

**Leverage Shares Plc**

**Management report and  
Condensed unaudited interim financial statements**

**For the half financial year ended 31 December 2022**

**Registered number 597399**

**Leverage Shares Plc**

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# Leverage Shares Plc

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## Directors and other information

<b>Directors</b>	Neil Fleming ( <i>Irish</i> ) ( <i>Independent and Non-Executive</i> ) Lisa Hand ( <i>Irish</i> ) ( <i>Non-Executive</i> ) Stuart Gallagher ( <i>Irish</i> ) ( <i>appointed as alternate director on 16 August 2022, resigned on 29 August 2022</i> )	
<b>Registered Office</b>	2nd Floor, Block 5 Irish Life Centre Abbey Street Lower Dublin 1 Ireland	
<b>Company Secretary and Administrator</b>	Apex IFS Limited 2nd Floor, Block 5 Irish Life Centre Abbey Street Lower Dublin 1 Ireland	
<b>Arranger</b>	Leverage Shares Management Company Limited 116 Mount Prospect Avenue Clontarf Dublin 3 Ireland	
<b>Portfolio Administrator</b>	GWM Limited 41 Cedar Avenue 5th Floor, Hamilton HM12 Bermuda	Aztlan Equity Management LLC 1751 Pinnacle Drive Suite 600 McLean VA 22102 United States of America
<b>Custodian &amp; Margin Account Provider</b>	Interactive Brokers Ireland Limited 10 Earlsfort Terrace Dublin 2 DO2 T380	
<b>Authorised Participants</b>	BNP Paribas Arbitrage S.N.C. 160-162 Boulevard Macdonald 75019 Paris France	GWM Limited 41 Cedar Avenue 5th Floor, Hamilton HM12 Bermuda
<b>Registrar</b>	Elavon Financial Services DAC 8, Cherrywood Business Park Loughlinstown Dublin Ireland	
<b>Determination Agent</b>	Calculation Agent Services LLC 34E Putnam Avenue Greenwich CT 06830 United States of America	

**Directors and other information (continued)**

<b>Solicitor</b>	Matheson 70 Sir John Rogerson's Quay Dublin 2 Ireland
<b>Issuing &amp; Paying Agent</b>	Elavon Financial Services DAC 8, Cherrywood Business Park Loughlinstown Dublin Ireland
<b>Trustee</b>	Apex Corporate Trustees (UK) Limited 6th Floor 140 London Wall London

## Interim management report

The directors (the "Directors") present the interim report and unaudited financial statements of Leverage Shares Plc (the "Company") for the half financial year ended 31 December 2022.

## 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 to the interim financial statements). 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 USD 1,000,000,000,000.

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, Cboe Europe, Euronext Amsterdam, Euronext Paris, 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 Ireland Limited (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 period ended 31 December 2022, the Company redeemed 5 Series in full (31 December 2021: one Series) and 42 Series were created (31 December 2021: 43 Series). As at 31 December 2022, the Company had 183 Series in issue (30 June 2022: 183 Series).

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

One hundred and forty seven ETP Securities are listed on Euronext Amsterdam and Euronext Paris. One ETP Securities is listed on Cboe Europe. Fifteen ETP Securities are listed on Borsa Italiana while four ETP are listed on Deutsche Boerse. The remaining ETP Securities are listed on London Stock Exchange.

## Key performance indicators

During the half financial year:

- the Company made a loss before tax of USD Nil (31 December 2021: USD Nil) and loss after tax of USD 15,094 (31 December 2021: USD 2,612);
- the Company's realised losses on financial assets designated at fair value through profit or loss amounted to USD 122,461,476 (31 December 2021 : realised gains of USD 2,565,745);
- the Company's unrealised losses on financial assets designated at fair value through profit or loss amounted to USD 15,385,326 (31 December 2021: USD 11,401,352);
- the Company's realised gains on financial liabilities designated at fair value through profit or loss amounted to USD 122,461,476 (31 December 2021: realised losses of USD 2,565,745);
- the Company's unrealised gains on financial liabilities designated at fair value through profit or loss amounted to USD 21,679,333 (31 December 2021: USD 13,017,090);
- dividend income from Component Securities amounted to USD 249,595 (31 December 2021: USD 175,233);
- there were subscriptions in the existing Series of ETP Securities as disclosed in note 11 to the interim financial statements;
- there were partial redemptions of the existing Series of ETP Securities as disclosed in note 11 to the interim financial statements;
- 5 Series were fully redeemed (31 Dec 2021: 1 Series); and
- 42 new Series were issued (31 Dec 2021: 43 Series).

As at 31 December 2022:

- the total fair value of the ETP Securities in issue was USD 115,344,774 (30 June 2022: USD 168,651,340) as disclosed in note 11 to the interim financial statements;
- the total fair value of the Component Securities was USD 240,087,463 (30 June 2022: USD 376,888,565) as disclosed in note 8 to the interim financial statements; and
- the net liabilities of the Company were USD 7,574 (30 June 2022: net assets of USD 7,520).

## Interim management report (continued)

### Future developments

The Company has plans to grow its range of ETPs over the course of 2022/23 and is actively working on increasing its market penetration across its full range of products.

### 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.

### Principal risks and uncertainties

The Directors have noted that COVID-19 has not had a significant impact on the Company to date with assets under management growing. Arising from Brexit, the Company is now also required to submit certain documents to the United Kingdom's Financial Conduct Authority, including obtaining approval for amendments to its prospectus. The Company will continue to monitor these events to determine if any additional risks evolve.

On 24 February 2022, Russian Federation launched a full-scale invasion into Ukraine sovereign state. The invasion has had a significant impact on energy prices which has fed into global inflation and interest rate concerns. This has resulted in significant market volatility. The Company's principal range of ETPs offer both long and short exposure to the markets which means an equity market downturn does not directly correlate with assets under management though could impact investor appetite for ETPs.

The ETPs 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 Directors continue to actively monitor the situation.

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.

Markets over the past half-year have been in a state of suspense. Uncertainty continues to impact the European Union due to the implications of the Russo-Ukrainian conflict while emerging markets show signs of resurgence. Over in the US, despite inflationary trends continuing to be prevalent as well as large numbers of retail investors cashing out of the markets altogether, the lack of appetite among institutional investors for large-scale consumption of government treasuries effectively contributed to a 'deceleration of decline' in US equities. As a result, over the course of the year from July 1, 2022 till the end of December in the same year, the broad market S&P 500 fell by only 0.37% while the tech-heavy (and relatively overweight) Nasdaq-100 dropped by 5.58%."

### Results and dividends for the financial year

The results for the financial period are set out on page 7. The Directors do not recommend the payment of a dividend for the financial period (31 December 2021: USD Nil).

### Directors, Secretary and their Interests

None of the Directors who held office on 1 July 2022 and 31 December 2022 held any shares or ETP Securities in the Company at that date, or during the half 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 half financial year. Further information is set out in note 16 to the interim 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 interim financial statements.

