



## **Gold Bullion Securities Limited**

**Registered No: 87322**

**Unaudited Condensed Interim Financial Report for the  
Six Months to 30 June 2022**

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The directors of Gold Bullion Securities Limited (“GBS” or the “Company”) submit herewith the unaudited interim financial report and interim financial statements of the Company for the period ended 30 June 2022.

### **Directors**

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

Stuart Bell  
Christopher Foulds  
Steven Ross  
Peter Ziemba

### **Directors' Interests**

No director has an interest in the Shares of the Company as at the date of this report.

### **Principal Activities**

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

### **Review of Operations**

The Gold Securities are listed on the London Stock Exchange, the Deutsche Börse, the Borsa Italiana, the Euronext Brussels and the NYSE Euronext Paris.

As at 30 June 2022, the Company had 21,776,522 (31 December 2021: 21,972,822) Gold Securities in issue, with assets under management of USD 3,672.6 million (31 December 2021: USD 3,719.4 million). The Company recognises its assets (“Gold Bullion”) and financial liabilities (“Gold Securities”) at fair value in the Condensed Statement of Financial Position.

The Company holds Gold Bullion to support the Gold Securities as determined by the Gold Entitlement. Gold Bullion is marked to fair value using the latest price published by the London Bullion Market Association (“LBMA”). The Company has entered into contractual obligations to issue and redeem Gold Securities in exchange for Gold Bullion as determined by the Gold Entitlement on each trading day. The Gold Bullion in respect of each creation and redemption is recorded using the price provided by the LBMA on the transaction date.

IFRS 13 requires the Company to identify the principal market and to utilise the available price within that principal market. The directors consider the stock exchanges where the Gold Securities are listed to be the principal market and as a result the fair value of the Gold Securities is the on-exchange price as quoted on the stock exchange demonstrating active trading with the highest trading volume on each day that the price is obtained. As a result of the difference in valuation between Gold Bullion and Gold Securities there is a mismatch between the values recognised, and the results of the Company reflect a gain or loss on the difference between the value of the Gold Bullion (through the application of the price provided by the LBMA against the Gold Entitlement referred to within these financial statements as the “Contractual Value”) and the price of Gold Securities.

The gain or loss on Gold Securities and Gold Bullion is recognised through profit or loss in line with the Company's accounting policy.

### Review of Operations (continued)

During the period, the Company generated income from creation and redemption fees and management fees as follows:

	30 June 2022 USD	30 June 2021 USD
Creation and Redemption Fees	2,500	2,693
Management Fees	7,560,570	7,947,091
<b>Total Fee Income</b>	<b>7,563,070</b>	<b>7,949,784</b>

### Non-GAAP Performance Measures

Under the terms of the service agreement with WisdomTree Management (Jersey) Limited (“ManJer” or the “Manager”), the Company accrued expenses equal to the Management Fee and creation and redemption fees, which after taking into account other operating income and expenses, resulted in a result before fair value movements for the period of USD Nil (30 June 2021: USD Nil).

As the difference in the valuation of Gold Bullion (held to support the Gold Securities) and Gold Securities would be reversed on a subsequent redemption of the Gold Securities and transfer of the corresponding Gold Bullion, the Company presents an adjusted Condensed Statement of Profit or Loss and Total Comprehensive Income and an adjusted Condensed Statement of Changes in Equity in note 10 of the financial statements.

### Coronavirus disease (COVID-19)

The COVID-19 pandemic continues to persist and the ultimate duration of the pandemic and its short-term and long-term impact on the global economy is unknown. National governments and supranational organisations in multiple states continue taking steps designed to protect their populations from COVID-19, including requiring or encouraging home working, the cancellation of sporting, cultural and other events and restricting or discouraging gatherings of people. COVID-19 has created market turmoil and increased market volatility generally. Mutations in the virus, a setback in vaccine distribution and negative global economic consequences arising from the pandemic, amongst other factors, could have a future adverse impact on the global financial markets. The steps outlined above, and public sentiment, may affect both the volatility and prices of Gold Bullion and hence the prices of the Gold Securities, and such effects may be significant and may be long-term in nature.

The board of directors (the “Board”) is closely monitoring the advice and developments relating to the spread of COVID-19, which is fluid and rapidly changing. The WisdomTree group has, and continues to implement measures to maintain the ongoing safety and well-being of employees, whilst continuing to operate business as usual.

