

Annual financial statements and management report

31 December 2019

Balance sheet as at 31 December 2019 of Deutsche Börse Commodities GmbH, Frankfurt/Main

| Assets | 31/12/2019 | 31/12/2018 | Shareholders' Eq |
|--|------------------|------------|-------------------------------|
| | € | € thousand | |
| NON-CURRENT ASSETS | | | SHAREHOLDERS' EQUIT |
| Property, plant and equipment | | | Subsribed capital |
| Operating and business equipment | 0.00 | 0 | Unappropriated surplus |
| Total non-current assets | 0.00 | 0 | Total shareholders' equity |
| CURRENT ASSETS | | | RROVISIONS |
| Stocks | | | Provisions for taxes |
| Raw materials and consumables | 21,836.91 | 21 | Other provisions |
| | | | Total provisions |
| Receivables and other assets | | | - |
| Trade accounts receivable | 1,953,303.50 | 1,491 | Liabilities |
| Accounts receivable from affiliated comanies | 165,286,014.83 | 144,355 | Bonds |
| Other assets | 8,672,744,952.92 | 6,365,255 | Trade accounts payable |
| | 8,839,984,271.25 | 6,511,101 | Accounts payable to affiliate |
| | | | Other liabilities |
| Bank balances | 9,118,187.68 | 7,343 | thereof for taxes € 235, |
| Total current assets | 8,849,124,295.84 | 6,518,465 | Total liabilities |
| DEFERRED EXPENSES | 40,000.00 | 40 | |
| Total assets | 8,849,164,295.84 | 6,518,505 | Total shareholders' equity |

| Shareholders' Equity and Liabilities | 31/12/2019 | 31/12/2018 | |
|--|------------------|------------|--|
| | € | € thousand | |
| SHAREHOLDERS' EQUITY | | | |
| Subsribed capital | 1,000,000.00 | 1,000 | |
| Unappropriated surplus | 7,915,290.98 | 6,369 | |
| Total shareholders' equity | 8,915,290.98 | 7,369 | |
| RROVISIONS | | | |
| Provisions for taxes | 812,000.00 | 209 | |
| Other provisions | 155,710.00 | 201 | |
| Total provisions | 967,710.00 | 410 | |
| Liabilities | | | |
| Bonds | 8,838,030,967.77 | 6,509,500 | |
| Trade accounts payable | 464,359.60 | 669 | |
| Accounts payable to affiliated companies | 689,633.36 | 321 | |
| Other liabilities | 96,334.13 | 236 | |
| thereof for taxes € 235,894.23 (previous year: € 280 thousand) | | | |
| Total liabilities | 8,839,281,294.86 | 6,510,726 | |
| | | | |
| Total shareholders' equity and liabilities | 8,849,164,295.84 | 6,518,505 | |

Income Statement of Deutsche Börse Commodities GmbH, Frankfurt/Main for the period from 1 January to 31 December 2019

| Subscribed capital | 2019 € | 2018 € thousand |
|---|-------------------|--------------------|
| Sales revenues | 17,430,861.67 | 13,974 |
| Other operating income | 1,460,693,268.52 | 194,637 |
| Personal expenses | | |
| Wages and salaries | -258,870.44 | -241 |
| Social security and expenses for pensions and other employee benefits | -14,287.66 | -13 |
| Depreciation of property, plant and equipment | -186.00 | 0 |
| Other operating expenses | -1,469,992,739.35 | -201,834 |
| Other interest and similar income | 87.00 | 0 |
| Other interest and similar expenses | -8.55 | 0 |
| Taxes on income | -2,311,527.70 | -1,922 |
| Income after taxes | 5,546,597.49 | 4,601 |
| Other taxes | 0.00 | 0 |
| Net income for the year | 5,546,597.49 | 4,601.00 |
| Profit carried forward from the previous year | 2,368,693.49 | 1,768.00 |
| Balance sheet surplus | 7,915,290.98 | 6,369 |

Cash flow statement of Deutsche Börse Commodities GmbH, Frankfurt/Main for the period from 1 January to 31 December 2019

| | 2019 | 2018 |
|--|-------------------|------------|
| | € | € thousand |
| Net income for the period | 5,546,597.49 | 4,601 |
| + Depreciation and amortization of non-current assets | 186.00 | 0 |
| +/- Decrease in provisions | 557,806.67 | -629 |
| Increase/decrease of trade accounts receivable and of other assets +/- not allocated to investing or financing activities | -2,328,884,239.63 | -452,888 |
| Increase/dercrease of trade accounts payable and of other liabilities +/- not allocated to investing or financing activities | 2,328,554,443.70 | 453,125 |
| = Cash flow from operating activities | 5,774,794.23 | 4,209 |
| - Cash payments for investment in property, plant and equipment | 0.00 | 0 |
| = Cash flow from investing activities | 0.00 | 0 |
| - Dividends paid to shareholders | -4,000,000.00 | -4,000 |
| = Cash flow from financing activities | -4,000,000.00 | -4,000 |
| = Change in cash funds from cash relevant transactions | 1,774,794.23 | 209 |
| + Cash funds at the beginning of period | 7,343,393.45 | 7,134 |
| = Cash funds at the end of period | 9,118,187.68 | 7,343 |

