ETFS Equity Securities Limited

Registered No: 90959

Unaudited Interim Financial Report for the Six Months to 30 June 2017

Contents

The directors of ETFS Equity Securities Limited ("ESL" or the "Company") submit herewith the unaudited interim financial report and interim financial statements of the Company for the period ended 30 June 2017.

Directors

The names and particulars of the directors of the Company during or since the end of the financial period are:

Graham J Tuckwell - Chairman	
Christopher J M Foulds	
Graeme D Ross	(Resigned 7 December 2016)
Steven G Ross	(Appointed 7 December 2016)
Joseph L Roxburgh	

Directors' Interests

The following table sets out the directors' interests in Ordinary Shares as at the date of this report:

Director	*Ordinary Shares of Nil Par Value*
Graham J Tuckwell (as majority shareholder of ETF Securities Limited ("ETFSL"))	2

Principal Activities

During the period there were no significant changes in the nature of the Company's activities.

Review of Operations

As at 30 June 2017, the Company had the following number of classes, in aggregate, of Equity Securities in issue and admitted to trading on the following exchanges:

	London Stock Exchange	Borsa Italiana	Deutsche Börse
Leveraged Short Equity Securities	1	6	2
Leveraged Equity Securities	1	6	2
Total Equity Securities	2	12	4

As at 30 June 2017, the fair value of assets under management amounted to USD 119.8 (31 December 2016: USD 115.9 million). The Company recognises its financial assets (Equity Contracts) and financial liabilities (Equity Securities) at fair value in the Condensed Statement of Financial Position.

During the period, the Company generated income from creation and redemption fees, administration allowance and licence allowance as follows:

	30 June 2017 USD	30 June 2016 USD
Creation and Redemption Fees	649	3,546
Administration Allowance and Licence Allowance	432,146	436,419
Total Fee Income	**432,795**	**439,965**

Review of Operations (continued)

Under the terms of the service agreement with ETFS Management Company (Jersey) Limited ("ManJer"), the Company accrued expenses equal to the administration allowance and licence allowance and creation and redemption fees, which, after taking into account other operating income and expenses, resulted in an operating result for the period of USD Nil (30 June 2016: USD Nil).

The gain or loss on Equity Securities and Equity Contracts is recognised in the Condensed Statement of Profit or Loss and Other Comprehensive Income in line with the Company's accounting policy.

The Company has entered into contractual obligations to issue and redeem Equity Securities at set prices on each trading day. These prices are based on an agreed formula published in the prospectus, and are equal to the published net asset value ("NAV") of each class of Equity Security.

IFRS 13 requires the Company to identify the principal market and to utilise the available market price within that principal market. The directors consider that the stock exchanges where the Equity Securities are listed to be the principal market and as a result the fair value of the Equity Securities is the on-exchange price as quoted on those stock exchanges demonstrating active trading. As a result of the difference in valuation methodology between Equity Contracts and Equity Securities there is a mis-match between accounting values, and the results of the Company reflect a gain or loss on the difference between the agreed formula price of the Equity Contracts and the market price of Equity Securities. This gain or loss would be reversed on a subsequent redemption of the Equity Securities and cancellation of the corresponding Equity Contracts. This is presented in more detail in note 6 to these interim financial statements.

Future Developments

Referendum of the United Kingdom's ("UK's") membership of the European Union (the "EU Referendum")

The EU referendum took place on 23 June 2016 and resulted in an overall vote to leave the European Union ("EU"). The British government invoked Article 50 of the Lisbon Treaty on 29 March 2017 which started the two-year period during which a leaving agreement is to be negotiated setting out the arrangements for the withdrawal and outlining the UK's future relationship with the EU. The exact process for the UK's withdrawal is uncertain, although it is generally expected to take longer than two years as this would require the renegotiation of treaties and agreements, together with legislation changes.

The Company is domiciled in Jersey, outside of the EU, and the Equity Securities are distributed in the EU under the EU Prospectus Directive which requires their offering to the public to be approved by an EU Member State regulator. To date, the Company has chosen the UK Financial Conduct Authority ("FCA") as its member state regulator for these purposes. A request is then made to the FCA, as the chosen Member State regulator, for the passporting of the offering across the EU, once again, under the Prospectus Directive.

