



Booklet 4

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 4

Betashares Active Australian Hybrids Fund (managed fund) - ASX Code: HBRD (ARSN 613 694 009)

Betashares Australia 200 ETF - ASX Code: A200 (ARSN 623 014 326)

Betashares Australian Dividend Harvester Fund (managed fund) - ASX Code: HVST (ARSN 169 907 064)

Betashares Australian Quality ETF - ASX: AQLT (ARSN 643 692 531)

Betashares Australian Financials Sector ETF - ASX Code: QFN (ARSN 143 220 964)

Betashares Australian Resources Sector ETF - ASX Code: QRE (ARSN 143 220 795)

Betashares Australian Small Companies Select Fund (managed fund) - ASX Code: SMLL (ARSN 613 693 431)

Betashares Australian Sustainability Leaders ETF - ASX Code: FAIR (ARSN 608 057 996)

Betashares Ex-20 Portfolio Diversifier ETF - ASX Code: EX20 (ARSN 613 691 688)

Betashares FTSE RAFI Australia 200 ETF - ASX Code: QOZ (ARSN 155 637 219)

Betashares Managed Risk Australian Share Fund (managed fund) - ASX Code: AUST (ARSN 602 666 384)

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 Active Australian Hybrids Fund (managed fund)	Active Australian Hybrids Fund	1 July 2022 to 31 December 2022	613 694 009
Betashares Australia 200 ETF	Australia 200 ETF	1 July 2022 to 31 December 2022	623 014 326
Betashares Australian Dividend Harvester Fund (managed fund)	Australian Dividend Harvester Fund	1 July 2022 to 31 December 2022	169 907 064
Betashares Australian Quality ETF	Australian Quality ETF	1 July 2022 to 31 December 2022	643 692 531
Betashares Australian Financials Sector ETF	Australian Financials Sector ETF	1 July 2022 to 31 December 2022	143 220 964
Betashares Australian Resources Sector ETF	Australian Resources Sector ETF	1 July 2022 to 31 December 2022	143 220 795
Betashares Australian Small Companies Select Fund (managed fund)	Australian Small Companies Select Fund	1 July 2022 to 31 December 2022	613 693 431
Betashares Australian Sustainability Leaders ETF	Australian Sustainability Leaders ETF	1 July 2022 to 31 December 2022	608 057 996
Betashares Ex-20 Portfolio Diversifier ETF	Ex-20 Portfolio Diversifier ETF	1 July 2022 to 31 December 2022	613 691 688
Betashares FTSE RAFI Australia 200 ETF	FTSE RAFI Australia 200 ETF	1 July 2022 to 31 December 2022	155 637 219
Betashares Managed Risk Australian Share Fund (managed fund)	Managed Risk Australian Share Fund	1 July 2022 to 31 December 2022	602 666 384

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)

Directors' report (continued)

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.

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 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

On 22 February 2023, Australia A200 management fees have changed from 0.07% to 0.04% per annum of the Fund's Net Asset Value.

No other 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 years; or
- (ii) the results of those operations in future financial years; or
- (iii) the state of affairs of the Funds in future financial years.

Directors' report (continued)

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.

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 Active Australian Hybrids Fund (managed fund)

Betashares Australian Small Companies Select Fund (managed fund)

Betashares Australia 200 ETF

Betashares Australian Sustainability Leaders ETF

Betashares Australian Dividend Harvester Fund (managed fund)

Betashares Ex-20 Portfolio Diversifier ETF

Betashares Australian Quality ETF

Betashares FTSE RAFI Australia 200 ETF

Betashares Australian Financials Sector ETF

Betashares Managed Risk Australian Share Fund (managed fund)

Betashares Australian Resources Sector 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.


KPMG


Nicholas Buchanan

Partner

Sydney

9 March 2023

Booklet 4
Condensed interim statements of comprehensive income
For the half-year ended 31 December 2022

Condensed interim statements of comprehensive income	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF ¹	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment income								
Interest income	3,543	85	105	-	15	1	-	-
Dividend/distribution income	33,582	17,267	60,300	34,138	6,708	7,602	256	-
Net gains/(losses) on financial instruments at fair value through profit or loss	61,844	9,096	148,773	35,643	7,487	(5,468)	1,031	-
Other operating income	-	6	-	12	-	-	-	-
Total net investment income/(loss)	98,969	26,454	209,178	69,793	14,210	2,135	1,287	-
Expenses								
Management fees	4,258	3,189	859	606	540	523	22	-
Expense recoveries	953	712	-	-	60	216	-	-
Transaction costs	123	208	27	14	69	3	-	-
Other operating expenses	28	44	6	81	1	8	1	-
Total operating	5,362	4,153	892	701	670	750	23	-
Profit/(loss) for the half-year	93,607	22,301	208,286	69,092	13,540	1,385	1,264	-
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the half-year	93,607	22,301	208,286	69,092	13,540	1,385	1,264	-

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

¹ There was no comparative amount for Australian Quality ETF. The Fund was registered on 1 September 2020 and commenced trading on 4 April 2022.