Statement of shareholders' equity of Deutsche Börse Commodities GmbH, Frankfurt/Main for the period from 1 January to 31 December 2019

| Subscribed capital | 2019 | 2018 |
|-------------------------------|---------------|------------|
| • | € | € thousand |
| Balance as at 1 January | 1,000,000.00 | 1,000 |
| Balance as at 31 December | 1,000,000.00 | 1,000 |
| Unappropriated surplus | 2019 | 2018 |
| | € | € thousand |
| Balance as at 1 January | 6,368,693.49 | 5,768 |
| Net income | 5,546,597.49 | 4,601 |
| Distributions to shareholders | -4,000,000.00 | -4,000 |
| Balance as at 31 December | 7,915,290.98 | 6,369 |
| Equity as at 31 December | 8,915,290.98 | 7,369 |

Notes to the financial statements for financial year 2019

General information on the Company

Deutsche Börse Commodities GmbH, which has its registered office in Frankfurt/Main, Germany, is registered in section B of the Commercial Register of Frankfurt/Main District Court 60485 under the number 80375.

Accounting policies

The financial statements of Deutsche Börse Commodities GmbH, Frankfurt/Main, were prepared in accordance with the provisions of the Handelsgesetzbuch (HGB, German Commercial Code) and the Gesetz betreffend die Gesellschaften mit beschränkter Haftung (GmbHG, German Act on Limited Liability Companies).

The total cost accounting method was chosen for the income statement.

As a capital-market-oriented corporation pursuant to section 264d of the HGB, the Company constitutes a large corporation as defined by section 267 (3) of the HGB.

Property, plant and equipment is carried at cost. Depreciable property, plant and equipment is depreciated using the straight-line method over its useful life. For movable assets, the tax simplification rules regarding the depreciation start date are applied in their valid form on the respective date of acquisition.

Expenses denominated in foreign currency were translated on the posting date at the ECB reference rate or the Bloomberg rates.

The advertising materials for trade fair appearances reported under inventories are carried at cost.

Receivables and bank balances are carried at their nominal value.

All other provisions take appropriate account of all identifiable risks and contingent liabilities as at the reporting date and have been set aside in the amount of anticipated settlement expenses in accordance with prudent commercial judgement.

In accordance with section 253 (1) clause 2 of the HGB, liabilities are recognised with their respective settlement amounts with the exception of the issued bearer bonds.

Deferred taxes are calculated in accordance with section 274 HGB on temporary differences between the carrying amounts according to commercial law and their taxable values. There were no temporary differences as at 31 December 2019, so no deferred taxes were recognised.

Formation of a valuation unit

In view of the cover for bearer bonds issued in the form of physical gold stocks and rights to take delivery of gold (Xetra book gold), a valuation unit was formed between these balance sheet items.

The physical gold stocks, the rights to take delivery of gold and the bearer bonds have to be valued together as an underlying and hedging transaction as defined in section 254 of the HGB to the extent that the bearer bonds are actually covered by stocks or rights to take delivery of gold. The accounting is prepared in accordance with the gross hedge presentation method; the bearer bonds, the stocks of physical gold and the rights to take delivery of gold are accordingly valued at the price of Xetra Gold prevailing on the reporting date. The valuation unit was effective at all times during the year and on the reporting date.

Notes to the balance sheet

Fixed assets

The changes in fixed assets are described in the statement of changes in fixed assets.

Receivables

All receivables have a residual maturity of less than one year.

Trade receivables

This item encompasses the right to a share in the revenue of Clearstream Banking AG, which Clearstream Banking AG pays in return for the exclusive right to hold in custody the global certificate for the Xetra Gold bond.

Receivables from companies in which the Company has an equity interest

Receivables relate to the right to take delivery of physical gold (3,800.0 kg; previous year: 4,024.4 kg); upon asserting the right to take delivery, the physical gold must be delivered within ten bank working days. These receivables are due from a shareholder.

Other assets

This item primarily includes the physical stocks of gold held in custody at Clearstream Banking AG (199,392 kg; previous year: 177,450 kg) in the amount of €8,672,745 thousand (previous year: €6,365,144 thousand).

Equity

The share capital in the amount of €1,000 thousand (previous year: €1,000 thousand) is fully paid in.

Unappropriated surplus

The profit carried forward from the previous year and included in the unappropriated surplus amounts to €2,369 thousand (previous year: €1,768 thousand).

Proposal for the appropriation of net profit

The Executive Board is proposing to distribute an amount of €4,000,000.00 to shareholders out of the unappropriated surplus recorded in the annual financial statements of Deutsche Börse Commodities GmbH of €7,915,290.98 and to carry forward the remaining amount of €3,915,290.98 to the next financial year.

Provisions for taxes

The provisions for taxes in the amount of €812 thousand (previous year: €209 thousand) consist primarily of provisions for corporate income tax amounting to €414 thousand (previous year: €107 thousand) and provisions for trade tax amounting to €375 thousand (previous year: €96 thousand).

Other provisions

Other provisions totalling €156 thousand comprise the following:

| | 156 | 201 |
|-------------------------------|--------------|--------------|
| Outstanding invoices | 0 | 55 |
| Provisions for auditing costs | 26 | 26 |
| Personnel | 130 | 120 |
| | € thous. | € thous. |
| | 31 Dec. 2019 | 31 Dec. 2018 |

Liabilities

Liabilities are divided into the categories below.