It is currently expected that the Company would select an alternate EU Member State regulator through which to seek approval and request passporting for its offering. As the Equity Securities already comply with the European wide requirements of the Prospectus Directive, this is not expected to cause any disruption or alteration to the terms or nature of the Equity Securities.

The Equity Securities continue to comply with all applicable laws and regulations. Continued assessment of the impact will be required throughout the withdrawal process.

The board of directors (the "Board") are not aware of any other developments that might have a significant effect on the operations of the Company in subsequent financial periods not already disclosed in this report or the attached interim financial statements.

Dividends

There were no dividends declared or paid in the current or previous period. It is the Company's policy that dividends will only be declared when the directors are of the opinion that there are sufficient distributable reserves.

Employees

The Company does not have any employees. It is the Company's policy to use the services of specialist subcontractors or consultants as far as possible.

Directors' Remuneration

No director has a service contract with the Company. The directors of the Company who are employees within the ETF Securities Group do not receive separate remuneration in their capacity as directors of the Company. R&H Fund Services (Jersey) Limited ("R&H" or the "Administrator") receives a fee in respect of the directors of the Company who are employees of R&H.

The directors' fees which have been paid by ManJer on behalf of the Company for the period:

	30 June 2017 GBP	**30 June 2016 GBP**
Graham J Tuckwell	Nil	Nil
Christopher J M Foulds	Nil	Nil
Graeme D Ross	Nil	4,000
Steven G Ross	4,000	Nil
Joseph L Roxburgh	Nil	Nil

On behalf of the directors

Joseph L Roxburgh
Director
Jersey
30 August 2017

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these interim financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the interim financial statements; and
- prepare the interim financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Jersey governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

With regard to Regulation 2004/109/EC of the European Union (the "EU Transparency Directive"), the directors confirm that to the best of their knowledge that:

- the interim financial statements for the period ended 30 June 2017 give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as required by law and in accordance with International Financial Reporting Standards as issued by the IASB; and
- the Directors' Report gives a fair view of the development of the Company's business, financial position and the important events that have occurred during the period and their impact on these interim financial statements.

By order of the Board

Joseph L Roxburgh
Director

30 August 2017

Condensed Statement of Profit or Loss and Other Comprehensive Income

	Notes	Period ended 30 June 2017 Unaudited USD	2016 Unaudited USD
Revenue	2	432,795	439,965
Expenses	2	(432,795)	(439,965)
Operating Result	2	**-**	**-**
Net Gain/Loss Arising on Contractual and Fair Value of Equity Contracts	5	8,319,669	(34,690,912)
Net (Loss)/Gain Arising on Fair Value of Equity Securities	6	(8,585,595)	34,955,438
Result and Total Comprehensive Income for the Period	6	**(265,926)**	**264,526**
[1] Adjustment from Market Value to Contractual Value (as set out in the Prospectus) of Equity Securities	1	265,926	(264,526)
Adjusted Result and Total Comprehensive Income for the Period		**-**	**-**

The directors consider the Company's activities as continuing.

[1] An explanation of the non-statutory adjustment is set out on page 11. This represents the movement in the difference between the Contractual Value price of the Equity Contracts and the market price of Equity Securities.

The notes on pages 9 to 15 form part of these condensed interim financial statement

Condensed Statement of Financial Position

	Notes	As at 30 June 2017 Unaudited USD	As at 31 December 2016 Audited USD
Current Assets			
Cash and Cash Equivalents		189	71
Trade and Other Receivables	4	224,665	242,689
Equity Contracts	5	119,757,652	115,933,267
Amounts Receivable on Equity Contracts Awaiting Settlement	5	-	681,678
Amounts Receivable on Equity Securities Awaiting Settlement	6	1,458,135	320,184
Total Assets		**121,440,641**	**117,177,889**
Current Liabilities			
Equity Securities	6	119,918,335	115,828,024
Amounts Payable on Equity Securities Awaiting Settlement	6	-	681,678
Amounts Payable on Equity Contracts Awaiting Settlement	5	1,458,135	320,184
Trade and Other Payables	7	224,851	242,757
Total Liabilities		**121,601,321**	**117,072,643**
Equity			
Stated Capital	8	3	3
Revaluation Reserve		(160,683)	105,243
Total Equity		**(160,680)**	**105,246**
Total Equity and Liabilities		**121,440,641**	**117,177,889**

The condensed interim financial statements on pages 5 to 15 were approved and authorised for issue by the board of directors and signed on its behalf on 30 August 2017.

