
GRANITESHARES FINANCIAL PUBLIC LIMITED COMPANY

**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

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GRANITESHARES FINANCIAL PUBLIC LIMITED COMPANY

COMPANY INFORMATION

DIRECTORS	Aileen Mannion (appointed 16 November 2022) Raja Gul Romira Hoxha (resigned on 16 November 2022) Jerrick Sy (appointed 30 June 2023 and resigned 3 July 2023) Jane McCullough (appointed 30 December 2022 and resigned 30 December 2022)
COMPANY REGISTRATION NUMBER	608059
COMPANY SECRETARY AND ADMINISTRATOR	TMF Administration Services Limited 3rd Floor, Kilmore House Park Lane Spencer Dock Dublin 1 Ireland D01 YE64
NOTE TRUSTEE, PRINCIPAL PAYING AGENT, SWAP COLLATERAL CUSTODIAN AND ACCOUNT BANK	The Bank of New York One Canada Square London E14 5AL England
SWAP COUNTERPARTY AND CALCULATION AGENT	Natixis S.A. 30 Avenue Pierre Mendes-France 75013 Paris France
ARRANGER	GraniteShares Jersey Limited 28 Esplanade St. Helier Jersey JE2 3QA Channel Islands
INDEPENDENT AUDITORS	Grant Thornton Chartered Accountants and Statutory Audit Firm 13 – 18 City Quay Dublin 2, D02 ED70 Ireland
LEGAL ADVISERS	<div>Irish Law Advisers/Irish Listing Agent Matheson 70 Sir John Rogerson's Quay Grand Canal Dock Dublin 2 Ireland</div> <div>English Law Advisers Linklaters LLP One Silk Street London, EC2Y 8HQ United Kingdom</div> <div>Jersey Law Advise Carey Olsen 47 Esplanade St Helier Jersey JE1 0BD Channel Islands</div>

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023

The directors present the Annual Report and the audited financial statements of Graniteshares Financial Public Limited Company (the "Company") for the financial year ended 30 June 2023.

PRINCIPAL ACTIVITIES

The Company is a public limited company, incorporated in Ireland on 17 July 2017, in accordance with the laws of Ireland with a registration number 608059.

The Company has been formed for the purpose of issuing collateralised exchange traded products ("ETP Securities" or "ETPs") and entering into a fully funded Swap agreements. Commercial activity commenced in September 2019 with the ETP Securities initially listed on the London Stock Exchange for trading on the secondary market.

The Company established a Collateralised ETP Securities Programme under which the Company issues, on an ongoing basis, collateralised exchange traded products of different classes (each a "Class") linked into indices providing exposure to a range of asset classes including equities, commodities, fixed income and currencies. The ETP Securities may have long or short, leveraged or unleveraged, exposure to the daily performance of the referenced index.

Each Class constitutes limited recourse obligations of the Company, secured on and payable solely from the assets constituting the ETP Securities in respect of such Class. Each Class of ETP Securities may comprise one or more tranches.

The ETP Securities have been listed for trading on the London Stock Exchange, Borsa Italiana S.p.A. (the "Italian Stock Exchange"), Euronext Paris and Deutsche Borse (the "Frankfurt Stock Exchange"). The Company uses the net proceeds of the issuance of the ETP Securities to enter into Total Return Swap Transactions ("TRSs") to hedge its payment obligations in respect of each Class of the ETP with one or more Swap Providers once the Swap Provider has delivered eligible collateral. The TRS for each Class of ETP Securities will produce cash flows to service all of the Company's payment obligations in respect of that Class.

As at financial year ended 30 June 2023, there were 109 ETPs in issuance (2022: 106 ETPs). The purchases over the financial year amounted to €240,977,908 (2022: €317,268,102) with sales of €231,042,886 (2022: €202,073,273).

Cash flows are a result of subscriptions and redemptions of ETP securities and expenses incurred. A movement on collateral does not generate a cash flow. The proceeds of the issuance of a tranche of ETP Securities of a Class will be paid by the Company to one or more of the Swap Providers with whom the Company has entered by the Company in relation that Class in proportion to the increase in the number of ETP Securities of that Class then outstanding.

The Company's payment obligations in respect of the ETP Securities of a Class will be covered entirely from payments received by the Company from the Swap Providers in respect of such TRS. Pursuant to the terms of each credit support document, the Company will be obliged to pay amounts equal to each distribution made on collateral held by it to the relevant Swap Provider upon receipt.

The ETP Securities do not bear interest at a prescribed rate. The return (if any) on the ETP Securities shall be calculated in accordance with the redemption provisions. The Classes of ETP Securities are disclosed in note 11.

There were no acquisitions of own shares by the Company during the financial year (2022:nil).

The Company does not have any branches.

The principal financial risks and uncertainties facing the Company during the financial year relate to the financial instruments held by it and are set out in note 14 to the financial statements and the Company expects the nature of these risks and uncertainties to remain the same for the foreseeable future.

On 24 February 2022, Russia engaged in military actions in the sovereign territory of Ukraine. The current political and financial uncertainty surrounding Russia and Ukraine may increase market volatility and the economic risk of trading in these countries and other impacted countries within the region. Management is closely monitoring the situation.

FUTURE DEVELOPMENTS

The plan for the foreseeable future is to continue with the issuance of ETPs under the programme mentioned above which may include listings on other stock exchanges.

RESULTS AND DIVIDENDS

The results for the financial year and the Company's financial position at the end of the financial year are set out on page 15 and 16, respectively. Profit on ordinary activities before taxation amounted to €1,000 (2022: €1,000). The corporation tax charge for the financial year is €250 (2022: €250).

No dividends were recommended to be paid for the financial year ended 30 June 2023 (2022: €nil).

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

Key performance indicators	Financial year ended 30 June 2023 €	Financial year ended 30 June 2022 €
(a) Net gain/loss on financial assets at FVTPL	35,822,145	(113,921,136)
(b) Net loss/gain on financial liabilities at FVTPL	(35,822,145)	113,921,136
(c) Financial assets at FVTPL	165,698,150	119,940,983
(d) Financial liabilities at FVTPL	(165,698,150)	(119,940,983)

PRINCIPAL RISKS AND UNCERTAINTIES

The operations of the Company are subject to various risks. Information about the financial risk management objectives and policies of the Company, along with exposure of the Company to market risk, currency risk, liquidity risk, concentration risk and operational risk, are disclosed in note 14 to the financial statements.

GOING CONCERN

The directors have assessed the ability of the Company to continue in operational existence for twelve months from the date of approval of the financial statements ('the period of assessment') and have concluded that it is appropriate to prepare the financial statements on a going concern basis.

In making this assessment the directors have considered the impact of Ukraine-Russia war on the Company's business.

The nature of the Company's business dictates that the outstanding ETPs may be redeemed at any time by any authorised participant who has entered into an authorised participant agreement with the Company. As the redemption of ETPs will coincide with the sale of an equal amount of the TRS's, no liquidity risk is considered to arise. The Company has entered into its primary service contracts with service providers on a non-recourse basis and these costs are being met by GraniteShares Jersey Limited. Therefore, the directors are confident that the Company will have the ability to continue to pay its operating costs and any redemptions that may arise within the period of assessment.

Based on the above, the directors have concluded that the Company has no material uncertainties which would cast a significant doubt on the Company's ability to continue as a going concern over the period of assessment.

DIRECTORS AND COMPANY SECRETARY

The Secretary of the company is TMF Administration Services Limited. Raja Gul and Aileen Mannion are the current active directors. During the financial year Romira Hoxha resigned as a director additionally Jerrick Sy and Jane McCullough also served as alternative directors. The directors and the company secretary had no material interest in any contract of significance in relation to the business of the Company. The directors and company secretary who held office on 30 June 2023 did not hold any shares, debentures or loan stock of the Company on that date or during the financial year (2022: same).

POWERS OF DIRECTORS

The Board is responsible for managing the business affairs of the Company in accordance with the Company's Constitution. The directors may delegate certain functions to TMF Administration Services Limited (the "Administrator") and other parties, subject to the supervision and direction of the directors.

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

DIRECTORS' COMPLIANCE STATEMENT

The directors, in accordance with Section 225(2)(a) of the Companies Act 2014 (the "Act"), acknowledge that they are responsible for securing the Company's compliance with its relevant obligations. Relevant obligations, in the context of the Company, are the Company's obligations under:

- (a) the Act, where a breach of the obligations would be a category 1 or category 2 offence;
- (b) the Act, where a breach of the obligation would be a serious Market Abuse or Prospectus offence; and
- (c) tax law.

Pursuant to Section 225(2)(b) of the Act, the directors confirm that:

- (i) a compliance policy statement has been drawn up as required by Section 225(3)(a) of the Act setting out the Company's policies (that, in the directors' opinion, are appropriate to the Company) respecting compliance by the Company with its relevant obligations;
- (ii) appropriate arrangements and structures have been put in place that, in their opinion, secure material compliance with the Company's relevant obligations; and
- (iii) a review has been conducted, in the financial year, of the arrangements and structures referred to in paragraph (ii).

CORPORATE GOVERNANCE STATEMENT

The directors have established processes regarding internal controls and risk management systems to ensure effective oversight of the financial reporting process. These include appointing the Administrator to maintain the accounting records of the Company. The Administrator is contractually obliged to maintain adequate accounting records and to that end the Administrator performs reconciliations of its records to those of Graniteshares Jersey Limited ("the Arranger"). The Administrator is also contractually obliged to prepare the annual report including financial statements for review and approval by the directors. The directors evaluate and discuss significant accounting and reporting issues as the need arises.

From time to time the directors also examine and evaluate the Administrator's financial accounting and reporting routines and monitor and evaluate the external auditors' performance, qualifications and independence. The Administrator has operating responsibility for internal control in relation to the financial reporting process and reports to the directors. The directors are responsible for assessing the risk of irregularities whether caused by fraud or error in financial reporting and ensuring the processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting. The directors have also put in place processes to identify changes in accounting rules and recommendations and to ensure that these changes are accurately reflected in the Company's financial statements.

The Administrator is contractually obliged to design and maintain control structures to manage the risks which the directors judge to be significant for internal control over financial reporting. These control structures include appropriate segregation of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in financial reporting for every significant account in the financial statements and the related notes in the Company's financial statements. The directors delegate the asset valuation function to the Arranger who operates a sophisticated system of controls to ensure appropriate valuation. All the values for the financial instruments held by the Company have been provided by the Arranger and in our opinion, they are the most appropriate and reliable source of such fair values in its capacity as Arranger. We are satisfied that the amounts as stated in the Company's financial statements represent a reasonable approximation of those values.