Booklet 4
Condensed interim statements of comprehensive income
For the half-year ended 31 December 2022
(continued)

Condensed interim statements of comprehensive income	Australian Financials Sector ETF		Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment income								
Interest income	4	-	12	-	12	-	30	-
Dividend/distribution income	1,302	1,265	5,906	4,188	1,667	1,054	18,670	15,647
Net gains/(losses) on financial instruments at fair value through profit or loss	4,407	(432)	17,466	(5,022)	2,585	4,673	21,813	67,325
Other operating income	-	1	-	1	-	-	-	2
Total net investment income/(loss)	5,713	834	23,384	(833)	4,264	5,727	40,513	82,974
Expenses								
Management fees	96	103	243	165	108	111	2,421	2,352
Expense recoveries	-	-	-	-	24	24	621	603
Performance fees	-	-	-	-	-	191	-	-
Transaction costs	-	-	3	2	1	1	71	71
Other operating expenses	1	2	2	3	8	15	6	9
Total operating expenses	97	105	248	170	141	342	3,119	3,035
Profit/(loss) for the half-year	5,616	729	23,136	(1,003)	4,123	5,385	37,394	79,939
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the half-year	5,616	729	23,136	(1,003)	4,123	5,385	37,394	79,939

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

Booklet 4
Condensed interim statements of comprehensive income
For the half-year ended 31 December 2022
(continued)

Condensed interim statements of comprehensive income

	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment income						
Interest income	13	-	28	-	14	-
Dividend/distribution income	4,142	3,324	11,675	8,628	794	428
Net gains/(losses) on financial instruments at fair value through profit or loss	13,786	13,606	29,946	1,735	815	114
Other operating income	-	1	-	-	-	-
Total net investment income/(loss)	17,941	16,931	41,649	10,363	1,623	542
Expenses						
Management fees	232	244	633	565	66	43
Expense recoveries	58	61	211	188	17	11
Transaction costs	2	4	4	3	1	1
Other operating expenses	5	10	3	10	2	6
Total operating expenses	297	319	851	766	86	61
Profit/(loss) for the half-year	17,644	16,612	40,798	9,597	1,537	481
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss) for the half-year	17,644	16,612	40,798	9,597	1,537	481

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

Booklet 4
Condensed interim statements of financial position
As at 31 December 2022

Condensed interim statements of financial position		Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF	
		31 December 2022	30 June 2022	31 December 2022	30 June 2022	31 December 2022	30 June 2022	31 December 2022	30 June 2022
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets									
Cash and cash equivalents		77,629	22,114	7,207	9,097	1,799	-	-	6
Financial assets at fair value through profit or loss	5	1,913,227	1,784,354	2,608,698	2,097,225	171,551	158,740	15,059	9,364
Due from brokers - receivable for securities sold		9,776	8,922	-	-	-	-	-	-
Other receivables		2,315	1,448	11,171	10,470	1,946	3,487	24	67
Total assets		2,002,947	1,816,838	2,627,076	2,116,792	175,296	162,227	15,083	9,437
Liabilities									
Bank overdraft		-	-	-	-	-	42	-	-
Financial liabilities at fair value through profit or loss	5	-	-	145	121	-	-	-	-
Due to brokers - payable for securities purchased		-	16,950	247	1,230	-	1,205	-	-
Distributions payable	4	7,240	4,344	24,359	66,229	1,002	1,420	268	74
Other payables		901	3,617	783	710	113	153	5	3
Total liabilities (excluding net assets attributable to unitholders)		8,141	24,911	25,534	68,290	1,115	2,820	273	77
Net assets attributable to unitholders - equity	3	1,994,806	1,791,927	2,601,542	2,048,502	174,181	159,407	14,810	9,360

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

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Condensed interim statements of financial position
As at 31 December 2022
(continued)

Condensed interim statements of financial position		Australian Financials Sector ETF		Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF	
		31 December 2022	30 June 2022	31 December 2022	30 June 2022	31 December 2022	30 June 2022	31 December 2022	30 June 2022
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets									
Cash and cash equivalents		925	343	514	175	1,168	2,113	1,106	433
Financial assets at fair value through profit or loss	5	61,050	49,565	174,712	120,724	69,417	61,553	1,256,249	1,131,276
Due from brokers - receivable for securities sold		-	-	-	-	689	-	-	-
Other receivables		5	492	795	8	274	203	4,115	7,031
Total assets		61,980	50,400	176,021	120,907	71,548	63,869	1,261,470	1,138,740
Liabilities									
Financial liabilities at fair value through profit or loss	5	10	6	7	12	-	-	39	113
Due to brokers - payable for securities purchased		-	-	-	-	-	-	-	3,379
Distributions payable	4	1,696	567	5,669	13,768	1,490	2,563	14,023	29,089
Other payables		23	18	55	38	35	239	551	490
Total liabilities (excluding net assets attributable to unitholders)		1,729	591	5,731	13,818	1,525	2,802	14,613	33,071
Net assets attributable to unitholders - equity	3	60,251	49,809	170,290	107,089	70,023	61,067	1,246,857	1,105,669

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

Booklet 4
Condensed interim statements of financial position
As at 31 December 2022
(continued)

Condensed interim statements of financial position		Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
		31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000
Assets							
Cash and cash equivalents		576	1,601	3,796	2,630	1,520	2,770
Financial assets at fair value through profit or loss	5	216,729	215,399	452,077	388,563	28,551	29,853
Due from brokers - receivable for securities sold		-	-	241	-	-	-
Other receivables		680	855	9,443	14,932	50	130
Total assets		217,985	217,855	465,557	406,125	30,121	32,753
Liabilities							
Financial liabilities at fair value through profit or loss	5	13	-	77	23	-	-
Due to brokers - payable for securities purchased		-	341	8,811	8,634	-	18
Distributions payable	4	3,859	3,330	12,192	20,763	790	716
Other payables		54	54	155	175	13	12
Total liabilities (excluding net assets attributable to unitholders)		3,926	3,725	21,235	29,595	803	746
Net assets attributable to unitholders - equity	3	214,059	214,130	444,322	376,530	29,318	32,007