### 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.

### Subsequent events

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

## Interim management report (continued)

### Audit committee

The sole business of the Company relates to the issuance of ETPs. Given the functions performed by the various service 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.

On behalf of the Directors



Neil Fleming  
Director



Lisa Hand  
Director

Date: 29 March 2023

**Directors' responsibilities statement**


The Directors are responsible for preparing the management report and the interim financial statements in accordance with the Companies Act 2014 and the applicable regulations.

The Directors confirm that, to the best of their knowledge:

- the condensed financial statements, which have been prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and results of the Company; and
- the Interim Management Report includes a fair review of:
  - important events that have occurred during the first six months of the financial year;
  - the impact of those events on the condensed financial statements; and
  - a description of the principal risks and uncertainties for the remaining six months of the financial year.

The Directors further indicate that such interim financial statements for the half financial year ended 31 December 2022 have not been audited.

**Approved and authorised for issue on behalf of the Board:**



**Neil Fleming**  
**Director**



**Lisa Hand**  
**Director**

**Date: 29 March 2023**



**Statement of comprehensive income**

For the half financial year ended 31 December 2022

		Half financial year ended 31-Dec-22 USD	Half financial year ended 31-Dec-21 USD
	Note		
Revenue	4	249,595	175,233
Realised (losses)/gains on financial assets at fair value through profit or loss		(122,461,476)	2,565,745
Unrealised losses on financial assets at fair value through profit loss		(15,385,326)	(11,401,352)
Realised gains/(losses) on financial liabilities at fair value through profit or loss		122,461,476	(2,565,745)
Unrealised gains on financial liabilities at fair value through profit or loss		21,679,333	13,017,090
Operating expenses	6	(653,540)	(417,746)
Finance expense	5	(5,890,062)	(1,373,225)
<b>Operating profit before tax</b>		-	-
Tax on profit on ordinary activities	7	(15,094)	(2,612)
<b>Total comprehensive loss</b>		<u>(15,094)</u>	<u>(2,612)</u>

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

## Statement of financial position

As at 31 December 2022

	Note	31-Dec-22 USD	30-Jun-22 USD
<b>Assets</b>			
Financial assets at fair value through profit or loss	8	240,087,463	376,888,565
Amounts due from broker	10	80,834,523	95,012,660
Other receivables	9	306,298	914,255
<b>Total assets</b>		<b>321,228,284</b>	<b>472,815,480</b>
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss	11	168,109,104	232,748,740
Amounts due to broker	10	149,445,223	238,850,089
Other payables	12	2,214,292	1,143,927
Payable to GWM Limited	13	1,467,239	65,204
<b>Total liabilities</b>		<b>321,235,858</b>	<b>472,807,960</b>
<b>Total assets less total liabilities</b>		<b>(7,574)</b>	<b>7,520</b>
<b>Share capital and retained earnings</b>			
Called up share capital presented as equity	14	26,703	26,703
Deficit		(34,277)	(19,183)
<b>Total equity</b>		<b>(7,574)</b>	<b>7,520</b>

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



**Neil Fleming**  
Director



**Lisa Hand**  
Director

**Date: 29 March 2023**

**Statement of changes in equity**

For the half financial year ended 31 December 2022

	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 period	-	(2,612)	(2,612)
<b>Balance as at 31 December 2021</b>	<b>26,703</b>	<b>(10,496)</b>	<b>16,207</b>
Balance as at 1 January 2022	26,703	(10,496)	16,207
Total comprehensive loss for the financial period	-	(8,687)	(8,687)
<b>Balance as at 30 June 2022</b>	<b>26,703</b>	<b>(19,183)</b>	<b>7,520</b>
Balance as at 1 July 2022	26,703	(19,183)	7,520
Total comprehensive loss for the financial period	-	(15,094)	(15,094)
<b>Balance as at 31 December 2022</b>	<b>26,703</b>	<b>(34,277)</b>	<b>(7,574)</b>

The notes on pages 11 to 23 form an integral part of the interim financial statements.

**Statement of cash flows**

For the half financial year ended 31 December 2022

	Half financial year ended 31-Dec-22 USD	Half financial year ended 31-Dec-21 USD
<b>Note</b>		
<b>Cash flows from operating activities</b>		
Profit on ordinary activities before taxation	-	-
<i>Adjustments for:</i>		
Unrealised gains on financial liabilities at fair value through profit or loss	(21,679,333)	(13,017,090)
Realised (gains)/losses on financial liabilities at fair value through profit or loss	(122,461,476)	2,565,745
<i>Movements in working capital</i>		
Financial assets at fair value through profit or loss	136,801,102	(412,572,544)
Financial liabilities at fair value through profit or loss	(11,543,956)	17,261,829
Decrease/(Increase) in other receivables	2,075,196	(435,574)
Increase/(decrease) in other payables	990,068	(439,189)
Change in amounts due from broker	(75,226,729)	243,865,816
<b>Net cash used in operating activities</b>	<b>(91,045,128)</b>	<b>(162,771,007)</b>
<b>Cash flows from financing activities</b>		
ETP Securities issuances during the financial period	215,920,448	219,989,188
ETP Securities redemptions during the financial period	(124,875,320)	(57,218,181)
<b>Net cash generated from financing activities</b>	<b>91,045,128</b>	<b>162,771,007</b>
<b>Net movement in cash and cash equivalents</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at start of the financial period	-	-
<b>Cash and cash equivalents at end of the financial period</b>	<b>-</b>	<b>-</b>
<b>Supplementary information</b>		
Dividends received	249,595	175,233
Interest paid	5,505,542	854,139

## Notes to the financial statements

For the half financial year ended 31 December 2022

### 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 USD 1,000,000,000.

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, Cboe Europe, Euronext Amsterdam, Euronext Paris, 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 condensed financial statements for the half financial year ended 31 December 2022 have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting'. The condensed interim financial statements should be read in conjunction with the annual financial statements for the financial year ended 30 June 2022 and the unaudited interim financial statements for the financial period ended 31 December 2021.

#### (b) New standards, amendments or interpretations

##### (i) Standards effective for annual periods beginning on or after 1 July 2022

The Company has adopted the new interpretations and revised standards effective for the year ended 31 December 2022. New standards that have been adopted in the annual financial statements for the year ended 31 December 2022 but have not had a significant effect on the Fund are:

- Annual Improvements to IFRS Standards: 2018-2020 Cycle;
- Conceptual Framework for Financial Reporting (Amendments to IFRS 3);
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment - Onerous Contracts- Cost of Fulfilling a Contract); and
- IAS 16 Property, Plant and Equipment (Amendment to Proceeds before Intended Use).

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

A number of new standards and amendments to existing standards, listed below, have been published which are mandatory, but are not effective for the year ended 31st December 2022. The directors do not anticipate that the adoption of these revised standards and interpretations will have a significant impact on the figures included in the financial statements in the period of initial application.

The following amendments are effective for the period beginning 1 January 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8); and □
- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).

