Think ETF Asset Management B.V.

Annual Report 2018

Contents

1. Report from the Board of Directors

Review of 2018

The company's objects are to participate in, finance, manage companies and other undertakings and provide advice and other services. Beyond this its objects are to invest assets, furnish security for the debts of legal entities affiliated with it in a group and to do everything which is related to or may be conducive to the foregoing, all in the broadest sense of the word.

2018 marked the ninth year of ThinkCapital ETF's NV's (the ETF's or together named as 'Think ETF's' or Sub-funds) existence since the listing of the first Think ETF on 14 December 2009.

The total fund assets under management increased in 2018 from EUR 1,509 million on 31 December 2017 to EUR 1,800 million on 31 December 2018, an increase of approximately 20%. These developments occurred in differing degrees at the various ETF's. The equity ETF's in particular showed growth, but the assets in fixed income ETF's decreased. Based on the number of outstanding ETF's, the increase would have been 36%. The assets under management totalled EUR 1,800 million at the beginning of April 2019.

Acquisition by VanEck

On Friday 19 January 2018 the acquisition of Think ETF Asset Management B.V. by VanEck was made public. VanEck acquired all shares of BinckBank N.V. and Flow Traders B.V. and also large part of the shares held by the founders. The deal was closed on Friday 29 June 2018. The Board of Directors is very pleased with the new shareholder and is convinced that this will be a very positive development for Think ETF's. VanEck shares the ambition to grow in Europe and as such is prepared to invest the coming years. We expect Think ETF's to grow faster under the wings of VanEck. As there is no overlap between the current product range of Think ETF's and VanEck, this will remain unchanged, besides the 14 Think ETF's another 9 VanEck ETF's have been added this year. We expect this number to further increase the coming years. There will be no changes made to the personnel numbers and composition, the Directors remain in position and all team members stay on board. In 2018 the European activities of Think ETF's and VanEck have been integrated and the European staff contribute from out three offices to the further expansion of the European activities.

Result 2018

The negative result for 2018 amounts to EUR 944,164 (2017: negative result of EUR 260,773). The costs incurred which amounted to EUR 4,285,887 (2017: EUR 2,900,991) mainly concern the proper structuring and maintaining of the ETF's; attention was primarily devoted in this context to excluding counterparty risk, ensuring tax efficiency and keeping costs low for the end investor. In order to guarantee a clear and transparent cost structure, the costs of the funds fall under the manager and not in the fund. Think ETF Asset Management B.V.'s income consists of a management fee on the assets under management. These managed assets increased slightly in 2018 and our scale remained large enough to be profitable as a business.

Risk management

Think ETF's' objective is to have its ETF's follow an index as closely as possible, both as it goes up and as it goes down. This brings the investment risks of the ETF's entirely in line with the investment risks of the particular reference indices. The risk that prices can decrease is therefore not hedged. The ETF's are subject to operational risks, however. The way in which Think ETF's offsets these operational risks as much as possible is discussed in more detail below.

Think ETF's owns all the underlying securities for the benefit of the ETF's. No use is made of synthetic replication, therefore. The underlying securities are held in custody by KAS BANK N.V. Think ETF's consciously opts not to lend out these underlying securities; this prevents counterparty risk from arising. Under the Securities (Bank Giro Transactions) Act (Wge), the property of the funds is legally separate from KAS BANK. Any bankruptcy on the part of KAS BANK would not affect the assets of the Think ETF's.

Most processes and procedures are outsourced. Think ETF's manages these processes and procedures by means of an analysis of the ISAE 3402 reports of the service providers, periodic evaluation discussions and daily contact with the service providers. We can identify the following operational risks:

Compliance risk
The risk that statutory and internal rules will not be complied with. Think ETF's has implemented the following control measures to mitigate this risk:
- clear descriptions of the administrative processes and internal control
- appointment of an external compliance officer
- appointment of an internal compliance officer;
- compliance statements are put on the agenda of the meeting of the board of directors
- Think ETF's periodically receives external advice on new regulations

Outsourcing risk
The risk that a party to which activities have been outsourced will not (properly) comply with its obligations, thus jeopardising the continuity and/or quality of the outsourced activities. Think ETF's has implemented the following control measures to mitigate this risk:
- careful selection process in relation to the services outsourced;
- sound Service Level Agreements;
- sufficient in-house expertise and experience to solve problems for some time;
- fall-back arrangements.

