

ETSF Fund SICAV plc (SV410)
475, Triq il-Kbira San Guzepp,
Santa Venera, SVR 1011, Malta

COMPANY ANNOUNCEMENT

FOURTH ANNUAL GENERAL MEETING

ETSF Fund SICAV p.l.c. announces that at the Fourth Annual General Meeting of the Company held on Monday 24th October 2022 at 11:00 hours (CET) the members present approved all the ordinary resolutions on the Agenda.

There were no changes to the Board of Directors, hence the Board consists of the following persons:

Dr Alexander Lindemann;
Dr Frank Chetcuti Dimech; and
Mr Benjamin Muscat

Additionally, the members approved the fixed profit distribution of 10% to the two founder shareholders for the period ending 30 June 2022, specifically EUR 10 to Dr Jurg Wissmann and EUR 90 to Dr Alexander Lindemann.

Mazars Malta were also re-appointed as the Company's auditors.

Pursuant to requirement in terms of Listing Rule 8.35, to publish and make available to the public an Annual Report and audited accounts as of 30 June 2022, the Company would like to announce that the duly approved Financial Statements will be forwarded to both the local Authority and Malta Business Registry respectively, whereby they will be uploaded on the website of the Malta Business Registry in due course. A copy of the Financial Statements can also be found attached with this Company Announcement.

Dated this the 25th day of October 2022



Ms Lesley-Ann Lewis
For and on behalf of
BOV Fund Services Limited
Company Secretary

ETSF Fund SICAV p.l.c.

Annual Report and Financial Statements for the year ended 30 June 2022

475, Triq il-Kbira San Guzepp,
Santa Venera SVR 1011, Malta

Company registration number: SV 410

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Management and Administration

DIRECTORS

Dr. Alexander Lindemann
Mr. Victor Zammit (until 1 July 2021)
Mr. Benjamin Muscat
Dr. Frank Chetcuti Dimech (as from 1 July 2021)

REGISTERED OFFICE

475, Triq il-Kbira San Guzepp,
Santa Venera SVR 1011, Malta

COUNTRY OF INCORPORATION

Malta

COMPANY REGISTRATION NUMBER

SV 410

ADMINISTRATOR, COMPANY SECRETARY, REGISTRY AND TRANSFER AGENT

BOV Fund Services Limited,
58, Zachary Street,
Valletta, VLT 1130,
Malta.
*Recognised to provide fund administration
services by the Malta Financial Services
Authority*

EXECUTION BROKERS AND SAFEKEEPING FUNCTION

Bank Frick & Co. AG
Landstrasse 14,
FL-9496 Balzers,
Liechtenstein.

One Swiss Bank
Chemin des Mines 9,
1202 Genève,
Switzerland

INVESTMENT COMMITTEE

Mr. Ueli Spoerri
Mr. Robert John Ducker
Mr. Peter Vrkljan

AUDITOR

Mazars Audit & Assurance
The Watercourse, Level 2,
Mdina Road, Zone 2, Central Business District,
Birkirkara CBD 2010
Malta

Management and Administration

PORTFOLIO MANAGER

MRB Fund Partners AG (as of 10 August 2022)
Fraumünsterstrasse 11,
CH – 8001 Zurich,
Switzerland.

Mr. Ueli Spoerri (up to 10 August 2022)
Fraumünsterstrasse 9,
CH – 8001 Zurich,
Switzerland.

INVESTMENT ADVISOR with respect to bonds

One Swiss Bank
Chemin des Mines 9,
1202 Genève,
Switzerland

LEGAL ADVISORS

LINDEMANNLAW-Lindemann Rechtsanwälte
Mühlegasse 11,
8001 Zurich,
Switzerland.

Description

ETSF Fund SICAV p.l.c. ("the Company") is a self-managed collective investment scheme established as a multi-fund investment company with variable share capital (SICAV) incorporated with limited liability under the laws of Malta and licensed by the MFSA as a Professional Investor Fund targeting Qualifying Investors. The day to day management of the assets of the Company and its sub-funds will be undertaken through the investment committee and the portfolio manager.

The Company was incorporated on 6 April 2016 and as at 30 June 2022 it consisted of two sub-funds; the ETF Market Value Fund and the ETF Seven-4T Fund (collectively referred to as the 'sub-funds').

On 10 April 2017, both sub-funds were granted a primary listing and admitted to the official list of the Malta Stock Exchange.

Portfolio Manager's Report

For the year ended 30th June 2022

Market Overview

The reporting year was still accompanied by the Covid-19 pandemic, with which we were first confronted with in early 2020. Only in February 2022 most countries retreated from their Covid measures. However, China is still sticking to its zero Covid policy, which lead to lock-downs in several Chinese cities, especially in Shanghai in the first half of 2022, delaying the recovery from supply-chain constraints.

The reporting period was also accompanied by the fast-growing inflation rates all over the world, starting in the middle of 2021, reaching 9.1% in the USA by the end of June 2022. Central banks reacted only hesitantly, having underestimated the inflation threats, called for by supply chain bottle necks, especially in the computer chips industry, fiscal stimuli provided by the Biden government in the USA by providing pay checks to its citizens (helicopter money). Finally, in the beginning of 2022 the Fed hiked interest rates three times this year to a range of 1.5% to 1.75% by the end of June. Further hikes are expected. And the Fed stopped its bond purchase program (QE), and later on started Quantitative Tightening (QT). The 10-year US Treasury Bond has risen from around 1.50% last June to around 3% this June. The ECB is expected to finally rise rates in July 2022, while the Swiss National Bank increased rates by a surprise hike of 0.50% in June 2022.

As if the above, supply bottle necks, rising inflation, Covid and QT wouldn't have been enough, there was the Russian invasion of Ukraine in February this year, using energy as a weapon against the west, pushing the oil price to above USD 100 per barrel and the gas price to levels not seen before.

Stock markets broadly accelerated till about summer 2021. From there it was only a small group of large capitalized stocks from the FANG group, which supported the indexes. But by the end of 2021 also tech shares started losing support, which got worse by the start of the new year. By end of June 2022 the Nasdaq index lost over 20%. Growth stocks, to which group tech stocks belong, suffered particularly from the increased interest rates because it makes the calculation of future profits through discounting cash flow models more expensive.

Portfolio Activity ETFs Seven-4T Fund

In Fall of 2021 we placed stop loss limits on the tech stocks, sold unprofitable positions and took some profits. A large part of bonds quoted above 100% was sold and with part of the proceeds a bond fund was acquired. Two Private Equity positions were added in Fall. At year end we started to accumulate European shares and some US banking stocks through ETF. In January we also accumulated positions in global energy ETF and iShares on US oil equipment and services as well as an iShares on US oil & gas exploration & production ETF. The equity portion of the portfolio was continuously increased over the reporting period, as had already been the case in the prior years.

The shopping list to take profit from a wash-out at the stock market is ready. It consists mainly of broadly invested actively managed certificates.

Portfolio Activity ETFs Market Value Fund

Towards year end 2021 one of the Private Debts was repaid, including interest payment. At the same time, one small Private Equity investment was made.

The Sub-Fund mainly consists of unquoted investments, precious metals, bonds and cash.

The Sub-Fund now has liquidity to increase the equity position. However, we are waiting for better entry opportunities.

Directors' Report

For the year ended 30th June 2022

The Directors present herewith their report and audited financial statements for ETF Fund SICAV p.l.c. for the period ended 30 June 2022.

Principal Activities

The ETF Fund SICAV p.l.c. ("the Company") whose registered office is located at 475, Triq il-Kbira San Guzepp, Santa Venera, SVR 1011, Malta was registered in Malta on 6 April 2016. The Company was licensed as a Professional Investor Fund by the Malta Financial Services Authority ("MFSA") on 7 April 2017.

The Company is licensed by the MFSA under the Investment Services Act (Chap. 370), targeting Qualifying Investors and is constituted as a public limited company under the Companies Act (Chap. 386).

The Company has constituted two segregated sub-funds which are segregated patrimonies and are represented by two different classes of shares. These financial statements comprise the combined financial statements of the following sub-funds which were licensed as at 30 June 2022:

- ETF Seven-4T Fund
- ETF Market Value Fund.

The Investment Objective of each sub-fund is to invest on a long-term basis, keeping a diversified portfolio and achieving at least preservation of capital.

Business Review

The results for the year ended 30 June 2022 are shown in the statement of comprehensive income on page 13. The Company reported a decrease in total assets under management of \$6,171,629 (2021: increase of \$6,627,114). As at 30 June 2022, the combined net assets attributable to holders of redeemable shares amounted to \$87,191,401 (2021: \$94,950,102). The table below includes further details regarding the performance of the sub-funds during the reporting period:

Sub Funds	NAV/Unit 30/06/2022	NAV/Unit 30/06/2021	YTD Performance	Assets under Management 30/06/2022	Net Subscriptions/ (Redemptions)
ETF Seven 4T Fund	\$93.7932	\$105.1431	(\$6,802,272)	\$54,353,520	Nil
ETF Market Value Fund	\$93.4996	\$96.3863	(\$956,429)	\$29,172,844	Nil

Details of the portfolio activity of the sub-funds and a review of the markets in which the sub-funds operate are given in the Portfolio Manager's Report on Page 6.

The Directors consider that the financial position of the Company as at the reporting date was satisfactory and that the Company is well placed to sustain the present level of activity in the foreseeable future. The Directors and the Investment Manager are confident that its business model is sustainable.

Risks, Uncertainties and the Risk Management Function

The successful management of risk is essential to enable the Company to achieve its objectives.

The ultimate responsibility for risk management rests with the Company's Directors, who evaluate the Company's risks appetite and formulate policies for identifying and managing such risks. The value of investments and income derived from them and therefore the value of investor shares in each sub-fund can go down as well as up and an investor may not get back the amount of capital he invests.

An investment in a particular sub-fund involves risks. These risks may include or relate to, among others, changes in economic conditions and political and market events.

Directors' Report (continued)

For the year ended 30th June 2022

These may include risks related to equity or bond markets, foreign exchange, credit and interest rates, market volatility, risks related to OTC and other Derivatives and risks related to private equity, real estate and other illiquid investments or any combination of these or other risks. At any time, certain policies, strategies, investment techniques and risk analysis may be employed for a sub-fund in order to achieve its investment objective; however, these can never be any guarantee that the desired results will be achieved. Such risks are further discussed in Note 12 of these financial statements and within the Offering Supplement for each sub-fund.

Geo-Political situation between Russia and Ukraine impact

After assessing the impact in relation to the geo-political situation between Russia and Ukraine which started in February 2022, it has been concluded that this did not impact the Company.

Changes to Investment Policies

As of 1 September 2022, Listed Equities are increased from 35% to 50% of Assets under Management of each sub-fund.

Change of the Portfolio Manager

As a result of the change in the Swiss law, Swiss portfolio managers have to be licensed by Swiss Financial Market Supervisory Authority FINMA as of January 2023. On 10 August 2022 MFSA approved MRB Fund Partners AG (former MRB Vermögensverwaltungs AG) ("MRB"), an asset manager, supervised and licensed by FINMA, to serve as a new Portfolio Manager of the Fund. Accordingly, as of 10 August 2022, the Fund engaged MRB as a Portfolio Manager. Ulrich Spoerri is employed by MRB and has an overall responsibility for the performance of the Portfolio Management function within MRB. The fees for the portfolio management services of MRB will remain the same as they were previously charged by Ulrich Spoerri.