Joseph L Roxburgh
Director

The notes on pages 9 to 15 form part of these condensed interim financial statement

Condensed Statement of Cash Flows

	Period ended 30 June	
	2017	2016
	Unaudited	Unaudited
	USD	USD
Operating Result for the Period	**-**	**-**
Changes in Operating Assets and Liabilities		
Decrease in Receivables	18,024	100,259
(Decrease)/Increase in Payables	(17,906)	284,626
Cash Generated from Operating Activities	118	384,885
Net Increase in Cash and Cash Equivalents	**118**	**384,885**
Cash and Cash Equivalents at the Beginning of the Period	71	315,518
Net Increase in Cash and Cash Equivalents	118	384,885
Cash and Cash Equivalents at the End of the Period	**189**	**700,403**

Equity Securities are issued through a receipt of cash directly with the Equity Contract Counterparty or redeemed by the transfer of cash directly by the Equity Contract Counterparty. Cash flows in respect of the issue and redemption of Equity Securities and the creation and cancellation of Equity Contracts have been netted off in the Condensed Statement of Cash Flows.

The notes on pages 9 to 15 form part of these condensed interim financial statement

Condensed Statement of Changes in Equity

	Notes	Stated Capital USD	Retained Earnings USD	Revaluation Reserve[2] USD	Total Equity USD	Adjusted Total Equity USD
Audited Opening Balance at 1 January 2016		3	-	(368,844)	(368,841)	3
Result and Total Comprehensive Income for the Period		-	264,526	-	264,526	264,526
Transfer to Revaluation Reserve		-	(264,526)	264,526	-	-
[3] Adjustment from Market Value to Contractual Value (as set out in the Prospectus) of Equity Securities		-	-		-	(264,526)
Unaudited Balance at 30 June 2016		**3**	**-**	**(104,318)**	**(104,315)**	**3**
Unaudited Opening Balance at 1 July 2016		3	-	(104,318)	(104,315)	3
Result and Total Comprehensive Income for the Period		-	209,561	-	209,561	209,561
Transfer to Revaluation Reserve		-	(209,561)	209,561	-	-
[3] Adjustment from Market Value to Contractual Value (as set out in the Prospectus) of Equity Securities		-	-	-	-	(209,561)
Audited Balance at 31 December 2016		**3**	**-**	**105,243**	**105,246**	**3**
Audited Opening Balance at 1 January 2017		3	-	105,243	105,246	3
Result and Total Comprehensive Income for the Period		-	(265,926)	-	(265,926)	(265,926)
Transfer to Revaluation Reserve	6	-	265,926	(265,926)	-	-
[3] Adjustment from Market Value to Contractual Value (as set out in the Prospectus) of Equity Securities	6	-	-	-	-	265,926
Unaudited Balance at 30 June 2017		**3**	**-**	**(160,683)**	**(160,680)**	**3**

[2] This represents the difference between the Contractual Value of the Equity Contracts and the market price of Equity Securities.

[3] An explanation of the non-statutory adjustment is set out on page 11.

The notes on pages 9 to 15 form part of these condensed interim financial statement

1. Accounting Policies

The main accounting policies of the Company are described below.

Basis of Preparation

The interim financial statements for the six months ended 30 June 2017 have been prepared in accordance with IAS 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB. The interim financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2016. The interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2016.

The presentation of interim financial statements in conformity with International Financial Reporting Standards ("IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates 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. The only key accounting judgement required to prepare interim these financial statements is in respect of the valuation of Equity Contracts and Equity Securities held at fair value through profit or loss as disclosed in notes 5 and 6. Actual results could vary from these estimates.

This half yearly report has not been audited or reviewed by the Company's auditors.