The Company's policies and the directors' instructions with relevance for financial reporting are updated and communicated via appropriate channels, such as e-mail, correspondence and meetings to ensure that all financial reporting information requirements are met in a complete and accurate manner. The directors have an annual process to ensure that appropriate measures are taken to consider and address any shortcomings identified and measures recommended by the independent auditors. Given the contractual obligations of the Administrator, the directors have concluded that there is currently no need for the Company to have a separate audit committee or internal audit function in order for the directors to perform effective monitoring and oversight of the internal controls and risk management systems of the Company in relation to the financial reporting process. Therefore, the Company has taken the exemption available for Section 110 companies as set out under Section 1551 of the Companies Act 2014 S 11 (c) not to have a separate audit committee.

No director has a significant direct or indirect holding of securities in the Company. No person has any special rights of control over the Company's share capital. There are no restrictions on voting rights.

The directors are responsible for managing the business affairs of the Company in accordance with the Company Constitution. The directors may delegate certain functions to the Administrator and other parties, subject to the supervision and direction by the directors. The Board consists of three directors.

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

ACCOUNTING RECORDS

The Directors are responsible for ensuring that adequate accounting records, as outlined in Section 281 to 285 of the Companies Act 2014, are kept by the Company. The measures are taken by the directors to ensure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and ensuring that a competent service provider is responsible for the preparation and maintenance of the accounting records. The accounting records are kept at the Company's registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, D01 YE64, Ireland.

SHAREHOLDER MEETINGS

The shareholder's rights and the operations of the shareholders meetings are defined in the Company's Constitution and complies with the Companies Act 2014.

RELATED PARTY TRANSACTIONS

The related party transactions in relation to the Company are disclosed in note 16.

SIGNIFICANT SUBSEQUENT EVENTS

The significant subsequent events in relation to the Company are disclosed in note 17.

POLITICAL DONATIONS

The Company did not make any political donations during the financial year (2022: nil).

RESEARCH AND DEVELOPMENT

The Company did not engage in any research and development activity during the financial year (2022: nil).

INDEPENDENT AUDITOR

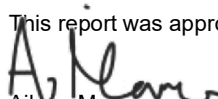
Grant Thornton, Chartered Accountants and Statutory Audit Firm is the independent auditor for the Company and will continue in office in accordance with section 383(2) of the Companies Act 2014.

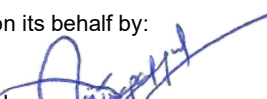
RELEVANT AUDIT INFORMATION

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This report was approved by the Board on 27/10/2023.... and signed on its behalf by:


Aileen Mannion
Director


Raja Gul
Director

GRANITESHARES FINANCIAL PUBLIC LIMITED COMPANY

DIRECTORS' RESPONSIBILITY STATEMENT

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

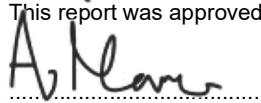
Irish company law, requires the directors to prepare financial statements for each financial year. Under that law, they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable Irish law.

Under Irish company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that financial year and otherwise comply with Companies Act 2014. In preparing these financial statements, the directors are required to:

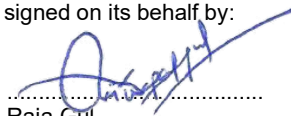
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the European Union;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting, unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative, but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

This report was approved by the Board on 27/10/2023... and signed on its behalf by:



Aileen Mannion
Director



Raja Gul
Director

Independent auditor's report to the members of Graniteshares Financial PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Graniteshares Financial PLC (the "Company"), which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows for the financial year ended 30 June 2023, and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law, including the Commission Delegated Regulation 2018/815 regarding the single electronic reporting format (ESEF) and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, Graniteshares Financial PLC's financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Company's ability to continue as a going concern basis of accounting included:

- Obtaining and reviewing the directors' formal assessment of going concern;
- Reviewing post year-end performance and business activities;
- Making enquiries with management and reviewing the board minutes in order to understand the future plans and to identify potential contradictory information; and
- Assessing the adequacy of the disclosures with respect to the going concern assumption.

Independent auditor's report to the members of Graniteshares Financial PLC

Conclusions relating to going concern (continued)

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

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

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

Overall audit strategy

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain / the selection of pricing sources to value the investment portfolio. We also addressed the risk of management override of internal controls, including evaluating whether there was any evidence of potential bias that could result in a risk of material misstatement due to fraud.

Based on our considerations as set out below, our areas of focus included:

- Existence of financial assets and liabilities at fair value through profit or loss
- Valuation of financial assets and liabilities at fair value through profit or loss

How we tailored the audit scope

The Company is a public limited company and qualifies for the regime contained in Section 110 of the Irish Taxes Consolidation Act, 1997. The Company has listed exchange traded products ("ETP Securities" or ("ETPs")) on the London Stock Exchange, Italian Stock Exchange, Euronext Paris, and Frankfurt Stock Exchange. The Directors control the affairs of the Company and they are responsible for the overall investment policy, which they determined. The Company engages TMF Administration Services Limited (or the "Administrator") to manage certain duties and responsibilities including the maintenance of the accounting records. The financial statements, which remain the responsibility of the directors, are prepared on their behalf by the Administrator.

We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of third party service providers, the accounting processes and controls, and the industry in which the Company operates.

Independent auditor's report to the members of Graniteshares Financial PLC

Key audit matters (continued)

How we tailored the audit scope (continued)

In establishing the overall approach to our audit we assessed the risk of material misstatement at a Company level, taking into account the nature, likelihood and potential magnitude of any misstatement. As part of our risk assessment, we considered the Company's interaction with the Administrator, and we assessed the control environment in place at the Administrator.

Materiality and audit approach

The scope of our audit is influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, such as our understanding of the entity and its environment, the history of misstatements, the complexity of the Company and the reliability of the control environment, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the Company as follows: 1% of Total Assets at 30 June 2023. We considered Total Assets to be the most appropriate benchmark on which to base our materiality, based on the principal activities of the Company and the significance of the assets they hold.

We have set performance materiality for the Company at 60%, having considered our prior year experience, business risks and fraud risks associated with the entity and it's the control environment. This is to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole.

We agreed with the Directors that we would report to them misstatements identified during our audit above 5% of materiality as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Significant matters identified

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are set out below as significant matters together with an explanation of how we tailored our audit to address these specific areas in order to provide an opinion on the financial statements as a whole. This is not a complete list of all risks identified by our audit.

Existence of financial assets and liabilities at fair value through profit or loss (Notes 2, 8, 11, and 14)

Description of significant matter	Audit response to significant matter
Financial assets and liabilities at fair value through profit or loss represent a principal element of the financial statements. We considered the risk that the TRSs and ETP Securities included in the Statement of Financial Position did not exist or that they were not held in the Company's name at the financial year end, which could result in a material misstatement.	<p>The following audit work has been performed to address the risks:</p> <ul style="list-style-type: none"> we held discussions with management and conducted a walkthrough to gain an understanding of the TRS and ETP existence process including relevant controls; we obtained direct independent confirmation of the existence of the TRSs with the relevant counterparty, Natixis S.A., charged with safeguarding the Company's assets and agreed to accounting records; and

Independent auditor's report to the members of Graniteshares Financial PLC

Significant auditor's attention was deemed appropriate because of the materiality of the financial assets at fair value through profit or loss. In addition, the valuation is also a key contributor to the financial performance of the Company.	<ul style="list-style-type: none"> we obtained direct independent confirmation of the existence of the ETPs with the relevant note trustee, the Bank of New York, charged with safeguarding the Company's liabilities and agreed to accounting records. <p>Our planned audit procedures were completed without material exception.</p>
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Valuation of financial assets and liabilities at fair value through profit or loss (Notes 2, 8, 11, and 14)

Description of significant matter	Audit response to significant matter
<p>There is a risk that the financial assets and liabilities at fair value through profit or loss included in the Statement of Financial Position as at 30 June 2023 are not valued at fair value in line with IFRS 9 Financial Instruments.</p> <p>Significant auditor's attention was deemed appropriate because of the materiality of the financial assets at fair value through profit or loss. In addition, the valuation is also a key contributor to the financial performance of the Company.</p>	<p>The following audit work has been performed to address the risks:</p> <ul style="list-style-type: none"> we held discussions with management and conducted a walkthrough to gain an understanding of the TRS and ETP valuation process including relevant controls; we tested a sample of TRS purchases and sales by tracing the sample to confirmation reports, and ETP subscriptions and redemptions by tracing to issuance deeds and redemption notices and repricing to independent pricing source; we re-performed the assigned valuation of each instrument using independent pricing i.e. Bloomberg; we reviewed the correct classification of fair value hierarchy classification based on IFRS 13; and we reviewed the related disclosures in the financial statements in accordance with IFRS as adopted by the EU. <p>Our planned audit procedures were completed without material exception.</p>

Notes 2, 8, 11 and 14 to the financial statements detailed the accounting policies, valuation and existence of the financial assets and financial liabilities at fair value through profit or loss held by the Company at the financial year-end and financial risk management, respectively.

Other information

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

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.

Independent auditor's report to the members of Graniteshares Financial PLC

Other information (continue)

If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

In our opinion the information given in the Directors' Report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

Corporate governance statement

In our opinion, based on the work undertaken in the course of our audit of the financial statements, the description of the main features of the internal control and risk management systems in relation to the financial reporting process, specified for our consideration and included in the Corporate Governance Statement, is consistent with the financial statements and has been prepared in accordance with section 1373(2)(c) of the Companies Act 2014.

Based on our knowledge and understanding of the Company and its environment obtained in the course of our audit of the financial statements, we have not identified material misstatements in the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement.

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with IFRS as adopted by the European Union, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report to the members of Graniteshares Financial PLC

Responsibilities of management and those charged with governance for the financial statements (continued)

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (Ireland).

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with London Stock Exchange, Borsa Italiana (Italian Stock Exchange), Euronext Paris (Paris stock Exchange) and Deutsche Boerse (Frankfurt Stock Exchange) Listing Rules and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the local law and tax: Companies Act 2014 and Irish tax legislation.

The audit engagement partner considered the experience and expertise of the engagement team to ensure that the team had appropriate competence and capabilities to identify or recognise non-compliance with the laws and regulation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial performance and management bias through judgements and assumptions, in particular in relation to significant one-off or unusual transactions. We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statements.