Concentration risk
The risk of dependence on a few large (clusters of) clients. Think ETF's has implemented the following control measures to mitigate this risk:
- optimal servicing of the (relevant) clients;
- active efforts towards a larger spread of clients.

Legal risk
The risk that our working method must be amended due to changing regulations and the risk that contracts are not in good legal order. Think ETF's has implemented the following control measures to mitigate this risk:
- appointment of in-house counsel;
- appointment of an external compliance officer.

Operational risk
The risk of errors in the business operations. Think ETF's has implemented the following control measures to mitigate this risk:
- clear work processes and good monitoring of these;
- fall-back arrangements in the event of malfunctions in IT systems.

Continuity risk
The risk that an important policymaker will be unavailable for a longer period of time or will be definitively lost. Think ETF's has implemented the following control measures to mitigate this risk:
- back-up for positions within the business;
- Board of Directors is very closely involved in the day-to-day policy.

There are also risks in the funds which are indirectly applicable for Think ETF Asset Management B.V. as a manager. We can identify the following operational risks for Think ETF Asset Management B.V. as manager of the funds:

Creation/redemption
The issuing of new shares and/or the taking back of shares issued earlier. The shares are delivered on the basis of DVP, delivery versus payment, with the counterparty being an Authorised Participant or a broker. In the creation process, the ETF's are delivered and the basket of shares reflecting the percentages in the index or indices is received. The converse takes place for a redemption. Both Think ETF Asset Management B.V. and the Authorised Participant check that the composition is correct - it is in the interest of both parties that the composition be correct, after all.

Reweighting
As soon as an index is reweighted, Think ETF Asset Management B.V. takes the necessary action to reweight the ETF's as well. Either by reweighting the fund itself by means of an execution-only agreement with KAS Bank or another broker, or by outsourcing the reweighting to a third party.

Dividend payment by Think ETF's
Dividend payment takes place on cash basis and is only made from the freely distributable reserves. It is also monitored whether adequate liquid assets remain to cover the costs that will be charged to the fund in the next period. This prevents a situation from arising in which the fund must sell assets to pay the costs.

Corporate actions
In the event of corporate actions in underlying securities, Think ETF's follows the index followed by the particular ETF.

Settlement risk
Virtually all settlement risks have been offset with the use of DVP. A risk that cannot be offset is the market (delta) risk of non-settlement of the underlying securities in the event a counterparty defaults. The principal is always guaranteed by the DVP settlement, however.

Statement concerning business operations
We have a description of the business operations that satisfies the requirements of the Financial Supervision Act (Wft) and the Market Conduct Supervision (Financial Institutions) Decree (BGfo).

We assessed various aspects of the business operations during the past financial year. In our activities we did not discover anything on grounds of which we must conclude that the description of the set-up of the business operations as referred to in section 121 of the BGfo does not satisfy the requirements contained in the Financial Supervision Act and related regulations.

On these grounds, we declare as manager for Think ETF's that we have a description as referred to in section 121 BGfo which satisfies the requirements of the BGfo.

We ascertained nothing that indicated that it was not functioning effectively and in accordance with the description. We therefore declare with a reasonable degree of assurance that the business operations functioned effectively and in accordance with the description throughout the year under review.

Risks of financial instruments

Based on the Sub-funds' activities, the Sub-funds are exposed to a number of financial risks: price risk (consisting of market risk, currency risk and interest rate risk), credit risk and liquidity risk.

Price risk
Think ETF's' objective is to have its ETF's follow an index as closely as possible, both as it goes up and as it goes down. Consequently, every Sub-fund's risk profile is identical to the risk profile of the selected index. No hedging of risks takes place in principle, therefore. As a result, the ETF's are exposed to significant price risk.

Currency risk
The underlying investments of the Sub-funds are denominated in euros, which means the Sub-funds are not exposed to significant currency risk. The investments of the Sub-funds - C Think Total Market UCITS ETF Defensief, D Think Total Market UCITS ETF Neutraal, E Think Total Market UCITS ETF Offensief, F Think Global Equity UCITS ETF, G Think Global Real Estate UCITS ETF, K Think Sustainable World UCITS ETF, L Think European Equity UCITS ETF, M Think Morningstar North America Equity UCITS ETF and N Think Morningstar High Dividend UCITS ETF are indeed listed in foreign currency to some extent, which means these Sub-funds can be exposed to significant currency risk.

