect of the Sub-Funds may arise from time to time amongst members of the same group. The Management Company and the Investment Manager will vigorously manage any such conflict in the best interest of investors.

Governing law and regulations

The Fund and each Sub-Fund is established as a *Sondervermögen* in Germany and registered as a UCITS. As such, the Fund and each Sub-Fund is subject to the applicable laws and regulations in Germany and the relevant UCITS Directives, and the GITC and the SITC approved by BaFin. Such laws, regulations and rules may differ from the corresponding laws and regulations in Hong Kong. For instance, the modification of the GITC and the SITC, the increase of maximum fees paid to the Management Company, the Investment Manager or the Custodian, and the imposition of other types of fees which are not disclosed in the Prospectus only require the approval of BaFin and prior notification to the Unitholders without seeking Unitholders' approval. There is currently no specific requirement under the governing laws, regulations or rules of any Sub-Fund for the approval of the Unitholders in respect of the aforesaid changes. Accordingly, Unitholders have to rely on German legislations and BaFin's judgement and discretion in approving such changes on the basis that BaFin will act in the best interests of Unitholders in making such judgement and discretion, and the outcome may not always accord with the preference of the Unitholders.

Withdrawal of SFC authorisation or waiver

The Fund and each Sub-Fund have been authorised as a collective investment scheme under the Code by the SFC under Section 104 of the SFO. SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. This does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. The SFC reserves the right to withdraw the authorisation of the Fund or any Sub-Fund or impose such conditions as it considers appropriate or to withdraw any waiver from the Code or revise the same if the Index is no longer considered acceptable. If the Management Company does not wish the Fund or any Sub-Fund to continue to be authorised by the SFC, the Management Company will give Unitholders at least three months' notice of the intention to seek SFC's withdrawal of such authorisation. In addition, any authorisation granted by the SFC may be subject to certain conditions or waivers from the Code which may be withdrawn or varied by the SFC. If, as a result of such withdrawal or variation of conditions or waivers from the Code, it becomes illegal, impractical or inadvisable to continue the Fund or any Sub-Fund, the Fund or the relevant Sub-Fund (as applicable) will be terminated.

Units may be delisted from the SEHK

The SEHK imposes certain requirements for the continued listing of securities, including the Units, on the SEHK. Investors cannot be assured that a Sub-Fund in which the investor has invested will continue to meet the requirements necessary to maintain the listing of Units on the SEHK or that the SEHK will not change the listing requirements. If the Units of the Sub-Fund are delisted from the SEHK, Unitholders will have the option to redeem their Units by reference to the Net Asset Value of the Sub-Fund. Where the Sub-Fund remains authorised by the SFC, such procedures required by the Code will be observed by the Management Company including as to notices to Unitholders, withdrawal of authorisation and termination, as may be applicable. Should the SFC withdraw authorisation of a Sub-Fund for any reason it is likely that Units may also have to be delisted.

Custody

The Fund's assets (including cash), as well as any assets provided to the Fund as collateral are held in custody by the Custodian or, as the case may be, third party sub-custodians and depositaries. This exposes the Fund to custody risk. In the event of the insolvency of the Custodian, a third party sub-custodian or depositary, a Sub-Fund will be treated as a general creditor of the Custodian, third party sub-custodian or depositary in relation cash holdings of the Sub-Fund. The Sub-Fund's securities deposited with the Custodian are however maintained by the Custodian, or as the case may be, third party sub-custodians and depositaries, in segregated accounts and would be protected in the event of insolvency of the Custodian, third party sub-custodian or depositary. The Fund however remains exposed to the risk of loss of assets as a result of negligence or fraudulent trading by the Custodian, its third party sub-custodians and depositaries, and particularly in respect of cash, as well as the insolvency of third party custodians located in non-EU jurisdictions. The custody of assets, particularly in foreign countries, is linked to a risk of loss that can result from insolvency or violations of the duty of due care on the part of the Custodian, or from *force majeure*.

Segregated liability between Sub-Funds

While the provisions of the German law provide for segregated liability between Sub-Funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims. Accordingly, it is not free from doubt that the assets of any Sub-Fund of the Fund may be exposed to the liabilities of other Sub-Funds of the Fund.

No right to control a Sub-Fund's operation risk

Investors will have no right to control the daily operations, including investment decisions, of any Sub-Fund.

Trading and clearing mechanisms

The settlement of securities transactions via an electronic system entails the risk that one of the contracting parties might make payments that are delayed or not as agreed, or might fail to deliver the securities on time.

RISK PROFILE

Classification of risk

Investors should be prepared in principle to accept risks with respect to the capital invested and the returns. The risk associated with an investment in the Sub-Funds may be low, medium or high, as described below:

(a) the classification "low risk" applies to Sub-Funds where the risk of capital losses derives from the low volatility of the asset class(es) contained in the Sub-Fund and/or the use of capital protection strategies (including, where relevant, a bank guarantee which is valid - as specified in the relevant Appendix - on one or more dates). The investment is suitable for investors who have acquired only limited experience with financial markets. The Units can be subject to fluctuations in value which may result in the Net Asset Values falling below the purchase values and the investor therefore suffering considerable capital losses;

(b) the classification "medium risk" applies to Sub-Funds where the risk of capital losses derives from the medium volatility of the respective asset classes and/or the partial capital protection of the Sub-Fund. The investment is suitable for investors who have already acquired a certain amount of experience with financial markets. The investor must be prepared and in a position to accept fluctuations in the value of the Units and possibly a significant capital loss; and

(c) the classification "high risk" applies to Sub-Funds which invest in asset classes with high volatility and/or restricted liquidity and which do not include any capital protection strategies. The investment is only suitable for experienced investors who are in a position to assess the risks and the value of the investment. The investor must be prepared and in a position to accept substantial fluctuations in the value of the Units and possibly a significant capital loss.

The classifications above show the level of risk associated with each Sub-Fund and do not represent a guarantee of possible returns. Their only purpose is to enable a comparison to be made with other Sub-Funds offered publicly by the Management Company or third parties. In the event of doubts about the appropriate level of risk, investors should obtain advice from their personal financial advisers.

In particular, potential investors should inform themselves regarding investments and instruments that may be utilised as part of the envisioned investment policy of the respective Sub-Funds. Investors should also be aware of the risks associated with investing in the Units and should only make an investment decision after having been fully advised by their legal, tax and financial advisors, chartered accountants or other advisors regarding (i) the suitability and reasonableness of investing in the Units, taking into account the investors' personal financial or tax situation, as applicable, as well as other circumstances; (ii) the information contained in the present Prospectus; and (iii) the investment policies of the respective Sub-Funds.

Increased volatility

Sub-Funds may demonstrate increased volatility as a result of their composition, i.e. the Net Asset Values may be subject to significant upward and downward fluctuations even within short periods of time depending on changes in the value of the underlying portfolio.

A volatility of 30% within one year would indicate that the Net Asset Value of the Unit has fluctuated on average by between 70% and 130% of the current Net Asset Value during that period. The higher the volatility percentage is, the greater the fluctuations to which the Unit in the Sub-Fund was subject in the past were – and the riskier an investment is.

Investors should therefore note that, depending on its risk classification, a particular Sub-Fund may demonstrate increased volatility as a result of its holding of securities.

Explanation of the risk profile of Sub-Funds

Based on the investment policy set out in section entitled "Investment Policy and Restrictions", the risks arising for the Sub-Funds are generally those risks associated with an investment in equities.

The principal risks are general market risk, company-specific risks and liquidity risk.

The Sub-Funds are exchange-traded index funds ("ETFs"). The investment objective of each Sub-Fund is to track the performance of the underlying Index as closely as possible. In order to achieve this, investments are made in as many of the securities of which the Index is composed as possible. Decisions about the acquisition or sale of assets and their weighting in a Sub-Fund depend on the Index. The Management Company does not take any precautions to minimise potential losses in the event of a negative movement in the market.

With respect to other potential risks that may arise for the Sub-Funds in the context of the investment principles, attention is drawn to the section entitled "Risk factors".

INVESTMENT POLICY AND RESTRICTIONS

General

The assets which can generally be acquired by, and investment limits which generally apply to, each Sub-Fund are listed below. The Appendices describe any additional and/or specific requirements applicable to particular Sub-Funds.

The Management Company's investment policy for the Sub-Funds will be to replicate the composition of a particular recognised Index.

The Management Company may acquire only the following assets for the account of the Sub-Funds:

(a) securities as defined in section 193 of the KAGB;

(b) money market instruments as defined in section 194 of the KAGB;

(c) bank deposits as defined in section 195 of the KAGB;

(d) derivatives as defined in section 197 of the KAGB;

(e) other investment instruments as defined in section 198 of the KAGB; and

(f) investment units as defined in section 196 of the KAGB

provided they serve the purpose of tracking the Index while ensuring appropriate risk diversification.

The use of financial derivative instruments is only possible in special situations, such as the illiquidity of particular securities, considered by the Management Company to be in the interest of the investors. The Sub-Funds will not use financial derivative instruments extensively or primarily for investment purposes. The value of the financial derivative instruments may not exceed 10% of the Net Asset Value of any Sub-Fund.

Each of the underlying Indices of the Sub-Funds as described in the relevant Appendix are recognised by BaFin and comply with the following requirements of the KAGB:

(a) The composition of the Index is sufficiently diversified;

(b) The Index represents an adequate benchmark for the market to which it refers; and

(c) The Index is published in an appropriate manner.

Subject to other applicable restrictions, the Management Company may invest up to 20% of its assets in components of these Indices in shares and/or debt instruments of the same issuer.

This limit may be raised to up to 35% if this is justified by exceptional market conditions. Exceptional market conditions could be, for example, the concentration of the market on particular companies or sectors, increased market volatility or disturbances in the market. This applies in particular to regulated markets where trading is predominantly in transferable securities or money market instruments. An investment of up to this higher limit of 35% is only permitted for a single issuer. If market conditions are exceptional, the Management Company will make use of this option.

Given that each Sub-Fund seeks to track a particular Index, this may result in exceeding particular limits relating to issuers and investment limits. Accordingly investors should note that the principle of risk diversification applies only to a limited extent in the case of each Sub-Fund.

Assets

Securities

The Management Company may acquire securities issued by German or foreign issuers for the account of a Sub-Fund:

(a) if they are admitted to trading on a stock exchange in a member state of the European Union (the “EU”) or another signatory to the Agreement on the European Economic Area (the “EEA”), or are admitted to trading on or included in another organised market in one of those states,

(b) if they are admitted to trading solely on a stock exchange in a country other than a member state of the EU or a signatory to the Agreement on the EEA, or are admitted to trading on or included in another organised market in such country, provided that BaFin has approved the choice of such stock exchange or organised market.

Securities forming part of a new issue may be acquired if an application for admission to trading on or inclusion in one of the stock exchanges or organised markets referred to under (a) and (b) above must be made under the terms and conditions of the issue, and the admission to trading on or inclusion in the market takes place within one year of the issue.

Securities within this meaning also include:

(i) units in closed-ended investment undertakings constituted under the law of contract or as corporations that are subject to control by the unit holders (corporate governance), i.e. the unit holders must have the right to vote on material decisions and the right to control the investment policy using appropriate mechanisms. The investment undertaking must also be managed by a legal entity that is subject to the investor protection provisions, unless the investment undertaking is constituted in the form of a corporation and the asset management function is not carried out by another legal entity;

(ii) financial instruments that are secured by other assets or linked to the performance of other assets. If components of derivatives are embedded in such financial instruments, further requirements apply before the Management Company is permitted to acquire them as securities.

Securities may only be acquired subject to the following conditions:

(1) The potential loss which can be incurred by a Sub-Fund may not exceed the purchase price of the security. There must be no obligation to make additional contributions.

(2) Any absence of liquidity in the security acquired by the relevant Sub-Fund must not lead to a situation where the relevant Sub-Fund can no longer comply with the statutory requirements for the redemption of Units. This applies subject to the statutory option to suspend the redemption of Units in special cases (see the section entitled “Units – Issue and redemption of Units as well as – Suspension of issue redemption”).

(3) A reliable valuation of the security on the basis of accurate, reliable and marketable prices must be available. These must either be market prices or be established by a valuation system that is independent of the issuer of the security.

(4) Adequate information about the security must be available in the form of regular, accurate and comprehensive market information about the security or any portfolio associated with it, i.e. securitised in the security.

(5) The security is tradable.

(6) The acquisition of the security is in conformity with the investment objectives and/or investment strategy of a Sub-Fund.

(7) The risks associated with the security are adequately monitored by the risk management systems of a Sub-Fund.

Securities may also be acquired in the following situations:

(a) shares to which a Sub-Fund is entitled as a result of a capital increase from corporate funds.

(b) securities acquired through the exercise of subscription rights belonging to a Sub-Fund.

Securities within these situations which may be acquired for a Sub-Fund also include subscription rights, provided that the securities from which the subscription rights derive are already held in the Sub-Fund.

Money market instruments

The Management Company may invest for the account of a Sub-Fund in money market instruments which are normally traded on the money market, and in interest-bearing securities which alternatively

(1) have a maturity or a remaining maturity of at most 397 days at the date of their acquisition for the Sub-Fund;

(2) have a maturity or a remaining maturity that is longer than 397 days at the date of their acquisition for the Sub-Fund, but whose interest rate must be adjusted in line with the market regularly and at least once in 397 days in accordance with the terms and conditions of the issue; or

(3) have a risk profile which is the same as the risk profile of securities which meet the criterion for the remaining maturity or the interest rate adjustment.

Money market instruments may be acquired for a Sub-Fund if they:

(a) are admitted to trading on a stock exchange in a member state of the EU or another signatory to the Agreement on the EEA or are admitted to trading on or included in another organised market in one of those states;

(b) are admitted to trading solely on a stock exchange in a country other than a member state of the EU or in another signatory to the Agreement on the EEA, or are admitted to trading on or included in an organised market in such country, provided that BaFin has approved the choice of such stock exchange or market;

(c) are issued or guaranteed by the EU, the German Federal Government, a German Federal Government fund, a federal state (Land), another member state or another central, regional, or local public-sector entity or the central bank of a member state of the EU, the European Central Bank or the European Investment Bank, a third country, or, if this is a federal state, an administrative division of such a federal state or an international public institution to which at least one member state of the EU belongs;

(d) are issued by an undertaking whose securities are traded on the markets listed in paragraphs 1 and 2 above;

(e) are issued or guaranteed by a credit institution subject to prudential supervision in accordance with criteria defined by EU law, or a credit institution which is subject to and complies with prudential rules considered by BaFin to be equivalent to those laid down by EU law; or

(f) are issued by another issuer, and the issuer in question

  (i) is an entity with an equity capital of at least EUR 10 million which prepares and publishes its annual financial statements in accordance with the European Directive on annual accounts of companies with limited liability;
  (ii) is a legal entity that, within a group of companies comprising one or more listed entities, is responsible for the financing of that group; or
  (iii) is a legal entity that issues money market instruments that are backed by liabilities through the utilisation of a credit facility provided by a bank. The latter are products which securitise loans made by banks (asset backed securities).

All of the money market instruments mentioned may only be acquired if they are liquid and their value can be determined accurately at all times. Money market instruments are liquid if they can be sold within a sufficiently short period of time at limited cost. The Management Company has an obligation to redeem Units in a Sub-Fund upon request by the investors and to be in a position to sell such money market instruments at correspondingly short notice for this purpose. Furthermore, there must be an accurate and reliable valuation system for the money market instruments that enables the value of the net holding of the money market instrument to be determined or is based on market data or valuation models (including systems based on amortised cost). The liquidity criterion for money market instruments is deemed to be satisfied if they are admitted to trading on or included in an organised market within the EEA, or are admitted to trading on or included in an organised market outside the EEA, provided that BaFin has approved the choice of such market. This does not apply if the Management Company has indications that the liquidity of the money market instruments may be insufficient.

In the case of money market instruments that are not listed on a stock exchange or admitted to trading on a regulated market (see above), the issue or the issuer of these instruments must also be subject to deposit and investor protection provisions. This means that adequate information must be available for these money market instruments to enable an appropriate assessment of the credit risks associated with the instruments to be made, and the money market instruments must be freely transferable. The credit risks can be assessed, for example, using a review of creditworthiness by a rating agency.

The following requirements also apply to these money market instruments, unless they are issued or guaranteed by the European Central Bank or the central bank of a member state of the EU:

(a) If they are issued or guaranteed by the following institutions:

- (i) the EU;
- (ii) the German Federal Government;
- (iii) a German Federal Government fund;
- (iv) a federal state of Germany (Land);
- (v) another member state;
- (vi) another central regional or local public-sector entity;
- (vii) the European Investment Bank;
- (viii) a third country, or, if this is a federal state, an administrative division of such a federal state; or
- (ix) an international public institution to which at least one member state of the EU belongs,

adequate information must be available about the issue or the issue programme, or about the legal and financial situation of the issuer prior to the issue of the money market instrument.

(b) If they are issued or guaranteed by a credit institution subject to supervision in the EEA (see above), adequate information must be available about the issue or the issue programme, or about the legal and financial situation of the issuer prior to the issue of the money market instrument, which is updated at regular intervals and in response to significant events. In addition, information about the issue or the issue programme (e.g. statistics) must be available which enables an adequate assessment of the credit risks associated with the investment to be made.

(c) If they are issued by a credit institution that is subject to supervisory regulations outside the EEA which in the opinion of BaFin are equivalent to the requirements for a credit institution within the EEA, then one of the following conditions must be satisfied:

- The credit institution has a registered office in a member state of the Organisation for Economic Co-operation and Development (the "OECD") belonging to the Group of Ten (forum of the most important leading industrial nations – G10).
- The credit institution has a rating which is at least equivalent to "investment grade". "Investment grade" refers to a rating of "BBB" or "Baa", or an equivalent rating, or better as part of a creditworthiness review by a rating agency.
- It is possible to demonstrate on the basis of a thoroughgoing analysis of the issuer that the supervisory regulations to which the credit institution is subject are at least as rigorous as those under EU law.

