

Leverage Shares Plc

Directors' report and audited financial statements

For the financial year ended 30 June 2023

Registered number 597399

Leverage Shares Plc

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Directors and other information

Directors	Neil Fleming <i>(Irish) (Independent and Non-Executive)</i> Ciaran Connolly <i>(Irish) (Non-Executive)</i> (Appointed on 14 August 2023) Lisa Hand <i>(Irish) (Non-Executive)</i> (Resigned on 14 August 2023) Stuart Gallagher <i>(Irish)</i> (Appointed on 16 August 2023 and resigned on 29 August 2023)	
Registered Office	2nd floor, Block 5 Irish Life Centre Abbey Street Lower Dublin 1 Ireland	
Company Secretary and Administrator	Apex IFS Limited 2nd Floor, Block 5 Irish Life Centre Abbey Street Lower Dublin 1 Ireland	
Arranger	Leverage Shares Management Company Limited 116 Mount Prospect Avenue Clontarf Dublin 3 Ireland	
Portfolio Administrator	GWM Limited 41 Cedar Avenue 5th Floor, Hamilton HM12 Bermuda	
CREST Settlement Agent and CREST Sponsor	Link Market Services Trustees Limited The Registry, 34 Beckenham Road Beckenham Kent BR3 4TU United Kingdom	
Custodian & Margin Account Provider	Interactive Brokers LLC One Pickwick Plaza Greenwich CT 0683082 United States of America	Goldman Sachs 200 West Street New York NY 10282-2198 United States of America
Authorised Participants	BNP Paribas Arbitrage S.N.C. 160-162 Boulevard Macdonald 75019 Paris France	GWM Limited 41 Cedar Avenue 5th Floor, Hamilton HM12 Bermuda
Registrar	Elavon Financial Services DAC 8, Cherrywood Business Park Loughlinstown Dublin Ireland	
Independent Auditor	BDO Block 3, Miesian Plaza, 50-58 Baggot Street Lower, Dublin 2 Ireland	
Determination Agent	Calculation Agent Services LLC 34E Putnam Avenue Greenwich CT 06830 United States of America	

Directors and other information (continued)

Solicitor	Matheson 70 Sir John Rogerson's Quay Dublin 2 Ireland
Issuing & Paying Agent	Elavon Financial Services DAC 8, Cherrywood Business Park Loughlinstown Dublin Ireland
Trustee	Apex Corporate Trustees (UK) Limited 6th Floor 125 Wood Street London UK

Directors' report

The directors ("the Directors") present their annual report and audited financial statements of Leverage Shares Plc (the "Company") for the financial year ended 30 June 2023.

Principal activities and business review

The Company is a limited liability company, incorporated in Ireland on 27 January 2017, under Irish Company law with registered number 597399. The Company is an orphan vehicle, with the shares held for the benefit of a charitable trust (see note 15). The Company is registered in Ireland as a Section 110 vehicle. The Company has been established as a special purpose vehicle (the "SPV") for the purpose of issuing exchange traded securities. The Company commenced trading on 8 December 2017.

The Company established a collateralised exchange traded product programme (the "Programme") under which the Company issues, on an ongoing basis, collateralised exchange traded products (the "ETPs") of different series (each a "Series") or tranches (each a "Tranche") linked to underlying equity securities each providing leveraged long or short exposure to specified equity securities or basket of securities tracking particular investment strategies or industry sectors (each individually a "Component Security", collectively the "Component Securities"). The aggregate number of ETPs issued under the Programme will not at any time exceed 5,000,000,000,000.

Each Series constitutes limited recourse obligations of the Company, secured on and payable solely from the Component Securities constituting the ETP in respect of such Series. Each Series of ETPs may comprise one or more Tranches. The ETPs have been listed for trading on the London Stock Exchange, Euronext Amsterdam, Borsa Italiana and Deutsche Boerse.

Each ETP provides leveraged or short exposure to a single Component Security. Each Series is assigned a leverage factor in the relevant final terms. The proceeds of the issuance of each Series or Tranche will be deposited with Interactive Brokers LLC (the "Custodian" and the "Margin Account Provider"). For leveraged Series the Margin Account Provider provides funding so as to enable an amount equal to the proceeds of the issuance of the relevant Series multiplied by the applicable leverage factor will be invested in the Component Security of the relevant Series. For each Series providing long exposure the Company has physical ownership of the Component Securities. For Series providing short exposure the Issuer will short sell the Component Securities which it will borrow from the Margin Account Provider with the proceeds from the issuance acting as collateral.

The ETPs do not bear interest at a prescribed rate. The return (if any) on the ETPs is calculated in accordance with the redemption provisions set out in the base prospectus of the Company.

During the financial year ended 30 June 2023, the Company redeemed in full 25 Series (2022: 4 series) and issued 17 Series of ETPs (2022: 84 Series). As at 30 June 2023, the Company had 175 Series in issue (2022: 183 Series). Refer to note 11 to the financial statements for further details.

General information regarding the Company is further described in note 1 to the financial statements.

Key performance indicators

During the financial year:

- the Company had USD Nil profit before tax (2022: USD Nil) and loss after tax of USD 25,459 (2022: USD 11,299);
- the Company's realised gains on financial assets at fair value through profit or loss amounted to USD 49,669,638 (2022: losses of USD 220,273,368);
- the Company's unrealised gains on financial assets at fair value through profit or loss amounted to USD 185,343,928 (2022: losses of USD 37,279,837);
- the Company's realised losses on financial liabilities at fair value through profit or loss amounted to USD 49,669,638 (2022: gains of USD 220,273,368);
- the Company's unrealised losses on financial liabilities at fair value through profit or loss amounted to USD 164,783,840 (2022: gains of USD 42,691,558);
- dividend income from Component Securities amounted to USD 444,627 (2022: USD 495,974);
- there were subscriptions in the existing Series of ETP Securities as disclosed in note 11 to the financial statements;
- there were partial redemptions of the existing Series of ETP Securities as disclosed in note 11 to the financial statements;
- 25 Series were fully redeemed (2022: 4); and
- the Company issued 17 new Series of ETP Securities (2022: 84 Series).

As at 30 June 2023:

- the total fair value of the ETP Securities in issue was USD 526,610,537 (2022: USD 168,651,340) as disclosed in note 11 to the financial statements;
- the net liabilities of the Company were USD 17,939 (2022: assets of USD 7,520); and
- The Series of ETPs in issue at 30 June 2023 and 30 June 2022 related to the following industries:

	Financial year ended 30 June 2023	Financial year ended 30 June 2022
	Number of ETPs issued	Number of ETPs issued
Financials	79	49
Information Technology	51	45
Consumer Discretionary	20	42
Communication Services	-	24
Industrials	-	12
Energy	13	4
Oil and gas	10	3
Materials	-	2
Health Care	2	2
	<u>175</u>	<u>183</u>

Directors' report (continued)

Future developments

The Company has plans to grow its range of ETPs over the course of 2023/ 2024 and is actively working on increasing its market penetration across its full range of products. The Company keeps its range of products under review and may redeem ETPs from time to time which don't meet performance criteria, which may include market demand for the product.

Going concern

The Directors believe the Company is a going concern. The nature of the Company's business dictates that the outstanding ETPs may be redeemed at any time by any authorised participant who has entered into an authorised participant agreement with the Company. As the redemption of ETPs will coincide with the sale of an equal amount of the Component Security, no liquidity risk is considered to arise. The Company has entered into its primary service contracts with service providers on a non-recourse and non-petition basis and these costs are being met by Leverage Shares Management Company Limited (as Arranger) and in return the Arranger receives the arrangement fees earned on the Series. Therefore, the Directors consider the Company to be a going concern and have prepared the financial statements on this basis.

The Company has a small deficit in reserves and is engaging with the Arranger on the most appropriate means to address same and is confident the deficit will be addressed.

Principal risks and uncertainties

The ETP's are exposed to investor sentiment as regards: the overall markets, specific sectors; individual equities; and, investment strategies. The ETPs can therefore be exposed to significant price adjustments which are magnified by the use of leverage in some of the products.

The key risks to the business relate to the use of financial instruments. A summary of these risks, including Operational Risk, is set out in note 17 to the financial statements.

Market overview

The following aspects of the underlying market may affect the market price of the ETP Securities among other factors:

- the value and volatility of the Index referenced by such Series of ETP Securities and the Component Securities underlying that Index;
- the nature and value of any Component Securities relating to such Series of ETP Securities;
- market perception, interest rates, yields and foreign exchange rates; and
- whether or not any market disruption is subsisting.

The market fall witnessed in the previous year, i.e. between July 2021 and the end of June 2022, largely continued until the 4th quarter of 2022, with the tech-heavy Nasdaq-100 being the worse for wear relative to the broad-market S&P 500. Markets showed some signs of recovery roughly around the middle of October with the S&P 500 ending 2022 0.37% up from the start of July 2022 while the Nasdaq-100 was down 5.58% in the same period. Since then, tech stocks have exhibited a substantial and highly concentrated upswing. This could be attributed to two factors. Firstly, market participants deem large tech companies as being relatively more "survivable" than other public companies in the wake of a deep-set affordability crisis across the Western Hemisphere. Secondly, "Tech" and "AI" have emerged as themes finding strong investor interest. As a result, for the year from July 1, 2022 till the end of June in 2023, the S&P 500 was up 16% while the Nasdaq-100 was up 31%.

Results and dividends for the financial year

The results for the financial period are set out on page 13. The Directors do not recommend the payment of a dividend for the financial year (2022: USD Nil).

Significant events

There were no significant events occurring during the financial year ended 30 June 2023.

Directors, Secretary and their Interests

None of the Directors who held office from 1 July 2022 to 30 June 2023 held any shares or ETP Securities in the Company at that date, or during the financial year. There were no contracts of any significance in relation to the business of the Company in which the Directors had any interest, as defined in Section 309 of the Companies Act 2014, at any time during the financial year. Further information is set out in note 16 to the financial statements.

Shares and shareholders

The authorised share capital of the Company is EUR 25,000 which has been fully issued and paid. All the issued shares are held by Monument Trustees Limited. All shares are held in trust for charity under the terms of declaration of trust. Further information is set out in note 14 and note 15 to the financial statements.

Directors' report (continued)

Corporate Governance Statement

Introduction

The Company is subject to and complies with the Irish statute comprising the Companies Act 2014 and the listing rules of various exchanges on which the Company has decided to list the ETPs.

No Director has any direct or indirect holding of securities in the Company. No Director has any special rights of control over the Company's share capital.

There are no restrictions on voting rights of shareholders.

Appointment and replacement of Directors and Amendments in the Constitution

Regarding the appointment and replacement of Directors, the Company is governed by its constitution and Irish Statute comprising the Companies Act 2014. The constitution may be amended by special resolution of the shareholders.

Powers of Directors

The Board of Directors (the "Board") is responsible for managing the business affairs of the Company in accordance with the constitution. The Directors may delegate certain functions to the issuing & paying agent (the "IPA") and other parties, subject to the supervision and direction of the Directors. The Directors have delegated the day to day administration of the Company to Apex IFS Limited (the "Administrator").

Financial Reporting Process

The Board is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include appointing the Administrator to maintain the accounting records of the Company. The Administrator is contractually obliged to maintain proper books and records as required by the Corporate Services agreement. The Administrator is also contractually obliged to prepare, for review and approval by the Board, the annual report including financial statements intended to give a true and fair view.

The Board evaluates and discusses significant accounting and reporting issues as the need arises. From time to time the Board may examine and evaluate the Administrator financial accounting and reporting routines and monitors and evaluates the external auditors' performance, qualifications and independence. The Administrator has operating responsibility for internal control in relation to the financial reporting process and reports to the Board.

Risk Assessment

The Board in appointing various service providers has given consideration to their experience and their processes to: assess the risk of irregularities, whether caused by fraud or error in financial reporting; ensure that processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting; identify changes in accounting rules and recommendations; and to ensure that these changes are accurately reflected in the Company's financial statements.

Control Activities

The Administrator is contractually obliged to design and maintain control structures to manage the risks which the Board judges to be significant for internal control over financial reporting. These control structures include appropriate division of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in financial reporting for every significant account in the financial statements and the related ETPs in the Company's financial statements.

Transfer of shares

The Company has issued ordinary shares and any transfer of these must be in accordance with the trust deed and any trustee restrictions. The instrument of transfer of any share shall be executed by or on behalf of the transferor and, in cases where the share is not fully paid, by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered on the register in respect thereof. The Directors in their absolute discretion and without assigning any reason therefore may decline to register any transfer of a share. If the Directors refuse to register a transfer they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

Accounting records

The Directors believe that they have complied with requirements of Section 281 to 285 of the Companies Act 2014 with regards to keeping adequate accounting records by contracting with the Administrator who has appropriate experience and expertise. The accounting records of the Company are maintained at 2nd Floor, Block 5, Irish Life Centre, Lower Abbey Street, Dublin 1, Ireland.

Risk management objectives and policies

The principal risks and uncertainties facing the Company relate to the financial instruments held by the Company. The main risks the Company has exposure to are credit risk, liquidity risk, market risk and operational risk. The risk profile of the Company is such that market, credit, liquidity and other risks of the Component Securities are borne fully by the holders of ETPs issued. Information on how the Company manages these risks are set out in note 17 to the financial statements.

Directors' report (continued)

Political donations

The Electoral Act, 1997 (as amended by the Electoral Amendment Political Funding Act, 2012) requires Companies to disclose all political donations over EUR 200 in aggregate made during a financial year. The Directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the financial year ended 30 June 2023 (2022: EUR Nil).

Subsequent events

Subsequent events are disclosed in note 18 of the financial statements.

Research and development costs

The Company did not incur any research and development costs during the financial year (2022: USD Nil).

Audit committee

The sole business of the Company relates to the issuance of ETPs. Given the functions performed by the various service providers, the predominantly regulated status of such providers and the limited recourse nature of the securities issued by the Company, the Directors has concluded that there is currently no need for the Company to have a separate audit committee in order for the Board to perform effective monitoring and oversight of the internal controls and risk management systems of the Company in relation to the financial reporting process. Accordingly the Company has availed itself of the exemption under Section 1551 of the Companies Act 2014.