Results and Dividends

Results for the period can be found in the Statement of Income on page 13 of these financial statement. The Company has declared to pay a dividend for the period ending 30 June 2022 to the holders of the Founder Shares in the amount of EUR 100.

Directors

The Directors who held office during the period under review and as at the date of this report are:

Dr Alexander Lindemann	(6 April 2016 to the present)
Mr Benjamin Muscat	(13 March 2017 to the present)
Dr Frank Chetcuti Dimech	(1st July 2021 till present)

During the year no business relationships existed between the Directors other than their involvement in this Company.

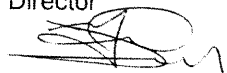
Standard License Conditions

During the period under review there were no breaches of the Standard License Conditions.

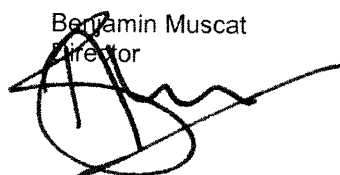
Auditors

A resolution to re-appoint Mazars Malta as auditors of the Company will be proposed at the annual general meeting. Approved by the Board of Directors and signed on its behalf on 24 October 2022 by:

Frank Chetcuti Dimech
Director



Benjamin Muscat
Director



Statement of Financial Position

as at 30 June 2022

	ETSF Fund SICAV p.l.c. Combined Statement	ETSF Seven-4T Fund	ETSF Market Value Fund
	2022	2022	2022
	\$	\$	\$
Assets			
Financial assets at fair value through profit or loss			
Investment in gold	43,278,619	33,411,542	9,867,077
Loans receivable	13,325,228	4,660,327	8,664,901
Fiduciary deposits	20,222,517	12,781,651	7,440,866
Other receivables	6,700,000	3,500,000	3,200,000
Cash and cash equivalents	134,293	100,938	33,355
Total assets	87,357,432	56,311,438	31,045,994
Liabilities			
Accrued expenses and other liabilities	166,031	98,787	67,244
Total liabilities (excluding net assets attributable to holders of issued shares)	166,031	98,787	67,244
Net assets attributable to holders of issued shares	87,191,401	56,212,651	30,978,750

Salient statistics

Shares in issue as at 30 June 2022

Shares in issue as at 30 June 2021

Shares in issue as at 30 September 2020

Net asset value as at 30 June 2022

Net asset value as at 30 June 2021

Net asset value as at 30 September 2020

Net asset value per share as at 30 June 2022

Net asset value per share as at 30 June 2021

Net asset value per share as at 30 September 2020

599,325,2005	331,324,7567
599,325,2005	331,324,7567
599,325,2005	331,324,7567
\$56,212,651	\$30,978,750
\$63,014,923	\$31,935,179
\$58,751,321	\$31,175,813
\$93,7932	\$93,4996
\$105,1431	\$96,3863
\$98,0341	\$94,0944

Notes

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Statement of Financial Position

as at 30 June 2021


	ETSF Fund SICAV p.l.c. Combined Statement	ETSF Seven-4T Fund	ETSF Market Value Fund
	2021	2021	2021
	\$	\$	\$
Assets			
Financial assets at fair value through profit or loss			
Investment in gold	54,235,944	39,510,244	14,725,700
Loans receivable	12,946,403	4,529,638	8,416,765
Other receivables	22,515,646	14,035,169	8,480,477
Cash and cash equivalents	184,114	166,938	17,176
Total assets	5,212,451	4,861,057	351,394
	95,094,558	63,103,046	31,991,512
Liabilities			
Accrued expenses and other liabilities	144,456	88,123	56,333
Total liabilities (excluding net assets attributable to holders of issued shares)	144,456	88,123	56,333
Net assets attributable to holders of issued shares	94,950,102	63,014,923	31,935,179


Notes

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The accounting policies and notes on pages 17 to 44 are an integral part of these financial statements.

These financial statements on pages 9 to 44 were authorised for issue by the Board of Directors on the 24 October 2022 and were signed on its behalf by:


Frank Chetcuti Dimech
Director


Benjamin Mdscaat
Director

Statement of Changes in Net Assets attributable to Holders of Issued shares

for the year ended 30 June 2022

	ETSF Fund SICAV p.l.c. Combined Statement	ETSF Seven- 4T Fund	ETSF Market Value Fund
	01.07.2021 - 30.06.2022 \$	01.07.2021 - 30.06.2022 \$	01.07.2021 - 30.06.2022 \$
Net assets attributable to holders of issued shares at the beginning of the year	94,950,102	63,014,923	31,935,179
Share transactions:			
Issue/redemption of issued shares during the year	-	-	-
Decrease in net assets attributable to holders of issued shares during the period – total comprehensive income	(7,758,701)	(6,802,272)	(956,429)
Net assets attributable to holders of issued shares at the end of the year	87,191,401	56,212,651	30,978,750

Statement of Changes in Net Assets attributable to Holders of Issued shares

for the year ended 30 June 2021

	ETSF Fund SICAV p.l.c. Combined Statement	ETSF Seven- 4T Fund	ETSF Market Value Fund
	01.07.2020 - 30.06.2021	01.07.2020 - 30.06.2021	01.07.2020 - 30.06.2021
	\$	\$	\$
Net assets attributable to holders of issued shares at the beginning of the year	89,931,134	58,754,321	31,176,813
Share transactions:			
Issue of issued shares during the year	-	-	-
Increase in net assets attributable to holders of issued shares during the year – total comprehensive income	5,018,968	4,260,602	758,366
Net assets attributable to holders of issued shares at the end of the year	94,950,102	63,014,923	31,935,179

The accounting policies and notes on pages 17 to 44 are an integral part of these financial statements.

Statement of Comprehensive Income

for the year ended 30 June 2022

	ETSF Fund SICAV p.l.c. Combined Statement	ETSF Seven-4T Fund	ETSF Market Value Fund
	01.07.2021 - 30.06.2022	01.07.2021 - 30.06.2022	01.07.2021 - 30.06.2022
	\$	\$	\$
Income			
Dividend income	303,374	254,413	48,961
Movement in market value of gold	378,824	130,689	248,135
Other net fair value movements on financial instruments at fair value through profit or loss	(8,086,435)	(6,913,097)	(1,173,338)
Interest income	462,746	312,866	149,880
Interest income on financial assets measured at amortised cost	333,920	191,677	142,243
Net foreign exchange loss on cash and cash equivalents	(99,700)	(92,131)	(7,569)
Impairment charge on loans receivable	-	-	-
	(6,707,271)	(6,115,583)	(591,688)
Expenses			
Portfolio management and investment advisory fees	368,344	251,818	116,526
Administration fees	38,613	18,458	20,155
Executing brokers fees	190,184	140,640	49,544
Investment committee fees	17,242	8,621	8,621
Legal and professional fees	250,176	135,941	114,235
Directors' fees	32,210	16,105	16,105
Other operating expenses	101,617	70,526	31,091
	998,386	642,109	356,277
Operating loss	(7,705,657)	(6,757,692)	(947,965)
Withholding taxes	(53,044)	(44,580)	(8,464)
Decrease in net assets attributable to holders of issued shares - total comprehensive income	(7,758,701)	(6,802,272)	(956,429)

Note

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Statement of Comprehensive Income

for the year ended 30 June 2021

ETSF Fund SICAV P.L.C.

	ETSF Fund SICAV p.l.c. Combined Statement	ETSF Seven-4T Fund	ETSF Market Value Fund
	01.07.2020 - 30.06.2021	01.07.2020 - 30.06.2021	01.07.2020 - 30.06.2021
	\$	\$	\$
Income			
Dividend income	119,683	107,628	12,055
Movement in market value of gold	(1,151,598)	(52,425)	(1,099,173)
Other net fair value movements on financial instruments at fair value through profit or loss	6,038,136	4,054,339	1,983,797
Interest income	695,644	609,601	86,043
Interest income on financial assets measured at amortised cost	302,572	170,734	131,838
Net foreign exchange gain on cash and cash equivalents	101,751	70,643	31,108
Impairment charge on loans receivable	-	-	-
	6,106,188	4,960,520	1,145,668
Expenses			
Portfolio management and investment advisory fees	377,355	256,827	120,528
Administration fees	36,551	22,301	14,250
Executing brokers fees	206,643	165,278	41,365
Investment committee fees	29,148	14,574	14,574
Legal and professional fees	252,842	125,484	127,358
Directors' fees	34,572	17,286	17,286
Other operating expenses	120,140	68,199	51,941
	1,057,251	669,949	387,302
Operating profit/(loss)	5,048,937	4,290,571	758,366
Withholding taxes	(29,969)	(29,969)	-
	5,018,968	4,260,602	758,366
Increase in net assets attributable to holders of issued shares - total comprehensive income	5,018,968	4,260,602	758,366

The accounting policies and notes on pages 17 to 44 are an integral part of these financial statements.

Statement of Cash Flows

for the year ended 30 June 2022

	ETSF Fund SICAV p.l.c. Combined Statement	ETSF Seven-4T Fund	ETSF Market Value Fund
	01.07.2021 - 30.06.2022	01.07.2021 - 30.06.2022	01.07.2021 - 30.06.2022
	\$	\$	\$
Cash flows from operating activities			
Interest income received	428,109	577,989	(149,880)
Dividends received	723,291	247,885	475,406
Operating expenses paid	(944,671)	(598,710)	(345,961)
Tax paid	(53,044)	(44,580)	(8,464)
Net movement on investments	(1,668,941)	(3,186,241)	1,517,300
Net cash flows (used in)/generated from operating activities	(1,515,256)	(3,003,657)	1,488,401
Cash flows from financing activities			
Transfers between sub-funds	-	-	-
Net cash flows from financing activities	-	-	-
Net (decrease)/increase in cash and cash equivalents	(1,515,256)	(3,003,657)	1,488,401
Cash and cash equivalents at beginning of the year	5,212,451	4,861,057	351,394
Net foreign exchange gain on cash and cash equivalents	(420)	(420)	-
Cash and cash equivalents at end of the year	3,696,775	1,856,980	1,839,795

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Note

Statement of Cash Flows

for the year ended 30 June 2021

ETSF Fund SICAV P.L.C.

	ETSF Fund SICAV p.l.c. Combined Statement 01.07.2020 - 30.06.2021 \$	ETSF Seven-4T Fund 01.07.2020 - 30.06.2021 \$	ETSF Market Value Fund 01.07.2020 - 30.06.2021 \$
Cash flows from operating activities			
Interest income received	999,417	781,536	217,881
Dividends received	114,928	102,873	12,055
Operating expenses paid	(1,062,577)	(669,049)	(393,528)
Tax paid	(29,969)	(29,969)	-
Net movement on investments	(1,746,225)	(1,875,827)	129,602
Net cash flows used in operating activities	(1,724,426)	(1,690,436)	(33,990)
Cash flows from financing activities			
Transfers between sub-funds	-	-	-
Net cash flows from financing activities	-	-	-
Net decrease in cash and cash equivalents	(1,724,426)	(1,690,436)	(33,990)
Cash and cash equivalents at beginning of the year	6,835,126	6,480,850	354,276
Net foreign exchange gain on cash and cash equivalents	101,751	70,643	31,108
Cash and cash equivalents at end of the year	5,212,451	4,861,057	351,394
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The accounting policies and explanatory notes on pages 17 to 44 are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

1.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted for use in the European Union ("EU"), and comply with the Maltese Companies Act (Cap. 386). They have also been prepared in accordance with the requirements of the Malta Financial Services Authority's ("MFSA") investment services rules for Collective Investment Schemes on the basis of going concern. These financial statements have been prepared under the historical cost convention, as modified by the fair valuation of financial assets and liabilities at fair value through profit or loss and investment in gold.