(d) In the case of other money market instruments that are not listed on a stock exchange or admitted to trading on a regulated market, adequate information must be available about the issue or the issue programme, and about the legal and financial situation of the issuer prior to the issue of the money market instrument, which is updated at regular intervals and in response to significant events and reviewed by qualified third parties not subject to the instructions of the issuer. In addition, information about the issue or the issue programme (e.g. statistics) must be available which enables an adequate assessment of the credit risks associated with the investment to be made.

Bank deposits

The Management Company may hold bank deposits for the account of a Sub-Fund only if such deposits have a term of no more than twelve months. These deposits must be held in blocked accounts at credit institutions domiciled in a member state of the EU or in another signatory of the Agreement on the EEA. They may also be held at credit institutions domiciled in a third country if its supervisory regulations are equivalent to those of EU law in the opinion of BaFin.

Other assets and their investment limits

The Management Company may invest up to 10% of the value of a Sub-Fund in aggregate in the following other assets:

(a) securities that are not admitted to trading on a stock exchange or admitted to trading on or included in another organised market, but which in principle satisfy the criteria for securities. In contrast to securities that are traded on or have been admitted to a market, the reliable valuation for these securities must be available in the form of a valuation carried out at regular intervals based on information from the issuer or a competent financial analysis. Adequate information about the security that has not been admitted to trading on or included in a market or any portfolio associated with it, i.e. securitised in the security, must be available in the form of regular and accurate information for the Sub-Fund.

(b) money market instruments of issuers that do not satisfy the requirements set out above, if they are liquid and their value can be determined precisely at all times. Money market instruments are liquid if they can be sold within a sufficiently short period of time at limited cost. The Management Company has an obligation to redeem Units in the Sub-Fund upon request by the investors and to be in a position to sell such money market instruments at correspondingly short notice for this purpose. Furthermore, there must be an accurate and reliable valuation system for the money market instruments that enables the value of the net holding of the money market instrument to be determined and is based on market data or on valuation models (including systems based on amortised cost). The liquidity criterion for money market instruments is deemed to be satisfied if they are admitted to trading on or included in an organised market within the EEA, or are admitted to trading on or included in an organised market outside the EEA, provided that BaFin has approved the choice of such market.

(c) shares forming part of a new issue, if the terms and conditions of the issue

    (i) require an application to be made for their admission to trading on a stock exchange in a member state of the EU or in another signatory to the Agreement on the EEA, or for admission to or inclusion in an organised market in a member state of the EU or in another signatory to the Agreement on the EEA, provided that admission or inclusion is secured within a year of the issue; or

    (ii) require an application to be made for their admission to trading on a stock exchange or for admission to or inclusion in an organised market in a country other than a member state of the EU or a signatory to the Agreement on the EEA, and the choice of such stock exchange or organised market is approved by BaFin, provided that admission or inclusion is secured within a year of the issue.

(d) certificates of indebtedness (*Schuldscheindarlehen*) that can be assigned at least twice after their acquisition for the Sub-Fund, and which were issued by one of the following institutions:

    (i) the German Federal Government, a German Federal Government fund, a federal state of Germany (*Land*), the EU, or a member state of the OECD;

    (ii) German public-sector entity or a regional government or local public-sector entity of member state of the EU or of another signatory to the Agreement on the EEA, provided that the claim can be treated under the regulation on prudential requirements for credit institutions and investment firms in the same manner as a claim on the central state in whose territory the regional government or public-sector entity is resident;

(iii) any other public-law institutions and corporations based in Germany or in another member state of the EU or another signatory to the Agreement on the EEA;

(iv) companies that are issuers of securities which have been admitted to trading on an organised market within the EEA or on another regulated market that meets the key requirements for regulated markets within the meaning of the Directive on markets in financial instruments as amended; or

(v) other debtors, provided that one of the institutions detailed under a) to c) above has guaranteed the payment of interest and redemption.

Investment limits for securities and money market instruments including the use of derivatives and bank deposits

General investment limits

The Management Company is permitted to invest up to 10% the net value of a Sub-fund in securities and money market instruments of the same issuer (debtor). The total value of the securities and money market instruments of issuers (debtors), in which the Sub-Fund has invested more than 5% of its net value, shall not exceed 40% of the value of the Sub-Fund.

Notwithstanding this limit, the Management Company may invest up to 20% of the value of a Sub-Fund in securities of any one issuer if, pursuant to the investment terms and conditions, the selection of securities to be acquired is focused on tracking a specific securities index which is recognised by BaFin, provided that an appropriate level of risk diversification is observed. The securities index shall be recognised, in particular, if:

(a) The composition of the Index is sufficiently diversified;

(b) The Index represents an adequate benchmark for the market to which it refers; and

(c) The Index is published in an appropriate manner.

The above criteria are met by the underlying securities indices of the Sub-Funds.

Insofar as the selection of securities for a Sub-Fund is focused on tracking a specific securities index recognised by BaFin and provided that an appropriate level of risk diversification is observed, the Management Company may invest up to 35% of the value of a Sub-Fund in the securities of one issuer. An investment up to the limit of 35% is only permitted in one single issuer.

The Management Company may invest no more than 20% of the value of a Sub-Fund in bank deposits with a single credit institution.

Investment limit for debt securities with a special cover pool

The Management Company may invest up to 25% of the value of a Sub-Fund in debentures, municipal bonds (*Kommunalschuldverschreibungen*) or debt securities issued by a credit institution domiciled in the EU or in the EEA, if such a credit institution is subject by law to special public supervision designed to protect the holders of such debt securities and the sums deriving from the issue of such debt securities are invested in accordance with statutory provisions in assets which, during the entire term of the debt securities, are capable of covering obligations arising from the debt securities and which, in the event of default of the issuer, would be used on a priority basis for the repayment of the principal falling due and payment of the accrued interest. If the Management Company invests more than 5% of the value of a Sub-Fund in such debt securities of the same issuer, it must ensure that the total value of debt securities shall not exceed 80% of the value of that Sub-Fund. Securities acquired under repurchase agreements count towards this investment limit.

Investment limits for public-sector issuers

The Management Company may invest up to 35% in each case of the value of a Sub-Fund in debt securities, certificates of indebtedness (*Schuldscheindarlehen*) and money market instruments of particular national and supranational public-sector issuers. These public-sector issuers include the German Federal Government, the German federal states, member states of the EU or their public-sector entities, third countries and supranational public-sector institutions to which at least one EU member state belongs.

Investment limits for bank deposits

The assets of a Sub-Fund may be invested in bank deposits with a term of no more than twelve months. These deposits must be held in blocked accounts at a credit institution domiciled in a member state of the EU or of the Agreement on the EEA. Depending on the General Investment Terms and Conditions they may also be maintained at a credit institution domiciled in a third country.

Combination of investment limits

The Management Company shall ensure that no combination of:

(a) securities or money market instruments issued by a single institution;

(b) deposits with that institution, i.e. bank deposits; and

(c) capital charges for the counterparty risk arising from transactions entered into with that institution

exceeds 20% of the respective Sub-Fund's value. Such limit shall apply to the issuers and guarantors for public sector issuers and debt securities with a special cover pool, provided that the Management Company shall not combine the assets and capital charges referred to in (a), (b) and (c) above, where this would exceed 35% of the Sub-Fund's value. The individual limits in both cases shall remain unaffected.

Investment limits using derivatives

The extent to which securities and money market instruments of one issuer count towards the aforementioned limits can be reduced using derivatives neutralising fund positions and whose underlying instruments are securities or money market instruments from the same issuer. This means that securities or money market instruments of one issuer in excess of the limits detailed above may be acquired for the account of a Sub-Fund, provided that the increased issuer risk which arises is reduced again through hedging transactions.

Investment units and their investment limits

The Management Company may invest up to 10% of the value of a Sub-Fund in units in target funds provided that these are open-ended German and foreign funds.

The investment terms and conditions or articles of association of the target funds must stipulate that they may invest no more than 10% of their value in units in other open-ended investment undertakings. The following additional requirements apply to units in alternative investment funds:

(a) The target fund must be authorised in accordance with legal provisions under which it is subject to effective public supervision for the protection of investors, and there must be an adequate guarantee of satisfactory cooperation between BaFin and the supervisory authority responsible for the target fund.

(b) The level of protection for investors must be equivalent to the level of protection available to an investor in a German UCITS, in particular with respect to the separation of the management and custody of the assets, for borrowing and granting loans and for short sales of securities and money market instruments.

(c) Annual Reports and Semi-annual Reports must be prepared on the business activities of the target fund which enable investors to form an opinion on the assets and liabilities, and on the income and transactions in the period under review.

(d) The target fund must be a publicly offered fund which has no limit on the number of units and grants investors a right of redemption for the units.

Investments of no more than 20% of the value of a Sub-Fund may be made in units of a single target fund. Investments totalling no more than 30% of the value of the Sub-Fund may be made in AIFs. The Management Company may acquire, for the account of the Sub-Fund, no more than 25% of the issued units of another target fund.

Target funds may suspend the redemption of units temporarily in accordance with statutory provisions. In that case, the Management Company will not be able to redeem units in the target fund with the management company or custodian of the target fund in return for payment of the redemption price (see also the section entitled "Risk factors – Risks in connection with investments in investment units"). The Fund's website (www.comstage.com.hk) provides details of whether and to what extent the Sub-Fund holds units in target funds that have currently suspended the redemption of units.

Derivatives

As part of the investment strategy, the Management Company may enter into transactions with derivatives for the purpose of efficient portfolio management on behalf of a Sub-Fund to the extent set out above. This may temporarily increase a Sub-Fund's exposure to possible loss.

A derivative is an instrument whose price depends on fluctuations in or expectations as to the price of other assets (the underlying). The following details apply both to derivatives and to financial instruments embedding a derivative (referred to collectively in the following as "derivatives").

The market risk of a Sub-Fund is permitted to increase to at most twice its existing level as a result of the use of derivatives (market risk limit). Market risk is the risk of loss resulting from fluctuations in the market value of assets held in the Sub-Fund, which are attributable to changes in variable market prices or rates such as interest rates, exchange rates, share and commodity prices, or to changes in the creditworthiness of an issuer. The Management Company must comply with the market risk limit at all times. The extent to which the market risk limit has been reached shall be determined daily on the basis of the statutory requirements derived from the German Derivatives Regulation (*Derivateverordnung* - DerivateV).

No transactions for hedging purposes may be entered into for the account of a Sub-Fund. The Management Company will make use of derivatives for the purpose of effectively tracking the Index if, and to the extent that, this is contractually permitted and in the interests of investors. Currency hedging transactions may be entered into solely in favour of a single currency Unit class. Forward exchange transactions, currency futures, currency options transactions and currency swaps as well as other currency hedging transactions are permitted as currency hedging instruments to the extent they qualify as derivatives within the meaning of section 197 (1) of the KAGB. Income and expenses arising due to any currency hedging transaction will be attributed exclusively to the relevant currency Unit class.

The Management Company uses the simple approach within the meaning of the Derivatives Regulation for the purpose of determining the extent to which the market risk limit has been reached. It adds together the capital charges for all derivatives that result in an increase in the level of investment. The capital charge for derivatives and financial instruments with derivative components is based in principle on the market value of the underlying. The total of the capital charges for market risk arising from the use of derivatives and financial instruments embedding a derivative may not exceed the value of the fund assets.

The Management Company may generally only acquire derivatives if it would be permitted to acquire the underlyings for those derivatives for the account of a Sub-Fund, or if the risks represented by those underlyings could also have arisen from assets in the investment undertaking that the Management Company is permitted to acquire for the account of a Sub-Fund. The Management Company may acquire for the account of a Sub-Fund:

(1) basic forms of derivatives in accordance with section 10 of the GITC;

(2) combinations of those derivatives; and

(3) combinations of those derivatives with other assets that may be acquired for the Sub-Fund.

The Management Company is able to capture and measure all market risks contained in the Sub-Fund originating from the use of derivatives with sufficient accuracy.

Futures contracts

The Management Company may, for the account of a Sub-Fund and in accordance with its investment principles, enter into futures contracts on securities and money market instruments that can be acquired for the Sub-Fund, as well as on financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC, interest rates, exchange rates or currencies.

Futures contracts are agreements that are unconditionally binding on both contracting parties and oblige the parties to buy or sell a certain quantity of a defined underlying instrument at a particular point in time (maturity date), or within a specific period of time, at a price agreed in advance.

Over-the-counter ("OTC") transactions

The Management Company may, for the account of a Sub-Fund, engage in both derivatives transactions that are admitted to trading on a stock exchange or are admitted to or included in another organised market, and also off-exchange, OTC transactions.

The Management Company may engage in derivatives transactions that are not admitted to trading on a stock exchange or not admitted to or included in another organised market provided these are executed with suitable credit institutions or financial services institutions based on standardised master agreements.

For derivatives traded over the counter, the counterparty risk for a contracting party is restricted to 5% of the value of a Sub-Fund. If the contracting party is a credit institution domiciled in a member state of the EU, in another signatory to the Agreement on the EEA, or a third country with a comparable level of supervision, then the counterparty risk may amount to up to 10% of the value of a Sub-Fund. OTC derivatives transactions that are concluded with a central clearing agent for a stock exchange or another organised market as the counterparty are not counted towards the counterparty limits if the derivatives are marked to market daily and daily margin calls are made. However, a Sub-Fund's claims against an intermediary are to be counted towards the limits even when the derivative is traded on a stock exchange or another organised market.

Collateral strategy

The Management Company accepts collateral for the account of the Fund in the context of derivatives transactions. The purpose of the collateral is to reduce or eliminate the default risk of the counterparty for these transactions.

Type of collateral permitted

To the extent that derivatives transactions may be entered into for a Sub-Fund, the Management Company only accepts collateral which satisfies the following criteria laid down in accordance with section 27(7) of the KAGB. Such collateral:

(a) can only be acquired for the Sub-Fund in accordance with the provisions of the KAGB;

(b) must be highly liquid;

(c) must be subject to valuation at least every banking day;

(d) must be issued by issuers with a high credit standing;

(e) must not be issued by issuers which are themselves counterparties or members of the same group of companies within the meaning of section 290 of the German Commercial Code (*Handelsgesetzbuch* - HGB);

(f) must have sufficiently diversified risk with respect to countries, markets and issuers;

(g) must not be subject to any material operational risks or legal risks with respect to their management and custody;

(h) must be held by a Custodian that is subject to effective public supervision and is independent of the provider of the collateral, or are legally protected against default by a party involved to the extent that they have not been transferred;

(i) must be able to be examined by the Management Company without the consent of the provider of the collateral;

(j) must be able to be realised for the relevant Sub-Fund without undue delay; and

(k) must be subject to legal protection in the event that the provider of the collateral becomes insolvent.

The Management Company regularly reviews the adequacy of the collateral accepted. Depending on the results of these analyses, government bonds of other countries or shares of indices other than those listed here may also be accepted.

Extent of collateral

Derivatives transactions must be collateralised to an extent that ensures that the capital charge for the default risk of the respective counterparty does not exceed 5% of the value of the Sub-Fund. If the contracting party is a credit institution domiciled in a member state of the EU or in another signatory to the Agreement on the EEA or in a third country in which equivalent supervisory regulations apply, then the capital charge for the default risk may amount to up to 10% of the value of the Sub-Fund.

Strategy for valuation discounts

The Management Company has introduced a haircut strategy for all assets accepted as collateral. A haircut is a discount on the value of collateral to reflect the possibility of a deterioration in the valuation or the liquidity profile of collateral over time. The haircut strategy takes into account the characteristics of the respective asset, including the creditworthiness of the issuer of the collateral, the price volatility of the collateral and the results of stress tests which can be performed as part of the management of the collateral. Subject to the existing agreements with the respective counterparty which may contain minimum amounts for the transfer of collateral, the Management Company's intention is that all collateral should be adjusted in accordance with the haircut strategy to include a valuation discount which is at least equal to the counterparty risk.

The haircuts applied to collateral accepted comply with the provisions of the Management Company's internal guidelines on the treatment of collateral.

Investment of cash collateral

Cash collateral in the form of bank deposits may be held in blocked accounts at the Custodian or, with its consent, at another credit institution. The collateral may be reinvested only in high-quality government bonds or in money market funds with a short-term maturity structure. Cash collateral may also be invested in the form of a reverse repurchase agreement with a credit institution, provided that the repayment of the accumulated deposit on demand is guaranteed at all times.

Custody of securities as collateral

The Management Company may accept securities as collateral for the account of a Sub-Fund in the context of derivatives transactions. These securities must be held at the Custodian or, with its consent, at another suitable credit institution. If the Management Company has acquired the securities as collateral by means of a pledge, these may also be held at another suitable credit institution.

Expected tracking error

The Management Company calculates a tracking error under normal market conditions. The tracking error is defined as the annualised standard deviation of the difference between the daily returns of the Net Asset Value of the Sub-Fund and the daily return on the Index. The expected tracking error of the Sub-Fund relates to the estimated difference between daily returns of the Net Asset Value of the Sub-Fund and the Index over a period of one year.

Investors who regularly deal with Index funds and hold units in such funds only for a few days or weeks frequently have a particular interest in tracking error. For long-term investors with a longer investment horizon, the tracking difference between the Sub-Fund and the Index over the desired investment period is more important. The tracking difference measures the actual difference between the returns on a Sub-Fund and the returns on the Index (i.e. how closely a Sub-Fund replicates its Index). In contrast, the tracking error measures the increase and decrease in the tracking difference (i.e. the volatility of the tracking difference). Investors should weigh up both indicators when assessing the performance of an Index fund.

The expected tracking error is based on the expected volatility of the deviations between the returns on the Sub-Fund and the returns on the Index. Liquidity management, the transaction costs for Index adjustments and differences in the valuation methodology and timing between the Sub-Fund and the Index may also have an effect on the tracking error, as well as on the difference between the returns on the Sub-Fund and on the Index. The effects may be positive or negative, depending on the underlying circumstances.

The Sub-Fund may also show a tracking error as a result of withholding taxes payable by the Sub-Fund on investment income. The extent of the tracking error arising as a result of withholding taxes depends on a number of factors, such as, for example, applications for repayments of taxes lodged with different tax authorities by the Sub-Fund, tax relief enjoyed by the Sub-Fund under the terms of a double taxation agreement or due to securities lending transactions entered into.

Standard deviation of the difference between the performance of a Sub-Fund and the Index (benchmark).

