

GPF Metals Plc (formerly known as Ridgex Investments Plc)

Interim management report and condensed unaudited financial statements

For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021

Registered number 673920

GPF Metals Plc (formerly known as Ridgex Investments Plc)

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Directors and other information

Directors	Michael Carroll (Irish) (<i>Appointed on 15 July 2020</i>) Rhys Owens (British) (<i>Appointed on 15 July 2020</i>)		
Registered Office	2nd Floor, Block 5 Irish Life Centre Abbey Street Lower Dublin 1 Ireland		
Company secretary	Apex IFS Limited 2nd Floor, Block 5 Irish Life Centre Abbey Street Lower Dublin 1 Ireland		
Administrator	Apex Fund Services (Ireland) Limited 2nd Floor, Block 5 Irish Life Centre Abbey Street Lower Dublin 1 Ireland		
Arranger & Metals Counterparty	Global Palladium Fund, L.P. Intertrust Corporate Services (Cayman) Limited 190 Elgin Avenue, George Town Grand Cayman Cayman Islands		
Trustee and Security Trustee	Apex Corporate Trustees (UK) Limited 6th Floor, 125 Wood Street London EC2V 7AN United Kingdom		
Account Bank & Principal Paying Agent	The Bank of New York Mellon London Branch One Canada Square London E14 5AL United Kingdom		
Custodian	Atomyze AG (formerly Tokentrust Ltd.) Baarerstrasse 22 6300 Zug Switzerland		
Primary Sub-Custodians	The Brink's Company Bayberry Court Richmond Virginia 23226-8100 United States	ICBC Standard Bank plc 20 Gresham Street London EC2V 7JE United Kingdom	Metaal Transport B.V. Heijplaatweg 16 3089 JC Rotterdam The Netherlands
Solicitor	Matheson 70 Sir John Rogerson's Quay Dublin 2 Ireland		

Interim management report

The directors (the "Directors") present their interim report and the unaudited financial statements of GPF Metals plc (the "Company") for the financial period from 15 July 2020 (date of incorporation) to 30 June 2021. The Company falls within the Irish regime for the taxation of qualifying companies as set out in Section 110 of the Taxes Consolidation Act 1997 (as amended).

Principal activities

The Company is a public limited liability company, incorporated on 15 July 2020 under the name of Ridgex Investments Plc in Ireland under the Companies Act 2014 (the "Act"). The Company changed its name to GPF Metals Plc on 25 June 2021. The Company has been established for the purpose of issuing secured GPF Physical Metal ETC Securities (the "ETC securities"). The return on each Series of ETC securities is linked to the performance of one of gold, silver, platinum, palladium, copper or nickel.

The ETC securities will be issued under the GPF Physical Metal Securities Programme of the Company (the "Programme"). ETC securities are designed to track the price of individual metals (the "Physical Metals") and to provide investors with a return equivalent (before fees and expenses) to holding the Metal. The aggregate number of ETC securities that will be issued under the Programme will not at any time exceed 4,000,000,000, this being the Programme maximum number of ETC securities.

The Authorised Participants, in respect of each Series, are such entities which, from time to time, are party to an authorised participant agreement with the Company. The Authorised Participants are the only entities permitted to buy ETC securities directly from the Company or to request that the Company buy back ETC securities (other than in the case of ETC securities backed by Gold, in respect of which, subject to satisfaction of certain conditions, ETC Holders who are not Authorised Participants may submit Buy-Back Orders for settlement by Physical Metal delivery). Authorised Participants may also act as market makers by buying and selling ETC securities from and to investors on an over-the-counter basis or via a stock exchange. However, not all market makers need to be Authorised Participants.

The ETC securities will be backed by Metals - gold, silver, platinum, palladium which will be stored at the vault premises of a Primary Sub-Custodian or other Sub-Custodian and copper, nickel which are stored at the LME Approved Warehouse premises of a Primary Sub-Custodian or other Sub-Custodian. ETC security holders (the "ETC holders") will have the option to redeem their ETC securities against the delivery of a Metal equivalent to the Metal Entitlement of the ETC securities being redeemed (less applicable fees).

As at 30 June 2021, all the Series in issue were listed on the London Stock Exchange, Borsa Italiana, SIX and Xetra except for GPF Physical Nickel ETC securities and GPF Physical Copper ETC securities which were listed only on the London Stock Exchange and Borsa Italiana.