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

Booklet 4
Condensed interim statements of changes in equity
For the half-year ended 31 December 2022

Condensed interim statements of changes in equity	Notes	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF ¹	
		31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
Total equity at the beginning of the half-year	3	1,791,927	1,225,772	2,048,502	1,485,544	159,407	158,114	9,360	-
Comprehensive income for the half-year									
Profit/(loss) for the half-year		93,607	22,301	208,286	69,092	13,540	1,385	1,264	-
Total comprehensive income/(loss) for the half-year		93,607	22,301	208,286	69,092	13,540	1,385	1,264	-
Transactions with unitholders									
Applications	3	148,983	385,414	466,235	683,453	14,005	22,312	4,449	-
Redemptions	3	(2,896)	(7,215)	(68,218)	(222,411)	(7,371)	(2,777)	-	-
Units issued upon reinvestment of distributions	3	1,123	542	12,300	4,012	643	480	5	-
Distributions to unitholders	3,4	(37,938)	(17,659)	(65,563)	(35,960)	(6,043)	(5,111)	(268)	-
Total transactions with unitholders		109,272	361,082	344,754	429,094	1,234	14,904	4,186	-
Total equity at the end of the half-year	3	1,994,806	1,609,155	2,601,542	1,983,730	174,181	174,403	14,810	-

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

¹ There was no comparative amount for Australian Quality ETF. The Fund was registered on 1 September 2020 and commenced trading on 4 April 2022.

Booklet 4
Condensed interim statements of changes in equity
For the half-year ended 31 December 2022
(continued)

Condensed interim statements of changes in equity		Australian Financials Sector ETF		Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the half-year	3	49,809	57,199	107,089	117,699	61,067	61,650	1,105,669	1,034,426
Comprehensive income for the half-year									
Profit/(loss) for the half-year		5,616	729	23,136	(1,003)	4,123	5,385	37,394	79,939
Total comprehensive income/(loss) for the half-year		5,616	729	23,136	(1,003)	4,123	5,385	37,394	79,939
Transactions with unitholders									
Applications	3	28,777	31,050	63,159	7,574	7,486	14,984	110,506	239,926
Redemptions	3	(22,312)	(26,708)	(18,300)	(28,368)	(1,293)	(5,789)	(1,681)	(22,336)
Units issued upon reinvestment of distributions	3	57	30	875	102	130	198	8,992	10,484
Distributions to unitholders	3,4	(1,696)	(1,587)	(5,669)	(3,645)	(1,490)	(844)	(14,023)	(11,699)
Total transactions with unitholders		4,826	2,785	40,065	(24,337)	4,833	8,549	103,794	216,375
Total equity at the end of the half-year	3	60,251	60,713	170,290	92,359	70,023	75,584	1,246,857	1,330,740

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

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

Condensed interim statements of changes in equity	Notes	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
		31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
Total equity at the beginning of the half-year	3	214,130	226,158	376,530	361,167	32,007	21,466
Comprehensive income for the half-year							
Profit/(loss) for the half-year		17,644	16,612	40,798	9,597	1,537	481
Total comprehensive income/(loss) for the half-year		17,644	16,612	40,798	9,597	1,537	481
Transactions with unitholders							
Applications	3	7,398	27,024	46,922	36,284	4,739	-
Redemptions	3	(21,517)	(31,477)	(8,750)	(4,507)	(8,198)	-
Units issued upon reinvestment of distributions	3	263	432	1,014	561	23	12
Distributions to unitholders	3,4	(3,859)	(2,867)	(12,192)	(8,971)	(790)	(417)
Total transactions with unitholders		(17,715)	(6,888)	26,994	23,367	(4,226)	(405)
Total equity at the end of the half-year	3	214,059	235,882	444,322	394,131	29,318	21,542

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

Booklet 4
Condensed interim statements of cash flows
For the half-year ended 31 December 2022

Condensed interim statements of cash flows	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF ¹	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities								
Proceeds from sale of financial instruments at fair value through profit or loss	409,446	174,180	162,224	282,921	187,772	322,521	39	-
Payments for purchase of financial instruments at fair value through profit or loss	(494,280)	(550,599)	(525,883)	(756,157)	(194,301)	(342,330)	(4,702)	-
Dividends/distributions received	34,057	17,410	66,735	37,550	8,218	7,842	299	-
Interest income received	1,901	82	95	-	11	-	-	-
Other operating income received	-	10	-	95	18	-	-	-
Management fees paid	(4,195)	(3,061)	(831)	(579)	(536)	(517)	(21)	-
Expense recoveries paid	(939)	(683)	-	-	(59)	(214)	-	-
Transaction costs paid	(123)	(208)	(27)	(14)	(69)	(3)	-	-
Other operating expenses paid	(73)	(33)	(31)	-	-	(4)	(1)	-
Net cash inflow/(outflow) from operating activities	(54,206)	(362,902)	(297,718)	(436,184)	1,054	(12,705)	(4,386)	-
Cash flows from								
Proceeds from applications by unitholders	149,296	387,897	459,179	683,453	13,976	22,312	4,449	-
Payments for redemptions by unitholders	(5,657)	(7,215)	(68,218)	(222,411)	(7,371)	(2,777)	-	-
Distributions paid	(33,918)	(16,393)	(95,133)	(26,374)	(5,818)	(4,382)	(69)	-
Net cash inflow/(outflow) from financing	109,721	364,289	295,828	434,668	787	15,153	4,380	-
Net increase/(decrease) in cash and cash equivalents	55,515	1,387	(1,890)	(1,516)	1,841	2,448	(6)	-
Cash and cash equivalents at the beginning of the half-year	22,114	43,467	9,097	4,007	(42)	5,465	6	-
Cash and cash equivalents at the end of the half-year	77,629	44,854	7,207	2,491	1,799	7,913	-	-
Non-cash financing activities								
Units issued upon reinvestment of distributions	1,123	542	12,300	4,012	643	480	5	-

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

¹ There was no comparative amount for Australian Quality ETF. The Fund was registered on 1 September 2020 and commenced trading on 4 April 2022.