Independent Auditor

BDO, Statutory Audit Firm, have expressed their willingness to continue in office in accordance with Section 383(2) of the Companies Act, 2014.

Statement on relevant audit information

The Directors believe that they have taken all the steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditor is aware of that information. In so far as they are aware, there is no relevant audit information of which the company's statutory auditor is unaware.

Directors' compliance statement

The Directors confirm that:

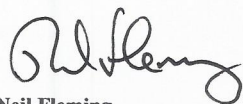
- they acknowledge that they are responsible for securing the company's compliance with its relevant obligations and have, to the best of their knowledge, complied with its relevant obligations as defined in section 225 of the Companies Act 2014;
- they have drawn up a compliance policy statement setting out the Company's policies (that, in the Directors' opinion, are appropriate to the Company) respecting compliance by the Company with its relevant obligations;
- relevant arrangements and structures have been put in place that provide a reasonable assurance of compliance in all material respects by the Company with its relevant obligations, which arrangements and structures may, if the Directors so decide, include reliance on the advice of one or more than one person employed by the Company or retained by it under a contract for services, being a person who appears to the Directors to have the requisite knowledge and experience to advise the Company on compliance with its relevant obligations; and
- the arrangements and structures in place are reviewed on an annual basis.

Responsibility statement in accordance with the transparency regulation

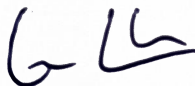
Each of the Directors confirm to the best of their knowledge:

- the financial statements, prepared in accordance with IFRS as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the management report, which is incorporated into the Directors' report, includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

Approved and authorised for issue on behalf of the Board:



Neil Fleming
Director



Ciaran Connolly
Director

Date: 13 November 2023

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' Report and financial statements, in accordance with applicable law and regulations.

Irish Company law requires the Directors to prepare financial statements giving a true and fair view of the state of affairs of the Company and the profit or loss of the Company for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position, of the Company as at the financial year and of the profit or loss of the company for the financial year, and otherwise comply with the Companies Act 2014.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS and ensure that they contain the additional information required by the Companies Act 2014; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

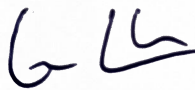
The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

Approved and authorised for issue on behalf of the Board:



Neil Fleming
Director



Ciaran Connolly
Director

Date: 13 November 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEVERAGE SHARES PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Leverage shares Plc ('the Company') for the year ended 30 June 2023, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the financial statements, including the summary of significant accounting policies set out in Note 3. The financial reporting framework that has been applied in their preparation is Irish Law, including the Commission Delegated Regulation 2019/815 regarding the single electronic reporting format (ESEF) and International Financial Reporting Standards ("IFRS") as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 30 June 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority ('IAASA'), as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We were appointed by the directors of the Company on 30 June 2021 to audit the financial statements for the year ending 30 June 2021 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 3 years.

The non-audit services prohibited by IAASA's Ethical Standard for Auditors (Ireland) were not provided to the Company. We did provide corporation tax compliance services to the Company which, by derogation, are permitted by IAASA's Ethical Standard for Auditors (Ireland). We remained independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report we are required to provide to the Board of Directors.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Company's ability to continue as a going concern included:

- considering as part of our risk assessment the nature of the Company, its business model and related risks;
- inspecting the directors' assessment of the Company's ability to continue as a going concern, challenging the underlying assumptions therein where appropriate; and
- assessing the completeness of the going concern disclosure in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEVERAGE SHARES PLC (CONTINUED)

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined below, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying risks

Our procedures to identify the risks of irregularities, including fraud included, amongst other matters:

- Obtaining an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates and considered the risk of fraud and non-compliance with applicable laws and regulations. In doing so, we focused on those laws and regulations that had a significant effect on the financial statements or that had a fundamental effect on the operations of the Company which included, but were not limited to, the Companies Act 2014 and the stock exchange listing rules.
- Enquiring of those charged with governance, including obtaining and reviewing supporting documentation, concerning the Company's policies and procedures relating to:
 - o identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; and
 - o detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud.

Audit response to risks identified

Our procedures to respond to risks identified included, amongst other matters:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with the Central Bank of Ireland;
- testing of revenue recognition, specifically in relation to the realised and unrealised gains or losses on the financial assets and financial liabilities at fair value through profit and loss; and
- Identifying and testing journal entries, in particular those journal entries considered most susceptible to fraud.

We have also communicated relevant identified laws, regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud), including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter
Existence and Valuation of Financial Assets and Completeness and Valuation of Financial Liabilities – The Company issues collateralized exchange traded products linked to underlying equity securities. The existence and valuation of the financial assets and completeness and valuation of the financial liabilities are seen as the most significant of the identified risks due to the nature and importance of these balances to the financial statements as a whole.
Related Disclosures
The following accounting policies relating to financial assets and liabilities are disclosed on the financial statements: Note 2(c) – Determining the fair value of financial instruments Note 3(c-d) – Unrealised gains/losses on financial assets and financial liabilities at fair value through profit or loss Note 3(i) – Financial Instruments The following notes to the financial statements relates to financial assets and liabilities: Note 8 – Financial assets at fair value through profit or loss Note 11 – Financial liabilities at fair value through profit or loss
Audit Response
To address the key audit matter above, we have performed the following: 1. Evaluated the design and implementation of the key controls relating to the existence and valuation of financial assets, and completeness and valuation of financial liabilities. 2. Obtained direct confirmation of the existence of the investments with the custodian. 3. Obtained direct confirmation of the completeness of the ETP securities from the registrar. 4. Valuation inspection by confirming the market value of the investments and ETP securities to 3rd party pricing sources. Based on the procedures performed, we have identified material misstatements which were corrected by the Company.

Our application of materiality

We define materiality as the magnitude of misstatement, including omissions, in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of a reasonably knowledgeable person taken on the basis of the financial statements. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality and performance materiality for the financial statements as a whole as follows:

For the purpose of our audit, we used overall materiality of \$9.9m, which represents approximately 2% of the fair value of the Exchange Traded Products (ETPs) Securities at the year end.

Performance materiality for the financial statements as a whole was set at \$6.9m.

We applied these thresholds, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial statements as a whole.

We chose fair value of the ETP securities as the benchmark because, in our view, we consider it to be a key focus of the users of the financial statements. The main users of the financial statements are the investors, with a focus on their investment return, which is based on the fair value of the ETPs.

We selected 2% based on our professional judgment and the perceived level of risk, noting that it is also within the range of commonly accepted liability benchmarks.

We have reported unadjusted errors noted as part of our audit process above a clearly trivial level of 5% of materiality, \$495k, to the Board of Directors.

An overview of the scope of our audit report

The scope of our audit was influenced by our application of materiality. As a result, our audit approach was developed by obtaining an understanding of the Company's activities, the key functions undertaken on behalf of the board and the overall control environment. Based on this understanding we assessed those aspects of the Company's financial statements which were most likely to give rise to a material misstatement. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEVERAGE SHARES PLC (CONTINUED)

Corporate governance statement

As required by the Companies Act 2014, we report that, in our opinion, in relation to information given in the Corporate Governance Statement:

- based on the work undertaken for our audit, the description of the main features of internal control and risk management systems in relation to the financial reporting process is consistent with the financial statements and has been prepared in accordance with the Act; and
- based on our knowledge and understanding of the Company and its environment obtained in the course of our audit, we have not identified any material misstatements in that information.

We also report that, based on work undertaken for our audit, the information required by the Companies Act 2014 is contained in the Corporate Governance Statement.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report is consistent with the financial statements; and
- the directors' report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited, and financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made.

We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

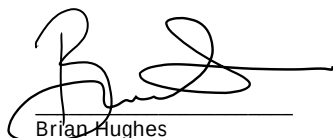
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at:

https://iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.
This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Brian Hughes
For and on behalf of BDO
Statutory Audit Firm
Block 3, Miesian Plaza
50-58 Baggot Street Lower
Dublin 2, D02 Y754.

13 November 2023

Date

Statement of comprehensive income

For the financial year ended 30 June 2023

		Financial year ended 30-Jun-23 USD	Financial year ended 30-Jun-22 USD
	Note		
Revenue	4	444,627	495,974
Realised gains/(losses) on financial assets at fair value through profit or loss		49,669,638	(220,273,368)
Unrealised gains/(losses) on financial assets at fair value through profit or loss		185,343,928	(37,279,837)
Realised (losses)/gains on financial liabilities at fair value through profit or loss		(49,669,638)	220,273,368
Unrealised (losses)/gains on financial liabilities at fair value through profit or loss		(164,783,840)	42,691,558
Operating expenses	6	(1,596,003)	(1,148,813)
Finance expense	5	(19,408,712)	(4,758,882)
Operating profit before tax		-	-
Tax on profit on ordinary activities	7	(25,459)	(11,299)
Total comprehensive loss		(25,459)	(11,299)

All of the items dealt with in arriving at the profit for the financial year are from continuing operations, no income is recognised in other comprehensive income.

Statement of financial position

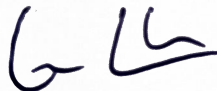
As at 30 June 2023

	Note	30-Jun-23 USD	30-Jun-22 USD
Assets			
Financial assets at fair value through profit or loss	8	1,413,012,880	376,888,565
Amounts due from broker	10	109,458,647	95,012,660
Other receivables	9	502,664	914,255
Receivable from GWM Limited	13	1,947,855	-
Total assets		1,524,922,046	472,815,480
Liabilities			
Financial liabilities at fair value through profit or loss	11	597,297,376	232,748,740
Amounts due to broker	10	914,599,816	238,850,089
Other payables	12	13,042,793	1,143,927
Payable to GWM Limited	13	-	65,204
Total liabilities		1,524,939,985	472,807,960
Total assets less total liabilities		(17,939)	7,520
Share capital and deficit			
Called up share capital presented as equity	14	26,703	26,703
Retained deficit		(44,642)	(19,183)
Total shareholders' funds		(17,939)	7,520

The financial statements were approved by the Board of Directors and signed on its behalf by:



Neil Fleming
Director



Ciaran Connolly
Director

Date: 13 November 2023

Statement of changes in equity

For the financial year ended 30 June 2023

	Share capital	Deficit	Total equity
	USD	USD	USD
Balance as at 1 July 2021	26,703	(7,884)	18,819
Total comprehensive loss for the financial year	-	(11,299)	(11,299)
Balance as at 30 June 2022	26,703	(19,183)	7,520
Balance as at 1 July 2022	26,703	(19,183)	7,520
Total comprehensive loss for the financial year	-	(25,459)	(25,459)
Balance as at 30 June 2023	26,703	(44,642)	(17,939)

Statement of cash flows

For the financial year ended 30 June 2023

	Financial year ended 30-Jun-23 USD	Financial year ended 30-Jun-22 USD
Cash flows from operating activities		
Loss on ordinary activities after taxation	(25,459)	(11,299)
<i>Adjustments for:</i>		
Movement in unrealised fair value movement - Financial Assets	(185,121,939)	37,279,837
Movement in unrealised fair value movement - Financial Liabilities	164,783,840	(42,691,558)
<i>Movements in working capital</i>		
Net cash outflow on component securities	(828,842,272)	(449,425,019)
Decrease/(increase) in other receivables	76,336	(616,326)
Increase in other payables	8,315,501	38,468
Change in amounts due from broker and due to broker	661,303,740	91,926,884
Net cash used in operating activities	(179,510,253)	(363,499,013)
Cash flows from financing activities		
ETP Securities issuances during the financial year	440,120,495	524,311,174
ETP Securities redemptions during the financial year	(260,610,242)	(160,812,161)
Net cash generated from financing activities	179,510,253	363,499,013
Movement in cash and cash equivalents	-	-
Cash and cash equivalents at start of the financial year	-	-
Cash and cash equivalents at end of the financial year	-	-
Supplementary information		
Dividends received	444,627	419,638
Interest paid	17,411,396	3,932,918
Tax paid	-	10,816

Notes to the financial statements

For the financial year ended 30 June 2023

1 General information

The Company is a limited liability company, incorporated in Ireland on 27 January 2017, under Irish Company law with registered number 597399. The Company is an orphan vehicle, with the shares held for the benefit of a charitable trust (see note 15). The Company is registered in Ireland as a Section 110 vehicle. The Company has been established as an SPV for the purpose of issuing exchange traded securities. The Company commenced trading on 8 December 2017.

The Company established a collateralised Programme under which the Company issues, on an ongoing basis, collateralised ETPs of different Series or Tranche linked to underlying equity securities each providing leveraged long or short exposure to specified Component Securities. The aggregate number of ETPs issued under the Programme will not at any time exceed 5,000,000,000,000.

Each Series constitutes limited recourse obligations of the Company, secured on and payable solely from the Component Securities (including cash held as collateral) constituting the ETP in respect of such Series. Each Series of ETPs may comprise one or more Tranches. The ETPs have been listed for trading on the London Stock Exchange, Euronext Amsterdam, Borsa Italiana and Deutsche Boerse.

Each ETP provides leveraged or short exposure to a single Component Security. Each Series is assigned a leverage factor in the relevant final terms. The proceeds of the issuance of each Series or Tranche will be deposited with the Custodian and the Margin Account Provider. For leveraged Series the Margin Account Provider will procure that an amount equal to the proceeds of the issuance of the relevant Series multiplied by the applicable leverage factor will be invested in the Component Security of the relevant Series. For each Series providing long exposure the Company has physical ownership of the Component Securities. For Series providing short exposure the Issuer will short sell the Component Securities which it will borrow from the Margin Account Provider with the proceeds from the issuance acting as collateral.

The ETPs do not bear interest at a prescribed rate. The return (if any) on the ETPs is calculated in accordance with the redemption provisions set out in the base prospectus of the Company.

2 Basis of preparation**(a) Statement of compliance**

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and its interpretations as adopted by the EU and in accordance with the Companies Act, 2014.