**Notes to the financial statements (continued)**

For the half financial year ended 31 December 2022

**2 Basis of preparation (continued)****(b) New standards, amendments or interpretations (continued)***(ii) Standards not yet effective, but available for early adoption (continued)*

The following amendments are effective for the period beginning 1 January 2024:

- IFRS 16 Leases (Amendment – Lease liability in a Sale and Leaseback
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-current); and
- IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants).

\*Where new requirements are endorsed, the EU effective date is disclosed. For un-endorsed standards and interpretations, the IASB's effective date is noted. Where any of the upcoming requirements are applicable to the Company, it will apply them from their EU effective date.

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.

**(c) 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 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:

	Half financial year ended 31-Dec-22 USD	Half financial year ended 31-Dec-21 USD
United States	236,737	166,206
China	12,697	8,914
United Kingdom	161	113
	<u>249,595</u>	<u>175,233</u>

**3 Significant accounting policies**

The same accounting policies, presentation and methods of computation are followed in these condensed interim financial statements as were applied in the preparation of the Company's financial statements for the financial year ended 30 June 2022.

**4 Revenue**

	Half financial year ended 31-Dec-22 USD	Half financial year ended 31-Dec-21 USD
Dividend income	249,595	175,233
	<u>249,595</u>	<u>175,233</u>

**5 Finance expense**

	Half financial year ended 31-Dec-22 USD	Half financial year ended 31-Dec-21 USD
Interest expense	5,430,285	1,290,818
Borrow fee	459,777	82,407
	<u>5,890,062</u>	<u>1,373,225</u>

A daily margin interest rate corresponding to the relevant benchmark rate plus one per cent 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.

**Notes to the financial statements (continued)**

For the half financial year ended 31 December 2022

**6 Operating expenses**

	Half financial year ended 31-Dec-22 USD	Half financial year ended 31-Dec-21 USD
Arrangement fee expense	653,561	392,913
Other expenses	-	24,833
Foreign exchange (gains)/losses	(21)	-
	<u>653,540</u>	<u>417,746</u>

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.

Foreign exchange (gains)/losses relate to the retranslation of EUR denominated products to the presentational currency at year end.

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 auditor of the Company earned no other fees from the Company (2021: USD Nil).

All the above are only for qualifying services during the half financial year. Leverage Shares Management Company Limited covers all director fees in respect of the Company. There was no other remuneration earned by the Directors of the Company in respect of services provided to the Company (2021: USD Nil). The Company had no employees during the half financial year (2021: none).

**7 Tax on profit on ordinary activities**

	Half financial year ended 31-Dec-22 USD	Half financial year ended 31-Dec-21 USD
Operating profit before tax	-	-
Withholding tax suffered on income	60,376	10,448
Adjusted taxable profit	<u>60,376</u>	<u>10,448</u>
Corporation tax	(15,094)	(2,612)
Under accrual of corporation tax	-	-
	<u>(15,094)</u>	<u>(2,612)</u>

Corporation tax has been calculated based on results for the half financial year at a rate of 25%.

**8 Financial assets at fair value through profit or loss**

	31-Dec-22 USD	30-Jun-22 USD
Investment in Component Securities	<u>240,087,463</u>	<u>376,888,565</u>

All unrealised gains/(losses) 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 31 December 2022 represent their fair value.

The Component Securities held by the Company as at 31 December 2022 and 30 June 2022 are as follows:

Component Securities	Code	Fair value 31-Dec-22 USD	Cost 31-Dec-22 CCY	Fair value 30-Jun-22 USD	Cost 30-Jun-22 CCY
Alphabet Inc	LS GOOG	3,810,954	4,280,391	5,667,683	6,373,819
Amazon.com Inc	LS AMZN	6,110,412	6,999,144	5,539,807	6,660,050
Apple Inc	LS AAPL	5,978,209	6,820,618	8,433,847	9,718,763
Citigroup Inc	LS C	470,347	460,285	265,270	301,069
Facebook Inc	LS FB	867,892	800,280	1,029,581	1,237,594
Goldman Sachs Group Inc	LS GS	967,301	955,357	1,060,064	1,085,082
JPMorgan Chase & Co	LS JPM	672,914	596,953	714,398	800,977
Microsoft Corporation	LS MSFT	4,386,787	4,595,105	5,504,637	6,060,959
Visa Inc	LS V	1,165,949	1,108,070	1,800,559	1,939,037
Balance carried forward		<u>24,430,765</u>	<u>26,616,203</u>	<u>30,015,846</u>	<u>34,177,350</u>

## Notes to the financial statements (continued)

For the half financial year ended 31 December 2022

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

The Component Securities held by the Company as at 31 December 2022 and 30 June 2022 are as follows (continued):