The preparation of financial statements in conformity with IFRS as adopted by the EU requires the use of certain accounting estimates. It also requires Directors to exercise their judgement in the process of applying the Company's accounting policies (Note 2 - Critical accounting estimates and judgements).

As at 30 June 2022, the Company had two sub-funds, the ETF Seven-4T Fund and the ETF Market Value Fund (collectively the "sub-funds"). Each participating share which the Company issues is allocated to a class representing a particular Fund. The Company maintains a separate account for each sub-fund to which the proceeds are credited, and against which expenses are charged. Upon redemption, shareholders are entitled only to their proportion of the net assets held in the account relating to the sub-fund in which their participating shares are designated.

Separate statements of financial position, changes in net assets attributable to holders of issued shares, comprehensive income and cash flows have accordingly been prepared for each sub-fund. All references to net assets throughout this document refer to net assets attributable to holders of issued shares.

Standards and amendments to existing standards effective 1 July 2021

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on or after 1 July 2021 that have a material effect on the financial statements of the Fund.

New standards, interpretations, and amendments to existing standards, issued but not yet adopted

A number of new standards, interpretations and amendments to existing standards are effective for annual periods beginning after 1 July 2021, and have not been early adopted in preparing these financial statements. None of these are expected to have a material impact on the Company's financial statements in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.2 FOREIGN EXCHANGE TRANSLATION

(a) Functional and presentation currency

The Company's designated currency is the United States Dollar (\$), which is the presentation currency used for the combined statements.

The sub-funds' functional currency is the currency of denomination of each sub-fund as stipulated in the offering memorandum. The United States Dollar (\$) is the functional currency of the ETSF Seven-4T Fund and the ETSF Market Value Fund.

(b) Transactions and balances

Transactions carried out in currencies other than the functional currency of each sub-fund, are translated at exchange rates prevailing at the transaction dates. Assets and liabilities designated in currencies other than the functional currency are translated into the functional currency at exchange rates prevailing at the Company's period-end. All resulting differences are taken to the statement of comprehensive income.

Translation differences on financial assets held at fair value through profit or loss are reported as part of the 'Other net fair value movements on financial assets at fair value through profit or loss'. While translation differences on cash and cash equivalents are part of 'Net foreign exchange gain on cash and cash equivalents'.

1.3 FINANCIAL INSTRUMENTS

(a) Classification

Financial instruments are classified into the following categories:

- At fair value through profit or loss
- At amortised cost

The classification depends on the nature and purpose of the financial instrument and is determined at the time of initial recognition.

Financial assets and liabilities at fair value through profit or loss

(i) Assets

The company classified its investments based on both the sub-funds' business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. Each portfolio of financial assets is managed, and performance is evaluated on a fair value basis. The sub-funds' are primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The sub-funds' have not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the sub-funds' debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the sub-funds' business model's objective. Consequently, both equity and debt securities are measured at fair value through profit or loss.

(ii) Liabilities

Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.3 FINANCIAL INSTRUMENTS (CONTINUED)

Valuation of investments in other funds

The company's investments in other funds ('investee funds') are subject to the terms and conditions of the respective investee funds' offering documentation. The investments in investee funds are valued based on the latest available redemption price of such units for each investee fund, as determined by the investee funds' administrators. The company reviews the details of the reported information obtained from the investee funds and considers:

- The liquidity of the investee fund or its underlying investments;
- The value date of the net asset value (NAV) provided;
- Any restrictions on redemptions; and
- The basis of accounting

If necessary, the company makes adjustments to the NAV of various investee funds to obtain the best estimate of fair value. Other net changes in fair value on financial instruments at fair value through profit or loss in the statement of comprehensive income include the change in fair value of each investee fund.

Financial assets at amortised cost

The company classifies its financial assets at amortised cost only if both the following criteria are met:

- The asset is held with a business model whose objectives is to collect contractual cash flows; and
- The contractual terms give rise to cash flows that are solely payment of principal and interest

Financial asset and liabilities measured at amortised cost include loans receivable, term deposits, cash and cash equivalents, accrued expenses and other liabilities and amounts due to broker.

(b) Recognition, derecognition and measurement

Regular purchases and sales of investments are recognised on the trade date – the date on which the sub-funds commit to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income. Financial assets and liabilities other than those classified at fair value through profit or loss are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the sub-fund has transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within other net gain/(loss) on financial assets and liabilities at fair value through profit or loss in the period in which they arise.

Financial assets and liabilities other than those classified at fair value through profit or loss are subsequently measured at amortised cost using effective interest method, less any allowance for impairment.

Financial assets gains and losses are recognised in profit or loss when are derecognised, as well as through the amortisation process. The company derecognizes a financial liability when the obligation under the liability is discharged, cancelled, or expired.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Fair value estimation

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial instruments listed or dealt on a regulated market, is based on the latest available price, appearing to the Investment Manager. In the case of financial instruments which are quoted, listed or normally dealt in or under the rules of a regulated market but in respect of which, for any reason, prices on that regulated market may not be available at any relevant time, the value thereof is determined by reference to prices sought from dealers, brokers or pricing service providers. The fair values of unquoted investments are established by using valuation techniques. These include reference to recent financial statements and similar financial instruments as well as option pricing models.

1.4 INVESTMENT IN GOLD

Purchases and sales of gold is recognised on a trade date basis, being the date on which the Company commits to purchase or sell the asset. Gold is initially recognised at cost. Transaction costs are expensed as incurred.

Gold is subsequently re-measured at market value, using market prices. Realised and unrealised gains and losses arising from changes in the market value of gold are included in the statement of comprehensive income.

An investment in gold is derecognised upon disposal. The gain or loss on disposal should be calculated as the difference between the net disposal proceeds and the carrying amount of the asset and should be recognised as income or expense in the statement of comprehensive income within 'Movement in market value of gold' in the year in which they arise.

1.5 OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

1.6 OTHER RECEIVABLES

Other receivables represent amounts receivable, for interest due but not yet received by the end of the year. These amounts are initially recognised at fair value and subsequently measured at amortised cost.

At each reporting date, the Company shall measure the loss allowance on any amount owed to the Company at the amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Company shall measure the loss allowance at an amount equal to 12-month expected credit losses.

The company measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss.

Significant financial difficulties of a debtor, probability that a debtor will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance.

1.7 AMOUNTS DUE TO BROKER

Amounts due to brokers represent payables for securities purchased that have been contracted for but not yet delivered on the statement of financial position date. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.8 ACCRUED EXPENSES

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

1.9 REDEEMABLE SHARES

The company issues redeemable shares, which are redeemable at the holder's option and are classified as financial liabilities. Redeemable shares can be put back to the respective sub-fund at any time for cash equal to a proportionate share of that sub-fund's net asset value ("NAV"). The redeemable shares are carried at amortised cost which corresponds to the redemption amount that is payable at year-end if the holder exercises the right to put the shares back to the respective Fund. Redeemable shares are issued and redeemed at the holder's option at the prices based on the respective Fund's NAV per share at the time of issue or redemption.

Due to the fact that since the first investment by the investors into the sub-funds, no redemptions took place, a de facto lock-up existed since then. The company decided to formalise this lock-up through a limitation on the investors whereby the latter do not have any redemption rights exercisable during the 5-year period from 30 June 2017 up to 30 June 2022.

The NAV per share is calculated by dividing the net assets attributable to the holders of issued/redeemable shares with the total number of outstanding issued/redeemable shares. In accordance with the offering memorandum, investment positions are valued based on the last traded market price for the purpose of determining the NAV per share for subscriptions and redemptions.

1.10 INCOME RECOGNITION

All distributions from financial assets included in the statement of comprehensive income are recognised on the date on which the stock is quoted ex-dividend. Interest income from financial assets not classified at fair value through profit or loss is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established. Other gains or losses, arising from changes in the fair value of the financial assets and liabilities at fair value through profit or loss category are presented in the statement of comprehensive income within 'Other net fair value movements on financial assets at fair value through profit or loss' in the period in which they arise.

1.11 EXPENSES AND TRANSACTIONS COSTS

Expenses are accounted for on an accrual basis and are expensed as incurred. Transaction costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to brokers. Transaction costs, when incurred are immediately recognised in profit or loss as an expense.

1.12 CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents comprise deposits held at call with banks.

1.13 TAXATION

The company is registered in Malta. The sub-funds currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are shown as a separate line item in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

1.14 INCREASE/DECREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF ISSUED SHARES FROM OPERATIONS

Income not distributed is included in net assets attributable to holders of issued shares. Movements in net assets attributable to holders of issued shares are recognised in the statement of comprehensive income.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and based on experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

2.1 Estimated impairment/recoverable amounts of unquoted loans classified as loans and receivables

As at 30 June 2022, the sub-funds held unquoted loans as disclosed in Note 3 which are carried at amortised cost.

The directors of the Company engaged an independent consultancy firm in order to assist them in determining the expected credit losses based on available financial information of such loans. In their review, the independent valuers applied valuation techniques that are commonly accepted.

A brief summary on the unquoted loans is being provided here under:

Latvian Chocolate Factory Project

A holding company of a Latvian registered chocolate factory, sought €5.485 m from each of the Company's sub-funds (total of €10.97m) for the setting up and development of the business, including the purchase and installation of production equipment and investments in product development.

The loan agreements have been replaced and superseded by a profit participation loan agreement with an effective date of 1st January 2019.

The recent developments in the performance of the underlying investment have led management and the board to believe a very high risk of defaulting on a significant portion of the loan. In actual fact, 90% of the expected loan repayments will not be expected, and hence a 85% reduction shall be taken on all planned capital repayments and 90% of accrued interest to final date of repayment.

NOTES TO THE FINANCIAL STATEMENTS

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

2.1 Estimated impairment/recoverable amounts of unquoted loans classified as loans and receivables (continued)

West Village, New York Apartment Building Construction Project

In 2019, the sub-funds invested in this project, located in the heart of the prestigious West Village. As of June 2020, through both sub-funds, the Company has made a total of \$7,692,326 available, broken down into tranches, towards the development of the project. Construction is expected to be completed by end of December 2022.

Park Avenue, New York Office Building Project

As of March 31, 2022, the property is 97% leased (which is above the average for Manhattan) with an office vacancy on the 13th and 19th Floors. In April 2019, the Company committed to lend \$500,000 towards the development of the project.

Chicago Multi Tennant Commercial Building Project

Both sub-funds have each invested \$2,000,000 in a profit participating/preferred equity loan in this project, which is a 31-storey, Class A trophy office tower located in the heart of Chicago. This instrument is a hybrid debt structure, combining a traditional promissory note with an optional profit-sharing agreement.