Bonds

Hedging the bearer bonds issued with physical gold and rights to take delivery of gold is a fair value hedge, which hedges miscellaneous price risk. As at the reporting date, a nominal amount of 203,191.8 kg (previous year: 181,474.8 kg) with a fair value of €8,838,031 thousand (previous year: €6,509,590 thousand) was hedged with rights to take delivery of gold in the amount of €165,286 thousand (previous year: €144,356 thousand) and with physical gold in the amount of €8,672,745 thousand (previous year: €6,365,144 thousand).

Deutsche Börse Commodities GmbH is entitled to terminate all bearer bonds at the end of any year if on 31 December in any year fewer than ten million bearer bonds have been issued by the issuer; payment is made in the following year under the terms and conditions of issue.

Trade payables

Trade payables in the amount of €464 thousand (previous year: €670 thousand) have a residual maturity of up to one year.

Amounts owed to affiliated companies

Liabilities towards companies in which the Company has a participating interest in the amount of €690 thousand (previous year: €322 thousand) have a residual maturity of up to one year. They are due to shareholders.

Other liabilities

Other liabilities solely comprise value added tax liabilities in the amount of €92 thousand (previous year: €232 thousand) and wage and church tax in the amount of €4 thousand (previous year: €4 thousand) with a residual maturity of up to one year.

Notes to the income statement

Revenue

Sales revenue amounts to €17,431 thousand (previous year: €13,974 thousand) and includes the share in revenue based on the custodian and service agreement with Clearstream Banking AG.

Other operating income

Other operating income in 2019 was almost wholly the result of the revaluation of physical gold holdings and the revaluation of the rights to take delivery of gold (Xetra book gold) in the amount of €1,460,685 thousand (previous year: €194,607 thousand).

Other operating expenses

Other operating expenses amounted to €1,469,993 thousand (previous year: €201,834 thousand) and in particular comprised:

- write-back of the bearer bond in the amount of €1,460,685 thousand (previous year: €194,607 thousand)
- cost of storing gold in safekeeping at Clearstream Banking AG of €3,938 thousand (previous year: €3,073 thousand)
- distribution fees to the shareholders of €2,791 thousand (previous year: €1,953 thousand)

- remuneration for designated sponsoring activities of €1,181 thousand (previous year: €922 thousand)
- advertising and marketing costs of €703 thousand (previous year: €672 thousand)

Auditor's fee

The total fee charged by the auditor for financial year 2019 amounts to €25 thousand (previous year: €35 thousand). Of this amount, €25 thousand (previous year: €25 thousand) relates to year-end auditing services, €0 thousand (previous year: €7 thousand) to other confirmation services and €0 thousand (previous year: €2 thousand) to tax advisory services.

Other financial obligations

| Figures in € thousand | Total amount | Thereof: up to 1 year | Thereof: 1-5 years | Thereof: > 5 years |
|---|--------------|-----------------------|-----------------------|-----------------------|
| Management and agency contracts | 3,715 | 3,715 | 0 | 0 |
| (previous year) | (4,732) | (2,432) | (2,300) | (0) |
| Other contracts, including service agreements | 1,098 | 1,098 | 0 | 0 |
| (previous year) | (524) | (524) | (0) | (0) |
| Total | 4,813 | 4,813 | 0 | 0 |
| (previous year) | (5,256) | (2,956) | (2,300) | 0 |

The "Management and agency contracts" item shown above is comprised, firstly, of the agency contract with Deutsche Börse AG, which covers a number of central functions such as accounting, risk management and procurement, and, secondly, the custodian contract with Clearstream Banking AG, which relates to the safe custody of the global certificate for the Xetra Gold bond.

Other disclosures

Board of Directors

The members of the Board of Directors include:

Martina Gruber Member of the Executive Board of Clearstream Banking

(Chairwoman) AG, Frankfurt/Main

Ingo Ramming Managing Director, Co-Head of Commodity Solutions,

(Deputy Chairman) EMC Commodities, Corporate & Markets at Commerzbank AG,

Frankfurt/Main

Dr Bernhard Fuchs Senior Vice President, Precious Metals Management and

Umicore Marketing Services at Umicore AG & Co. KG,

Hanau

Jean-Luc Jacob Departmental Director, Capital Market Trading, Commodity

Products at

DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frank-

furt/Main

Sebastian Luther Departmental Director, Senior Fixed Income & Credit Sales at

(since 17.01. 2019) B. Metzler seel. Sohn & Co. KGaA, Frankfurt/Main

Mario Mattera Member of the Partners' Committee at B. Metzler seel. Sohn &

Co.

(until 17.01.2019) KGaA, Frankfurt/Main

Christoph Naef Managing Director, Head of Business & Distribution

(until 30.11. 2019) Management at Bank Vontobel AG Investment Banking, Zurich,

Switzerland

Dr Volker Stemann Managing Director, Head of Fixed Income & Currencies

Continental Europe at Deutsche Bank AG, Frankfurt/Main

Roger Studer Member of the Executive Management, Head of

(from 01.12 2019) Investment Banking at Bank Vontobel AG Investment Banking,

Zurich, Switzerland

Sandra Vogt-Sasse Tax Consultant and Wirtschaftsprüferin (Public Auditor), Ma-

naging Director at SAVOSA GmbH Steuerberatungsgesellschaft,

Karben

The costs incurred by the members of the Board of Directors in performing their rights and responsibilities are borne in each case by the shareholder entitled to appoint the member. In the case of Ms Vogt-Sasse, whose management responsibilities deal in particular with the monitoring of the accounting and year-end auditing, costs of €14 thousand (previous year: €13 thousand) were incurred in financial year 2019.