A low tracking error indicates very similar performance. The higher the tracking error, the greater the average deviation of the performance of the Sub-Fund from the performance of the benchmark.

The expected tracking error for each Sub-Fund is specified in the Appendix of this Prospectus.

Borrowing

Each Sub-Fund may take short-term loans up to 10% of the value of the relevant Sub-Fund, provided that the loan conditions are in line with standard market conditions and the Custodian consents to the borrowing by the Sub-Fund.

Leverage

Leverage is any method the Management Company uses to increase the level of investment of a Sub-Fund. This may take the form of leverage embedded in derivatives transactions entered into or some other form. The Management Company may make use of leverage for a Sub-Fund up to a maximum of the 10% derivatives limit. Leverage is calculated by dividing the total exposure of a Sub-Fund by its Net Asset Value. For the purpose of calculating total exposure, a Sub-Fund's Net Asset Value includes the total of all the notional amounts of the derivatives transactions used in the Sub-Fund. The degree of leverage may fluctuate depending on market conditions, however, with the result that the targeted level may sometimes be exceeded despite constant monitoring by the Management Company. Derivatives may be used by the Management Company with different objectives, such as hedging or optimising returns. However, the calculation of the total exposure does not distinguish between the different objectives for which derivatives are employed. For this reason, the total of the notional amounts is not an indicator of the risk inherent in the Sub-Fund.

WAIVERS GRANTED BY THE SFC

Due to the special nature of the Fund and the Sub-Funds which are German *Sondervermögen* UCITS, the following waivers from the Code have been granted by the SFC with respect to the Fund and the Sub-Funds:

(a) Chapter 5.11 of the Code requires that the management company of a fund authorised by the SFC under the Code must be subject to removal by notice in writing from the trustee or the directors of a mutual fund corporation if (i) the management company goes into liquidation, becomes bankrupt or has a receiver appointed over its assets; (ii) for good and sufficient reason, the trustee or the directors of a mutual fund corporation state in writing that a change in management company is desirable in the interests of the holders; or (iii) in the case of a unit trust, holders representing at least 50% in value of the units outstanding (excluding those held or deemed to be held by the management company), deliver to the trustee a written request to dismiss the management company. Each of the Fund and the Sub-Funds are in the form of a *Sondervermögen* established in Germany. A *Sondervermögen* is a contractual non-body corporate entity and does not have any legal personality. A *Sondervermögen* does not have any trustee or directors. It does not enter into management agreements and therefore no management agreement entered into by the Fund and the Sub-Funds exist. The Fund's and the Sub-Funds' constitutive documents are silent on the removal of the Management Company through the *Sondervermögen* because a *Sondervermögen* cannot be "self managed" and therefore under German law a *Sondervermögen* does not have power to remove the Management Company. Given the special nature of *Sondervermögen* under German law, (i) the constitutive documents cannot provide for the circumstances under which the Management Company can be removed; and (ii) the constitutive documents do not confer upon the holders any power to remove the Management Company as long as applicable legal provisions are fulfilled. Accordingly the Management Company has applied for, and has been granted, on behalf of the Fund and the Sub-Funds, a waiver from Chapter 5.11 of the Code. Investors should refer to the sub-section entitled "Management Company" in the section entitled "Management and Administration" for more details concerning the regime applicable to the removal of the Management Company.

(b) A fund authorised by the SFC under the Code is usually required to hold (and its constitutive documents should provide for) general meeting of holders. Furthermore, the constitutive documents of such a fund may only be altered by the management company and the trustee/custodian without consulting holders under limited circumstances. Given the special nature of *Sondervermögen* under German law, there is no voting right attached to the holding of units in a *Sondervermögen*. No holders' meeting of the Fund and the Sub-Funds will be convened and there is no provisions in the German law and the constitutive documents of the Fund and the Sub-Funds for meetings of holders. As such, Unitholders have to rely on German legislation and/or BaFin's judgment and discretion in approving changes to the Fund or any Sub-Fund. Therefore the Management Company has applied for, and has been granted, on behalf of the Fund and the Sub-Funds, a waiver from Chapter 6.7 (which requires any change to the constitutive documents of a fund be approved by a special or extraordinary resolution of holders unless such change falls within any of the exceptions set out in Chapter 6.7) and Chapter 6.15 (which requires holders' meetings be held and be conducted in accordance with the provisions set out in Chapter 6.15) of the Code. Investors' attention is drawn to "Governing law and regulations" in the section entitled "Risk factors".

VALUATION

General rules for the valuation of assets

Notwithstanding anything below, where fair value adjustments to the valuation of an asset are necessary because the market value of the asset is unavailable or reasonably considered be not reliable or reflective of its prevailing sale price, the Management Company will, in consultation with the Custodian, conduct the necessary adjustments to the asset's valuation with due skill, care and diligence and in good faith.

Assets admitted to a stock exchange / traded on an organised market

Assets that are admitted to trading on a stock exchange or admitted to or included in another organised market, as well as subscription rights for a Sub-Fund, are generally valued at the last available tradable price which ensures a reliable valuation, provided that nothing to the contrary is specified under "Special rules for the valuation of individual assets" below.

Assets not listed on stock exchanges or traded on organised markets with no tradable price

Assets that are neither admitted to trading on stock exchanges nor admitted to or included in another organised market or for which no tradable price is available are valued at the current value that is appropriate on the basis of a careful assessment using suitable valuation models and taking account of current conditions on the market, provided that nothing to the contrary is specified below. The value of such assets should be determined on a regular basis by a professional person approved by the Custodian as qualified to value such assets. Such professional person may, with the approval of the Custodian, be the Management Company.

Special rules for the valuation of individual assets

Unlisted debt securities and German certificates of indebtedness

The prices agreed for comparable debt securities and certificates of indebtedness and, where relevant, the prices of bonds of comparable issuers with corresponding maturities and coupons, if necessary with a discount to compensate for lower marketability, are used to value debt securities that are not admitted to trading on a stock exchange or are not admitted to or included in another organised market (e.g. unlisted bonds, commercial paper and certificates of deposit), and to value certificates of indebtedness.

Options and futures contracts

Options belonging to the Sub-Fund and liabilities from options granted to third parties that are admitted to trading on a stock exchange or admitted to or included in another organised market are valued at the respective last available tradable price that ensures a reliable valuation.

This also applies to receivables and liabilities from futures contracts sold for the account of the Sub-Fund. Any margin calls paid on behalf of the Sub-Fund are added to the value of the Sub-Fund, taking into account any valuation gains and valuation losses determined on the relevant exchange trading day.

Bank deposits, fixed-term deposits, units in investment undertakings and loans

Bank deposits are generally valued at their nominal amount plus accrued interest.

Fixed-term deposits are valued at their market value provided that the fixed-term deposit can be terminated at any time and is not repaid at the nominal amount plus interest upon termination.

Units in investment undertakings are generally valued at their last determined redemption price or at the last available tradable price which ensures a reliable valuation. Should these figures not be available, units in funds will be valued at the current market value that is appropriate on the basis of a careful assessment using suitable valuation models and taking account of current conditions on the market.

Repayment claims in respect of loans are valued using the relevant market price of the assets transferred under the lending transactions.

Assets denominated in foreign currencies

Assets denominated in foreign currencies are generally converted into Euros using the last available fixing for the currency by The WM Company on the Valuation Day.

Indicative Net Asset Value

Commerzbank AG shall be the calculation agent for the indicative Net Asset Value.

The indicative Net Asset Value per Unit is to be calculated by the calculation agent for each Unit class of a Sub-Fund on each Valuation Day during the regular trading hours of the stock exchanges and published on the www.comstage.com.hk website and made available by other providers of financial data (e.g. Bloomberg, Reuters, Telekurs) during the relevant trading period of the Units of the relevant Sub-Fund.

The calculation agent shall publish the indicative Net Asset Value per Unit in the base currency. The indicative Net Asset Value may also be published on other websites. The calculation agent shall use a method that is similar to that used by the Management Company to calculate the daily Net Asset Value per Unit. It can, however, not be guaranteed that the calculation agent's calculation method will be the same, and any difference in calculation methods will result in a different indicative Net Asset Value per Unit compared with the actual daily Net Asset Value per Unit. The calculation agent shall take the prices required to calculate the indicative Net Asset Value from the organised market on which the securities are traded. This requires that, if necessary, these prices can under certain circumstances also be taken from another organised market on which the securities are traded.

All indicative Net Asset Values per Unit published on a given Valuation Day only represent an indicative estimate of the Net Asset Value per Unit that is calculated independently by the Management Company and the Administrator. An indicative estimate of the Net Asset Value of a Unit does not represent the Net Asset Value of the Unit or the trading price on the SEHK of the Unit. It is not the price at which Units can be subscribed or redeemed, or bought or sold in a secondary market.

SUBSCRIPTION AND PURCHASE OF UNITS

Units can be acquired by investors in Hong Kong in two ways (1) subscription via a Hong Kong Participating Dealer; or (2) purchase on the SEHK.

Investors should note that no money should be paid to any intermediary in Hong Kong who is not licensed or registered to carry on Type 1 regulated activity under Part V of the SFO.

Subscription via Hong Kong Participating Dealers

Issue of Units and subscription of Units

In principle, there is no restriction on the number of Units issued. The Custodian shall issue Units at the issue price, which shall correspond to the Net Asset Value per Unit plus any subscription fee. Issues of Units may be temporarily or permanently suspended.

The Management Company may accept subscriptions in kind or in cash.

Each Appendix will confirm whether a particular Sub-Fund may issue Units as consideration for in kind contributions of securities.

Subscription procedure with Hong Kong Participating Dealers

Subscriptions for Units in Hong Kong may only be made through Hong Kong Participating Dealers. Different subscription procedures and time limits may apply when applications for Units are made via different Hong Kong Participating Dealers although the ultimate cut-off time with the Management Company and the Custodian referred to in the section “Settlement for issues of Units” below remain unaffected. All subscription requests accepted by the Hong Kong Participating Dealers will then be forwarded to the Management Company and the Custodian for processing.

Investors may obtain information on the subscription procedure directly from each Hong Kong Participating Dealer.

In addition to any subscription fee imposed on handling any subscription request by the Management Company, the Hong Kong Participating Dealers may impose other fees and charges which would increase the cost of investment. Investors are advised to check with the relevant Hong Kong Participating Dealer as to relevant fees and charges.

Investors should note that although the Management Company will closely monitor the Sub-Fund’s operations, it is not empowered to compel the Hong Kong Participating Dealer to accept requests to subscribe on an investor’s behalf for Units.

Issue price

In calculating the issue price of the Units, the Custodian, with the involvement of the Management Company, shall determine on each Valuation Day the value of the assets held by a Sub-Fund less any liabilities (the “Net Asset Value”). The “Net Asset Value per Unit” is determined by dividing the Net Asset Value by the number of Units issued. The Net Asset Value per Unit shall be calculated separately for each Unit class by attributing exclusively to such Unit class the costs of issuing new Unit classes and the All-in Fee attributable to a specific Unit class, including any income equalisation.

“Valuation Day” means any Banking Day in Frankfurt am Main and in Luxembourg on which the stock exchanges at all financial centres listed in the Appendix of the relevant Sub-Fund are open for business and on which corresponding Index closing price is determined on the basis of which the Net Asset Value is calculated. The 24 and 31 of December of each year are not Valuation Days.

“Banking Day” means any day on which the commercial banks, relevant stock exchanges, foreign currency markets and clearing systems in the relevant jurisdiction are open for general business.

When determining the issue price, a subscription fee may be added to the Net Asset Value per Unit by the Management Company.

A subscription fee can diminish or even fully erode an investor's investment performance, particularly in the case of short investment periods. The subscription fee is essentially a fee charged for the distribution of the Units. The subscription fee is charged for the benefit of the Management Company, who may waive the subscription fee in full or in part. The Management Company may pass on the subscription fee to Hong Kong Participating Dealer as remuneration for distribution services rendered.

The subscription fee for the relevant Unit class of each Sub-Fund is specified in the Appendix.

The issue price of Units shall be published on www.comstage.com.hk.

Suspension of calculation of issue price and subscription of Units

The Management Company may temporarily suspend calculation of the issue price and subscription of Units under the same conditions applicable to suspension of redemption of Units.

Settlement for issue of Units

The Management Company shall adhere to the principle of equal treatment of investors by ensuring that no Hong Kong Participating Dealer acting for an investor or itself can gain advantages by subscribing Units at Net Asset Values per Units that are known already. For this reason, it shall set a daily cut-off time for acceptance of subscription applications. Subscription applications received by the Custodian or the Management Company by the cut-off time for acceptance of subscription application shall be settled no later than on the Valuation Day following the receipt of the subscription applications (i.e. the settlement date) at the then determined Net Asset Value per Unit.

Subscription applications received after the cut-off time for acceptance of subscription application shall only settle on the day after the next Valuation Day (i.e. the settlement date) at the then determined Net Asset Value per Unit. The cut-off time for acceptance of subscription application may be amended by the Management Company at any time.

If on the subscription application settlement date one of the stock exchanges used for calculating the Net Asset Value per Unit has suspended trading of a substantial portion of securities in a Sub-Fund, the settlement may be postponed to the next working day on which a substantial portion of securities in the Sub-Fund can be traded on the stock exchanges used for calculating the Net Asset Value per Unit.

The equivalent value shall be debited three banking days after issue date of the Units.

Form of the Units

Units which are offered to investors in Hong Kong have been deposited, cleared and settled by the CCASS. Such Units are held in registered entry form only, which means that no Unit certificates are issued. HKSCC Nominees Limited is the registered owner (i.e. the sole holder of record) of all outstanding Units deposited with the CCASS and is holding such Units for the participants in accordance with the General Rules of CCASS. Furthermore, the Management Company acknowledges that pursuant to the General Rules of CCASS neither HKSCC Nominees Limited nor HKSCC has any proprietary interest in the Units. Investors owning Units in CCASS are beneficial owners as shown on the records of the participants in CCASS or the relevant Hong Kong Participating Dealer(s) (as the case may be).

Purchase of Units on the SEHK

Units held in Hong Kong may be acquired or purchased on the SEHK in the secondary market. Units are listed on the SEHK to facilitate the secondary market trading in the Units. The purpose of the listing of Units on the SEHK is to enable investors to buy Units in smaller quantities than would be possible via subscription through the Hong Kong Participating Dealer.

No subscription fee is charged for purchases of Units on the SEHK.

Orders to buy Units through the SEHK can be placed via a stockbroker. Such orders to buy Units may incur costs over which the Management Company has no control.

The price of any Units traded on the SEHK will depend, inter alia, on market supply and demand, movements in the value of the Index as well as other factors such as prevailing financial market, corporate, economic and political conditions. In accordance with the requirements of the SEHK, the SEHK Market Makers will provide liquidity and two way prices to facilitate the trading of Units on the SEHK.

REDEMPTION AND SALE OF UNITS

Units can be disposed of by investors in Hong Kong in two ways: (1) redemption via the Hong Kong Participating Dealer, or (2) sale on SEHK.

Redemption via Hong Kong Participating Dealers

Redemption of Units

Investors may in principle request the redemption of Units on each Valuation Day, unless the Management Company has temporarily suspended redemption of Units (see under "Suspension of redemption of Units" below).

The Management Company is obliged to redeem the Units at the then applicable redemption price per Unit, which shall correspond to the Net Asset Value per Unit on that date – less a redemption fee, where applicable.

The Management Company may accept redemptions in kind or in cash.

Each Appendix will confirm whether a particular Sub-Fund may permit in kind redemption.

Redemption procedure with Hong Kong Participating Dealers

Redemptions of Units in Hong Kong may only be made through Hong Kong Participating Dealers. Different redemption procedures and time limits may apply when redemption requests are made via different Hong Kong Participating Dealers although the ultimate cut-off time with the Management Company and the Custodian referred to in the section "Settlement for redemptions of Units" below remain unaffected. All redemption requests accepted by the Hong Kong Participating Dealers will then be forwarded to the Management Company and the Custodian for processing.

Unitholders may obtain information on the redemption procedure directly from each Hong Kong Participating Dealer.

In addition to any redemption fee imposed on handling any redemption request by the Management Company, the Hong Kong Participating Dealers may impose other fees and charges which would decrease the redemption proceeds. Investors are advised to check with the relevant Hong Kong Participating Dealer as to relevant fees and charges.

Investors should note that although the Management Company will closely monitor the Sub-Fund's operations, it is not empowered to compel the Hong Kong Participating Dealer to accept requests to redeem on a Unitholder's behalf for Units.

Redemption price

In calculating the redemption price of the Units, the Custodian, with the involvement of the Management Company, shall determine on each Valuation Day the value of the assets held by a Sub-Fund less any liabilities (the "Net Asset Value"). The "Net Asset Value per Unit" is determined by dividing the Net Asset Value by the number of Units issued. The Net Asset Value per Unit shall be calculated separately for each Unit class by attributing exclusively to such Unit class the costs of issuing new Unit classes and the All-in Fee attributable to a specific Unit class, including any income equalisation.

"Valuation Day" means any Banking Day in Frankfurt am Main and in Luxembourg on which the stock exchanges at all financial centres listed in the Appendix of the relevant Sub-Fund are open for business and on which corresponding Index closing price is determined on the basis of which the Net Asset Value is calculated. The 24 and 31 of December of each year are not Valuation Days.

"Banking Day" means any day on which the commercial banks, relevant stock exchanges, foreign currency markets and clearing systems in the relevant jurisdiction are open for general business.

A redemption fee may be deducted from the Net Asset Value per Unit by the Management Company from the proceeds paid to the relevant Hong Kong Participating Dealer.

A redemption fee can diminish or even fully erode an investor's investment performance, particularly in the case of short investment periods. The redemption fee shall accrue to the Management Company or the relevant Sub-Fund.

A redemption fee of up to 2% is currently levied on the Hong Kong Participating Dealer for any redemption of Units by a Hong Kong Participating Dealer. It is up to the Management Company to charge a lower redemption fee. The redemption fee for the relevant Unit class of each Sub-Fund, if applicable, is specified in the Appendix.

The redemption price of Units shall be published on www.comstage.com.hk.

Suspension of calculation of redemption price

The Management Company may temporarily suspend calculation of the redemption price under the same conditions applicable to suspension of redemption of Units. In addition, BaFin can order the Management Company to suspend the redemption of Units if this is necessary in the interests of the investors or the public.