Component Securities	Code	Fair value	Cost	Fair value	Cost
		31-Dec-22 USD	31-Dec-22 CCY	30-Jun-22 USD	30-Jun-22 CCY
Balance brought forward (from previous page)		24,430,765	26,616,203	30,015,846	34,177,350
Netflix Inc	LS NFLX	2,808,142	2,749,480	1,265,359	1,377,711
Nvidia Corporation	LS NVDA	2,469,328	2,639,214	2,508,208	2,956,642
Salesforce.com Inc	LS CRM	311,321	356,538	388,834	434,661
Tesla Inc	LS TSLA2x	5,127,244	7,592,786	12,936,399	14,438,902
Apple Inc	LS AAP3x	3,394,031	3,775,715	3,552,396	3,735,793
Advanced Micro Devices	LS AMD2x	411,484	459,551	432,361	547,753
Amazon.com Inc	LS AMZ3x	2,954,196	3,236,809	3,632,594	3,865,988
Alibaba group holding	LS BABA2x	1,824,872	1,741,944	4,017,679	3,698,303
Salesforce.com Inc	LS CRM3x	338,502	382,955	822,559	884,659
Facebook Inc	LS FB3x	5,497,011	5,350,067	6,668,494	7,379,067
Alphabet Inc	LS GOO3x	2,412,924	2,569,016	4,237,091	4,451,361
Microsoft Corporation	LS MSF3x	6,482,095	6,570,899	8,552,439	8,858,851
Micron Technology Inc	LS MU2x	858,806	1,019,942	486,796	609,785
Netflix Inc	LS NFLX3x	3,598,126	3,708,869	2,008,032	2,139,936
Nvidia Corporation	LS NVD3x	5,064,482	5,823,640	5,321,567	6,263,922
Uber Technologies Inc	LS UBER2x	529,865	593,519	360,526	396,541
Tesla Inc	LS TSL3x	76,350,906	97,728,865	186,381,107	198,218,379
Paypal	LS PYP3x	2,360,872	2,636,495	2,009,017	2,372,215
Shopify	LS SHO3x	1,034,289	1,161,579	446,888	510,269
Boeing	LS BA3x	1,067,696	1,023,964	777,663	755,886
Zoom	LS ZM3x	817,419	898,992	1,074,841	1,123,502
Square	LS SQ3x	895,847	938,407	656,946	677,240
HSBC	LS HSC3x	826,145	763,390	606,649	602,512
Barclays	LS BCS3x	1,144,291	1,081,163	1,027,284	1,090,958
Royal dutch sell	LS RSH3x	776,798	757,039	341,035	367,516
BP	LS BP3Lx	1,298,173	1,244,892	844,121	860,752
Vodafone	LS VDF3x	688,929	802,821	2,056,295	2,128,503
Tesla Inc	LS TSLx	708,901	1,423,768	994,641	1,326,122
Amazon.com Inc	LS IAMZx	138,180	168,908	135,949	213,421
Microsoft Corporation	LS IMSFx	156,363	181,447	166,940	180,913
Alphabet Inc	LS IGOOx	186,422	280,325	229,682	280,225
Facebook Inc	LS IFBx	132,615	282,396	177,859	282,721
Apple Inc	LS IAA Px	107,712	120,446	192,365	193,796
Netflix Inc	LS INFLx	58,091	58,175	188,335	420,591
Shopify	LS ISHOx	195,313	518,030	175,944	520,375
Coinbase	LS ICOIx	144,143	260,166	86,000	94,308
AMD	LS AMD3x	3,800,898	4,209,286	7,415,525	9,452,492
Alibaba group holding	LS BAB3x	14,323,346	14,078,808	27,266,603	26,393,193
Uber	LS UBR3x	971,963	1,098,923	904,148	1,007,132
Airbnb	LS ABN3x	702,896	818,370	687,163	806,511
Plug power	LS PLU3x	836,521	979,246	1,483,661	1,515,988
Disney	LS DIS3x	614,850	667,001	698,088	788,969
Palantir	LS PLT3x	987,184	1,133,391	1,680,354	1,681,024
Roku	LS ROK3x	284,330	333,458	773,266	855,954
JD	LS JD3x	482,606	502,739	1,448,097	1,393,530
Baidu	LS BID3x	899,370	867,032	1,826,404	1,748,429
Plug power	LS IPLUx	270,173	502,592	258,558	401,386
JD	LS IJDx	256,514	294,799	293,678	295,103
Airbnb	LS IABNx	109,098	203,530	113,755	203,679
Baidu	LS IBIDx	487,488	466,253	396,663	385,637
Sea	LS ISEx	209,889	344,752	390,529	522,956
Pinduoduo	LS IPDDx	326,363	173,281	406,706	295,242
Nio	LS INIOx	346,895	442,106	832,528	954,344
Palantir	LS IPLTx	160,449	407,923	118,672	303,449
Berkshire Hathaway	LS BRK2x	735,182	686,384	405,708	473,699
Airbus	LS AIR3x	61,930	62,844	299,511	342,473
Balance carried forward		184,470,244	215,791,133	333,476,358	358,258,619



## Notes to the financial statements (continued)

For the half financial year ended 31 December 2022

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

The Component Securities held by the Company as at 31 December 2022 and 30 June 2022 are as follows (continued):

Component Securities	Code	Fair value	Cost	Fair value	Cost
		31-Dec-22 USD	31-Dec-22 CCY	30-Jun-22 USD	30-Jun-22 CCY
Balance brought forward (from previous page)		184,470,244	215,791,133	333,476,358	358,258,619
Long Airlines	LS JET3x	286,175	296,138	317,774	368,021
Long ARKG Genomic	LS ARG3x	467,489	504,666	338,045	346,009
Long ARKK Innovation	LS ARK3x	3,944,644	4,476,984	3,297,278	3,431,306
ARKW NextGen Internet	LS ARW3x	461,790	475,842	255,875	285,876
Biotechnology	LS IBB3x	592,512	588,564	438,172	435,026
China Tech	LS KWE3x	2,197,494	2,188,304	2,311,415	2,199,571
Clean Energy	LS ICL3x	560,604	558,139	464,744	470,239
Coinbase	LS CON3x	3,292,119	3,224,105	765,862	952,866
Long Financials	LS XLF3x	327,636	321,773	282,956	315,863
Gold Miners	LS GDX3x	1,376,425	1,396,338	862,990	974,396
Moderna	LS MRN3x	767,157	825,107	577,828	561,823
NIO	LS NIO3x	1,555,895	2,015,680	4,942,473	4,718,809
Long Oil & Gas	LS XLE3x	1,043,255	1,060,554	540,973	639,578
Semiconductors	LS SMH3x	527,035	564,344	341,655	388,271
Taiwan Semiconductor	LS TSM3x	748,922	814,410	282,119	316,335
Total World	LS VT3x	672,368	668,757	407,669	451,448
US 500	LS SP5Yx	4,694,328	4,863,205	2,511,353	2,631,669
US Tech 100	LS QQQ5x	18,850,760	20,030,518	13,457,924	14,101,882
ARKG Genomic Tracker	LS 1ARGx	581,679	777,476	327,779	441,490
ARKK Innovation Tracker	LS 1ARKx	3,611,250	4,999,403	2,106,661	3,106,214
ARKW NextGen Internet Tracker	LS 1ARWx	201,539	388,818	256,659	390,016
Berkshire Hathaway (BRK-B) Tracker	LS WRRNx	213,759	199,453	189,203	199,754
Gold ETP	LS GLD3x	922,672	916,161	560,466	571,915
WTI Oil ETP	LS WTI2x	223,441	228,729	326,542	358,247
Silver ETP	LS SLV3x	593,156	543,650	451,032	492,045
South Korea ETP	LS KOR3x	361,303	357,351	384,578	436,256
China ETP	LS CHI3x	116,898	120,149	680,212	653,771
Taiwan ETP	LS TAI3x	541,799	634,256	421,864	468,121
Japan ETP	LS JPN3x	593,178	600,528	474,308	510,747
US Tech 100 ETP	LS QQL3x	89,290	912,005	441,721	475,607
US 500 ETP	LS SPY3x	795,837	811,537	454,964	489,753
Germany 40 ETP	LS DAX3x	1,188,002	1,119,406	407,322	460,139
Coupang ETP	LS CPN3x	452,480	505,603	532,376	522,973
Xpeng ETP	LS XPE3x	548,131	600,924	1,028,281	947,321
Linde (LIN) ETP	LS LIN3x	462,484	458,352	406,625	457,156
Siemens (SIE) ETP	LS SIE3x	631,497	598,450	272,086	330,451
Mercedes Benz (MBG) ETP	LS MBG3x	53,429	54,248	316,324	383,267
Infineon (IFX) ETP	LS IFX3x	475,219	519,156	286,364	343,553
Volkswagen (VW) ETP	LS VW3x	39,203	46,830	332,722	391,700
ASML ETP	LS ASM3x	452,316	505,075	357,013	408,348
Wahed FTSE USA Shariah ETP	LS WAHEDx	102,049	100,043	-	-
		240,087,463	276,662,164	376,888,565	404,686,451

## 9 Other receivables

	31-Dec-22 USD	30-Jun-22 USD
ETP subscription receivable	273,849	808,634
Receivable from arranger	29,285	29,285
Dividend receivable	3,164	76,336
	306,298	914,255

## Notes to the financial statements (continued)

For the half financial year ended 31 December 2022

## 10 Amounts due to/from broker

	31-Dec-22 USD	30-Jun-22 USD
<i>Due from broker</i>		
Margin accounts - cash collateral for short positions.	78,786,723	94,581,585
Cash at broker	2,047,800	431,075
	<u>80,834,523</u>	<u>95,012,660</u>
<i>Due to broker</i>		
Margin accounts - Leveraged ETPs	149,445,223	238,850,089
	<u>149,445,223</u>	<u>238,850,089</u>

The Component Securities are held by the Custodian in margin accounts. Margin accounts represent (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 one per cent 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.