### Ukraine Invasion

On 24 February 2022, Russia engaged in military actions in the sovereign territory of Ukraine. In response to sanctions imposed on Russia by the United Kingdom, United States and European Union, on 7 March 2022 the LBMA suspended six Russian gold refiners (the “Russian Refiners”) from the Good Delivery List (the “Suspension”). As a result of the Suspension, gold bars produced after 7 March 2022 by the Russian Refiners will not be considered Good Delivery unless and until the LBMA further amends its Good Delivery Rules. In line with the LBMA’s Good Delivery Rules, gold bars received from the Russian Refiners prior to 7 March 2022 still fall within the Good Delivery Rules and can be traded within the London Good Delivery system. Prior to the Suspension, the Company received gold bars from two Russian Refineries; in line with the Good Delivery Rules, these gold bars meet the Good Delivery Rules and constitute Good Delivery. The Company will only accept gold bars which constitute Good Delivery and meet the Good Delivery Rules set by the LBMA. Therefore, as a result of the Suspension, the Company does not accept gold bars that the Russian Refineries produced after 7 March 2022 (until there is an amendment to the Good Delivery Rules).

## Review of Operations (continued)

### *Ukraine Invasion (continued)*

This may impact the price and liquidity of existing and newly sourced Good Delivery gold bars and hence may adversely affect the trading market and price for Gold Bullion and may cause the value of Gold Bullion to decline or increase in value.

The Board is closely monitoring developments that may impact financial markets including sanctions, actions by governments and developments of the crisis. The Board will further assess the impact on the Company's portfolio operations and valuation and will take any potential actions needed, as facts and circumstances are subject to change and may be specific to investment strategies and jurisdictions.

## Future Developments

The Board is not aware of any 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.

## Directors' Remuneration

No director has a service contract with the Company. The directors of the Company who are employees within the WisdomTree 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 2022 GBP	30 June 2021 GBP
Stuart Bell	Nil	Nil
Christopher Foulds	4,000	4,000
Steven Ross	4,000	4,000
Peter Ziemba	Nil	Nil

## Going Concern

The nature of the Company's business dictates that the outstanding Gold Securities may be redeemed at any time by only holders of Gold Securities who have entered into an authorised applicant agreement with the Company ("Approved Applicants") and in certain circumstances by individual holders and also, in certain circumstances, may be compulsorily redeemed by the Company. As the redemption of Gold Securities will always coincide with the transfer of an equal amount (in value) of Gold Bullion, liquidity risk is mitigated such that there is no material residual risk. All other expenses are met by ManJer. The directors closely monitor the financial position and performance of ManJer, its assets under management, and therefore its related revenue streams, in respect of fulfilling the obligations under the services agreement. The directors consider the operations of the Company to be ongoing, with a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of 12 months from the date of these interim financial statements, and accordingly these financial statements have been prepared on the going concern basis.

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**Directors Statement**

With regard to Directive 2004/109/EC, amended by Directive 2013/50/EU (collectively the Transparency Directive), the Central Bank (Investment Market Conduct) Rules of the Central Bank of Ireland and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, the directors confirm to the best of their knowledge that:

- the interim financial statements for the period ended 30 June 2021 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 International Accounting Standards Board; and
- the Directors' Report gives a fair view of the development and performance of the Company's business, including financial position and the important events that have occurred during the period and their impact on these interim financial statements.

On behalf of the directors



**Christopher Foulds**  
31 August 2022

	Notes	Period Ended 30 June	
		2022 Unaudited USD	2021 Unaudited USD
Income	2	7,563,070	7,949,784
Expenses	2	(7,563,070)	(7,949,784)
<b>Result Before Fair Value Movements</b>		-	-
Change in Fair Value of Gold Bullion	4	(18,863,047)	(325,952,771)
Change in Fair Value of Gold Securities	5	33,619,827	318,601,647
<b>Profit/(Loss) for the Period<sup>1,2</sup></b>		<b>14,756,780</b>	<b>(7,351,124)</b>

The directors consider the Company's activities as continuing.

<sup>1</sup> A non-statutory and non-GAAP Condensed Statement of Profit or Loss and Other Comprehensive Income reflecting adjustments representing the movement in the difference between the value of Gold Bullion and the price of Gold Securities is set out in note 10.