Key performance indicators

During the financial period:

- the Company made a profit before tax of USD 1,003;
- the Company issued the following Series:
 - 849,000 Series 1 up to 1,400,000,000 USD GPF Physical Gold ETC securities;
 - 204,445 Series 1 up to 125,000,000 USD GPF Physical Silver ETC securities;
 - 486,400 Series 1 up to 125,000,000 USD GPF Physical Platinum ETC securities;
 - 239,600 Series 1 up to 50,000,000 USD GPF Physical Palladium ETC securities;
 - 429,692 Series 1 up to 100,000,000 USD GPF Physical Nickel ETC securities; and
 - 801,690 Series 1 up to 200,000,000 USD GPF Physical Copper ETC securities.
- the Company's net fair value loss on financial assets designated at fair value through profit or loss amounted to USD 1,456,467; and
- the Company's net fair value gain on financial liabilities designated at fair value through profit or loss amounted to USD 1,486,910.

As at 30 June 2021:

- the Company had the following Series in issue:
 - 849,000 Series 1 up to 1,400,000,000 USD GPF Physical Gold ETC securities;
 - 204,445 Series 1 up to 125,000,000 USD GPF Physical Silver ETC securities;
 - 486,400 Series 1 up to 125,000,000 USD GPF Physical Platinum ETC securities;
 - 239,600 Series 1 up to 50,000,000 USD GPF Physical Palladium ETC securities;
 - 429,692 Series 1 up to 100,000,000 USD GPF Physical Nickel ETC securities; and
 - 801,690 Series 1 up to 200,000,000 USD GPF Physical Copper ETC securities.
- the total financial liabilities designated at fair value through profit or loss amounted to USD 47,293,250;
- the net assets of the Company were USD 29,882; and
- the Physical Metals are included in note 9 to the financial statements.

Future developments

The Board of Directors (the "Board") expect the present level of activity to be sustained for the foreseeable future.

Interim management report (continued)

Going concern

The financial statements of the Company have been prepared on a going concern basis. The Company is able to meet all of its liabilities from its assets. The performance, marketability and risks of the Series are reviewed on a regular basis throughout the financial year. Therefore the Board believes that the Company will continue in operational existence for the foreseeable future and is financially sound. The Board is satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements of the Company.

Results and dividends for the financial period

The results for the financial period are set out on page 6. No dividends are recommended by the Directors for the financial period under review.

Changes in Directors, secretary and registered office

The Company was incorporated on 15 July 2020, with the following appointments:

- Michael Carroll was appointed as Director;
- Rhys Owens was appointed as Director;
- Apex IFS Limited was appointed as Company Secretary; and
- The registered office of the Company is at 2nd Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin 1, Ireland.

There has been no other changes in Directors, secretary or registered office during and/or since the financial period.

Directors, secretary and their interests

None of the Directors or secretary who held office on 15 July 2020 and 30 June 2021 held any shares or debentures/ securities issued in the Company at that date, or during the financial period. Except for the Administration agreement entered into by the Company with Apex Fund Services (Ireland) Limited, there were no contracts of any significance in relation to the business of the Company in which the Directors had any interest, as defined in Section 309 of the Companies Act 2014, at any time during the financial period. During the financial period, no fees were paid to the Directors for the services provided. Further information is set out in note 17 to the financial statements.

Shares and shareholders

The authorised share capital of the Company is EUR 25,000 which has been fully issued. The shares are held by Apex TSI Limited (the "Share Trustee") under the terms of a declaration of trust (the "Declaration of Trust") under which the Share Trustee hold the benefit of the shares on trust for charitable purposes. The Share Trustee has no beneficial interest in and derives no benefit from its holding of the shares. There are no other rights that pertain to the shares and the shareholders.

Principal risk and uncertainties

Coronavirus disease (COVID-19)

Since the beginning of the coronavirus outbreak in January 2020, the coronavirus has spread across the world, causing ongoing disruption to businesses and economic activity worldwide. Global markets have reacted sharply to this pandemic, with concerns regarding the economic impact this may have on a global scale. The extent of the impact to the financial performance of the underlying Physical Metals depends on future developments, including (i) the duration and spread of the outbreak, (ii) the restrictions, (iii) the effects on the financial markets, and (iv) the effects on the economy overall, all of which are highly uncertain and cannot be predicted. If the financial performance of the underlying Physical Metals is impacted because of these matters for an extended period, the investment results may be affected. The Board continues to monitor the impact on the Company's activities.

United Kingdom exit from the European Union

On 31 January 2020, the United Kingdom (the "UK") formally withdrew and ceased being a member of the European Union (the "EU"). Following this, the UK entered into a transition period which lasted for the remainder of 2020, during which period the UK was subject to applicable EU laws and regulations. The transition period expired on 31 December 2020, and EU law no longer applies in the UK. On 30 December 2020, the UK and the EU signed an EU-UK Trade and Cooperation Agreement ("UK/EU Trade Agreement"), which applies from 1 January 2021 and sets out the foundation of the economic and legal framework for trade between the UK and the EU. As the UK/EU Trade Agreement is a new legal framework, the implementation of the Agreement may result in uncertainty in its application and periods of volatility in both the UK and wider European markets throughout 2021 and beyond. The UK's exit from the EU is expected to result in additional trade costs and disruptions in this trading relationship. While the UK/EU Trade Agreement provides for the free trade of goods, it provides only general commitments on market access in services together with a "most favoured nation" provision which is subject to many exceptions. Furthermore, there is the possibility that either party may impose tariffs on trade in the future in the event that regulatory standards between the EU and the UK diverge. The terms of the future relationship may cause continued uncertainty in the global financial markets, and adversely affect the performance of the Company.