Interest rate risk
Think ETF's' objective is to have its ETF's follow an index as closely as possible, both as it goes up and as it goes down. Consequently, every Sub-fund's risk profile is identical to the risk profile of the selected index. No hedging of risks takes place in principle, therefore. The Sub-funds with monetary financial instruments with a fixed interest rate in the portfolio are consequently exposed to significant interest rate risk.

Credit risk
Think ETF's' objective is to have its ETF's follow an index as closely as possible, both as it goes up and as it goes down. Consequently, every Sub-fund's risk profile is identical to the risk profile of the selected index. No hedging of risks takes place in principle, therefore. The Sub-funds with monetary financial instruments in the portfolio are consequently exposed to significant credit risk.

Liquidity risk
Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. Consequently the Sub-funds are exposed to very little, if any, significant liquidity risk.

Remuneration

The remuneration policy is in line with the manager's strategy and the objective and investment policy of Think ETF's. In 2018 the members of the board of directors and the other staff received a retention bonus and a variable remuneration next to the fixed remuneration. The retention bonus includes a share component and also a deferred component. Variable remuneration is also deferred. The retention bonus and the variable remuneration are paid out as follows:

- 40% directly
- 20% after 1 year
- 20% after 2 years
- Remaining 20% after 3 years

The remuneration for the 2018 financial year is as follows:

(amounts x € 1)	Number	Fixed	Variable	2018
Board of Directors	2	530,903	440,000	970,903
Non-identified staff (FTE)	7	448,406	328,000	776,406
Total	**9**	**979,309**	**768,000**	**1,747,309**

The amounts above are gross amounts. Retention bonus is included under the variable amounts.

Outlook

We expect that our assets under management will grow in 2019. This expectation is based on, among other things, the continued growth forecast for the ETF market in the Netherlands and Europe. We have also started new initiatives in relation to distribution, which will start bearing fruit in the course of 2019; we expect these developments to contribute to the further growth of the assets under management. We also see interest in our ETF's steadily continuing to grow in the existing distribution channels and we expect this growth to continue in 2019.

18 April 2019,

The Board of Directors,

M. Rozemuller G. Koning

2. Financial Statements 2018

2.1 Balance sheet as of 31 December (before appropriation of the result)

(amounts x € 1)		2018	2017
ASSETS			
Fixed assets			
Property, plant and equipment	{1}	143,988	-
Financial fixed assets	{2}	-	45,000
Current assets			
Deferred tax assets	{3}	-	564,056
Other assets	{4}	427,940	447,159
Cash and cash equivalents	{5}	2,860,690	2,358,748
Total assets		**3,432,618**	**3,414,963**
Equity			
Paid-up and called-up capital		18,013	18,013
Share premium		6,074,191	6,074,191
Other reserves		(3,443,732)	(3,182,959)
Unappropriated result		(944,164)	(260,773)
Total equity	{6}	**1,704,308**	**2,648,472**
LIABILITIES			
Current liabilities	{7}	1,728,310	766,491
Total liabilities		**1,728,310**	**766,491**
Total equity and liabilities		**3,432,618**	**3,414,963**

The numbers next to the items refer to the notes to the balance sheet and profit and loss account. The notes constitute an integral part of the financial statements.

2.2 Profit and loss account

(amounts x € 1)		2018	2017
Income			
Management fees	{8}	3,554,590	3,027,120
Charging on of creation/redemption		356,565	190,555
Total income		**3,911,155**	**3,217,675**
Expenses			
Personnel costs	{9}	(1,830,891)	(956,705)
Other management costs	{10}	(2,454,996)	(2,034,286)
Total expenses		**(4,285,887)**	**(2,990,991)**
Interest income		-	68
Interest expense		(655)	(108)
Exchange differences foreign currency		(4,721)	9
Financial income and expenses		**(5,376)**	**(31)**
Result before tax		**(380,108)**	**226,653**
Taxes	{3}	(564,056)	(487,426)
Result after tax		**(944,164)**	**(260,773)**

The numbers next to the items refer to the notes to the balance sheet and profit and loss account. The notes constitute an integral part of the financial statements.