Independent auditor's report to the members of Graniteshares Financial PLC

Responsibilities of the auditor for the audit of the financial statements (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

In response to these principal risks, our audit procedures included but were not limited to:

- enquiries of management and directors on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- inspection of the Company's regulatory and legal correspondence and review of minutes of board meetings during the year to corroborate inquiries made;
- gaining an understanding of the entity's current activities, the scope of authorisation and the effectiveness of its control environment to mitigate risks related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- review of the financial statement disclosures to underlying supporting documentation and inquiries of management; and
- engagement partner's assessment of the engagement team's collective competence and capabilities to identify or recognise non-compliance with the laws and regulation.

The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance and management. As with any audit, there remains a risk of non-detection or irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or override of internal controls.

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

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



Independent auditor's report to the members of Graniteshares Financial PLC

Report on other legal and regulatory requirements

We were appointed by the Board of Directors on 6 August 2020 to audit the financial statements for the year ended 30 June 2023. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 2 years.

We have not provided non-audit services prohibited by the IAASA's Ethical Standard and have remained independent of the entity in conducting the audit.

The audit opinion is consistent with the additional report to the board of directors

A handwritten signature in black ink, appearing to read "David Lynch", written over a horizontal line.

David Lynch

For and on behalf of

Grant Thornton

Chartered Accountants & Statutory Audit Firm

13-18 City Quay

Dublin 2

27 October 2023

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

		Financial year ended 30 June 2023 €	Financial year ended 30 June 2022 €
	Note		
Net gain/(loss) on financial assets at fair value through profit and loss	3	35,822,145	(113,921,136)
Net (loss)/gain on financial liabilities at fair value through profit or loss	4	<u>(35,822,145)</u>	<u>113,921,136</u>
Net operating Income		-	-
Other income	5	2,448,254	2,499,905
Administrative expenses	6	<u>(2,447,254)</u>	<u>(2,498,905)</u>
Profit for the financial year before taxation		1,000	1,000
Taxation	7	<u>(250)</u>	<u>(250)</u>
Profit for the financial year after taxation		750	750
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the financial year		<u><u>750</u></u>	<u><u>750</u></u>

All amounts relate to continuing operations.

The accompanying notes on pages 19 to 44 form an integral part of these financial statements.


GRANITESHARES FINANCIAL PUBLIC LIMITED COMPANY


**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	Note	As at 30 June 2023 €	As at 30 June 2022 €
Assets			
Financial assets at fair value through profit or loss	8	165,698,150	119,940,983
Cash and cash equivalents	10	1,354,119	1,036,729
Other receivables	9	<u>135,290</u>	<u>249,455</u>
		<u>167,187,559</u>	<u>121,227,167</u>
Liabilities			
Financial liabilities at fair value through profit or loss	11	165,698,150	119,940,983
Other payables	12	<u>1,461,409</u>	<u>1,258,934</u>
		<u>167,159,559</u>	<u>121,199,917</u>
Equity			
Share capital	13	25,000	25,000
Retained earnings		<u>3,000</u>	<u>2,250</u>
Total equity		<u>28,000</u>	<u>27,250</u>
Total equity and liabilities		<u>167,187,559</u>	<u>121,227,167</u>

The accompanying notes on pages 19 to 44 form an integral part of these financial statements.

The audited financial statements were approved and authorised for issue by the Board on 27/10/2023 and signed on its behalf by:


Aileen Mannion
Director


Raja Gul
Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

For the financial year ended 30 June 2023	Share capital €	Retained earnings €	Total €
As at 1 July 2022	25,000	2,250	27,250
Total comprehensive income for the financial year	-	750	750
As at 30 June 2023	<u>25,000</u>	<u>3,000</u>	<u>28,000</u>

Financial year ended 30 June 2022	Share capital €	Retained earnings €	Total €
At 1 July 2021	25,000	1,500	26,500
Total comprehensive income for the financial year	-	750	750
As at 30 June 2022	<u>25,000</u>	<u>2,250</u>	<u>27,250</u>

The accompanying notes on pages 19 to 44 form an integral part of these financial statements.

GRANITESHARES FINANCIAL PUBLIC LIMITED COMPANY

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	Note	Financial year ended 30 June 2023 €	Financial year ended 30 June 2022 €
Cash flows from operating activities			
Profit on ordinary activities before taxation		1,000	1,000
<i>Adjustments:</i>			
Net losses on financial assets at fair value through profit or loss	3	35,822,145	(113,921,136)
Net gains on financial liabilities at fair value through profit or loss	4	(35,822,145)	113,921,136
Movement in other receivables		114,165	(38,487)
Movement in other payables		202,475	1,059,145
		317,640	1,021,658
Taxation paid		(250)	(250)
Net cash flows generated from operating activities		317,390	1,021,408
Cash flows from investing activities			
TRS purchases	11	(240,977,908)	(317,268,102)
TRS sales	11	231,042,886	202,073,273
Net cash used in investing activities		(9,935,022)	(115,194,829)
Cash flows from financing activities			
Issuance of ETP Securities	11	240,977,908	317,268,102
Repayment of ETP Securities	11	(231,042,886)	(202,073,273)
Net cash flows generated from financing activities		9,935,022	115,194,829
Net increase in cash and cash equivalents		317,390	1,021,408
Cash and cash equivalents at the beginning of financial year		1,036,729	15,321
Cash and cash equivalents at the end of financial year	10	1,354,119	1,036,729

The accompanying notes on pages 19 to 44 form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

1 GENERAL INFORMATION

The Company was incorporated on 17 July 2017 in accordance with the laws applicable in Ireland under registration number 608059. The Company is a public limited company and qualifies for the regime contained in Section 110 of the Irish Taxes Consolidation Act, 1997 (the "TCA, 1997"). This provides that a qualifying company will be liable to corporation tax at the rate of 25% under Case III of Schedule D of the TCA in respect of taxable profits. The Company's registered office is at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, D01 YE64, Ireland.

The Company has been formed for the purpose of issuing collateralised ETP Securities and entering into a fully funded Swap agreement. Commercial activity commenced in September 2019 with the ETP Securities initially listed on the London Stock Exchange for trading on the secondary market.

The Company established a Collateralised ETP Securities Programme under which the Company issues, on an ongoing basis, collateralised exchange traded products of different classes (each a "Class") linked into indices providing exposure to a range of asset classes including equities, commodities, fixed income and currencies. The ETP Securities may have long or short, leveraged or unleveraged, exposure to the daily performance of the referenced index.

The ETP Securities have been listed for trading on the London Stock Exchange, Borsa Italiana S.p.A. (the "Italian Stock Exchange"), Euronext Paris and Deutsche Boerse (the "Frankfurt Stock Exchange"). The Company uses the net proceeds of the issuance of the ETP Securities to enter into Total Return Swap Transactions ("TRS") to hedge its payment obligations in respect of each Class of the ETPs with one or more Swap Providers once the Swap Provider has delivered eligible collateral. The TRS for each Class of ETP Securities will produce cash flows to service all of the Company's payment obligations in respect of that Class.

The Company's principal activity is the listing and issue of ETPs. The securities are issued as demand requires. The Company purchases a matching TRS from swap providers to hedge its liabilities and ensure the assets can service its liabilities. The number and terms of ETPs outstanding will match the number and terms of ETP Swap Contracts so that the obligations of the Company and the Swap Provider Match. The price of an ETP Swap Contract will equal the price of an ETP. GraniteShares Jersey Limited (the "Arranger") supplied and/or arranged for the supply of all administrative services to the Company and paid all management and administration costs of the Company, in return for which the Company pays the Arranger an arranger fee.

The Company considers the capital management and its current capital resources to be adequate to maintain the ongoing listing and issue of the ETPs.

2 Accounting policies

2.1 Statement of compliance

The audited financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and those parts of Companies Act 2014 applicable to companies reporting under IFRS. The accounting policies adopted by the Company have been applied consistently. The audited financial statements have been prepared on a going concern basis.

2.2 Basis of preparation

The financial statements have been prepared on a going concern basis and under the historical cost convention except for the Company's financial assets and liabilities at fair value through profit and loss.

2.3 New and amended standards and interpretations

Standards, amendments, and interpretations are not yet effective and have not been adopted early by the Company.

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)**

2 Accounting policies (continued)

2.3 New and amended standards and interpretations (continued)

Standard	Title of Standard or Interpretation	Effective date
IFRS 17 and Amendments to IFRS 17	IFRS 17 Insurance Contracts and Amendments to IFRS 17	1 January 2023
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IAS 8	Definition of Accounting Estimates	1 January 2023

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

2.4 Use of estimates and judgements

The preparation of the audited financial statements requires the directors to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions will be reviewed on an ongoing basis. Revisions to accounting estimates will be recognised in the period in which the estimates are revised and in any future periods affected.

The principal application of judgement and sources of estimation of uncertainty arise with respect to determining the business model (see note 2.6), determining the functional currency (see note 2.5) and financial instruments at fair value. See note 14 for further discussion on how the fair values of the assets and liabilities are determined.

2.5 Functional and presentation currency

These audited financial statements are presented in Euro ("EUR" or "€") which is the Company's presentation currency. The Directors of the Company believe that Euro is the appropriate presentation currency as it reports to the Central Bank of Ireland in Euro.

Functional currency is the currency of the primary economic environment in which the entity operates. The ETP Securities issued by the Company and swap transactions entered into by the Company are denominated in Euro ("EUR" or "€"), Pound Sterling ("GBP" or "£") and US Dollars (US or "\$"). The Directors of the Company believe that Euro most faithfully represents the economic effects of the underlying transactions, events and conditions.

2.6 Financial instruments

Classification

The Company has adopted the following classifications for financial instruments:

Financial assets:

- At fair value through profit or loss: TRS.
- Amortised cost: Cash and cash equivalents and other receivables.

Financial liabilities:

- At fair value through profit or loss: ETP Securities.
- Amortised cost: other payables.

The classification is determined by both:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)**

2 Accounting policies (continued)

2.6 Financial instruments (continued)

- The Company's business model for managing the financial asset and financial liability.

The Company purchases a matching total return swaps from swap providers to hedge its liabilities and ensure the assets can service its liabilities. The number and terms of ETP Securities outstanding will match the number and terms of swap contracts so that the obligations of the Company and the swap provider match.

- The contractual cash flow characteristics of the financial assets and financial liability.

The Company uses the net proceeds of the issuance of the ETP Securities to enter total return swaps to hedge its payment obligations in respect of each Class of the ETP Securities with one or more swap providers. The total return swaps for each Class of ETP Securities produce cash flows to service all the Company's payment obligations in respect of that Class.

Recognition

Purchases and sales of financial instruments are recognised using trade date accounting, the day that the Company commits to purchase or sell the asset. From this date any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded through the Statement of Comprehensive Income.