Volatility resulting from this uncertainty may mean that the returns of the Company's investments are adversely affected by market movements.

The Company is subject to other financial risks. These are outlined in note 18 to the financial statements.

Interim management report (continued)

Political donations

The Electoral Act, 1997 (as amended by the Electoral Amendment Political Funding Act, 2012) requires companies to disclose all political donations over EUR 200 in aggregate made during a financial year. The Directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the financial period to 30 June 2021.

Accounting records

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements comply with the Companies Act and enable those financial statements to be audited.

In this regard Apex IFS Limited have been appointed for the purpose of maintaining adequate accounting records. Accordingly the accounting records are kept at 2nd Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin 1, Ireland.

Subsequent events

All subsequent events are disclosed in note 20 to the financial statements.

Research and development costs

The Company did not incur any research and development costs during the financial period.

Audit committee

In accordance with Section 1551(11)(c) of the Companies Act 2014, if the sole business of the Public Interest Entity (PIE) Irish SPV relates to the issuing of asset backed securities, the PIE SPV is exempt from the requirement to establish an audit committee.

Given the contractual obligations of the Corporate Administrator and the limited recourse nature of the securities the Company may participate in, the Board has concluded that there is currently no need for the Company to have a separate audit committee in order for the Board to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process. Accordingly, the Company has availed itself of the exemption under Section 1551 of the Companies Act 2014.

Directors' compliance statement

The Directors confirm that:

- they acknowledge that they are responsible for securing the Company's compliance with its relevant obligations and have, to the best of their knowledge, complied with its relevant obligations as defined in section 225 of the Companies Act 2014;
- there is an adequate structure in place, that in the Directors' opinion, is designed to secure material compliance with the Company's relevant obligations; and
- relevant arrangements and structures have been put in place that provide a reasonable assurance of compliance in all material respects by the Company with its relevant obligations, which arrangements and structures may, if the Directors so decide, include reliance on the advice of one or more than one person employed by the Company or retained by it under a contract for services, being a person who appears to the Directors to have the requisite knowledge and experience to advise the Company on compliance with its relevant obligations.

Responsibility statement in accordance with the Transparency Regulation

Each Director whose names and functions appear on page 1 confirm to the best of their knowledge:

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

On behalf of the Board



Michael Carroll
Director



Rhys Owens
Director

Date: 29 September 2021

Directors' responsibilities statement

The Directors are responsible for preparing the management report and the condensed interim unaudited financial statements in accordance with applicable law and regulations.

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

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

The Directors further indicate that such interim financial statements for the financial period ended 30 June 2021 have not been audited.

On behalf of the Board



Michael Carroll
Director



Rhys Owens
Director

Date: 29 September 2021

Statement of comprehensive income

For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021

	Note	Financial period ended 30-Jun-21 USD
Net changes in fair value of physical metals designated at fair value through profit or loss	4	(1,456,467)
Net changes in fair value of financial liabilities designated at fair value through profit or loss	5	1,486,910
Other expenses	6	(31,023)
Other income	7	<u>1,583</u>
Operating profit before taxation		1,003
Tax on ordinary activities	8	<u>(251)</u>
Total comprehensive income for the financial period		<u><u>752</u></u>

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

Statement of financial position

As at 30 June 2021

	Note	30-Jun-21 USD
Assets		
Current assets		
Physical metals designated at fair value through profit or loss	9	47,392,859
Cash and cash equivalents	10	29,710
Other receivables	11	1,003
Total assets		<u>47,423,572</u>
Liabilities and equity		
Current liabilities		
Financial liabilities designated at fair value through profit or loss	12	47,293,250
Loan payable	13	69,166
Other payables	14	31,274
Total liabilities		<u>47,393,690</u>
Shareholder's funds - Equity		
Called up share capital	15	29,130
Revenue reserves		752
Total equity		<u>29,882</u>
Total liabilities and equity		<u>47,423,572</u>

On behalf of the Board



Michael Carroll
Director



Rhys Owens
Director

Date: 29 September 2021

Statement of changes in equity**For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021**

	Called up Share Capital USD	Revenue Reserves USD	Total Equity USD
Balance as at 15 July 2020	-	-	-
Issue of shares during the financial period	29,130	-	29,130
Total comprehensive income for the financial period	-	752	752
Balance as at 30 June 2021	29,130	752	29,882