2.3 Cash flow statement

(amounts x € 1)	2018	2017
Result after tax	(944,164)	(260,773)
Adjustments for:		
Depreciation of property, plant and equipment	9,728	-
Change in working capital:		
Deferred tax assets	564,056	487,426
Other assets	19,219	(92,537)
Current liabilities	961,819	197,680
Cash flow from operating activities	**610,658**	**331,796**
Cash flow from investing activities	**45,000**	**-**
Cash flow from financing activities	**(153,716)**	**-**
Increase/ (decrease) in cash	**501,942**	**331,796**
Liquid assets at beginning of the period	2,358,748	2,026,952
Liquid assets at end of the period	**2,860,690**	**2,358,748**

2.4 Notes to the balance sheet and profit and loss account

General notes

Activities
Think ETF Asset Management B.V. was incorporated on 10 October 2008. The address of Think ETF Asset Management B.V.'s registered office is Barbara Strozzilaan 310, 1083 HN in Amsterdam. Hereafter the name 'Think ETF AM' will be used to designate Think ETF Asset Management B.V.

The company's objects are to participate in, finance, manage companies and other undertakings and provide advice and other services. Beyond this its objects are to invest assets, furnish security for the debts of legal entities affiliated with it in a group and to do everything which is related to or may be conducive to the foregoing, all in the broadest sense of the word.

The company does not provide any credit for the account of third parties, does not stand as guarantor and does not enter into any suretyship obligations.

Group relations
In November 2010, BinckBank N.V. took a majority interest of 60 percent in Think ETF AM. The other 40 percent was held by the founders and Flow Traders N.V. In 2018, VanEck obtained a controlling interest in Think ETF AM. The founders and management of Think ETF AM retains a small interest in Think. The group relations were as follows as of 31 December 2018:

Shareholder	31 December 2018
Van Eck Associates Corporation	99,0%
Angkor Holding B.V.	0,5%
Dutch Derivatives Holding B.V.	0,5%

Consolidation
Group companies, i.e. the companies and other entities (including so-called special purpose entities) for which Think ETF AM can directly or indirectly determine the financial and operational policy, are included in the consolidation. This is the case if more than half of the voting rights can be exercised, or if Think ETF AM has decisive control in some other manner. The annual reports from these group companies are fully consolidated, whereby uniform accounting policies are used. Third-party interests are reported separately in the consolidated balance sheet and profit and loss account. Think ETF AM has not consolidated any group companies since the 2015 merger.

Affiliated parties
All shareholders, members of the board of directors, supervisory directors and closely related persons are designated as affiliated parties. Transactions with affiliated parties take place at arm's length, unless stated otherwise.

Going concern
The financial statements of the company have been prepared on the basis of the going concern assumption.

Notes to the cash flow statement
The cash flow statement has been prepared in accordance with the indirect method, whereby a distinction is made between cash flows from operational, investing and financing activities. In relation to the cash flow from operational activities, the net result is corrected for income and expenses that did not result in receipts and expenditure in the same financial year and for changes in provisions and accruals and deferrals. Cash includes cash in hand as well as freely available bank credits with a settlement date less than three months from the date of acquisition. Movements on account of currency translation differences are presented separately.

Estimates
In order to be able to apply the policies and rules for drawing up the annual report, Think ETF AM's board of directors must reach a judgement on certain matters and make estimates that could be essential for the amounts included in the annual report.

If necessary for providing the insight required by article 2:362 (1) of the Dutch Civil Code, the nature of these judgements and estimates, including the corresponding assumptions, is included in the notes to the particular items.

Accounting policies for the valuation of assets and liabilities and determination of the result

General
The company annual report has been drawn up in accordance with the statutory provisions of Title 9, Book 2 of the Dutch Civil Code and the authoritative statements from the Annual Reporting Guidelines published by the Dutch Accounting Standards Board.

Assets and liabilities are generally stated at acquisition price or manufacturing cost or current cost. If no specific basis is reported for the valuation, valuation takes place at acquisition price. References are included in the balance sheet. These references refer to the notes.

Foreign currency

Functional currency
The items in the annual report are valued taking into account the currency of the economic environment in which the company mainly conducts its business activities (the functional currency). The annual report has been prepared in euros (€), which is both the functional currency and presentation currency of Think ETF AM.

Transactions, receivables and liabilities
Transactions in foreign currency during the period under review are included in the annual report at the rate on the transaction date. Monetary assets and liabilities denominated in foreign currencies are converted at the exchange rate as of the balance sheet date. The exchange rate differences arising from settlement and conversion are credited to or debited from the financial income and expenses in the profit and loss account.

Tangible fixed assets
Tangible fixed assets are recognised in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of that asset can be measured reliably.

