



Booklet 2

Condensed Interim Financial Report

31 December 2022

Responsible Entity

Betashares Capital Limited Ltd

(ABN 78 139 566 868)

Level 11, 50 Margaret,
Sydney, NSW 2000

betashares.com.au



Booklet 2

Betashares British Pound ETF - ASX Code: POU (ARSN 151 133 514)

Betashares Crude Oil Index ETF - Currency Hedged (Synthetic) - ASX Code: OOO (ARSN 150 081 351)

Betashares Euro ETF - ASX Code: EEU (ARSN 151 131 967)

Betashares Gold Bullion ETF - Currency Hedged - ASX Code: QAU (ARSN 150 081 851)

Betashares U.S. Dollar ETF - ASX Code: USD (ARSN 147 517 280)

Condensed Interim Financial Report

for the half-year ended 31 December 2022

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Condensed Interim Financial Report
for the half-year ended 31 December 2022

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Directors' report

The directors of Betashares Capital Ltd, the Responsible Entity of the following managed investment funds (the "Funds") present their report together with the condensed interim financial report of the Funds for the half-year ended 31 December 2022 and the auditor's report thereon.

Fund name	Referred to in this document as	Financial reporting period	ARSN
Betashares British Pound ETF	British Pound ETF	1 July 2022 to 31 December 2022	151 133 514
Betashares Crude Oil Index ETF - Currency Hedged (Synthetic)	Crude Oil Index ETF	1 July 2022 to 31 December 2022	150 081 351
Betashares Euro ETF	Euro ETF	1 July 2022 to 31 December 2022	151 131 967
Betashares Gold Bullion ETF - Currency Hedged	Gold Bullion ETF	1 July 2022 to 31 December 2022	150 081 851
Betashares U.S. Dollar ETF	U.S. Dollar ETF	1 July 2022 to 31 December 2022	147 517 280

Responsible Entity

The Responsible Entity of the Funds is Betashares Capital Ltd (ABN 78 139 566 868). The Responsible Entity's registered office and principal place of business is Level 11, 50 Margaret Street, Sydney, NSW 2000.

Principal activities

The principal activity of each Fund is to invest in accordance with the investment objective and guidelines as set out in the Fund's current Product Disclosure Statement and its Constitution.

The Funds did not have any employees during the half-year.

There were no significant changes in the nature of the Funds' activities during the half-year.

Directors

The following persons held office as directors of Betashares Capital Ltd during the half-year or since the end of the half-year and up to the date of this report:

Mr Alex Vynokur (appointed 21 September 2009)

Mr Jason Gellert (appointed 5 March 2021)

Mr Edward Sippel (appointed 5 March 2021)

Review and results of operations

During the half-year, the Funds continued to invest in accordance with target asset allocations as set out in their governing documents and in accordance with the provisions of the Funds' Constitutions.

Directors' report (continued)

Review and results of operations (continued)

During the half-year, the Funds continued to invest in accordance with target asset allocations as set out in its governing documents and in accordance with the provisions of the Funds' Constitutions.

The results of operations of the Funds are disclosed in the condensed interim statements of comprehensive income. The income distributions payable by each of the Funds are disclosed in the condensed interim statements of financial position. The income distributions paid and payable by each of the Funds are disclosed in Note 4 to the condensed interim financial statements.

Significant changes in state of affairs

As the global community moves toward 'living with' the COVID-19 pandemic, there have been continuous challenging economic conditions as a result of the pandemic such as supply chain constraints, inflation, increasing interest rates, the Russia- Ukraine war, or other events that may impact the Funds' future performance.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Funds that occurred during the financial half-year.

Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect:

- (i) the operations of the Funds in future financial periods; or
- (ii) the results of those operations in future financial periods; or
- (iii) the state of affairs of the Funds in future financial periods.

Likely developments and expected results of operations

The results of the Funds' operations will be affected by a number of factors, including the performance of investment markets in which the Funds invest. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Further information on likely developments in the operation of the Funds and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Funds.