Statement of cash flows

For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021

	Financial period ended 30-Jun-21 USD
Cash flows from operating activities	
Operating profit before taxation	1,003
<i>Adjustments for:</i>	
Net changes in fair value of physical metals designated at fair value through profit or loss	1,456,467
Net changes in fair value of financial liabilities designated at fair value through profit or loss	(1,486,910)
Foreign exchange movements	580
<i>Movements in working capital</i>	
Increase in other receivables	(1,003)
Increase in other payables	31,023
Tax paid	-
Net cash generated from operating activities	<u>1,160</u>
Cash flows from financing activities	
Issue of shares	29,130
Net cash generated from financing activities	<u>29,130</u>
Increase in cash and cash equivalents	30,290
Cash and cash equivalents at start of the financial period	-
Foreign exchange movements	(580)
Cash and cash equivalents at end of the financial period	<u><u>29,710</u></u>

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Non-cash transactions during the period include:

	Financial period ended 30-Jun-21 USD
Physical metals designated at fair value through profit or loss acquired	9 48,849,326
Financial liabilities designated at fair value through profit or loss issued	12 (48,780,160)
Loan payable to the Metals Counterparty	13 (69,166)

Notes to the financial statements

For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021

1 General information

The Company is a public limited liability company, incorporated on 15 July 2020 under the name of Ridgex Investments Plc in Ireland under the Companies Act 2014 (the "Act"). The Company changed its name to GPF Metals Plc on 25 June 2021. The Company has been established for the purpose of issuing secured GPF Physical Metal ETC securities (the "ETC securities"). The return on each Series of ETC securities is linked to the performance of one of gold, silver, platinum, palladium, copper or nickel.

The Company has no direct employees.

As at 30 June 2021, all the Series in issue were listed on the London Stock Exchange, Borsa Italiana, SIX and Xetra except for GPF Physical Nickel ETC securities and GPF Physical Copper ETC securities which were listed only on the London Stock Exchange and Borsa Italiana.

2 Basis of preparation

(a) Statement of compliance

The condensed financial statements for the financial period ended 30 June 2021 have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting'. These condensed unaudited financial statements are in respect of the Company's first reporting period from 15 July 2020 (date of incorporation) to 30 June 2021 and have therefore not presented any comparatives in these financial statements.

The accounting policies set out below have been applied in preparing the financial statements for the financial period ended 30 June 2021.

The financial statements of the Company have been prepared on a going concern basis. The Company is able to meet all of its liabilities from its assets. The performance, marketability and risks of the Series are reviewed on a regular basis throughout the financial period. Therefore the Board believes that the Company will continue in operational existence for the foreseeable future and is financially sound. The Board is satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements of the Company.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- Physical metals designated at fair value through profit or loss are measured at fair value; and
- Financial liabilities designated at fair value through profit or loss are measured at fair value.

(c) Functional and presentation currency

The financial statements are presented in United States Dollar ("USD") which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The financial liabilities designated at fair value through profit or loss are primarily denominated in USD. The Directors of the Company believe that USD most faithfully represents the economic effects of the underlying transactions, events and conditions.

(d) Standards, amendments or interpretations

Standards not yet effective, but available for early adoption

There are no new standards and amendments to standards, that are relevant to the Company but are not yet effective and have not yet been early adopted by the Company which are considered to be applicable to the financial statements of the Company.

3 Significant accounting policies

(a) Other income and expenses

All other income and expenses are accounted for on an accrual basis.

Operating Expense

The TER is the rate per annum and is applied to the Metal Entitlement on a daily basis. Each day, the Metal Entitlement attached to each ETC Security is reduced at a rate equal to the portion of the TER in metal applicable to such day. The TER is accounted for on an accruals basis and is payable monthly in arrears.

Notes to the financial statements (continued)

For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021

3 Significant accounting policies (continued)

(d) Taxation

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

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

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

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

(e) Cash and cash equivalents

Cash and cash equivalents includes cash held at bank which are subject to insignificant risk of changes in their fair value, and are used by the Company in the management of its capital.

There are no restrictions on cash and cash equivalents.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

(f) Share capital

Share capital is issued in Euro ("EUR") and have been converted to USD on recognition. Dividends are recognised as a liability in the financial period in which they are approved.

(g) Other receivables

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

(h) Other payables

Other payables are accounted at amortised cost.

(i) Financial instruments

Financial assets

Classification

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

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

- its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding;
- it is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- at initial recognition, it is irrevocably designated as measured at fair value through profit or loss when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise measuring assets or recognising the gains and losses on them on different bases.