The financial statements have been prepared on the historical cost basis except financial assets and liabilities held for trading at fair value through profit or loss which are measured at fair value.

The accounting policies set out below have been applied in preparing the financial statements for the financial year ended 30 June 2023 and in the comparative information presented in these financial statements which is for the financial year ended 30 June 2022.

Going Concern

The Directors believe the Company is a going concern. The nature of the Company's business dictates that the outstanding ETPs may be redeemed at any time by any authorised participant who has entered into an authorised participant agreement with the Company. As the redemption of ETPs will coincide with the sale of an equal amount of the Component Security, no liquidity risk is considered to arise. The Company has entered into its primary service contracts with service providers on a non-recourse and non-petition basis and these costs are being met by Leverage Shares Management Company Limited (as Arranger) and in return the Arranger receives the arrangement fees earned on the Series. Therefore, the Directors consider the Company to be a going concern and have prepared the financial statements on this basis.

The Company has a small deficit in reserves and is engaging with the Arranger on the most appropriate means to address same and is confident the deficit will be addressed.

(b) Functional and presentation currency

These financial statements are presented in US dollar ("USD") which is the Company's functional currency. The Directors have elected to present the Company's financial statements in USD. Functional currency is the currency of the primary economic environment in which the entity operates. The Directors of the Company believe that USD most faithfully represents the economic effects of the underlying investing and financing activities of the Company.

Transactions in currencies other than USD are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currency are retranslated at the rates prevailing at the reporting date and the non-monetary items that are measured in terms of historical cost in a foreign currency is translated using the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary items that are denominated in foreign currencies are recognised in profit or loss in the period. Foreign exchange gains and losses on financial assets and financial liabilities are included in the Statement of comprehensive income.

(c) Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

2 Basis of preparation (continued)**(c) Use of estimates and judgements (continued)**

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and in future periods affected.

Critical judgements in applying accounting policies on the valuation of financial instruments

The following are the critical judgements on the valuation of the financial instruments, apart from those involving estimations, that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements. Refer to note 3(i) to the financial statements.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Determining the fair value of financial instruments

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques as described in note 3(i) to the financial statements. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Fair values of ETPs are calculated using predetermined formula, where prices of underlying equity securities, which track quoted market prices, are used as inputs to the formula alongside the leverage factor, margin account interest expense and arrangement fees (which are all observable and set out in the agreement for each ETP). These prices are compared to prior day prices and any variation results in either an unrealised gain or loss. The use of defined underlying equity securities and formulae reduces estimation uncertainty.

(d) New standards, amendments or interpretations**(i) New standards and interpretations adopted during the financial year*****Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform - Phase 2***

The Company has adopted the interest rate benchmark reform amendments for the financial year 2021. The amendments in Interest Rate Benchmark Reform (Amendments to IFRS 17, IAS 8, IAS12, IAS 1) clarify that entities would continue to apply certain hedge accounting requirements assuming that the interest rate benchmark on which the hedged cash flows and cash flows from the hedging instrument are based will not be altered as a result of interest rate benchmark reform.

The adoption of the above standard has not had any material impact on the disclosures or on the amounts reported in these financial statements.

(ii) Standards not yet effective, but available for early adoption

<i>Standards not yet effective</i>	<i>Effective date</i>
Non-current Liabilities with Covenants – Amendments to IAS 1 and Classification of Liabilities as Current or Non-current – Amendments to IAS 1	1 January 2024
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024
Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024
IFRS 9 Financial Instruments: Fees in the '10 per cent' test for derecognition of financial liabilities	1 January 2024
Lack of Exchangeability – Amendments to IAS 21	1 January 2025
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28	1 January 2025

The Directors have considered the new standards as detailed in the above table and does not plan to adopt these standards early. The application of the above standards will be considered in detail in advance of a confirmed effective date by the Company. The Directors do not expect these standards to have a material impact on the disclosures in the financial statements.

3 Significant accounting policies**(a) Realised gains/(losses) on financial assets at fair value through profit or loss**

Realised gains/(losses) are recognised on disposal of financial assets, when the disposal price is not equal to the initial carrying value of the component securities. Any gains and losses arising from sale of the financial assets at fair value through profit or loss are recorded in the Statement of comprehensive income. Details of recognition and measurement of financial assets are disclosed in the accounting policy of financial instruments (note 3(i) to the financial statements).

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

3 Significant accounting policies (continued)**(b) Realised (losses)/gains on financial liabilities at fair value through profit or loss**

Realised (losses)/gains are recognised on redemption of the financial liabilities when the redemption price is not equal to the initial carrying value of the ETP securities and Component securities in short exposure. Any gains and losses arising from sale of the financial liabilities at fair value through profit or loss are recorded in the Statement of comprehensive income. Details of recognition and measurement of financial liabilities are disclosed in the accounting policy of financial instruments (note 3(i) to the financial statements).

(c) Unrealised gains/(losses) on financial assets at fair value through profit loss

Unrealised gains/(losses) on financial assets at fair value through profit or loss relates to investments in Component Securities and includes unrealised fair value changes. All unrealised gains/(losses) on financial assets are attributable to market risk arising from price movements on the Component Securities. Any gains and losses arising from changes in fair value of the financial assets at fair value through profit or loss are recorded in the Statement of comprehensive income. Details of recognition and measurement of financial assets are disclosed in the accounting policy of financial instruments (note 3(i) to the financial statements).

(d) Unrealised (losses)/gains on financial liabilities at fair value through profit or loss

Unrealised (losses)/gains on financial liabilities at fair value through profit or loss relates to issuances of ETP Securities and fair value on short exposure to Component Securities and includes unrealised fair value changes. All unrealised gains and losses on financial liabilities are primarily attributable to market risk arising from price movements on the ETP Securities. Any gains and losses arising from changes in fair value of the financial liabilities at fair value through profit or loss are recorded in the Statement of comprehensive income. Details of recognition and measurement of financial liabilities are disclosed in the accounting policy of financial instruments (note 3(i) to the financial statements).

(e) Dividend income

Dividend income is shown gross of withholding tax and is recognised on the ex-dividend date of the dividends. The Company receives dividend income on its Component Securities.

(f) Interest expense

Interest expense is recognised using the effective interest rate method.

(g) Taxation

Corporation tax is provided on taxable profits at current rates applicable to the Company's activities in accordance with Section 110 of the Taxes Consolidation Act 1997. Deferred taxation is accounted for, without discounting, in respect of all temporary differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the reporting date.

Provision is made at the tax rates which are expected to apply in the periods in which the temporary differences reverse. Deferred tax assets are recognised only to the extent that it is considered more likely than not that they will be recovered.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that related tax benefit will be realised.

Withholding tax is a generic term used for withholding tax deducted at source from the income. The Company records the withholding tax separately from the gross investment income in the Statement of comprehensive income.

(h) Operating expenses

The Company pays an arrangement fee to Leverage Shares Management Company Limited calculated based on a percentage per annum of the ETP Security value (as defined in the base prospectus of the Company) of the ETP Securities. The arrangement fees are accrued daily and are recorded in the Statement of comprehensive income.

In return for the arrangement fee, various operational expenses such as initial portfolio administrator fees, determination agent fees, registrar fees, trustee fees, and listing fees, audit fees, tax fees and legal fees are borne by Leverage Shares Management Company Limited.

(i) Financial instruments*Classification*

The Company classifies its financial assets and financial liabilities as financial assets and financial liabilities at fair value through profit or loss at initial recognition in accordance with IFRS 9: Financial Instruments.

Financial assets and financial liabilities are measured at fair value through profit or loss if:

- its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding;

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

3 Significant accounting policies (continued)**(i) Financial instruments (continued)***Classification (continued)*

- it is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- at initial recognition, it is irrevocably designated as measured at fair value through profit or loss when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Company's Component Securities, as well as the ETPs, are by nature financial assets and financial liabilities at fair value through profit or loss respectively as they are held for trading. All other financial assets and liabilities are classified under amortised cost.

Recognition

The Company initially recognises all financial assets and liabilities on the trade date at which the Company becomes a party to the contractual provisions of the instruments.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Initial measurement

Financial assets and financial liabilities at fair value through profit or loss are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Financial assets and liabilities (other than those classified as held for trading or designated at fair value) are measured initially at their fair value plus or minus any directly attributable incremental costs of acquisition or issue. For financial assets and liabilities where the fair value at initial recognition does not equal the transaction price, the Company recognises the difference in the Statement of comprehensive income, unless specified otherwise.

Subsequent measurement

After initial measurement, the Company measures financial instruments at fair value through profit or loss. Subsequent changes in the fair value of those financial instruments are recorded in unrealised gains or losses on financial assets and financial liabilities at fair value through profit or loss. Interest paid and dividend earned on these instruments are recorded separately in interest expense and dividend income. Other receivables, cash and cash equivalents and other payables are measured at amortised cost.

Derecognition

A financial asset is derecognised where the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and either the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement) and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired. Any gains or losses on derecognition of financial instruments are recorded in realised gain/loss on financial assets/liabilities at fair value through profit or loss.

Offsetting

Financial assets and liabilities are offset and the net amount presented in the Statement of financial position when, and only when, the Company has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

Expected credit losses

Receivables that are stated at amortised cost are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indications exist, an expected credit loss is recognised in the Statement of comprehensive income as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective rate.

If in a subsequent period the amount of the expected credit loss recognised on receivables carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write down is reversed through the Statement of comprehensive income.

Expected credit loss provisions are calculated using a forward-looking expectation of deterioration of credit risk. In line with IFRS 9, the Company's approach to new ECLs reflected a probability-weighted outcome, the time value of money and reasonable and supportable information that was available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

3 Significant accounting policies (continued)**(j) Amounts due to/from Broker**

Amounts due to/from broker include margin accounts and payables from Component Securities purchased (in a regular way transaction) that have been contracted for, but not yet delivered, on the reporting date. Margin accounts represent cash borrowings or, in respect of positive balances, cash held in the margin account as collateral for short positions or awaiting investment/redemption. Amounts due to/from Broker are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue. These are carried at amortised cost using the effective interest method less any allowance for impairment.

(k) Segmental reporting

The standard on segmental reporting puts emphasis on the “management approach” to reporting on operating segments. An operating segment is a component of the Company that engages in business activities from which it may earn revenue and incur expenses.

The Company is engaged in one segment, being a collateralised ETP Securities Programme under which the Company issues on an ongoing basis ETP Securities of different Series linked to a range of equity securities. All the Company’s ETPs track equities of US, UK and Chinese companies.

The financial results from this segment are equivalent to the financial statements of the Company as a whole.

The following is a geographical analysis of the revenue by the country of the counterparty:

	Financial year ended 30-Jun-23	Financial year ended 30-Jun-22
	USD	USD
United States	423,636	473,221
China	17,337	15,265
United Kingdom	3,654	7,488
	<u>444,627</u>	<u>495,974</u>

(l) Other receivables

Other receivables do not carry any interest and are short-term in nature and have been reviewed for any evidence of expected credit losses. Other receivables are accounted at amortised cost.

(m) Other payables and payable to GWM Limited

Other payables are accounted at amortised cost.

(n) Share capital

The authorised share capital of the Company is EUR 25,000 divided into 25,000 ordinary shares of EUR 1 each. All of this has been issued and called up. The issued and called-up share capital is presented under equity in the Statement of financial position. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

4 Revenue

	Financial year ended 30-Jun-23	Financial year ended 30-Jun-22
	USD	USD
Dividend income*	444,627	495,974
	<u>444,627</u>	<u>495,974</u>

*The Company receives dividend income on its Component Securities.

5 Finance expense

	Financial year ended 30-Jun-23	Financial year ended 30-Jun-22
	USD	USD
Interest expense	19,408,712	4,758,882
	<u>19,408,712</u>	<u>4,758,882</u>

A daily margin interest rate corresponding to the relevant benchmark rate plus a margin is charged by the Margin Account Provider to the Company, as it relates to cash borrowing costs resulting from obtaining exposure to the Component Security of such Series.

6 Operating expenses

	30-Jun-23	30-Jun-22
	USD	USD
Arrangement fee expense	1,579,646	1,123,697
Other expenses	16,357	25,116
	<u>1,596,003</u>	<u>1,148,813</u>

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

6 Operating expenses (continued)

The Company pays arrangement fees that are dependent on the terms of each Series of up to 1.25% per annum of the value of the ETP Securities, calculated on a daily basis.

General operational expenses such as issuer & paying agent fees, determination agent fees, registrar fees, trustee fees, listing fees, audit fees, tax fees and legal fees are borne by Leverage Shares Management Company Limited. The following expenses that arose in respect of the Company were included in the costs borne by Leverage Shares Management Company Limited:

	30-Jun-23	30-Jun-22
Auditors' remuneration – Statutory Assurance services	54,221	51,831
Auditors' remuneration – Tax compliance services	2,917	2,917
Directors' remuneration	8,693	8,455

The auditor of the Company earned no other fees from the Company (2022: USD Nil).

All the above are only for qualifying services during the financial year and there was no other remuneration earned by the Directors of the Company in respect of services provided to the Company (2022: USD Nil). Leverage Share Management Company Limited covers all director fees in respect of the Company. The Company had no employees during the financial year (2022: none).

7 Tax on profit on ordinary activities

	30-Jun-23 USD	30-Jun-22 USD
Current tax:		
Current tax on income for the year	-	-
Withholding tax suffered on income	(25,459)	(11,299)
Total tax charge	<u>(25,459)</u>	<u>(11,299)</u>
Reconciliation of effective tax rate		
Profit before tax	-	-
Current tax at 25%	-	-
<i>Effects of:</i>		
Withholding tax suffered on income	(25,459)	(11,299)
Total tax charge	<u>(25,459)</u>	<u>(11,299)</u>

The Company will continue to be taxed at 25% (2022: 25%) in accordance with Section 110 of the Taxes Consolidation Act, 1997.

8 Financial assets at fair value through profit or loss

	30-Jun-23 USD	30-Jun-22 USD
Investment in Component Securities	<u>1,413,012,880</u>	<u>376,888,565</u>

All unrealised (losses)/gains on assets are attributable to market risk arising from price movements on the Component Securities.