Settlement for redemption of Units

The Management Company shall adhere to the principle of equal treatment of investors by ensuring that no Hong Kong Participating Dealer acting for an investor or itself can gain advantages by redeeming Units at Net Asset Values per Units that are known already. For this reason, it shall set a daily cut-off time for acceptance of redemption applications. Redemption applications received by the Custodian or the Management Company by the cut-off time for acceptance of redemption application shall be settled no later than on the Valuation Day following the receipt of the redemption applications (i.e. the settlement date) at the then determined Net Asset Value per Unit.

Redemption applications received after the cut-off time for acceptance of redemption application shall only settled on the day after the next Valuation Day (i.e. the settlement date) at the then determined Net Asset Value per Unit. The cut-off time for acceptance of redemption application may be amended by the Management Company at any time.

If on the redemption application settlement date one of the stock exchanges used for calculating the Net Asset Value per Unit has suspended trading of a substantial portion of securities in a Sub-Fund, the settlement may be postponed to the next working day on which substantial portion of securities in the Sub-Fund can be traded on the stock exchanges used for calculating the Net Asset Value per Unit.

The equivalent value shall be credited three banking days after the date of the cancellation of Units.

The interval between the receipt of a properly documented request for redemption of Units and payment of redemption proceeds to the relevant Unitholder may not exceed one calendar month provided that (1) there is no delay in submitting all duly completed redemption documentation; (2) the determination of the Net Asset Value or dealing in Units is not suspended; and (3) the market(s) in which a substantial portion of investments of the Sub-Fund is made is not subject to any legal or regulatory requirements (such as foreign currency controls) which may render the payment of the redemption proceeds within the aforesaid time period not practicable.

Suspension of redemption of Units

The Management Company may temporarily suspend the redemption of Units of a Sub-Fund if extraordinary circumstances arise that make such suspension of redemption appear necessary in the investors' interests. Such extraordinary circumstances include without limitation the following circumstances:

(i) during any period in which any of the principal stock exchanges or other markets on which a substantial portion of the constituents of the Index from time to time are quoted or traded is closed otherwise than for ordinary holidays, or during which transactions therein are restricted, limited or suspended, provided that such restriction, limitation or suspension affects the valuation of the Index;

(ii) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to any of the securities in the relevant Index;

(iii) where the existence of any state of affairs which, in the opinion of the Management Company, constitutes an emergency or renders impracticable, a disposal or valuation of the assets attributable to a Sub-Fund;

(iv) during any breakdown of the means of communication or computation normally employed in determining the price or value of any of the assets attributable to a Sub-Fund;

(v) during any period in which the Management Company is unable to repatriate monies for the purpose of making payments on the redemption of Units or during which any transfer of monies involved in the realisation or acquisition of investments or payments due on redemption of Units cannot, in the opinion of the Management Company, be effected at normal rates of exchange;

(vi) when for any other reason the prices of any constituent of the Index cannot promptly or accurately be ascertained;

(vii) during any period in which the calculation of the Index is suspended;

(viii) where acceptance of the redemption application would render the Management Company in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Management Company necessary for compliance with applicable legal and regulatory requirements;

(ix) in the case of the Fund's liquidation or in the case a notice of liquidation has been issued in connection with the liquidation of a Sub-Fund or class of Units;

(x) where in the opinion of the Management Company, circumstances which are beyond the control of the Management Company make it impracticable or unfair vis-à-vis the Unitholders to process the redemption application or continue trading the Units or any other circumstance or circumstances where a failure to do so might result in the Unitholders of the Fund, a Sub-Fund or class of Units incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the Unitholders of the Fund, a Sub-Fund or a class of Units might not otherwise have suffered;

(xi) the business operations of the Management Company or the Custodian or delegate of the Management Company or the Custodian in relation to the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God; and

(xii) where in the opinion of BaFin, a suspension of redemption of Units is in the best interest of Unitholders.

A temporary suspension may be followed by a liquidation of a Sub-Fund without further resumption of redemption of Units of that Sub-Fund.

The Management Company reserves the right not to redeem or exchange the Units at the redemption price applicable if it is unable to realise a substantial portion of assets of the relevant Sub-Fund until it has sold, without undue delay but while safeguarding the interests of all investors, sufficient assets of the Sub-Fund.

The Management Company shall notify investors in Hong Kong of any suspension of Unit redemption, and once any suspension is lifted, by way of an announcement on www.comstage.com.hk.

Deferred redemption

In the event that redemption requests are received for the redemption of Units representing in aggregate more than 10% (or such higher percentage as the Management Company may determine in respect of a Sub-Fund) of the total number of Units in a Sub-Fund then in issue, the Management Company may reduce the requests rateably and pro rata amongst all Unitholders seeking to redeem Units on the relevant Valuation Day and carry out only sufficient redemptions which, in aggregate, amount to 10% (or such higher percentage as the Management Company may determine in respect of a Sub-Fund) of the Units in the relevant Sub-Fund then in issue. Units which are not redeemed but which would otherwise have been redeemed will be redeemed on the next Valuation Day (subject to further deferral if the deferred requests in respect of the relevant Sub-Fund themselves exceed 10% (or such higher percentage as the Management Company may determine in respect of that Sub-Fund) of the Units in the relevant Sub-Fund then in issue) in priority to any other Units in the relevant Sub-Fund for which redemption requests have been received. Units will be redeemed at the redemption price prevailing on the Valuation Day on which they are redeemed.

Sale of Units on SEHK

Units held in Hong Kong may be sold through the SEHK. Units are listed on the SEHK to facilitate the secondary market trading in the Units. The purpose of the listing of Units on the SEHK is to enable investors to sell Units in smaller quantities than would be possible via redemption through the Hong Kong Participating Dealer.

No redemption fee is charged for sales of Units on the SEHK.

Orders to sell Units through the SEHK can be placed via a stockbroker. Such orders to sell Units may incur costs over which the Management Company has no control.

The price of any Units traded on the SEHK will depend, inter alia, on market supply and demand, movements in the value of the Index as well as other factors such as prevailing financial market, corporate, economic and political conditions. In accordance with the requirements of SEHK, SEHK Market Makers will provide liquidity and two way prices to facilitate the trading of Units on SEHK.

Liquidity management

Taking into account the liquidity profile and in particular the investment strategy, the Management Company shall set an appropriate liquidity level for each Sub-Fund assets. The appropriateness of the liquidity level shall be regularly reviewed.

The liquidity of the investment undertaking and its investments shall be regularly reviewed by applying the liquidity measurement arrangements specified by the Management Company. The liquidity measurement arrangements include the assessment of both quantitative and qualitative information about the investments of the Sub-Fund assets. To ensure an appropriate liquidity level for each Sub-Fund assets, the Management Company shall perform regular monitoring, using a limit system in combination with appropriate escalation measures. To this end, the Management Company shall define adequate warning thresholds for liquidity and illiquidity for the respective Sub-Fund assets. By involving the SEHK Market Makers, the control procedures also take account of and minimise the risks that may arise from redemptions of Units.

In addition, the Management Company shall perform regular stress tests with which it can assess the liquidity risks of each Sub-Fund. The Management Company shall perform stress tests on the basis of reliable and up-to-date quantitative or, if this is not appropriate, qualitative information. This includes the investment strategy, redemption periods, payment obligations and periods during which assets may be sold as well as information about general investor behaviour and market developments. The stress tests may in some cases simulate insufficient liquidity of the assets in the Sub-Fund as well as requests for Unit redemptions that are atypical in terms of both number and extent. They cover market risks and their impact, including demands for additional payments, collateralisation requests or credit lines. They take account of valuation sensitivities under stress conditions. The tests shall be performed at intervals appropriate for the type of Sub-Fund, taking into account the investment strategy, liquidity profile, investor type and redemption principles of the Sub-Fund.

The Management Company shall regularly review these principles and update them as appropriate.

Fair treatment of investors and Unit classes

The Sub-Fund may consist of different Unit classes, i.e. the issued Units have different features, depending on the Unit class to which they belong. The existing Unit class which is available to Hong Kong investors is described in more detail in the Appendix relating to the relevant Sub-Fund.

Different Sub-Funds and different Unit classes may carry different rights with regard to the application of income, the subscription fee, the redemption fee, the management fee (c.f. the definition of "All-in Fee"), the minimum investment amount, the currency of the Net Asset Value, the level of the Net Asset Value, currency hedges, or any combination of these characteristics.

Due to the different features, the economic result that investors achieve with their investment in each Sub-Fund and/or Unit class may vary, depending on which Sub-Fund or Unit class they purchase.

The same applies to both the investors' return before income taxes and the return after income taxes. Assets may only be acquired for the entire Sub-Fund, and not for a single Unit class or group of Unit classes. If further Unit classes are created, this shall, however, not affect the rights of investors who have acquired Units in existing Unit classes.

The costs associated with the introduction of a Unit class may only be charged to investors in this new Unit class. Taking into account the possible distinguishing features of the Unit classes that may be provided, the Management Company shall treat the investors of each Sub-Fund fairly. In managing its liquidity risk and redeeming Units, it shall not give preference to the interests of one investor or one group of investors over the interests of another investor or another group of investors.

FEES AND EXPENSES

Dealing Fees payable by investors

Costs related to the subscription and redemption of Units

Units shall be issued and redeemed by the Management Company or by the Custodian at the issue price or redemption price.

Hong Kong Participating Dealers may charge additional costs in addition to any subscription fee when investors acquire Units through Hong Kong Participating Dealers.

Hong Kong Participating Dealers may also charge additional costs in addition to any redemption fee when investors redeem Units through Hong Kong Participating Dealers.

Where the Management Company imposes a subscription fee or a redemption fee, such fees are specified in the Appendix of the relevant Sub-Fund.

Fees relating to trading on SEHK

The following fees and charges are payable by an investor selling or buying Units on the SEHK:

Brokerage	Market rate
SFC transaction levy	0.0027%[1]
SEHK trading fee	0.005%[2]
Stamp duty	Nil

Fees and Expenses payable by a Sub-Fund

Management Company

The Management Company shall receive an All-in Fee from each Sub-Fund. Details of the remuneration and reimbursement of expenses that may be charged to a Sub-Fund can be found in the Appendix for that Sub-Fund.

Increase in fees

The current All-in Fee payable to the Management Company may be increased on one month's notice to the Unitholders (or such other period as approved by the SFC), subject to the maximum rate set out in the relevant Appendix. In the event that this is to be increased beyond the maximum rates set out in the relevant Appendix, such increase will be subject to the SFC and BaFin's approval.

All-in Fee

The All-in Fee will be calculated based on the average daily Net Asset Value of the relevant class of the Sub-Fund and shall be paid monthly or quarterly in arrears.

The All-in Fee covers the services performed by the Management Company and all third parties (e.g. the Custodian and the auditor etc.), unless otherwise provided. In particular, the All-in Fee includes the following costs:

(a) remuneration of the Custodian;

(b) customary bank custody fees including, where applicable, the customary bank expenses for holding foreign securities in custody abroad, as well as any taxes that may arise in connection thereto;

[1] The SFC transaction levy of 0.0027% of the total consideration for the Units is payable by each of the buyer and the seller.
[2] The SEHK trading fee of 0.005% of the total consideration for the Units is payable by each of the buyer and the seller.

(c) costs incurred in connection with ongoing account management;

(d) costs for all statutory print-outs and information to the investors of the Sub-Fund via a durable medium, except for any costs incurred as a result of notifying investors of fund mergers, measures in connection to violation of investment thresholds or calculation of the Unit value, which will be borne by the Management Company;

(e) costs of printing and dispatching all statutory sales documentation for the investors (Annual Reports and Semi-annual Reports, Prospectus and Product Key Facts Statements) in connection to the Sub-Fund;

(f) costs relating to the audit of the Fund by the auditor;

(g) costs of announcing the bases for tax assessment and the certification that the tax information has been determined in accordance with the provisions of German tax law;

(h) fees and costs that public authorities have charged in connection with the Fund;

(i) costs for legal and tax advice in connection with the Fund;

(j) costs and any fees that may arise in connection with the acquisition and/or the use or reference to a comparative benchmark or financial index;

(k) costs arising from the listing, the maintenance of the listing and termination of the Units' listing on the stock exchange;

(l) costs for the commissioning of shareholder's proxyholders; and

(m) costs for the analysis of investment performance through third parties.

The All-in Fee does not cover costs arising in connection with the acquisition and sale of assets (transaction costs).

In addition, the Sub-Funds may be charged with the expenses incurred by the Management Company for asserting and enforcing the legal claims on behalf of the Fund or in defence of claims raised against the Management Company at the expense of the Fund. These expenses charged to a unit class or Sub-Fund may not exceed 0.05% of the Net Asset Value of the relevant Sub-Fund per year.

Composition of the ongoing charges

The Annual Report will disclose the costs (excluding transaction costs) incurred and charged to the Sub-Fund in the respective financial year. Such costs shall be reflected as a ratio of the average fund volume. The ongoing charges comprise the All-in Fee for managing the Sub-Fund.

However, this does not include the incidental expenses and the costs incurred in the purchase and sale of assets. The ongoing charges figure of a Sub-Fund is published in the Product Key Facts Statement of that Sub-Fund.

Costs and charges disclosure

If an investor is advised by third parties (in particular companies providing investment services, such as banks and sales agencies) when acquiring the Units, or if the third parties arrange for the acquisition, such third parties shall disclose to the Unitholder, if applicable, with a breakdown of costs and charges that are not laid out in the fees and expenses section in this Prospectus, and which may exceed the total fees and expenses described in this Prospectus.

In particular, such differences may result from regulatory requirements governing how such third parties determine, calculate and report costs and charges. These requirements may arise for example in the course of the national implementation of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (also known as "MiFID").

Unitholders should note that the information provided by third parties on all relevant costs and charges may vary from one party to the other due to these third parties additionally invoicing the costs of their own services (e.g. a surcharge or, where applicable, recurrent brokering or advisory fees, depositary fees, etc.).

In addition, the costs and charges disclosure requirements of such third parties in relation to a Sub-Fund may be different from those applicable to the Management Company. For example, transaction expenses pertaining to a Sub-Fund may be disclosed by third parties notwithstanding that the same are not required to be disclosed by the Management Company. Differences may arise not only in relation to disclosure to investors prior to their investment but also during regular cost reporting by such third parties as a result of their ongoing business relationships with investors.

Special features with regard to the acquisition of units in funds

In addition to the All-in Fee for managing the Sub-Fund, an administration fee shall be charged for any target fund units held in the Sub-Fund. This fee may, but does not have to, include the above-mentioned cost components. In addition, fees, costs, taxes, commissions and other expenses not included in the All-in Fee shall be paid for separately by the investors in the Sub-Fund. In addition to the above-mentioned expenses, the cost of asserting and enforcing legal claims and taxes in connection with the management and custody costs may be claimed for the target fund units. Moreover, it cannot be ruled out that a significant portion of the remuneration paid will be transferred to the brokers of the target fund units as trail commission.

The Management Company shall disclose in the Annual Report and Semi-annual Report the subscription fees and redemption fees that are charged to Sub-Fund in the reporting period for the acquisition and redemption of units within the meaning of section 196 of the KAGB. Where units are acquired in target funds managed directly or indirectly by the Management Company or another company affiliated with the Management Company by virtue of a significant direct or indirect unitholding, the Management Company or the other company may not charge subscription and/or redemption fees for the subscription or redemption of units by any Sub-Fund. The Management Company shall disclose in the Annual Report and Semi-annual Report the All-in Fee charged to a Sub-Fund for the units held in a target fund payable to the Management Company itself, to a domestic management company, an investment stock corporation or another company affiliated with the Management Company by virtue of a significant direct or indirect shareholding, or a foreign investment company, including the Investment Manager.

INCOME EQUALISATION AND FINANCIAL YEAR

Income equalisation

The Sub-Fund generates income from the interest, dividends and investment unit income accrued and not used to cover costs in the course of the financial year. Additional income may result from the disposal of assets held for the account of the Sub-Fund.

The Management Company shall use a so-called income equalisation procedure for the Sub-Fund. This means that the pro-rated income over the financial year that the subscriber of Units must pay as part of the issue price, and that the investor redeeming the Units receives as part of the redemption price, is continuously offset. The expenses incurred are taken into account in the calculation of the income equalisation.

Financial year

Each Sub-Fund's financial year commences on 1 July of a given year and ends on 30 June of the following year.

DISSOLUTION, TRANSFER OR MERGER OF SUB-FUNDS

General

Investors are not entitled to vote for or require the dissolution of any Sub-Fund. The Management Company may, subject to a notice period of at least six months, terminate its right to manage a Sub-Fund by way of an announcement in the *Federal Gazette* and on www.comstage.com.hk and also in the Annual Report or Semi-annual Report. With respect to such termination, investors shall also be informed via by way of an announcement on www.comstage.com.hk . The Management Company's right to manage the Sub-Fund shall be extinguished when termination takes effect.

Furthermore, the Management Company's management right shall expire if insolvency proceedings are instituted against its assets, or upon the issuance of a final and binding court order denying the application to institute insolvency proceedings due to a lack of assets.

Once the Management Company's management right has been extinguished, the right of disposition over the assets of the relevant Sub-Fund shall pass to the Custodian, which will wind up the Sub-Fund and distribute the proceeds to investors, or transfer the management of the Sub-Fund – subject to BaFin's and the SFC's prior approval – to another qualified management company.

Dissolution procedure

When the right of disposition over the Sub-Fund passes to the Custodian, the issue and redemption of Units shall be discontinued and the Sub-Fund shall be wound up.

The proceeds from the disposal of the assets of the Sub-Fund, less any costs to be borne by the Sub-Fund and less the costs incurred as a result of dissolution, shall be distributed among the investors, who shall be entitled to payment of the liquidation proceeds in proportion to the Units held by them in the Sub-Fund. Any unclaimed proceeds or other monies held by the Custodian in the event of a dissolution may at the completion of the dissolution procedure be deposited with the local court for 30 years, and upon expiration of such 30-year period any claims for such proceeds shall expire and the proceeds shall be allocated to the federal state where the local court is situated.