Going Concern

The nature of the Company's business dictates that the outstanding Equity Securities may be redeemed at any time by the holder and in certain circumstances may be redeemed by the Company. Generally only Security Holders who have entered into an authorised participant agreement with the Company ("Authorised Participant") can submit applications and redemptions directly with the Company. As the redemption of Equity Securities will coincide with the redemption of an equal amount of Equity Contracts, no net liquidity risk is considered to arise. All other expenses of the Company are met by ETFS Management Company (Jersey) Limited ("ManJer"); therefore the directors consider the Company to be a going concern for the foreseeable future and have prepared the interim financial statements on this basis.

Accounting Standards

(a) *Standards, amendments and interpretations effective on 1 January 2017 and adopted in the period:*

In preparing the interim financial statements the Company has adopted all new or revised Standards, Amendments and Interpretations, including:

- IAS 7 Statement of Cash Flows (Disclosure Initiative).
- IAS 12 Income Taxes.
- IFRS 12 Disclosure of Interests in Other Entities (as part of the Annual Improvements to IFRS).

Of those Standards and Interpretations adopted in the current period, none have resulted in any significant effect on these interim financial statements.

1. Accounting Policies (continued)

Accounting Standards (continued)

(b) New and revised standards, amendments and interpretations in issue but not yet effective:

The Company has not applied the following new and revised Standards, Amendments and Interpretations that have been issued but are not yet effective:

- IFRS 2 Share-based Payments (effective for annual periods beginning on or after 1 January 2018).
- IFRS 4 Insurance Contracts (overlay approach to be applied when IFRS 9 is first applied, deferral approach effective for annual periods beginning on or after 1 January 2018 and only available for three years after that date).
- IFRS 9 Financial Instruments (as amended in 2014) (effective for annual periods beginning on or after 1 January 2018).
- IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (no effective date set).
- IFRS 15 Revenue from Contracts with Customers (effective for annual periods beginning on or after 1 January 2018).
- IFRS 16 Leases (effective for annual periods beginning on or after 1 January 2019).
- IFRS 17 Insurance Contracts (effective for annual periods beginning on or after 1 January 2021).
- IAS 40 Investment Property (effective for annual periods beginning on or after 1 January 2018).
- Annual Improvements to IFRS.

The directors intend to adopt IFRS 9 for the period beginning on 1 January 2018. The directors have undertaken a preliminary assessment of the impact of adopting IFRS 9 and have concluded that there would be no impact on the amounts reported in respect of the Company's financial instruments. Disclosures in the financial statements will be amended as necessary to meet the requirements of the standard.

The directors do not expect the adoption of the remaining standards, amendments and interpretations that are in issue but not yet effective will have a material impact on the financial statements of the Company in future periods.

The directors have considered other standards and interpretations in issue but not effective and concluded that they would not have a material impact on the future financial periods when they become available.

Segmental Reporting

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the Chief Operating Decision Maker ("CODM") in order to allocate resources to the segments and to assess their performance. The CODM has been determined as the board of directors. A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products and services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The Company has not provided segmental information as the Company has only one business or product group, Equity Securities, and one geographical segment which is Europe. In addition the Company has no single major customer from which greater than 10% of revenue is generated. All information relevant to the understanding of the Company's activities is included in these interim financial statements.

1. Accounting Policies (continued)

Equity Securities and Contracts

i) Issue and Redemption

The Company has entered into a Facility Agreement with Société Générale (the “Equity Contract Counterparty”) to permit the Company to create and cancel Equity Contracts at prices equivalent to Equity Securities issued or redeemed on the same day. Each time an Equity Security is issued or redeemed by the Company a corresponding number and value of Equity Contracts will be created from or cancelled with Société Générale.

Financial assets and liabilities are recognised and de-recognised on the transaction date.

ii) Pricing

The Equity Contracts are priced by reference to the value of the relevant indices published by the relevant equity index sponsor, a multiplier calculated by the Company and agreed with Société Générale and the adjustment factor. The multiplier takes into account the daily accrual of the Administration Allowance, the Licence Allowance and the swap spread and collateral cost payable to the Equity Contract Counterparty. The adjustment factor will only be relevant in specific circumstances as outlined in the prospectus. This price is calculated based on the formula set out in the prospectus, and is referred to as the ‘Contractual Value’.