The Company purchases Component Securities in underlying traded companies, exchange traded funds and investment structures as set out in the relevant Series documentation. The Company has physical ownership of the Component Securities. The Component Securities are traded regularly on US stock exchanges and the prices listed on the exchange of these securities as at 30 June 2023 represent their fair value.

The Component Securities held by the Company as at 30 June 2023 and 30 June 2022 are as follows:

Component Securities	Code	Fair value 30-Jun-23 USD	Cost 30-Jun-23 USD	Fair value 30-Jun-22 USD	Cost 30-Jun-22 USD
Alphabet Inc	LS GOOG	6,269,996	5,588,793	5,667,683	6,373,819
Amazon.com Inc	LS AMZN	16,027,632	13,578,715	5,539,807	6,660,050
Apple Inc	LS AAPL	10,870,661	8,834,411	8,433,847	9,718,763
Citigroup Inc	LS C	467,398	488,047	265,270	301,069
Facebook Inc	LS FB	3,087,044	2,396,774	1,029,581	1,237,594
Goldman Sachs Group Inc	LS GS	816,671	869,205	1,060,064	1,085,082
JPMorgan Chase & Co	LS JPM	442,865	420,504	714,398	800,977
Microsoft Corporation	LS MSFT	6,543,136	5,606,041	5,504,637	6,060,959
Visa Inc	LS V	1,458,365	1,353,697	1,800,559	1,939,037
Netflix Inc	LS NFLX	4,669,634	3,858,068	1,265,359	1,377,711
Nvidia Corporation	LS NVDA	15,052,744	12,252,218	2,508,208	2,956,642
Apple Inc	LS AAP3x	8,331,205	7,280,531	3,552,396	3,735,793
Tesla Inc	LS TSLA2x	25,087,513	19,924,737	12,936,399	14,438,902
Advanced Micro Devices	LS AMD2x	752,717	701,748	432,361	547,753
Amazon.com Inc	LS AMZ3x	14,476,478	12,988,376	3,632,594	3,865,988
Alibaba group holding	LS BABA2x	1,673,251	1,759,680	4,017,679	3,698,303
Salesforce.com Inc	LS CRM3x	1,588,041	1,561,014	822,559	884,659
Facebook Inc	LS FB3x	32,084,651	28,342,088	6,668,494	7,379,067
Alphabet Inc	LS GOO3x	6,338,828	6,165,728	4,237,091	4,451,361
Balance carried forward		<u>156,038,830</u>	<u>133,970,375</u>	<u>70,088,986</u>	<u>77,513,529</u>

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

8 Financial assets at fair value through profit or loss (continued)

The Component Securities held by the Company as at 30 June 2023 and 30 June 2022 are as follows (continued):

Component Securities	Code	Fair value	Cost	Fair value	Cost
		30-Jun-23 USD	30-Jun-23 USD	30-Jun-22 USD	30-Jun-22 USD
Balance brought forward (from previous page)		156,038,830	133,970,375	70,088,986	77,513,529
Microsoft Corporation	LS MSF3x	20,649,665	19,048,748	8,552,439	8,858,851
Micron Technology Inc	LS MU2x	1,392,333	1,465,858	486,796	609,785
Netflix Inc	LS NFLX3x	8,308,522	7,190,776	2,008,032	2,139,936
Nvidia Corporation	LS NVD3x	48,663,798	43,260,786	5,321,567	6,263,922
Tesla Inc	LS TSL3x	933,659,509	815,039,107	186,381,107	198,218,379
Paypal	LS PYP3x	5,539,324	5,442,584	2,009,017	2,372,215
Boeing	LS BA3x	1,045,453	1,025,972	777,663	755,886
Square	LS SQ3x	1,484,644	1,386,745	656,946	677,240
Royal dutch sell	LS RSH3x	679,577	672,209	341,035	367,516
BP	LS BP3Lx	1,463,723	1,539,306	844,121	860,752
Tesla Inc	LS 1TSLx	1,556,223	1,175,792	994,641	1,326,122
Amazon.com Inc	LS 1AMZx	214,312	168,737	135,949	213,421
Microsoft Corporation	LS 1MSFx	222,713	182,113	166,940	180,913
Alphabet Inc	LS 1GOOx	253,916	280,085	229,682	280,225
Facebook Inc	LS 1FBx	315,965	282,072	177,859	282,721
Apple Inc	LS 1AAPx	161,189	120,770	192,365	193,796
Netflix Inc	LS 1NFLx	86,777	58,175	188,335	420,591
Coinbase	LS 1COIx	722,297	564,237	86,000	94,308
AMD	LS AMD3x	13,334,419	14,194,725	7,415,525	9,452,492
Alibaba group holding	LS BAB3x	14,107,488	14,681,720	27,266,603	26,393,193
Uber	LS UBR3x	3,480,063	3,222,000	904,148	1,007,132
Airbnb	LS ABN3x	2,213,708	2,074,130	687,163	806,511
Plug power	LS PLU3x	2,867,640	2,710,353	1,483,661	1,515,988
Disney	LS DIS3x	2,982,488	3,049,066	698,088	788,969
Palantir	LS PLT3x	10,590,286	10,303,350	1,680,354	1,681,024
JD	LS JD3x	2,348,997	2,497,161	1,448,097	1,393,530
Baidu	LS BID3x	1,467,949	1,441,655	1,826,404	1,748,429
Plug power	LS 1PLUx	395,329	625,061	258,558	401,386
Sea	LS 1SEx	191,242	204,783	390,529	522,956
Nio	LS 1NIOx	341,107	369,298	832,528	954,344
Berkshire Hathaway	LS BRK2x	1,374,912	1,287,801	405,708	473,699
Long Airbus	LS AIR3x	468,861	451,012	299,511	342,473
Long Airlines	LS JET3x	979,944	859,851	317,774	368,021
Long ARKG Genomic	LS ARG3x	1,143,720	1,068,940	338,045	346,009
Long ARKK Innovation	LS ARK3x	7,123,622	6,526,723	3,297,278	3,431,306
ARKW NextGen Internet	LS ARW3x	1,400,076	1,260,026	255,875	285,876
Biotechnology	LS IBB3x	480,036	491,631	438,172	435,026
China Tech	LS KWE3x	2,112,901	2,165,317	2,311,415	2,199,571
Clean Energy	LS ICL3x	609,978	633,309	464,744	470,239
Coinbase	LS CON3x	18,288,824	15,011,195	765,862	952,866
Long Financials	LS XLF3x	283,771	280,603	282,956	315,863
Gold Miners	LS GDX3x	1,142,404	1,243,349	862,990	974,396
Moderna	LS MRN3x	660,596	686,849	577,828	561,823
NIO	LS NIO3x	6,357,861	5,848,734	4,942,473	4,718,809
Long Oil & Gas	LS XLE3x	738,079	746,387	540,973	639,578
Semiconductors	LS SMH3x	1,347,717	1,276,041	341,655	388,271
Taiwan Semiconductor	LS TSM3x	1,495,836	1,431,471	282,119	316,335
Total World	LS VT3x	725,604	683,597	407,669	451,448
US 500	LS SP5Yx	12,420,649	12,148,873	2,511,353	2,631,669
US Tech 100	LS QQQ5x	74,171,545	72,032,747	13,457,924	14,101,882
ARKG Genomic Tracker	LS 1ARGx	749,707	684,854	327,779	441,490
ARKK Innovation Tracker	LS 1ARKx	6,373,242	6,036,842	2,106,661	3,106,214
ARKW NextGen Internet Tracker	LS 1ARWx	485,174	426,898	256,659	390,016
Berkshire Hathaway (BRK-B) Tracker	LS WRRNx	235,631	199,165	189,203	199,754
Gold ETP	LS GLD3x	969,789	984,674	560,466	571,915
WTI Oil ETP	LS WTI2x	473,892	485,017	326,542	358,247
Silver ETP	LS SLV3x	657,011	687,116	451,032	492,045
South Korea ETP	LS KOR3x	439,921	431,403	384,578	436,256
Balance carried forward		1,380,490,789	1,224,318,174	362,236,382	388,697,159

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

8 Financial assets at fair value through profit or loss (continued)

The Component Securities held by the Company as at 30 June 2023 and 30 June 2022 are as follows (continued):

Component Securities	Code	Fair value 30-Jun-23 USD	Cost 30-Jun-23 USD	Fair value 30-Jun-22 USD	Cost 30-Jun-22 USD
Balance brought forward (from previous page)		1,380,490,789	1,224,318,174	362,236,382	388,697,159
China ETP	LS CHI3x	838,070	879,765	680,212	653,771
Taiwan ETP	LS TAI3x	307,417	307,171	421,864	468,121
Japan ETP	LS JPN3x	1,068,827	1,047,889	474,308	510,747
US Tech 100 ETP	LS QQL3x	591,811	538,672	441,721	475,607
US 500 ETP	LS SPY3x	1,827,643	1,732,913	454,964	489,753
Germany 40 ETP	LS DAX3x	829,102	802,167	407,322	460,139
Coupang ETP	LS CPN3x	665,567	639,162	532,376	522,973
Xpeng ETP	LS XPE3x	3,807,952	3,096,469	1,028,281	947,321
Siemens (SIE) ETP	LS SIE3x	712,393	715,354	272,086	330,451
Mercedes Benz (MBG) ETP	LS MBG3x	832,358	785,161	316,324	383,267
Infineon (IFX) ETP	LS IFX3x	788,750	745,915	286,364	343,553
Volkswagen (VW) ETP	LS VW3x	295,565	295,482	332,722	391,700
ASML ETP	LS ASM3x	508,614	485,600	357,013	408,348
20+ Year Treasury Bond ETP Securities	LS TLT5x	1,461,130	1,461,211	-	-
Exxon (XOM) ETP Securities	LS XOM3x	616,259	605,477	-	-
TIPS Inflation Protected US Bond ETP Securities	LS TIB5x	903,147	914,811	-	-
Ferrari (RACE) ETP Securities	LS RAC3x	861,431	790,578	-	-
India ETP Securities	LS IND3x	680,496	651,393	-	-
LS FAANG+ ETP	LS FAN1x	247,492	198,433	-	-
Buffettique Growth ETP	LS BUFFx	823,765	746,403	-	-
Treasury Bond ETP Securities	LS IEF5x	833,175	852,711	-	-
Wahed FTSE USA Shariah ETP	LS WAHEDx	11,447,198	11,316,910	-	-
KRONOS STRATEGY ETP	LS KRONOSx	1,573,929	1,539,015	-	-
Short Nvidia (NVDA) ETP Securities	LS CRM	-	-	388,834	434,661
Uber Technologies Inc	LS UBER2x	-	-	360,526	396,541
Shopify	LS SHO3x	-	-	446,888	510,269
Zoom	LS ZM3x	-	-	1,074,841	1,123,502
HSBC	LS HSC3x	-	-	606,649	602,512
Barclays	LS BCS3x	-	-	1,027,284	1,090,958
Vodafone	LS VDF3x	-	-	2,056,295	2,128,503
Shopify	LS 1SHOx	-	-	175,944	520,375
Roku	LS ROK3x	-	-	773,266	855,954
JD	LS 1JDx	-	-	293,678	295,103
Airbnb	LS 1ABNx	-	-	113,755	203,679
Baidu	LS 1BIDx	-	-	396,663	385,637
Pinduoduo	LS 1PDDx	-	-	406,706	295,242
Palantir	LS 1PLTx	-	-	118,672	303,449
Linde (LIN) ETP	LS LIN3x	-	-	406,625	457,156
		1,413,012,880	1,255,466,837	376,888,565	404,686,451

9 Other receivables

	30-Jun-23 USD	30-Jun-22 USD
ETP subscription receivable	473,379	808,634
Receivable from arranger	29,285	29,285
Dividend receivable	-	76,336
	502,664	914,255

10 Amounts due to/from broker

	30-Jun-23 USD	30-Jun-22 USD
<i>Due from broker</i>		
Margin accounts - cash collateral for short positions.	101,508,521	94,581,585
Cash at broker	7,950,126	431,075
	109,458,647	95,012,660
<i>Due to broker</i>		
Margin accounts - Leveraged ETPs	914,599,816	238,850,089
	914,599,816	238,850,089

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

10 Amounts due to/from broker (continued)

The Component Securities are held by the Custodian in margin accounts. Margin accounts include (i) cash borrowings or, (ii) in respect of positive balances, cash held in the margin account as collateral for short positions. A daily margin interest rate corresponding to the relevant benchmark rate plus a margin is charged by the Margin Account Provider to the Company due to cash borrowing costs resulting from obtaining exposure to the Component Security of the relevant index of such Series.