The Management Company shall prepare a liquidation report as at the day that its management right expires, and this report shall meet the requirement for the Annual Report. The liquidation report shall be published in the *Federal Gazette* no later than three months after the Sub-Fund's dissolution date. While the Custodian is winding up the Sub-Fund, it shall prepare an annual report as well as an interim report for the period ending on the day the winding up is completed. These reports shall meet the requirement for an Annual Report and Semi-annual Report (as the case may be) to be prepared. These reports shall also be published in the *Federal Gazette* and on www.comstage.com.hk and made available for inspection free of charge at the registered office of the Hong Kong Representative during business hours no later than three months after the dissolution date.

Transfer

The Management Company may transfer the management and right to dispose of the Fund or a Sub-Fund to another management company. Such a transfer requires BaFin's and the SFC's prior approval. Information about any such authorized transfer will be published in the *Federal Gazette* and will also be included in the Annual Report or Semi-annual Report. Investors will also be informed of the anticipated transfer by way of an announcement on www.comstage.com.hk. The effective transfer date is determined in the contractual agreements between the Management Company and the receiving management company. The transfer may take effect no earlier than three months after the publication in the *Federal Gazette*. All rights and obligations of the Management Company in respect of the Fund or the Sub-Fund will be transferred to the receiving management company.

Mergers

Subject to BaFin's and the SFC's prior approval, all the assets of a Sub-Fund may be transferred to another existing fund or a new fund to be formed by way of merger under German law. This undertaking shall meet the requirements for a UCITS approved in Germany or another EU or EEA member state. All the assets of the relevant Sub-Fund may also be transferred to an existing domestic investment stock corporation with variable capital or a new investment stock corporation with variable capital to be formed by way of merger.

The transfer shall become effective as at the end of the financial year of the Sub-Fund (the “transfer date”), unless another transfer date is specified.

Investor rights in case of merger

The investors’ custodian agents shall provide investors in the relevant Sub-Fund with information, by way of an announcement on www.comstage.com.hk at least thirty-seven days prior to the planned transfer date, on the reasons for the merger, the potential impacts for the investors, their rights in connection with the merger as well as on the relevant procedural aspects. In addition, the investors shall receive the information on the investment fund to which the Sub-Fund’s assets will be transferred.

Up until five working days prior to the planned transfer date, the investors shall have the opportunity either to redeem their Units at no additional cost, except for the costs to cover the dissolution of the Sub-Fund, or to exchange their Units for units of another open-ended retail fund that is also managed by the Management Company or another company of the same group and whose investment objective and policies are comparable to those of the Sub-Fund free of charge.

On the transfer date, the Net Asset Value of the Sub-Fund and of the receiving fund shall be calculated, the exchange ratio shall be defined and the entire exchange transaction shall be audited by the auditor. The exchange ratio shall be calculated based on the ratio between the Net Asset Value per Unit of the Sub-Fund and the net asset value per unit of the receiving fund on the date of the acquisition. Investors shall receive units in the receiving fund, the number of which shall correspond to the value of their Units in the relevant Sub-Fund.

If the investors do not exercise their right of redemption or exchange, they will become investors in the receiving fund on the transfer date. If appropriate, the Management Company may agree with the management company of the receiving fund that the investors in the Sub-Fund are paid up to 10% of the value of their Units in cash. The Sub-Fund shall be extinguished upon transfer of all assets. If the transfer takes place during the Sub-Fund’s current financial year, the Management Company shall prepare a report as at the transfer date, and this report shall meet the requirements for an Annual Report. The Management Company shall announce in the *Federal Gazette* and additionally in the electronic information media specified in this Prospectus when the Sub-Fund has been merged with another fund managed by the Management Company and the merger has become effective. Should the Sub-Fund be merged with a fund that is not managed by the Management Company, the announcement that the merger has become effective shall be made by the management company of the receiving or newly formed fund.

CONFLICTS OF INTEREST

General

The Management Company acknowledges that the interests of investors may conflict with the following interests:

(a) interests of the Management Company and its affiliates;

(b) interests of the Investment Manager and its affiliates;

(c) interests of the employees of the Management Company and the Investment Manager; or

(d) interests of other investors in any Sub-Fund or other funds.

In particular, circumstances or relationships that may give rise to conflicts of interest include:

(i) incentive systems for employees of the Management Company;

(ii) employee transactions;

(iii) inducements to employees of the Management Company;

(iv) restructuring within the Fund;

(v) measures to improve appearance of fund performance ahead of the reporting date ("window dressing");

(vi) transactions between the Management Company and the investment undertakings or individual portfolios it manages;

(vii) transactions between investment undertakings and/or individual portfolios managed by the Management Company;

(viii) combination of several orders ("block trades");

(ix) mandates given to affiliates or related parties;

(x) substantial individual investments;

(xi) transactions after the close of trading at the closing price that is already starting to emerge (so-called late trading); and

(xii) if, following an oversubscribed share issue, the Management Company has subscribed securities for several investment funds or individual client portfolios ("IPO Allotments").

Potential conflicts of interest may arise in particular due to the fact that Commerzbank AG and/or affiliates act as the Investment Manager and the calculation agent for the Sub-Funds. When Commerzbank AG or the affiliate in one of the functions mentioned above engages in the respective activities, that may possibly lead to conflicts of interest, including, among other things, financial or banking transactions with the Investment Manager and/or any of their affiliates, or investment or trading in Units, other securities or assets that are held as part of the Sub-Fund's assets or are Index components (including the sale to and the purchase from the Investment Manager).

On the other hand, each of the Management Company, the Hong Kong Representative, the Hong Kong Participating Dealer and the SEHK Market Maker are presently part of the same Société Générale group.

The Management Company and the Investment Manager are aware of the fact that the functions performed by members of the same group may give rise to conflicts of interest. For such cases, each member of the Commerzbank group and Société Générale group has undertaken with regard to their obligations and responsibilities to reasonably endeavour to find a fair solution to these kinds of conflicts of interest with regard to their respective obligations and responsibilities and to ensure that the Management Company's, the Investment Manager's and the Unitholders' interests are not unreasonably impaired.

The Management Company and the Investment Manager undertake to make reasonable efforts to settle such conflicts of interest arising from its duties and obligations in a fair manner and to ensure that the interests of the Sub-Fund and its investors are not unduly impaired. They believe that different interests or conflicts of interest can be handled appropriately. They assume that the respective contracting party is suitable and competent to provide these services and that the Management Company will only incur the normal market costs for these services that it would also incur if third parties were used for the provision of these services.

If there are unavoidable conflicts of interest, the Management Company and the Investment Manager shall endeavour to resolve them in favour of the Fund and relevant Sub-Fund(s).

In order to handle conflicts of interest, the Management Company has adopted the following measures to determine, prevent, manage, observe and disclose conflicts of interest:

(1) a compliance department, which monitors compliance with laws and regulations and which must be notified of any conflicts of interest;

(2) disclosure requirements;

(3) organisational measures, such as

- assignment of responsibilities to prevent improper interference

- separation of proprietary trading and customer trading

(4) rules of conduct for employees in relation to employee transactions, requirements to comply with insider law;

(5) compliance with remuneration systems;

(6) principles for taking customer interests into account and for providing investor- and investment-appropriate advice/compliance with agreed investment guidelines;

(7) best-execution principles for acquiring or selling financial instruments; and

(8) setting cut-off times for order acceptance.

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 Sub-Fund in connection with transactions made on behalf of the Sub-Fund.

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.

Transaction with Connected Persons

Cash forming part of the property of the Fund or the Sub-Fund 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 Sub-Fund 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.

All transactions carried out by or on behalf of the Fund or the Sub-Fund 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 compiled 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.

TAXATION

Hong Kong

Fund

During such period as the Fund is authorised under section 104 of the SFO, under present Hong Kong law and practice, each of the Fund and each Sub-Fund is not expected to be subject to Hong Kong profits tax in respect of any profits.

Pursuant to a remission order issued by the Secretary for the Treasury on 20 October 1999, any Hong Kong stamp duty on the transfer of shares to the Sub-Funds by an investor pursuant to an application in kind will be remitted or refunded. Similarly, Hong Kong stamp duty on the transfer of shares by the Sub-Funds to an investor upon in kind redemption of Units will also be remitted or refunded.

No Hong Kong stamp duty is payable by any of the Sub-Funds on an issue or redemption of Units pursuant to an application in cash.

The sale and purchase of any Hong Kong stock by the Sub-Funds will be subject to stamp duty in Hong Kong at the current rate of 0.2% of the value of the consideration for the shares being sold and purchased. The relevant Sub-Fund will be liable to one half of such Hong Kong stamp duty.

Unitholders

No tax will be payable by Unitholders in Hong Kong in respect of any capital gains arising on a sale, realisation, redemption or other disposal of Units in any Sub-Fund, except that Hong Kong profits tax may arise where such transactions form part of a trade, profession or business carried on in Hong Kong.

No tax should generally be payable by Unitholders in Hong Kong in respect of dividends or other income distributions of a Sub-Fund.

The register of Unitholders of the Fund shall be maintained outside Hong Kong. Accordingly, the Units will not constitute Hong Kong stock for the purposes of the Stamp Duty Ordinance (Cap.117) of Hong Kong and a charge to Hong Kong stamp duty should not arise on any redemption or transfer of any Units in a Sub-Fund.

Germany

Fund

Each Sub-Fund is established as a German Sondervermögen in accordance with the provisions of the German Capital Investment Act (KAGB) and is a tax resident in Germany. A German *Sondervermögen* is partially exempt from German corporate income tax and in general exempt from German trade tax (collectively "Income Taxes").

Certain German sourced income received by a Sub-Fund is subject to German corporate income tax at fund level. Dividends on German stocks are taxable at the rate of 15% (including German solidarity surcharge) at fund level.

No other types of German tax (for example stamp duty) will arise on the disposal of German stocks by a Sub-Fund.

A Sub-Fund may however be subject to non-German tax if it invests in non-German investments or receives dividends on non-German stocks.

Non-German Unitholders

No withholding tax will be withheld on distributions to a non-German resident taxpayer such as a Hong Kong Unitholder.

No German tax will be payable by Unitholders in Hong Kong on the subscription, redemption, purchase or sale of Units of a Sub-Fund.

FATCA

In 2013, Germany signed a Model 1 inter-governmental agreement with the United States (the "US-German IGA") to give effect to the United States Foreign Account Tax Compliance Act ("FATCA"), provisions contained in section 1471 to 1474 of the United States Internal Revenue Code and US Treasury Regulations made thereunder, as amended from time to time.

Pursuant to the US-German IGA and the related German legislation, regulations and guidance, the Fund and the Sub-Funds qualify as Non-Reporting German Financial Institutions and as non-reporting IGA FFI respectively, since the Fund and the Sub-Funds are all certified deemed-compliant collective investment vehicles (CIV). Accordingly, the Fund and the Sub-Funds are not registered with the United States Internal Revenue Service and no distinct GIIN is available for them.

All Units are held in custody. The Custodian is required to report certain information about "Specified U.S. Persons" (as defined in the US-German IGA) that own, directly or indirectly, an interest in the Fund or the Sub-Funds. If the Custodian does not comply with these obligations, it may be subject to a 30% withholding tax (a "FATCA Deduction") on certain payments to them of US source interest and dividends.

Under the terms of the current US-German IGA, the Custodian is generally not required to withhold tax on payments made to an account holder (i.e. a Unitholder) or to close recalcitrant accounts. It is required to report certain information in respect of any "Specified U.S. Persons" to the German Federal Central Tax Office (*Bundeszentralamt für Steuern*, the "German FCTO") and the German FCTO will exchange such information with the US Internal Revenue Service automatically on an annual basis.

While the Fund and each Sub-Fund will each seek to satisfy its obligations under the US-German IGA and the associated implementing legislation in Germany to avoid the imposition of any FATCA Deduction, the ability of the Fund and the Sub-Fund to satisfy such obligations will depend on receiving relevant information and/or documentation about each Unitholder and the direct and indirect beneficial owners of the Units (if any). There can be no assurance that the Fund or the Sub-Funds will be able to satisfy such obligations.

The FATCA provisions are complex and continue to evolve. As such, the effects which the FATCA provisions may have on the Fund and each Sub-Fund are still uncertain. FATCA Deduction may apply to withholdable payments covered by FATCA if the Fund and each Sub-Fund cannot satisfy the applicable requirements and is determined to be non-FATCA compliant or if the German government is found in breach of the terms of the US-German IGA. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Nothing in this section constitutes or purports to constitute tax advice and Unitholders should not rely on any information set out in this section for the purposes of making any investment decision, tax decision or otherwise. All proposed investors and Unitholders should therefore consult their own tax and professional advisors regarding the FATCA requirements, possible implications and related tax consequences with respect to their own situation. In particular, Unitholders who hold their Units through intermediaries should confirm the FATCA compliance status of those intermediaries to ensure that they do not suffer the above mentioned withholding tax on their investment returns.

Common Reporting Standard (CRS) and EU Directive on Administrative Cooperation (EU DAC)

In recent years, the significance of the automatic exchange of information for purposes of combating cross-border tax fraud and cross-border tax evasion has increased significantly at the international level. Therefore, the OECD, acting on behalf of the G20, published the Common Reporting Standard ("CRS") in 2014, which is a global standard for the automatic exchange of financial account information in tax matters. The CRS was agreed upon by more than 90 participating jurisdictions by means of a multilateral treaty. Furthermore, the CRS was implemented by EC Council Directive 2014/107/EU of 9 December 2014, which amends Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation. Participating jurisdictions have applied the CRS in principle since 2016, with reporting duties commencing in 2017. Certain countries (e.g. Austria and Switzerland) were permitted to begin their reporting duties under the CRS in 2018.

The German Automatic Exchange of Information on Financial Accounts Act (FKAustG) was enacted on 21 December 2015 to implement the CRS into German law, and Germany has been applying the CRS since 2016. The CRS requires financial institutions (mainly banks) in participating jurisdictions ("Reporting Financial Institutions") to obtain certain information about their clients who are tax residents (whether natural persons or legal entities, but not entities such as listed corporations or banks) in participating jurisdictions under the CRS ("Reportable Persons"). The financial accounts (bank accounts and securities accounts) of Reportable Persons are classified as "reportable accounts". The information to be obtained in relation to Reportable Persons include Reportable Persons' personal data (name, address, tax ID number, date of birth and place of birth (for natural persons); state of residence), information of the reportable accounts (such as account number, account balance or account value and total gross earnings, such as interest, dividends or distributions from investment funds) and total gross income on the sale or redemption of financial assets (which includes Fund Units). Reporting Financial Institutions shall provide such information of Reportable Persons to their local revenue office, whereupon the local revenue office will transmit the information to the homeland revenue offices of the respective participating jurisdictions in which the Reportable Persons reside.

Therefore, implementation of the CRS affects investors who are Reportable Persons and who maintain bank accounts and/or securities accounts at Reporting Financial Institutions. The implementation of the CRS in Germany requires financial institutions in Germany to report information about Reportable Persons who reside in other participating jurisdictions to the Federal Central Tax Office, which shall forward such information to the respective tax authorities of the jurisdictions which the Reportable Persons reside. Conversely, Reporting Financial Institutions in participating jurisdictions other than Germany are required to report information about Reportable Persons residing in Germany to their respective local tax authorities, which shall forward the information to the Federal Central Tax Office (BZSt).

MANAGEMENT AND ADMINISTRATION

Management

Management Company

The Sub-Funds are managed by Commerz Funds Solutions S.A. which is a wholly-owned subsidiary of Lyxor International Asset Management S.A.S. and whose registered office is in France. The Management Company is a part of the Société Générale group and its ultimate shareholder is Société Générale S.A.

The Management Company was appointed for the purpose of managing the Sub-Funds. In this capacity, it provides asset management, management, selling and marketing services to the individual Sub-Funds, unless the relevant Appendix contains provisions to the contrary. Commerz Funds Solutions S.A. was formed on 5 June 2008 as a Luxembourg "*société de gestion*" in accordance with the provisions of Chapter 15 of the Luxembourg Law of 17 December 2010 on undertakings for collective investment.

The Management Company is an EU management company within the meaning of section 1 (17) no. 1 of the KAGB, which has been granted authorisation by the CSSF in accordance with section 15 of the Luxembourg Law of 17 December 2010 to manage UCITS complying with the UCITS Directive. The collective management of the Sub-Funds in Germany is based on the free provision of cross-border services pursuant to sections 51 and 52 of the KAGB.

The Management Company's corporate objective is the establishment and management of (a) UCITS in accordance with the EU Directive 2009/65/EG in their respective valid version; (b) AIF in accordance with the EU Directive 2011/61/EU in their respective valid version, and other undertakings for collective investments, which are not covered by the aforesaid directives. The monies received by the Sub-Funds are used for purchasing securities and other legally permissible assets in accordance with the investment policy laid down in the GITC and SITC.

The Management Company complies with the requirements of the EU Directive 2009/65/EG as transposed into Luxembourg law by the Law of 17 December 2010 and with the EU Directive 2011/61/EU relating to manager for alternative investment funds as transposed into the Luxembourg law of 2013.

The Management Company's amended Articles of Association were submitted to the Commercial and Companies Register (Registre de commerce et des sociétés (RCSL)) in Luxembourg and published in the Memorial from 19 October 2015. The Management Company has been entered into the Commercial and Companies Register in Luxembourg under the number B-139.351. The subscribed and paid-up capital is EUR 5,000,000.

Investors should note that the GITC and the SITC do not provide for the circumstances under which the Management Company can be removed and the GITC and the SITC do not confer upon the Unitholders any power to remove the Management Company by Unitholders' meeting.

However, under German law, the Management Company will cease to have the right to manage the Fund and the Sub-Funds in one of four instances: (i) the Management Company itself terminates its management over the Fund and/or the Sub-Funds with notice of at least 6 months by publication in the electronic *Bundesanzeiger* (Federal Gazette), and the Annual Report or Semi-annual Report. This is reflected accordingly in the GITC. The termination of its management by the Management Company does not require BaFin's prior approval; (ii) insolvency proceedings are commenced against the Management Company; (iii) the Management Company ceases to hold the necessary licences; and (iv) the Management Company is dissolved or merged.