Directors' report (continued)

Rounding of amounts to the nearest thousand dollars

The Funds are entities of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the condensed interim financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of the directors.



Alex Vynokur
Director

Sydney
9 March 2023



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Betashares Capital Limited, the Responsible Entity for the Schemes:

Betashares British Pound ETF

Betashares Crude Oil Index ETF - Currency Hedged (Synthetic)

Betashares Euro ETF

Betashares Gold Bullion ETF - Currency Hedged

Betashares U.S. Dollar ETF

I declare that, to the best of my knowledge and belief, in relation to the review of Schemes for the half-year ended 31 December 2022 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

A stylized signature of the KPMG logo, with the letters 'KPMG' in a cursive, handwritten style.

KPMG

A handwritten signature in black ink, appearing to read 'Nicholas Buchanan'.

Nicholas Buchanan

Partner

Sydney

9 March 2023

Booklet 2
Condensed interim statements of comprehensive income
For the half-year ended 31 December 2022

Condensed interim statements of comprehensive income

	British Pound ETF		Crude Oil Index ETF		Euro ETF	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000	\$¹	\$ ¹
Investment income						
Interest income	-	1	2,041	114	-	-
Net gains/(losses) on financial instruments at fair value through profit or loss	98	-	(38,396)	16,514	77,594	-
Net foreign exchange gains/(losses)	(43)	218	-	-	253,908	(105,983)
Other operating income	-	-	-	1	-	-
Total net investment income/(loss)	55	219	(36,355)	16,629	331,502	(105,983)
Expenses						
Management fees	29	33	590	789	21,179	22,363
Interest expenses	(136)	-	-	-	5,903	33,609
Total operating expenses	(107)	33	590	789	27,082	55,972
Operating profit/(loss)	162	186	(36,945)	15,840	304,420	(161,955)
Finance costs attributable to unitholders						
(Increase)/decrease in net assets attributable to unitholders - liability	-	-	-	-	(304,420)	161,955
Profit/(loss) for the half-year	162	186	(36,945)	15,840	-	-
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss) for the half-year	162	186	(36,945)	15,840	-	-

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

The above condensed interim statements of comprehensive income should be read in conjunction with the accompanying notes.

Booklet 2
Condensed interim statements of comprehensive income
For the half-year ended 31 December 2022
(continued)

Condensed interim statements of comprehensive income

	Gold Bullion ETF		U.S. Dollar ETF	
	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
Investment income				
Interest income	5	-	1,839	47
Net gains/(losses) on financial instruments at fair value through profit or loss	6,481	7,247	2,141	-
Net gains/(losses) on gold contract at fair value through profit or loss	2,082	8,853	-	-
Net foreign exchange gains/(losses)	(8,262)	(7,238)	552	4,475
Other operating income	44	8	1	3
Total net investment income/(loss)	350	8,870	4,533	4,525
Expenses				
Management fees	851	739	325	327
Other operating expenses	183	155	-	-
Total operating expenses	1,034	894	325	327
Operating profit/(loss)	(684)	7,976	4,208	4,198
Profit/(loss) for the half-year	(684)	7,976	4,208	4,198
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the half-year	(684)	7,976	4,208	4,198

The above condensed interim statements of comprehensive income should be read in conjunction with the accompanying notes.

Booklet 2
Condensed interim statements of financial position
As at 31 December 2022

Condensed interim statements of financial position		British Pound ETF		Crude Oil Index ETF		Euro ETF	
		31 December 2022	30 June 2022	31 December 2022	30 June 2022	31 December 2022	30 June 2022
	Notes	\$'000	\$'000	\$'000	\$'000	\$¹	\$¹
Assets							
Cash and cash equivalents		13,317	13,179	184,090	218,090	9,754,206	9,455,885
Financial assets at fair value through profit or loss	5	-	-	-	4,303	-	-
Due from brokers - receivable for securities sold		-	-	-	770	-	-
Other receivables		35	11	467	167	1,305	735
Total assets		13,352	13,190	184,557	223,330	9,755,511	9,456,620
Liabilities							
Financial liabilities at fair value through profit or loss	5	-	-	7,868	-	-	-
Distributions payable	4	-	-	-	34,411	-	-
Other payables		5	5	99	3,901	3,597	9,126
Total liabilities (excluding net assets attributable to unitholders)		5	5	7,967	38,312	3,597	9,126
Net assets attributable to unitholders - liability	3	-	-	-	-	9,751,914	9,447,494
Net assets attributable to unitholders - equity	3	13,347	13,185	176,590	185,018	-	-