IFRS 13 requires the Company to identify the principal market and to utilise the available market price within that principal market. The directors consider that the stock exchanges where the Equity Securities are listed to be the principal market and as a result the fair value of the Equity Securities is the on-exchange price as quoted on those stock exchanges demonstrating active trading. The Equity Securities are priced using the closing mid-market price on the Statement of Financial Position date.

Consequently a difference arises between the value of Equity Contracts (at Contractual Value) and Equity Securities (at market value) presented in the Condensed Statement of Financial Position. This difference is reversed on a subsequent redemption of the Equity Securities and cancellation of the corresponding Equity Contracts.

iii) Designation at fair value through Profit or Loss

Each Equity Security and Equity Contract comprises a financial instrument whose redemption or cancellation price is linked to the performance of the relevant Equity Index adjusted by the applicable fees and expenses.

These instruments are designated at fair value through profit or loss upon initial recognition. This is in order to enable gains or losses on both the Equity Securities and Equity Contracts to be recorded in the Condensed Statement of Profit or Loss and Other Comprehensive Income.

Through the mis-matched accounting values, the results of the Company reflect a gain or loss which represents the movement in the cumulative difference between the Contractual Value (based on the formula as set out in the prospectus) of the Equity Contracts and the market price of Equity Securities. This gain or loss is transferred to a Revaluation Reserve which is non-distributable. The results of the Company are adjusted through the presentation of a non-statutory movement entitled ‘Adjustment from Market Value to Contractual Value (as set out in the Prospectus) of Equity Securities’.

2. Operating Result

Operating result for the period comprised:

	Period ended 30 June	
	2017 Unaudited USD	2017 Unaudited USD
Creation and Redemption Fees	649	3,546
Administration Allowance	392,860	395,990
Licence Allowance	39,286	40,429
Total Revenue	**432,795**	**439,965**
ManJer Fees	(432,795)	(439,965)
Total Operating Expenses	**(432,795)**	**(439,965)**
Operating Result	**-**	**-**

3. Taxation

The Company is subject to Jersey Income Tax. The Jersey Income Tax rate applicable to the Company for the foreseeable future is zero percent.

4. Trade and Other Receivables

	As at	
	30 June 2017 Unaudited USD	31 December 2016 Audited USD
Stated Capital	3	3
Administration Allowance and Licence Allowance	224,013	242,068
Creation and Redemption Fees Receivable	649	618
	224,665	**242,689**

The fair value of these receivables is equal to the carrying value.

5. Equity Contracts

	As at	
	30 June 2017 Unaudited USD	31 December 2016 Audited USD
Change in Fair Value for the Period/Year	**8,319,669**	**(31,147,201)**
Equity Contracts at Fair Value	**119,757,652**	**115,933,267**

5. Equity Contracts (continued)

As at 30 June 2017, there were certain Equity Contracts awaiting settlement in respect of the creation or redemption of Equity Securities with transaction dates before the period end and settlement dates in the following period:

- The amount receivable on Equity Contracts as a result of unsettled redemptions of Equity Securities is USD Nil (31 December 2016: USD 681,678).
- The amount payable on Equity Contracts as a result of unsettled creations of Equity Securities is USD 1,458,135 (31 December 2016: USD 320,184).

6. Equity Securities

Whilst the Equity Securities are quoted on the open market, the Company's liability relates to its contractual obligations to issue and redeem Equity Securities at set prices on each trading day. These prices are based on an agreed formula, and are equal to the published net asset values ("NAV") of each class of Equity Security. Therefore, the actual contractual issue and redemption of Equity Securities occur at a price that corresponds to gains or losses on the Equity Contracts. As a result the Company has no net exposure to gains or losses on the Equity Securities and Equity Contracts.

The Company measures the Equity Securities at their market value in accordance with IFRS 13 rather than their Contractual Value (as described in the prospectus). The market value is deemed to be the prices quoted on stock exchanges or other markets where the Equity Securities are listed or traded. However Equity Contracts are valued based on the agreed formula (set out in the prospectus).