The cost comprises the price of acquisition, plus other costs that are necessary to get the assets to their location and condition for their intended use. Expenditure is only capitalised when it extends the useful life of the asset.

Depreciation is recognised in the profit and loss account on a straight-line basis over the estimated useful lives of each item of the tangible fixed assets, taking into account any estimated residual value of the individual assets. Depreciation starts as soon as the asset is available for its intended use, and ends at decommissioning or divestment.

Financial fixed assets
Participating interests where significant influence can be exercised are valued using the net asset value method. Significant influence is assumed if 20% or more of the voting rights can be exercised.

The net asset value is calculated according to Think ETF AM's accounting policies. The accounting principles of the particular participating interest are used for participating interests in respect of which there is insufficient information for adjustment in line with these accounting policies. If the valuation of a participating interest is negative according to the net asset value, it is valued at zero. A provision is created if and insofar as Think ETF AM wholly or partially guarantees the participating interest's debts in this situation, or has the firm intention of enabling the participating interest to pay its debts.

The initial value of purchased participating interests is based on the fair value of the identifiable assets and liabilities at the moment of acquisition. For subsequent valuations, the principles that apply to this annual report are applied, based on the values at the initial valuation.

Participating interests in which no significant influence can be exercised are valued at acquisition price. If there is a permanent decrease in value, the participating interest is stated at this lower value; downward revaluation takes place at the expense of the profit and loss account.

Deferred tax assets
Deferred tax assets are recognised for all unused tax losses, to the extent that it is likely that taxable profit will be available against which the unused tax loss can be offset.

Other assets
The other assets consist of trade receivables and interest income still to be received. Trade receivables are initially valued at the fair value of the consideration. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents
Cash and cash equivalents consist of cash, bank credits and call deposits with a term of less than twelve months. Current-account debts at banks are included under debts to credit institutions under current liabilities. The cash and cash equivalents are stated at nominal value.

Equity
Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under equity. Payments to holders of these instruments are deducted from the equity as part of the profit distribution. Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognised in the profit and loss as financial income or expense. The purchase of own shares is deducted from the other reserves.

Share premium
Amounts contributed by the shareholders of the company in excess of the nominal share capital, are accounted for as share premium. This also includes additional capital contributions by existing shareholders without the issue of shares or issue of rights to acquire shares of the Company.
Costs and capital taxes associated with the issue of shares that are not capitalized are deducted from share premium, after taken into account tax effects. If the share premium is insufficient for such deductions, the amounts are deducted from retained earnings.

Pensions
Think ETF AM has a pension scheme for its board and employees which is based on a so-called 'defined contribution' system. With the defined contribution system, a percentage of the employee's fixed salary is deposited as premium with a pension insurer, whereby the entity has no further obligations. The height of the percentage is age-dependent. The pension premiums are recognised in the year to which they relate.

Provisions
Provisions are created for obligations enforceable by law or constructive obligations that exist on the balance sheet date if it is probable that an outflow of resources will be required and the size of these can be reliably estimated.

The provisions are valued at the best estimate of the amounts necessary to settle the obligations as of the balance sheet date. The provisions are valued at the nominal value of the expenditure expected to be required to settle the obligations, unless otherwise stated.

If it is expected that a third party will pay for obligations, and if it is probable that this payment will be received when the obligation is settled, this payment is included as an asset on the balance sheet.

Income and expenses
Income and expenses are recognised in the period to which they pertain. Liabilities and possible losses originating prior to the end of the financial year are included to the extent that they are known before preparation of the financial statements and the other conditions for including provisions have been satisfied.

Corporate income tax
Corporate income tax comprises the current and deferred corporate income tax payable and deductible for the reporting period. Corporate income tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity, or to business combinations.
Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the financial year, calculated using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.
If the carrying amount of assets and liabilities for financial reporting purposes differ from their values for tax purposes (tax base), this results in temporary differences.
For taxable temporary differences, a provision for deferred tax liabilities is recognised.

For deductible temporary differences, available tax losses and unused tax credits, a deferred tax asset is recognised, but only to the extent that it is probable that future taxable profits will be available for set-off or compensation. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.
The measurement of deferred tax liabilities and deferred tax assets is based on the tax consequences following from the manner in which the company expects, at the balance sheet date, to realise or settle its assets, provisions, debts and accrued liabilities. Deferred tax assets and liabilities are measured at nominal value.