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

The above condensed interim statements of financial position should be read in conjunction with the accompanying notes.

Condensed interim statements of financial position

	Notes	Gold Bullion ETF		U.S. Dollar ETF	
		31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000
Assets					
Cash and cash equivalents		895	350	131,264	148,838
Applications receivable		1,000	-	-	-
Financial assets at fair value through profit or loss	5	1,667	-	-	-
Due from brokers - receivable for securities sold		989	-	-	-
Gold contract at fair value through profit or loss	5	441,374	351,022	-	-
Other receivables		29	29	410	141
Total assets		445,954	351,401	131,674	148,979
Liabilities					
Financial liabilities at fair value through profit or loss	5	-	2,608	-	-
Distributions payable	4	-	-	2	-
Due to brokers - payable for securities purchased		2,036	-	-	-
Other payables		207	172	48	54
Total liabilities (excluding net assets attributable to unitholders)		2,243	2,780	50	54
Net assets attributable to unitholders - equity	3	443,711	348,621	131,624	148,925

The above condensed interim statements of financial position should be read in conjunction with the accompanying notes.

Booklet 2
Condensed interim statements of changes in equity
For the half-year ended 31 December 2022

Condensed interim statements of changes in equity		British Pound ETF		Crude Oil Index ETF		Euro ETF	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Notes		\$'000	\$'000	\$'000	\$'000	\$¹	\$ ¹
Total equity at the beginning of the half-year	3	13,185	13,316	185,018	233,947	-	-
Comprehensive income for the half-year							
Profit/(loss) for the half-year		162	186	(36,945)	15,840	-	-
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income/(loss) for the half-year		162	186	(36,945)	15,840	-	-
Transactions with unitholders							
Applications	3	-	4,895	35,671	41,650	-	-
Redemptions	3	-	(1,795)	(9,844)	(86,669)	-	-
Units issued upon reinvestment of distributions	3	-	-	2,690	376	-	-
Total transactions with unitholders		-	3,100	28,517	(44,643)	-	-
Total equity at the end of the half-year	3	13,347	16,602	176,590	205,144	-	-

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

The above condensed interim statements of changes in equity should be read in conjunction with the accompanying notes.

Booklet 2
Condensed interim statements of changes in equity
For the half-year ended 31 December 2022
(continued)

Condensed interim statements of changes in equity		Gold Bullion ETF		U.S. Dollar ETF	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Notes	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the half-year	3	348,621	280,150	148,925	139,920
Comprehensive income for the half-year					
Profit/(loss) for the half-year		(684)	7,976	4,208	4,198
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the half-year		(684)	7,976	4,208	4,198
Transactions with unitholders					
Applications	3	158,000	29,800	32,922	15,032
Redemptions	3	(62,226)	(11,179)	(54,431)	(17,581)
Total transactions with unitholders		95,774	18,621	(21,509)	(2,549)
Total equity at the end of the half-year	3	443,711	306,747	131,624	141,569

The above condensed interim statements of changes in equity should be read in conjunction with the accompanying notes.

