

ETFS Global Core Infrastructure ETF

ARSN 616 755 741

Condensed Interim Financial Report - For the half-year ended 31 December 2020

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Directors' Report

The directors of ETFs Management (AUS) Limited (the "Responsible Entity"), the Responsible Entity of ETFs Global Core Infrastructure ETF (the "Fund"), present their interim report together with the condensed interim financial statements of the Fund, for the half-year ended 31 December 2020 and the auditor's report thereon.

Fund Objectives

The Funds objective was to provide investors with a return that (before fees and expenses) tracked the performance of the Solactive Global Core Infrastructure Low Volatility Index (the "Index"). The Fund aimed to track the performance of the Index by holding all of the shares that make up the Index, in the proportion closely mirroring the Index. All assets of the Fund are held in segregated accounts with the Custodian, JPMorgan Chase Bank N.A. (Sydney Branch).

The Fund was an Exchange Traded Fund ("ETF") and traded by investors on the Australian Securities Exchange ("ASX"). Following the resolution made by the Responsible Entity on 10 December 2020 to terminate the Fund, units in the Fund were removed from trading status after the close of trading on 29 January 2021. Final distributions were paid to unitholders on 12 February 2021. The Responsible Entity intends to wind up the Fund within the next 12 Months.

Principal Activities

The Fund was constituted on 18 September 2017 and commenced its operations on 19 September 2017. The Fund was listed on the ASX until 29 January 2021.

During the half-year ended 31 December 2020, the Fund invested in accordance with the provisions of the Fund's Constitution.

The Fund did not have any employees during the half-year ended 31 December 2020.

Directors

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

Director

Vince Fitzgerald (appointed 16 December 2014)

Graham Tuckwell (appointed 16 December 2014)

Kris Walesby (appointed 3 May 2017, resigned 8 September 2020)

Mark Weeks (appointed 25 August 2020)

Review and Results of Operations

During the half-year, the Fund continued to invest funds in accordance with target asset allocations as set out in the governing documents of the Fund and in accordance with the provisions of the Fund's Constitution.

Results

The performance of the Fund, as represented by the results of its operations, was as follows:

	Half-year ended 31 December 2020 AUD'000	Half-year ended 31 December 2019 AUD'000
Profit/(loss) for the half-year	(1,397)	544
Distributions paid and payable	258	254

Directors' Report (continued)

Review and Results of Operations (continued)

Returns

The table below demonstrates the performance of the Fund as represented by the total return.

	Returns*		
	1 July 2020 to 31 December 2020 %	1 July 2019 to 31 December 2019 %	1 July 2018 to 31 December 2018 %
ETFS Global Core Infrastructure ETF returns	(7.49)	3.77	4.16

*Returns (after fees) are calculated on the assumption that all distributions are reinvested in the Fund, and include the effect of compounding.

Significant Changes in State of Affairs

The Responsible Entity resolved on 10 December 2020 to terminate the Fund on 29 January 2021 with final distributions paid to unitholders on 12 February 2021. The condensed interim financial statements are therefore prepared on a basis other than going concern.

Matters Subsequent to the end of the half-year

Following the resolution made by the Responsible Entity on 10 December 2020 to terminate the Fund, units in the Fund were removed from trading status after the close of trading on 29 January 2021. Final distributions were paid to unitholders on 12 February 2021. The Responsible Entity intends to wind up the Fund within the next 12 Months.

Rounding of Amounts

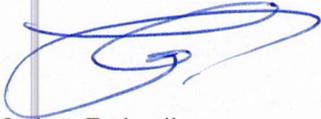
The Fund is a registered scheme of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the directors' report and financial statements. Amounts in the directors' report and the financial statements have been rounded to the nearest thousand dollars in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, unless otherwise indicated.

Directors' Report (continued)

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 4.