Initial recognition

All financial assets (including financial assets designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

Notes to the financial statements (continued)**For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021****3 Significant accounting policies (continued)****(i) Financial instruments (continued)**Financial assets (continued)*Derecognition*

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Subsequent measurement

After initial measurement, the Company measures financial assets which are classified at fair value through profit or loss at their fair value. Subsequent changes in the fair value of financial assets designated at fair value through profit or loss are recognised directly in the statement of comprehensive income. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of financial assets is based on their quoted market prices on a recognised exchange or sourced from a reputable broker/counterparty, in the case of non-exchange traded instruments, at the reporting date without any deduction for estimated future selling costs.

Financial liabilities*Classification and measurement of ETC securities*

The Company designates the ETC securities issued as financial liabilities at fair value through profit or loss on initial recognition.

The exchange quoted price of the ETC securities is determined by reference to the underlying Physical Metals. Changes in the fair value of the ETC securities are recognised in the statement of comprehensive income. The ETC securities have been designated as at fair value through profit or loss in order to eliminate an accounting mismatch, that would otherwise arise with the Physical Metals, enabling both the ETC securities and the Physical Metals to be measured at fair value with gains or losses on both being recognised in the statement of comprehensive income.

Initial recognition

All financial liabilities (including financial liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company issues ETC securities to provide investors with exposure to the performance of the Physical Metals. The ETC securities, are issued in the form of debt instruments that are backed by fully allocated physical holdings of the relevant ETC. An ETC security is issued or redeemed when a corresponding amount of Physical Metal has transferred into or from the allocated accounts maintained by the Custodian. The Company has designated its debt instruments as financial liabilities issued at fair value through profit or loss.

Derecognition

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

Subsequent measurement

After initial measurement, the Company measures financial liabilities which are classified as at fair value through profit or loss at their fair value. Subsequent changes in the fair value of financial liabilities designated at fair value through profit or loss are recognised directly in the statement of comprehensive income.

Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. No balances have been offset on the statement of financial position.

Fair value measurement principles

The fair value of the ETC securities is determined by reference to the underlying Physical Metals. Changes in the fair value of the ETC securities are recognised in the statement of comprehensive income. ETC securities are valued using valuation techniques, as detailed in the fair value hierarchy note to the financial statements.

Net changes in fair value of financial liabilities designated at fair value through profit or loss

Net changes in fair value of financial liabilities designated at fair value through profit or loss relates to ETC securities issued and includes all realised and unrealised fair value changes.

Notes to the financial statements (continued)

For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021

3 Significant accounting policies (continued)

(i) Financial instruments (continued)

Financial liabilities (continued)

Loan payable

Under the terms of the agreement with the Metals Counterparty, the difference between the gold on the bar list and the gold in the entitlement is a loan repayable to the Metals Counterparty, and is more senior to payables to the Noteholders. The Company has fair valued its loan payable based on the price of the gold as at the financial period end.

(j) Physical Metals

The Company holds Physical Metal at least equal to the amount due to holders of ETC securities solely for the purposes of meeting its obligations. The Physical Metal is measured at fair value, as detailed in note 3(i) Financial liabilities and changes in fair value are recognised in the statement of comprehensive income. Any costs to sell Physical Metals that arise in the course of settling the Company's obligations under the ETC securities are borne by the Arranger. The Physical Metal is recognised when the metal is received into the vault of the custodian or relevant sub-custodian. The Physical Metal is derecognised when the risks and rewards of ownership have all been substantially transferred.

Fair value measurement principles

Physical Metals includes both Precious Metals (gold, silver, platinum or palladium) and Base Metals (copper or nickel) designated at fair value through profit or loss. Gold and silver are priced at the current close bid price at the end of the day using the London Bullion Market Association (LBMA) price, platinum and palladium are priced at the current close bid price at the end of the day using the London Platinum and Palladium Market (LPPM) price and copper and nickel are priced at the current close bid price at the end of the day using the London Metal Exchange (LME) price.

Net changes in fair value of physical metals designated at fair value through profit or loss

Net changes in fair value of Physical Metals designated at fair value through profit or loss relates to movement in the price of the Physical Metal and includes all realised and unrealised fair value changes.

(k) Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity). The Company's business involves the repackaging of Physical Metals, on behalf of investors, which are bought in the market and subsequently securitised to avail of potential market opportunities and risk return asymmetries. The Company with no employee, has only one business unit, thus all administrating and operating functions are carried out and reviewed by the Administrator, Apex Fund Services (Ireland) Limited and Company secretary, Apex IFS Limited.

The split of Physical Metals at fair value and ETC securities at fair value by Series and the unit price per Series are shown in notes 9 and 12 to the financial statements.

The Company's principal activity is to invest in Physical Metals which are the revenue generating segment of the Company. The Chief Operating Decision Maker ("CODM") of the operating segment is the Board. The Company is an SPV whose principal activities are the issuance of ETC securities and investment in Physical Metals. The CODM does not consider each underlying Series of ETC securities as a separate segment, rather they look at the structure as a whole. Based on that fact, the Directors confirm that there is only one segment.