Real Estate Project

In 2019, both sub-funds entered into a project participation right agreement for a real estate project with amounts of \$ 2,000,000 for the ETF Seven 4T Fund and \$4,300,000 for the ETF Market Value Fund.

In 2020 the Company entered into a novation agreement with a new real estate company, whereby the new real estate company assumed all the rights and obligations of the Company for a fixed consideration and a guarantee provided by the UBO. According to the novation agreement, the new real estate company will pay the Company \$7,718,110 in total on or before 31 January 2023.

Luxembourg Housing Construction Project-Niederanven

The construction company acquired two land plots for the development and sale of four homes. The project is located in Niederanven, Luxembourg. The Company invested €855,000 at an annual interest of 9%. The interest and principal amount of the loan are both payable on the maturity date. The Company's loan is secured by a share pledge.

Luxembourg Housing Construction Project- Bertrange

The construction company acquired a land plot for the development and sale of three semi-detached buildings. The project is located in Bertrange, Luxembourg. The Company entered into a loan of €880,000 at an annual interest of 9%. The interest and principal amount of the loan are both payable on the maturity date. The Company's loan is secured by a share pledge.

French Hotel Project

The original hotel dates from the late 19th century. Each sub-funds invested into this project €4.5 million (€2.25 million each) on 02/11/2020 with an interest rate of 5% p.a. The aim is to reposition the hotel, creating 22 suites and 1 villa in a luxurious environment, including fully serviced infrastructure.

NOTES TO THE FINANCIAL STATEMENTS

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

2.1 Estimated impairment/recoverable amounts of unquoted loans classified as loans and receivables (continued)

Student Housing Spanish Project

The sub-fund ETF Seven-4T invested into a real estate development project in Spain. In this project the developer is seeking to simultaneously acquire several plots of land in Malaga, Spain in order to build student accommodation.

The Company entered into a loan agreement for an amount of €1,000,000 on 21/04/2021, with an interest rate of 12% p.a. The Company is granted a mortgage on the property according to the intercreditor agreement.

Swiss Cyber Security company

One sub-fund had the opportunity to buy through Venture 12 LP shares of a privately held IT firm in Switzerland, specializing in the field of cyber security. There could eventually be an IPO in the years to come."

The Company invested USD 600,000 into the IT firm through Venture 12 LP.

Private Equity Investment

In September 2021 the Company invested USD 1mil at USD into a first ESG-driven fintech company. The company is founded in 2015 and is valued at USD 2.3bn. The company expects to be listed on NY Stock Exchange in 2023. The company offers an ecosystem of sustainable banking services, credit cards, and investment products that help customers keep their deposits out of fossil fuels, automatically plant trees with every card purchase, and track business and personal Planet & People impact scores so they can shop with a conscience. Company's technology and tools also provide bundled solutions that help businesses meet the demand for sustainability from their customers and employees by offsetting their carbon footprints and developing co-branded products and services that mitigate climate change.

Brazilian Fertilizing Company

In November 2021 the Company invested USD 550 into a fertilizer company engaged in the extraction of potash in the Amazon region. The firm's aim is to serve Brazilian farmers, using the rivers of the Amazon basin as transport routes. While extracting Potash in Brazil the consumer saves the high transport cost, which arise with the imports from Russian and China.

NOTES TO THE FINANCIAL STATEMENTS

3. INVESTMENTS

(a) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

ETSF SEVEN-4T FUND

	Fair value 2022 \$	% of net assets 2022	Fair value 2021 \$	% of net assets 2021
Quoted equities	9,492,579	16.89	10,001,511	15.87
Unquoted equities	7,230,462	12.86	5,013,864	7.96
Exchange traded funds	3,087,112	5.49	3,130,008	4.97
Collective investment schemes	7,083,555	12.60	10,133,682	16.08
Quoted corporate bonds	6,509,338	11.58	11,205,477	17.78
Derivatives – Forward contracts	8,496	0.02	25,702	0.04
	33,411,542	59.44	39,510,244	62.70

ETSF MARKET VALUE FUND

	Fair value 2022 \$	% of net assets 2022	Fair value 2021 \$	% of net assets 2021
Quoted equity	273,548	0.88	651,352	2.04
Unquoted equities	7,353,424	23.74	11,529,334	36.10
Collective investment schemes	2,240,105	7.23	2,545,014	7.97
	9,867,077	31.85	14,725,700	46.11

NOTES TO THE FINANCIAL STATEMENTS

3. INVESTMENTS (CONTINUED)

(a) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

ETSF SEVEN-4T FUND

	Fair value 2022 \$	% of net assets 2022	Fair value 2021 \$	% of net assets 2021
Quoted equities				
Asia	-	0.00	548,494	0.87
United kingdom	72,809	0.13	-	-
Europe	8,624,950	15.34	8,019,190	12.73
Russia	-	0.00	231,355	0.37
USA	794,820	1.41	1,202,472	1.91
	<u>9,492,579</u>		<u>10,001,511</u>	
Unquoted equities				
United Kingdom	2,420,180	4.31	2,245,050	3.56
USA	3,910,282	6.96	2,168,814	3.44
Europe	600,000	1.07	600,000	0.95
South America	300,000	0.53	-	-
	<u>7,230,462</u>		<u>5,013,864</u>	
Exchange traded funds				
Europe	2,402,602	4.27	3,130,008	4.97
United Kingdom	684,510	1.22	-	-
	<u>3,087,112</u>		<u>3,130,008</u>	
Collective investment schemes				
Europe	7,083,555	12.60	10,133,682	16.08
	<u>7,083,555</u>		<u>10,133,682</u>	
Quoted corporate bonds				
Africa	342,500	0.61	1,497,356	2.38
Asia	1,024,798	1.82	1,842,658	2.92
Australia	511,999	0.91	317,592	0.50
Europe	2,285,043	4.06	4,126,814	6.55
Middle East	297,645	0.53	1,055,088	1.67
United Kingdom	1,148,729	2.04	796,706	1.26
USA	463,352	0.82	527,370	0.84
South America	435,272	0.77	1,041,893	1.65
	<u>6,509,338</u>		<u>11,205,477</u>	
Derivates – Forward Forex contracts				
Europe	8,496	0.02	25,702	0.04
	<u>8,496</u>		<u>25,702</u>	
	<u>33,411,542</u>		<u>39,510,244</u>	

NOTES TO THE FINANCIAL STATEMENTS

3. INVESTMENTS (CONTINUED)

(a) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

ETSF MARKET VALUE FUND

	Fair value 2022 \$	% of net assets 2022	Fair value 2021 \$	% of net assets 2021
Quoted equities				
Europe	273,548	0.88	651,352	2.04
	<u>273,548</u>		<u>651,352</u>	
Unquoted equities				
Europe	-	-	4,801,440	15.03
United Kingdom	4,914,741	15.86	4,559,080	14.28
USA	2,188,683	7.07	2,168,814	6.79
South America	250,000	0.81	-	-
	<u>7,353,424</u>		<u>11,529,334</u>	
Collective investment schemes				
Europe	2,240,105	7.23	2,545,014	7.97
	<u>2,240,105</u>		<u>2,545,014</u>	
	<u>9,867,077</u>		<u>14,725,700</u>	

(b)

INVESTMENT IN GOLD

ETSF SEVEN-4T FUND

	Fair value 2022 \$	% of net assets 2022	Fair value 2021 \$	% of net assets 2021
Real Commodities				
Gold	<u>4,660,327</u>	8.29	<u>4,529,638</u>	7.19

ETSF MARKET VALUE FUND

	Fair value 2022 \$	% of net assets 2022	Fair value 2021 \$	% of net assets 2021
Real Commodities				
Gold	<u>8,664,901</u>	27.97	<u>8,416,765</u>	26.36

NOTES TO THE FINANCIAL STATEMENTS

3. INVESTMENTS (CONTINUED)

(c) LOANS RECEIVABLE

Loans receivable at amortised cost

ETSF SEVEN-4T FUND

	Carrying amount 2022 \$	% of net assets 2022	Carrying amount 2021 \$	% of net assets 2021
Unquoted loans	<u>12,781,651</u>	<u>22.74</u>	<u>14,035,169</u>	22.27

ETSF MARKET VALUE FUND

	Carrying Amount 2021 \$	% of net assets 2021	Carrying amount 2020 \$	% of net assets 2020
Unquoted loans	<u>7,440,866</u>	<u>24.02</u>	<u>8,480,477</u>	26.56

(d) FIDUCIARY DEPOSITS

ETSF SEVEN-4T FUND

	Carrying amount 2022 \$	% of net assets 2022	Carrying amount 2021 \$	% of net assets 2021
Fiduciary deposits	<u>3,500,000</u>	<u>6.23</u>	-	-

ETSF MARKET VALUE FUND

	Carrying Amount 2021 \$	% of net assets 2021	Carrying Amount 2020 \$	% of net assets 2020
Fiduciary deposits	<u>3,200,000</u>	<u>10.33</u>	-	-

NOTES TO THE FINANCIAL STATEMENTS

4. FINANCIAL INSTRUMENTS BY CATEGORY,

ETSF SEVEN-4T FUND

	Financial assets at amortised cost \$	Financial assets at fair value through profit or loss \$	Total \$
30 June 2022			
Assets			
Financial assets at fair value through profit or loss	-	33,411,542	33,411,542
Investment in gold	-	4,660,327	4,660,327
Loans receivable	12,781,651	-	12,781,651
Fiduciary deposits	3,500,000	-	3,500,000
Other receivables	100,938	-	100,938
Cash and cash equivalents	1,856,980	-	1,856,980
	18,239,569	38,071,869	56,311,438

30 June 2021

Assets			
Financial assets at fair value through profit or loss	-	39,510,244	39,510,244
Investment in gold	-	4,529,638	4,529,638
Loans receivable	14,035,169	-	14,035,169
Other receivables	166,938	-	166,938
Cash and cash equivalents	4,861,057	-	4,861,057
	19,063,164	44,039,882	63,103,046

30 June 2022

Liabilities			
Accrued expenses and other liabilities	98,787	-	98,787
Net assets attributable to issued shares	56,212,651	-	56,212,651
	56,311,438	-	56,311,438

30 June 2021

Liabilities			
Accrued expenses and other liabilities	88,123	-	88,123
Net assets attributable to issued shares	63,014,923	-	63,014,923
	63,103,046	-	63,103,046

NOTES TO THE FINANCIAL STATEMENTS

4. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

ETSF MARKET VALUE FUND

	Financial assets at amortised cost \$	Financial assets at fair value through profit or loss \$	Total \$
30 June 2022			
Assets			
Financial assets at fair value through profit or loss	-	9,867,077	9,867,077
Investment in gold	-	8,664,901	8,664,901
Loans receivable	7,440,866	-	7,440,866
Fiduciary deposits	3,200,000	-	3,200,000
Other receivables	33,355	-	33,355
Cash and cash equivalents	1,839,795	-	1,839,795
	12,514,016	18,531,978	31,045,994