<sup>2</sup> There are no items of Other Comprehensive Income, therefore the Profit/(Loss) for the Period also represented the Total Comprehensive Income for the Period.

The notes on pages 9 to 16 form part of these condensed interim financial statements

	Notes	As At	
		30 June 2022 Unaudited USD	31 December 2021 Audited USD
<b>Assets</b>			
Gold Bullion	4	3,672,571,714	3,719,384,708
Gold Swing Bar	3	781,310	782,643
Gold Bullion Held in Respect of Management Fees		1,215,989	1,268,269
Gold Bullion Held in Respect of Securities Awaiting Settlement	4	11,740,212	-
Amounts Receivable on Gold Securities Awaiting Settlement	5	666,658	-
Trade and Other Receivables		145,070	143,320
<b>Total Assets</b>		<b>3,687,120,953</b>	<b>3,721,578,940</b>
<b>Liabilities</b>			
Gold Securities	5	3,656,561,301	3,718,131,075
Gold Loan		781,310	782,643
Amounts Payable on Gold Securities Awaiting Settlement	5	11,740,212	-
Gold Bullion Payable in Respect of Securities Awaiting Settlement	4	666,658	-
Trade and Other Payables		1,219,239	1,269,769
<b>Total Liabilities</b>		<b>3,670,968,720</b>	<b>3,720,183,487</b>
<b>Equity</b>			
Share Capital		142	142
Share Premium		141,678	141,678
Revaluation Reserve		16,010,413	1,253,633
<b>Total Equity</b>		<b>16,152,233</b>	<b>1,395,453</b>
<b>Total Equity and Liabilities</b>		<b>3,687,120,953</b>	<b>3,721,578,940</b>

The assets and liabilities in the above Condensed Statement of Financial Position are presented in order of liquidity from most to least liquid.

The condensed interim financial statements on pages 4 to 15 were approved and authorised for issue by the board of directors and signed on its behalf on 31 August 2022.



**Christopher Foulds**  
Director

The notes on pages 9 to 16 form part of these condensed interim financial statements



	Period Ended 30 June	
	2022 Unaudited USD	2021 Unaudited USD
<b>Profit/(Loss) for the Period</b>	<b>14,756,780</b>	<b>(7,351,124)</b>
<b>Non-cash Reconciling Items</b>		
Change in Fair Value of Gold Bullion	18,863,047	325,952,771
Change in Fair Value of Gold Securities	(33,619,827)	(318,601,647)
Revaluation of Gold Swing Bar	(1,333)	(55,018)
Movement in Gold Loan Due to Change in Gold Price	1,333	55,018
	-	-
Cash Generated from Operating Activities	-	-
<b>Net Movement in Cash and Cash Equivalents</b>	<b>-</b>	<b>-</b>
Cash and Cash Equivalents at the Beginning of the Period	-	-
Net Movement in Cash and Cash Equivalents	-	-
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>-</b>	<b>-</b>

Gold Securities are issued through a direct transfer of Gold Bullion from the Approved Applicants to the Custodian or redeemed by the direct transfer of Gold Bullion by the Custodian to the Approved Applicants. As such the Company is not a party to any cash transactions. The creations and redemptions of Gold Securities and additions and disposals of Gold Bullion, which are non-cash transactions for the Company, are disclosed in notes 5 and 4 respectively in the reconciliation of opening to closing Gold Securities and Gold Bullion.

The Company has entered into a service agreement with WisdomTree Management Jersey Limited (“ManJer” or the “Manager”), whereby ManJer is responsible for supplying or procuring the supply of all management and administration services required by the Company (including marketing) as well as the payment of costs relating to the listing and issue of Gold Securities. In return for these services, the Company has an obligation to remunerate ManJer with an amount equal to the Management Fee and the creation and redemption fees earned, less expenses (the “ManJer Fee”). The Gold Bullion in respect of the Management Fee is transferred by the Trustee from the Company’s custodian accounts to ManJer’s custodian accounts. In addition, amounts in respect of the creation and redemption fees are transferred directly from the Approved Applicants to ManJer and there are no cash flows through the Company.