(l) Foreign currency transaction

Transactions in foreign currencies are translated to the functional currency 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. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the financial period, adjusted for effective interest and payments during the financial period, and the amortised cost in foreign currency translated at the exchange rate at the end of the financial period.

At each reporting date, monetary items and non monetary assets and liabilities that are fair valued and are denominated in foreign currencies are translated at the rate prevailing on the statement of financial position. Gains and losses arising on retranslation of financial instruments at fair value through profit or loss are included in the statement of comprehensive income together with respective fair value gains/losses.

Notes to the financial statements (continued)

For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021

4	Net changes in fair value of physical metals designated at fair value through profit or loss	Financial period ended
		30-Jun-21
		USD
	Unrealised fair value movement on physical metals designated at fair value through profit or loss	(1,456,467)
		<u>(1,456,467)</u>
5	Net changes in fair value of financial liabilities designated at fair value through profit or loss	Financial period ended
		30-Jun-21
		USD
	Unrealised fair value movement on financial liabilities designated at fair value through profit or loss	1,486,910
		<u>1,486,910</u>
6	Other expenses	Financial period ended
		30-Jun-21
		USD
	Total Expense Ratio*	(30,443)
	Other expenses	(580)
		<u>(31,023)</u>

*Each Series pays an “all in one” operational fee to the Arranger, which accrues per annum equal to the Total Expense Ratio (“TER”). The Arranger agrees to pay costs and expenses of the Company in exchange for the Company agreeing to pay the Arranger the TER. The TER is applied to the Metal Entitlement on a daily basis to determine a daily deduction of an amount of metal from the Metal Entitlement. Fees and expenses payable by the Company to the Arranger will be paid out of the ETC securities by way of the sale of metal. The amount of metal to be sold is a predetermined amount based on the Metal Entitlements of the ETC securities.

Series name	Total Expense Ratio
	30-Jun-21
	%
GPF Physical Gold ETC securities	0.145
GPF Physical Silver ETC securities	0.20
GPF Physical Platinum ETC securities	0.20
GPF Physical Palladium ETC securities	0.20
GPF Physical Nickel ETC securities	0.75
GPF Physical Copper ETC securities	0.85

7	Other income	Financial period ended
		30-Jun-21
		USD
	Corporate benefit	1,003
	Foreign exchange gain	580
		<u>1,583</u>

8	Tax on ordinary activities	Financial period ended
		30-Jun-21
		USD
	Profit on ordinary activities before tax - current tax	1,003
	Corporation tax at 25%	(251)
	Current tax charge	<u>(251)</u>

The Company is taxed at 25% in accordance with section 110 under Case III of Schedule D of the Taxes Consolidation Act 1997.

Notes to the financial statements (continued)

For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021

9 Physical metals designated at fair value through profit or loss		30-Jun-21
		USD
Physical Metals		<u>47,392,859</u>
	30-Jun-21	30-Jun-21
	Units	USD
At the start of financial period	-	-
Metals Contributed*	222,104	48,849,326
Unrealised fair value movement		(1,456,467)
At end of financial period	<u>222,104</u>	<u>47,392,859</u>

*Contributions of Metals are in-specie.

As 30 June 2021, the Physical Metals held by the Company was as follows:

Series name	Unit	Units	Gold price	Fair Value
		30-Jun-21	30-Jun-21	30-Jun-21
				USD
GPF Physical Gold ETC securities	Fine troy ounce	8,490	1,763.15	14,969,570
GPF Physical Silver ETC securities	Troy ounce	205,094	25.77	5,284,247
GPF Physical Platinum ETC securities	Troy ounce	4,881	1,059.00	5,168,476
GPF Physical Palladium ETC securities	Troy ounce	2,408	2,707.00	6,518,889
GPF Physical Nickel ETC securities	Metric tonne	430	18,450.00	7,927,817
GPF Physical Copper ETC securities	Metric tonne	802	9,385.00	7,523,860
		<u>222,104</u>		<u>47,392,859</u>

Maturity analysis of Physical Metals	30-Jun-21
	USD
Within 1 year	47,392,859
More than 1 year and less than 2 years	-
More than 2 year and less than 5 years	-
More than 5 years	-
	<u>47,392,859</u>

The Physical Metals are secured in favour of Apex Corporate Trustees (UK) Limited (the "Security Trustee") for the benefit of itself and the ETC holders. The non-cash transactions relate to physical delivery of Physical Metals against delivery of ETC securities.

The Physical Metals are held as collateral for ETC securities issued and the loan payable by the Company.

The carrying value of the assets of the Company represents their maximum exposure to the credit risk. The credit risk is eventually transferred to the ETC holders.

10 Cash and cash equivalents	30-Jun-21
	USD
Cash at bank	<u>29,710</u>
	<u>29,710</u>

As at 30 June 2021, the cash and cash equivalents is held with The Bank of New York Mellon.