However, investors' interests are still safeguarded because:

(a) a change of Commerz Funds Solutions S.A. as the management company (i.e. a new management company appointed by the Custodian taking over) will require the BaFin's approval and any new management company must hold the appropriate license from its home regulator in the European Union;

(b) at least six months notice must be given to all investors (including both German and non-German investors) before the retirement of a management company becomes effective;

(c) investors are allowed to redeem their Units with the redemption fee (if any) waived;

(d) German law stipulates the instances where the Management Company will cease to have the right to manage the Fund and the Sub-Funds; and

(e) although BaFin does not have the right to remove a management company directly, it could, if it wished, discuss the Management Company's conduct with the CSSF. If the CSSF revokes the licence of the Management Company, the Management Company would cease to have the right to manage the Fund and the Sub-Funds, and in that case such right would transfer to the Custodian which can then terminate the Fund and the Sub-Funds or, with BaFin's approval, appoint a new management company. If the Management Company as the management company is merged into another entity, the CSSF and the SFC would need to approve the merger and the new entity would at a minimum have to be licenced to manage UCITS funds.

Capital and management

The registered capital of the Management Company amounts to EUR 5 million. This amount has been fully paid in. To cover the potential liability risks due to professional negligence, the Management Company holds its own funds according to the Luxembourg law of 12 July 2013 for implementation of the Directive on Alternative Investment Fund Managers (Directive 2011/61/EU) and in particular the Delegated Regulation (EU) No. 231/2013 of the European Commission of 19 December 2012.

The Management Company's own funds amount to at least 0.01% of the value of the portfolios of all AIF managed by the Management Company. This amount is reviewed and adjusted annually. These funds are included in the paid-up capital.

Outsourcing

The Management Company has outsourced the following functions:

(a) portfolio management;

(b) sales; and

(c) administration.

Remuneration policy of the Management Company

Further details of the current remuneration policy of the Management Company are available online at http://www.am.commerzbank.de/News/EditorialList.aspx?c=34929**.** The remuneration policy includes a description of the methods for calculating remuneration and benefits to certain groups of employees as well as details of the persons responsible for the allocation. The information can be provided by the Management Company or the Hong Kong Representative free of charge upon request.

Investment Manager

The portfolio management of the Sub-Funds is delegated to Commerzbank AG as an Investment Manager pursuant to a portfolio management agreement between Commerz Funds Solutions S.A. as the Management Company and Commerzbank AG as the Investment Manager.

Commerzbank AG is an authorised credit institution (i.e. bank) with the licence to conduct "financial portfolio management" within the meaning of sec.1 para 1a sent.2 no.3 of the German Banking Act for the purpose of the delegation of the investment management functions of the Fund and the Sub-Funds.

Commerzbank AG has its registered office in Frankfurt am Main, Federal Republic of Germany. Commerzbank AG is a stock corporation established and operating under German law and has been approved by BaFin as a bank.

Commerzbank AG focuses on the provision of a wide range of financial services to private, small and medium-sized corporate and institutional customers in Germany, including account administration, payment transactions, lending, savings and investment products, securities services, and capital market and investment banking products and services. As part of its comprehensive financial services strategy, it also offers other financial services in association with cooperation partners, particularly building savings loans, asset management and insurance. Commerzbank AG is continuing to expand its position as one of the most important German export financiers. Alongside its business in Germany, Commerzbank AG is also active internationally through its subsidiaries, branches and investments.

Commerzbank AG has been acting as the portfolio manager of exchange traded funds since the year 2008.

As at 10 November 2017, it manages more than 110 exchange traded funds listed on the Stuttgart, Frankfurt, Xetra, SIX, Euronext Paris, Euronext Lisbon and Hong Kong stock exchanges. The range of the asset classes comprises equities, bonds (including money market) and commodities. As at 10 November 2017, the assets under management were approximately Euro 7.7 billion.

Remuneration policy of the Investment Manager

The remuneration policy sets out the guidelines for the remuneration of staff of Commerzbank Group in order to ensure a market-driven and performance-based remuneration for employees and to meet regulatory requirements. It is consistent with the business strategy and the Commerzbank Group's risk strategy and is deemed to be the standard remuneration policy of the Commerzbank Group. The remuneration policy of Commerzbank AG applies to subsidiaries that are part of the regulatory group unless local or industry-specific regulatory requirements preclude it. With regard to all other group companies of Commerzbank AG (not part of the regulatory group), it is recommended to base their remuneration policy on that of Commerzbank AG.

The remuneration models of Commerzbank Group ensure at all levels a results-based remuneration, which basically takes into account of the individual performance of employees in addition to the profit contribution of the Group and its segments.

Further details of the current remuneration policy of the Investment Manager are available online at http://www.am.commerzbank.de/News/EditorialList.aspx?c=34929. The remuneration policy includes a description of the methods for calculating remuneration and benefits to certain groups of employees as well as details of the persons responsible for the allocation. The information can be provided by the Investment Manager or the Hong Kong Representative free of charge upon request.

Custody

General

The KAGB provides for the separation of the fund management and custody functions. The Management Company has appointed a credit institution as Custodian with responsibility for the custody of the assets of the Sub-Funds.

The Custodian holds the assets in safe custody in blocked accounts. In respect of the assets that may not be hold in custody, the Custodian has to examine whether the Management Company acquired legal title of these assets and monitors the Management Company's dispositions with respect to the assets to ensure that they comply with the provisions of the KAGB, the GITC and the SITC. Assets may be invested in bank deposits with another credit institution only with the consent of the Custodian. The Custodian must give its consent if the investment is in compliance with the GITC, the SITC and the provisions of the KAGB.

In particular, the Custodian is responsible for the issue and redemption of Units in the Sub-Funds. It ensures that (a) the issue and redemption of Units and the determination of the Net Asset Value comply with the provisions of the KAGB, the GITC and the SITC of a Sub-Fund, (b) the equivalent value for transactions entered into for the joint account of the investors is received for custody within the customary time periods, (c) the income of the Sub-Fund is utilised in accordance with the provisions of the KAGB, the GITC and the SITC. It also monitors and/or gives its consent to the Management Company raising new loans for the account of the Sub-Fund and it must ensure that collateral for securities loans is created effectively and available at all times.

Custodian

BNP Paribas Securities Services S.C.A., Zweigniederlassung Frankfurt am Main, whose registered office is in Frankfurt at Europa-Allee 12, 60327 Frankfurt am Main, has assumed responsibility for the Custodian function for the Sub-Funds. BNP Paribas Securities Services S.C.A., Zweigniederlassung Frankfurt am Main is a credit institution under French law and carries out the activities of a Custodian in Germany pursuant to section 53b of the German Banking Act (*Kreditwesengesetz* – KWG). Its principal activity consists of the provision of investment services.

Conflict of interests

The following conflicts of interests may arise from taking over of the custodian function for the Fund:

A conflict of interests is a situation in which the interests of the Custodian, its affiliated companies and/or their respective agencies or employees or service providers with regard to the performing their functions directly or indirectly collide with the interests of the Fund.

A conflict of interests may arise for the Custodian from:

(a) Obtaining of a financial advantage or avoiding a disadvantage for the Fund;

(b) An interest on the outcome of a service provided for the Fund, an activity or a transaction carried out for the fund does not coincide with the interests of the Fund;

(c) A financial or other incentive to favour the interest of the Fund over the interests of another fund managed by the company;

(d) Supplying a comparable performance to another customer; or

(e) The Custodian being remunerated for present and future services provided to the Management Company or in respect of the assets managed by the Management Company.

The Custodian has therefore taken necessary measures to avoid that the interests of its clients being affected in an abusive manner. If it detects issues in respect of its function as the Custodian, which may cause a significant risk of damage to the interests of one or more customers, the Custodian will attempt to find a solution for the potential conflicts of interests. For this purpose, the Custodian may:

(a) Reject the transaction which causes the conflict of interests;

(b) Carry out the transaction whilst being aware of the conflict of interests and at the same time provide for mechanisms that deal with the situation so that significant damage to the client's interests can be prevented;

(c) Inform the Fund. Certain conflicts of interest can be appropriately resolved in the context of the two aforementioned alternatives. In this case, the Custodian shall inform the Management Company about the nature and origin of the conflict of interests, so that the Management Company can make its decision will full knowledge of the circumstances.

The Custodian always takes the following criteria into account when resolving potential or actual conflicts of interests:

(a) The employees of the Custodian must observe the principles of integrity, fairness, impartiality as well as comply with banking secrecy so that the client's interests always prevail over the interests of the Custodian or its own interests;

(b) A supervisory body of all business units is established in order to prevent conflicts of interests and to take appropriate corrective action;

(c) Separation of business units to ensure an independent action. In order to carry out the transactions with the conflict of interests separately from those without, the Custodian has to separate divisions in which the risk of conflicts of interests may occur if those divisions stay combined; and

(d) Internal procedures as a framework for the abovementioned measures.

Sub-custody

Custody of the assets held for the account of each Sub-Fund has been delegated by the Custodian and is the responsibility of sub-depositaries which are contractually affiliated with the Custodian, depending on the country of domicile of the respective Custodian. The list of sub-depositaries may be inspected at the offices of the Custodian and of the Management Company.

This delegation may result in the following conflicts of interest because sub-depositaries may be affiliates of the Custodian.

The Custodian has taken reasonable steps to avoid conflicts of interest or, in the event of existing conflicts of interest, to resolve them in favour of the Fund.

Liability of the Custodian

The Custodian is generally responsible for all assets held in safe custody by it or by another custodian with its consent. In the event of the loss of any such asset, the Custodian shall be liable to the Sub-Fund and its investors unless the loss is attributable to events outside the Custodian's control. The Custodian is in principle liable for losses that do not consist in the loss of an asset only if it has failed to comply with its obligations under the provisions of the KAGB in a manner that is at least negligent. The Custodian's liability shall remain unaffected by any delegation of its custodial responsibilities.

Additional information

The Management Company and the Hong Kong Representative can provide investors with relevant information on the Custodian and its obligations to the sub-custodians as well as potential conflicts of interest in connection with the activities of the custodian or sub-custodian upon request.

Administrator, registrar and paying agent

BNP Paribas Securities Services S.C.A., Zweigniederlassung Frankfurt am Main has been appointed as the Fund's administrator, registrar and paying agent.

In such capacity BNP Paribas Securities Services S.C.A., Zweigniederlassung Frankfurt am Main furnishes certain administrative and clerical services delegated to it, including the calculation of the Net Asset Values.

Auditors

PricewaterhouseCoopers A.G. Wirtschaftsprüfungsgesellschaft, Friedrich-Ebert-Anlage 35-37, 60327 Frankfurt am Main, Germany, has been engaged to audit the Fund and the Annual Report up to 30 June 2018. With effect from 1 July 2018, Ernst & Young GmbH, Mergenthalerallee 3-5, 65760 Eschborn am Main, shall be engaged to audit the Fund and the Annual Report.

The auditors shall audit the Annual Report of the Fund. During the audit, the auditors shall also establish whether the management of the Fund was performed in compliance with the provisions of the KAGB, the GITC and the SITC. The auditors shall summarise the result of the audit in an independent auditors' report. The report shall be quoted verbatim and in full in the Annual Report. If requested, the auditors shall submit the audit report of the Fund to BaFin.

Hong Kong Participating Dealers

The role of a Hong Kong Participating Dealer is to subscribe and redeem Units in the Sub-Funds from time to time. In its absolute discretion, the Hong Kong Participating Dealer may also subscribe or redeem Units on behalf of its clients from time to time.

SG Securities (HK) Limited is the Hong Kong Participating Dealer of the Sub-Funds to which this Prospectus relates. Other Hong Kong Participating Dealer may be appointed.

Hong Kong Transfer Agent

BNP Paribas Securities Services, Hong Kong Branch has been appointed as the Hong Kong Transfer Agent for the Fund.

The Hong Kong Transfer Agent performs Unit subscription and redemption confirmation and daily reconciliation for each Sub-Fund to which this Prospectus relates pursuant to the Service Agreement.

The Units have been accepted as eligible securities by HKSCC for deposit, clearing and settlement in CCASS and registered in the name of HKSCC Nominees Limited by the Hong Kong Transfer Agent. Any beneficial interest in the Hong Kong Units of the Sub-Funds has been shown on the relevant account with a Hong Kong Participating Dealer or by or through any participant in CCASS.

Hong Kong Representative

SG Securities (HK) Limited has been appointed as the Hong Kong Representative for the Fund and the Sub-Funds in Hong Kong in accordance with the requirements of the Code.

SEHK Market Maker

A SEHK Market Maker is a broker or a dealer permitted by SEHK to act as such by making a market for Units in the secondary market on SEHK. The obligations of a SEHK Market Maker include quoting bid prices to potential sellers and offer prices to potential buyers when there is a wide spread between the prevailing bid prices and offer prices for Units on SEHK. Such SEHK Market Makers accordingly facilitate the efficient trading of Units by providing liquidity in the secondary market when it is required in accordance with the market making requirements of SEHK. Subject to applicable regulatory requirements, the Management Company will use its best endeavours to put in place arrangements so that there is at least one SEHK Market Maker for each Sub-Fund to which this Prospectus relates to facilitate efficient trading. Currently, SG Securities (HK) Limited acts as the sole SEHK Market Maker to the Sub-Funds to which this Prospectus relates by agreement with the Management Company and its role may be terminated at any time by either party on 3 months' written notice to the other.

The list of SEHK Market Maker(s) in respect of each Sub-Fund from time to time will be displayed on www.hkex.com.hk.

Hong Kong Service Agent

HK Conversion Agency Services Limited is the Hong Kong Service Agent of the Sub-Funds under the terms of Service Agreements entered into among, *inter alia*, the Management Company, HKSCC, the Hong Kong Service Agent and each Hong Kong Participating Dealer. The Hong Kong Service Agent performs, in respect of each Sub-Fund, certain services in connection with the subscription and redemption of Units by Hong Kong Participating Dealer(s).

REPORTS AND OTHER INFORMATION

Reports

The Fund's and each Sub-Fund's financial year ends on 30 June.

Annual Reports, containing the audited consolidated financial reports of the Fund and the Sub-Funds in respect of the preceding financial period, and Semi-annual Reports will be available from the website www.comstage.com.hk within four months after 30 June and two months after 31 December respectively. Hard copies of these financial reports may also be obtained from the Hong Kong Representative free of charge. Unitholders will be notified of the means of getting access to the financial reports as and when the financial reports are issued and available. Hong Kong Unitholders will be given at least one month's prior notice of any change to the mode of delivery of the Annual Reports and Semi-annual Reports.

Investors should note that only the English version of the Annual Reports and Semi-annual Reports will be available.

Information on the percentage of assets that are difficult to liquidate, new rules on liquidity management, current risk profile and risk management system used to manage these risks and changes to the maximum extent to which leverage can be used and the total amount of leverage are disclosed in the Annual Report. A list of any constituent securities of the relevant Index, if any, that each accounts for more than 10% of the weighting of the relevant Index as at the end of the relevant period and their respective weighting showing any limits adopted by the relevant Sub-Fund, a comparison of each Sub-Fund's performance and the actual relevant Index performance over the relevant period and such other information as is required under the Code are also disclosed in the Annual Reports and Semi-annual Reports.

Distribution Policy

The Management Company will adopt a distribution policy for each Sub-Fund as the Management Company considers appropriate having regard to the Sub-Fund's net income, fees and costs. For each Sub-Fund this distribution policy will be set out in the relevant Appendix. Distributions will always depend on payments on securities held by the relevant Sub-Fund which will in turn depend on factors beyond the control of the Management Company including, general economic conditions, and the financial position and distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

The Management Company may amend a Sub-Fund's distribution policy subject to the SFC's prior approval and by giving not less than one month's prior notice to Unitholders (where necessary).

Material Changes to an Index

The SFC should be consulted on any events that may affect the acceptability of any Index. Significant events relating to an Index will be notified to the Unitholders as soon as practicable. These may include a change in the methodology/rules for compiling or calculating any Index, or a change in the objective or characteristics of an Index.

Information on the Internet

The Management Company publishes information with respect to the Fund and the Sub-Funds which are offered to Hong Kong investors, both in the English and in the Chinese languages, on the website www.comstage.com.hk including:

(a) this Prospectus and the Product Key Facts Statements (as revised from time to time);

(b) the latest audited Annual Report and unaudited Semi-annual Report (English language only);

(c) any notices and any public announcements, including information with regard to the Sub-Fund and the Index, relating to changes in fees, material alteration or addition to the Hong Kong Prospectus or the constitutive documents of the Fund and the Sub-Fund, suspension and resumption of (i) subscriptions and redemptions of Units; (ii) trading of Units; and (iii) calculation of the Net Asset Value;

(d) the near real time estimated Net Asset Value per Unit updated every 15 seconds throughout each Valuation Day in the Trading Currency;

(e) the last Net Asset Value and the last Net Asset Value per Unit in the Reference Currency and Trading Currency (updated on a daily basis);

(f) the composition of the Sub-Funds (updated on a daily basis);

(g) the latest list of the Hong Kong Participating Dealers and SEHK Market Makers for each Sub-Fund; and

(h) the ongoing charges figure, the past performance information, the annual tracking difference and tracking error for each Sub-Fund.

Important information including but not limited to (a), (b) and (c) will also be published on HKEXnews at http://www.hkexnews.hk.

The last Net Asset Value and the last Net Asset Value per Unit in the Trading Currency under (e) are indicative and for reference only. They are calculated using the last Net Asset Value and the last Net Asset Value per Unit in the Reference Currency respectively multiplied by the mid-rate exchange rate provided by Bloomberg for the Trading Currency at 4:00 p.m. (London time) as of the same Valuation Day.

Documents Available for Inspection

Copies of the following documents may be inspected free of charge during usual business hours on any business day in Hong Kong at the registered office of the Hong Kong Representative and for making of copies thereof upon the payment of a reasonable fee (except for hard copies of financial reports which are available free of charge):

(a) the SITC and GITC (in English translation);

(b) the Investment Management Agreement (in English translation);

(c) the Depositary and Information Agreement (in English translation);

(d) the Service Agreement with regard to the outsourcing of the fund administration (in English translation);

(e) the Hong Kong Participating Agreement(s);

(f) the Hong Kong Representative Agreement;

(g) the Service Agreement(s);

(h) the Risk Management Policy of the Management Company; and

(i) the financial reports of the Fund.