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Condensed interim statements of cash flows
For the half-year ended 31 December 2022
(continued)

Condensed interim statements of cash flows	Australian Financials Sector ETF		Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities								
Proceeds from sale of financial instruments at fair value through profit or loss	23,492	27,485	35,587	34,463	3,236	2,332	192,717	203,496
Payments for purchase of financial instruments at fair value through profit or loss	(30,565)	(33,361)	(72,114)	(15,811)	(9,204)	(10,339)	(299,330)	(419,434)
Dividends/distributions received	1,791	1,712	5,906	4,188	1,650	1,055	18,214	16,340
Interest income received	3	-	11	-	10	-	27	-
Other operating income received	-	1	-	4	-	1	-	7
Management fees paid	(92)	(102)	(227)	(175)	(105)	(108)	(2,373)	(2,277)
Expense recoveries paid	-	-	-	-	(24)	(25)	(608)	(584)
Transaction costs paid	-	-	(3)	(1)	(1)	(1)	(71)	(71)
Other operating expenses paid	(1)	(1)	(2)	(3)	(190)	(15)	(8)	(2)
Net cash inflow/(outflow) from operating activities	(5,372)	(4,266)	(30,842)	22,665	(4,628)	(7,100)	(91,432)	(202,525)
Cash flows from financing activities								
Proceeds from applications by unitholders	28,777	31,050	62,374	7,574	7,433	15,118	113,883	239,926
Payments for redemptions by unitholders	(22,312)	(26,708)	(18,300)	(28,368)	(1,317)	(5,789)	(1,681)	(22,336)
Distributions paid	(511)	(376)	(12,893)	(1,922)	(2,433)	(3,152)	(20,097)	(15,192)
Net cash inflow/(outflow) from financing activities	5,954	3,966	31,181	(22,716)	3,683	6,177	92,105	202,398
Net increase/(decrease) in cash and cash equivalents	582	(300)	339	(51)	(945)	(923)	673	(127)
Cash and cash equivalents at the beginning of the half-year	343	336	175	110	2,113	2,029	433	483
Cash and cash equivalents at the end of the half-year	925	36	514	59	1,168	1,106	1,106	356
Non-cash financing activities								
Units issued upon reinvestment of distributions	57	30	875	102	130	198	8,992	10,484

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

Booklet 4
Condensed interim statements of cash flows
For the half-year ended 31 December 2022
(continued)

Condensed interim statements of cash flows

	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	31 December 2022 \$'000	31 December 2021 \$'000	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	30,141	52,858	25,868	15,244	6,026	1,042
Payments for purchase of financial instruments at fair value through profit or loss	(18,013)	(54,125)	(59,446)	(41,994)	(3,927)	(831)
Dividends/distributions received	4,317	3,485	13,100	9,951	875	487
Interest income received	12	-	22	-	14	-
Other operating income received	1	1	40	5	-	1
Management fees paid	(232)	(243)	(618)	(562)	(66)	(44)
Expense recoveries paid	(58)	(61)	(207)	(187)	(16)	(11)
Transaction costs paid	(2)	(4)	(4)	(3)	(1)	-
Other operating expenses paid	(5)	(9)	(42)	(10)	(3)	(7)
Net cash inflow/(outflow) from operating activities	16,161	1,902	(21,287)	(17,556)	2,902	637
Cash flows from financing activities						
Proceeds from applications by unitholders	7,398	31,050	50,952	31,593	4,739	-
Payments for redemptions by unitholders	(21,517)	(31,477)	(8,750)	(4,507)	(8,198)	-
Distributions paid	(3,067)	(2,041)	(19,749)	(9,987)	(693)	(232)
Net cash inflow/(outflow) from financing activities	(17,186)	(2,468)	22,453	17,099	(4,152)	(232)
Net increase/(decrease) in cash and cash equivalents	(1,025)	(566)	1,166	(457)	(1,250)	405
Cash and cash equivalents at the beginning of the half-year	1,601	956	2,630	915	2,770	932
Cash and cash equivalents at the end of the half-year	576	390	3,796	458	1,520	1,337
Non-cash financing activities						
Units issued upon reinvestment of distributions	263	432	1,014	561	23	12

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

Contents of the notes to the condensed interim financial statements

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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	Commenced date	Financial reporting period
Active Australian Hybrids Fund	13 November 2017	1 July 2022 to 31 December 2022
Australia 200 ETF	7 May 2018	1 July 2022 to 31 December 2022
Australian Dividend Harvester Fund	29 October 2014	1 July 2022 to 31 December 2022
Australian Quality ETF	4 April 2022	1 July 2022 to 31 December 2022
Australian Financials Sector ETF	10 December 2010	1 July 2022 to 31 December 2022
Australian Resources Sector ETF	10 December 2010	1 July 2022 to 31 December 2022
Australian Small Companies Select	7 April 2017	1 July 2022 to 31 December 2022
Australian Sustainability Leaders ETF	27 November 2017	1 July 2022 to 31 December 2022
Ex-20 Portfolio Diversifier ETF	5 October 2016	1 July 2022 to 31 December 2022
FTSE RAFI Australia 200 ETF	10 July 2013	1 July 2022 to 31 December 2022
Managed Risk Australian Share Fund	10 November 2015	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.