30 June 2021

Assets			
Financial assets at fair value through profit or loss	-	14,725,700	14,725,700
Investment in gold	-	8,416,765	8,416,765
Loans receivable	8,480,477	-	8,480,477
Other receivables	17,176	-	17,176
Cash and cash equivalents	351,394	-	351,394
	8,849,047	23,142,465	31,991,512

30 June 2022

Liabilities			
Accrued expenses and other liabilities	67,244	-	67,244
Net assets attributable to issued shares	30,978,750	-	30,978,750
	31,045,994	-	31,045,994

30 June 2021

Liabilities			
Accrued expenses and other liabilities	56,333	-	56,333
Net assets attributable to issued shares	31,935,179	-	31,935,179
	31,991,512	-	31,991,512

5. OTHER RECEIVABLES

	ETSF SEVEN -4T FUND 2022 \$	ETSF SEVEN -4T FUND 2021 \$	ETSF MARKET VALUE FUND 2022 \$	ETSF MARKET VALUE FUND 2021 \$
Accrued interest	70,296	145,304	-	-
Dividends receivable	11,283	4,755	15,558	-
Interest receivable	1,562	-	-	-
Prepayments	17,797	16,879	17,797	17,176
	100,938	166,938	33,355	17,176

NOTES TO THE FINANCIAL STATEMENTS

6. CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, the year-end cash and cash equivalents comprise bank balances held as follows:

ETSF SEVEN-4T FUND

	Fair value	% of net assets	Fair value	% of net assets
	2022	2022	2021	2021
	\$		\$	
Cash and cash equivalents	<u>1,856,980</u>	<u>3.30</u>	<u>4,861,057</u>	7.71

ETSF MARKET VALUE FUND

	Fair value	% of net assets	Fair value	% of net assets
	2022	2022	2021	2021
	\$		\$	
Cash and cash equivalents	<u>1,839,795</u>	<u>5.94</u>	<u>351,394</u>	1.10

7. ACCRUED EXPENSES AND OTHER LIABILITIES

	ETSF SEVEN -4T FUND 2022	ETSF SEVEN -4T FUND 2021	ETSF MARKET VALUE FUND 2022	ETSF MARKET VALUE FUND 2021
	\$	\$	\$	\$
Unpaid portfolio management and investment advisor fees	59,190	59,082	29,997	30,918
Unpaid administration fees	6,025	9,864	3,675	6,213
Accrued professional fees	-	1,166	-	1,166
Other unpaid expenses	33,572	18,011	33,572	18,036
	<u>98,787</u>	<u>88,123</u>	<u>67,244</u>	<u>56,333</u>

8. SHARE CAPITAL

The initial share capital of the Company is €1,000 divided into 1,000 shares with no nominal value, which shares constitute a separate class of share of the Company but do not constitute a separate sub-fund.

The Company may issue up to a maximum of five billion (5,000,000,000) fully paid-up non-voting investor shares without any nominal value assigned to them.

The holders of the founder shares hold all the voting rights with respect to the affairs of the Company. The holder of each founder share is entitled to one vote per share on all matters which may arise for consideration by the holders of the founder shares.

The founder shares do not form part of the net asset value of the Company and are thus disclosed in the financial statements by way of this note only. In the opinion of the directors, this disclosure reflects the nature of the Company's business as an investment company.

Net assets attributable to issued/redeemable shareholders represent a liability in the combined statement of financial position and are carried at the value of the sub-funds at the reporting date. All investor shares participate equally in the net assets of the sub-funds as are represented by the appropriate class of investor shares on liquidation and in any dividends and other distributions attributable to the sub-fund as may be declared. Except to the extent that they have the right to a return of paid up capital on winding-up, the founder shares do not participate in the assets of the Company.

NOTES TO THE FINANCIAL STATEMENTS

8. SHARE CAPITAL (CONTINUED)

	ETSF SEVEN -4T FUND Units 2022	ETSF SEVEN -4T FUND Units 2021	ETSF MARKET VALUE FUND Units 2022	ETSF MARKET VALUE FUND Units 2021
Units in issue at beginning of period/year	599,325.2005	599,325.2005	331,324.7567	331,324.7567
<i>Transactions during the period/year:</i>				
Creation of shares	-	-	-	-
Units in issue at end of period/year	599,325.2005	599,325.2005	331,324.7567	331,324.7567

9. FEES

a. Management fees

The Class A Shares of the ETF Market Value Fund and ETF Seven-4T Fund will be subject to a Portfolio Management Fee as well as an Investment Advisor Fee, each of which shall be limited to 100 bps annually calculated on the assets under management or the assets under advisory respectively (as per NAV as calculated by the administrator).

The Portfolio Manager and Investment Advisor will be reimbursed for all properly incurred and approved out-of-pocket expenses. Fees incurred for the year ended 30 June 2022 and year ended 30 June 2021 are disclosed in the Statement of Comprehensive Income. The outstanding fees as at period-end are disclosed in note 7.

b. Administrator fees

The Administrator, BOV Fund Services Limited, receives a fee which shall not be higher than 0.075% per annum of the Net Asset Value of the sub-funds. Fees incurred for the year ended 30 June 2022 and year ended 30 June 2021 are disclosed in the Statement of Comprehensive Income. The outstanding fees as at period-end are disclosed in note 7.

c. Executing Brokerage fees

The sub-funds pay brokerage fees based on current market rates. In particular, the sub-funds will be subject to Executive Brokerage fees for safekeeping of the sub-funds' assets which shall be limited to 35 bps annually calculated on the assets under safekeeping. In addition, there are fees for the execution of transactions based on current market rates. Fees incurred for the year ended 30 June 2022 and year ended 30 June 2021 are disclosed in the Statement of Comprehensive Income. The outstanding fees as at period-end are disclosed in note 7.

d. Sponsoring Broker fee

The Sponsoring Broker will take a one-time fee of €2,500 for the listing of the scheme and the first sub-fund. The listing of any subsequent sub-funds under the same scheme will incur an additional charge of €1,000. Fees incurred for the year ended 30 June 2022 and year ended 30 June 2021 are disclosed in the Statement of Comprehensive Income. The outstanding fees as at period-end are disclosed in note 7.

NOTES TO THE FINANCIAL STATEMENTS

9. FEES (CONTINUED)

e. Auditor's remuneration

Fees charged by the auditor (exclusive of VAT) for services rendered to the Company during the financial year ended 30 June 2022 related to:

	2022 \$	2021 \$
Annual statutory audit	12,205	12,000
Tax compliance and advisory services	1,246	550
	<u>13,451</u>	<u>12,550</u>

10. TAXATION

The Maltese tax regime for collective investment schemes is based on the classification of funds into prescribed or non-prescribed funds in terms of the conditions set out in the Collective Investment Schemes (Investment Income) Regulations, 2001 (as amended). In general, a prescribed fund is defined as a resident fund, which has declared that the value of its assets situated in Malta amount to at least 85% of the value of the total assets of the fund. A non-prescribed fund is a fund which does not qualify as a prescribed fund.

On the basis that the ETF Market Value Fund and ETF Seven-4T Fund are classified as non-prescribed funds for Maltese income tax purposes, then the sub-funds should not be subject to Maltese income tax on their income and gains other than on any income from immovable property situated in Malta (if any).

Maltese resident investors therein may be subject to a 15% final withholding tax on capital gains realised on redemption, liquidation or cancellation of units.

The Maltese resident investor may however request the Company not to effect the deduction of the said 15% final withholding tax, in which case the investor would be required to declare the gains in his/her Maltese income tax return and will be subject to tax at the normal rates of tax.

Any gains or profits derived on the transfer or redemption of units in the Funds by investors who are not resident in Malta should not be chargeable to Maltese income tax, subject to the satisfaction of certain statutory conditions.

If there are distributions by the Company, dividends paid from Malta source taxed profits, Malta source profits which are exempt from tax up to the level of the ultimate shareholder, or profits received by the Company from the Foreign Income Account of another Maltese company, should not be subject to further tax in the hands of the shareholders. In the case of distributions from the Company's Final Tax Account (if any), the shareholders should not be subject to further tax on such dividend but should not be entitled to claim a credit or refund of any tax directly or indirectly paid on such profits.

Distributions from the Company's foreign source profits allocated to its Untaxed Account or distributions of any Malta source profits which are not subject to tax and which are allocated to its Untaxed Account, to a Maltese resident person (other than a company) or to a non-resident person who is owned, or controlled by, or who acts on behalf of a person who is ordinarily resident and domiciled in Malta should be subject to a withholding tax of 15%.

In the case of the Company's foreign investments, any capital gains, dividends, interest and other gains or profits may be subject to tax imposed by the country of origin concerned and such taxes may not be recoverable by the Company or by its shareholders under Maltese domestic tax law.

The redemption or transfer of shares and any distribution on a winding-up of the Company may result in a tax liability for the shareholders according to the tax regime applicable in their respective countries of incorporation, establishment, residence, citizenship, nationality, domicile or other relevant jurisdiction.

NOTES TO THE FINANCIAL STATEMENTS

11. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

1. The directors consider the ultimate controlling party to be Dr. Alexander Lindemann who holds 900 shares of the 1,000 issued founder shares of the Company.

Dr. Alexander Lindemann, who is a director of the Company, is also a partner of LINDEMANNLAW-Lindemann Rechtsanwälte who are the Company's legal advisors. Expenses paid to LINDEMANNLAW-Lindemann Rechtsanwälte for the year ended 30 June 2022 and 30 June 2021 and are included in the statement of comprehensive income within 'Legal and professional fees'. Outstanding legal fees as at 30 June 2022 are included within 'Accrued expenses' in the Statement of Financial Position.

2. Mr. Ueli Spoerri was appointed as Portfolio Manager of the Company under the terms of an agreement dated 19 October 2016. Details of portfolio management fees accruing during the period under review are provided in the statement of comprehensive income. Outstanding balances of portfolio management fees are disclosed in Note 7.

Mr. Ueli Spoerri is also a member of the investment committee. Investment committee fees paid to Mr. Ueli Spoerri for the year ended 30 June 2022 amounted to \$10,245 (period ended 30 June 2021: \$ 11,869) and are included in the statement of comprehensive income within 'Investment committee fees'. There are no outstanding investment committee fees as at 30 June 2022 (2021: None).

3. Directors' remuneration for the year ended 30 June 2022 amounted to \$32,210 (year ended 30 June 2021: \$ 34,572).

12. FINANCIAL RISK MANAGEMENT

Activities of the sub-funds expose them to a variety of financial risks: market risk (including price risk, fair value interest rate risk, cash flow interest rate risk and currency risk), credit risk and liquidity risk.

All security investments present a risk of loss of capital. The maximum loss of capital on equity and debt securities is limited to the fair value of those positions. The investee funds in which the company invests may engage in short selling of securities and derivative transactions which may expose an investee fund to unlimited risk due to the lack of an upper limit on the price to which a security may rise. However, to the extent that the company invests in an investee fund which engages in such activities, the company's losses in relation to that investee fund would be limited to the amount of its investment in that investee fund including any borrowings made in connection with such investment.

The strategy of each sub-fund relating to the management of respective risk is derived from the sub-fund's investment objective, which is clearly outlined in the respective offering supplement. The portfolio manager and investment committee monitor the sub-funds market exposures within the pre-determined investment restrictions on a regular basis. The overall market exposures are also monitored on a regular basis by the board of directors.