## 11 Financial liabilities at fair value through profit or loss

	31-Dec-22 USD	30-Jun-22 USD
Fair value on short exposure to Component Securities	52,764,330	64,097,400
ETP Securities issued	115,344,774	168,651,340
	<u>168,109,104</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 underly 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.

The ETPs in issue at 31 December 2022 and 30 June 2022 are as follows:

Description	ISIN	Maturity date	Fair value 31-Dec-22 USD	Nominal Amount 31-Dec-22 USD	Fair value 30-Jun-22 USD	Nominal Amount 30-Jun-22 USD
2x Alphabet ETP	IE00BF01VY89	05-Dec-67	1,904,776	1,270,740	2,833,819	1,117,760
2x Amazon ETP	IE00BF03XH11	05-Dec-67	3,054,059	3,311,280	2,769,522	1,641,740
2x Apple ETP	IE00BF03XJ35	05-Dec-67	2,988,055	625,780	4,216,418	733,560
2x Citigroup ETP	IE00BF03XL56	05-Dec-67	235,086	1,423,840	132,607	740,280
2x Facebook ETP	IE00BF03XP94	05-Dec-67	433,816	3,303,540	514,753	1,688,360
2x Goldman Sachs ETP	IE00BF03XR19	05-Dec-67	483,407	446,060	530,174	626,460
2x JPMorgan ETP	IE00BF03XW61	05-Dec-67	336,311	324,520	357,170	471,920
2x Microsoft ETP	IE00BF03XY85	05-Dec-67	2,192,621	477,640	2,751,947	482,280
2x Visa ETP	IE00BD09ZV33	05-Dec-67	582,762	292,620	900,078	478,400
2x Netflix ETP	IE00BD09ZW40	05-Dec-67	1,403,579	2,402,900	632,571	2,572,920
2x NVIDIA ETP	IE00BD09ZX56	05-Dec-67	1,234,169	653,380	1,253,934	505,160
2x Salesforce.com ETP	IE00BD09ZY63	05-Dec-67	155,583	246,440	194,373	175,440
-1x Tesla ETP	IE00BKT6ZH01	07-Apr-70	2,392,712	29,937,920	2,877,339	55,147,720
2x Tesla ETP	IE00BK5BZY66	07-Apr-70	2,562,716	909,400	6,467,662	554,160
3x Apple ETP	IE00BK5BZS07	04-Jun-70	1,130,582	710,920	1,183,655	508,100
2x Advanced micro devices ETP	IE00BKT6ZG93	04-Jun-70	205,680	307,040	216,169	192,100
-1x Advanced micro devices ETP	IE00BKT66Q62	04-Jun-70	251,404	681,420	290,126	801,560
3x Amazon ETP	IE00BK5BZQ82	04-Jun-70	984,011	11,761,680	1,210,464	4,929,300
-1x Amazon ETP	IE00BKT66S86	04-Jun-70	123,332	132,300	191,170	234,080
1x Apple ETP	IE00BKTWZ451	04-Jun-70	440,147	1,001,640	82,941	187,080
2x Alibaba ETP	IE00BK5C1C97	04-Jun-70	912,093	13,708,620	2,008,549	14,774,300
-1x Alibaba ETP	IE00BKT66M25	04-Jun-70	249,169	252,660	227,870	252,660
3x Salesforce.com ETP	IE00BK5BZT14	04-Jun-70	112,759	1,115,840	274,106	993,540
-1x Salesforce.com ETP	IE00BKTWZ568	04-Jun-70	200,493	258,800	176,056	258,800
3x Facebook ETP	IE00BK5C1B80	04-Jun-70	1,831,060	162,897,220	2,222,378	34,516,480
-1x Facebook ETP	IE00BKTWZ675	04-Jun-70	206,726	208,100	185,553	208,100
3x Alphabet ETP	IE00BK5BZX59	04-Jun-70	803,721	1,084,660	1,412,369	757,820
Balance carried forward			<u>27,410,829</u>	<u>239,746,960</u>	<u>36,113,773</u>	<u>125,550,080</u>

## Notes to the financial statements (continued)

For the half financial year ended 31 December 2022

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

The financial liabilities in issue at 31 December 2022 and 30 June 2022 are as follows (continued):