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

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.

Use of estimates and judgement

Management make estimates and assumptions that affect the reported amounts in the condensed interim 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.

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 are the Funds' functional currency.

(b) Australian accounting standards and interpretations

There are no other standards that are not yet effective and that are expected to have a material impact on the Funds in the current or future half-year and on foreseeable future transactions.

(c) Rounding of amounts

The Funds are entities 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

Units are normally redeemable only by unitholders being Authorised Participants at the unitholders' option (other unitholders only have a right to redeem units in special circumstances). The units can be put back to the Funds at any time (subject to the Corporations Act 2001 and the Funds' Constitutions) for cash based on the redemption price.

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:

	Active Australian Hybrids Fund				Australia 200 ETF			
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
Net assets attributable to unitholders								
Opening balance	181,126	119,155	1,791,927	1,225,772	18,765	12,039	2,048,502	1,485,544
Applications	14,807	37,471	148,983	385,414	4,050	5,460	466,235	683,453
Redemptions	(292)	(703)	(2,896)	(7,215)	(600)	(1,770)	(68,218)	(222,411)
Units issued upon reinvestment of distributions	112	-	1,123	542	113	32	12,300	4,012
Distribution to unitholders	-	-	(37,938)	(17,659)	-	-	(65,563)	(35,960)
Profit/(loss) for the half-year	-	-	93,607	22,301	-	-	208,286	69,092
Closing balance	195,753	155,923	1,994,806	1,609,155	22,328	15,761	2,601,542	1,983,730

3 Net assets attributable to unitholders (continued)

	Australian Dividend Harvester Fund				Australian Quality ETF ¹			
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
Net assets attributable to unitholders								
Opening balance	13,517	11,339	159,407	158,114	450	-	9,360	-
Applications	1,144	1,600	14,005	22,312	200	-	4,449	-
Redemptions	(600)	(200)	(7,371)	(2,777)	-	-	-	-
Units issued upon reinvestment of distributions	53	35	643	480	-	-	5	-
Distribution to unitholders	-	-	(6,043)	(5,111)	-	-	(268)	-
Profit/(loss) for the half-year	-	-	13,540	1,385	-	-	1,264	-
Closing balance	14,114	12,774	174,181	174,403	650	-	14,810	-

	Australian Financials Sector ETF				Australian Resources Sector ETF			
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
Net assets attributable to unitholders								
Opening balance	4,712	4,799	49,809	57,199	16,092	15,545	107,089	117,699
Applications	2,400	2,503	28,777	31,050	8,600	1,000	63,159	7,574
Redemptions	(1,900)	(2,200)	(22,312)	(26,708)	(2,400)	(3,800)	(18,300)	(28,368)
Units issued upon reinvestment of distributions	5	30	57	30	131	13	875	102
Distribution to unitholders	-	-	(1,696)	(1,587)	-	-	(5,669)	(3,645)
Profit/(loss) for the half-year	-	-	5,616	729	-	-	23,136	(1,003)
Closing balance	5,217	5,132	60,251	60,713	22,423	12,758	170,290	92,359

¹ There was no comparative amount for Australian Quality ETF. The Fund was registered on 1 September 2020 and commenced trading on 4 April 2022.

3 Net assets attributable to unitholders (continued)

	Australian Small Companies Select Fund				Australian Sustainability Leaders ETF			
	31 December 2022 Units '000	31 December 2021 Units '000	31 December 2022 Units '000	31 December 2021 Units '000	31 December 2022 Units '000	31 December 2021 Units '000	31 December 2022 Units '000	31 December 2021 Units '000
Net assets attributable to unitholders								
Opening balance	19,006	15,249	61,067	61,650	68,108	53,163	1,105,669	1,034,426
Applications	2,209	3,603	7,486	14,984	6,400	11,900	110,506	239,926
Redemptions	(395)	(1,409)	(1,293)	(5,789)	(100)	(1,100)	(1,681)	(22,336)
Units issued upon reinvestment of distributions	41	49	130	198	554	539	8,992	10,484
Distribution to unitholders	-	-	(1,490)	(844)	-	-	(14,023)	(11,699)
Profit/(loss) for the half-year	-	-	4,123	5,385	-	-	37,394	79,939
Closing balance	20,861	17,492	70,023	75,584	74,962	64,502	1,246,857	1,330,740

	Ex-20 Portfolio Diversifier ETF				FTSE RAFI Australia 200 ETF			
	31 December 2022 Units '000	31 December 2021 Units '000	31 December 2022 Units '000	31 December 2021 Units '000	31 December 2022 Units '000	31 December 2021 Units '000	31 December 2022 Units '000	31 December 2021 Units '000
Net assets attributable to unitholders								
Opening balance	12,165	11,333	214,130	226,158	28,244	24,575	376,530	361,167
Applications	400	1,300	7,398	27,024	3,300	2,400	46,922	36,284
Redemptions	(1,100)	(1,500)	(21,517)	(31,477)	(600)	(300)	(8,750)	(4,507)
Units issued upon reinvestment of distributions	15	22	263	432	76	38	1,014	561
Distribution to unitholders	-	-	(3,859)	(2,867)	-	-	(12,192)	(8,971)
Profit/(loss) for the half-year	-	-	17,644	16,612	-	-	40,798	9,597
Closing balance	11,480	11,155	214,059	235,882	31,020	26,713	444,322	394,131