Market risk

a) Price risk

The Company is exposed to price risks arising from its holdings of equities and exchange traded funds and indirectly from its holdings in collective investment schemes that are classified in its statement of financial position as financial assets at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk (continued)

a) Price risk (continued)

The sub-funds' exposures to price risk are summarised in the table below, which also provides an analysis of the impact on the sub-funds' net assets attributable to holders of issued shares, of a general price movement, with all other variables held constant.

ETSF SEVEN-4T FUND

	Exposure as a % of NAV	General price movement change	+/- impact of NAV \$
30 June 2022			
Quoted equities	16.89	15%	1,423,887
Unquoted equities	12.86	15%	1,084,569
Exchange traded funds	5.49	15%	463,097
Collective investment schemes	12.60	15%	1,062,533
	<u>47.84</u>		<u>4,034,086</u>

30 June 2021

Quoted equities	15.87	15%	1,500,227
Unquoted equities	7.96	15%	752,080
Exchange traded funds	4.97	15%	469,501
Collective investment schemes	16.08	15%	1,520,052
	<u>44.88</u>		<u>4,241,860</u>

ETSF MARKET VALUE FUND

	Exposure as a % of NAV	General price movement change	+/- impact of NAV \$
30 June 2022			
Quoted equities	0.88	15%	41,032
Unquoted equities	23.74	15%	1,103,014
Exchange traded funds	7.23	15%	336,016
	<u>31.85</u>		<u>1,480,062</u>

30 June 2021

Quoted equities	2.04	15%	97,703
Unquoted equities	36.10	15%	1,729,400
Exchange traded funds	7.97	15%	381,752
	<u>46.11</u>		<u>2,208,855</u>

NOTES TO THE FINANCIAL STATEMENTS

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk (continued)

a) Price risk (continued)

The company also manages its exposure to price risk by analysing the equity portfolio by industrial sector. The table below is a summary of the significant sector concentrations within the equity portfolio (including level 1, 2 and 3 equity securities).

ETSF SEVEN-4T FUND

	Fair value	% of net assets	Fair value	% of net assets
	2022	2022	2021	2021
	\$		\$	
Conglomerate	63,788	0.11%	161,222	0.26%
Cosmetic supplies	108,445	0.19%	712,249	1.13%
Financial services	6,381,487	11.35%	5,044,878	8.01%
Foods	224,272	0.40%	365,340	0.58%
Healthcare	-	-	90,099	0.14%
Information technology	2,774,260	4.94%	1,981,832	3.15%
Insurance	341,586	0.61%	-	-
Luxury goods	130,751	0.23%	168,611	0.27%
Media	-	-	107,509	0.17%
Real estate	4,807,271	8.55%	5,049,133	8.01%
Retail	60,440	0.11%	446,762	0.71%
Science	-	-	703,978	1.12%
Utilities	-	-	183,762	0.29%
Chemicals	808,077	1.44%	-	-
Electrical	123,237	0.22%	-	-
Pharmaceuticals	500,343	0.89%	-	-
Transport	326,570	0.58%	-	-
Other	72,514	0.13%	-	-
	<u>16,723,041</u>		<u>15,015,375</u>	

ETSF MARKET VALUE FUND

	Fair value	% of net assets	Fair value	% of net assets
	2022	2022	2021	2021
	\$		\$	
Financing company	-	-	4,801,440	15.03%
Real estate	7,376,972	23.81%	7,379,245	21.07%
Chemicals	250,000	0.81%	-	-
	<u>7,626,972</u>		<u>12,180,685</u>	

The sub-funds are also directly exposed to commodity price risk through investment in physical gold (Note 3b). This investment represents 8.29% (2021: 7.19%) of the ETF Seven-4T sub-fund's NAV and 27.97% (2021: 26.36%) ETF Market Value sub-fund's NAV.

Management's best estimate of a reasonable possible shift in the price of gold for the period under review having regard to movements in the relevant indices is disclosed in the table below. The table below also provides an analysis of the impact on the sub-funds' net assets attributable to holders of issued shares of a reasonable possible shift, with all other variables held constant.

NOTES TO THE FINANCIAL STATEMENTS

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk (continued)

a) Price risk (continued)

30 June 2022

Index		Reasonable possible Shift	ETSF Seven-4T Fund \$	+/- Impact on NAV ETSF Market Value Fund \$
Gold	S&P GSCI Gold	10%	466,033	866,490

30 June 2021

Index		Reasonable possible Shift	ETSF Seven-4T Fund \$	+/- Impact on NAV ETSF Market Value Fund \$
Gold	S&P GSCI Gold	10%	452,964	841,677

b) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets' interest rates on the fair value of financial assets and liabilities and future cash flow. The sub-funds are exposed to interest rate risk through directly holding interest-bearing financial assets, including debt securities (note 3a) and cash and cash equivalents (note 6). Assets earning interest at variable rates expose the sub-funds to cash flow interest rate risk, whereas assets earning interest at fixed rates expose the sub-funds to fair value interest rate risk. The sub-funds' exposure to interest rate risk is summarised in the table below.

	Assets held at fixed rates (as a % of NAV) 2022	Assets held at fixed rates (as a % of NAV) 2021	Assets held at variable rates (as a % of NAV) 2022	Assets held at variable rates (as a % of NAV) 2021
ETSF SEVEN-4T FUND	38.50	35.88	5.35	11.89
ETSF MARKET VALUE FUND	44.63	26.56	5.94	1.10

The potential impact of a shift in interest rates of 50 basis points (with all other variables remaining constant) on the net assets attributable to holders of issued shares is not considered significant.

c) Currency risk

The Fund operates internationally and holds both monetary and non-monetary assets denominated in currencies other than the USD, the functional currency. Foreign currency risk arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. The Portfolio Manager monitors the exposure on all foreign currency denominated assets and liabilities.

The table below summarises the sub-funds' principal exposures to different currencies other than the functional currencies of the Fund.

NOTES TO THE FINANCIAL STATEMENTS

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk (continued)

c) Currency risk (continued)

30 June 2022

	Functional Currency	CHF % of net assets	EUR % of net assets	Other % of net Assets
ETSF Seven-4T Fund	USD	11.13	20.83	-
ETSF Market Value Fund	USD	27.99	11.05	-

30 June 2021

	Functional Currency	CHF % of net assets	EUR % of net assets	Other % of net Assets
ETSF Seven-4T Fund	USD	10.76	24.65	-
ETSF Market Value Fund	USD	26.40	14.44	-

When the Portfolio Manager formulates a view on the future direction of foreign exchange rates and the potential impact on the Fund, the Portfolio Manager factors that into its portfolio allocation decisions. While the sub-funds have direct exposure to foreign exchange rate changes on the price of non-euro/sterling-denominated securities, it may also be indirectly affected by the impact of foreign exchange rate changes on the earnings of certain companies in which the sub-funds invest, even if those companies' securities are denominated in USD. For that reason, the below sensitivity analysis may not necessarily indicate the total effect on the sub-funds' net assets attributable to holders of issued shares of future movements in foreign exchange rates.

The following analysis is based on the assumptions that the relevant foreign exchange rate increased/decreased against the sub-funds' functional currency by the percentage disclosed in the table below with all other variables held constant. This represents management's best estimate of a reasonable shift in the foreign exchange rates, having regard to historical volatility of those rates.

ETSF Seven-4T Fund Currency	2022		2021	
	Reasonable possible shift	Impact of possible shift	Reasonable possible shift	Impact of possible shift
CHF	+/- 7%	437,952	+/- 7%	474,758
EUR	+/- 7%	819,637	+/- 7%	1,087,164

ETSF Market Value Fund Currency	2022		2021	
	Reasonable possible shift	Impact of possible shift	Reasonable possible shift	Impact of possible shift
CHF	+/- 7%	606,967	+/- 7%	590,137
EUR	+/- 7%	239,620	+/- 7%	322,809

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge on obligations. Financial assets, which potentially subject the sub-funds to credit risk consist principally of debt securities and loans and receivables. Loans and receivables comprise debt securities, loans, other receivables and cash and cash equivalents as disclosed in the statements of financial position. The maximum exposure to credit risk at 30 June 2022 is the carrying amount of the financial assets as set out below:

NOTES TO THE FINANCIAL STATEMENTS

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

	ETSF SEVEN 4T FUND 2022 \$	ETSF SEVEN 4T FUND 2021 \$	ETSF MARKET VALUE FUND 2022 \$	ETSF MARKET VALUE FUND 2021 \$
Quoted corporate bonds	6,509,338	11,205,477	-	-
Loans receivable	12,781,651	14,035,169	7,440,866	8,480,477
Fiduciary deposits	3,500,000	-	3,200,000	-
Other receivables	100,938	166,938	33,355	17,176
Cash and cash equivalents	1,856,980	4,861,057	1,839,795	351,394
	24,748,907	30,268,641	12,514,016	8,849,047

The following table provides information regarding the sub-funds' aggregated credit risk exposure with external credit ratings. The credit rating analysis below takes into account the rating of the respective debt security which is categorized by a reputable credit rating agency.

	ETSF SEVEN 4T FUND 2022 \$	ETSF SEVEN 4T FUND 2021 \$	ETSF MARKET VALUE FUND 2022 \$	ETSF MARKET VALUE FUND 2021 \$
Debt securities	6,509,338	11,205,477	-	-
A	0.89%	-	-	-
A-	0.53%	0.33%	-	-
B	-	1.64%	-	-
B+	0.96%	0.77%	-	-
B-	-	0.96%	-	-
BB	0.40%	2.03%	-	-
BB-	1.58%	1.49%	-	-
BB+	0.53%	1.03%	-	-
BBB	0.35%	2.83%	-	-
BBB-	1.54%	1.51%	-	-
BBB+	0.50%	1.62%	-	-
C	-	0.22%	-	-
Not Rated	4.31%	3.35%	-	-

Other receivables consist of accrued interest income, dividends receivable, sales awaiting settlement and receivable from ETF Seven 4T Fund. These receivables are short-term in nature. Accordingly, the sub-funds have no significant credit risk in respect of other receivables.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation. The clearing and depository operations for the Company's security transactions are concentrated with two reputable brokers, namely Bank Frick & One Swiss Bank.

All loans receivable are unrated and no collateral is received from the underlying companies.

NOTES TO THE FINANCIAL STATEMENTS

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward-looking information in determining any expected credit loss. At 30 June 2022 and 30 June 2021 other receivables and cash and cash equivalents, are held with reputable counterparties and are due to be settled within 1 week. Management consider the probability of default for these financial assets to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognized based on 12-month expected credit losses pertaining to these financial assets as any such impairment would be wholly insignificant to the Fund. Cash at bank is placed with reliable and credit rated institutions.

For the loans receivable, the discussion and result of the expected credit loss assessment are included in note 2.

Liquidity risk

Liquidity risk is the risk that the sub-funds will encounter difficulty in meeting obligations associated with their financial liabilities. The sub-funds' Offering Documents provide for the creation and cancellation of shares and are therefore exposed to the liquidity risk of meeting shareholders' redemptions at any time.

The Portfolio Manager monitors the sub-funds' liquidity position on a regular basis. Issued shares are redeemed on demand at the holder's option, except during the lock-up period ending 30 June 2022. All other liabilities are due within less than one year.