Charging on of creation/redemption
The charging on of creation/redemption are the costs charged on by Think ETF AM for the effectuation of the entries and exits.

Notes to the balance sheet and profit and loss account

1. Property, plant and equipment

Movements in the property, plant and equipment can be specified as follows:

w (bedragen x € 1)	31 December 2018	31 December 2017
Balance of 1 January	-	-
Investments	153,716	-
Depreciation	(9,728)	-
Closing balance	**143,988**	**-**

During the reporting period various investments were made in IT facilities.

2. Financial fixed assets

Participating interests
Movements in the participating interests can be specified as follows:

(amounts x € 1)	31 December 2018	31 December 2017
Balance as of 1 January	**45,000**	**45,000**
Investments	-	-
Result of participating interests	-	-
Disposals	45,000	-
Closing balance	**-**	**45,000**

During the reporting period a refund was made of the required statutory minimum capital in Think Capital ETF's N.V.

3. Deferred tax assets

(amounts x € 1)	31 December 2018		31 December 2017	
	Recognised differences	Not included differences	Recognised differences	Not included differences
Balance as of 1 January	**564,056**	-	**1,051,482**	-
Deferred tax assets	-	-	-	-
Write-down	(564,056)	-	(440,763)	-
Realisation	-	-	(46,663)	-
Closing balance	**-**	**-**	**564,056**	**-**

The board of directors of Think ETF AM decided in 2015 to recognise the deferred tax assets, based on the positive financial results forecast. The deferred tax assets included in the records pertain to offsettable losses for the years 2010 to 2014, inclusive. The deferred tax asset was adjusted in 2017 on the basis of the expectation that not all offsettable losses for 2010 to 2014 can be set off against future profits. The deferred tax asset was fully written down in 2018.

4. Other assets

(amounts x € 1)	31 December 2018			31 December 2017		
		Remaining term			Remaining term	
	Total	< 1 year	> 1 year	Total	< 1 year	> 1 year
Trade receivables						
Management fee still to be received	358,713	358,713	-	316,190	316,190	-
Accrued assets						
Interest income still to be received	-	-	-	68	68	-
Prepaid expenses	69,227	69,227	-	24,119	24,119	-
Costs to be set off in connection with acquisition	-	-	-	106,782	106,782	-
Total	**427,940**	**427,940**	**-**	**447,159**	**447,159**	**-**

All trade receivables have a remaining term of less than one year. No loans or advances have been provided to directors or supervisory directors.

5. Cash and cash equivalents

The composition of the item cash and cash equivalents is as follows:

(amounts x € 1)	31 December 2018	31 December 2017
Banks	2,860,690	2,358,748
Closing balance	**2,860,690**	**2,358,748**

All the cash and cash equivalents are freely at the company's disposal.

6. Equity

The issued capital amounts to € 18,013 and consists of 18,013 ordinary shares with nominal value of € 1.

The composition of the equity as of 31 December 2018 is as follows:

(amounts x € 1)	Issued capital	Share premium	Other reserves	Undistributed result	Total
Balance as of 1 January 2018	**18,013**	**6,074,191**	**(3,182,959)**	**(260,773)**	**2,648,472**
Movements					
Paid in share premium	-	-	-	-	-
Result for the financial year	-	-	-	(944,164)	(944,164)
Other movements in the reserves	-	-	(260,773)	260,773	-
Closing balance as of 31 December 2018	**18,013**	**6,074,191**	**(3,443,732)**	**(944,164)**	**1,704,308**

(amounts x € 1)	Issued capital	Share premium	Other reserves	Undistributed result	Total
Balance as of 1 January 2017	**18,013**	**6,074,191**	**(3,432,550)**	**249,591**	**2,909,245**
Movements					
Paid in share premium	-	-	-	-	-
Result for the financial year	-	-	-	(260,773)	(260,773)
Other movements in the reserves	-	-	249,591	(249,591)	-
Closing balance as of 31 December 2017	**18,013**	**6,074,191**	**(3,182,959)**	**(260,773)**	**2,648,472**

The result of the current financial year is reported in the unappropriated result. There were no dividend payments or other capital withdrawals in 2018.