Measurement

Financial instruments that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit or loss. Financial instruments are measured initially at fair value (transaction price) plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Subsequent to initial recognition, all instruments classified as at fair value through profit or loss, are measured at fair value with changes in their fair value recognised in profit or loss in the Statement of Comprehensive Income. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately.

Fair value estimation

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 price per ETP Securities is calculated daily to reflect the daily change in the relevant index of the ETP Securities, and will take into account all applicable fees and adjustments. On the issue date of the class, the price per ETP Securities will be equal to its issue price. On any valuation date thereafter, the price per ETP is calculated according to a formula which reflects the price per ETP on the immediately preceding valuation date.

The TRSs are valued at fair value utilising predefined formula and market prices consistent with the ETP valuation process. In the absence of readily available market prices, the Swap Provider will provide the inputs for the valuation. Where possible, the Company independently calculates the fair value and verifies the Swap Providers valuation with any variation investigated. The valuation determined by the Swap counterparty may be based on assumptions of market conditions at the time of valuation, similar arm's length market transactions if available, reference to the current fair value of similar instruments and a variety of different valuation techniques such as the discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions. All TRSs are carried as assets when fair value is positive and as liabilities when fair value is negative.

Transfer between levels of the fair value hierarchy

There were no transfers between levels of the fair value hierarchy in the financial year.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position where the Company currently has a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)**

2 Accounting policies (continued)

2.6 Financial instruments (continued)

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Company is recognised as a separate asset or liability in the Statement of Financial Position.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised), and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Comprehensive Income.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Net gain/(loss) on financial instruments at fair value through profit or loss

Realised gain/(loss) on financial assets are recorded as part of net gain/(loss) on financial assets (or liabilities) at fair value through profit or loss within the Statement of Comprehensive Income.

Unrealised gain/(loss) relates to gains and losses arising from changes in fair value of financial instruments during the financial year. Unrealised gain/(loss) on financial instruments are recognised within net gain/(loss) on financial assets (or liabilities) at fair value through profit or loss within the Statement of Comprehensive Income.

Expected credit losses

Under IFRS 9, the classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cashflow characteristics. The impairment model applies to financial assets measured at amortised cost and debt investments at FVOCI, but not to investments in equity instruments.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. The financial assets at amortised cost consist of cash and cash equivalents and other receivables.

Loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)**

2 Accounting policies (continued)

2.6 Financial instruments (continued)

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

See note 14.2 further discussion on credit risk.

2.7 Cash and cash equivalents

Cash and cash equivalents includes cash held with banks which is subject to insignificant risk in terms of changes of fair value with original maturities of three months or less, and are used by the Company in the management of its short-term commitments.

2.8 Other receivables and payables

Other receivables and payables with no stated interest rate and receivable within one year are recorded at transaction price.

2.9 Ordinary share capital presented as equity

Ordinary shares are not redeemable and do not participate in the net income of the Company are classified as equity as per the Company's Constitution.

2.10 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the financial year using the tax rates applicable to the Company's activities enacted or substantively enacted at the reporting date, and adjustments to tax payable in respect of previous financial years, if any.

Deferred taxation is accounted for, without discounting, in respect of all temporary differences between the treatment of certain items for taxation and accounting purposes which have arisen but have not been reversed by the financial year end date except as otherwise required by IAS 12 'Deferred Tax'. Provision is made at the tax rates that are expected to apply in the financial year in which the temporary differences reverse. Deferred tax assets are recognised only to the extent that it is considered more likely than not that they will be recovered. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2.11 Other income

The Company is entitled to receive a management fee which is calculated and paid by the Swap Provider by reference to a management fee rate under the specified terms of each relevant TRS by charging the applicable fee rate on the daily market value of each security.

The Company receives income from the Arranger to cover any expenses that are incurred. This is classified as 'other income' in the Statement of Comprehensive Income.

2.12 Administration expenses

The Company pays an arranger fee to the Arranger which is calculated based on the amount of fees received from the Swap Provider. The arranger fees are accrued on a daily basis and are recorded in the Statement of Comprehensive income.

Creation and Redemption fees are charged to the Company by the Paying Agent. The Company then charges these to the Authorised Participants. They are charged on a per transaction basis.

Administration expenses include amounts accrued for expenses such as administration and management incurred during the financial year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)**

2 Accounting policies (continued)

2.13 Foreign currency transaction

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the Statement of Comprehensive Income.

2.14 Unearned Income

This relates to the excess cash the that company received from the Arranger to cover for expenses.

The Company receives cash from the Arranger to cover for expenses. Whenever the cash is yet to be received it is recorded as a receivable from the Arranger.

However, when more cash was received from the Arranger to cover for expenses it is recorded as a payable.

3 Net gain/(loss) on financial assets at fair value through profit or loss

	Financial year ended 30 June 2023 €	Financial year ended 30 June 2022 €
Unrealised gain/(loss) on financial assets at fair value through profit or loss	50,127,132	(84,198,104)
Realised (losses) on financial assets at fair value through profit or loss	<u>(14,304,987)</u>	<u>(29,723,032)</u>
	<u>35,822,145</u>	<u>(113,921,136)</u>

Net losses on financial assets at fair value through profit or loss arises from changes in fair value on ETPs listed on the London Stock Exchange, Borsa Italiana S.p.A. (the "Italian Stock Exchange"), Euronext Paris and Deutsche Boerse (the "Frankfurt Stock Exchange").

4 Net (loss)/gain on financial liabilities at far value through profit or loss

	Financial year ended 30 June 2023 €	Financial year ended 30 June 2022 €
Unrealised (loss)/gain on financial liabilities at fair value through profit or loss	(50,127,132)	84,198,104
Realised gain/(loss) on financial liabilities at fair value through profit or loss	<u>14,304,987</u>	<u>29,723,032</u>
	<u>(35,822,145)</u>	<u>113,921,136</u>

GRANITESHARES FINANCIAL PUBLIC LIMITED COMPANY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)**

5 Other Income

	Financial year ended 30 June 2023 €	Financial year ended 30 June 2022 €
Issuer profit	1,000	1,000
Other income	901,897	533,905
Management fee income	<u>1,545,357</u>	<u>1,965,000</u>
	<u><u>2,448,254</u></u>	<u><u>2,499,905</u></u>

6 Administrative expenses

	Financial year ended 30 June 2023 €	Financial year ended 30 June 2022 €
Audit and tax compliance fees	(72,432)	(73,258)
Corporate service fees	(13,311)	(12,131)
Other costs	(816,154)	(448,516)
Management fees	<u>(1,545,357)</u>	<u>(1,965,000)</u>
	<u><u>(2,447,254)</u></u>	<u><u>(2,498,905)</u></u>

Auditors remuneration for the financial year is as follows:

	Financial year ended 30 June 2023 €	Financial year ended 30 June 2022 €
Audit fees	(61,718)	(64,884)
Tax compliance	<u>(10,714)</u>	<u>(8,374)</u>
	<u><u>(72,432)</u></u>	<u><u>(73,258)</u></u>

The Company has no employees and services required are contracted from third parties. TMF Administration Services Limited allocated approximately EUR 1,000 (2022: EUR 1,000) from the corporate service fee received as consideration for the making available of individuals to act as directors of the Company.

7 Taxation

	Financial year ended 30 June 2023 €	Financial year ended 30 June 2022 €
Corporation tax based on profit for the financial year	<u>250</u>	<u>250</u>

Factors affecting Company tax charge for the financial year are explained below:

GRANITESHARES FINANCIAL PUBLIC LIMITED COMPANY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)**

7 Taxation (continued)

	Financial year ended 30 June 2023 €	Financial year ended 30 June 2022 €
Profit on ordinary activities before taxation	<u>1,000</u>	<u>1,000</u>
Profit on ordinary activities multiplied by the standard rate of Irish corporation tax for the financial period of 12.5%	(125)	(125)
Effect of higher tax rate (25%) applicable under Section 110 TCA, 1997	<u>(125)</u>	<u>(125)</u>
Current tax credit for the financial year	<u>(250)</u>	<u>(250)</u>
	Financial year ended 30 June 2023 €	Financial year ended 30 June 2022 €
Corporation tax charged	250	250
Corporation tax paid	<u>(250)</u>	<u>(250)</u>
Ending corporation tax payable	<u>-</u>	<u>-</u>

The Company is a qualifying company within the meaning of Section 110 of the TCA, 1997. As such, the profits are chargeable to corporation tax under Case III of Schedule D of the TCA at a rate of 25%, but are computed in accordance with the provisions applicable to Case I of Schedule D of the TCA. There was no deferred tax during the financial year (2022: nil).

8 Financial assets at fair value through profit or loss

	As at 30 June 2023 €	As at 30 June 2022 €
Fair value of TRS	<u>165,698,150</u>	<u>119,940,983</u>

9 Other receivables

	As at 30 June 2023 €	As at 30 June 2022 €
Issuer profit receivable	4,000	3,000
Share capital receivable	18,750	18,750
Other receivable	<u>112,540</u>	<u>227,705</u>
	<u>135,290</u>	<u>249,455</u>

Based on the review of the Directors, no impairment was recorded for the year (2022:Nil) as the expected losses are considered to be immaterial.

GRANITESHARES FINANCIAL PUBLIC LIMITED COMPANY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)**

10 Cash and cash equivalents

	As at 30 June 2023 €	As at 30 June 2022 €
Cash and cash equivalents	<u>1,354,119</u>	<u>1,036,729</u>

Based on the review of the Directors, no impairment is recorded (2022:Nil) as the cash and cash equivalents have a low credit risk based on the external credit ratings of the counterparty and any expected losses are considered to be immaterial.

11 Financial liabilities at fair value through profit or loss

	As at 30 June 2023 €	As at 30 June 2022 €
1 July 2022	119,940,983	118,667,290
Cash flows:		
Proceeds	240,977,908	317,268,102
Repayment	(231,042,886)	(202,073,273)
Non-cash:		
Fair value movement	35,822,145	(113,921,136)
Fair value of ETP Securities	<u>165,698,150</u>	<u>119,940,983</u>

As at 30 June 2023, the following are the ETP Securities in issue which are listed on the London Stock Exchange, Borsa Italiana S.p.A. (the "Italian Stock Exchange"), Euronext Paris and Deutsche Boerse (the "Frankfurt Stock Exchange").