3 Net assets attributable to unitholders (continued)

	Managed Risk Australian Share Fund			
	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	2,037	1,234	32,007	21,466
Applications	300	-	4,739	-
Redemptions	(500)	-	(8,198)	-
Units issued upon reinvestment of distributions	1	1	23	12
Distribution to unitholders	-	-	(790)	(417)
Profit/(loss) for the half-year	-	-	1,537	481
Closing balance	1,838	1,235	29,318	21,542

Capital risk management

Units are normally redeemable only by unitholders being Authorised Participants at the unitholders' option (other unitholders only have a right to redeem units in special circumstances). The units can be put back to the Funds at any time (subject to the Corporations Act 2001 and the Funds' Constitutions) for cash based on the redemption price.

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

The distributions for the half-year were as follows:

	Active Australian Hybrids Fund				Australia 200 ETF			
	31 December 2022 \$'000	31 December 2022 CPU	31 December 2021 \$'000	31 December 2021 CPU	31 December 2022 \$'000	31 December 2022 CPU	31 December 2021 \$'000	31 December 2021 CPU
Distributions paid - July	5,023	2.74	2,631	2.11	-	-	-	-
Distributions paid - August	5,874	3.13	2,922	2.24	-	-	-	-
Distributions paid - September	5,960	3.14	2,831	1.18	41,204	190.23	23,578	169.92
Distributions paid - October	6,986	3.64	2,814	1.96	-	-	-	-
Distributions paid - November	6,855	3.55	3,198	2.14	-	-	-	-
Distributions payable- December	7,240	3.70	3,263	2.09	24,359	109.09	12,382	78.56
Total distributions	37,938	19.90	17,659	11.72	65,563	299.32	35,960	248.48

4 Distributions to unitholders (continued)

The distributions for the half-year were as follows:

	Australian Dividend Harvester Fund				Australian Quality ETF ¹			
	31 December 2022 \$'000	31 December 2022 CPU	31 December 2021 \$'000	31 December 2021 CPU	31 December 2022 \$'000	31 December 2022 CPU	31 December 2021 \$'000	31 December 2021 CPU
Distributions paid - July	1,023	7.40	823	6.72	-	-	-	-
Distributions paid - August	1,047	7.40	837	6.72	-	-	-	-
Distributions paid - September	998	7.10	844	6.72	-	-	-	-
Distributions paid - October	993	7.10	836	6.72	-	-	-	-
Distributions paid - November	980	7.10	851	6.72	-	-	-	-
Distributions payable- December	1,002	7.10	920	7.20	268	41.23	-	-
Total distributions	6,043	43.20	5,111	40.80	268	41.23	-	-

	Australian Financials Sector ETF				Australian Resources Sector ETF			
	31 December 2022	31 December 2022	31 December 2021	31 December 2021	31 December 2022	31 December 2022	31 December 2021	31 December 2021
Distributions payable - December	1,696	32.50	1,587	31.10	5,669	25.28	3,645	28.57
Total distributions	1,696	32.50	1,587	31.10	5,669	25.28	3,645	28.57

	Australian Small Companies Select Fund				Australian Sustainability Leaders ETF			
	31 December 2022	31 December 2022	31 December 2021	31 December 2021	31 December 2022	31 December 2022	31 December 2021	31 December 2021
Distributions payable - December	1,490	7.14	844	4.82	14,023	18.71	11,699	18.14
Total distributions	1,490	7.14	844	4.82	14,023	18.71	11,699	18.14

¹ There was no comparative amount for Australian Quality ETF. The Fund was registered on 1 September 2020 and commenced trading on 4 April 2022.

4 Distributions to unitholders (continued)

	Ex-20 Portfolio Diversifier ETF				FTSE RAFI Australia 200 ETF			
	31 December 2022 \$'000	31 December 2022 CPU	31 December 2021 \$'000	31 December 2021 CPU	31 December 2022 \$'000	31 December 2022 CPU	31 December 2021 \$'000	31 December 2021 CPU
Distributions payable - December	3,859	33.62	2,867	25.70	12,192	39.30	8,971	33.58
Total distributions	3,859	33.62	2,867	25.70	12,192	39.30	8,971	33.58

	Managed Risk Australian Share Fund			
	31 December 2022 \$'000	31 December 2022 CPU	31 December 2021 \$'000	31 December 2021 CPU
Distributions payable - December	790	43.02	417	33.80
Total distributions	790	43.02	417	33.80

The distribution information shown above refers to cash distributions paid by the relevant Fund for the period. Under the AMIT tax rules, a Fund may distribute cash that is different to the taxable income attributed by the Fund to unitholders.

During the half-year, some distributions were satisfied by the issue of units (reinvestment). See note 3.