Booklet 2
Condensed interim statements of cash flows
For the half-year ended 31 December 2022

Condensed interim statements of cash flows

	British Pound ETF		Crude Oil Index ETF		Euro ETF	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000	\$¹	\$¹
Cash flows from operating activities						
Proceeds from sale of financial instruments at fair value through profit or loss	99	-	(25,455)	93,791	254,625	-
Payments for purchase of financial instruments at fair value through profit or loss	-	-	-	-	(167)	-
Interest income received	-	-	1,732	118	6,014	-
Other operating income received	-	-	10	13	2	154
Management fees paid	(29)	(32)	(629)	(822)	(21,041)	(22,067)
Interest expenses paid	-	-	-	-	-	(34,204)
Other operating expenses paid	112	-	(3,763)	(3,564)	(18,156)	-
Net cash inflow/(outflow) from operating activities	182	(32)	(28,105)	89,536	221,277	(56,117)
Cash flows from financing activities						
Proceeds from applications by unitholders	-	4,895	35,671	42,888	-	1,126,634
Payments for redemptions by unitholders	-	(1,795)	(9,844)	(84,152)	-	-
Distributions paid	-	-	(31,722)	(14,972)	-	-
Net cash inflow/(outflow) from financing activities	-	3,100	(5,895)	(56,236)	-	1,126,634
Net increase/(decrease) in cash and cash equivalents	182	3,068	(34,000)	33,300	221,277	1,070,517
Cash and cash equivalents at the beginning of the financial half-year	13,179	13,321	218,090	185,111	9,455,885	8,822,146
Effect of foreign currency exchange rate changes on cash and cash equivalents	(44)	218	-	-	77,044	(105,983)
Cash and cash equivalents at the end of the financial half-year	13,317	16,607	184,090	218,411	9,754,206	9,786,680

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

The above condensed interim statements of cash flows should be read in conjunction with the accompanying notes.

Condensed interim statements of cash flows

	Gold Bullion ETF		U.S. Dollar ETF	
	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
Cash flows from operating activities				
Proceeds from sale of financial instruments at fair value through profit or loss	170,700	51,417	846	-
Payments for purchase of financial instruments at fair value through profit or loss	(263,979)	(53,516)	(243)	-
Interest income received	4	-	1,570	55
Other operating income received	45	22	1	6
Management fees paid	(823)	(748)	(329)	(324)
Other operating expenses paid	(176)	(157)	(2)	-
Net cash inflow/(outflow) from operating activities	(94,229)	(2,982)	1,843	(263)
Cash flows from financing activities				
Proceeds from applications by unitholders	157,000	29,800	32,922	15,032
Payments for redemptions by unitholders	(62,226)	(11,179)	(54,431)	(17,581)
Distributions paid	-	(15,456)	2	-
Net cash inflow/(outflow) from financing activities	94,774	3,165	(21,507)	(2,549)
Net increase/(decrease) in cash and cash equivalents	545	183	(19,664)	(2,812)
Cash and cash equivalents at the beginning of the financial half-year	350	244	148,838	139,949
Effect of foreign currency exchange rate changes on cash and cash equivalents	-	-	2,090	4,475
Cash and cash equivalents at the end of the financial half-year	895	427	131,264	141,612

The above condensed interim statements of cash flows should be read in conjunction with the accompanying notes.

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1 General information

These condensed interim financial statements cover the following managed investment funds (the "Funds"). The Funds are registered managed investment schemes under the *Corporations Act 2001*. The Responsible Entity cannot issue or redeem any units from the 80th anniversary of the day before the day the Funds commenced if that issue or redemption would cause a contravention of the rule against perpetuities or any other rule of law or equity. The Funds may be terminated in accordance with the provisions of their Constitutions. The Funds are domiciled in Australia.

Abbreviated Fund name	Registered date	Commenced date	Financial reporting period
British Pound ETF	9 June 2011	8 July 2011	1 July 2022 to 31 December 2022
Crude Oil Index ETF	8 April 2011	11 November 2011	1 July 2022 to 31 December 2022
Euro ETF	9 June 2011	8 July 2011	1 July 2022 to 31 December 2022
Gold Bullion ETF	8 April 2011	3 May 2011	1 July 2022 to 31 December 2022
U.S. Dollar ETF	3 December 2010	1 February 2011	1 July 2022 to 31 December 2022

The Responsible Entity of the Funds is Betashares Capital Ltd (the "Responsible Entity"). The Responsible Entity's registered office is Level 11, 50 Margaret Street, Sydney, NSW 2000.