Description	ISIN	Maturity date	Fair value	Nominal Amount	Fair value	Nominal Amount
			31-Dec-22	31-Dec-22	30-Jun-22	30-Jun-22
			USD	USD	USD	USD
Balance brought forward (from previous page)			27,410,829	239,746,960	36,113,773	125,550,080
-1x Alphabet ETP	IE00BKTW9N20	04-Jun-70	187,436	315,900	232,691	450,000
3x Microsoft ETP	IE00BK5BZV36	04-Jun-70	2,159,186	2,145,320	2,850,092	1,840,400
-1x Microsoft ETP	IE00BKTW9M13	04-Jun-70	138,191	241,860	227,288	401,460
2x Micron Technology ETP	IE00BKT66K01	04-Jun-70	428,950	714,060	243,444	296,720
-1x Micron Technology ETP	IE00BKT66P55	04-Jun-70	184,911	327,160	76,804	137,000
3x Netflix ETP	IE00BK5BZW43	04-Jun-70	1,198,618	128,910,840	669,217	208,013,520
-1x Netflix ETP	IE00BKTWZ782	04-Jun-70	208,347	313,760	237,544	182,000
3x NVIDIA ETP	IE00BK5BZR99	04-Jun-70	1,686,939	3,635,220	1,773,378	1,920,420
-1x NVIDIA ETP	IE00BKTW5674	04-Jun-70	229,948	817,800	76,411	238,100
2x Uber ETP	IE00BKT66L18	04-Jun-70	264,828	1,408,500	180,217	1,135,880
-1x Uber ETP	IE00BKT66R79	04-Jun-70	465,772	735,020	325,218	351,300
3X Tesla ETP	XS2297549128	04-Jun-70	25,432,538	1,385,390,584	62,114,574	291,044,638
3X Paypal ETP	XS2297550217	04-Jun-70	786,399	215,675,693	669,546	130,659,758
3X Shopify ETP	XS2297550563	21-Mar-71	344,509	406,690,394	148,895	83,396,051
3X Boeing ETP	XS2297551371	21-Mar-71	355,673	2,893,643	259,168	4,140,227
3X Zoom ETP	XS2297551611	21-Mar-71	272,272	285,857,834	358,174	47,385,949
3X Square ETP	XS2297552262	21-Mar-71	298,414	368,362,880	218,913	120,083,589
3X HSBC ETP	XS2297618030	21-Mar-71	275,190	367,284	202,137	200,407
3X Barclays ETP	XS2297618626	21-Mar-71	381,151	1,914,581	342,205	1,429,591
3X Royal Dutch Shell ETP	XS2297634318	21-Mar-71	258,757	203,321	113,655	96,898
3X BP ETP	XS2297636107	21-Mar-71	432,426	344,637	281,290	362,172
3X Vodafone ETP	XS2297637253	21-Mar-71	229,438	1,799,978	685,233	1,335,748
1X Tesla Tracker ETP	XS2337093798	21-Mar-71	708,876	1,166,211	994,582	897,221
1X Amazon Tracker ETP	XS2337104231	21-Mar-71	138,155	267,571	135,917	207,883
1X Microsoft Tracker ETP	XS2337100320	07-May-71	156,402	162,196	166,932	162,196
1X Alphabet Tracker ETP	XS2337100163	07-May-71	186,386	253,380	229,927	253,380
1X Facebook Tracker ETP	XS2337100080	07-May-71	132,625	358,983	177,851	358,983
1X Apple Tracker ETP	XS2337099563	07-May-71	107,771	104,942	192,386	178,336
1X Netflix Tracker ETP	XS2337098839	07-May-71	58,162	99,370	188,288	542,001
1X Shopify Tracker ETP	XS2337094259	07-May-71	195,323	714,604	175,948	714,604
1X Coinbase Tracker ETP	XS2338070282	07-May-71	144,157	924,820	86,007	413,971
3X AMD ETP	XS2337090422	07-May-71	1,266,047	11,004,030	2,471,234	7,589,996
3X Alibaba ETP	XS2337090851	07-May-71	4,771,079	2,696,965	9,086,653	234,822,155
3X Uber ETP	XS2337092550	07-May-71	323,737	14,613,813	301,198	13,347,024
3X Airbnb ETP	XS2336344762	07-May-71	234,138	6,233,193	228,962	3,262,458
3X Plug Power ETP	XS2336361345	07-May-71	278,634	100,257,133	494,444	25,691,637
3X Disney ETP	XS2335553801	07-May-71	204,815	3,380,066	232,645	2,168,338
3X Palantir ETP	XS2337085851	07-May-71	328,768	219,343,873	559,895	63,502,484
3X Roku ETP	XS2337086826	07-May-71	94,704	4,629,012,856	257,684	273,048,714
3X JD.COM ETP	XS2337087808	07-May-71	160,756	2,709,893	482,592	2,804,978
3X Baidu ETP	XS2337092808	07-May-71	299,575	8,600,368	608,646	4,297,407
1X Plug Power Tracker ETP	XS2337100759	07-May-71	270,169	669,931	258,554	477,870
1X JD.COM Tracker ETP	XS2337100676	07-May-71	256,514	319,449	293,706	319,449
1X Airbnb Tracker ETP	XS2337098086	07-May-71	109,090	190,926	113,746	190,926
1X Baidu Tracker ETP	XS2337097518	07-May-71	487,507	811,685	396,599	507,256
1X Sea Tracker ETP	XS2337094093	07-May-71	209,903	1,120,629	390,521	1,620,624
1X Pinduoduo Tracker ETP	XS2337093954	07-May-71	326,380	489,123	406,703	803,600
1X Nio Tracker ETP	XS2337093871	07-May-71	346,897	1,668,608	832,521	1,789,028
1X Palantir Tracker ETP	XS2337092980	07-May-71	160,445	627,945	118,674	327,992
-2X Tesla ETP	XS2297550134	21-Mar-71	722,271	1,462,264	1,392,865	5,474,350
-1X Paypal ETP	XS2297550308	21-Mar-71	208,088	94,838	238,358	94,838
-1X Shopify ETP	XS2297551298	21-Mar-71	173,881	159,802	408,490	240,995
-1X Boeing ETP	XS2297551454	21-Mar-71	155,642	155,637	263,649	174,292
-1X Zoom ETP	XS2297551884	21-Mar-71	205,846	75,347	154,235	75,347
-1X Square ETP	XS2297552932	21-Mar-71	246,690	178,193	978,105	521,822
-1X Citigroup ETP	XS2297553070	21-Mar-71	125,672	97,591	283,316	208,063
Balance carried forward			77,425,827	8,058,839,464	132,001,700	1,667,742,126

## Notes to the financial statements (continued)

For the half financial year ended 31 December 2022

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

The financial liabilities in issue at 31 December 2022 and 30 June 2022 are as follows (continued):