11 Other receivables	30-Jun-21
	USD
Corporate benefit receivable	<u>1,003</u>
	<u>1,003</u>

Notes to the financial statements (continued)

For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021

12 Financial liabilities designated at fair value through profit or loss	30-Jun-21	
	USD	
ETC securities issued		<u>47,293,250</u>
	30-Jun-21	30-Jun-21
	Units	USD
At the start of financial period	-	-
Issuances during the financial period*	3,010,827	48,780,160
Unrealised fair value movement		(1,486,910)
At end of financial period	<u>3,010,827</u>	<u>47,293,250</u>

*ETC securities trades are carried out in-specie.

As 30 June 2021, the financial liabilities in issue was as follows:

Series name	Units outstanding	NAV per Unit	Fair Value
	30-Jun-21	30-Jun-21	30-Jun-21
			USD
GPF Physical Gold ETC securities	849,000	17.62	14,958,741
GPF Physical Silver ETC securities	204,445	25.74	5,262,472
GPF Physical Platinum ETC securities	486,400	10.58	5,146,036
GPF Physical Palladium ETC securities	239,600	27.04	6,479,752
GPF Physical Nickel ETC securities	429,692	18.44	7,925,205
GPF Physical Copper ETC securities	801,690	9.38	7,521,044
	<u>3,010,827</u>		<u>47,293,250</u>

Maturity analysis

	30-Jun-21
	USD
Less than 1 year	47,293,250
1-2 years	-
2-5 years	-
Over 5 years	-
	<u>47,293,250</u>

As at 30 June 2021, all the Series in issue were listed on the London Stock Exchange, Borsa Italiana, SIX and Xetra except for GPF Physical Nickel ETC securities and GPF Physical Copper ETC securities which were listed only on the London Stock Exchange and Borsa Italiana.

13 Loan payable	30-Jun-21
	USD
Loan payable to the Metals Counterparty	<u>69,166</u>
	<u>69,166</u>

The Company holds Physical Metals in a secured allocated account in the form of bars to secured the Metal Entitlement for each ETC securities issued. As the unit of measurement of a bar is fixed, there can be differences to the requirement under the Metal Entitlement. To fund the purchase of this difference, the Company has entered into an interest-free loan agreement with the Metals Counterparty. This loan is payable in the form of Physical Metal, and at 30 June 2021 is priced at the current close bid price at the end of the day using the LBMA gold/silver price, LPPM price or LME copper/nickel price. In the event of wind-up of the Company, the repayment of this loan will be made prior to the repayment of the holders of ETC securities.

Notes to the financial statements (continued)

For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021

14 Other payables	30-Jun-21
	USD
Accrued fee payable*	30,443
Deferred income	580
Corporation tax payable	251
	<u>31,274</u>

*The accrued fee payable relate to the total expense ratio payable to the Arranger.

15 Called up share capital	30-Jun-21
<i>Authorised:</i>	EUR
25,000 ordinary shares of EUR 1 each	<u>25,000</u>
 <i>Issued and fully paid</i>	EUR
25,000 ordinary shares of EUR 1 each	<u>25,000</u>
 <i>Presented as follows:</i>	USD
Called up share capital presented as equity	<u>29,130</u>

16 Ownership of Company

The sole shareholder of the Company is Apex TSI Limited holding 25,000 shares of the Company. All shares are held in trust for charity under the terms of declaration of trust.

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

17 Related party transactions

Transactions with Administrator

The Company incurred an amount of USD 65,158 for the financial period ended 30 June 2021 relating to administration services provided by Apex IFS Limited. All directors are employees of Apex IFS Limited, which is the Administrator of the Company.

Transactions with Arranger

Global Palladium Fund, L.P. is the Arranger of the Company. The Arranger paid the Company USD 500 annually in respect of each Series of ETC securities issued under the Programme and this has been recognised in the financial statements as the Corporate Benefit for the financial period. All of this was receivable as at 30 June 2021. During the period ended 30 June 2021, the total expense ratio amounted to USD 30,443 which is still payable as at the period end. In return for this, the Arranger pays all operating expenses as described in note 6 to the financial statements.

Transactions with the Metals Counterparty

Global Palladium Fund, L.P. also acts as the Metals Counterparty for the Company. The loan payable to the Metals Counterparty is disclosed in note 13 to the financial statements. As at 30 June 2021, the loan payable to the Metals Counterparty amounted to USD 69,166.

The Directors are of the view that there are no other related party transactions requiring disclosures. The Directors received no remuneration from the Company in the financial period ended 30 June 2021.

18 Financial risk management

Risk management framework

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

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

Notes to the financial statements (continued)

For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021

18 Financial risk management (continued)

(a) Operational risk

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

Operational risk arises from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in the preceding paragraphs. All management and administration functions were outsourced to Apex IFS Limited.