Managing Directors

Deutsche Börse Commodities GmbH has the following Managing Directors:

Steffen Orben Chief Operating Officer of Deutsche Börse Commodities GmbH

Michael König Head of Section, Client Relations Germany at Clearstream

Banking AG

Management was granted a total amount of €240 thousand (previous year: €240 thousand) as remuneration for their work in financial year 2019. This includes salaries amounting to €120 thousand (previous year: €120 thousand) and bonuses in the amount of €120 thousand (previous year: €120 thousand).

Employees

Deutsche Börse Commodities GmbH did not have any employees in the year under review.

Transactions with related parties

There were no transactions with related parties that were not on market terms.

Report on events after the balance sheet date

There were no events of particular importance that occurred after the balance sheet date and are not taken into account in the income statement or balance sheet.

Frankfurt/Main, 20 March 2020

Deutsche Börse Commodities GmbH

The Managing Directors

Steffen Orben

Michael König

Deutsche Börse Commodities GmbH, Frankfurt/Main

Statement of changes in non-current assets as at 31 December 2019

| | | | Costs | | | | Depreciat | tion and amo | rtization | | Carrying a | amounts |
|----------------------------------|----------------------------------|------------------------|------------------------|-------------------------|----------------------------------|----------------------------------|---------------------------|------------------------|-------------------------|----------------------------------|---------------------|------------------|
| | Balance as at 01/01/2019 € | Additions 2019 € | Disposals 2019 € | Reclassification 2019 € | Balance as at 31/12/2019 € | Balance as at 01/01/2019 € | Depreciation 2019 € | Write-ups 2019 € | Reclassification 2019 € | Balance as at 31/12/2019 € | 31/12/2019 € | 31/12/2018 € |
| Property, plant and equipment | | | | | | | | | | | | |
| Operating and business equipment | 2,234.90 2,234.90 | 0.00 0.00 | 0.0 | | 2,234.90 2,234.90 | 2,048.90 2,048.90 | 186.00 186.00 | 0.00 0.00 | | 2,234.90 2,234.90 | 0.00 0.00 | 186.00 186.00 |
| | 2,234.90 | 0.00 | 0.0 | 0.00 | 2,234.90 | 2,048.90 | 186.00 | 0.00 | 0.00 | 2,234.90 | 0.00 | 186.00 |

Management report for financial year 2019

Basic principles

i) Business model

Deutsche Börse Commodities GmbH (hereinafter also referred to as the "Company") is a joint venture of four banks, a stock exchange operator, an industrial partner and a banking-related holding company. These investors are as follows:

- Commerzbank AG, Frankfurt/Main (16.2 per cent)
- Deutsche Bank AG, Frankfurt/Main (16.2 per cent)
- Deutsche Börse AG, Frankfurt/Main (16.2 per cent)
- DZ BANK AG Deutsche Zentral-Genossenschaftsbank Frankfurt, Frankfurt/Main (16.2 per cent)
- B. Metzler seel. Sohn & Co. KGaA, Frankfurt/Main (16.2 per cent)
- Umicore AG & Co. KG, Hanau (2.8 per cent)
- Vontobel Beteiligungen AG, Zurich, Switzerland (16.2 per cent)

The purpose of Deutsche Börse Commodities GmbH is to issue innovative forms of securitisation for commodities in the Frankfurt financial centre, to transform commodities into marketable investments and to ensure cost-effective trading with commodities in euros.

The "Xetra Gold" product was registered for trading on 28 November 2007. Xetra Gold is a zero-coupon bond broken down into units which have an indefinite term, are denominated in one gram of gold, are 100 per cent physically backed and securitise a right to delivery. Using this product, the bond holder's economic position is intended to correspond to physical ownership of the corresponding amount of gold. Xetra Gold is traded on the Xetra electronic trading platform and on various regional exchanges. This enables purchases and sales of the bond at all times during every trading day. The smallest tradeable unit of Xetra Gold is one unit, which corresponds to one gram of gold.

The target groups for the acquisition of Xetra Gold are both private and institutional investors, including UCITS-compliant funds (Undertakings for Collective Investment in Transferable Securities).

The partners of Deutsche Börse Commodities GmbH provide their long-standing experience in the financial and commodities market:

- The banking partners organise the distribution of the securities.
- Deutsche Bank AG is the underwriter and market maker. In the latter function, it guarantees a low spread between the purchase and sale price of the bond.
- Deutsche Börse AG operates the Xetra trading platform, on which the Xetra Gold bond is traded.

- Clearstream Banking AG, Frankfurt/Main, which belongs to Deutsche Börse Group, provides custodial
 services for the securities and ensures that they are backed by gold at all times. The gold backing
 exists in two ways: first, through the deposit of physical gold in the vaults of Clearstream Banking AG
 and second, in the form of book gold (rights to take delivery of gold).
- Umicore AG & Co. KG is the provider of the gold.

Deutsche Börse Commodities GmbH has concluded master agreements with Deutsche Bank AG and Deutsche Börse AG, whereby they provide central functions and infrastructure services. These agreements govern the main performance obligations of the partners.

ii) Issued bonds

Xetra Gold was issued as a zero-coupon bond broken down into units with an indefinite term. It is a bearer bond that is 100 per cent backed by gold, which securitises a right to take delivery of gold (a cash payment is made if a UCITS-compliant fund is involved) and is quoted in € per gram. Two global certificates each consisting of up to 5 billion units (corresponds to a total volume of two times 5 thousand tonnes of gold) were deposited with Clearstream Banking AG.