	Stated Capital USD	Share Premium USD	Retained Earnings USD	Revaluation Reserve USD	Total Equity USD
Audited Opening Balance at 1 January 2021	142	141,678	-	(7,161,118)	(7,019,298)
Result and Total Comprehensive Income for the Period	-	-	(7,351,124)	-	(7,351,124)
Transfer to Revaluation Reserve	-	-	7,351,124	(7,351,124)	-
<b>Unaudited Balance at 30 June 2021</b>	<b>142</b>	<b>141,678</b>	<b>-</b>	<b>(14,512,242)</b>	<b>(14,370,422)</b>
Unaudited Opening Balance at 1 July 2021	142	141,678	-	(14,512,242)	(14,370,422)
Result and Total Comprehensive Income for the Period	-	-	15,765,875	-	15,765,875
Transfer to Revaluation Reserve	-	-	(15,765,875)	15,765,875	-
<b>Audited Balance at 31 December 2021</b>	<b>142</b>	<b>141,678</b>	<b>-</b>	<b>1,253,633</b>	<b>1,395,453</b>
Audited Opening Balance at 1 January 2022	142	141,678	-	1,253,633	1,395,453
Result and Total Comprehensive Income for the Period	-	-	14,756,780	-	14,756,780
Transfer to Revaluation Reserve	-	-	(14,756,780)	14,756,780	-
<b>Unaudited Balance at 30 June 2022<sup>3</sup></b>	<b>142</b>	<b>141,678</b>	<b>-</b>	<b>16,010,413</b>	<b>16,152,233</b>

<sup>3</sup> A non-statutory and non-GAAP Condensed Statement of Changes in Equity reflecting adjustments representing the difference between the value of Gold Bullion and the price of Gold Securities is set out in note 10.

The notes on pages 9 to 16 form part of these condensed interim financial statements

## 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 2022 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 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 2021. Except as described below under *Changes in Accounting Standards* the accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2021. The changes in accounting policies are also expected to be reflected in the financial statements for the year ended 31 December 2022.

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 key accounting judgement required to prepare these financial statements are in respect of the presentation of non-statutory and non-GAAP adjustments to the Condensed Statement of Profit or Loss and Other Comprehensive Income and the Condensed Statement of Changes in Equity, as disclosed in note 10.

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

### Changes in Accounting Standards

On 1 January 2022 the Company adopted all applicable annual improvements to IFRSs and have assessed that the adoption of these revised and amended accounting standards has not resulted in any changes to the accounting policies and disclosures within these interim financial statements.

## 2. Result Before Fair Value Movements

Result Before Fair Value Movements for the period comprised:

	Period Ended 30 June	
	2022	2021
	Unaudited	Unaudited
	USD	USD
Creation and Redemption Fees	2,500	2,693
Management Fees	7,560,570	7,947,091
<b>Total Income</b>	<b>7,563,070</b>	<b>7,949,784</b>
ManJer Fees	(7,563,070)	(7,949,784)
<b>Total Operating Expenses</b>	<b>(7,563,070)</b>	<b>(7,949,784)</b>
<b>Result Before Fair Value Movements</b>	<b>-</b>	<b>-</b>

**3. Gold Swing Bar**

	As At	
	30 June 2022 Unaudited USD	31 December 2021 Audited USD
Gold Swing Bar	<u>781,310</u>	<u>782,643</u>

The Company has a loan facility with HSBC Bank USA, N.A. giving the Company the rights, interest and title to a gold bar. The 430 (31 December 2021: 430) ounce gold bar is held for the purpose of facilitating the allocation of gold to holders of Gold Securities. The gold is recorded at fair value using the last price published by the LBMA, being the PM fix on 30 June 2022 of USD 1,817.000 per oz (31 December 2021: AM fix of USD 1,820.100 per oz).

**4. Gold Bullion**

	Period Ended 30 June	
	2022 Unaudited USD	2021 Unaudited USD
Change in Fair Value of Gold Bullion	<u>(18,863,047)</u>	<u>(325,952,771)</u>

	As At	
	30 June 2022 Unaudited USD	31 December 2021 Audited USD
Gold Bullion Held at Fair Value	<u>3,672,571,714</u>	<u>3,719,384,708</u>

As at 30 June 2022, there were certain amounts of Gold Bullion awaiting settlement in respect of the creation or redemption of Gold Securities with transaction dates before the period end and settlement dates in the following period:

- The amount of Gold Bullion Held as a result of unsettled redemptions is USD 11,740,212 (31 December 2021: USD Nil).
- The amount payable a result of unsettled creations of Gold Securities is USD 666,658 (31 December 2021: USD Nil).