The table below shows ETPs cross listed in London Stock Exchange, Borsa Italiana, Euronext Paris, and Deutsche Boerse

Security Name	ISIN	BBG Ticker main listing	Fair value €	Launch date
GraniteShares 3x Long FAANG Daily ETP	XS2305050804	3FNG	808,948	4 March 2021
GraniteShares 3x Long FATANG Daily ETP	XS2305051877	3FTG	599,061	4 March 2021
GraniteShares 3x Short FATANG Daily ETP	XS2305051950	3SFT	51,891	4 March 2021
GraniteShares FAANG ETP	XS2305050556	FANG	738,320	4 March 2021
GraniteShares FATANG ETP	XS2305050713	FTNG	578,156	4 March 2021
GraniteShares GAFAM ETP	XS2305050630	GFAM	576,394	4 March 2021
GraniteShares 1x Short FATANG Daily ETP	XS2305052172	SFTG	<u>312,050</u>	4 March 2021
			<u>3,664,820</u>	

The table below shows ETPs cross listed in London Stock Exchange, Borsa Italiana, and Euronext Paris.

GRANITESHARES FINANCIAL PUBLIC LIMITED COMPANY

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FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)**

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

Security Name	ISIN	BBG Ticker main listing	Fair value €	Launch date
GraniteShares 3x Long GAFAM Daily ETP	XS2305051281	3GFM	1,250,094	4 March 2021
GraniteShares 3x Long AMD Daily ETP Securities	XS2377112110	3LAM	1,088,583	27 August 2021
GraniteShares 3x Long Apple Daily ETP	XS2193969883	3LAP	1,940,533	29 June 2020
GraniteShares 3x Long Moderna Daily ETP Securities	XS2613356620	3LMO	326,058	1 September 2021
GraniteShares 3x Long Netflix Daily ETP	XS2617255687	3LNF	1,925,922	1 July 2020
GraniteShares 3x Long NIO Daily ETP	XS2600249812	3LNI	2,239,257	8 March 2021
GraniteShares 3x Long NVIDIA Daily ETP	XS2193971947	3LNV	12,973,904	29 June 2020
GraniteShares 3x Long Palantir Daily ETP Securities	XS2620728860	3LPA	1,502,440	30 August 2021
GraniteShares 3x Short AMD Daily ETP Securities	XS2377112201	3SAM	106,765	27 August 2021
GraniteShares 3x Short FAANG Daily ETP	XS2305051018	3SFG	50,318	4 March 2021
GraniteShares 3x Short GAFAM Daily ETP	XS2305051448	3SGF	106,735	4 March 2021
GraniteShares 3x Short Moderna Daily ETP Securities	XS2377112540	3SMO	220,371	27 August 2021
GraniteShares 3x Short Microsoft Daily ETP	XS2193970386	3SMS	314,041	29 June 2020
GraniteShares 3x Short NIO Daily ETP	XS2626290311	3SNI	526,203	8 March 2021
GraniteShares 3x Short NVIDIA Daily ETP	XS2613356893	3SNV	1,560,837	1 July 2020
GraniteShares 3x Short Palantir Daily ETP Securities	XS2377112037	3SPA	687,378	27 August 2021
GraniteShares 3x Short UBER Daily ETP	XS2626290238	3SUB	316,322	1 July 2020
GraniteShares 1x Short FAANG Daily ETP	XS2305051109	SFNG	323,789	4 March 2021
GraniteShares 1x Short GAFAM Daily ETP	XS2305051521	SGFM	327,734	4 March 2021
			<u>27,787,284</u>	

The table below shows ETPs cross listed in London Stock Exchange and Borsa Italiana.

Security Name	ISIN	BBG Ticker main listing	Fair value €	Launch date
GraniteShares 2x Long Zoom Daily ETP	XS2376991654	2LZM	239,072	4 February 2022
GraniteShares 2x Short Zoom Daily ETP	XS2435549188	2SZM	97,055	4 February 2022
GraniteShares 3x Long Alibaba Daily ETP	XS2435549857	3LAA	912,543	4 February 2022
GraniteShares 3x Long Alphabet Daily ETP	XS2193968307	3LAL	1,675,469	29 June 2020
GraniteShares 3x Long Coinbase Daily ETP	XS2575914176	3LCO	2,267,026	4 February 2022
GraniteShares 3x Long Facebook Daily ETP	XS2193971350	3LFB	6,575,459	29 June 2020
GraniteShares 3x Long MicroStrategy Daily ETP	XS2617255760	3LMI	340,090	4 February 2022
GraniteShares 3x Long Microsoft Daily ETP	XS2193970204	3LMS	2,940,798	29 June 2020
GraniteShares 3x Long Spotify Daily ETP	XS2435549261	3LPO	601,420	4 February 2022
GraniteShares 3x Long PayPal Daily ETP	XS2596087671	3LPP	1,212,656	12 January 2022
GraniteShares 3x Long Square Daily ETP	XS2596085972	3LSQ	396,961	12 January 2022
GraniteShares 3x Long Tesla Daily ETP	XS2193972598	3LTS	60,538,920	29 June 2020
GraniteShares 3x Long UBER Daily ETP	XS2193972838	3LUB	1,980,148	29 June 2020
GraniteShares 3x Long Amazon Daily ETP	XS2193969537	3LZN	2,777,379	29 June 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)

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

Security Name	ISIN	BBG Ticker main listing	Fair value €	Launch date
GraniteShares 3x Short Alibaba Daily ETP	XS2435550194	3SAA	916,217	3 February 2022
GraniteShares 3x Short Alphabet Daily ETP	XS2193968729	3SAL	443,734	29 June 2020
GraniteShares 3x Short Apple Daily ETP	XS2193970030	3SAP	1,221,183	29 June 2020
GraniteShares 3x Short Facebook Daily ETP	XS2193971517	3SFB	324,159	29 June 2020
GraniteShares 3x Short MicroStrategy Daily ETP	XS2633105197	3SMI	356,680	4 February 2022
GraniteShares 3x Short Netflix Daily ETP	XS2193970899	3SNF	1,280,574	29 June 2020
GraniteShares 3x Short Spotify Daily ETP	XS2435549774	3SPO	88,842	4 March 2021
GraniteShares 3x Short PayPal Daily ETP	XS2376992389	3SPP	285,752	12 January 2022
GraniteShares 3x Short Square Daily ETP	XS2376991738	3SSQ	572,140	12 January 2022
GraniteShares 3x Short Tesla Daily ETP	XS2193972671	3STS	8,277,300	29 June 2020
GraniteShares 3x Short Amazon Daily ETP	XS2193969701	3SZN	249,476	29 June 2020
			<u>96,571,053</u>	

The table below shows ETPs cross listed in London Stock Exchange and Euronext Paris.

Security Name	ISIN	BBG Ticker main listing	Fair value €	Launch date
GraniteShares 3x Long Airbus Daily ETP Securities	XS2376933375	3LAR	589,440	27 August 2021
GraniteShares 3x Long Volkswagen Daily ETP Securities	XS2376990417	3LVW	486,179	27 August 2021
GraniteShares 3x Short Airbus Daily ETP Securities	XS2376937442	3SAR	129,113	27 August 2021
GraniteShares 3x Short Volkswagen Daily ETP Securities	XS2376991142	3SVW	707,579	27 August 2021
			<u>1,912,311</u>	

The table below shows ETPs cross listed in London Stock Exchange.

Security Name	ISIN	BBG Ticker main listing	Fair value €	Launch date
GraniteShares 3x Long AstraZeneca Daily ETP	XS2066793287	3LAZ	672,564	4 November 2019
GraniteShares 3x Long BAE Systems Daily ETP	XS2066799995	3LBA	1,385,127	4 November 2019
GraniteShares 3x Long Barclays Daily ETP	XS2066849923	3LBC	1,147,075	4 November 2019
GraniteShares 3x Long BP Daily ETP	XS2066792396	3LBP	1,495,768	4 November 2019
GraniteShares 3x Long Diageo Daily ETP	XS2066793790	3LDO	626,705	4 November 2019
GraniteShares 3x Long Glencore Daily ETP	XS2066789251	3LGL	1,158,201	4 November 2019
GraniteShares 3x Long Lloyds Banking Group Daily ETP	XS2066792982	3LLL	992,408	4 November 2019
GraniteShares 3x Long Royal Dutch Shell Daily ETP	XS2066850343	3LRD	1,674,522	4 November 2019
GraniteShares 3x Long Rio Tinto Daily ETP	XS2066849501	3LRI	1,259,226	4 November 2019
GraniteShares 3x Long Rolls-Royce Daily ETP	XS2633107052	3LRR	11,837,367	6 November 2019
GraniteShares 3x Long Vodafone Daily ETP	XS2009195566	3LVO	522,603	13 September 2019

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)

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

Security Name	ISIN	BBG Ticker main listing	Fair value €	Launch date
GraniteShares 3x Short AstraZeneca Daily ETP	XS2066793444	3SAZ	329,541	4 November 2019
GraniteShares 3x Short BAE Systems Daily ETP	XS2066849337	3SBA	286,533	4 November 2019
GraniteShares 3x Short Barclays Daily ETP	XS2620728605	3SBC	438,799	4 November 2019
GraniteShares 3x Short BP Daily ETP	XS2620728274	3SBP	395,729	6 November 2019
GraniteShares 3x Short Diageo Daily ETP	XS2066793873	3SDO	217,422	4 November 2019
GraniteShares 3x Short Glencore Daily ETP	XS2596087242	3SGL	552,220	6 November 2019
GraniteShares 3x Short Lloyds Banking Group Daily ETP	XS2066793014	3SLL	162,931	4 November 2019
GraniteShares 3x Short Royal Dutch Shell Daily ETP	XS2066850699	3SRD	879,326	4 November 2019
GraniteShares 3x Short Rio Tinto Daily ETP	XS2596086350	3SRI	601,697	6 November 2019
GraniteShares 3x Short Rolls-Royce Daily ETP	XS2305052255	3SRR	1,057,312	4 November 2019
GraniteShares 3x Short Vodafone Daily ETP	XS2009195640	3SVO	666,349	29 August 2019
			<u>28,359,425</u>	

The table below shows ETPs listed in Borsa Italiana.

Security Name	ISIN	BBG Ticker main listing	Fair value €	Launch date
GraniteShares 3x Long UniCredit Daily ETP	XS2435550947	3LCR	859,772	4 February 2022
GraniteShares 3x Long Eni Daily ETP	XS2435551242	3LEN	386,901	4 February 2022
GraniteShares 3x Long Enel Daily ETP	XS2435552216	3LNL	295,222	4 February 2022
GraniteShares 3x Long Intesa Sanpaolo Daily ETP	XS2435551598	3LSP	592,578	4 February 2022
GraniteShares 3x Long MIB Daily ETF	XS2531766363	3MIB	22,660	9 June 2023
GraniteShares 3x Short UniCredit Daily ETP	XS2435551168	3SCR	467,829	4 February 2022
GraniteShares 3x Short Eni Daily ETP	XS2435551325	3SEN	183,513	4 February 2022
GraniteShares 3x Short MIB Daily ETF	XS2531766447	3SIT	17,516	9 June 2023
GraniteShares 3x Short Enel Daily ETP	XS2435552729	3SNL	150,953	4 February 2022
GraniteShares 3x Short Intesa Sanpaolo Daily ETP	XS2435551671	3SSP	85,412	4 February 2022
GraniteShares 5x Long MIB Daily ETF	XS2531767502	5MIB	24,507	9 June 2023
GraniteShares 5x Short MIB Daily ETF	XS2531767767	5SIT	15,952	9 June 2023
			<u>3,102,815</u>	

The table below shows ETPs cross listed in Euronext Paris.