The condensed interim financial statements were authorised for issue by the directors of the Responsible Entity on 9 March 2023. The directors of the Responsible Entity have the power to amend and reissue the condensed interim financial statements.

2 Summary of significant accounting policies

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

(a) Basis of preparation

These general purpose condensed interim financial statements have been prepared in accordance with Australian Accounting Standards, AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The Funds are for-profit unit trusts for the purpose of preparing the condensed interim financial statements.

These condensed interim financial statements do not include all the notes of the type normally included in annual financial statements. The financial report of the Funds complies with International Financial Reporting Standards adopted by the International Accounting Standards Board. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any continuous disclosure requirements of the *Corporations Act 2001*.

The Funds operated solely in one segment which is the business of investment management within Australia.

The condensed interim financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The condensed interim statements of financial position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and liabilities at fair value through profit or loss and net assets attributable to unitholders.

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Use of estimates and judgement

Management make estimates and assumptions that affect the reported amounts in the financial statements. These estimates and assumptions are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

For the majority of the Funds' financial instruments, quoted market prices are readily available. However, certain financial instruments are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and regularly reviewed by experienced personnel of the Responsible Entity, independent of the area that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Gold contract

The AASB do not have specific recognition and measurement requirements for investments in gold bullion. The Fund considers that measuring its investment in the Gold Contract at fair value through profit or loss is consistent with the determination that the Fund is an investment entity, and is consistent with how the performance of the fund is evaluated in accordance with the Fund's investment strategy.

For certain other financial instruments, including amounts due from/to brokers and payables, the carrying amounts approximate fair value due to the short-term nature of these financial instruments.

Functional currency and presentation

The condensed interim financial statements are presented in Australian dollars, which is the funds' functional currency.

(b) Australian accounting standards and interpretations

There are no new accounting standards, interpretations or amendments to existing standards that are effective for the half-year beginning 1 July 2022 that would be expected to have a material impact on the Funds.

(c) Rounding of amounts

The Funds are an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

3 Net assets attributable to unitholders

Subject to market conditions, unitholders may withdraw their units from the Funds at their election by trading on the Australian Securities Exchange at the prevailing market price for sale of the units at the time of the transaction.

Under AASB 132 *Financial Instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Funds shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions.

Movements in the number of units and net assets attributable to unitholders during the half-year were as follows:

	British Pound ETF				Crude Oil Index ETF			
	31 December 2022 Units '000	31 December 2021 Units '000	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 Units '000	31 December 2021 Units '000	31 December 2022 \$'000	31 December 2021 \$'000
Net assets attributable to unitholders								
Opening balance	771	746	13,185	13,316	26,654	39,997	185,018	233,947
Applications	-	276	-	4,895	6,150	7,000	35,671	41,650
Redemptions	-	(100)	-	(1,795)	(1,600)	(13,700)	(9,844)	(86,669)
Units issued upon reinvestment of distributions	-	-	-	-	387	64	2,690	376
Profit/(loss) for the half-year	-	-	162	186	-	-	(36,945)	15,840
Closing balance	771	922	13,347	16,602	31,591	33,361	176,590	205,144

	Euro ETF				Gold Bullion ETF			
	31 December 2022 Units ¹	31 December 2021 Units ¹	31 December 2022 \$ ¹	31 December 2021 \$ ¹	31 December 2022 Units '000	31 December 2021 Units '000	31 December 2022 \$'000	31 December 2021 \$'000
Net assets attributable to unitholders								
Opening balance	665,000	590,000	9,447,494	8,814,075	21,900	17,822	348,621	280,150
Applications	-	75,000	-	1,126,634	10,612	1,859	158,000	29,800
Redemptions	-	-	-	-	(4,150)	(700)	(62,226)	(11,179)
Change in net assets attributable to unitholders	-	-	304,420	(161,955)	-	-	-	-
Profit/(loss) for the half-year	-	-	-	-	-	-	(684)	7,976
Closing balance	665,000	665,000	9,751,914	9,778,754	28,362	18,981	443,711	306,747