Other information

Important information for Hong Kong investors shall be published online at www.comstage.com.hk.

This Prospectus (including the Product Key Facts Statements) may refer to information and materials included in websites. Such information and materials do not form part of this Prospectus (including the Product Key Facts Statements) and they have not been reviewed by the SFC.

DEFINITIONS

In this Prospectus (including the relevant Appendix for any Sub-Fund), unless the context requires otherwise, the following expressions have the meanings set out below.

"Administrator" means BNP Paribas Securities Services S.C.A., Zweigniederlassung Frankfurt am Main or its successors.

"Agreement on the EEA" means the agreement and protocols constituting the EEA.

"AIF" means alternative investment funds.

"Annual Report" means the last available annual report of the Fund including its audited accounts.

"BaFin" means German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) or its successors.

"Banking Day" means any day on which the commercial banks, relevant stock exchanges, foreign currency markets and clearing systems in the relevant jurisdiction are open for general business.

"Code" means the Code on Unit Trusts and Mutual Funds issued by the SFC (as amended or replaced from time to time).

"CCASS" means the Central Clearing and Settlement System established and operated by HKSCC or any successor system operated by HKSCC or its successors.

"CCASS Settlement Day" means the term "Settlement Day" as defined in the General Rules of CCASS.

"Connected Person" has the meaning as set out in the Code which at the date of this Prospectus means in relation to a company:

(a) any person or company beneficially owning, directly or indirectly, 20% or more of the ordinary share capital of that company or able to exercise directly or indirectly, 20% or more of the total votes in that company; or

(b) any person or company controlled by a person who or which meets one or both of the descriptions given in (a); or

(c) any member of the group of which that company forms part; or

(d) any director or officer of that company or of any of its connected persons as defined in (a), (b) or (c).

"CSSF" means the Luxembourg *Commission de Surveillance du Secteur Financier*.

"Custodian" means BNP Paribas Securities Services S.C.A., Zweigniederlassung Frankfurt am Main or its successors.

"EEA" means the European Economic Area.

"EU" means the European Union.

"EUR" means a Euro being the unit of the European single currency.

"FATCA" means the Foreign Account Tax Compliance Act 2010 of the United States.

"Federal Gazette" means the federal government gazette of Germany (*Bundesanzeiger*).

"Fund" means ComStage 1, a *Sondervermögen* in Germany which constitutes investment undertakings in compliance with Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) within the meaning of the KAGB.

"Germany" means the Federal Republic of Germany (*Bundesrepublik Deutschland*).

"GITC" means the general investment terms and conditions (*AABen*) of the Fund.

"HKD" means Hong Kong dollars, the lawful currency of Hong Kong.

"HKEx" means Hong Kong Exchanges and Clearing Limited or its successors.

"HKSCC" means the Hong Kong Securities Clearing Company Limited or its successors.

"Hong Kong Participating Dealer" means any licensed broker or dealer and who has entered into a Participation Agreement in form and substance acceptable to the Management Company (and includes an agent of the Hong Kong Participating Dealer which is a participant of CCASS).

"Hong Kong Representative" means SG Securities (HK) Limited or its successors.

"Hong Kong Service Agent" means HK Conversion Agency Services Limited or its successors.

"Hong Kong Transfer Agent" means BNP Paribas Securities Services, Hong Kong Branch or its successors.

"Index" means, in respect of a Sub-Fund, the index against which the relevant Sub-Fund is benchmarked as set out in the relevant Appendix.

"Investment Manager" means Commerzbank AG or its successors.

"KAGB" means the German Investment Code (*Kapitalanlagegesetzbuch*).

"Management Company" means Commerz Funds Solutions S.A. or its successors.

"Net Asset Value" means the value of the assets held by a Sub-Fund less any liabilities.

"Net Asset Value per Unit" means the Net Asset Value of a Sub-Fund dividing by the number of Units issued.

"Participation Agreement" means an agreement entered into between, amongst others, the Management Company and a Hong Kong Participating Dealer (and its agent, if applicable) setting out, (amongst other things), the arrangements in respect of the issue of Units and the redemption and cancellation of Units.

"PRC" means the People's Republic of China.

"Reference Currency" means the currency that is used by the Administrator to calculate the Net Asset Value per Unit of the relevant Sub-Fund.

"SEHK" means The Stock Exchange of Hong Kong Limited or its successors.

"SEHK Market Maker" means a financial institution that is member of SEHK and is approved by the SEHK as a market maker for exchange traded funds.

"Semi-annual Reports" means the last available semi-annual report of the Fund including the Fund's semi-annual unaudited accounts.

"Service Agreement" means any service agreement entered into among the Management Company, the Custodian, the Registrar, the Hong Kong Transfer Agent, the Hong Kong Participating Dealer, HKSCC, HK Conversion Agency Services Limited;

"SFC" means the Securities and Futures Commission of Hong Kong or its successors.

"SFO" means the Securities and Futures Ordinance (Cap. 571) of Hong Kong.

"SITC" means the special investment terms and conditions (*BABen*) of the Fund.

"Sub-Fund" means a segregated pool of assets and liabilities into which the property of the Fund is divided. Information in respect of each Sub-Fund which is available to Hong Kong investors is described in the relevant Appendix.

"Trading Currency" means the trading currency of the Units of the relevant Sub-Fund which are quoted and traded on the SEHK.

"UCITS" means an undertaking for collective investment in transferable securities.

"Unit" means a unit representing an undivided share in a Sub-Fund.

"Unitholder" means a person for the time being entered on the register of holders as the holder of Units including, where the context so admits, persons jointly registered.

"Valuation Day" means any Banking Day in Frankfurt am Main and in Luxembourg on which the stock exchanges at all financial centres listed in the Appendix of the relevant Sub-Fund are open for business and on which corresponding Index closing price is determined on the basis of which the Net Asset Value is calculated. The 24 and 31 December of each year are not Valuation Days.

DIRECTORY

Management Company
Commerz Funds Solutions S.A.
22, Boulevard Royal,
L-2449 Luxembourg, Luxembourg

Directors of the Management Company
Lionel Paquin, Vorsitzender des Verwaltungsrats
Mathias Turra
Guillaume Philippe Michel Marie 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
SG Securities (HK) Limited
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Three Pacific Place
1 Queen's Road East, Hong Kong

#Hong Kong Participating Dealer and Hong Kong Representative
SG Securities (HK) Limited
Level 38
Three Pacific Place
1 Queen's Road East, Hong Kong

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
Mergenthalerallee 3-5
65760 Eschborn am Main

Hong Kong Legal Advisers
Simmons & Simmons
30th Floor One Taikoo Place

979 King's Road
Hong Kong

Please refer to the Fund's website for the latest lists of SEHK Market Makers and Hong Kong Participating Dealers

* * *

APPENDICES

Each Appendix of this Prospectus includes specific information relevant to each Sub-Fund established under the Fund and listed on the SEHK. It is updated from time to time by the Management Company. Information relating to each Sub-Fund is set out in a separate Appendix.

The information presented in each Appendix should be read in conjunction with the information presented in the General Section of this Prospectus. Where the information in any Appendix conflicts with the information presented in the General Section, the information in the relevant Appendix prevails. However, such information is applicable to the specific Sub-Fund of the relevant Appendix only.

Defined terms used in each of the Appendices and which are not defined, bear the same meanings as in the General Section. References in each Appendix to "Sub-Fund" refer to the relevant Sub-Fund which is the subject of that Appendix. References in each Appendix to "Index" refer to the relevant Index details of which are set out in that Appendix.

Appendix 1 – COMSTAGE 1 DAX® UCITS ETF

General

The Sub-Fund was launched in Germany on 30 October 2015 for an indefinite term.

The investors are fractional co-owners of the assets held by the Sub-Fund. Investors have no rights or powers over or direct interests in the Sub-Fund's assets.

Fair treatment of investors by Unit class

The following Unit class of ComStage 1 DAX® UCITS ETF Sub-Fund is offered to Hong Kong investors:

- ComStage 1 DAX® UCITS ETF (II), denominated in Euro.

A description of the features of such Unit class can be found under "All-in Fee and other costs", "Application of income" and "Stock exchanges and markets" in this Appendix.

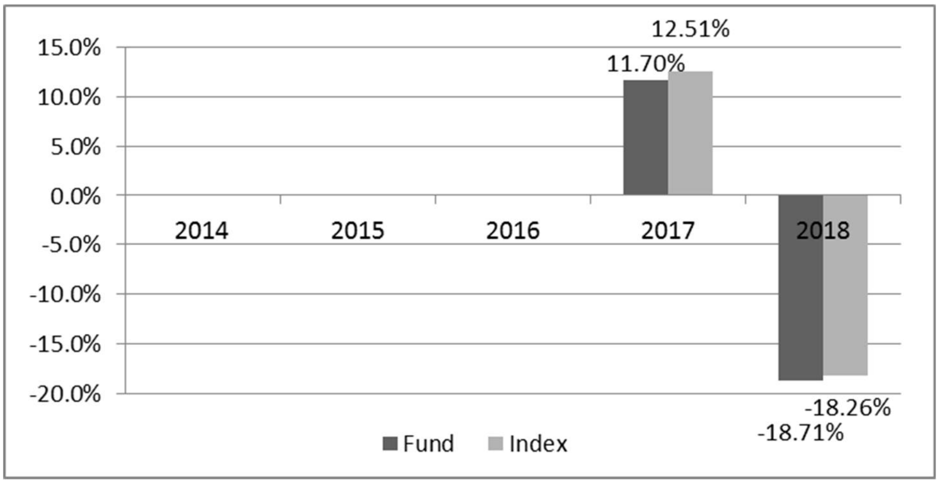
Assets may only be acquired for the entire Sub-Fund, and not for a single Unit class or group of Unit classes. However, this does not apply to currency hedges, whose gains or losses are attributable to specific Unit classes and which do not have any impact on the Unit performance of the other Unit classes. Information in this regard is provided as soon as a currency-hedged Unit class is issued for this Sub-Fund.

Pursuant to section 17(2) of the GITC of the Fund, additional Unit classes may be established in future, which will differ from the existing Unit classes in terms of the application of income, the subscription fee, redemption fee, the base currency including the use of currency hedges, the All-in Fee, the minimum investment amount, or any combination of these characteristics. However, this will not affect the rights of investors who have acquired Units in existing Unit classes. The costs associated with the introduction of a new Unit class may only be charged to investors in this new Unit class.

The Management Company is obliged to treat the investors in the Sub-Fund fairly. In managing its liquidity risk and redeeming Units, it shall not give preference to the interests of one investor or one group of investors over the interests of another investor or another group of investors. The procedures the Management Company uses to ensure the fair treatment of investors are presented in the General Section of this Prospectus.

Investment objective	The investment objective of the **ComStage 1 DAX® UCITS ETF** Sub-Fund is to deliver a return to investors that, before fees and expenses, closely corresponds to the performance of the DAX® Index (performance index) (ISIN DE0008469008) (the "Index"). No assurance can be given that the Sub-Fund's investment objective will actually be met. The tracking error expected under normal market conditions of ComStage 1 DAX® UCITS ETF (II) Unit class is up to 1%.
Description of the Index	The DAX® Index (performance index) calculated by Deutsche Börse AG contains the 30 largest and highest-revenue German companies listed on the Frankfurt Stock Exchange. The Index is an index weighted by free-float market capitalisation, with each stock being subject to a maximum weighting of 10%. The Index is a performance index. A performance index calculates the performance of the Index components on the basis that any dividends or bonus payments of the Index components are reinvested in each individual stock. The Index was launched on 1 July 1988 and had a base level of 1,000 as at 31 December 1987. The Index is denominated in Euro. The composition of the Index and the weighting of the Index components are reviewed quarterly in March, June, September and December. Bloomberg ticker: DAX<Index><GO> The above overview of the Index summarises its key characteristics at the time of preparing this Prospectus, but does not aim to provide a comprehensive description of the Index. Further information about the Index can be found on the Index sponsor's website. Investors should visit this website regularly to get information on the current composition of the Index as well as any adjustments or changes to the Index (e.g. with regard to the Index calculation method). If there are inconsistencies between the above summary of the Index and the Index sponsor's comprehensive description of the Index, the Index sponsor's comprehensive description shall prevail.
Investment policy	In seeking to achieve the Sub-Fund's investment objective, the Management Company will primarily use a full replication strategy by investing all or substantially all of its assets in the constituents of the Index, broadly in proportion to the respective weightings of the index components, subject to the section entitled "Investment principles and investment limits" in this Prospectus. The Management Company may switch to representative sampling strategy by investing in a portfolio featuring high correlation with the Index and/or in other securities that are not index components if the portfolio matches the characteristics of the Index under certain circumstances e.g. unavailability of certain constituent stocks due to illiquidity or corporate actions.
Specific investment restrictions	The Sub-Fund shall not invest more than 10% of its total assets in units or shares of other UCITS or non-UCITS, and is therefore a suitable target fund for funds of funds. The use of financial derivative instruments is only possible in special situations, such as liquidity bottlenecks in individual instruments, specific corporate actions or the like, in the interest of the investors. The value of the financial derivative instruments may not exceed 10% of the respective Sub-Fund assets. The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's Net Asset Value. No securities lending or repurchase agreements shall be entered into. Subject to the investment restrictions described in the foregoing paragraphs, at least 92% of the Sub-Fund's total assets shall be invested in equity holdings as defined in

	section 2(8) of the Investment Tax Act. For this purpose, equity holdings are: (a) Shares of corporations that are admitted to trading on an official market or are admitted to trading on or included in another organised market; (b) Shares of corporations that are domiciled in a member state of the EU or another signatory state to the Agreement on the European Economic Area, which are subject to and not exempt from corporate income tax in that state; (c) Shares of corporations that reside in a third-party country, which are subject to and not exempt from corporate income tax of at least 15% in that country; and (d) Units of other investment funds (target funds) either at the rate of the target fund's value published on the valuation date on which the Sub-Fund actually invests in the units or shares of the target fund, or at the minimum rate as specified in the terms and conditions of that target fund. More information on the investment policy of the Sub-Fund can be found under "Investment Policy and Restrictions" in the General Section of this Prospectus.
Valuation Day	Valuation Day is any Banking Day in Frankfurt am Main and in Luxembourg on which the stock exchanges at all financial centres listed in this Appendix is open for business and on which corresponding Index closing price is determined on the basis of which the Net Asset Value is calculated. The 24 and 31 of December of each year are not Valuation Days.
Calculation and publication date	The Banking Day in Frankfurt am Main and Luxembourg following the Valuation Day. The 24 and 31 December of each year are not calculation and publication dates.
Cut-off time for subscriptions and redemptions	Subscription and redemption orders received on a day that is a Valuation Day shall be taken into account on the same Valuation Day, if these orders are received by 4.30 p.m. in Frankfurt am Main All orders received by the designated agent after this cut-off time shall be processed on the basis of the Net Asset Value per Unit on the next Valuation Day.
Subscription fee and redemption fee	Please refer to the sections "Subscription and purchase of Units" and "Redemption and sale of Units" for explanation on the calculation of issue price and redemption price respectively. The subscription fee is equivalent to 5% of the Net Asset Value of Units subscribed. The redemption fee is equivalent to 5% of the Net Asset Value of Units redeemed. If Units are purchased or sold on the SEHK, no subscription or redemption fees are payable. In addition, Hong Kong Participating Dealers may charge a fee for the issue or redemption of Units through them.
Financial centre	Frankfurt am Main and Luxembourg
Calculation of income	The Sub-Fund generates income from the interest, dividends and investment unit income accrued and not used to cover costs in the course of the financial year. Additional income may result from the disposal of assets held for the account of the Sub-Fund. The Management Company shall use an income equalisation procedure for the Sub-Fund. This means that the pro-rated income over the financial year that the purchaser of Units must pay as part of the issue price, and that the investor redeeming the Units receives as part of the redemption price, is continuously offset. The expenses incurred

	are taken into account in the calculation of the income equalisation. The income equalisation procedure is designed to even out any fluctuations in the relationship between income and other assets caused by the net inflows and net outflows of funds resulting from the subscription and redemption of Units. This is because, otherwise, every net inflow of liquid funds would decrease the proportion of the Net Asset Value of the Sub-Fund accounted for by income, while every outflow would increase it. As a result, the income equalisation procedure ensures that the earnings per Unit reported in the Annual Report is not affected by the number of Units issued. In this regard, it should be noted that investors who, for example, acquire Units shortly before the reinvestment date will have to pay tax on that portion of the issue price attributable to income, although their paid-in capital did not contribute to the generation of such income.
Distributions	For the **ComStage 1 DAX® UCITS ETF (II)** Unit class, the Management Company does not intend to distribute dividends. Instead the Management Company shall reinvest in the Sub-Fund, after adjustment for income equalisation as well as capital gains on the accumulation Units, the pro-rata interest, dividends and other income that have accrued during the financial year for the account of the Sub-Fund and have not been used to cover costs.
All-in Fee and other costs	Pursuant to section 7 of the SITC, the Management Company shall receive remuneration in respect of each Unit class for managing the Sub-Fund. For the management of the **ComStage 1 DAX® UCITS ETF (II)** Unit class, the Management Company shall receive remuneration of up to 0.15% per year, based on the Net Asset Value calculated every Banking Day in Germany pursuant to section 20 of the GITC. This All-in Fee covers the costs and expenses as described in the "All-in Fee" sub-section in the General section of the Prospectus.
Performance	 • Past performance information is not indicative of future performance. Investors may not get back the full amount invested. • The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividends (if any) reinvested. • These figures show by how much the share class increased or decreased in value during the calendar year shown. Performance data has been calculated in EUR including ongoing charges and excluding trading costs on SEHK you might have to pay. • Where no past performance is shown there was insufficient data available in

	that year to provide performance. • **ComStage 1 DAX® UCITS ETF (II)** Unit class launch date: 18 May 2016.
Profile of the typical investor	In consideration of the risk profile typology set out in "Risk Profile" in this Prospectus, the Sub-Fund is classified as "high-risk". Investors must be prepared and able to accept fluctuations in the value of the Units and the possibility of a significant capital loss. Investors should therefore have a medium-term to long-term investment horizon. Further details on this can be found in the sections on "Risk Profile" in this Prospectus.
Specific risk warning	The specific risk factors should be read in addition to and in conjunction with the risk factors described in the General Section of the Prospectus. Investors should note that the Sub-Fund does not provide any capital protection or guarantee and the invested capital or the amount to which it is equivalent is neither protected nor guaranteed. Investors of the Sub-Fund must be prepared and able to accept losses of the capital invested or even total loss. In addition, investors bear some other risks, as described in the section on "Risk Factors" in the General Section of the Prospectus. <u>Concentration risk / German market risk</u> The Sub-Fund's investments are concentrated in Germany. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments and may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the German market. <u>Eurozone risk</u> In light of ongoing concerns on the sovereign debt risk of certain countries within the Eurozone, the Sub-Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. Any adverse events, such as credit downgrade of a sovereign or exit of EU members from the Eurozone, may have a negative impact on the value of the Sub-Fund.
Minimum investment amount	One Unit
Subscription / redemption policy	Cash only
Board lot size	25 Units
Stock code	3171
Short stock name	COMSTAGE DAX
Stock exchanges and markets	The Units are listed on the SEHK and have been accepted by HKSCC as eligible securities for deposit, clearing and settlement in CCASS. Certain Units of the Sub-Fund are listed on the Baden-Württemberg Stock Exchange, Frankfurt Stock Exchange, SIX Swiss Exchange and XETRA. Application may be made in the future for a listing of other Units of the Sub-Fund on other stock exchanges.
Reference Currency	EUR
Trading Currency	HKD
SEHK listing date	18 May 2016
Securities lending or repurchase agreements	None