	ISIN	BBG Ticker main listing	Fair value €	Launch Date
GraniteShares 3x Long AXA Daily ETP Securities	XS2376944224	3LAX	616,471	27 August 2021
GraniteShares 3x Long BNP Daily ETP Securities	XS2376951948	3LBN	225,785	27 August 2021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)

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

	ISIN	BBG Ticker main listing	Fair value €	Launch Date
GraniteShares 3x Long Danone Daily ETP Securities	XS2376974304	3LDA	162,156	27 August 2021
GraniteShares 3x Long LVMH Daily ETP Securities	XS2376975020	3LLV	416,242	27 August 2021
GraniteShares 3x Long L'Oreal Daily ETP Securities	XS2376974726	3LOR	223,863	27 August 2021
GraniteShares 3x Long Safran Daily ETP Securities	XS2376975533	3LSA	331,916	27 August 2021
GraniteShares 3x Long Schneider Electric Daily ETP Securities	XS2376976770	3LSE	412,408	27 August 2021
GraniteShares 3x Long Sanofi Daily ETP Securities	XS2376975962	3LSN	299,987	27 August 2021
GraniteShares 3x Long STMicroelectronics Daily ETP Securities	XS2376978982	3LST	215,786	27 August 2021
GraniteShares 3x Long TotalEnergies Daily ETP Securities	XS2376979790	3LTO	125,865	27 August 2021
GraniteShares 3x Short AXA Daily ETP Securities	XS2376951781	3SAX	118,207	27 August 2021
GraniteShares 3x Short BNP Daily ETP Securities	XS2376952243	3SBN	179,582	27 August 2021
GraniteShares 3x Short Danone Daily ETP Securities	XS2376974486	3SDA	88,799	27 August 2021
GraniteShares 3x Short LVMH Daily ETP Securities	XS2376975376	3SLV	232,007	27 August 2021
GraniteShares 3x Short L'Oreal Daily ETP Securities	XS2376974999	3SOR	86,797	27 August 2021
GraniteShares 3x Short Safran Daily ETP Securities	XS2376975616	3SSA	126,840	27 August 2021
GraniteShares 3x Short Schneider Electric Daily ETP Securities	XS2376976853	3SSE	58,739	27 August 2021
GraniteShares 3x Short Sanofi Daily ETP Securities	XS2376976341	3SSN	81,817	27 August 2021
GraniteShares 3x Short STMicroelectronics Daily ETP Securities	XS2376979287	3SST	253,522	27 August 2021
GraniteShares 3x Short TotalEnergies Daily ETP Securities	XS2376979873	3STO	43,653	27 August 2021
			<u>4,300,442</u>	

As at 30 June 2022, the following are the ETP Securities in issue which are listed on the London Stock Exchange, Borsa Italiana S.p.A. (the "Italian Stock Exchange"), Euronext Paris and Deutsche Boerse (the "Frankfurt Stock Exchange").

The table below shows ETPs cross listed in London Stock Exchange, Borsa Italiana, and Euronext Paris.

	ISIN	BBG Ticker main listing	Fair value €	Launch Date
GraniteShares 3x Leveraged Alphabet ETP	XS2193968307	3LAL	2,345,292	29 June 2020
GraniteShares -3x Short Alphabet ETP	XS2193968729	3SAL	1,209,284	29 June 2020
GraniteShares 3x Leveraged Amazon ETP	XS2193969537	3LZN	2,434,646	29 June 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)

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

	ISIN	BBG Ticker main listing	Fair value €	Launch Date
GraniteShares -3x Short Amazon ETP	XS2193969701	3SZN	1,807,927	29 June 2020
GraniteShares 3x Leveraged Apple ETP	XS2193969883	3LAP	1,015,447	29 June 2020
GraniteShares -3x Short Apple ETP	XS2193970030	3SAP	1,568,470	29 June 2020
GraniteShares 3x Leveraged Facebook ETP	XS2193971350	3LFB	1,919,711	29 June 2020
GraniteShares -3x Short Facebook ETP	XS2193971517	3SFB	1,746,007	29 June 2020
GraniteShares 3x Leveraged Microsoft ETP	XS2193970204	3LMS	1,134,749	29 June 2020
GraniteShares -3x Short Microsoft ETP	XS2193970386	3SMS	1,314,031	29 June 2020
GraniteShares 3x Leveraged Netflix ETP	XS2193970543	3LNF	750,360	29 June 2020
GraniteShares -3x Short Netflix ETP	XS2193970899	3SNF	3,001,828	29 June 2020
GraniteShares 3x Leveraged NVIDIA ETP	XS2193971947	3LNV	2,082,391	29 June 2020
GraniteShares -3x Short NVIDIA ETP	XS2193972168	3SNV	2,058,130	29 June 2020
GraniteShares 3x Leveraged Tesla ETP	XS2193972598	3LTS	22,685,496	29 June 2020
GraniteShares -3x Short Tesla ETP	XS2193972671	3STS	16,717,071	29 June 2020
GraniteShares 3x Leveraged UBER ETP	XS2193972838	3LUB	694,886	29 June 2020
GraniteShares -3x Short UBER ETP	XS2193973059	3SUB	4,289,622	29 June 2020
GraniteShares 3x Leveraged NIO ETP	XS2193973133	3LNI	7,619,450	4 March 2021
GraniteShares -3x Short NIO ETP	XS2193973216	3SNI	1,991,091	4 March 2021
GraniteShares 3x Leveraged FAANG ETP	XS2305050804	3FNG	195,575	4 March 2021
GraniteShares -3x Short FAANG ETP	XS2305051018	3SFG	191,819	4 March 2021
GraniteShares 1x Leveraged GAFAM ETP	XS2305050630	GFAM	131,439	4 March 2021
GraniteShares 3x Leveraged GAFAM ETP	XS2305051281	3GFM	755,372	4 March 2021
GraniteShares -1x Short GAFAM ETP	XS2305051521	SGFM	499,840	4 March 2021
GraniteShares -3x Short GAFAM ETP	XS2305051448	3SGF	521,006	4 March 2021
GraniteShares 1x Leveraged FATANG ETP	XS2305050713	FTNG	235,310	4 March 2021
GraniteShares 3x Leveraged FATANG ETP	XS2305051877	3FTG	266,562	4 March 2021
GraniteShares -1x Short FATANG ETP	XS2305052172	SFTG	539,365	4 March 2021
GraniteShares -3x Short FATANG ETP	XS2305051950	3SFT	381,924	4 March 2021
			<u>82,104,101</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)

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

The table below shows ETPs cross listed in Borsa Italiana and Euronext Paris.

	ISIN	BBG Ticker main listing	Fair value €	Launch Date
GraniteShares 3x Long Palantir Daily ETP Securities	XS2377111906	3LPA	321,575	27 August 2021
GraniteShares 3x Short Palantir Daily ETP Securities	XS2377112037	3SPA	230,770	27 August 2021
GraniteShares 3x Long AMD Daily ETP Securities	XS2377112110	3LAM	99,487	27 August 2021
GraniteShares 3x Short AMD Daily ETP Securities	XS2377112201	3SAM	432,799	27 August 2021
GraniteShares 3x Long Moderna Daily ETP Securities	XS2377112466	3LMO	921,722	27 August 2021
GraniteShares 3x Short Moderna Daily ETP Securities	XS2377112540	3SMO	244,724	27 August 2021
			<u>2,251,077</u>	

The table below shows ETPs listed in London Stock Exchange.

	ISIN	BBG Ticker main listing	Fair value €	Launch Date
GraniteShares 3x Leveraged Vodafone ETP	XS2009195566	3LVO	1,064,207	13 September 2019
GraniteShares -3x Short Vodafone ETP	XS2009195640	3SVO	61,508	29 August 2019
GraniteShares 3x Leveraged Glencore ETP	XS2066789251	3LGL	2,042,234	4 November 2019
GraniteShares -3x Short Glencore ETP	XS2066789335	3SGL	789,715	4 November 2019
GraniteShares 3x Leveraged Lloyds TSB ETP	XS2066792982	3LLL	1,074,286	4 November 2019
GraniteShares -3x Short Lloyds TSB ETP	XS2066793014	3SLL	294,540	4 November 2019
GraniteShares 3x Leveraged BP ETP	XS2066792396	3LBP	1,780,830	4 November 2019
GraniteShares -3x Short BP ETP	XS2066792636	3SBP	432,798	4 November 2019
GraniteShares 3x Leveraged AstraZeneca ETP	XS2066793287	3LAZ	427,345	4 November 2019
GraniteShares -3x Short AstraZeneca ETP	XS2066793444	3SAZ	174,554	4 November 2019
GraniteShares 3x Leveraged Diagio ETP	XS2066793790	3LDO	336,734	4 November 2019
GraniteShares -3x Short Diagio ETP	XS2066793873	3SDO	226,578	4 November 2019
GraniteShares 3x Leveraged BAE ETP	XS2066799995	3LBA	1,189,374	4 November 2019
GraniteShares -3x Short BAE ETP	XS2066849337	3SBA	550,042	4 November 2019
GraniteShares 3x Leveraged RIO ETP	XS2066849501	3LRI	1,362,149	4 November 2019
GraniteShares -3x Short RIO ETP	XS2066849766	3SRI	746,166	4 November 2019
GraniteShares 3x Leveraged Barclays ETP	XS2066849923	3LBC	1,885,403	4 November 2019
GraniteShares -3x Short Barclays ETP	XS2066850004	3SBC	831,499	4 November 2019
GraniteShares 3x Leveraged Royal Dutch ETP	XS2066850343	3LRD	2,229,539	4 November 2019
GraniteShares -3x Short Royal Dutch ETP	XS2066850699	3SRD	329,643	4 November 2019
GraniteShares 3x Leveraged Rolls Royce ETP	XS2066850772	3LRR	9,707,458	4 November 2019
GraniteShares -3x Short Rolls Royce ETP	XS2305052255	3SRR	468,746	4 November 2019
			<u>28,005,348</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)

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

The table below shows ETPs listed in Euronext Paris.