The sub-funds' underlying securities are considered to be readily realisable since they are listed on major stock exchanges except for the investments in collective investment schemes, unquoted equities loans receivable and term deposits.

The liquidity risk involved with the investments in collective investment schemes will be dependent on the redemption policies of the underlying funds. The sub-funds' investments in the underlying funds may not be readily realisable and their marketability may be restricted, in particular because the underlying funds may have restrictions that allow redemptions only at specific infrequent dates with considerable notice periods, and apply lock-ups and/or redemption fees. The sub-funds' ability to withdraw monies from or invest monies in the underlying funds with such restrictions will be limited and such restrictions will limit the sub-funds' flexibility to reallocate such assets among underlying funds. Some of the underlying funds may be or may become illiquid, and the realization of investments from them may take a considerable time and/or be costly. As a result, the sub-funds may not be able to quickly liquidate its investments in these instruments at an amount close to fair value in order to meet liquidity requirements.

The maturities of loans receivable and fiduciary deposits are provided in the table below:

30 June 2022

	Below 2 years \$	Over 2 years up to 5 years \$
ETSF Seven-4T FUND		
Fiduciary deposits	3,500,000	-
Loans receivable	10,365,039	2,416,612
ETSF Market Value Fund		
Fiduciary deposits	3,200,000	-
Loans receivable	5,024,254	2,416,612

NOTES TO THE FINANCIAL STATEMENTS

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (continued)

30 June 2021

	Below 2 years \$	Over 2 years up to 5 years \$
ETSF Seven-4T FUND		
Fiduciary deposits	-	-
Loans receivable	9,023,201	5,011,968
ETSF Market Value Fund		
Fiduciary deposits	-	-
Loans receivable	3,143,232	5,337,245

The table below analyses the sub-fund's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	ETSF SEVEN-4T FUND		ETSF MARKET VALUE FUND	
	Within 1 month \$	Within 1 to 3 months \$	Within 1 month \$	Within 1 to 3 months \$
At 30 June 2022				
Accrued expenses	6,025	92,762	3,675	63,569
Net assets attributable to holders of issued shares	-	56,212,651	-	30,978,750
Contractual cash out flows (excluding derivatives)	6,025	56,305,413	3,675	31,042,319
At 30 June 2021				
Accrued expenses	9,864	78,259	6,213	50,120
Net assets attributable to holders of issued shares	-	63,014,923	-	31,935,179
Contractual cash out flows (excluding derivatives)	9,864	63,093,182	6,213	31,985,299

Fair value hierarchy

IFRS 13 requires the sub-funds to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument;
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data; and
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

NOTES TO THE FINANCIAL STATEMENTS

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair value hierarchy (continued)

The level in the fair value hierarchy within the fair value measurement is categorised in its entirety is determined on the basis of the lowest input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustments based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety require judgement, considering factors specific to the asset.

As at 30 June 2022, 17.76% (2021: 21.05%) of ETSF Seven-4T and 7.23% (2021: 7.97%) of ETSF Market Value financial assets at fair value through profit or loss comprise investments in exchange traded funds and collective investment schemes that have been fair valued in accordance with the policies set out above. The units of the investment funds are not publicly traded; redemption can only be made by the company on the redemption dates and subject to the required notice periods specified in the offering documents of each of the investee funds. As a result, the carrying values of the investee funds may not be indicative of the values ultimately realised on redemption.

The investee funds are not traded on an active market; their fair value is determined using valuation techniques. The value is primarily based on the latest available redemption price of the investee funds' units as reported by the administrator of such investee fund. The company may make adjustments to the value based on considerations such as; liquidity of the investee fund or its underlying investments, the value date of the net asset value provided, and restricting on redemption and the basis of accounting.

The following tables analyses the fair value hierarchy within the sub-funds' financial assets at fair value through profit or loss:

ETSF SEVEN-4T FUND

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
As at 30 June 2022				
Financial assets at fair value through profit or loss				
Quoted corporate bonds	6,509,338	-	-	6,509,338
Quoted equities	9,492,579	-	-	9,492,579
Unquoted equities	-	-	7,230,462	7,230,462
Exchange traded funds	3,087,112	-	-	3,087,112
Collective investment schemes	-	7,083,555	-	7,083,555
Derivatives – Forward contracts	-	8,496	-	8,496
	19,089,029	7,092,051	7,230,462	33,411,542

As at 30 June 2021

Financial assets at fair value through profit or loss

Quoted corporate bonds	11,205,477	-	-	11,205,477
Quoted equities	10,001,511	-	-	10,001,511
Unquoted equities	-	-	5,013,864	5,013,864
Exchange traded funds	3,130,008	-	-	3,130,008
Collective investment schemes	-	10,133,682	-	10,133,682
	-	25,702	-	25,702
	24,336,996	10,159,384	5,013,864	39,510,244

NOTES TO THE FINANCIAL STATEMENTS

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair value hierarchy (continued)

ETSF MARKET VALUE FUND	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
As at 30 June 2022				
Financial assets at fair value through profit or loss				
Quoted equities	273,548	-	-	273,548
Unquoted equities	-	-	7,353,424	7,353,424
Collective investment schemes	-	2,240,105	-	2,240,105
	<u>273,548</u>	<u>2,240,105</u>	<u>7,353,424</u>	<u>9,867,077</u>

As at 30 June 2021

Financial assets at fair value through profit or loss				
Quoted equity	651,352	-	-	651,352
Unquoted equities	-	-	11,529,334	11,529,334
Collective investment schemes	-	2,545,014	-	2,545,014
	<u>651,352</u>	<u>2,545,014</u>	<u>11,529,334</u>	<u>14,725,700</u>

Movements in level 3 instruments

	ETSF Seven-4T Fund 2022 \$	ETSF Market Value Fund 2022 \$
Opening balance	5,013,864	11,529,334
Acquisition of investment	1,352,243	250,067
Disposal of investment	-	(3,816,039)
Fair value movements	864,355	(609,938)
Closing balance	<u>7,230,462</u>	<u>7,353,424</u>

	ETSF Seven-4T Fund 2021 \$	ETSF Market Value Fund 2021 \$
Opening balance	4,463,344	11,296,354
Acquisition of investment	600,000	-
Fair value movements	(49,480)	232,980
Closing balance	<u>5,013,864</u>	<u>11,529,334</u>

13. COMMITMENTS

Loan commitments

As at 30 June 2022, the Company has loan commitments as follows:

	2022			
	Within 1 year \$	1-2 years \$	2-5 years \$	Indefinite \$
ETSF Seven-4T FUND	10,652,926	6,676,599	2,352,277	-
ETSF Market Value Fund	8,886,380	8,581,148	2,352,277	-

NOTES TO THE FINANCIAL STATEMENTS

13. COMMITMENTS (CONTINUED)

Loan commitments (continued)

	Within 1 year	2021 1-2 years	2-5 years	Indefinite
	\$	\$	\$	\$
ETSF Seven-4T FUND	5,243,409	7,271,798	-	711,534
ETSF Market Value Fund	9,794,884	15,133,430	-	-

14. CAPITAL RISK MANAGEMENT

The capital of the sub-funds is represented by the net assets attributable to holders of issued shares as disclosed in the statement of financial position. The amount of net assets attributable to holders of issued shares can change significantly on a quarterly basis as the sub-funds are subject to quarterly subscriptions and redemptions at the discretion of shareholders (except during the lock-up period ending 30 June 2022). The Company's objective when managing capital is to safeguard the sub-funds' ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the sub-funds.

In order to maintain or adjust the capital structure, the Company's policy is to perform the following:

- Monitor the level of quarterly subscriptions and redemptions relative to the assets it expects to be able to liquidate within one month and adjust the amount of distributions the sub-funds pay to issued/redeemable shareholders.
- Redeem and issue new shares in accordance with the constitutional documents of the sub-funds, which include the ability to restrict redemptions and require certain minimum holdings and subscriptions.

The Portfolio Manager monitors capital on the basis of the value of net assets attributable to redeemable shareholders.

PORTFOLIO STATEMENTS

ETSF SEVEN-4T FUND
As at 30 June 2022

	Fair Value \$	% of Net Assets
Quoted A Rated Bonds		
BARCLAYS PLC FR 2024/	299,763	0.53
CHIN CY 2017 4.375 2025/	199,382	0.35
Quoted A- Rated Bond		
MACQUARIE GP 4.15/F 2024/	300,250	0.53
Quoted B+ Rated Bonds		
SAMSONITE 3.5 2026/	175,626	0.31
JAGUAR LAND 4.5 2026/	172,182	0.31
GEMS MENASA 7.125 2026/	190,090	0.34
Quoted BB Rated Bond		
AI CNDA.SPN 7.5 22/28	223,750	0.40
Quoted BB- Rated Bonds		
NAMIBIA 5.25 2025/	177,250	0.32
BANK MUSCAT 4.875 2023/	297,645	0.53
IHS NETH 8 2027/	175,188	0.31
PEMEX 6.875 2026/	178,635	0.32
PEMEX 6.625	58,580	0.10
Quoted BB+ Rated Bonds		
NORTH QLND 4.45 2022/	211,750	0.38
FERROVIAL NE 2.12/F	86,796	0.15
Quoted BBB Rated Bond		
SCOTIABANK 4.5/FR 2027/	198,056	0.35
Quoted BBB- Rated Bonds		
MINEJESA CAP 4.625 24/30	178,878	0.32
BARCLAYS BK.NCUM.PF.SHS.	221,200	0.39
GEN MOTORS 3.95 2024/	297,254	0.53
RESORTS WORL 4.625 2029/	166,098	0.30
Quoted BBB+ Rated Bonds		
AROUNDTOWN S 5.375 2029	279,912	0.50
Quoted Non-Rated Bonds		
MRISSR 0 31/12/50	449,550	0.80
LENOVO GROUP 4.75 2023/	200,748	0.36
CHINA HONGQI 7.125 2022/	200,000	0.36
TRAFIGURA FD 5.25 2023/	294,030	0.52
LEONTEQ 0 PERP 14/07/2022	405,223	0.72
D&P BTGU 6	-	-
AK RABOBANK FR	265,640	0.47
HORIZON CAP 9.5 2025/	200,000	0.36
GERMAN LISTE 8.5	-	-
RONGXINGDA D 8	66,112	0.12
ESKOM HOLDIN 4.314 2027/	165,250	0.29
PAPUA NEW GU 8.375 2028/	174,500	0.31

PORTFOLIO STATEMENTS

Exchange Traded Funds

ISHARES NASDAQ 100 UCITS	682,525	1.21
ISHARES CORE S&P (SWX)	628,884	1.12
ISHARES HIGH YIELD BOND	171,705	0.31
IVS.S&P SMLC.600 UCITS	612,488	1.09
SPDR MSCI WORLD ENERGY	306,999	0.55
ISHARES US OIL EQUIPMENT	298,320	0.53
ISHARES US O&G.EXP.	156,479	0.28
SPDR S&P BANK ETF	229,712	0.41