Description	ISIN	Maturity date	Fair value	Nominal Amount	Fair value	Nominal Amount
			31-Dec-22	31-Dec-22	30-Jun-22	30-Jun-22
			USD	USD	USD	USD
Balance brought forward (from previous page)			77,425,827	8,058,839,464	132,001,700	1,667,742,126
-1X Goldman Sachs ETP	XS2297553153	21-Mar-71	140,372	171,163	169,834	171,163
-1X JPMorgan ETP	XS2297593456	21-Mar-71	171,768	181,910	258,050	218,561
-1X HSBC ETP	XS2297618204	21-Mar-71	108,582	147,437	143,121	192,195
-1X Barclays ETP	XS2297618972	21-Mar-71	559,884	613,542	627,408	613,542
-1X Royal Dutch Shell ETP	XS2297634409	21-Mar-71	117,597	203,876	137,009	203,876
-1X BP ETP	XS2297636875	21-Mar-71	106,028	192,542	141,889	192,542
-1X Vodafone ETP	XS2297637410	21-Mar-71	135,173	99,433	184,270	191,941
-1X Airbnb ETP	XS2336345223	21-Mar-71	165,387	159,479	181,288	159,479
-1X Plug Power ETP	XS2336362079	21-Mar-71	389,338	457,571	437,941	485,693
-1X Disney ETP	XS2337085422	21-Mar-71	161,688	96,479	160,478	96,479
-1X Palantir ETP	XS2337086669	07-May-71	208,248	111,425	86,327	53,395
-1X Roku ETP	XS2337087634	07-May-71	260,160	82,112	263,180	121,712
-1X JD.COM ETP	XS2337087980	07-May-71	153,255	265,157	158,385	265,157
-1X Peloton ETP	XS2337089846	07-May-71	303,939	107,396	164,208	35,584
-3X Tesla ETP	XS2337090265	07-May-71	3,224,336	23,485,991	2,195,178	32,646,378
-1X Baidu ETP	XS2337093525	07-May-71	167,519	196,025	285,004	374,635
-3X Short Airbus ETP	XS2399367171	09-Nov-71	68,827	216,545	145,797	200,000
-3X Short Airlines ETP	XS2399369466	09-Nov-71	261,131	400,680	199,750	200,000
-3X Short ARKG Genomic ETP	XS2399367841	09-Nov-71	303,077	374,300	219,257	144,300
-3X Short ARKK ETP	XS2399368906	09-Nov-71	937,860	714,330	2,372,797	1,147,085
-3X Short ARKW NextGen ETP	XS2399368492	09-Nov-71	193,984	125,565	228,359	89,910
-3X Short Bio Technology ETP	XS2399370472	09-Nov-71	309,438	406,255	77,727	59,000
-3X Short China Tech ETP	XS2399370126	09-Nov-71	118,541	1,400,265	167,292	885,540
-3X Short Clean Energy ETP	XS2399371108	09-Nov-71	131,521	248,290	210,504	248,290
-3X Short Financials ETP	XS2399369623	09-Nov-71	531,279	586,020	285,454	200,000
-3X Short Gold Miners ETP	XS2399369979	09-Nov-71	218,074	593,040	469,818	598,300
-3X Short Moderna ETP	XS2399366108	09-Nov-71	246,362	3,943,945	124,780	208,710
-3X Short NIO ETP	XS2399365555	09-Nov-71	286,923	2,900,700	532,001	4,796,555
-3X Short Oil & Gas ETP	XS2399370803	09-Nov-71	269,378	2,539,400	347,922	1,195,050
-3X Short Semiconductors ETP	XS2399367684	09-Nov-71	91,584	92,805	336,728	200,000
-3X Short Taiwan Semiconductor ETP	XS2399365399	09-Nov-71	127,004	96,580	344,158	200,000
-3X Short US 500 ETP	XS2399364665	09-Nov-71	625,373	520,340	373,312	250,000
-3X Short US Tech 100 ETP	XS2399364319	09-Nov-71	2,135,795	1,271,680	772,988	410,140
2X Long Berkshire Hathaway	XS2399369110	09-Nov-71	367,510	351,460	202,837	235,550
3X Long Airbus ETP	XS2399366280	09-Nov-71	20,633	27,210	99,773	200,000
3X Long Airlines ETP	XS2399369383	09-Nov-71	95,326	320,000	105,874	320,000
3X Long ARKG Genomic ETP	XS2399367767	09-Nov-71	155,712	5,232,820	112,640	1,675,820
3X Long ARKK Innovation ETP	XS2399368658	09-Nov-71	1,313,920	176,018,205	1,098,830	39,019,950
3X Long ARKW NextGen ETP	XS2399368146	09-Nov-71	153,824	22,017,685	85,253	3,299,050
3X Long Biotechnology ETP	XS2399370399	09-Nov-71	197,348	396,115	146,038	351,020
3X Long China Tech ETP	XS2399370043	09-Nov-71	732,825	9,687,300	770,333	4,123,580
3X Long Clean Energy ETP	XS2399371017	09-Nov-71	186,735	412,890	154,944	313,745
3X Long Coinbase ETP	XS2399367254	09-Nov-71	1,096,593	860,785	255,322	506,133,140
3X Long Financials ETP	XS2399369540	09-Nov-71	109,129	200,000	94,299	200,000
3X Long Gold Miners ETP	XS2399369896	09-Nov-71	458,469	967,025	287,561	521,590
3X Long Moderna ETP	XS2399365639	09-Nov-71	255,550	4,000,935	192,484	3,020,940
3X Long NIO ETP	XS2399365472	09-Nov-71	517,981	476,040,535	1,647,107	35,974,610
3X Long Oil & Gas ETP	XS2399370555	09-Nov-71	347,507	137,970	180,350	109,755
3X Long Semiconductors ETP	XS2399367502	09-Nov-71	175,535	1,129,335	113,875	555,220
3X Long Taiwan Semiconductor ETP	XS2399365043	09-Nov-71	249,451	1,714,935	94,014	373,700
3X Long Total World ETP	XS2399364822	09-Nov-71	223,966	510,235	136,026	290,235
5X Long US 500 ETP	XS2399364582	09-Nov-71	937,605	5,142,220	501,846	2,138,370
5X Long US Tech 100 ETP	XS2399364152	09-Nov-71	3,763,258	92,892,825	2,690,405	30,790,575
ARKG Genomic Tracker ETP	XS2399368062	09-Nov-71	581,680	1,248,055	327,734	628,900
ARKK Innovation Tracker ETP	XS2399369037	09-Nov-71	3,611,193	11,083,585	2,106,586	5,052,115
Balance carried forward			106,207,002	8,912,233,867	156,208,045	2,350,125,203

## Notes to the financial statements (continued)

For the half financial year ended 31 December 2022

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

The financial liabilities in issue at 31 December 2022 and 30 June 2022 are as follows (continued):

Description	ISIN	Maturity date	Fair value	Nominal Amount	Fair value	Nominal Amount
			31-Dec-22	31-Dec-22	30-Jun-22	30-Jun-22
			USD	USD	USD	USD
Balance brought forward (from previous page)			106,207,002	8,912,233,867	156,208,045	2,350,125,203
ARKW NextGen Internet	XS2399368575	09-Nov-71	201,545	640,565	256,581	640,565
Berkshire Hathaway	XS2399369201	09-Nov-71	213,755	200,000	189,272	200,000
Kronos Strategy ETP	XS2338070365	09-Nov-71	1,444,457	1,683,435	1,770,410	2,110,000
Gold ETP	XS2472195101	17-May-72	307,212	351,130	186,770	200,000
WTI Oil ETP	XS2472195366	17-May-72	111,697	200,000	163,232	200,000
Silver ETP	XS2472195952	17-May-72	197,581	200,000	150,274	200,000
South Korea ETP	XS2472196257	17-May-72	120,348	234,830	128,135	200,000
China ETP	XS2472196414	17-May-72	38,938	70,900	226,661	200,000
Taiwan ETP	XS2472196687	17-May-72	180,467	380,060	140,528	200,000
Japan ETP	XS2472196844	17-May-72	197,582	255,080	158,025	200,000
US Tech 100 ETP	XS2472197065	17-May-72	285,774	536,580	147,232	200,000
US 500 ETP	XS2472197149	17-May-72	265,109	373,620	151,612	200,000
Germany 40 ETP	XS2472331995	17-May-72	361,275	442,300	135,713	200,000
Coupang ETP	XS2472332530	17-May-72	150,719	231,030	177,353	200,000
Xpeng ETP	XS2472332704	17-May-72	182,564	20,599,670	342,694	200,000
Linde (LIN) ETP	XS2472332969	17-May-72	153,388	173,190	135,481	200,000
Siemens (SIE) ETP	XS2472333181	17-May-72	210,414	230,870	90,456	200,000
Mercedes Benz (MBG) ETP	XS2472333348	17-May-72	17,806	30,580	105,382	200,000
Infineon (IFX) ETP	XS2472333694	17-May-72	158,345	236,620	95,473	200,000
Volkswagen (VW) ETP	XS2472333850	17-May-72	13,067	37,310	110,824	200,000
ASML ETP	XS2472334072	17-May-72	150,562	256,640	118,975	200,000
-3x Short Gold ETP	XS2472195283	17-May-72	82,467	85,460	209,768	200,000
-2x Short WTI Oil ETP	XS2472195440	17-May-72	137,943	112,910	234,569	200,000
-3x Short Silver ETP	XS2472196174	17-May-72	56,758	109,480	252,804	200,000
-3x Short South Korea ETP	XS2472196331	17-May-72	226,580	185,310	290,100	200,000
-3x Short China ETP	XS2472196505	17-May-72	174,354	220,560	158,006	200,000
-3x Short Taiwan ETP	XS2472196760	17-May-72	135,456	99,350	270,216	200,000
-3x Short Japan ETP	XS2472196927	17-May-72	126,088	129,810	243,066	200,000
-3x Short Germany 40 ETP	XS2472332290	17-May-72	182,841	185,910	298,950	200,000
-3x Short Coupang ETP	XS2472332613	17-May-72	197,452	1,664,600	163,008	200,000
-3x Short Xpeng ETP	XS2472332886	17-May-72	241,394	701,510	70,794	200,000
-3x Short Linde (LIN) ETP	XS2472333009	17-May-72	104,775	118,210	297,526	200,000
-3x Short Siemens (SIE) ETP	XS2472333264	17-May-72	54,657	89,640	413,890	200,000
-3x Short Mercedes Benz ETP	XS2472333421	17-May-72	93,375	111,110	361,954	200,000
-3x Short Infineon (IFX) ETP	XS2472333777	17-May-72	72,767	131,150	379,460	200,000
-3x Short Volkswagen ETP	XS2472333934	17-May-72	174,155	144,840	348,481	200,000
-3x Short ASML ETP	XS2472334155	17-May-72	164,919	286,610	307,927	200,000
-3x Short Microsoft ETP	XS2472334239	17-May-72	68,335	76,000	215,243	200,000
-3x Short Amazon ETP	XS2472334312	17-May-72	146,583	99,730	286,878	200,000
-3x Short Facebook ETP	XS2472334403	17-May-72	214,811	175,770	300,464	200,000
-3x Short Alibaba ETP	XS2472334585	17-May-72	208,346	624,070	207,623	470,000
-3x Short Apple ETP	XS2472334742	17-May-72	407,039	450,380	229,235	200,000
-3x Short Alphabet ETP	XS2472335046	17-May-72	205,045	154,500	227,572	200,000
-3x Short Nvidia ETP	XS2472335129	17-May-72	596,985	952,880	325,783	200,000
Wahed FTSE USA Shariah ETP	XS2545629631	08-Nov-72	102,042	100,000	-	-
-3X Short Coinbase ETP	XS2399367411	09-Nov-71	-	-	1,368,895	338,330
			115,344,774	8,946,608,067	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.