All Gold Bullion assets have been valued using the PM fix on 30 June 2022 as published by the LBMA, being the last fix price available at the period end.

**4. Gold Bullion (continued)**

The below reconciliation of changes in the Gold Bullion includes only non-cash changes.

	Period Ended 30 June	
	2022 Unaudited USD	2021 Unaudited USD
<b>Opening Gold Bullion</b>	<b>3,719,384,708</b>	<b>4,623,226,427</b>
Additions	410,734,295	134,928,499
Disposals	(431,123,672)	(746,058,228)
Gold Bullion Transferred to Gold Bullion Held in Respect of Management Fees	(7,560,570)	(7,947,091)
Change in Fair Value	(18,863,047)	(325,952,771)
<b>Closing Gold Bullion</b>	<b>3,672,571,714</b>	<b>3,678,196,836</b>

**5. Gold Securities**

	Period Ended 30 June	
	2022 Unaudited USD	2021 Unaudited USD
Change in Fair Value of Gold Securities	<b>33,619,827</b>	<b>318,601,647</b>

  

	As At	
	30 June 2022 Unaudited USD	31 December 2021 Audited USD
Gold Securities at Fair Value	<b>3,656,561,301</b>	<b>3,718,131,075</b>

The gain or loss on the difference between the value of the Gold Bullion and the fair value of Gold Securities would be reversed on a subsequent redemption of the Gold Securities and transfer of the corresponding Gold Bullion. Refer to note 10 for the non-statutory and non-GAAP adjustments which reflect the results of this reversal.

As at 30 June 2022, there were certain Gold Securities awaiting settlement in respect of creations or redemptions with transaction dates before the period end and settlement dates in the following period:

- The amount payable as a result of unsettled redemptions of Gold Securities is USD 11,740,212 (31 December 2021: USD Nil).
- The amount receivable as a result of unsettled creations of Gold Securities is USD 666,658 (31 December 2021: USD Nil).

## 5. Gold Securities (continued)

The below reconciliation of changes in the Gold Securities, being liabilities arising from financing activities, includes only non-cash changes.

	Period Ended 30 June	
	2022 Unaudited USD	2021 Unaudited USD
<b>Opening Gold Securities</b>	<b>3,718,131,075</b>	<b>4,630,387,545</b>
Securities Created	410,734,295	134,928,499
Securities Redeemed	(431,123,672)	(746,058,228)
Management Fee	(7,560,570)	(7,947,091)
Change in Fair Value	(33,619,827)	(318,601,647)
<b>Closing Gold Securities</b>	<b>3,656,561,301</b>	<b>3,692,709,078</b>

Gold Securities are secured, undated zero coupon notes with a face value of USD 0.00001. As at 30 June 2022, there were 21,776,522 (31 December 2021: 21,972,822) Gold Securities outstanding, with a face value, in aggregate, of USD 218 (31 December 2021: USD 220).

## 6. Gold Loan

	As At	
	30 June 2022 Unaudited USD	31 December 2021 Audited USD
Gold Loan	<b>781,310</b>	<b>782,643</b>

The loan is denominated in gold ounces and marked to fair value at the period end with movements recognised in the Condensed Statement of Profit of Loss and Other Comprehensive Income. The loan is repayable on demand. The Company intends to maintain the loan as long as the Company continues to operate.

## 7. Fair Value Hierarchy

The levels in the hierarchy are defined as follows:

- Level 1 fair value based on quoted prices in active markets for identical assets.
- Level 2 fair values based on valuation techniques using observable inputs other than quoted prices.
- Level 3 fair values based on valuation techniques using inputs that are not based on observable market data.

Categorisation within the hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement of each relevant asset/liability.

The Company is required to utilise the available on-market price as the Gold Securities are quoted and actively traded on the open market. Therefore, Gold Securities are classified as Level 1 financial liabilities.