Index sponsor and licence agreement	Index sponsor: Deutsche Börse AG Deutsche Börse AG is in compliance with the IOSCO Principles for Financial Benchmarks. The Management Company (and each of its Connected Persons) is independent of the Index sponsor. The Management Company has entered into a licence agreement with the Index sponsor for the use of the Index. The term of the licence of the Index commenced on September 2008 and should continue indefinitely unless either party to the licence agreement serves a written notice of termination of at least 6 months to the other party. The licence agreement may otherwise be terminated in accordance with the provisions of the licence agreement. "DAX®" is a registered trademark of Deutsche Börse AG. The Sub-Fund is not sponsored, promoted, sold or in any other way supported by Deutsche Börse AG ("DBAG") and DBAG makes no representations or warranties, either express or implied, with regard to the results of using the Index, the Index data and/or the Index trademark nor with regard to the Index level at any given point in time or at any given date nor in any other respect. Although the Index and the Index data are calculated and published by DBAG, DBAG shall, to the extent permitted by law, not be liable to third parties for any errors in the Index or the Index data. Nor is DBAG under any obligation to third parties, including investors, to notify them of any errors in the Index. Neither the publication of the Index by DBAG nor the licensing of the Index, the Index data and the Index trademark for use in connection with the Sub-Fund or other securities or financial products derived from the Index constitutes any recommendation by DBAG to make an investment or can in any way be construed as an endorsement or opinion of DBAG with regard to the attractiveness of an investment in this product. DBAG, as the sole proprietor of the rights to the Index, the Index data and the Index trademark, has authorised the Management Company only to use the Index and the Index trademark and any reference to the Index data and the Index trademark in connection with the Sub-Fund.
Index sponsor's website	www.dax-indices.com
Index constituents	The constituents of the Index and their respective weightings are available on http://www.eng.comstage.com.hk/DE000ETF8019.

Date of Appendix: 30 July 2019

Appendix 2 – COMSTAGE 1 DIVDAX® UCITS ETF

General

The Sub-Fund was launched in Germany on 30 October 2015 for an indefinite term.

The investors are fractional co-owners of the assets held by the Sub-Fund. Investors have no rights or powers over or direct interests in the Sub-Fund's assets.

Fair treatment of investors by Unit class

The following Unit class of ComStage 1 DivDAX® UCITS ETF Sub-Fund is offered to Hong Kong investors:

- ComStage 1 DivDAX® UCITS ETF (II), denominated in Euro.

A description of the features of such Unit class can be found under "All-in Fee and other costs", "Application of income" and "Stock exchanges and markets" in this Appendix.

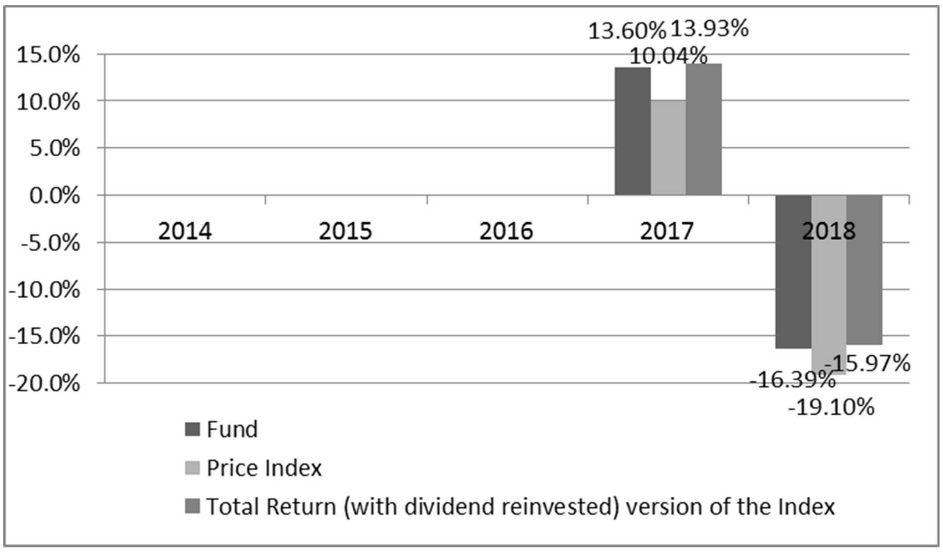
Assets may only be acquired for the entire Sub-Fund, and not for a single Unit class or group of Unit classes. However, this does not apply to currency hedges, whose gains or losses are attributable to specific Unit classes and which do not have any impact on the Unit performance of the other Unit classes. Information in this regard is provided as soon as a currency-hedged Unit class is issued for this Sub-Fund.

Pursuant to section 17(2) of the GITC of the Fund, additional Unit classes may be established in future, which will differ from the existing Unit classes in terms of the application of income, the subscription fee, redemption fee, the base currency including the use of currency hedges, the All-in Fee, the minimum investment amount, or any combination of these characteristics. However, this will not affect the rights of investors who have acquired Units in existing Unit classes. The costs associated with the introduction of a new Unit class may only be charged to investors in this new Unit class.

The Management Company is obliged to treat the investors in the Sub-Fund fairly. In managing its liquidity risk and redeeming Units, it shall not give preference to the interests of one investor or one group of investors over the interests of another investor or another group of investors. The procedures the Management Company uses to ensure the fair treatment of investors are presented in the General Section of this Prospectus.

Investment objective	The investment objective of the **ComStage 1 DivDAX® UCITS ETF** Sub-Fund is to deliver a return to investors that, before fees and expenses, closely corresponds to the performance of the DivDAX® Index (price index) (ISIN DE000A0C33C3) (the "Index"). No assurance can be given that the Sub-Fund's investment objective will actually be met. The tracking error expected under normal market conditions of ComStage 1 DivDAX® UCITS ETF (II) Unit class is up to 4.00%.
Description of the Index	The Index, which is calculated by Deutsche Börse AG, contains the 15 companies in the German benchmark DAX® Index with the highest dividend yields. The dividend yield is calculated by dividing the dividend paid by the closing price of the stock on the day prior to distribution. The Index is an index weighted by free-float market capitalisation, with each stock being subject to a maximum weighting of 10%. The Index of the Sub-Fund is calculated as a price return index. A price return index calculates the performance of the index constituents on the basis that any dividends or distributions are not included in the index returns. The Index was launched on 21 September 2003 and had a base level of 100 on 20 September 1999. The Index is denominated in Euro. The weightings of the Index are adjusted quarterly and the composition is reviewed annually in September. Bloomberg ticker: **DDAXK<Index><GO>** The above overview of the Index summarises its key characteristics at the time of preparing this Prospectus, but does not aim to provide a comprehensive description of the Index. Further information about the Index can be found on the Index sponsor's website. Investors should visit this website regularly to get information on the current composition of the Index as well as any adjustments or changes to the Index (e.g. with regard to the Index calculation method). If there are inconsistencies between the above summary of the Index and the Index sponsor's comprehensive description of the Index, the Index sponsor's comprehensive description shall prevail.
Investment policy	In seeking to achieve the Sub-Fund's investment objective, the Management Company will primarily use a full replication strategy by investing all or substantially all of its assets in the constituents of the Index, broadly in proportion to the respective weightings of the index components, subject to the section entitled "Investment principles and investment limits" in this Prospectus. The Management Company may switch to representative sampling strategy by investing in a portfolio featuring high correlation with the Index and/or in other securities that are not index components if the portfolio matches the characteristics of the Index under certain circumstances e.g. unavailability of certain constituent stocks due to illiquidity or corporate actions.
Specific investment restrictions	The Sub-Fund shall not invest more than 10% of its total assets in units or shares of other UCITS or non-UCITS, and is therefore a suitable target fund for funds of funds. The use of financial derivative instruments is only possible in special situations, such as liquidity bottlenecks in individual instruments, specific corporate actions or the like, in the interest of the investors. The value of the financial derivative instruments may not exceed 10% of the respective Sub-Fund assets. The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's Net Asset Value. No securities lending or repurchase agreements shall be entered into. Subject to the investment restrictions described in the foregoing paragraphs, at least 92% of the Sub-Fund's total assets shall be invested in equity holdings as defined in

	section 2(8) of the Investment Tax Act. For this purpose, equity holdings are: (a) Shares of corporations that are admitted to trading on an official market or are admitted to trading on or included in another organised market; (b) Shares of corporations that are domiciled in a member state of the EU or another signatory state to the Agreement on the European Economic Area, which are subject to and not exempt from corporate income tax in that state; (c) Shares of corporations that reside in a third-party country, which are subject to and not exempt from corporate income tax of at least 15% in that country; and (d) Units of other investment funds (target funds) either at the rate of the target fund's value published on the valuation date on which the Sub-Fund actually invests in the units or shares of the target fund, or at the minimum rate as specified in the terms and conditions of that target fund. More information on the investment policy of the Sub-Fund can be found under "Investment Policy and Restrictions" in the General Section of this Prospectus.
Valuation Day	Valuation Day is any Banking Day in Frankfurt am Main and in Luxembourg on which the stock exchanges at all financial centres listed in this Appendix is open for business and on which corresponding Index closing price is determined on the basis of which the Net Asset Value is calculated. The 24 and 31 of December of each year are not Valuation Days.
Calculation and publication date	The Banking Day in Frankfurt am Main and Luxembourg following the Valuation Day. The 24 and 31 December of each year are not calculation and publication dates.
Cut-off time for subscriptions and redemptions	Subscription and redemption orders received on a day that is a Valuation Day shall be taken into account on the same Valuation Day, if these orders are received by 4.30 p.m. in Frankfurt am Main. All orders received by the designated agent after this cut-off time shall be processed on the basis of the Net Asset Value per Unit on the next Valuation Day.
Subscription fee and redemption fee	Please refer to the sections "Subscription and purchase of Units" and "Redemption and sale of Units" for explanation on the calculation of issue price and redemption price respectively. The subscription fee is equivalent to 5% of the Net Asset Value of Units subscribed. The redemption fee is equivalent to 5% of the Net Asset Value of Units redeemed. If Units are purchased or sold on the SEHK, no subscription or redemption fees are payable. In addition, Hong Kong Participating Dealers may charge a fee for the issue or redemption of Units through them.
Financial centre	Frankfurt am Main and Luxembourg
Calculation of income	The Sub-Fund generates income from the interest, dividends and investment unit income accrued and not used to cover costs in the course of the financial year. Additional income may result from the disposal of assets held for the account of the Sub-Fund. The Management Company shall use an income equalisation procedure for the Sub-Fund. This means that the pro-rated income over the financial year that the purchaser of Units must pay as part of the issue price, and that the investor redeeming the Units receives as part of the redemption price, is continuously offset. The expenses incurred

	are taken into account in the calculation of the income equalisation. The income equalisation procedure is designed to even out any fluctuations in the relationship between income and other assets caused by the net inflows and net outflows of funds resulting from the subscription and redemption of Units. This is because, otherwise, every net inflow of liquid funds would decrease the proportion of the Net Asset Value of the Sub-Fund accounted for by income, while every outflow would increase it. As a result, the income equalisation procedure ensures that the earnings per Unit reported in the Annual Report is not affected by the number of Units issued. In this regard, it should be noted that investors who, for example, acquire Units shortly before the distribution date will have to pay tax on that portion of the issue price attributable to income, although their paid-in capital did not contribute to the generation of such income.
Distributions	For the **ComStage 1 DivDAX® UCITS ETF (II)** Unit class, the Management Company intends to distribute the pro-rata interest, dividends and income from investment Units that have accrued during the financial year for the account of the Sub-Fund and have not been used to cover costs, after adjustment for income equalisation. Capital gains and other income may also be distributed on a pro-rata basis after adjustment for income equalisation. The final distribution shall be made within four months after the financial year ends. The Management Company may also make interim distributions during the financial year. All Units will receive distributions in Euro. In the event that the relevant Unitholder has no Euro account, the Unitholder may have to bear the fees and charges associated with the conversion of such distribution from Euro into HKD or any other currency. Unitholders are advised to check with their brokers for arrangements concerning distributions.
All-in Fee and other costs	Pursuant to section 7 of the SITC, the Management Company shall receive remuneration in respect of each Unit class for managing the Sub-Fund. For the management of the **ComStage 1 DivDAX® UCITS ETF (II)** Unit class, the Management Company shall receive remuneration of up to 0.25% per year, based on the Net Asset Value calculated every Banking Day in Germany pursuant to section 20 of the GITC. This All-in Fee covers the costs and expenses as described in the "All-in Fee" sub-section in the General section of the Prospectus.
Performance	 • Past performance information is not indicative of future performance.

	Investors may not get back the full amount invested. • The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividends (if any) reinvested. • These figures show by how much the share class increased or decreased in value during the calendar year shown. Performance data has been calculated in EUR including ongoing charges and excluding trading costs on SEHK you might have to pay. • Where no past performance is shown there was insufficient data available in that year to provide performance. • **ComStage 1 DivDAX® UCITS ETF (II)** Unit class launch date: 18 May 2016.
Profile of the typical investor	In consideration of the risk profile typology set out in “Risk Profile” in this Prospectus, the Sub-Fund is classified as “high-risk”. Investors must be prepared and able to accept fluctuations in the value of the Units and the possibility of a significant capital loss. Investors should therefore have a medium-term to long-term investment horizon. Further details on this can be found in the sections on “Risk Profile” in this Prospectus.
Specific risk warning	The specific risk factors should be read in addition to and in conjunction with the risk factors described in the General Section of the Prospectus. Investors should note that the Sub-Fund does not provide any capital protection or guarantee and the invested capital or the amount to which it is equivalent is neither protected nor guaranteed. Investors of the Sub-Fund must be prepared and able to accept losses of the capital invested or even total loss. In addition, investors bear some other risks, as described in the section on “Risk Factors” in the General Section of the Prospectus. Concentration risk / German market risk The Sub-Fund’s investments are concentrated in Germany. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments and may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the German market. Eurozone risk In light of ongoing concerns on the sovereign debt risk of certain countries within the Eurozone, the Sub-Fund’s investments in the region may be subject to higher volatility, liquidity, currency and default risks. Any adverse events, such as credit downgrade of a sovereign or exit of EU members from the Eurozone, may have a negative impact on the value of the Sub-Fund.
Minimum investment amount	One Unit
Subscription / redemption policy	Cash only
Board lot size	20 Units
Stock code	3177
Short stock name	COMSTAGE DIVDAX
Stock exchanges and markets	The Units are listed on the SEHK and have been accepted by HKSCC as eligible securities for deposit, clearing and settlement in CCASS. Certain Units of the Sub-Fund are listed on the Baden-Württemberg Stock Exchange, Frankfurt Stock Exchange, SIX Swiss Exchange and XETRA. Application may be

	made in the future for a listing of other Units of the Sub-Fund on other stock exchanges.
Reference Currency	EUR
Trading Currency	HKD
SEHK listing date	18 May 2016
Securities lending or repurchase agreements	None
Index sponsor and licence agreement	Index sponsor: Deutsche Börse AG Deutsche Börse AG is in compliance with the IOSCO Principles for Financial Benchmarks. The Management Company (and each of its Connected Persons) is independent of the Index sponsor. The Management Company has entered into a licence agreement with the Index sponsor for the use of the Index. The term of the licence of the Index commenced on September 2008 and should continue indefinitely unless either party to the licence agreement serves a written notice of termination of at least 6 months to the other party. The licence agreement may otherwise be terminated in accordance with the provisions of the licence agreement. "DivDAX®" is a registered trademark of Deutsche Börse AG. The Sub-Fund is not sponsored, promoted, sold or in any other way supported by Deutsche Börse AG ("DBAG") and DBAG makes no representations or warranties, either express or implied, with regard to the results of using the Index, the Index data and/or the Index trademark nor with regard to the Index level at any given point in time or at any given date nor in any other respect. Although the Index and the Index data are calculated and published by DBAG, DBAG shall, to the extent permitted by law, not be liable to third parties for any errors in the Index or the Index data. Nor is DBAG under any obligation to third parties, including investors, to notify them of any errors in the Index. Neither the publication of the Index by DBAG nor the licensing of the Index, the Index data and the Index trademark for use in connection with the Sub-Fund or other securities or financial products derived from the Index constitutes any recommendation by DBAG to make an investment or can in any way be construed as an endorsement or opinion of DBAG with regard to the attractiveness of an investment in this product. DBAG, as the sole proprietor of the rights to the Index, the Index data and the Index trademark, has authorised the Management Company only to use the Index and the Index trademark and any reference to the Index data and the Index trademark in connection with the Sub-Fund.
Index sponsor's website	www.dax-indices.com
Index constituents	The constituents of the Index and their respective weightings are available on http://www.eng.comstage.com.hk/DE000ETF8027.

Date of Appendix: 30 July 2019