(b) Credit risk

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

(c) Market risk

Market risk is the risk that changes in market prices of the Physical Metals will affect the Company's income or the value of its holdings of financial instruments. The ETC holders are exposed to the market risk of the assets portfolio. Market risk embodies the potential for both gains and losses and price risk.

- *Interest rate risk*

Interest rate risk is the risk that the fair value of the ETC securities will fluctuate because of changes in market interest rates. Changes in exchange rates and interest rates may have a positive or negative impact on the price, demand, production costs, direct investment costs of Physical Metals and the returns from investments in Physical Metals are therefore influenced by and may be correlated to these factors. The Company has deemed the effect of these valuation fluctuations insignificant. As a result, the Company is not subject to significant interest rate risk.

- *Currency risk*

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

As at 30 June 2021, the Company's exposure to currency risk is not significant and limited to share capital issued of EUR 25,000 (USD 29,130) and cash and cash equivalents with The Bank of New York Mellon of EUR 25,000 (USD 29,710). All other financial assets and financial liabilities are denominated in USD.

- *Price risk*

Price risk is the risk that the fair value of Physical Metals or ETC securities will fluctuate because of changes in market prices whether those changes are caused by factors specific to the Physical Metals, the individual ETC securities or its issuer, or factors affecting similar assets or ETC securities traded in the market. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions, or other events could have a significant impact on the Company and market prices of its investments.

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company does not have a significant exposure to liquidity risk due to the buy-back of ETC securities being settled in transfers of Physical Metal except in certain limited circumstances. The additions and disposals of Physical Metals are primarily non-cash transactions of the Company as they are carried out in-specie, excluding the disposal of Physical Metals in relation to the payment of the Total Expense Ratio. ETC securities can be issued and redeemed daily, therefore this is the earliest maturity date for the purpose of the maturity analysis.

(e) Fair values

The Company's financial assets and financial liabilities issued are carried at fair value on the statement of financial position. Usually the fair value of the financial instruments can be reliably determined within a reasonable range of estimates. The carrying amounts of all the Company's financial assets and financial liabilities at the reporting date approximated their fair values.

Notes to the financial statements (continued)**For the financial period from 15 July 2020 (date of incorporation) to 30 June 2021****18 Financial risk management (continued)****(e) Fair values (continued)**

The Company's financial Instruments carried at fair value are analysed below by valuation method. The different levels have been defined as follows:

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

Although the directors believe that their estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value as fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement e.g. interest rates, volatility, credit spreads, probability of defaults, estimates cashflows etc and therefore, cannot be determined with precision.

For recognised fair values measured using significant unobservable inputs, changing one or more assumptions used to reasonably possible alternative assumptions would not have any effect on the profit or loss or on equity as any change in fair value of the financial assets will be borne by the ETC holders due to the limited recourse nature of the ETC securities issued by the Company.

The valuation inputs for the physical metals and the loan payable are based on quoted market prices in active markets (as published by the LBMA, LPPM and LME and therefore, the Physical Metals and the loan payable are classified as Level 1 in the fair value hierarchy.

ETC securities issued by the Company are classified within level 2. The fair value of the ETC securities issued is determined by reference to the exchange quoted value of the underlying Physical Metals and adjusted for the Total Expense Ratio payable to the Arranger. This valuation technique represents the price of the ETC securities at which Authorised Participants subscribe and request buy-backs of ETC securities directly with the Company. There are no significant unobservable inputs to this valuation technique.

19 Capital management

The Company view the share capital as its capital. The primary objective of the Company's capital management is to maintain shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to debt securities (i.e. the ETC securities). Share capital of EUR 25,000 was issued in line with Irish Company Law and is not used for financing the investment activities of the Company. The Company is not subject to any other externally imposed capital requirements.

20 Subsequent events*Change in TER*

On 19 August 2021, the TER for the GPF Physical Gold ETC securities decreased from 0.145% to 0.12%.

New issuance of ETC securities

On 1 September 2021, the Company issued Series 1 up to 50,000,000 USD GPF Physical Carbon Neutral Nickel ETC Securities.

Change in Custodian name

On 23 August 2021, the Custodian changed its name from Tokentrust Ltd. To Atomyze AG.

Stock Exchange listing

After the period end, GPF Physical Nickel ETC securities and GPF Physical Copper ETC securities were admitted to the SIX and Xetra Stock Exchange and GPF Physical Carbon Neutral Nickel ETC Securities was admitted to the Vienna Stock Exchange.

There are no significant events after financial period end up to the date of signing this report that require disclosure and/or adjustment to the condensed financial statement.

21 Commitments and Contingencies

The Company had no commitments or contingencies as at the period end.

22 Approval of financial statements

The Board of Directors approved these financial statements on 29 September 2021.