7. Current liabilities

The current liabilities can be broken down as follows:

(amounts x € 1)	31 December 2018	31 December 2017
Trade payables	684,781	379,393
Statutory payroll tax	-	26,747
VAT payable	18,120	22,725
Wage costs still to be paid	672,750	150,269
Listing and administration costs	-	87,500
Auditors and advisers	7,600	49,400
Accrued liabilities	345,059	50,457
Closing balance	**1,728,310**	**766,491**

The current liabilities all have a remaining term of less than one year. The trade payables as of 31 December 2018 mainly relate to recent marketing activities and administration and management costs for the ETF’s.

8. Management fees

The management fees consist of the management costs deducted daily from the definitive net intrinsic value of a share in a Sub-fund in relation to the Sub-funds in Think ETF's. The management costs for the investors in Sub-funds can vary per Sub-fund and are expressed as a percentage of the net intrinsic value of every individual Sub-fund.

Management costs per Sub-fund	Prospectus
Series A: Think AEX UCITS ETF	0.30%
Series B: Think AMX UCITS ETF	0.35%
Series C: Think Total Market UCITS ETF Defensive	0.28%
Series D: Think Total Market UCITS ETF Neutral	0.30%
Series E: Think Total Market UCITS ETF Offensive	0.32%
Series F: Think Global Equity UCITS ETF	0.17%
Series G: Think Global Real Estate UCITS ETF	0.25%
Series H: Think iBoxx Corporate Bond UCITS ETF	0.15%
Series I: Think iBoxx Government Bond UCITS ETF	0.15%
Series J: Think iBoxx AAA-AA Government Bond UCITS ETF	0.15%
Series K: Think Sustainable World UCITS ETF	0.30%
Series L: Think European Equity UCITS ETF	0.20%
Series M: Think Morningstar North America Equity UCITS ETF	0.20%
Series N: Think Morningstar High Dividend UCITS ETF	0.38%

9. Personnel costs

The personnel costs can be broken down as follows:

(amounts x € 1)	2018	2017
Salaries	792,552	642,927
Social security costs	76,178	68,778
Pension costs	47,200	45,631
Other personnel costs	914,961	199,369
Total	**1,830,891**	**956,705**

10. Other management costs

The other management costs can be broken down as follows:

(amounts x € 1)	2018	2017
Commercial costs	527,431	524,597
ICT costs	3,145	55,078
Auditing costs*	151,649	89,138
Consultancy costs	98,246	39,067
Index calculation costs	234,646	351,443
Administration costs	397,825	219,248
Supervision costs	330,013	325,428
Custody charges	118,501	127,309
Legal expenses	116,672	15,055
Intercompany costs	56,000	-
Depreciation costs	9,728	-
Other expenses	411,140	287,923
Total	**2,454,996**	**2,034,286**

* € 7,600 of the auditing costs relates to the audit of the financial statements of Think ETF Asset Management B.V.; € 58,880 relates to the audit of the financial statements of ThinkCapital ETF’s N.V.; and € 3,400 excluding VAT relates to the assurance activities for the supervisory authority ensuring that the UCITS provisions from the BGfo are satisfied.

Other notes

Off-balance-sheet rights and commitments
There are no off-balance-sheet rights or commitments at 31 December 2018.

Affiliated parties

The following affiliated parties are recognised:

- Van Eck Associates Corporation - 99,0% shareholder
- Angkor Holding B.V. - 0,5% shareholder
- Dutch Derivatives Holding B.V. - 0,5% shareholder
- Think Board of Directors
- Supervisory Directors of Think

No transactions took place with the board of directors or the supervisory directors during the period under review, other than transactions arising from the (employment) contracts. At year-end 2018, Think ETF Asset Management B.V. does not have any commitments to affiliated parties.

Average number of employees

During 2018, an average of 9 employees including the board of directors were employed by Think ETF Asset Management B.V. on the basis of full employment (in 2017: 8 employees). The employees all work in the Netherlands.

Proposal for result appropriation
It is proposed that the negative result for the 2018 financial year in the amount of € 944,164 be charged to the other reserves. This proposal has not yet been incorporated in the financial statements.

Events after the balance sheet date
None

Amsterdam, 18 April 2019

Think ETF Asset Management B.V.