The following table shows the breakdown of amounts due to Custodian/Broker on margin accounts as at 30 June 2023:

Component Securities	Leverage	Cash borrowings for long positions	Cash collateral for short positions
		USD	USD
Alphabet	2	3,115,946	-
Amazon	2	8,069,084	-
Apple	2	5,405,592	-
Citigroup	2	232,278	-
Facebook	2	1,535,116	-
Goldman Sachs	2	405,671	-
Jpmorgan	2	220,202	-
Microsoft	2	3,253,123	-
Visa	2	725,332	-
Netflix	2	2,322,424	-
Nvidia	2	6,314,873	-
Tesla	2	12,474,839	-
Apple	3	5,527,414	-
Advanced Micro Devices	2	373,951	-
Amazon	3	9,601,053	-
Alibaba	2	830,472	-
Salesforce.Com	3	1,052,755	-
Facebook	3	21,282,338	-
Alphabet	3	4,201,981	-
Microsoft	3	13,693,321	-
Micron Technology	2	690,736	-
Netflix	3	5,511,951	-
Nvidia	3	32,279,714	-
Tesla	3	619,075,824	-
Paypal	3	3,674,745	-
Boeing	3	692,919	-
Square	3	984,704	-
Royal Dutch Shell	3	450,648	-
Bp	3	970,851	-
Tesla Tracker	1	(211)	-
Amazon Tracker	1	30	-
Microsoft Tracker	1	(62)	-
Alphabet Tracker	1	(30)	-
Facebook Tracker	1	(149)	-
Apple Tracker	1	21	-
Netflix Tracker	1	(30)	-
Coinbase Tracker	1	(54)	-
Amd Securities	3	8,832,766	-
Alibaba Securities	3	9,346,566	-
Uber Securities	3	2,307,830	-
Airbnb Securities	3	1,468,427	-
Plug Power Securities	3	1,904,216	-
Disney Securities	3	1,981,313	-
Palantir Securities	3	7,021,543	-
Jd.Com Securities	3	1,554,757	-
Baidu Securities	3	972,839	-
Plug Power Tracker	1	(46)	-
Sea Tracker	1	(6)	-
Nio Tracker	1	(30)	-
Long Berkshire Hathaway (Brkb) Securities	2	683,884	-
Long Airbus (Air.Pa) Securities	3	306,311	-
Long Airlines Securities	3	650,345	-
Long Arkg Genomic Securities	3	758,325	-
Long Arkk Innovation Securities	3	4,721,240	-
Balance carried forward		807,479,652	-

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

10 Amounts due to/from broker (continued)

The following table shows the breakdown of amounts due to Custodian/Broker on margin accounts as at 30 June 2023 (continued):

Component Securities	Leverage	Cash borrowings for long positions	Cash collateral for short positions
		USD	USD
Balance brought forward (from previous page)		807,479,652	-
Arkw Nextgen Internet	3	928,849	-
Biotechnology Securities	3	318,203	-
China Tech Securities	3	1,401,048	-
Clean Energy Securities	3	404,387	-
Coinbase (Coin) Securities	3	12,152,572	-
Financials Securities	3	188,366	-
Gold Miners Securities	3	757,261	-
Moderna (Mrna) Securities	3	438,876	-
Nio Securities	3	4,221,554	-
Oil & Gas Securities	3	489,651	-
Semiconductors Securities	3	893,726	-
Taiwan Semiconductor (Tsm)	3	997,374	-
Total World Securities	3	477,013	-
Us 500 Securities	5	9,922,646	-
Us Tech 100 Securities	5	59,284,028	-
Arkg Genomic Tracker	1	(226)	-
Arkk Innovation Tracker	1	(1,731)	-
Arkw Nextgen Internet Tracker	1	(84)	-
Berkshire Hathaway Tracker	1	13	-
Gold Securities	3	642,774	-
Wti Oil Securities	2	235,555	-
Silver Securities	3	435,316	-
South Korea Securities	3	291,485	-
China Securities	3	548,192	-
Taiwan Securities	3	202,037	-
Japan Securities	3	708,568	-
Us Tech 100 Securities	3	393,242	-
Us 500 Securities	3	1,217,431	-
Germany 40 Securities	3	550,575	-
Coupang Securities	3	441,557	-
Xpeng Securities	3	2,532,429	-
Siemens (Sie) Securities	3	472,774	-
Mercedes Benz Securities	3	553,017	-
Infineon (Ifx) Securities	3	523,867	-
Volkswagen (Vw) Securities	3	196,236	-
Asml Securities	3	336,894	-
20+ Year Treasury Bond	5	1,162,777	-
Exxon (Xom) Securities	3	407,385	-
Tips Inflation Protected Us Bond Securities	5	716,166	-
Ferrari (Race) Securities	3	572,355	-
India Securities	3	450,054	-
Ls Faang+	1	(1,626)	-
Buffettique Growth	1	(2,364)	-
Treasury Bond Securities	5	660,460	-
Wahed Ftse Usa Shariah	1	(697)	-
Kronos Strategy	1	179	-
Tesla	-1	-	8,723,383
Advanced Micro Devices	-1	-	415,206
Amazon	-1	-	298,993
Apple	-1	-	587,760
Salesforce.Com	-1	-	243,995
Facebook	-1	-	317,095
Alphabet	-1	-	437,863
Microsoft	-1	-	549,250
Micron Technology	-1	-	275,255
Netflix Securities	-1	-	266,149
Nvidia	-1	-	773,879
Uber	-1	-	502,464
Balance carried forward		914,599,816	13,391,292

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

10 Amounts due to/from broker (continued)

The following table shows the breakdown of amounts due to Custodian/Broker on margin accounts as at 30 June 2023 (continued):

Component Securities	Leverage	Cash borrowings for long positions USD	Cash collateral for short positions USD
Balance brought forward (from previous page)		914,599,816	13,391,292
Tesla	-2	-	1,549,148
Paypal	-1	-	278,856
Boeing	-1	-	277,113
Square	-1	-	599,670
Citigroup	-1	-	237,817
Goldman Sachs	-1	-	292,207
Jpmorgan	-1	-	309,587
Royal Dutch Shell	-1	-	216,439
Bp	-1	-	200,396
Airbnb Securities	-1	-	201,140
Plug Power Securities	-1	-	720,610
Disney Securities	-1	-	309,758
Palantir Securities	-1	-	390,522
Jd.Com Securities	-1	-	440,765
Tesla Securities	-3	-	16,745,609
Baidu Securities	-1	-	450,017
Airbus (Air.Pa) Securities	-3	-	132,012
Airlines Securities	-3	-	433,776
Arkg Genomic Securities	-3	-	852,524
Arkk Innovation Securities	-3	-	4,257,830
Arkw Nextgen Internet Securities	-3	-	217,186
Biotechnology Securities	-3	-	1,060,494
China Tech Securities	-3	-	808,626
Clean Energy Securities	-3	-	577,970
Financials Securities	-3	-	1,435,417
Gold Miners Securities	-3	-	2,385,714
Moderna (Mrna) Securities	-3	-	2,035,581
Nio Securities	-3	-	833,358
Oil & Gas Securities	-3	-	1,092,394
Semiconductors Securities	-3	-	1,018,947
Taiwan Semiconductor (Tsm) Securities	-3	-	770,573
Us 500 Securities	-3	-	4,257,430
Us Tech 100 Securities	-3	-	8,394,232
Gold Securities	-3	-	1,071,336
Wti Oil Securities	-2	-	435,494
Silver Securities	-3	-	225,959
South Korea Securities	-3	-	1,011,947
China Securities	-3	-	658,531
Taiwan Securities	-3	-	324,968
Japan Securities	-3	-	628,343
Germany 40 Securities	-3	-	1,209,051
Coupang Securities	-3	-	483,758
Xpeng Securities	-3	-	461,411
Siemens (Sie) Securities	-3	-	100,927
Mercedes Benz (Mbg) Securities	-3	-	147,721
Infineon (Ifx) Securities	-3	-	80,944
Volkswagen (Vw) Securities	-3	-	404,539
Asml Securities	-3	-	215,079
Microsoft (Msft) Securities	-3	-	927,264
Amazon (Amzn) Securities	-3	-	566,971
Facebook (Meta) Securities	-3	-	1,248,906
Alibaba (Baba) Securities	-3	-	2,336,979
Apple (Aapl) Securities	-3	-	968,470
Alphabet (Goog) Securities	-3	-	681,466
Short Coinbase (COIN) ETP Securities	-3	-	302,472
Short 7-10 Year Treasury Bond ETP Securities	-5	-	1,380,536
Short India ETP Securities	-3	-	690,285
Short Volatility Long Tech ETP	1	-	1,435,006
Balance carried forward		914,599,816	85,173,373

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

10 Amounts due to/from broker (continued)

The following table shows the breakdown of amounts due to Custodian/Broker on margin accounts as at 30 June 2023 (continued):

Component Securities	Leverage	Cash borrowings for long positions	Cash collateral for short positions
		USD	USD
Balance brought forward (from previous page)		914,599,816	85,173,373
Short TIPS Inflation Protected US Bond Securities	-5	-	1,289,917
Short 20+ Year Treasury Bond ETP Securities	-5	-	1,182,002
Short Exxon (XOM) ETP Securities	-3	-	735,242
Short Ferrari (RACE) ETP Securities	-3	-	613,851
Nvidia (NVDA) Securities	-3	-	12,514,136
		<u>914,599,816</u>	<u>101,508,521</u>

11 Financial liabilities at fair value through profit or loss

	Financial year ended	Financial year ended
	30-Jun-23	30-Jun-22
	USD	USD
Fair value on short exposure to Component Securities - Note 11(b)	70,686,839	64,097,400
ETP Securities issued - Note 11(a)	526,610,537	168,651,340
	<u>597,297,376</u>	<u>232,748,740</u>

Fair value on short exposure to Component Securities is the market value of the short positions taken in equities that underlie the short exposure Series and is measured at fair value through profit and loss. ETP Securities issued for a particular Series are measured at fair value through profit or loss.

The Company's obligations under the financial liabilities issued are secured by the Component Securities and margin account balances as per notes 8 and 10 to the financial statements. The noteholders' recourse per Series is limited to the assets of that particular Series. Each Series has an option for early redemption.

All unrealised gains/(losses) on financial liabilities are primarily attributable to market risk arising from price movements in the Component Securities.

Details about the ETP Securities exchanges on which the ETPs are listed are disclosed in the Director's report.

(a) The ETPs in issue at 30 June 2023 and 30 June 2022 are as follows:

Description	ISIN	Maturity date	Fair value	Nominal Amount	Fair value	Nominal Amount
			30-Jun-23	30-Jun-23	30-Jun-22	30-Jun-22
			USD	USD	USD	USD
2x Alphabet ETP	IE00BF01VY89	5-Dec-67	3,134,364	1,231,620	2,833,819	1,117,760
2x Amazon ETP	IE00BF03XH11	5-Dec-67	8,013,217	3,982,320	2,769,522	1,641,740
2x Apple ETP	IE00BF03XJ35	5-Dec-67	5,434,368	538,780	4,216,418	733,560
2x Citigroup ETP	IE00BF03XL56	5-Dec-67	233,639	1,423,840	132,607	740,280
2x Facebook ETP	IE00BF03XP94	5-Dec-67	1,543,244	2,358,100	514,753	1,688,360
2x Goldman Sachs ETP	IE00BF03XR19	5-Dec-67	408,424	446,060	530,174	626,460
2x JPMorgan ETP	IE00BF03XW61	5-Dec-67	221,409	189,300	357,170	471,920
2x Microsoft ETP	IE00BF03XY85	5-Dec-67	3,270,891	377,840	2,751,947	482,280
2x Visa ETP	IE00BD09ZV33	5-Dec-67	729,001	292,620	900,078	478,400
2x Netflix ETP	IE00BD09ZW40	5-Dec-67	2,334,308	1,983,480	632,571	2,572,920
2x NVIDIA ETP	IE00BD09ZX56	5-Dec-67	7,525,394	569,500	1,253,934	505,160
-1x Tesla ETP	IE00BKT6ZH01	7-Apr-70	4,381,227	135,087,080	2,877,339	55,147,720
2x Tesla ETP	IE00BK5BZY66	7-Apr-70	12,541,334	1,219,540	6,467,662	554,160
3x Apple ETP	IE00BK5BZS07	4-Jun-70	2,776,083	597,020	1,183,655	508,100
2x Advanced micro devices ETP	IE00BKT6ZG93	4-Jun-70	376,304	213,980	216,169	192,100
-1x Advanced micro devices ETP	IE00BKT66Q62	4-Jun-70	208,109	1,106,380	290,126	801,560
3x Amazon ETP	IE00BK5BZQ82	4-Jun-70	4,823,709	19,923,100	1,210,464	4,929,300
-1x Amazon ETP	IE00BKT66S86	4-Jun-70	149,860	258,820	191,170	234,080
1x Apple ETP	IE00BKTWZ451	4-Jun-70	294,684	1,001,640	82,941	187,080
2x Alibaba ETP	IE00BK5C1C97	4-Jun-70	836,451	16,158,920	2,008,549	14,774,300
3x Salesforce.com ETP	IE00BK5BZT14	4-Jun-70	529,181	1,614,680	274,106	993,540
-1x Salesforce.com ETP	IE00BKTWZ568	4-Jun-70	122,291	258,800	176,056	258,800
3x Facebook ETP	IE00BK5C1B80	4-Jun-70	10,691,013	98,863,060	2,222,378	34,516,480
-1x Facebook ETP	IE00BKTWZ675	4-Jun-70	158,941	420,280	185,553	208,100
3x Alphabet ETP	IE00BK5BZX59	4-Jun-70	2,112,092	1,421,640	1,412,369	757,820
Balance carried forward			<u>72,849,538</u>	<u>291,538,400</u>	<u>35,691,530</u>	<u>125,121,980</u>

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

11 Financial liabilities at fair value through profit or loss (continued)

(a) The ETPs in issue at 30 June 2023 and 30 June 2022 are as follows (continued):