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

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

	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF	
	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000
Financial assets at fair value through profit or loss								
Listed securities	-	-	2,608,698	2,097,225	171,551	158,740	15,059	9,365
Listed & unlisted hybrid and debt securities	1,913,227	1,784,354	-	-	-	-	-	-
Total financial assets at fair value through profit or loss	1,913,227	1,784,354	2,608,698	2,097,225	171,551	158,740	15,059	9,365
Financial liabilities at fair value through profit or loss								
Futures contracts	-	-	145	121	-	-	-	-
Total financial liabilities at fair value through profit or loss	-	-	145	121	-	-	-	-
	Australian Financials Sector ETF		Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF	
	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000
Financial assets at fair value through profit or loss								
Listed securities	61,050	49,565	174,712	120,724	69,417	61,553	1,256,249	1,131,276
Total financial assets at fair value through profit or loss	61,050	49,565	174,712	120,724	69,417	61,553	1,256,249	1,131,276
Financial liabilities at fair value through profit or loss								
Futures contracts	10	6	7	12	-	-	39	113
Total financial liabilities at fair value through profit or loss	10	6	7	12	-	-	39	113

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

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

	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000
Financial assets at fair value through profit or loss						
Futures contracts	-	11	-	-	126	561
Listed securities	216,729	215,388	452,077	388,563	28,425	29,292
Total financial assets at fair value through profit or loss	216,729	215,399	452,077	388,563	28,551	29,853
Financial liabilities at fair value through profit or loss						
Futures contracts	13	-	77	23	-	-
Total financial liabilities at fair value through profit or loss	13	-	77	23	-	-

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.

(ii) Fair value in an inactive or 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.

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.

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.

Index futures and index options are measured by the quoted market prices, or binding dealer price quotations on the exchange where they are listed or held.

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:

Active Australian Hybrids Fund							
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:							
Listed & unlisted hybrid and debt securities							
1,614,733	298,494	-	1,913,227	1,780,498	3,856	-	1,784,354
Total	1,614,733	298,494	1,913,227	1,780,498	3,856	-	1,784,354

Australia 200 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:							
Listed securities							
2,608,698	-	-	2,608,698	2,095,008	-	2,218	2,097,226
Total	2,608,698	-	2,608,698	2,095,008	-	2,218	2,097,226
Financial liabilities							
Financial liabilities at fair value through profit or loss:							
Futures contracts							
145	-	-	145	121	-	-	121
Total	145	-	145	121	-	-	121

6 Fair value measurements (continued)

Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

Australian Dividend Harvester Fund							
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:							
Listed securities	171,551	-	-	171,551	158,740	-	-
Total	171,551	-	-	171,551	158,740	-	158,740

Australian Quality 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:							
Listed securities	15,059	-	-	15,059	9,364	-	-
Total	15,059	-	-	15,059	9,364	-	9,364

6 Fair value measurements (continued)

Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

Australian Financials Sector ETF							
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
31 December 2022	31 December 2022	31 December 2022	31 December 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets							
Financial assets at fair value through profit or loss:							
Listed securities							
61,050	-	-	61,050	49,565	-	-	49,565
Total	61,050	-	61,050	49,565	-	-	49,565
Financial liabilities							
Financial liabilities at fair value through profit or loss:							
Futures contracts							
10	-	-	10	6	-	-	6
Total	10	-	10	6	-	-	6

Australian Resources Sector ETF							
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
31 December 2022	31 December 2022	31 December 2022	31 December 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets							
Financial assets at fair value through profit or loss:							
Listed securities							
174,712	-	-	174,712	120,263	-	460	120,723
Total	174,712	-	174,712	120,263	-	460	120,723
Financial liabilities							
Financial liabilities at fair value through profit or loss:							
Futures contracts							
7	-	-	7	12	-	-	12
Total	7	-	7	12	-	-	12

6 Fair value measurements (continued)

Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

Australian Small Companies Select Fund							
Level 1 31 December 2022 \$'000	Level 2 31 December 2022 \$'000	Level 3 31 December 2022 \$'000	Total 31 December 2022 \$'000	Level 1 30 June 2022 \$'000	Level 2 30 June 2022 \$'000	Level 3 30 June 2022 \$'000	Total 30 June 2022 \$'000
Financial assets							
Financial assets at fair value through profit or loss:							
Listed securities	69,417	-	-	69,417	61,553	-	61,553
Total	69,417	-	-	69,417	61,553	-	61,553

Australian Sustainability Leaders ETF							
Level 1 31 December 2022 \$'000	Level 2 31 December 2022 \$'000	Level 3 31 December 2022 \$'000	Total 31 December 2022 \$'000	Level 1 30 June 2022 \$'000	Level 2 30 June 2022 \$'000	Level 3 30 June 2022 \$'000	Total 30 June 2022 \$'000
Financial assets							
Financial assets at fair value through profit or loss:							
Listed securities	1,256,249	-	-	1,256,249	1,131,127	-	1,131,276
Total	1,256,249	-	-	1,256,249	1,131,127	-	1,131,276

Financial liabilities

Financial liabilities at fair value through profit or loss:

Futures contracts	39	-	-	39	113	-	113
Total	39	-	-	39	113	-	113

6 Fair value measurements (continued)

Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

Ex-20 Portfolio Diversifier ETF								
Level 1 31 December 2022 \$'000	Level 2 31 December 2022 \$'000	Level 3 31 December 2022 \$'000	Total 31 December 2022 \$'000	Level 1 30 June 2022 \$'000	Level 2 30 June 2022 \$'000	Level 3 30 June 2022 \$'000	Total 30 June 2022 \$'000	
Financial assets								
Financial assets at fair value through profit or loss:								
Futures contracts	-	-	-	11	-	-	11	
Listed securities	216,729	-	-	214,788	-	600	215,388	
Total	216,729	-	-	214,799	-	600	215,399	
Financial liabilities								
Financial liabilities at fair value through profit or loss:								
Futures contracts	13	-	-	-	-	-	-	
Total	13	-	-	-	-	-	-	
FTSE RAFI Australia 200 ETF								
Level 1 31 December 2022 \$'000	Level 2 31 December 2022 \$'000	Level 3 31 December 2022 \$'000	Total 31 December 2022 \$'000	Level 1 30 June 2022 \$'000	Level 2 30 June 2022 \$'000	Level 3 30 June 2022 \$'000	Total 30 June 2022 \$'000	
Financial assets								
Financial assets at fair value through profit or loss:								
Listed securities	452,077	-	-	388,563	-	-	388,563	
Total	452,077	-	-	388,563	-	-	388,563	
Financial liabilities								
Financial liabilities at fair value through profit or loss:								
Futures contracts	77	-	-	23	-	-	23	
Total	77	-	-	23	-	-	23	