Collective Investment Schemes

MRB WANDELOBLIGATIONEN	461,734	0.82
IFS SWISS SMALL & MID	899,410	1.60
PIFS - IO TLH FUND - I	449,700	0.80
ISHARES J P MRGN.\$ EM	146,811	0.26
M2 UMBRELLA FUNDS - ASIAN	885,904	1.58
M2 UMBRELLA FUNDS - ASIAN	1,907,048	3.39
EUROPEAN GROWTH	441,817	0.79
PARTNERS GROUP GLOBAL	264,890	0.47
JSS SENIOR LOAN FUND P	224,132	0.40
DMC FD WLD HY CORP BONDS	584,644	1.04
VONTOBEL FUND - NON-FOOD	295,994	0.53
GWJ GLOBAL FUND A EUR	333,438	0.59
LFP I SICAV-SIF SA-THE	188,033	0.33

Derivatives - Forward Forex contracts

Purchase of United States Dollar against Euro maturing on 3 November 2022	8,496	0.02
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Investment in Gold

GOLDBARREN 1000 GRAMM	580,962	1.03
GOLDBARREN 100 GRAMM	1,751,397	3.12
GOLDBARREN 250 GRAMM	1,163,984	2.07
GOLDBARREN 500 GRAMM	1,163,984	2.07

Quoted Equities

BRIGHTON SHARES	-	-
GIVAUDAN 'N'	455,852	0.81
ZURICH INSURANCE GROUP	164,805	0.29
ROCHE HOLDING	374,334	0.67
ADECCO GROUP	72,514	0.13
TEMENOS N	28,987	0.05
DUFREY 'R'	60,440	0.11
SWISS RE	85,390	0.15
ZKB UNDERLYING TRACKER 20	266,600	0.47
SAP	95,426	0.17
VOLKSWAGEN PREF.	74,199	0.13
DEUTSCHE LUFTHANSA	93,245	0.17
ALLIANZ	91,391	0.16
BASF	52,225	0.09
BAYER	126,009	0.22
UBS STRATEGY CERTI. BASKE	747,671	1.33
L'OREAL	108,445	0.19
DANONE	160,083	0.28

PORTFOLIO STATEMENTS

LVMH	130,751	0.23
AROUNDTOWN (PAR)	198,408	0.35
AIRBUS	86,021	0.15
YANDEX	72,512	0.13
STELLANTIS	73,105	0.13
LEGE ARTIS C USD	72,809	0.13
CITIGROUP	144,179	0.26
ENERGIZER HOLDINGS	123,237	0.22
HONEYWELL INTL.	63,788	0.11
INTEL	129,439	0.23
JP MORGAN CHASE & CO.	143,690	0.26
MCDONALDS	64,189	0.11
RIGETTI COMPUTING	67,473	0.12
RIGETTI CMPTG.EQ. WTS.	2,711	0.00
VISA 'A'	56,114	0.10
ZKB 0 PERP 07/01/22	3,993,097	7.10
ZUERCHER KB ZERO 2049/	1,013,440	1.80
Unquoted Equities		
CHICAGO MULTI TENNANT COMMERCIAL BUILDING PROJECT	2,188,684	3.89
REAL ESTATE PROJECT	2,420,180	4.31
SWISS CYBER SECURITY COMPANY	600,000	1.07
BRAZIL POTASH CORP.	300,000	0.53
ASPIRATION	1,721,598	3.06
Loans		
LATVIAN CHOCOLATE FACTORY PROJECT	210,284	0.37
PARK AVENUE, NEW YORK OFFICE BUILDING PROJECT	562,068	1.00
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	2,081,360	3.70
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	1,550,255	2.76
LATVIAN CHOCOLATE FACTORY PROJECT	230,754	0.41
STUDENT HOUSING SPANICH PROJECT	1,212,832	2.16
LUXEMBOURG HOUSING CONSTRUCTION PROJECT	1,056,627	1.88
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	1,031,299	1.83
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	289,773	0.52
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	287,620	0.51
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	285,467	0.51
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	283,314	0.50
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	281,161	0.50
FRENCH HOTEL PROJECT	2,416,613	4.30
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJEC	1,002,224	1.78

PORTFOLIO STATEMENTS

ETSF MARKET VALUE FUND

As at 30 June 2022

	Fair Value \$	% of Net Assets
Collective Investment Schemes		
M2 UMBRELLA FUNDS - ASIAN	1,907,048	6.16
QUALITIUM FOHF I USD	333,057	1.08
Investment in Gold		
GOLDBARREN 100 GRAMM 999.	2,510,336	8.10
GOLDBARREN 1000 GRAMM 999	2,269,769	7.33
GOLDBARREN 250 GRAMM 999.	1,265,833	4.09
GOLDBARREN 500 GRAMM 999.	2,618,964	8.45
Quoted Equities		
AROWNTOWN (PAR)	273,548	0.88
Unquoted Equities		
CHICAGO MULTI TENNANT COMMERCIAL BUILDING PROJECT	2,188,683	7.07
REAL ESTATE PROJECT	4,914,741	15.86
BRAZIL POTASH CORP.	250,000	0.81
Loans		
LATVIAN CHOCOLATE FACTORY PROJECT	230,754	0.74
LATVIAN CHOCOLATE FACTORY PROJECT	398,944	1.29
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	1,550,255	5.00
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	290,850	0.94
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	1,411,583	4.56
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	288,697	0.93
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	286,543	0.92
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	284,390	0.92
WEST VILLAGE, NEW YORK APARTMENT BUILDING CONSTRUCTION PROJECT	282,237	0.91
FRENCH HOTEL PROJECT	2,416,612	7.80

INFORMATION ABOUT THE SCHEME

1. AUTHORISATION

The Company is authorised by the Malta Financial Services Authority as a Collective Investment Scheme pursuant to Section 6 of the Investment Services Act, 1994.

2. INCOME

In the case of the Sub-funds having accumulator classes of shares, no distributions are made. Instead, all income is accumulated within the price of the shares and therefore, no equalisation is required.

3. SCHEME PARTICULARS

The above details are extracted from the ETF Fund SICAV p.l.c. Prospectus, dated 26 November 2021, and the Supplementary Prospectus of the ETF Market Value Fund and the ETF Seven-4T FUND also dated 26 November 2021, all of which are available upon request from the Manager, and were current at the date of publishing of this Annual Report and Audited Financial Statements.

Independent auditor's report

To the Shareholders of ETSF Fund SICAV p.l.c.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ETSF Fund SICAV p.l.c (the Company), set out on pages 9 to 44, which comprise the statement of financial position as at 30 June 2022 and the statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable shares for the year then ended, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU (EU IFRSs) and have been prepared in accordance with the requirements of the Companies Act (Cap. 386).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described 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 the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We also confirm we have not provided any of the prohibited non-audit services referred to in those standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. 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.

Valuation of Unquoted Investments

Risk description

As described in note 3 of the financial statements, the investment portfolio as at year-end mainly comprised of:

Independent auditor's report (continued)

To the Shareholders of ETSF Fund SICAV p.l.c. (continued)

Key Audit Matters (continued)

- Listed equity and debt instruments,
- Exchange-traded funds,
- Real commodities (ounces of gold),
- Level 2 collective investment schemes,
- Unquoted loans and equity securities

We focused on the valuation of the unquoted investments as these investments represented a material balance in the financial statements and the valuations require estimates and significant judgements to be applied by the Directors such that changes to key inputs to the estimates and/or judgements made can result, either on an individual unquoted investment or in aggregate, in a material change to the valuation of unquoted investments.

How the scope of our audit responded to the risk

With respect to the unquoted loans, we have agreed the terms of the loans to supporting loan agreements. In addition, we assessed the valuation methodology applied by the Company's directors as at the end of the year which made reference to the valuation report prepared by the independent valuers as further explained in note 2.

With respect to the unquoted equity instruments, we agreed the terms of the relevant agreements. In addition, we assessed the valuation methodology applied by the Company's independent valuers and evaluated the judgements and assumptions made in determining the fair value of these unquoted investments.

Furthermore, we considered the Company's disclosures in noted 1 of the accounting policies for compliance with IFRSs as adopted by the EU.

Other Information

The directors are responsible for the other information. The other information comprises the Management and Administration section, Description of the Company, Portfolio Manager's Report, Directors' Report, Portfolio Statements, and Information about the Scheme. Our opinion on the financial statements does not cover this information, including the directors' report.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated.

With respect to the Directors' Report, we also considered whether the Directors' Report includes the disclosures required by Article 177 of the Maltese Companies Act (Cap. 386). Based on the work we have performed, in our opinion:

Independent auditor's report (continued)

To the Shareholders of ETSF Fund SICAV p.l.c. (continued)

Other Information (continued)

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with the Maltese Companies Act (Cap.386).

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the directors' report. We have nothing to report in this regard.

Responsibilities of the Directors

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with EU IFRS's, and for such internal control as the directors 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 the directors either intend 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 will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent auditor's report (continued)

To the Shareholders of ETSF Fund SICAV p.l.c. (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

Under the Maltese Companies Act (Cap. 386) we are required to report to you if, in our opinion:

- We have not received all the information and explanations we require for our audit.
- Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.

We have nothing to report to you in respect of these responsibilities.

Use of audit report

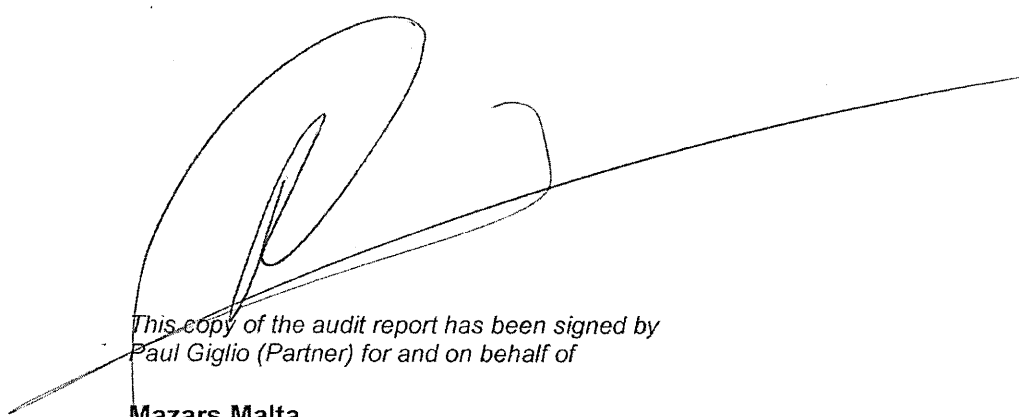
This report is made solely to the company's members as a body in accordance with the requirements of the Companies Act (Cap. 386) of the laws of Malta. Our audit work has been undertaken so that we might state to the company's members those matters that we are required to state to them in an auditor's report and for no other purpose. To the full extent permitted by law we do not assume responsibility to anyone other than the company's members as a body for our audit work, for this report or for the opinions we have formed.

Independent auditor's report (continued)

To the Shareholders of ETSF Fund SICAV p.l.c. (continued)

Appointment

We were appointed by the shareholders as auditors of ETSF Fund SICAV p.l.c. on 13 July 2020, as for the year ended 30 June 2020 and have operated as statutory auditor since that date.



*This copy of the audit report has been signed by
Paul Giglio (Partner) for and on behalf of*

Mazars Malta
Certified Public Accountants
Birkirkara,
Malta

24 October 2022