Description	ISIN	Maturity date	Fair value	Nominal Amount	Fair value	Nominal Amount
			30-Jun-23 USD	30-Jun-23 USD	30-Jun-22 USD	30-Jun-22 USD
Balance brought forward (from previous page)			72,849,538	291,538,400	35,691,530	125,121,980
-1x Alphabet ETP	IE00BKTW9N20	4-Jun-70	219,506	519,720	232,691	450,000
3x Microsoft ETP	IE00BK5BZV36	4-Jun-70	6,880,668	2,838,660	2,850,092	1,840,400
-1x Microsoft ETP	IE00BKTW9M13	4-Jun-70	275,331	697,160	227,288	401,460
2x Micron Technology ETP	IE00BKT66K01	4-Jun-70	695,950	812,520	243,444	296,720
-1x Micron Technology ETP	IE00BKT66P55	4-Jun-70	137,952	327,160	76,804	137,000
3x Netflix ETP	IE00BK5BZW43	4-Jun-70	2,768,578	116,363,600	669,217	208,013,520
-1x Netflix ETP	IE00BKTWZ782	4-Jun-70	133,386	313,760	237,544	182,000
3x NVIDIA ETP	IE00BK5BZR99	4-Jun-70	16,215,463	2,333,840	1,773,378	1,920,420
-1x NVIDIA ETP	IE00BKTW5674	4-Jun-70	388,024	4,639,100	76,411	238,100
-1x Uber ETP	IE00BKT66R79	4-Jun-70	251,875	735,020	325,218	351,300
3X Tesla ETP	XS2297549128	21-Mar-71	313,998,339	3,325,018,661	62,114,574	291,044,638
3X Paypal ETP	XS2297550217	21-Mar-71	1,845,731	826,221,882	669,546	130,659,758
3X Boeing ETP	XS2297551371	21-Mar-71	348,376	2,498,618	259,168	4,140,227
3X Square ETP	XS2297552262	21-Mar-71	494,685	972,912,397	218,913	120,083,589
3X Royal Dutch Shell ETP	XS2297634318	21-Mar-71	226,445	165,472	113,655	96,898
3X BP ETP	XS2297636107	21-Mar-71	487,718	431,317	281,290	362,172
1X Tesla Tracker ETP	XS2337093798	7-May-71	1,556,247	1,205,706	994,582	897,221
1X Amazon Tracker ETP	XS2337104231	7-May-71	214,256	267,571	135,917	207,883
1X Microsoft Tracker ETP	XS2337100320	7-May-71	222,748	162,196	166,932	162,196
1X Alphabet Tracker ETP	XS2337100163	7-May-71	253,914	253,380	229,927	253,380
1X Facebook Tracker ETP	XS2337100080	7-May-71	316,076	358,983	177,851	358,983
1X Apple Tracker ETP	XS2337099563	7-May-71	161,149	104,942	192,386	178,336
1X Netflix Tracker ETP	XS2337098839	7-May-71	86,796	99,370	188,288	542,001
1X Coinbase Tracker ETP	XS2338070282	7-May-71	722,278	2,301,311	86,007	413,971
3X AMD ETP	XS2337090422	7-May-71	4,443,201	11,124,308	2,471,234	7,589,996
3X Alibaba ETP	XS2337090851	7-May-71	4,700,698	4,578,985	9,086,653	234,822,155
3X Uber ETP	XS2337092550	7-May-71	1,159,664	13,331,741	301,198	13,347,024
3X Airbnb ETP	XS2336344762	7-May-71	737,644	8,787,731	228,962	3,262,458
3X Plug Power ETP	XS2336361345	7-May-71	955,286	1,419,379,572	494,444	25,691,637
3X Disney ETP	XS2335553801	7-May-71	993,793	18,373,577	232,645	2,168,338
3X Palantir ETP	XS2337085851	7-May-71	3,528,643	376,924,201	559,895	63,502,484
3X JD.COM ETP	XS2337087808	7-May-71	782,696	94,364,722	482,592	2,804,978
3X Baidu ETP	XS2337092808	7-May-71	489,120	13,490,615	608,646	4,297,407
1X Plug Power Tracker ETP	XS2337100759	7-May-71	395,330	1,169,727	258,554	477,870
1X Sea Tracker ETP	XS2337094093	7-May-71	191,229	916,191	390,521	1,620,624
1X Nio Tracker ETP	XS2337093871	7-May-71	341,106	1,656,012	832,521	1,789,028
-2X Tesla ETP	XS2297550134	21-Mar-71	517,817	7,813,461	1,392,865	5,474,350
-1X Paypal ETP	XS2297550308	21-Mar-71	139,776	62,229	238,358	94,838
-1X Boeing ETP	XS2297551454	21-Mar-71	138,860	155,637	263,649	174,292
-1X Square ETP	XS2297552932	21-Mar-71	300,601	255,147	978,105	521,822
-1X Citigroup ETP	XS2297553070	21-Mar-71	119,202	97,591	283,316	208,063
-1X Goldman Sachs ETP	XS2297553153	21-Mar-71	146,505	171,163	169,834	171,163
-1X JPMorgan ETP	XS2297593456	21-Mar-71	155,210	181,910	258,050	218,561
-1X Royal Dutch Shell ETP	XS2297634409	21-Mar-71	108,496	203,876	137,009	203,876
-1X BP ETP	XS2297636875	21-Mar-71	100,431	192,542	141,889	192,542
-1X Airbnb ETP	XS2336345223	7-May-71	100,808	159,479	181,288	159,479
-1X Plug Power ETP	XS2336362079	7-May-71	361,012	457,571	437,941	485,693
-1X Disney ETP	XS2337085422	7-May-71	155,270	96,479	160,478	96,479
-1X Palantir ETP	XS2337086669	7-May-71	195,553	325,341	86,327	53,395
-1X JD.COM ETP	XS2337087980	7-May-71	220,918	265,157	158,385	265,157
-3X Tesla ETP	XS2337090265	7-May-71	4,228,154	850,580,054	2,195,178	32,646,378
-1X Baidu ETP	XS2337093525	7-May-71	225,371	358,730	285,004	374,635
-3X Short Airbus ETP	XS2399367171	9-Nov-71	33,029	216,545	145,797	200,000
-3X Short Airlines ETP	XS2399369466	9-Nov-71	108,332	400,680	199,750	200,000
-3X Short ARKG Genomic ETP	XS2399367841	9-Nov-71	213,025	724,450	219,257	144,300
-3X Short ARKK ETP	XS2399368906	9-Nov-71	1,066,187	3,840,020	2,372,797	1,147,085
-3X Short ARKW NextGen ETP	XS2399368492	9-Nov-71	54,328	214,810	228,359	89,910
Balance carried forward			449,158,324	8,383,991,000	134,714,154	1,292,850,170

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

11 Financial liabilities at fair value through profit or loss (continued)

(a) The ETPs in issue at 30 June 2023 and 30 June 2022 are as follows (continued):

Description	ISIN	Maturity date	Fair value	Nominal Amount	Fair value	Nominal Amount
			30-Jun-23 USD	30-Jun-23 USD	30-Jun-22 USD	30-Jun-22 USD
Balance brought forward (from previous page)			449,158,324	8,383,991,000	134,714,154	1,292,850,170
-3X Short Bio Technology ETP	XS2399370472	9-Nov-71	265,702	330,495	77,727	59,000
-3X Short China Tech ETP	XS2399370126	9-Nov-71	202,618	2,683,015	167,292	885,540
-3X Short Clean Energy ETP	XS2399371108	9-Nov-71	144,764	248,290	210,504	248,290
-3X Short Financials ETP	XS2399369623	9-Nov-71	359,848	415,905	285,454	200,000
-3X Short Gold Miners ETP	XS2399369979	9-Nov-71	597,836	2,411,800	469,818	598,300
-3X Short Moderna ETP	XS2399366108	9-Nov-71	510,168	3,894,300	124,780	208,710
-3X Short NIO ETP	XS2399365555	9-Nov-71	208,963	7,202,095	532,001	4,796,555
-3X Short Oil & Gas ETP	XS2399370803	9-Nov-71	273,876	2,539,400	347,922	1,195,050
-3X Short Semiconductors ETP	XS2399367684	9-Nov-71	255,383	1,136,640	336,728	200,000
-3X Short Taiwan Semiconductor	XS2399365399	9-Nov-71	192,596	531,925	344,158	200,000
-3X Short US 500 ETP	XS2399364665	9-Nov-71	1,064,587	1,427,205	373,312	250,000
-3X Short US Tech 100 ETP	XS2399364319	9-Nov-71	2,102,212	3,616,170	772,988	410,140
2X Long Berkshire Hathaway	XS2399369110	9-Nov-71	687,288	565,355	202,837	235,550
3X Long Airbus ETP	XS2399366280	9-Nov-71	156,215	132,575	99,773	200,000
3X Long Airlines ETP	XS2399369383	9-Nov-71	326,511	659,275	105,874	320,000
3X Long ARKG Genomic ETP	XS2399367767	9-Nov-71	381,083	9,734,415	112,640	1,675,820
3X Long ARKK Innovation ETP	XS2399368658	9-Nov-71	2,373,640	156,309,640	1,098,830	39,019,950
3X Long ARKW NextGen ETP	XS2399368146	9-Nov-71	466,510	26,084,090	85,253	3,299,050
3X Long Biotechnology ETP	XS2399370399	9-Nov-71	159,879	396,115	146,038	351,020
3X Long China Tech ETP	XS2399370043	9-Nov-71	702,829	17,925,540	770,333	4,123,580
3X Long Clean Energy ETP	XS2399371017	9-Nov-71	203,231	642,920	154,944	313,745
3X Long Coinbase ETP	XS2399367254	9-Nov-71	6,093,760	3,647,980	255,322	506,133,140
3X Long Financials ETP	XS2399369540	9-Nov-71	94,386	200,000	94,299	200,000
3X Long Gold Miners ETP	XS2399369896	9-Nov-71	380,648	857,160	287,561	521,590
3X Long Moderna ETP	XS2399365639	9-Nov-71	220,096	15,266,560	192,484	3,020,940
3X Long NIO ETP	XS2399365472	9-Nov-71	2,117,953	3,932,466,255	1,647,107	35,974,610
3X Long Oil & Gas ETP	XS2399370555	9-Nov-71	245,757	137,970	180,350	109,755
3X Long Semiconductors ETP	XS2399367502	9-Nov-71	449,084	1,045,625	113,875	555,220
3X Long Taiwan Semiconductor	XS2399365043	9-Nov-71	498,424	1,714,935	94,014	373,700
3X Long Total World ETP	XS2399364822	9-Nov-71	241,772	415,410	136,026	290,235
5X Long US 500 ETP	XS2399364582	9-Nov-71	2,482,975	7,922,480	501,846	2,138,370
5X Long US Tech 100 ETP	XS2399364152	9-Nov-71	14,837,130	96,270,680	2,690,405	30,790,575
ARKG Genomic Tracker ETP	XS2399368062	9-Nov-71	749,720	1,335,075	327,734	628,900
ARKK Innovation Tracker ETP	XS2399369037	9-Nov-71	6,373,186	13,870,930	2,106,586	5,052,115
ARKW NextGen Internet	XS2399368575	9-Nov-71	485,149	1,016,840	256,581	640,565
Berkshire Hathaway	XS2399369201	9-Nov-71	235,551	200,000	189,272	200,000
Kronos Strategy ETP	XS2338070365	9-Nov-71	1,577,060	1,683,435	1,770,410	2,110,000
Gold ETP	XS2472195101	17-May-72	323,164	351,130	186,770	200,000
WTI Oil ETP	XS2472195366	17-May-72	236,926	567,190	163,232	200,000
Silver ETP	XS2472195952	17-May-72	218,914	307,720	150,274	200,000
South Korea ETP	XS2472196257	17-May-72	146,589	234,830	128,135	200,000
China ETP	XS2472196414	17-May-72	279,233	713,330	226,661	200,000
Taiwan ETP	XS2472196687	17-May-72	102,428	150,250	140,528	200,000
Japan ETP	XS2472196844	17-May-72	356,136	341,800	158,025	200,000
US Tech 100 ETP	XS2472197065	17-May-72	197,140	156,000	147,232	200,000
US 500 ETP	XS2472197149	17-May-72	608,987	597,390	151,612	200,000
Germany 40 ETP	XS2472331995	17-May-72	276,263	234,740	135,713	200,000
Coupang ETP	XS2472332530	17-May-72	221,753	294,200	177,353	200,000
Xpeng ETP	XS2472332704	17-May-72	1,268,131	162,019,700	342,694	200,000
Siemens (SIE) ETP	XS2472333181	17-May-72	237,345	168,610	90,456	200,000
Mercedes Benz (MBG) ETP	XS2472333348	17-May-72	277,363	254,470	105,382	200,000
Infineon (IFX) ETP	XS2472333694	17-May-72	262,815	204,610	95,473	200,000
Volkswagen (VW) ETP	XS2472333850	17-May-72	98,484	259,540	110,824	200,000
ASML ETP	XS2472334072	17-May-72	169,406	146,230	118,975	200,000
Balance carried forward			503,157,791	12,867,931,240	155,006,571	1,943,780,185

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

11 Financial liabilities at fair value through profit or loss (continued)

(a) The ETPs in issue at 30 June 2023 and 30 June 2022 are as follows (continued):