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



Graham Tuckwell
Director

Melbourne
3 March 2021



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

To the Directors of ETFS Management (AUS) Limited as Responsible Entity of
ETFS Global Core Infrastructure ETF

I declare that, to the best of my knowledge and belief, in relation to the review of ETFS Global Core Infrastructure ETF for the financial half-year ended 31 December 2020 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

Nic Buchanan

Partner

Sydney

3 March 2021

ETF Global Core Infrastructure ETF
Condensed Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2020

		Half-year ended 31 December 2020	Half-year ended 31 December 2019
	Notes	AUD'000	AUD'000
<i>Investment income</i>			
Dividend/distribution income		288	351
Net gains/(losses) on financial instruments at fair value through profit or loss (including FX gains/(losses))	3	<u>(1,616)</u>	<u>264</u>
<i>Total net investment income/(loss)</i>		<u>(1,328)</u>	<u>615</u>
<i>Expenses</i>			
Management fees	7	51	55
Transaction costs		17	15
Other expenses		<u>1</u>	<u>1</u>
<i>Total operating expenses</i>		<u>69</u>	<u>71</u>
<i>Profit/(loss) for the half-year</i>		(1,397)	544
Other comprehensive income		<u>-</u>	<u>-</u>
<i>Total comprehensive income for the half-year</i>		<u>(1,397)</u>	<u>544</u>

The above Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

ETFS Global Core Infrastructure ETF
Condensed Statement of Financial Position
As at 31 December 2020

	Notes	As at 31 December 2020 AUD'000	As at 30 June 2020 AUD'000
Assets			
Cash and cash equivalents		-	258
Financial assets at fair value through profit or loss	6	14,697	19,160
Receivables		<u>1,633</u>	<u>74</u>
Total assets		<u>16,330</u>	<u>19,492</u>
Liabilities			
Bank overdraft		1,356	-
Distribution payable	4	127	338
Payables		<u>9</u>	<u>11</u>
Total liabilities		<u>1,492</u>	<u>349</u>
Net assets attributable to unitholders - equity	5	<u>14,838</u>	<u>19,143</u>

The above Condensed Statement of Financial Position should be read in conjunction with the accompanying notes.

ETFS Global Core Infrastructure ETF
Condensed Statement of Changes in Equity
For the half-year ended 31 December 2020

		Half-year ended 31 December 2020 AUD'000	Half-year ended 31 December 2019 AUD'000
	Notes		
<i>Total equity at the beginning of the financial half-year</i>	5	19,143	11,915
<i>Comprehensive income for the half-year ended</i>			
Profit/(loss) for the half-year		(1,397)	544
Other comprehensive income		<u>-</u>	<u>-</u>
<i>Total comprehensive income for the half-year</i>		<u>(1,397)</u>	<u>544</u>
<i>Transactions with unitholders</i>			
Applications	5	-	12,231
Redemptions	5	(2,670)	-
Units issued upon reinvestment of distributions	5	20	12
Distributions paid and payable	4, 5	<u>(258)</u>	<u>(254)</u>
<i>Total transactions with unitholders</i>		<u>(2,908)</u>	<u>11,989</u>
<i>Total equity at the end of the financial half-year</i>	5	<u><u>14,838</u></u>	<u><u>24,448</u></u>

The above Condensed Statement of Changes in Equity should be read in conjunction with the accompanying notes.

ETFS Global Core Infrastructure ETF
Condensed Statement of Cash Flows
For the half-year ended 31 December 2020

	Half-year ended 31 December 2020	Half-year ended 31 December 2019
Notes	AUD'000	AUD'000
<i>Cash flows from operating activities</i>		
Proceeds from sale of financial instruments	11,063	8,106
Payments for purchase of financial instruments	(9,793)	(20,229)
Transaction costs paid	(17)	(15)
Dividends/distributions received	305	306
Other income received	1	-
Management fees paid	(53)	(47)
Operating expenses paid	<u>(1)</u>	<u>(3)</u>
<i>Net cash inflow/(outflow) from operating activities</i>	<u>1,505</u>	<u>(11,882)</u>
<i>Cash flows from financing activities</i>		
Proceeds from applications by unitholders	-	12,231
Payments for redemptions by unitholders	(2,670)	-
Distributions paid	<u>(449)</u>	<u>(468)</u>
<i>Net cash inflow/(outflow) from financing activities</i>	<u>(3,119)</u>	<u>11,763</u>
<i>Net increase/(decrease) in cash and cash equivalents</i>	(1,614)	(119)
Cash and cash equivalents at the beginning of the half-year	258	284
Effects of foreign currency exchange rate changes on cash and cash equivalents	<u>-</u>	<u>9</u>
<i>Cash and cash equivalents at the end of the half-year</i>	<u>(1,356)</u>	<u>174</u>
Non cash financing activities	5 <u>20</u>	<u>12</u>

The above Condensed Statement of Cash Flows should be read in conjunction with the accompanying notes.