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

3 Net assets attributable to unitholders (continued)

	U.S. Dollar ETF			
	31 December 2022 Units '000	31 December 2021 Units '000	31 December 2022 \$'000	31 December 2021 \$'000
Net assets attributable to unitholders				
Opening balance	10,694	10,944	148,925	139,920
Applications	2,275	1,150	32,922	15,032
Redemptions	(3,750)	(1,350)	(54,431)	(17,581)
Profit/(loss) for the half-year	-	-	4,208	4,198
Closing balance	9,219	10,744	131,624	141,569

Capital risk management

The Funds consider their net assets attributable to unitholders as equity. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of eligible unitholders.

Under the terms of the Funds' Constitutions, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

4 Distributions to unitholders

Distributions are payable as set out in the Funds' Product Disclosure Statement and/or Funds' Constitution. Such distributions are recognised as payable when they are determined by the Responsible Entity.

All funds had nil distributions for the half-year (31 December 2021: \$nil).

5 Financial assets and liabilities at fair value through profit or loss

The Funds measure and recognise the following assets and liabilities at fair value on a recurring basis:

	Crude Oil Index ETF		Gold Bullion ETF	
	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000
Financial Assets				
Financial assets at fair value through profit or loss				
Foreign currency contracts	-	-	1,667	-
Index swaps	-	4,303	-	-
Gold contract at fair value through profit or loss				
Gold bullion	-	-	441,374	351,022
Total financial assets at fair value through profit or loss	-	-	441,374	351,022
Financial liabilities				
Foreign currency contracts	-	-	-	2,608
Index swaps	7,868	-	-	-
Total financial liabilities at fair value through profit or	7,868	-	-	2,608

An overview of the fair value measurements relating to financial instruments at fair value through profit or loss is included in Note 6 to the financial statements.

6 Fair value measurements

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

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

Fair value estimation

The carrying amounts of the Funds' assets and liabilities at the end of each reporting period approximate their fair values.

Financial assets and liabilities at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments at fair value through profit or loss are measured at fair value with changes in their fair value recognised in condensed interim statements of comprehensive income.

6 Fair value measurements (continued)

Fair value estimation (continued)

(i) Fair value in an active market (Level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Funds value their investments in accordance with the accounting policies set out in Note 2. For the majority of their investments, the Funds rely on information provided by independent pricing services for the valuation of their investments.

The quoted market price used for financial assets and liabilities is the last traded price. Where the last traded price does not fall within the bid-ask spread, an assessment is performed by management to determine the appropriate valuation price to use that is most representative of fair value.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The gold contract is valued by J.P.Morgan based on spot gold prices from the gold bullion market.

(ii) Fair value in an inactive and unquoted market (Level 2 and Level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Funds for similar financial instruments.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

Index swaps are measured by assessing the fair value of both the equity or index leg and the cash leg of the swaps by calculating the present value of any amounts payable at balance sheet date. The net resultant payable or receivable to or from the counterparty best reflects the fair value of the swap contract.

6 Fair value measurements (continued)

Fair value estimation (continued)

(iii) Recognised fair value measurements

The tables below set out the Funds' financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy:

Crude Oil Index ETF								
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	31 December	31 December	31 December	31 December	30 June	30 June	30 June	30 June
	2022	2022	2022	2022	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Financial assets at fair value through profit or loss:								
Index swaps	-	-	-	-	-	4,303	-	4,303
Total	-	-	-	-	-	4,303	-	4,303
Financial liabilities								
Financial liabilities at fair value through profit or loss:								
Index swaps	-	7,868	-	7,868	-	-	-	-
Total	-	7,868	-	7,868	-	-	-	-
Gold Bullion ETF								
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	31 December	31 December	31 December	31 December	30 June	30 June	30 June	30 June
	2022	2022	2022	2022	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Financial assets at fair value through profit or loss:								
Foreign currency contracts	-	1,667	-	1,667	-	-	-	-
Gold contract at fair value through profit or loss:								
Gold bullion	441,374	-	-	441,374	351,022	-	-	351,022
Total	441,374	-	-	441,374	351,022	-	-	351,022
Financial liabilities								
Financial liabilities at fair value through profit or loss:								
Foreign currency contracts	-	-	-	-	-	2,608	-	2,608
Total	-	-	-	-	-	2,608	-	2,608

6 Fair value measurements (continued)

Fair value estimation (continued)

(iv) Transfers between levels

There were no transfers between levels during the half-year ended 31 December 2022 and 30 June 2022.