The fair values and movements in unrealised gains/losses during the period/year based on prices available on the open market as recognised in the financial statements are:

	As at	
	30 June 2017	**31 December 2016**
	Unaudited	**Audited**
	USD	**USD**
Change in Fair Value for the Period/Year	**(8,585,595)**	**31,621,288**
Equity Securities at Fair Value	**119,918,335**	**115,828,024**

The contractual redemption values and movements in unrealised gains/losses during the period/year based on the Contractual Values are:

	As at	
	30 June 2017	**31 December 2016**
	Unaudited	**Audited**
	USD	**USD**
Change in Fair Value for the Period/Year	**(8,319,669)**	**31,147,201**
Equity Securities at Contractual Value	**119,757,652**	**115,933,267**

The gain or loss on the difference between the Contractual Value of the Equity Contracts and the market price of Equity Securities would be reversed on a subsequent redemption of the Equity Securities and cancellation of the corresponding Equity Contracts.

6. Equity Securities (continued)

The mismatched accounting values are as shown below and represent the non-statutory adjustment presented in the Condensed Statement of Profit or Loss and Other Comprehensive Income:

	Period ended 30 June 2017 Unaudited USD	Year ended 31 December 2016 Audited USD
Net Gain/(Loss) Arising on Contractual and Fair Value of Equity Contracts	8,319,669	(31,147,201)
Net (Loss)/Gain Arising on Fair Value of Equity Securities	(8,585,595)	31,621,288
	(265,926)	**474,087**

As at 30 June 2017, there were certain Equity Securities awaiting settlement in respect of creations or redemptions with trade dates before the period end and settlement dates in the following period:

- The amount receivable as a result of unsettled creations of Equity Securities is USD 1,458,135 (31 December 2016: USD 320,184).
- The amount payable as a result of unsettled redemptions of Equity Securities is USD Nil (31 December 2016: USD 681,678).

7. Trade and Other Payables

	As at	
	30 June 2017 Unaudited USD	31 December 2016 Audited USD
ManJer Fees Payable	**224,851**	**242,757**

The fair value of these payables is equal to the carrying value.

8. Stated Capital

	As at	
	30 June 2017 Unaudited USD	31 December 2016 Audited USD
2 Shares of Nil Par Value, Issued at GBP 1 Each	**3**	**3**

The Company can issue an unlimited capital of nil par value shares in accordance with its Memorandum of Association.

All Shares issued by the Company carry one vote per Share without restriction and carry the right to dividends. All Shares are held by ETFS Holdings (Jersey) Limited (“HoldCo”). ETF Securities Limited (“ETFSL”) is the parent company of HoldCo.

9. Related Party Disclosures

Entities and individuals which have a significant influence over the Company, either through ownership or by virtue of being a director of the Company, are related parties.

Fees charged by ManJer during the period:

	Period ended 30 June	
	2017	2016
	Unaudited	Unaudited
	USD	USD
ManJer Fees	**432,146**	**436,419**

The following balances were due to ManJer at period end:

	As at	
	30 June 2017	31 December 2016
	Unaudited	Audited
	USD	USD
ManJer Fees Payable	**224,851**	**242,757**

The following balances were due from HoldCo at the period/year end:

	As at	
	30 June 2017	31 December 2016
	Unaudited	Audited
	USD	USD
Stated Capital	**3**	**3**

As disclosed in the Directors' Report, ManJer paid directors' fees in respect of the Company of GBP 4,000 (30 June 2016: GBP 4,000).

Steven G Ross is a director of R&H Fund Services (Jersey) Limited ("R&H"), the administrator. During the period, R&H charged ManJer administration fees in respect of the Company of GBP 8,376 (30 June 2016: GBP 7,876), of which GBP 4,188 (30 June 2016: GBP 3,938) was outstanding at the period end.

Graham J Tuckwell is also a director of ETFSL, ManJer and HoldCo. Joseph L Roxburgh is also a director of ManJer and HoldCo. Christopher J M Foulds is the Compliance Officer of ManJer.

10. Ultimate Controlling Party

The immediate parent company is HoldCo, a Jersey registered company. The ultimate controlling party is Graham J Tuckwell through his majority shareholding in ETFSL. ETFSL is the parent company of HoldCo.

The value of the Equity Contracts backing the Equity Securities is wholly attributable to the holders of the Equity Securities.

The intelligent alternative.