1 General Information

These condensed interim financial statements cover ETFs Global Core Infrastructure ETF (the “Fund”) as an individual entity. The Fund was constituted on 18 September 2017 and commenced its operations on 19 September 2017. The Fund is currently listed on the ASX. The admission date was 20 September 2017.

The Fund is domiciled in Australia and is a for-profit entity.

The Responsible Entity of the Fund is ETFs Management (AUS) Limited (the “Responsible Entity”). The Responsible Entity's registered office is Level 7, 50 King Street, Sydney NSW 2000 Australia.

The condensed interim financial report was authorised for issue by the directors on 3 March 2021. The directors of the Responsible Entity have the power to amend and reissue the condensed interim financial statements.

The condensed interim financial statements are presented in Australian Dollars, which is the Fund's functional currency.

2 Basis of Preparation and Accounting Policies

The condensed interim financial statements are general purpose financial statements prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The Responsible Entity resolved on 10 December 2020 to wind up within the next 12 months following the termination of the Fund at the close of trading on 29 January 2021. The condensed interim financial statements are therefore prepared on a basis other than going concern.

The Condensed Statement of Financial Position presents assets and liabilities in decreasing order of liquidity and does not distinguish between current and non-current items.

In preparing the condensed interim financial statements on an alternate basis, the Responsible Entity has continued to apply all classification, recognition and measurement requirements of Australian Accounting Standards taking into account that the Fund is not expected to continue as a going concern in the foreseeable future. All assets are measured at their net realisable values and liabilities are measured at their anticipated settlement amounts based on relevant Australian Accounting Standard requirements. There has been no significant re-measurement of any amounts in the financial statements.

No additional provisions or liabilities have been recognised as there were no legal or contractual obligations incurred resulting from the intended wind up of the Fund.

The condensed interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The Fund is a registered scheme of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission relating to the “rounding off” of amounts in the directors' report and financial statements. Amounts in the directors' report and the financial statements have been rounded to the nearest thousand dollars in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, unless otherwise indicated.

There are no new standards, interpretations or amendments to existing standards that are effective for the first time for the financial half-year beginning 1 July 2020 that would be expected to have a material impact on the Fund.

3 Net Gains/(Losses) on Financial Instruments at Fair Value Through Profit or Loss

The net gains/(losses) recognised in relation to financial assets and financial liabilities at fair value through profit or loss:

	Half-year ended 31 December 2020 AUD'000	Half-year ended 31 December 2019 AUD'000
Net unrealised gain/(loss) on financial assets and liabilities at fair value through profit or loss (including FX gains/(losses))	(268)	(170)
Net realised gain/(loss) on financial assets and liabilities at fair value through profit or loss (including FX gains/(losses))	<u>(1,348)</u>	<u>434</u>
Net gains/(losses) on financial instruments at fair value through profit or loss (including FX gains/(losses))	<u>(1,616)</u>	<u>264</u>

4 Distributions to Unitholders

The distributions during the half-year were as follows:

	Half-year ended 31 December 2020		Half-year ended 31 December 2019	
	AUD'000	CPU	AUD'000	CPU
Distributions paid - 30 September	131	32.79	126	40.72
Distributions payable - 31 December	<u>127</u>	<u>37.14</u>	<u>128</u>	<u>31.92</u>
	<u>258</u>		<u>254</u>	

5 Net Assets Attributable to Unitholders

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 Fund shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions.

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

	Half-year ended 31 December 2020		Half-year ended 31 December 2019	
	No.'000	AUD'000	No.'000	AUD'000
Opening balance	400	19,143	200	11,915
Profit/(loss) for the half-year	-	(1,397)	-	544
Applications	-	-	200	12,231
Redemptions	(60)	(2,670)	-	-
Units issued upon reinvestment of distributions	-	20	-	12
Distributions paid and payable	<u>-</u>	<u>(258)</u>	<u>-</u>	<u>(254)</u>
Closing balance	<u>340</u>	<u>14,838</u>	<u>400</u>	<u>24,448</u>

5 Net Assets Attributable to Unitholders (continued)

Capital Risk Management

The Fund manages its net assets attributable to unitholders as capital. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of unitholders.