Deutsche Börse Commodities GmbH, as the issuer of the bond, is entitled to redeem the bond early if on 31 December of any year fewer than ten million bonds have been issued.

iii) Research and development costs

As a service provider, Deutsche Börse Commodities GmbH does not engage in research and development activities.

iv) Branches

Deutsche Börse Commodities GmbH did not have any branches during the period under review.

Report on economic position

i) Macroeconomic and sector-specific environment

Defining features of 2019 were geopolitical uncertainty in the Middle East, uncertainties in connection with domestic political events in major industrialised countries, such as China, the United States and the United Kingdom, trade disputes between the major industrialised nations and signals from various central banks of a return to or maintenance of an expansionary monetary policy. This led to a positive trend in the gold price in a number of currencies and an associated rise in demand for investment products in gold, and thus to an increase in issue volumes for Xetra Gold.

ii) Business developments

In 2019, the result achieved by Deutsche Börse Commodities GmbH remained positive compared with the previous year and was increased slightly owing to the higher issue volumes, against expectations. Issue volumes rose at the start of 2019 and again towards the end of the second half. The price of gold rose steadily

from the beginning of the year and reached its high point for the year in September 2019. This meant post-tax profit of €5,547 thousand (previous year: €4,601 thousand) was achieved.

As at 31 December 2019, bonds with a notional value of 203,191.8 kg had been issued. The gold backing consisted of 199,391.8 kg of stored bars under custody in the vault of Clearstream Banking AG and delivery rights of 3,800.0 kg vis-à-vis Umicore AG & Co. KG.

iii) Results of operations

The Executive Board of Deutsche Börse Commodities GmbH assesses the position of the Company to be good. Defining features of 2019 were geopolitical uncertainty in the Middle East, uncertainties in Europe in connection with Brexit, domestic political events in China and the United States, and trade disputes between the major industrialised nations. This led to an increase in the price of gold in euros. The issue volumes of Xetra Gold rose by about 21,717.0 kg in this environment, contrary to budget planning, which foresaw slightly lower issue volumes. The main activities during the reporting period included the design of Xetra Gold's brand, the Company's ongoing presence at trade fairs for private investors and marketing activities directed towards institutional investors.

Deutsche Börse Commodities GmbH receives a share of the proceeds from the custodian of the bearer bond and the physical gold holdings. During the period from 1 January until 31 December 2019, Deutsche Börse Commodities GmbH generated revenue of €17,431 thousand (previous year: €13,974 thousand). The Company receives a share of the proceeds from the custodian of the bearer bond and the physical gold holdings. Other operating income was mainly comprised of the revaluation of the physical gold and the revaluation of the rights to take delivery of gold in the amount of €1,460,685 thousand (previous year: €194,607 thousand). This income was offset by other operating expenses amounting to €1,469,993 thousand (previous year: €201,834 thousand), which mainly comprised the revaluation of the bearer bonds in the amount of €1,460,685 thousand (previous year: €194,607 thousand).

Deutsche Börse Commodities GmbH closed financial year 2019 with a net profit of €5,547 thousand (previous year: €4,601 thousand) which was well above the expectations set out in the previous year's report on expected developments.

Revenue in connection with custodial fees is the main source of income for Deutsche Börse Commodities GmbH. These fees are primarily determined by the volume of the issued units of Xetra Gold and the gold price. With significantly increased issue volumes, this revenue over the course of the year exceeded the planned figures by 47.6 per cent in total.

Controllable expenses were 14.8 per cent below the budget for financial year 2019. They were mainly comprised of advertising and marketing costs, and other charges and fees. Non-controllable expenses, principally resulting from custody fees and distribution fees, exceeded the budget by 55.6 per cent. Compared to the previous year, they rose much more than revenue. This excess over the budget was mainly caused by the higher sales commissions paid to distributors and custody fees, resulting from the relative increase in

Deutsche Börse Commodities GmbH distributors' share in the issue volume, in comparison to custodian banks (which are not distributors).

iv) Financial position

As at 31 December 2019, Deutsche Börse Commodities GmbH had cash and cash equivalents totalling €9,118 thousand (previous year: €7,343 thousand), which were held in demand deposits at banks. These represent the total cash position.

The equity of Deutsche Börse Commodities GmbH stood at €8,915 thousand (previous year: €7,369 thousand) and comprised subscribed capital of €1,000 thousand (previous year: €1,000 thousand) and the accumulated profit totalling €7,915 thousand (previous year: €6,369 thousand).

Cash flow from operating activities in financial year 2019 amounted to €+5,775 thousand (previous year: €+4,209 thousand), while cash flow from investment activities totalled €0 thousand (previous year: €0 thousand) and cash flow from financing activities was €-4,000 thousand because of the profit distribution for financial year 2018 (previous year: €-4,000 thousand).

In view of the above, the Company had a good liquidity position which allowed it to meet its payment obligations at all times during financial year 2019.

v) Net assets

The Company's total assets rose by €2,330,659 thousand, from €6,518,505 thousand in the previous year to €8,849,164 thousand as at 31 December 2019. The increase resulted both from the rise in the price of gold and physical gold holdings held in custody.