**Notes to the financial statements (continued)**

For the half financial year ended 31 December 2022

<b>12 Other payables</b>	<b>31-Dec-22</b>	<b>30-Jun-22</b>
	<b>USD</b>	<b>USD</b>
Interest payable	1,316,428	931,908
Fees payable to Arranger	173,352	190,255
VAT payable to Arranger	17,142	17,142
Corporation tax accrued	19,715	4,622
Redemption Payable	687,655	-
	<u>2,214,292</u>	<u>1,143,927</u>

**13 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 1,000,000. GWM Limited has a limited recourse on the proceeds out of the ETP issuance.

The balance payable to GWM Limited at the year end is USD 1,467,239 (30 June 2022: USD 65,204). This balance is a related party transaction, as it has the same ultimate beneficial owner as the Arranger. This receivable amount is not subject to interest and is receivable within 1 year.

**14 Called up share capital presented as equity**

<i>Authorised:</i>	<b>31-Dec-22</b>	<b>30-Jun-22</b>
	<b>USD</b>	<b>USD</b>
25,000 ordinary shares of EUR1 each	<u>26,703</u>	<u>26,703</u>
<i>Issued, called up and fully paid:</i>	<b>USD</b>	<b>USD</b>
25,000 ordinary shares of EUR1 each	<u>26,703</u>	<u>26,703</u>

**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 (2021: USD Nil).

The share trustees 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 Administrator and Directors*

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 to the interim financial statements.

Apex IFS Limited provides services such as accounting and reporting, company secretarial and other administration services to the Company. Lisa Hand is a Director of Apex IFS Limited and a Director of the Company.

*Transactions with Arranger*

Leverage Shares Management Company Limited provides arrangement services to the Company. The Company incurred fees for such services amounting to USD 653,560 (31 December 2021: USD 392,913) during the financial period under review. In return for this, Leverage Shares Management Company Limited pays all operating expenses as described in note 6 to the interim financial statements. As at 31 December 2022, the balance payable to Leverage Shares Management Company Limited is disclosed under notes 9 and 12 to the interim financial statements.

*Transactions with Portfolio Administrator*

A director and ultimate shareholder of the Arranger, Jose Gonzalez, is also a director and ultimate shareholder of GWM Limited. GWM Limited acts as portfolio administrator and broker dealer of record for the Company. Balances with GWM Limited are disclosed in note 13 to the interim financial statements.

*Transactions with Determination Agent*

A director and ultimate shareholder of the Arranger, Jose Gonzalez, is also the owner of Calculation Agent Services LLC. Calculation Agent Services LLC acts as determination agent for the Company.

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

No director of the Company held any ETPs as at 31 December 2022 and/or during the financial period (30 June 2022: none).

**Notes to the financial statements (continued)**

For the half financial year ended 31 December 2022

**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***

Any change in the benchmark rate for the margin account will be offset by a change in the valuation of the ETP Securities. The ETP Security value includes cash borrowing costs. This is the finance expense on the margin account. The finance expense on the margin account equates to a daily margin interest rate corresponding to the relevant benchmark rate plus one per cent and as a result is floating in nature.

**(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 Company's 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. As at 31 December 2022, the Company is owed EUR 26,703 from Leverage Shares LLC (30 June 2022: Eur 26,703). As the balance is minimal, the Directors are satisfied that the Company faces minimal currency risk and thus have not included any sensitivity analysis in these financial statements.

**(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.

**Notes to the financial statements (continued)**

For the half financial year ended 31 December 2022

**17 Financial risk management (continued)**

**(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.

The broker and the Custodian for the Component Securities, held on 31 December 2022 is Interactive Brokers Ireland Limited. Interactive Brokers Ireland Limited has a BBB+ (30 June 2022: BBB+) Outlook Positive 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 interim 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.

**(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 to the interim financial statements. 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 half financial year ended 31 December 2022****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.

**18 Subsequent events**

There has been no significant subsequent event that requires disclosures and/or adjustments to the financial statements, up to the date of signing this report.

**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 period. No changes were made to the objectives, policies or processes for managing capital since the beginning of the financial period.

**20 Comparatives**

In line with IAS 34, the comparative information for the Statement of comprehensive income, Statement of cash flows and Statement of changes in equity are for the half financial year ended 31 December 2021 and the comparative information for the Statement of financial position is as at 30 June 2022.

**21 Commitments and Contingencies**

The Company had no commitments or contingencies as at 31 December 2022 (30 June 2022: none).

**22 Approval of financial statements**

The Directors authorised these financial statements for issue on 29 March 2023.