Description	ISIN	Maturity date	Fair value	Nominal Amount	Fair value	Nominal Amount
			30-Jun-23	30-Jun-23	30-Jun-22	30-Jun-22
			USD	USD	USD	USD
Balance brought forward (from previous page)			503,157,791	12,867,931,240	155,006,571	1,943,780,185
-3x Short Gold ETP	XS2472195283	17-May-72	268,510	328,110	209,768	200,000
-2x Short WTI Oil ETP	XS2472195440	17-May-72	145,467	112,910	234,569	200,000
-3x Short Silver ETP	XS2472196174	17-May-72	56,591	109,480	252,804	200,000
-3x Short South Korea ETP	XS2472196331	17-May-72	253,602	330,660	290,100	200,000
-3x Short China ETP	XS2472196505	17-May-72	166,163	220,560	158,006	200,000
-3x Short Taiwan ETP	XS2472196760	17-May-72	81,407	99,350	270,216	200,000
-3x Short Japan ETP	XS2472196927	17-May-72	157,426	251,340	243,066	200,000
-3x Short Germany 40 ETP	XS2472332290	17-May-72	302,187	503,380	298,950	200,000
-3x Short Coupang ETP	XS2472332613	17-May-72	121,105	2,872,940	163,008	200,000
-3x Short Xpeng ETP	XS2472332886	17-May-72	113,713	7,062,630	70,794	200,000
-3x Short Siemens (SIE) ETP	XS2472333264	17-May-72	25,250	89,640	413,890	200,000
-3x Short Mercedes Benz ETP	XS2472333421	17-May-72	36,955	111,110	361,954	200,000
-3x Short Infineon (IFX) ETP	XS2472333777	17-May-72	20,439	131,150	379,460	200,000
-3x Short Volkswagen ETP	XS2472333934	17-May-72	101,281	144,840	348,481	200,000
-3x Short ASML ETP	XS2472334155	17-May-72	53,955	286,610	307,927	200,000
-3x Short Microsoft ETP	XS2472334239	17-May-72	232,196	916,360	215,243	200,000
-3x Short Amazon ETP	XS2472334312	17-May-72	142,100	507,160	286,878	200,000
-3x Short Facebook ETP	XS2472334403	17-May-72	312,981	7,048,030	300,464	200,000
-3x Short Alibaba ETP	XS2472334585	17-May-72	585,452	2,916,330	207,623	470,000
-3x Short Apple ETP	XS2472334742	17-May-72	242,874	994,510	229,235	200,000
-3x Short Alphabet ETP	XS2472335046	17-May-72	170,738	437,900	227,572	200,000
-3x Short Nvidia ETP	XS2472335129	17-May-72	3,136,724	398,115,050	325,783	200,000
20+ Year Treasury Bond	XS2595672036	21-Mar-73	292,060	309,660	-	-
Exxon (XOM) ETP Securities	XS2595672549	21-Mar-73	205,354	200,000	-	-
TIPS Inflation Protected US Bond	XS2595670501	21-Mar-73	180,490	200,000	-	-
Ferrari (RACE) ETP Securities	XS2595673190	21-Mar-73	287,078	200,000	-	-
India ETP Securities	XS2595675302	21-Mar-73	226,751	200,000	-	-
LS FAANG+ ETP	XS2595675724	21-Mar-73	249,013	200,000	-	-
Buffettique Growth ETP	XS2583354498	10-Mar-73	820,380	606,000	-	-
Treasury Bond ETP Securities	XS2595671814	21-Mar-73	166,510	200,000	-	-
Wahed FTSE USA Shariah ETP	XS2545629631	8-Nov-73	11,447,785	9,297,530	-	-
-3x Short Coinbase (COIN) ETP	XS2595672465	21-Mar-73	76,310	200,000	-	-
-5x Short TIPS Inflation Protected	XS2595671905	21-Mar-73	230,972	200,000	-	-
-3x Short Ferrari (RACE) ETP Sec	XS2595675567	21-Mar-73	188,344	200,000	-	-
-3x Short India ETP Securities	XS2595675641	21-Mar-73	1,615,197	1,392,560	-	-
-5x Short 7-10 Year Treasury	XS2595671657	21-Mar-73	215,834	200,000	-	-
-5x Short 20+ Year Treasury	XS2595672382	21-Mar-73	197,819	200,000	-	-
-3x Short Exxon (XOM) ETP	XS2595672895	21-Mar-73	184,571	200,000	-	-
Volatility Long Tech ETP	XS2595673786	21-Mar-73	141,162	200,000	-	-
2x Salesforce.com ETP	IE00BD09ZY63	5-Dec-67	-	-	194,373	175,440
-1x Alibaba ETP	IE00BKT66M25	4-Jun-70	-	-	227,870	252,660
2x Uber ETP	IE00BKT66L18	4-Jun-70	-	-	180,217	1,135,880
3X Shopify ETP	XS2297550563	21-Mar-71	-	-	148,895	83,396,051
3X Zoom ETP	XS2297551611	21-Mar-71	-	-	358,174	47,385,949
3X HSBC ETP	XS2297618030	21-Mar-71	-	-	202,137	200,407
3X Barclays ETP	XS2297618626	21-Mar-71	-	-	342,205	1,429,591
1X Shopify Tracker ETP	XS2337094259	7-May-71	-	-	175,948	714,604
3X Roku ETP	XS2337086826	7-May-71	-	-	257,684	273,048,714
1X JD.COM Tracker ETP	XS2337100676	7-May-71	-	-	293,706	319,449
1X Airbnb Tracker ETP	XS2337098086	7-May-71	-	-	113,746	190,926
Balance carried forward			526,610,537	13,305,727,040	163,297,317	2,356,699,856

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

11 Financial liabilities at fair value through profit or loss (continued)

(a) The ETPs in issue at 30 June 2023 and 30 June 2022 are as follows (continued):

Description	ISIN	Maturity date	Fair value	Nominal Amount	Fair value	Nominal Amount
			30-Jun-23 USD	30-Jun-23 USD	30-Jun-22 USD	30-Jun-22 USD
Balance brought forward (from previous page)			526,610,537	13,305,727,040	163,297,317	2,356,699,856
1X Baidu Tracker ETP	XS2337097518	7-May-71	-	-	396,599	507,256
1X Pinduoduo Tracker ETP	XS2337093954	7-May-71	-	-	406,703	803,600
1X Palantir Tracker ETP	XS2337092980	7-May-71	-	-	118,674	327,992
-1X Shopify ETP	XS2297551298	21-Mar-71	-	-	408,490	240,995
-1X Zoom ETP	XS2297551884	21-Mar-71	-	-	154,235	75,347
3X Vodafone ETP	XS2297637253	21-Mar-71	-	-	685,233	1,335,748
-1X HSBC ETP	XS2297618204	21-Mar-71	-	-	143,121	192,195
-1X Barclays ETP	XS2297618972	21-Mar-71	-	-	627,408	613,542
-1X Vodafone ETP	XS2297637410	21-Mar-71	-	-	184,270	191,941
-1X Roku ETP	XS2337087634	7-May-71	-	-	263,180	121,712
-1X Peloton ETP	XS2337089846	7-May-71	-	-	164,208	35,584
-3X Short Coinbase ETP	XS2399367411	9-Nov-71	-	-	1,368,895	338,330
-3x Short Linde (LIN) ETP	XS2472333009	17-May-72	-	-	297,526	200,000
Linde (LIN) ETP	XS2472332969	17-May-72	-	-	135,481	200,000
			526,610,537	13,305,727,040	168,651,340	2,361,884,098

The return on each Series of ETPs is linked to the daily performance of the applicable index for such Series. The redemption amount of the ETPs is derived from the liquidation of the collateral assets, as purchased or sold in accordance with the leverage factor of such Series of ETPs. Each Series of ETPs constitutes limited recourse obligations of the Company, secured on and payable solely from the assets constituting the Security in respect of such Series.

(b) The Fair value on short exposure to Component Securities at 30 June 2023 and 30 June 2022 are as follows:

Description	Code	Fair value	Fair value
		30-Jun-23 USD	30-Jun-22 USD
Tesla	LS TSLASx	4,380,459	2,877,524
Advanced Micro Devices	LS AMDSx	208,114	290,127
Amazon	LS AMZNSx	149,914	191,178
Apple	LS APPLSx	294,640	82,989
Salesforce.Com	LS CRMSx	122,320	176,098
Facebook	LS FBSx	158,987	185,599
Alphabet	LS GOOGSx	219,440	231,870
Microsoft	LS MSFTSx	275,156	227,295
Micron Technology	LS MUSx	137,958	76,784
Netflix	LS NFLXSx	133,468	237,473
Nvidia	LS NVDAx	387,909	76,401
Uber	LS UBERSx	251,897	325,273
Short Tesla	LS TS2Sx	1,035,300	2,785,265
Short Paypal	LS PYPSx	139,799	238,364
Short Boeing	LS BASx	138,943	263,733
Short Square	LS SQSx	300,630	978,136
Short Citigroup	LS CITSx	119,198	283,344
Short Goldman Sachs	LS SGSx	146,433	169,895
Short Jpmorgan	LS SJPMx	155,184	258,102
Short Royal Dutch Shell	LS RDSSx	108,503	137,000
Short Bp	LS BPSx	100,471	141,920
Short Airbnb	LS ABNSx	100,862	181,278
Short Plug Power	LS PLGSx	361,084	437,978
Short Disney	LS DISSx	155,258	160,480
Short Palantir	LS PLTSx	195,549	86,319
Short Jd.Com	LS JD1Sx	220,889	158,367
Short Tesla	LS TS3Sx	12,679,877	6,586,048
Short Baidu	LS BIUSx	225,354	284,967
Short Airbus (Air.Pa)	LS AIRSx	99,094	438,559
Short Airlines	LS JE3Sx	325,070	599,511
Short Ark Genomic	LS ARGSx	639,189	658,235
Balance carried forward		23,966,949	19,826,112

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

11 Financial liabilities at fair value through profit or loss (continued)

(b) The Fair value on short exposure to Component Securities at 30 June 2023 and 30 June 2022 are as follows (continued):

Description	Code	Fair value 30-Jun-23 USD	Fair value 30-Jun-22 USD
Balance brought forward (from previous page)		23,966,949	19,826,112
Short Arkk Innovation	LS SARKx	3,198,031	7,120,534
Short Arkw Netgen Internet	LS ARWSx	162,994	685,468
Short Biotechnology	LS IBBSx	796,801	233,260
Short China Tech	LS KWESx	607,810	501,949
Short Clean Energy	LS ICLSx	434,516	631,736
Short Financials	LS XL3Sx	1,079,293	856,446
Short Gold Miners	LS GDMSx	1,793,352	1,409,741
Short Moderna (Mrna)	LS MRNSx	1,530,050	374,696
Short Nio	LS SNIOx	627,146	1,596,463
Short Oil & Gas	LS XLGSx	821,359	1,043,903
Short Semiconductors	LS SMHSx	765,970	1,010,297
Short Taiwan Semiconductor	LS TSMSx	577,767	1,032,666
Short Us 500	LS SPYSx	3,192,503	1,120,433
Short Us Tech 00	LS QQ3Sx	6,304,522	2,320,158
Short Gold	LS GL3Sx	805,246	629,367
Short Wti Oil	LS WTISx	290,995	469,164
Short Silver	LS SLVSx	169,857	758,573
Short South Korea	LS KORSx	760,560	870,348
Short China	LS CHNSx	498,359	474,218
Short Taiwan	LS TAISx	244,316	810,703
Short Japan	LS JPNSx	472,359	729,318
Short Germany 40	LS DAXSx	906,762	897,723
Short Coupang	LS CPNSx	363,660	489,409
Short Peng	LS XP3Sx	342,237	212,436
Short Siemens (Sie)	LS SIESx	75,748	1,242,036
Short Mercedes Benz (Mbg)	LS MBGSx	110,869	1,086,284
Short Infineon (If)	LS IFXSx	61,422	1,138,788
Short Volkswagen (Vw)	LS VWSx	303,540	1,046,209
Short Asml	LS AL3Sx	162,094	924,255
Short Microsoft (Msft)	LS MS3Sx	696,404	645,671
Short Amazon (Amzn)	LS AM3Sx	426,408	860,301
Short Facebook (Meta)	LS FB3Sx	938,712	901,388
Short Alibaba (Baba)	LS BA3Sx	1,755,851	622,966
Short Apple (Aapl)	LS AAPSx	728,357	687,702
Short Alphabet (Goog)	LS GG3Sx	512,308	682,484
Short Nvidia (Nvda)	LS NV3Sx	9,407,119	977,452
Short Exxon (XOM) ETP Securities	LS CO3S	228,817	-
Short TIPS Inflation Protected US Bond E	LS IE5Sx	1,154,370	-
Short Ferrari (RACE) ETP Securities	LS INDSx	519,855	-
Short India ETP Securities	LS SVLTx	(189,545)	-
Short 7-10 Year Treasury Bond ETP Secu	LS TI5Sx	1,078,675	-
Short 20+ Year Treasury Bond ETP Secur	LS TL5Sx	988,739	-
Short Coinbase (COIN) ETP Securities	LS XO3Sx	553,517	-
Volatility Long Tech ETP	LS RA3Sx	460,167	-
Alibaba	LS BABASx	-	227,928
Short Shopify	LS SHOSx	-	409,338
Short Zoom	LS ZMSx	-	154,289
Short Hsbc	LS SHSBx	-	143,127
Short Barclays	LS SBSCx	-	627,517
Short Vodafone	LS SVODx	-	184,280
Short Roku	LS ROKSx	-	263,177
Short Peloton	LS PTOSx	-	164,239
Short Coinbase (Coin)	LS CO3Sx	-	4,109,924
Short Linde (Lin)	LS LINSx	-	892,924
		70,686,839	64,097,400

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

12 Other payables	30-Jun-23	30-Jun-22
	USD	USD
Interest payable	2,929,224	931,908
Fees payable to Arranger	363,733	190,255
VAT payable to Arranger	17,142	17,142
Corporation tax accrued	30,081	4,622
ETP redemption payable	1,570,306	-
Net payable on Goldman Sachs transition	8,106,372	-
Other payables	25,935	-
	13,042,793	1,143,927

13 Receivable/Payable to GWM Limited

Where new capital is being invested into an ETP there may be a timing gap between the trade date and the receipt of the proceeds from the ETP issuance (normally T+3) and the Margin Account Provider may not provide the funding required to enable the portfolio administrator to execute the trade and maintain the economic exposure to the relevant index. When such events occurred during the year, GWM Limited provided the necessary funding to facilitate the trade. GWM Limited have been making available to the Company a line of credit of up to USD 1,500,000 (2022: USD 1,000,000). GWM Limited has a limited recourse on the proceeds out of the ETP issuance.

The balance receivable from GWM Limited at the year end is USD 1,947,855 (2022: payable of USD 65,204).

14 Called up share capital presented as equity

<i>Authorised:</i>	30-Jun-23	30-Jun-22
	USD	USD
25,000 ordinary shares of EUR1 each	26,703	26,703

<i>Issued, called up and fully paid:</i>	USD	USD
25,000 ordinary shares of EUR1 each	26,703	26,703

The share capital of the Company amounts to EUR 25,000, which has been retranslated and recorded in the financial statements using historical foreign exchange rate at date when shares were originally issued.

15 Ownership of the Company

The issued shares are held by Monument Trustees Limited holding 25,000 shares. All shares are held in trust for charity under the terms of a declaration of trust.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings. No dividends were paid during the financial year or proposed by the Directors at the reporting date (2022: USD Nil).

The shareholders have appointed a Board to run the day to day activities of the Company. The Directors have considered the issue as to who is the ultimate controlling party. It has been determined that the control of the day to day activities of the Company rests with the Board.

16 Related party transactions including transactions with Administrator and Directors*Transactions with Arranger*

Leverage Shares Management Company Limited provides arrangement services to the Company. The Company incurred fees for such services amounting to USD 1,579,646 (2022: USD 1,123,697) during the financial year ended 30 June 2023. In return for this, Leverage Shares Management Company Limited pays all operating expenses as described in note 6 to the financial statements. As at 30 June 2023, the balance payable to Leverage Shares Management Company Limited was USD 363,733 (2022: USD 190,255).