	ISIN	BBG Ticker main listing	Fair value €	Launch Date
GraniteShares 3x Long Airbus Daily ETP Securities	XS2376933375	3LAR	87,773	27 August 2021
GraniteShares 3x Short Airbus Daily ETP Securities	XS2376937442	3SAR	7,915	27 August 2021
GraniteShares 3x Long AXA Daily ETP Securities	XS2376944224	3LAX	351,259	27 August 2021
GraniteShares 3x Short AXA Daily ETP Securities	XS2376951781	3SAX	7,580	27 August 2021
GraniteShares 3x Long BNP Daily ETP Securities	XS2376951948	3LBN	5,072	27 August 2021
GraniteShares 3x Short BNP Daily ETP Securities	XS2376952243	3SBN	5,927	27 August 2021
GraniteShares 3x Long Danone Daily ETP Securities	XS2376974304	3LDA	5,708	27 August 2021
GraniteShares 3x Short Danone Daily ETP Securities	XS2376974486	3SDA	9,912	27 August 2021
GraniteShares 3x Long L'Oreal Daily ETP Securities	XS2376974726	3LOR	125,075	27 August 2021
GraniteShares 3x Short L'Oreal Daily ETP Securities	XS2376974999	3SOR	34,017	27 August 2021
GraniteShares 3x Long LVMH Daily ETP Securities	XS2376975020	3LLV	161,229	27 August 2021
GraniteShares 3x Short LVMH Daily ETP Securities	XS2376975376	3SLV	155,451	27 August 2021
GraniteShares 3x Long Safran Daily ETP Securities	XS2376975533	3LSA	114,498	27 August 2021
GraniteShares 3x Short Safran Daily ETP Securities	XS2376975616	3SSA	35,327	27 August 2021
GraniteShares 3x Long Sanofi Daily ETP Securities	XS2376975962	3LSN	12,542	27 August 2021
GraniteShares 3x Short Sanofi Daily ETP Securities	XS2376976341	3SSN	4,995	27 August 2021
GraniteShares 3x Long Schneider Electric Daily ETP Securities	XS2376976770	3LSE	166,743	27 August 2021
GraniteShares 3x Short Schneider Electric Daily ETP Securities	XS2376976853	3SSE	12,420	27 August 2021
GraniteShares 3x Long STMicroelectronics Daily ETP Securities	XS2376978982	3LST	98,889	27 August 2021
GraniteShares 3x Short STMicroelectronics Daily ETP Securities	XS2376979287	3SST	422,422	27 August 2021
GraniteShares 3x Long TotalEnergies Daily ETP Securities	XS2376979790	3LTO	21,931	27 August 2021
GraniteShares 3x Short TotalEnergies Daily ETP Securities	XS2376979873	3STO	101,686	27 August 2021
GraniteShares 3x Long Volkswagen Daily ETP Securities	XS2376990417	3LVW	244,448	27 August 2021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)

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

	ISIN	BBG Ticker main listing	Fair value €	Launch Date
GraniteShares 3x Short Volkswagen Daily ETP Securities	XS2376991142	3SVW	922,743	27 August 2021
			<u>3,115,562</u>	

The table below shows ETPs listed in Borsa Italia.

	ISIN	BBG Ticker main listing	Fair value €	Launch Date
GraniteShares 3x Long PayPal Daily ETP	XS2376992629	3LPP	163,967	12 January 2022
GraniteShares 3x Short PayPal Daily ETP	XS2376992389	3SPP	764,425	12 January 2022
GraniteShares 3x Long Square Daily ETP	XS2376992207	3LSQ	7,835	12 January 2022
GraniteShares 3x Short Square Daily ETP	XS2376991738	3SSQ	104,342	12 January 2022
GraniteShares 3x Long Coinbase Daily ETP	XS2377112896	3LCO	67,723	4 February 2022
GraniteShares 3x Short Coinbase Daily ETP	XS2377112623	3SCO	16,375	4 February 2022
GraniteShares 2x Long Zoom Daily ETP	XS2376991654	2LZM	151,942	4 February 2022
GraniteShares 2x Short Zoom Daily ETP	XS2435549188	2SZM	9,964	4 February 2022
GraniteShares 3x Long Spotify Daily ETP	XS2435549261	3LPO	58,424	4 February 2022
GraniteShares 3x Short Spotify Daily ETP	XS2435549774	3SPO	21,266	4 February 2022
GraniteShares 3x Long Alibaba Daily ETP	XS2435549857	3LAA	82,695	4 February 2022
GraniteShares 3x Short Alibaba Daily ETP	XS2435550194	3SAA	1,753	4 February 2022
GraniteShares 3x Long MicroStrategy Daily ETP	XS2435550350	3LMI	6,325	4 February 2022
GraniteShares 3x Short MicroStrategy Daily ETP	XS2435550780	3SMI	124,004	4 February 2022
GraniteShares 3x Long UniCredit Daily ETP	XS2435550947	3LCR	399,516	4 February 2022
GraniteShares 3x Short UniCredit Daily ETP	XS2435551168	3SCR	13,731	4 February 2022
GraniteShares 3x Long Eni Daily ETP	XS2435551242	3LEN	285,551	4 February 2022
GraniteShares 3x Short Eni Daily ETP	XS2435551325	3SEN	11,030	4 February 2022
GraniteShares 3x Long Intesa Sanpaolo Daily ETP	XS2435551598	3LSP	289,011	4 February 2022
GraniteShares 3x Short Intesa Sanpaolo Daily ETP	XS2435551671	3SSP	435,119	4 February 2022
GraniteShares 3x Long Enel Daily ETP	XS2435552216	3LNL	195,622	4 February 2022
GraniteShares 3x Short Enel Daily ETP	XS2435552729	3SNL	440,730	4 February 2022
			<u>3,651,350</u>	

The table below shows ETPs cross listed in London Stock Exchange, Borsa Italiana, Euronext Paris, and Deutsche Boerse.

	ISIN	BBG Ticker main listing	Fair value €	Launch Date
GraniteShares 1x Leveraged FAANG ETP	XS2305050556	FANG	223,036	4 March 2021
GraniteShares -1x Short FAANG ETP	XS2305051109	SFNG	590,509	4 March 2021
			<u>813,545</u>	

GRANITESHARES FINANCIAL PUBLIC LIMITED COMPANY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)**

12 Other payables

	As at 30 June 2023 €	As at 30 June 2022 €
Corporate admin fee payable	5,403	5,153
Audit and tax payables	80,096	58,478
Arranger fees payable	185,517	239,836
Other payables	12,888	8,284
Unearned income	1,177,505	947,183
	<u>1,461,409</u>	<u>1,258,934</u>

Unearned Income

The Company receives cash from the Arranger to cover for expenses. Whenever the cash is yet to be received it is recorded as a receivable from the Arranger. However, when more cash was received from the Arranger to cover for expenses it is recorded as a payable.

13 Share capital

Authorised

	As at 30 June 2023 No.	€	As at 30 June 2022 No.	€
Ordinary shares of €1 each	<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>

Allotted and called up

	As at 30 June 2023 No.	€	As at 30 June 2022 No.	€
Ordinary shares of €1 each	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

The Company's capital as at the financial year end is best represented by the ordinary shares outstanding.

The Company issued 25,000 shares which are held by TMF Management (Ireland) Limited on trust for charitable purposes. On 26 March 2019, the shareholder paid up 25% of the share capital.

The Company monitors capital on the basis of the carrying amount of equity, less cash as presented in the Statement of Financial Position.

14 Financial Risk Management

The Company's financial instruments include the financial assets at fair value through profit or loss, other receivables, cash and cash equivalents, financial liabilities at fair value through profit or loss and other payables that arise directly from its operations.

The Board has overall responsibility for the establishment and oversight of the Company's risk management framework.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)**

14 Financial Risk Management (continued)

The Company has exposure to the following risks from its use of financial instruments:

- Market risk;
- Credit risk;
- Liquidity risk;
- Operational risk; and
- Concentration risk

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

14.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and securities prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. Market risk embodies the potential for both losses and gains and includes currency risk and market price risk. The impact of the COVID-19 pandemic and the impact of Russia-Ukraine war on the Company is covered by the existing risk management framework.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in foreign currency.

The ETP Securities issued by the Company are denominated in Euro, Pound Sterling and US Dollars. The proceeds of these issuances are used to fund the purchase of the TRSs in Pound Sterling and US Dollars. These are retranslated to EUR using the applicable exchange rates. As the base currency of the TRSs matches the base currency of the ETP Securities there is deemed to be no currency risk to the Company.

The closing exchange rates used are as follows:

	30/06/2023	30/06/2022
USD	EUR/USD 1.0866	EUR/USD 1.0452
GBP	EUR/GBP 0.85828	EUR/GBP 0.8582

	TRS Nominal EUR equivalent	ETP issued Nominal EUR equivalent	Net exposure Nominal EUR equivalent
As at 30 June 2023			
USD	128,023,157	(128,023,157)	-
GBP	28,359,425	(28,359,425)	-
EUR	9,315,568	(9,315,568)	-
	<u>165,698,150</u>	<u>(165,698,150)</u>	<u>-</u>

	TRS Nominal EUR equivalent	ETP issued Nominal EUR equivalent	Net exposure Nominal EUR equivalent
As at 30 June 2022			
Financial assets			
USD	86,749,763	(86,749,763)	-
GBP	28,005,348	(28,005,348)	-
EUR	5,185,872	(5,185,872)	-
	<u>119,940,983</u>	<u>(119,940,983)</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)

14 Financial Risk Management (continued)

14.1 Market risk (continued)

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk), whether those changes are caused by factors specific to the individual financial instrument or its seller, or factors affecting similar financial instruments traded in the market. The Arranger monitors the cash flows of the financial assets at fair value through profit or loss on a daily basis.

The Company uses the hierarchy below for determining and disclosing the fair value of financial instruments by valuation technique:

The level in the fair value hierarchy in which each fair value measurement is categorised includes:

- Level 1: quoted prices (unadjusted) in an active market for identical assets or liabilities;
- Level 2: inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liabilities that are not based on observable market data (unobservable inputs).