## 7. Fair Value Hierarchy (continued)

The Company holds Gold Bullion to support the Gold Securities as determined by the Gold Entitlement (which is calculated in accordance with an agreed formula published in the Prospectus). Gold Bullion is marked to fair value using the latest price published by the LBMA. The Company has contractual obligations to issue and redeem Gold Securities in exchange for Gold Bullion as determined by the Gold Entitlement on each trading day. The fair value of each creation and redemption of Gold Securities is recorded using the price provided by the LBMA on the transaction date applied to that Gold Entitlement. Therefore, Gold Bullion is classified as a level 2 asset, as the value is calculated using third party pricing sources supported by observable, verifiable inputs.

The categorisation of the Company's assets and (liabilities) are as shown below:

	As at	
	30 June 2022 Unaudited GBP	31 December 2021 Audited USD
<b>Level 1</b>		
Gold Securities	<b>(3,656,561,301)</b>	<b>3,718,131,075</b>
<b>Level 2</b>		
Gold Bullion	3,672,571,714	3,719,384,708
Gold Swing Bar	781,310	782,643
Gold Loan	(781,310)	(782,643)
	<b>3,672,571,714</b>	<b>3,719,384,708</b>

The Gold Securities and the Gold Bullion are recognised at fair value through profit or loss upon initial recognition and revalued to fair value in line with the Company's accounting policy. There are no liabilities classified in level 3. Transfers between levels would be recognised if there was a change in circumstances that prevented public information in respect of Level 1 inputs from being available. Any such transfers would be recognised on the date of the change in circumstances that cause the transfer. There were no transfers or reclassifications between Level 1 and Level 2 for any of the assets or liabilities during the year.

## 8. 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 considered to be related parties. In addition, entities with common ownership to the Company and entities with common directors are also considered to be related parties.

*Fees charged by ManJer during the period:*

	Period Ended 30 June	
	2022 Unaudited USD	2021 Unaudited USD
ManJer Fees	<b>7,563,070</b>	<b>7,949,784</b>

## 8. Related Party Disclosures (continued)

The following balances were due to and from ManJer at the period/year end:

	As At	
	30 June 2022 Unaudited USD	31 December 2021 Audited USD
ManJer Fees Payable	1,219,239	1,269,769

At 30 June 2022, USD 141,820 is receivable from ManJer (31 December 2021: USD 141,820).

As disclosed in the Directors' Report, ManJer paid directors' fees in respect of the Company of GBP 8,000 (30 June 2021: GBP 8,000).

Steven Ross is a director of R&H Fund Services (Jersey) Limited ("R&H" or the "Administrator") and Steven Ross is a partner of Rawlinson & Hunter, Jersey Partnership, which wholly owns R&H. Christopher Foulds is a senior employee of R&H. During the period, R&H charged ManJer administration fees in respect of the Company of GBP 33,626 (30 June 2021: GBP 33,626), of which GBP 16,813 (31 December 2021: GBP 16,813) was outstanding at the period end.

Peter Ziembra and Stuart Bell are executive officers of WisdomTree Investments, Inc.

## 9. Events Occurring After the Reporting Period

There have been no significant events that have occurred since the end of the reporting period up to the date of signing the interim financial statements which would impact on the financial position of the Company disclosed in the Condensed Statement of Financial Position as at 30 June 2022 or on the results and cash flows of the Company for the period ended on that date.

## 10. Non-GAAP and Non-Statutory Information

As a result of the mis-match in the accounting valuation of Gold Bullion (held to support the Gold Securities) and Gold Securities (as disclosed in notes 4 and 5) the profits and losses and comprehensive income of the Company presented in the Condensed Statement of Profit or Loss and Other Comprehensive Income reflect gains and losses which represent the movement in the cumulative difference between the value of the Gold Bullion and the price of Gold Securities. The Condensed Statement of Changes in Equity also reflects the fair value movements on both the Gold Bullion (held to support the Gold Securities) and the Gold Securities.

These gains or losses on the difference between the value of the Gold Bullion (held to support the Gold Securities) and the price of Gold Securities would be reversed on a subsequent redemption of the Gold Securities and transfer of the corresponding Gold Bullion.

Furthermore, the Gold Securities are issued under limited recourse arrangements whereby the holders have recourse only to the relevant Gold Bullion (held to support the Gold Securities) and not to the Company. As a result, the Company does not make gains from trading in the underlying Gold Bullion (held to support the Gold Securities) and, from a commercial perspective (with the exception of the impact of Management Fees) gains and losses in respect of Gold Bullion (held to support the Gold Securities) will always be offset by a corresponding loss or gain on the Gold Securities and the Company does not retain any net gains or losses.