6 Fair value measurements (continued)

Fair value estimation (continued)

(iii) *Recognised fair value measurements (continued)*

Managed Risk Australian Share Fund								
	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
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Financial assets at fair value through profit or loss:								
Futures contracts	126	-	-	126	561	-	-	561
Listed securities	28,425	-	-	28,425	29,264	-	28	29,292
Total	28,551	-	-	28,551	29,825	-	28	29,853

(iv) *Transfers between levels*

The Funds listed below had transfers between levels during the period ended 31 December 2022 and 30 June 2022.

	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	31 December	31 December	31 December	30 June	30 June	30 June
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Sustainability Leaders ETF						
Transfers between levels 1 and 3:						
Listed securities	149	-	(149)	-	-	-

6 Fair value measurements (continued)

Fair value estimation (continued)

(v) Movement in level 3 instruments

The tables below set out the Funds' financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 31 December 2022 and 30 June 2022:

	Listed securities Australia 200 ETF		Listed securities Ex-20 Portfolio Diversifier ETF		Listed securities Australian Sustainability Leaders ETF	
	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000
Opening balance	2,218	-	600	-	149	149
Purchases	-	2,545	-	583	-	-
Sales	-	(350)	-	(6)	-	-
Transfers into/(out) from level 3	-	-	-	-	(149)	-
Gains/(losses) recognised in profit or loss	(2,218)	23	(600)	23	-	-
Closing balance	-	2,218	-	600	-	149
Total gains/(losses) for the half-year included in the condensed interim statements of comprehensive income for financial assets and liabilities held at the end of the half-year	(2,218)	23	(600)	23	-	-

	Listed securities FTSE RAFI Australia 200 ETF		Listed securities Australian Resources Sector ETF		Listed securities Managed Risk Australian Share Fund	
	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000
Opening balance	-	19	460	-	28	-
Purchases	-	-	-	624	-	33
Sales	-	-	-	(142)	-	-
Transfers into/(out) from level 3	-	-	-	-	-	-
Gains/(losses) recognised in profit or loss	-	(19)	(460)	(22)	(28)	(5)
Closing balance	-	-	-	460	-	28
Total gains/(losses) for the half-year included in the condensed interim statements of comprehensive income for financial assets and liabilities held at the end of the half-year	-	(19)	(460)	(22)	(28)	(5)

6 Fair value measurements (continued)

Fair value estimation (continued)

(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 unit holders differs from its fair value (deemed to be the redemption price for individual units) due to differences in valuation inputs. The difference is not material in the current half-year.

Fair value measurement using significant unobservable inputs (Level 3)

An investment held in AVZ Minerals Ltd (ASX Code: AVZ) in each of Australia A200 ETF, Ex-20 Portfolio Diversifier ETF, Australian Resources Sector ETF, and Managed Risk Australian Share Fund was purchased during the year-ended 30 June 2022 and suspended from ASX trading on 11 May 2022. AVZ remained suspended from trading at 31 December 2022.

Valuation process

Portfolio review are undertaken regularly by management to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as level 3 securities.

Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. For certain security types, in selecting the most appropriate valuation model, management performs back testing and considers actual market transactions. Changes in allocation to or from level 3 are analysed at the end of each reporting period.

7 Events occurring after the reporting period

On 22 February 2023, Australia 200 ETF management fees have reduced from 0.07% to 0.04% per annum of the Fund's Net Asset Value.

No other 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 presents the Directors' Declaration in respect of the following funds:

Betashares Active Australian Hybrids Fund (managed fund)
Betashares Australia 200 ETF
Betashares Australian Dividend Harvester Fund (managed fund)
Betashares Australian Quality ETF
Betashares Australian Financials Sector ETF
Betashares Australian Resources Sector ETF
Betashares Australian Small Companies Select Fund (managed fund)
Betashares Australian Sustainability Leaders ETF
Betashares Ex-20 Portfolio Diversifier ETF
Betashares FTSE RAFI Australia 200 ETF
Betashares Managed Risk Australian Share Fund (managed fund)

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

- (a) the condensed interim financial statements and notes set out on pages 5 to 37 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 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; and

Signed in accordance with a resolution of the directors.



Alex Vynokur
Director

Sydney
9 March 2023



Independent Auditor's Review Report

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

Betashares Active Australian Hybrids Fund (managed fund)

Betashares Australia 200 ETF

Betashares Australian Dividend Harvester Fund (managed fund)

Betashares Australian Quality ETF

Betashares Australian Financials Sector ETF

Betashares Australian Resources Sector ETF

Betashares Australian Small Companies Select Fund (managed fund)

Betashares Australian Sustainability Leaders ETF

Betashares Ex-20 Portfolio Diversifier ETF

Betashares FTSE RAFI Australia 200 ETF

Betashares Managed Risk Australian Share Fund (managed fund)

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.