Financial instruments measured at fair value through profit or loss

	Level 2 €	Total €
30 June 2023		
Financial assets at FVTPL		
Financial assets at fair value through profit or loss	165,698,150	165,698,150
	<u>165,698,150</u>	<u>165,698,150</u>
Financial liabilities at FVTPL		
Financial liabilities at fair value through profit or loss	(165,698,150)	(165,698,150)
	<u>(165,698,150)</u>	<u>(165,698,150)</u>
30 June 2022		
Financial assets at FVTPL		
Financial assets at fair value through profit or loss	119,940,983	119,940,983
	<u>119,940,983</u>	<u>119,940,983</u>
Financial liabilities at FVTPL		
Financial liabilities at fair value through profit or loss	(119,940,983)	(119,940,983)
	<u>(119,940,983)</u>	<u>(119,940,983)</u>

The ETP Securities and TRSs have the same value and are considered to be fair valued under level 2 as the prices are compiled according to a formula which utilises a daily index for each ETP, based on market data as given by a third party provider, net of expenses incurred.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the last day of the accounting year. There were no transfers during the financial year between levels of the fair value hierarchy for financial assets and liabilities which are recorded at fair value, (2022: same).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)

14 Financial Risk Management (continued)

14.1 Market risk (continued)

Price risk (continued)

Sensitivity analysis:

Any changes in the values of the TRSs held by the Company would not have any effect on the equity or profit or loss of the Company as any fair value fluctuations are ultimately borne by the holders of the ETP Securities issued by the Company. A 10% change in the value of the portfolio of TRSs held will result in a change in value of EUR 16,569,815 (2022: EUR 11,994,098). This will be offset by an equal change in the value of ETP securities issued, resulting in a net zero impact to the equity or profit of the Company. Therefore, the Company is fully economically hedged against changes in prices of underlying securities.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

As the Company has invested in TRSs to match the ETP Securities, there is deemed to be no interest rate risk to the Company.

The Company has a bank balance at The Bank of New York. Due to the level of cash held in the bank account, the directors do not believe that any movement in interest rates would affect the operations of the Company.

14.2 Credit risk

Credit risk arises from the possibility of obligors failing to meet their obligations to the Company and represents the most significant category of risk.

The maximum exposure to the credit risk of the ETP holders at the reporting date was:

	As at 30 June 2023 €	As at 30 June 2022 €
Financial assets at fair value through profit or loss	165,698,150	119,940,983
Other receivables	135,290	249,455
Cash and cash equivalents	<u>1,354,119</u>	<u>1,036,729</u>
	<u>167,187,559</u>	<u>121,227,167</u>

The Swap counterparty is Natixis S.A.. which has A (2022: A) credit rating from Standard & Poor's.

The Company has 5 active bank accounts with The Bank of New York in currencies EUR,GBP and USD with a total Euro equivalent balance of EUR 1,354,119 (2022:EUR 1,036,729).

Other receivables were settled after the financial year end (2022: same).

14.3 Liquidity risk

Liquidity risk is the risk that the Company may be unable to fulfil its obligations, whether expected or unexpected. ETP Securities cannot be issued without a matching investment in a TRS being put in place. ETP Securities can be issued and redeemed daily, therefore this is the earliest maturity date for the purposes of the maturity analysis below.

The return on each issuance of ETP Securities will be linked to the daily performance of the corresponding TRS. The redemption amount of the ETP Securities will be derived from the liquidation of the corresponding TRS.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)

14 Financial Risk Management (continued)

14.3 Liquidity risk (continued)

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

	Carrying amount €	Less than one year €	One to five years €	More than five years €
As at 30 June 2023				
Financial assets at fair value through profit or loss	165,698,150	165,698,150	-	-
Other receivables	135,290	135,290	-	-
Cash and cash equivalents	1,354,119	1,354,119	-	-
	<u>167,187,559</u>	<u>167,187,559</u>	<u>-</u>	<u>-</u>
Financial liabilities at fair value through profit or loss	(165,698,150)	(165,698,150)	-	-
Corporation tax payable	-	-	-	-
Other payables	(1,461,409)	(1,461,409)	-	-
	<u>(167,159,559)</u>	<u>(167,159,559)</u>	<u>-</u>	<u>-</u>
	Carrying amount €	Less than one year €	One to five years €	More than five years €
As at 30 June 2022				
Financial assets at fair value through profit or loss	119,940,983	119,940,983	-	-
Other receivables	249,455	249,455	-	-
Cash and cash equivalents	1,036,729	1,036,729	-	-
	<u>121,227,167</u>	<u>121,227,167</u>	<u>-</u>	<u>-</u>
Financial liabilities at fair value through profit or loss	(119,940,983)	(119,940,983)	-	-
Corporation tax payable	-	-	-	-
Other payables	(1,258,934)	(1,258,934)	-	-
	<u>(121,199,917)</u>	<u>(121,199,917)</u>	<u>-</u>	<u>-</u>

14.4 Operational risk exposure

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

The Board has established processes to manage operational risks. Those processes include appropriate segregation of responsibilities and specific control activities. The Board delegates management and administration function to the Administrator.

14.5 Concentration risk

Concentration risk can arise from the type of assets held in the portfolio, the maturity of assets, the concentration of sources of funding, concentration of counterparties or geographical locations.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)

14 Financial Risk Management (continued)

14.5 Concentration risk (continued)

The following is the classification of ETPs per industry:

	As at 30 June 2023 Number of ETP issuances	As at 30 June 2022 Number of ETP issuances
Aerospace and Defence	4	4
Automobiles	6	6
Banking	4	4
Beverages	2	2
Coal	2	2
Communication Technology	2	2
Customer Discretionary	8	8
Customer Staples	2	2
Financials	9	10
Healthcare	4	4
Industrials	4	4
Information technology	2	2
Metal and Mining	2	2
Oil and Gas	10	10
Pharmaceuticals	2	2
Telecommunication services	2	2
Technology	40	40
Large Cap	4	-
	<u>109</u>	<u>106</u>

Due to the nature of the ETPs issued, any profit or loss arising from the concentration risk will pass on to the holders of the ETPs. There is no residual risk remaining to the Company.

14.6 Offsetting Financial assets and Financial liabilities

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

Financial assets and liabilities are offset, and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

As at 30 June 2023	Gross amount of recognised financial assets €	Net amount of recognised financial assets €	Financial instruments received €	Net amount €
Financial assets at fair value through profit or loss	<u>165,698,150</u>	<u>165,698,150</u>	<u>-</u>	<u>-</u>
Financial liabilities at fair value through profit or loss	<u>165,698,150</u>	<u>165,698,150</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)

14 Financial Risk Management (continued)

14.6 Offsetting Financial assets and Financial liabilities (continued)

As at 30 June 2022	Gross amount of recognised financial assets €	Net amount of recognised financial assets €	Financial instruments received €	Net amount €
Financial assets at fair value through profit or loss	119,940,983	119,940,983	-	-
Financial liabilities at fair value through profit or loss	119,940,983	119,940,983	-	-

The following is a reconciliation of the liabilities arising from financing activities.

	Long-term borrowings €	Short-term borrowings €	Lease Liabilities €	Total €
Beginning balance 1 July 2022	119,940,983	-	-	119,940,983
Cash flows:				
- Repayment	(231,042,886)	-	-	(231,042,886)
- Proceeds	240,977,908	-	-	240,977,908
Non-cash:				
- Fair value	35,822,145	-	-	35,822,145
- Reclassification	-	-	-	-
As at 30 June 2023	165,698,150	-	-	165,698,150

	Long-term borrowings €	Short-term borrowings €	Lease Liabilities €	Total €
Beginning balance 1 July 2021	118,667,290	-	-	118,667,290
Cash flows:				
- Repayment	(202,073,273)	-	-	(202,073,273)
- Proceeds	317,268,102	-	-	317,268,102
Non-cash:				
- Reclassification	(113,921,136)	-	-	(113,921,136)
As at 30 June 2022	119,940,983	-	-	119,940,983

15 Contingent assets, liabilities and commitments

There were no contingent liabilities or commitments as of 30 June 2023 (2022: nil). Contingent liabilities are assessed continually to determine whether transfers of economic benefits have become probable. Where future transfers of economic benefits change from previously disclosed contingent liabilities, provisions are recognised in the financial year in which the changes in probability occur.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)**

16 Related party transactions

GraniteShares Jersey Limited is a related party as they act as the Arranger for the Company. It supplies and/or arranges for the supply of all administrative services to the Company. In return, the Company pays the Arranger an arranger fee. Total arranger fee for the year amounted to EUR 1,545,357 (2022: EUR 1,965,000).

The Board is considered the key management personnel of the Company for the financial year ended 30 June 2023. The Board is considered to have authority and responsibility for planning and directing activities of the Company being the purchase and sale of the underlying portfolio. Raja Gul and Aileen Mannion, employees of TMF Management Ireland Limited were directors of the Company during the financial year.

The Company engages the Corporate Administrator for all management and administration functions to manage the operational risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. The Corporate Administrator is entitled to receive administrative fees for the services it provides per the terms and conditions of their agreement. TMF Administration Services Limited provides corporate administration services to the Company at arm's length commercial rates.

During the financial year, the Company incurred a fee of EUR 13,311 (2022: EUR 12,131) relating to administration services provided by the Corporate Administrator. The directors, as employees of the Corporate Administrator, had an interest in these fees in their capacity as directors.

The terms of the corporate services agreement in place between the Company and the Corporate Administrator provides for a single fee for the provision of corporate administration services (including the making available of individuals to act as directors of the Company). As a result, the allocation of fees between the different services provided is a subjective and approximate calculation.

Pursuant to Section 305A(1)(a) of the Companies Act 2014 TMF Administration Services Limited allocated EUR 1000 (2022: EUR 1,000) of the corporate service fee received as consideration for the making available of individuals to act as directors of the Company.

The individuals acting as directors do not (and will not), in their personal capacity or any other capacity, receive any fee for acting or having acted as directors of the Company.

There were no other contracts of any significance in relation to the business of the Company in which the director had any interest, as defined in the Companies Act 2014, at any time during the financial year.

The Company has issued nil shares (2022: Nil) to TMF Management (Ireland) Limited on trust for GraniteShares Financial plc.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

17 Significant subsequent events

The current political and financial uncertainty surrounding Russia and Ukraine may increase market volatility and the economic risk of trading in these countries and other impacted countries within the region. Management is closely monitoring the evolving situation. Management has not yet observed or determined the financial impact of these events.

There were no other significant subsequent events which need to be adjusted or disclosed in the audited financial statements.

18 Charges

The Issuer's obligations to the Noteholders (and certain other Issuer secured parties) are secured pursuant to the Security Deed between, amongst others, the Issuer and BNY Mellon Corporate Trustee Services Limited in its capacity as Note Trustee.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONTINUED)**

19 Approval of financial statements

The audited financial statements were approved and authorised for issue by the Board on 27/10/2023...