The Board of Directors

M. Rozemuller G. Koning

The Supervisory Board

B.J. Smith A.E. Philips

T.M.R. Hunke J.R. Simon

3. Other information

Provisions from the articles of association concerning profit appropriation
The company's profit appropriation is laid down in article 23 of the articles of association:

1. The company may only make distributions to the shareholders insofar as the equity of the company exceeds the amount of the paid-up capital of the company plus the reserves that must be maintained pursuant to the law.
2. For each of the classes of shares a dividend reserve is kept on behalf of the holders of those shares, which reserve bears the same letter as the shares in question. If and to the extent the profit allows, an amount will be added from this profit to each of the dividend reserves in an amount equal to a percentage mentioned below of the relevant dividend reserve as of the end of the financial year. If a dividend reserve has not shown the same amount throughout the financial year, the profit addition will be calculated on the year average of the particular reserve. To determine the amount of the profit addition, the amount by which the dividend reserve must be supplemented pursuant to paragraph 7 of this article, second sentence, is added to the dividend reserve. The percentage referred to above is equal to half of the deposit rate of the European Central Bank effective as of the end of the particular financial year, plus two percentage points.
3. The profit remaining after the profit addition pursuant to paragraph 2 is at the disposal of the general meeting. The general meeting may add all or part of the remaining profit to the distributable reserves.
4. The profit that is not reserved by the general meeting in accordance with paragraph 3 will be added to the dividend reserves of a specific class in proportion to the total paid-up nominal amounts on the various classes of shares.
5. Only at the proposal of the meeting of holders of a certain class of share can the general meeting decide to partially or fully eliminate a dividend reserve for holders of shares of the class in question, subject to the provisions in paragraph 8. In that case the amount to which the elimination pertains is paid out to the holders of shares of the class in question prorated to the paid-up nominal amount of their shares of that class.
6. The general meeting can at any time make additions to the dividend reserves of a particular class at the expense of the distributable reserves. The addition takes place such that every one of the dividend reserves enjoys the addition proportionate to the nominal amounts paid up on the shares of the particular class, without prejudice to the provisions of paragraph 7, second sentence.
7. The general meeting will partially or fully eliminate a dividend reserve to cover losses. If a dividend reserve is drawn on to cover a loss, no payment of dividend - other than as a result of the elimination of a dividend reserve in the manner referred to in paragraph 5 - or reservation or addition to another dividend reserve will take place as long as the amount withdrawn to cover the loss has not been added to the particular dividend reserve. This can be deviated from if the general meeting unanimously resolves to do so. If several dividend reserves have been drawn on to cover losses, an addition as referred to in the second sentence of paragraph 6 takes place to the reserves in question in a manner proportionate to the withdrawals.
8. Profit additions or distributions may only take place to the extent the equity is greater than the paid-up and called-up portion of the capital plus the reserves that must be maintained pursuant to the law.
9. A profit addition or distribution takes place after the adoption of the financial statements showing that this is permissible.
10. The general meeting can resolve to make an interim profit addition or distribution, provided the provisions of paragraph 8 are duly observed.
11. The general meeting can, with analogous application of the provisions in paragraph 8, resolve to make distributions chargeable to a reserve which is not required to be maintained pursuant to the law.
12. No distribution for the benefit of the company takes place on shares the company holds in its own capital or the depositary receipts for such shares.
13. In calculating the profit distribution, the shares or depositary receipts for shares on which no distribution takes place for the benefit of the company pursuant to paragraph 12 are not counted.
14. The claim to payment expires by the passage of five years counted from the day the claim becomes payable.

Independent auditor's report

To: the Board of Directors of Think ETF Asset Management B.V.

Report on the accompanying financial statements

Our opinion

We have audited the financial statements 2018 of Think ETF Asset Management B.V., based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Think ETF Asset Management B.V. as at 31 December 2018, and of its result for 2018 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1 the balance sheet as of 31 December 2018;

2 the profit and loss account for 2018;

3 The cash flow statement for 2018 and

4 the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Think ETF Asset Management B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, he annual report contains other information that consists of:

— report from the managing directors;

— other information pursuant to Part 9 of Book 2 of the Dutch Civil Code;

Based on the following procedures performed, we conclude that the other information:

— is consistent with the financial statements and does not contain material misstatements;

— contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the report from the managing directors, in accordance with Part 9 of Book 2 of the Dutch Civil Code, and other information pursuant to Part 9 of Book 2 of the Dutch Civil Code.

Description of the responsibilities for the financial statements

Responsibilities of the Board of Directors and the Supervisory Board for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud during our audit.

Misstatements can arise from fraud or errors 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 the financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit 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 the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- concluding 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 our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. 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 ceasing to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 findings in internal control that we identify during our audit.

Amstelveen, 18 April 2019

KPMG Accountants N.V.

M. Frikkee RA