Other assets comprised €8,672,745 thousand (previous year: €6,365,144 thousand) in physical gold holdings held in custody at Clearstream Banking AG. Receivables from companies in which the Company has a participating interest amounted to €165,286 thousand (previous year: €144,355 thousand) and relate to the right to take delivery of physical gold.

Besides the assets acquired through the issuance of the bond, the Company had no other material assets as at the reporting date.

Overall, the Company's results of operations, financial position and net assets are stable. Deutsche Börse Commodities was always able to meet its payment obligations in financial year 2019.

Financial and non-financial performance indicators

i) Financial performance indicators

The growth in revenue is the key management parameter for net profit/loss. In financial year 2019, Deutsche Börse Commodities GmbH recorded a result of €5,547 thousand and is satisfied with the net profit it achieved in 2019.

ii) Non-financial performance indicators

Deutsche Börse Commodities GmbH generates its revenue in connection with the safekeeping of bonds. The key factors influencing revenue are issue volumes and the current market price. Revenue increases with an expansion in issue volumes and/or a rise in the market price of the bonds. The main external factors influencing the market price and issue volumes are monetary policy measures of the central banks, geopolitical uncertainties and the macroeconomic environment. The main non-financial performance indicators that are managed by Deutsche Börse Commodities GmbH are marketing and advertising measures aimed at institutional clients and private investors.

Report on expected developments

The report on expected developments describes how Deutsche Börse Commodities GmbH is expected to perform in financial year 2020. It contains statements and information on events in the future. These forward-looking statements and information are based on the Company's expectations and assumptions when this report on expected developments was published. These are in turn subject to known and unknown risks. Numerous factors influence the success, business strategy and financial results of the Company. Many of these factors are outside the Company's control. Should one of these risks occur or an uncertainty materialise, or if one of the underlying assumptions made should turn out to be incorrect, the actual development of the Company could deviate either positively or negatively from the expectations and assumptions contained in this report on expected developments.

At the time of publication of this management report, it is apparent that the SARS-CoV-2 ("coronavirus") viral infection that broke out in China at the end of 2019 will have a clearly negative impact on the development of the global economy, at least in the first months of 2020. First effects show a moderate decline in the gold price and a moderate increase in the issue volume of Xetra-Gold. At present, it is not possible to conclusively assess what influence the different changes in the gold price and issue volume will have on the sales revenue of Deutsche Börse Commodities GmbH.

The Company anticipates that the price of gold in financial year 2020 might stabilise at its current level owing to an expansionary monetary policy in Europe and the United States and the continued influence of global uncertainties. As a result of the increased gold price at the end of 2019 the company expects that revenue in financial year 2020 will rise compared to 2019. As in the previous financial year 2019, the Company will continue to focus on promoting the product in a sustainable manner and especially on increasing awareness of it among institutional investors. At the time of publication of this management report, trade fairs, conferences and major events in major German cities have been cancelled or postponed, thus severely limiting advertising activities. As soon as trade fairs, conferences and events will take place again, Deutsche Börse Commodities GmbH will be represented at the relevant events. We anticipate that the press will continue to report positively on the product during the coming years.

The Company expects that issue volumes will decline in 2020. Based on this conservative planning and the quantities that have already been sold and taking into account a cost base about 10 per cent larger, the Company also expects that monthly operating cash flow will be consistently positive. There is a general risk that revenue could fall significantly due to redemptions of the bond or a stronger-than-expected decline in the price of gold, causing negative operating cash flow.

The Company and the Xetra Gold product have established themselves on the market. During the reporting period, the product was one of the most extensively exchange-traded commodity products in Germany and the Company was one of the largest issuers in the commodities segment. To ensure that this market penetration continues to prevail, marketing expenses will remain one of the largest cost items of Deutsche Börse Commodities GmbH in the coming years. Despite the currently limited marketing activities, the Company anticipates a rise in marketing expenses of around 10 per cent. The costs for the necessary central functions and infrastructure services are likely to remain unchanged from the prior-year level. Deutsche Börse Commodities GmbH will actively manage its costs at all times and therefore forecasts a result above the prior-year level for financial year 2020 as a whole.

Besides Germany, Xetra Gold is also registered for public distribution in Luxembourg, Austria, the UK, Sweden, Denmark, Norway and Finland. The Company's advertising and marketing measures will therefore focus on these sales markets.

Report on opportunities

Opportunities for an increase in issue volumes result primarily from a rising price of gold compared with the euro. The previous years have shown that a rise in the price of gold in connection with geopolitical or economic uncertainties or with an expansionary monetary policy also leads to higher demand for gold. The Company would benefit from such a development.

Risk report

The main risks are divided into:

- Business risk
- Operational risk
- Financial risks

Deutsche Börse Commodities GmbH is integrated into the risk management system of Deutsche Börse Group. The risk system distinguishes between business risks, operational risks and financial risks. The Executive Board monitors the risks of the Company.

A key aspect of risk management is the full coverage of the gold-denominated debt securities by means of the gold holdings and/or the book gold holdings. This ensures that the Company is not exposed to market price risks in this respect. To balance out market price fluctuations, a valuation unit for accounting purposes was established between the issued bearer bonds and the physical gold holdings as well as the rights to take delivery for gold (Xetra book gold).

i) Business risk

The Company is exposed to potential fluctuations in the price of gold in euros. A sustained decline in the price of gold could have an adverse effect on the sales of the bond and the realisable custodian fees and thus negatively impact the performance of the Company.