**10. Non-GAAP and Non-Statutory Information (continued)**

The mismatched accounting values are as shown below:

	Period Ended 30 June	
	2022 USD	2021 USD
Change in Fair Value of Gold Bullion	(18,863,047)	(325,952,771)
Change in Fair Value of Gold Securities	33,619,827	318,601,647
	<b>14,756,780</b>	<b>(7,351,124)</b>

To reflect the commercial results, the Company has presented below a non-GAAP and non-Statutory Condensed Statement of Profit or Loss and Other Comprehensive Income and Condensed Statement of Changes in Equity for the period which reflect an Adjustment from Market Value to Contractual Value (as set out in the Prospectus) of Gold Securities, together with those gains or losses being transferred to a separate reserve which is deemed non-distributable.

a) *Non-GAAP and Non-Statutory Condensed Statement of Profit or Loss and Other Comprehensive Income*

	Period Ended 30 June	
	2022 Unaudited USD	2021 Unaudited USD
Income	7,563,070	7,949,784
Expenses	(7,563,070)	(7,949,784)
<b>Result Before Fair Value Movements</b>	<b>-</b>	<b>-</b>
Change in Fair Value of Gold Bullion	(18,863,047)	(325,952,771)
Change in Fair Value of Gold Securities	33,619,827	318,601,647
<b>Loss for the Period</b>	<b>14,756,780</b>	<b>(7,351,124)</b>
Adjustment from Market Value to Contractual Value (as set out in the Prospectus) of Gold Securities	(14,756,780)	7,351,124
<b>Adjusted Result</b>	<b>-</b>	<b>-</b>

**10. Non-GAAP and Non-Statutory Information (continued)***(b) Non-GAAP and Non-Statutory Condensed Statement of Changes in Equity*

	Stated Capital USD	Share Premium USD	Retained Earnings USD	Revaluation Reserve <sup>4</sup> USD	Total Equity USD	Adjusted Total Equity USD
Audited Opening Balance at 1 January 2021	142	141,678	-	(7,161,118)	(7,019,298)	141,820
Result and Total Comprehensive Income for the Period	-	-	(7,351,124)	-	(7,351,124)	(7,351,124)
Transfer to Revaluation Reserve	-	-	7,351,124	(7,351,124)	-	-
<sup>4</sup> Adjustment from Market Value to Contractual Value (as set out in the Prospectus) of Gold Securities	-	-	-	-	-	7,351,124
<b>Unaudited Balance at 30 June 2021</b>	<b>142</b>	<b>141,678</b>	<b>-</b>	<b>(14,512,242)</b>	<b>(14,370,422)</b>	<b>141,820</b>
Unaudited Opening Balance at 1 July 2021	142	141,678	-	(14,512,242)	(14,370,422)	141,820
Result and Total Comprehensive Income for the Period	-	-	15,765,875	-	15,765,875	15,765,875
Transfer to Revaluation Reserve	-	-	(15,765,875)	15,765,875	-	-
<sup>4</sup> Adjustment from Market Value to Contractual Value (as set out in the Prospectus) of Gold Securities	-	-	-	-	-	(15,765,875)
<b>Audited Balance at 31 December 2021</b>	<b>142</b>	<b>141,678</b>	<b>-</b>	<b>1,253,633</b>	<b>1,395,453</b>	<b>141,820</b>
Audited Opening Balance at 1 January 2022	142	141,678	-	1,253,633	1,395,453	141,820
Result and Total Comprehensive Income for the Period	-	-	14,756,780	-	14,756,780	14,756,780
Transfer to Revaluation Reserve	-	-	(14,756,780)	14,756,780	-	-
Adjustment from Market Value to Contractual Value (as set out in the Prospectus) of Gold Securities	-	-	-	-	-	(14,756,780)
<b>Unaudited Balance at 30 June 2022</b>	<b>142</b>	<b>141,678</b>	<b>-</b>	<b>16,010,413</b>	<b>16,152,233</b>	<b>141,820</b>

<sup>4</sup> This represents the difference between the value of Gold Bullion and the price of Gold Securities.