The Fund monitors the level of daily applications and redemptions relative to the liquid assets in the Fund. As of 31 December 2020 the capital of the Fund is represented in the net assets attributable to unitholders table.

In the event of a significant redemption, the Fund's Constitution allows the delay of payment beyond the usual redemption timeframe but no later than the maximum number of days specified in the Constitution for satisfying redemption requests. Further, in certain circumstances such as disrupted markets, the Constitution allows payment to be delayed beyond the maximum number of days.

6 Financial Assets at Fair Value Through Profit or Loss

	As at 31 December 2020 AUD'000	As at 30 June 2020 AUD'000
Financial assets at fair value through profit or loss		
Forward currency contracts	10	-
Listed equity securities	14,267	18,624
Listed unit trusts	<u>420</u>	<u>536</u>
Total financial assets at fair value through profit or loss	<u><u>14,697</u></u>	<u><u>19,160</u></u>

7 Management Fee

The management fee is calculated by applying a fixed percentage to the value of units in issue on a daily basis, equivalent to 0.55% per annum, inclusive of GST, and net of applicable RITC. The management fees is paid in Australian Dollars on a monthly basis.

8 Segment Information

The Fund operates solely in the business of providing investors with the performance of the market, before fees and expenses, as represented by the Solactive Global Core Infrastructure Low Volatility Index. The Responsible Entity, which is the chief operating decision maker for the purposes of assessing performance and determining the allocation of resources, ensures that the Fund's holdings and performance are in accordance with the Solactive Global Core Infrastructure Low Volatility Index. Accordingly, no additional qualitative or quantitative disclosures are required.

9 Events Occurring After the Reporting Period

Following the resolution made by the Responsible entity on 10 December 2020 to terminate the Fund, units in the Fund were removed from trading status after the close of trading on 29 January 2021. On the same date, all assets were sold and final distributions were paid to unitholders on 12 February 2021.

No other significant events have occurred since the end of the reporting period up to the date of signing the condensed interim financial report which would impact on the financial position of the Fund disclosed in the Condensed Statement of Financial Position as at 31 December 2020 or on the results and cash flows of the Fund for the half-year ended on that date.

Directors' Declaration

In the opinion of the directors of the Responsible Entity of ETFs Global Core Infrastructure ETF (the Fund):

- (a) the condensed interim financial statements and notes set out on pages 5 to 11 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - (ii) giving a true and fair view of the Fund's financial position as at 31 December 2020 and of its performance for the financial half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Responsible Entity made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the directors of the Responsible Entity.



Graham Tuckwell
Director

Melbourne
3 March 2021



Independent Auditor's Review Report

To the unitholders of ETFS Global Core Infrastructure ETF

Conclusion

We have reviewed the accompanying **Condensed Interim Financial Report** of ETFS Global Core Infrastructure ETF (the Scheme).

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 Report of ETFS Global Core Infrastructure ETF does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Scheme's financial position as at 31 December 2020 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 Report** comprises:

- Condensed statement of financial position as at 31 December 2020
- Condensed statement of profit or loss and other comprehensive income for the half-year ended on that date.
- Condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date
- Notes 1 to 9 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The **half-year** is the six months ended on 31 December 2020.

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 report.

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 the Code.

Emphasis of matter – basis of preparation

We draw attention to Note 2 of the Condensed Interim Financial Report, which describes the basis of preparation.

Following a resolution by ETFS Management (AUS) Limited (the Responsible Entity) on 10 December 2020, the Scheme terminated on 29 January 2021. The responsible entity intends to wind up the scheme in the next 12 months. The Condensed Interim Financial Report has therefore been prepared on a basis other than going concern. Our conclusion is not modified in respect of this matter.



Responsibilities of the Directors for the Condensed Interim Financial Report

The Directors of ETFS Management (AUS) Limited are responsible for:

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

Auditor's Responsibilities for the Review of the Condensed Interim Financial Report

Our responsibility is to express a conclusion on the Condensed Interim Financial Report 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 Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Scheme's financial position as at 31 December 2020 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 Report 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

Nic Buchanan

Partner

Sydney

3 March 2021