The recent past has shown that the trend in the gold price is closely correlated with the general state of the global economy, the financial markets and the monetary policy of central banks. The European Central Bank continues to adhere to an expansionary monetary policy owing to low inflation figures and low inflation expectations. This has led to an increase in the price of gold in euros. The issue volume for Xetra Gold rose in 2019. However, if the European Central Bank returns to a restrictive monetary policy, this could lead to comparatively large sales by investors and force the Company to sell gold. The associated delivery and transport costs in the case of a gold sell-off could cause unplanned adverse financial effects.

The number of physical gold deliveries to end customers was low throughout 2019 and totalled 51 exercises with an average exercise volume of roughly 3.9 kg per exercise. The issuer was able to process the shipment applications submitted from the banks on schedule within the delivery period of 10 working days as defined in the prospectus. As at 31 December 2019, 1,065 shipments to end customers (31 December 2018: 1,014) had been performed or initiated since the product was launched.

The Executive Board receives a daily email from the Controls Frankfurt Safekeeping department of Clear-stream Banking AG containing data on the current XETRA closing price of gold from the previous trading day and the open exercises.

With the assistance of a controlling report (a monthly actual-to-plan analysis), which the Executive Board receives every month from the Controlling department of Deutsche Börse AG, the performance and trends in the business as well as significant variances versus the budget can be monitored in a timely manner and countermeasures can be taken if needed.

ii) Operational risk

Operational risks primarily exist in all processes involved with the transport of the physical gold, the delivery to the vault and the shipment to the end customer.

The current portfolio of gold in the vault, together with information on the XETRA closing price, is reported in a daily email from the Controls Frankfurt Safekeeping department of Clearstream Banking AG to the Exec-

utive Board. Annual inventories of physical gold holdings are performed by Internal Audit (the timing is random) and the Controls Frankfurt Safekeeping department (in September/October) and the results are reported to the Executive Board.

At the time of publication of this management report, it is becoming apparent that the SARS-CoV-2 ("coronavirus") virus infection that broke out in China at the end of 2019 will not only have a clearly negative impact on the development of the global economy, but will also have a negative impact on the movement of goods, commodities and people. Restrictions on the movement of goods, commodities and people could also affect the entry and exit of physical gold into the vault and the delivery of physical gold to final customers. Deutsche Börse Commodities GmbH is in constant contact with Umicore AG & Co. KG, which acts as the supplier of the gold, and which is involved in all processes related to the transport of the physical gold, the entry, delivery to the vault and delivery to the end customer.

iii) Financial risks

The Company divides financial risks into credit, market and liquidity risks. Credit risk (counterparty default risk) describes the danger that a counterparty might not meet its contractual obligations, or not meet them in full. Credit risk can also arise from cash investments. Market price risks can arise in relation to cash investments through interest rate and currency fluctuations. A liquidity risk arises if daily payment obligations cannot be fulfilled or can be fulfilled only at increased refinancing costs.

Cash and cash equivalents are held at two domestic banks. Credit risks are mostly limited to the small number of shareholder companies; interest rate and currency fluctuations do not arise because the Company does not make any investments.

Due to its business model, Deutsche Börse Commodities GmbH does not have a significant funding need because gold purchases do not have to be paid for in advance and the gold placed into custody for investors is directly connected with revenue. There is only a very limited degree of credit and market risks.

iv) Outlook

The Company continually assesses its risk situation. No risks can be identified in the risk categories referred to that could in principle threaten the survival of Deutsche Börse Commodities GmbH in 2020. An analysis to establish risks in connection with Brexit was carried out in order to prevent impairments to the business process once the transition period ends on 31 December 2020. The Company also continually evaluates developments on the financial markets. The breakout of SARS-CoV-2 ("coronavirus") has so far resulted in significant losses in global equity markets and gains in global bond markets. With regard to these developments, no risks can currently be identified that would fundamentally jeopardize the continued existence of Deutsche Börse Commodities GmbH in 2020.

Internal control system

The Executive Board has established an internal control system (ICS) for Deutsche Börse Commodities GmbH that is intended to safeguard the effective and efficient business activities of the Company, prevent or detect the misappropriation of assets and thus protect the Company's overall business assets. The ICS is an integral component of the risk management system aimed at controlling risks. It is continuously enhanced and adapted whenever conditions change. Monitoring tasks are implemented through process-integrated measures (such as organisational safeguards and controls) as well as through process-independent measures.

With regard to the accounting process of Deutsche Börse Commodities GmbH, the ICS is primarily intended to ensure proper accounting and financial reporting in order to present the net assets, financial position and results of operations in the annual financial statements in a complete and accurate manner.

Deutsche Börse Commodities GmbH's accounting is primarily performed by the central Financial Accounting and Controlling (FA&C) department of Deutsche Börse AG. The Head of the FA&C department of Deutsche Börse AG is responsible for the accounting process of the entire Deutsche Börse Group, including Deutsche Börse Commodities GmbH, as well as for the effectiveness of the process-integrated safeguards and control procedures. He/she ensures that risks in the accounting process are recognised early on so that suitable safeguards and control procedures can be implemented in a timely manner. Group Tax is responsible for determining tax positions in the context of accounting.

In order to maintain consistent and continuous accounting processes, FA&C provides regularly updated accounting manuals as well as guidelines and work instructions for the material accounting processes as part of the preparation of the annual financial statements of Deutsche Börse Commodities GmbH. All FA&C employees have access to this documentation and to the accounting manuals and account allocation guidelines, allowing them to obtain the information they need. Moreover, Deutsche Börse Group continuously monitors and analyses changes in the accounting environment and adjusts its processes in line with them.