Neil Fleming is also a Director of the Company's arranger, Leverage Shares Management Company Limited.

Details of directors' remuneration are set out in note 6.

Apex IFS Limited provides services such as accounting and reporting, company secretarial and other administration services to the Company. Lisa Hand and Ciaran Connolly are Directors of Apex IFS Limited. Lisa Hand resigned as Director of the Company on 14 August 2023 and Ciaran Connolly was appointed on same date.

During the financial year ended, fees of USD 85,965 (2022: USD 35,385) were earned by Apex Group, the corporate secretary, the corporate service provider and the security trustee, in respect of corporate secretary, administration fees. As at 30 June 2023, the balance payable to Apex Group was USD 25,387 (2022: USD 24,268).

Other than the above, there were no related party transactions during the financial year under review.

No director of the Company held any ETPs as at 30 June 2023 and 2022 and/or during the financial year.

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

17 Financial risk management***Risk management framework***

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has attempted to match the properties of its financial liabilities to its financial assets, to avoid significant elements of risk generated by mismatches of investment performance against its obligations together with any maturity or interest rate risk. The Company uses the net proceeds of the issuance of ETPs to invest in Component Securities. The Component Securities (including cash held as collateral) for each Series of ETPs will produce net cash flows to service all the Company's payment obligations in respect of that Series. The Company mitigates its exposure to market risk (interest rate risk, currency risk and price risk) and liquidity risk. However, the security holders are still exposed to these risks and these risks are not managed by the Company as the investors have entered the ETP program for the purpose of obtaining exposure to these risks. This economic hedge is executed through the Company's activities as described above and through its agreements with its counterparties. Refer to "Operational risk" section for more details.

The risk profile of the Company is such that market, credit, liquidity and other risks of the Component Securities are borne fully by the holders of ETPs issued. The ETPs issued are initially recorded at the value of the net proceeds received and are carried as financial liabilities at fair value through profit or loss. The ultimate amount to be repaid to the ETP holders will depend on the proceeds from the related Component Securities (including cash held as collateral). All substantial risks and rewards associated with the performance of the Component Securities are ultimately borne by the ETP holders. Therefore, any change in risk variables would not affect the equity or the results of the Company.

The Company, and ultimately the holders of the ETP Securities, have exposure to the following risks from its use of financial instruments:

- (a) Market risk;
- (b) Credit risk;
- (c) Liquidity risk; and
- (d) Operational risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing these risks.

(a) Market risk

The Company's liabilities in respect of the ETP Securities issued is referenced to various equity securities and is managed by the Company by investing in Component Securities which match the liability created by the issue of ETPs and margin account funding.

(i) Interest rate risk

As the Company has invested in Component Securities to match the ETP Securities in issue and the margin account balance, there is deemed to be no interest rate risk to the Company.

Sensitivity analysis

Changes in the values of the Component Securities held by the Company would not have any effect on the equity or profit or loss of the Company as any fair value fluctuations are ultimately borne by the holders of the ETPs issued by the Company. A change in value of the underlying equity securities held by the Company may have: (i) a positive or negative; and, (ii) a leveraged or highly correlated impact on the value of ETPs issued depending; on the leverage factor applied to the individual ETP and whether the leverage factor is positive or negative. The ETPs issued are designed to track the relevant index for the Component Securities which incorporates the associated leverage factor.

A 5% increase in the underlying index of the ETPs in issue at the financial year end would increase the value of ETPs in issue by USD 26,330,527 (2022: USD 8,432,567) to USD 552,941,064 (2022: USD 177,083,907). A 5% decrease in the underlying index of the ETPs in issue at the financial year end would decrease the value of ETPs in issue by USD 26,330,527 (2022: USD 8,432,567) to USD 500,280,010 (2022: USD 160,218,773).

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As the activity is the investment in Component Securities whose base currency matches the base currency of the ETPs and margin account, there is deemed to be no currency risk to the Company on its principal activity. As other non-USD balances are minimal, the Directors are satisfied that the Company faces minimal currency risk and thus have not included any sensitivity analysis in these financial statements.

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

17 Financial risk management (continued)**(a) Market risk (continued)***(iii) Price risk*

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its Company or all factors affecting all instruments traded in the market. The Company does not consider price risk to be a significant risk to the Company as any fluctuation in the value of financial assets at fair value through profit or loss held by the Company will be offset by movements in the fair value of the issued ETP Securities.

The underlying securities are all listed on US stock exchanges. However, they are not necessarily US incorporated companies. The breakdown by industry of the underlying securities is as follows:

	30-Jun-23	30-Jun-22
	%	%
Communication Services	-	8
Consumer Discretionary	12	73
Energy	7	-
Financials	45	3
Industrials	-	1
Information Technology	29	15
Oil and gas	6	-
Health Care	1	-
	<u>100</u>	<u>100</u>

Sensitivity analysis

Any changes in the values of the Component Securities held by the Company would not have any effect on the equity or profit or loss of the Company as any fair value fluctuations are ultimately borne by the holders of the ETPs issued by the Company. However an increase in the security's price will cause the cash that is posted as collateral to be used as margin to increase but the value of the ETP Securities will go down. If there was a 5% increase in the value of the Component Securities to USD 1,409,442,343 (2022: USD 328,430,723), the value of the ETPs issued would increase by USD 26,330,527 (2022: USD 8,432,567) to USD 552,941,064 (2022: USD 177,083,907). If there was a 5% decrease in the value of the Component Securities to USD 1,275,209,739 (2022: USD 297,151,607), the value of the ETPs issued would decrease by USD 26,330,527 (2022: USD 8,432,567) to USD 500,280,010 (2022: USD 160,218,773).

(b) Credit risk

Credit/Counterparty risk refers to the risk that the Custodian will default on its contractual obligations resulting in the Company being unable to make payment of amounts due to the ETP Securities holders or collect the amounts due from broker. Accordingly, the Company and the ETP Securities holders are exposed to the creditworthiness of the Custodian.

At the reporting date, the Company's financial assets were concentrated in the following asset types:

	30-Jun-23	30-Jun-22
	USD	USD
Component Securities	1,413,012,880	376,888,565
Amounts Due from Broker	109,458,647	95,012,660

The broker and the Custodian for the Component Securities, held on 30 June 2023 is Interactive Brokers LLC and Goldman Sachs. Interactive Brokers LLC has a A- (2022: A-) Outlook Stable rating and Goldman Sachs has a AA- Outlook Stable rating from Standard and Poor's. The Custodian will identify in its own books that the Component Securities belong to the Company.

(c) Liquidity risk

Liquidity risk is the risk that the Company may be unable to fulfil its obligations, whether expected or unexpected. The maturity date of the ETP Securities has been disclosed in note 11 to the financial statements. ETP Securities cannot be issued without a matching investment in a Component Security being put in place. ETPs can be issued and redeemed daily, therefore this is the earliest maturity date for the purpose of the maturity analysis below.

The ability of the Company to generate enough arranger fees for Leverage Shares Management Company Limited to fund the Company's operational expenses on a long term basis is impacted by the value of the Company's investment in Component Securities which is in turn principally impacted by investor appetite for the ETPs and movements in the market value of the Component Securities.

Contractual undiscounted cashflows

The return on each Series of ETP Securities will be linked to the daily performance of the applicable Index for such Series, which in turn will be linked to the performance of the Component Security underlying that index. The redemption amount of the ETP Securities will be derived from the liquidation of the collateral assets, as purchased or sold in accordance with the Leverage Factor of such Series of ETP Securities. The amount payable on redemption of the ETP Securities will depend on the liquidation of the collateral assets held in the margin account.

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

17 Financial risk management (continued)**(c) Liquidity risk (continued)**

The following are the earliest contractual maturities of financial assets and financial liabilities:

30-Jun-23	Carrying Amount	Less than one year	One to five years	More than five years
	USD	USD	USD	USD
Financial assets at fair value through profit or loss	1,413,012,880	1,413,012,880	-	-
Amounts due from broker	109,458,647	109,458,647	-	-
Other receivables	502,664	502,664	-	-
Receivable from GWM Limited	1,947,855	1,947,855	-	-
	1,524,922,046	1,524,922,046	-	-
Financial liabilities at fair value through profit or loss	597,297,376	597,297,376	-	-
Amounts due to broker	914,599,816	914,599,816	-	-
Other payables	13,042,793	13,042,793	-	-
	1,524,939,985	1,524,939,985	-	-
30-Jun-22	Carrying Amount	Less than one year	One to five years	More than five years
	USD	USD	USD	USD
Financial assets at fair value through profit or loss	376,888,565	376,888,565	-	-
Amounts due from broker	95,012,660	95,012,660	-	-
Other receivables	914,255	914,255	-	-
	472,815,480	472,815,480	-	-
Financial liabilities at fair value through profit or loss	232,748,740	232,748,740	-	-
Amounts due to broker	238,850,089	238,850,089	-	-
Other payables	1,143,927	1,143,927	-	-
Payable to GWM Limited	65,204	65,204	-	-
	472,807,960	472,807,960	-	-

(d) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel and infrastructure, and from external factors other than credit, markets and liquidity issues such as those arising from legal and regulatory requirements and generally accepted standards to corporate behaviour.

Operational risks arise from all the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in note 1. Various management and administration functions are outsourced to Apex IFS, the Arranger and other parties as set out in the prospectus.

The Company is also exposed to operational risks such as custody risk. Custody risk is the risk of loss of collateral held in custody occasioned by the insolvency or negligence of the Custodian. Although an appropriate legal framework is in place that reduces the risk of loss of value of the securities held by the Custodian, in the event of its failure, the ability of the Company to transfer the securities might be impaired.

(e) Fair Values

Fair value measurement principles of Component Securities

The fair values of the Component Securities are their listed price on the recognised stock exchanges in the United States of America.

Fair value measurement principles of ETP Securities

The ETP Securities are valued independently of the Company by a calculation agent using readily available, observable inputs.

The ETP value in respect of a Series of ETPs tracks the value of the specified Component Security and is calculated in accordance with the following:

On the issue date of each Tranche, the ETP Security value will be equal to the issue price of the ETP Security. On any valuation date thereafter, the ETP Security value is calculated as the ETP Security value on the immediately preceding valuation date adjusted by:

- the change in the value of the Component Securities since such preceding Valuation Date (as referenced to on the applicable stock exchange), less
- any cash borrowing costs, cash lending revenues, stock borrowing costs, revenues on collateral or costs of transaction taxes in respect of a Series of ETP Securities resulting from obtaining leveraged or short exposure to the Component Security (as described in the ETP agreement, using market observable inputs), minus
- applicable fees (as disclosed in the ETPs final terms).

Notes to the financial statements (continued)

For the financial year ended 30 June 2023

17 Financial risk management (continued)**(e) Fair Values (continued)**

The fair value of financial instruments carried at fair value is determined according to the following hierarchy:

- Level 1: Financial instruments, whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities. Quoted prices for these instruments are not adjusted. The Component Securities held by the Company are classified as Level 1.
- Level 2: Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. As level 2 financial instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. The ETPs issued by the Company are classified as Level 2. Refer to note 2c for determining the fair value of financial instruments.
- Level 3: Financial instruments classified within level 3 have significant unobservable inputs, as they trade infrequently. Pricing inputs are unobservable for the financial instrument and include situations where there is little, if any, market activity for the financial instrument. As observable prices are not available for these securities, the Company has used valuation techniques to derive the fair value, if applicable.

The Company's policy is to recognise transfers into and transfers out of the fair value hierarchy levels as at the last day of the accounting period. There were no transfers during the financial year between levels of the fair value hierarchy for either the financial assets or the financial liabilities, which are both recorded at fair value. At the reporting date the collateral assets are classified as Level 1, as a quoted price is available and the ETP Securities are classified as Level 2 as all inputs are observable.

30-Jun-23	Level 1 Quoted price USD	Level 2 Valuation USD	Level 3 Valuation USD	Net Total USD
<i>Financial assets at fair value</i>				
Component Securities	1,413,012,880	-	-	1,413,012,880
	<u>1,413,012,880</u>	<u>-</u>	<u>-</u>	<u>1,413,012,880</u>

<i>Financial liabilities at fair value</i>				
ETP Securities	-	526,610,537	-	526,610,537
Fair value on short exposure to Component Securities	70,686,839	-	-	70,686,839
	<u>70,686,839</u>	<u>526,610,537</u>	<u>-</u>	<u>597,297,376</u>

30-Jun-22	Level 1 Quoted price USD	Level 2 Valuation USD	Level 3 Valuation USD	Net Total USD
<i>Financial assets at fair value</i>				
Component Securities	376,888,565	-	-	376,888,565
	<u>376,888,565</u>	<u>-</u>	<u>-</u>	<u>376,888,565</u>

<i>Financial liabilities at fair value</i>				
ETP Securities	-	168,651,340	-	168,651,340
Fair value on short exposure to Component Securities	64,097,400	-	-	64,097,400
	<u>64,097,400</u>	<u>168,651,340</u>	<u>-</u>	<u>232,748,740</u>

Accounting categorisation and fair values of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities not measured at fair values recognised in the financial statements approximate their fair values as these are considered short term in nature and are not considered to be realised or settled at values different from their carrying amounts.

(f) Offsetting financial asset and financial liabilities

The Company does not offset financial assets and financial liabilities. These are presented separately in the Statement of Financial Position.

18 Subsequent events

There have been no significant subsequent events that require disclosure and/or adjustment to the financial statements.

Notes to the financial statements (continued)**For the financial year ended 30 June 2023****19 Capital management**

For the purpose of the Company's capital management, capital includes issued share capital. The primary objective of the Company's capital management is to maintain shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to debt securities (i.e. the ETPs). There have been no breaches of any covenants in the current financial year. No changes were made to the objectives, policies or processes for managing capital since the beginning of the financial year.

20 Commitments and Contingencies

The Company had no commitments or contingencies as at 30 June 2023 (2022: none).

21 Approval of financial statements

The Directors authorised these financial statements for issue on 13 November 2023.