(v) Movement in level 3 instruments

There were no investments classified as Level 3 within the Funds as at 31 December 2022 and 30 June 2022.

(vi) Fair value of financial instruments not carried at fair value

The carrying value of receivables and payables are assumed to approximate their fair values.

The carrying value of the net assets attributable to unitholders differs from its fair value (deemed to be the redemption price for individual units) due to differences in valuation inputs. This difference is not material in the current half-year.

7 Events occurring after the reporting period

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Funds disclosed in the condensed interim statements of financial position as at 31 December 2022 or on the results and cash flows of the Funds for the period ended on that date.

Directors' declaration

Betashares Capital Ltd present the Directors' Declaration in respect of the following funds:

Betashares British Pound ETF
Betashares Crude Oil Index ETF - Currency Hedged (Synthetic)
Betashares Euro ETF
Betashares Gold Bullion ETF - Currency Hedged
Betashares U.S. Dollar ETF

In the opinion of the directors of Betashares Capital Ltd, the Responsible Entity of the Funds:

- (a) the financial statements and notes set out on pages 6 to 22 are in accordance with the *Corporations Act 2001*, including:
- (i) complying with Australian Accounting Standards, and interpretations issued by the Australian Accounting Standards Board and the *Corporations Regulations 2001*; and
 - (ii) giving a true and fair view of the Funds' financial positions as at 31 December 2022 and of their performance for the financial half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable.

Signed in accordance with a resolution of the directors of Betashares Capital Ltd.



Alex Vynokur
Director

Sydney
9 March 2023



Independent Auditor's Review Report

To the unitholders of following Schemes (the "Schemes")

Betashares British Pound ETF

Betashares Crude Oil Index ETF - Currency Hedged (Synthetic)

Betashares Euro ETF

Betashares Gold Bullion ETF - Currency Hedged

Betashares U.S. Dollar ETF

Conclusion

We have reviewed the accompanying **Condensed Interim Financial Reports** of the Schemes.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Condensed Interim Financial Reports of the Schemes do not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Schemes' financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Condensed Interim Financial Reports** comprise:

- Condensed interim statements of financial position as at 31 December 2022;
- Condensed interim statements of comprehensive income for the half-year ended on that date;
- Condensed interim statements of changes in equity and Condensed interim statements of cash flows for the half-year ended on that date;
- Notes 1 to 7 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Interim Period** is the 6 months ended on 31 December 2022.



Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our reports.

We are independent of the Scheme in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of the Directors for the Condensed Interim Financial Reports

The Directors of Betashares Capital Limited (the Responsible Entity) are responsible for:

- the preparation of the Condensed Interim Financial Reports that give a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- for such internal control as the Directors determine is necessary to enable the preparation of the Condensed Interim Financial Reports that give a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the Condensed Interim Financial Reports

Our responsibility is to express a conclusion on the Condensed Interim Financial Reports based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Interim Financial Reports do not comply with the *Corporations Act 2001* including giving a true and fair view of the Scheme's financial position as at 31 December 2022 and its performance for the Half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Condensed Interim Financial Reports consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Nicholas Buchanan
Partner
Sydney
9 March 2023



Betashares Capital Ltd (ABN 78 139 566 868 AFSL 341181) is the issuer.
Investors should read the relevant fund PDS and TMD (available at www.betashares.com.au) and consider whether the fund is appropriate for them.
Past performance is not indicative of future returns. Investing involves risk.