Another key feature of the ICS is the principle of the separation of functions: tasks and responsibilities are clearly defined and allocated within the organisation. Incompatible tasks, such as modifying master data, on the one hand, and issuing payment instructions, on the other, are strictly segregated at a functional level. An independent control unit grants accounting system access rights to each employee and monitors them continuously using an incompatibility matrix. Transactions are initially recorded in the general ledger or corresponding sub-ledgers based on the chart of accounts and the account allocation guidelines. The principle of dual control applies to all half-yearly and annual entries made and to preparation of the half-yearly and annual financial statements.

| Frankfurt/Main, 20 March 2020 | |
|---------------------------------|--|
| Deutsche Börse Commodities GmbH | |

The Managing Directors

Michael König

Steffen Orben

Responsibility statement by the Executive Board

To the best of our knowledge, we confirm that in accordance with the applicable accounting principles for the preparation of annual reports, the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company, and the management report includes a true and fair view of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

| Frankfurt/Main, 20 March 2020 |) | | | | |
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| Deutsche Börse Commodities GmbH | | | | | |
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| The Managing Directors | | | | | |
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| Michael König | Steffen Orben | | | | |

Independent Auditor's Report

To Deutsche Börse Commodities GmbH, Frankfurt am Main

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

Opinions

We have audited the annual financial statements of Deutsche Börse Commodities GmbH, Frankfurt am Main, which comprise the balance sheet as at 31 December 2019, the income statement, the statement of cash flows and the statement of changes in equity for the financial year from 1 January to 31 December 2019, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of Deutsche Börse Commodities GmbH for the financial year from 1 January to 31 December 2019.

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

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2019, and of its financial performance for the financial year from 1 January to 31 December 2019, in compliance with German legally required accounting principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position.
 In all material respects, this management report is consistent with the annual financial statements,
 complies with German legal requirements and appropriately presents the opportunities and risks of future development.

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

Basis for the Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Section 317 HGB and EU Audit Regulation No. 537/2014 (referred to subsequently as 'EU Audit Regulation') and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the

Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.

Key Audit Matter in the Audit of the Annual Financial Statements

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

Existence and valuation of gold stocks

Please refer to the section "Formation of a valuation unit" in the notes to the financial statements for more information on the accounting policies applied.

THE FINANCIAL STATEMENT RISK

As at 31 December 2019, the Company holds stocks of 203,191.8 kg of gold. On 31 December 2019, this corresponded to a market value of EUR 8,838.0 million. The gold stocks break down at market value into EUR 8,672.7 million in physically deposited gold and EUR 165.3 million in rights to take delivery of gold. The gold stocks represent 99.9% of the Company's assets as at 31 December 2019.

Deutsche Börse Commodities GmbH has sold and distributed the product Xetra Gold since 2007. This is a unitquoted zero bond which is covered by physical stocks of gold held in custody as well as rights to take delivery of gold. In accordance with Section 254 HGB, the Company formed a valuation unit, which is recognised according to the gross hedge presentation method. The valuation of the physical gold stocks, the rights to take delivery of gold and the bearer bonds is carried out on a monthly basis using the fair value.

The carrying amount of the gold stocks and the outstanding bearer bonds is derived from the accurate calculation of the stocks concerned and the fair value. In view of the above, there is a risk for the financial statements that inaccurately calculated stocks or fair values of the gold stocks may have a material impact on the presentation of the assets, liabilities and financial performance of Deutsche Börse Commodities GmbH.

OUR AUDIT APPROACH

On the basis of our risk assessment and the evaluation of the risk of error, we have assessed the design, implementation and operating effectiveness of the internal controls identified in particular with respect to the existence of gold stocks as well as the determination of the current market price.

We performed physical inventory monitoring and satisfied ourselves of the correct recording of existing gold stocks through counting, measuring and weighing based on a sample. Furthermore, we assessed the appropriate transfer of the selected gold bars to the inventory system.

As part of our review of the correct recording of the outstanding bearer bonds, we conducted a comparison with custodial account statements.

We compared the market prices used for calculating the fair value measurement with publicly available price information. In addition, we verified the computational accuracy of the calculation.

OUR OBSERVATIONS

The Company's approach for recording the existing stocks is appropriate and the market prices used to calculate the fair value are reasonable.

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

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with

the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

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

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the
 management report, whether due to fraud or error, design and perform audit procedures responsive to
 those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions.
 The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from
 error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of
 internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of
 arrangements and measures (systems) relevant to the audit of the management report in order to design
 audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an
 opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the
 disclosures, and whether the annual financial statements present the underlying transactions and events in
 a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial
 position and financial performance of the Company in compliance with German legally required accounting
 principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by management in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion

on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

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

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

Other Legal and Regulatory Requirements

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the shareholders' meeting held on 11 April 2019. We were appointed by management on 23 October 2019. We have been the auditor of Deutsche Börse Commodities GmbH without interruption since financial year 2007.

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

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Klaus-Ulrich Pfeiffer.

Frankfurt am Main, 20 March 2020 KPMG AG Wirtschaftsprüfungsgesellschaft [Original German version signed by:]

Pfeiffer Wirtschaftsprüfer [German Public Auditor] Dr Niemeyer Wirtschaftsprüfer [German Public Auditor]