alphabeta access products ltd

Annual report and audited financial statements for the year ended 31 December 2023

Directors' Report

The Directors present their Report, together with the audited financial statements of alphabeta access products ltd (the "Company"), for the year ending 31 December 2023.

Incorporation and principal activities

The Company was incorporated as a public company on 29 May 2012. The principal activity of the Company is to issue secured and unsecured Certificates and notes under the terms of the following programmes:

- US$ Secured and Unsecured Certificate Programme (Previously US$50,000,000,000)

- US$30,000,000,000 Secured and Unsecured Note Programme

- Programme for the Issuance of Exchange Traded Products operating in Sweden

- US$50,000,000,00 alphabeta access products ltd and Memel Capital PCC secured and unsecured Notes and Certificates Issuance Programme

- Programme for the issuance of Exchange Traded Products operating in Germany

The Certificates and Notes are issued in series and provide holders with indirect access to various leveraged products holding investments in a range of trading Programmes. There were four new series of certificates/notes ("Series 30", "Repack 2", "Repack 3" and "Series 29") issued during the year under the various programmes detailed above.

Results and dividends

The results for the year are set out in the Statement of Comprehensive Income on page 10. Dividends for the year of US$ nil were declared in respect of the year ended 31 December 2023 (2022: US$2,250).

Directors

The following persons were Directors of the Company during the year and up to the date of this report:

S Conroy
T Ridgway

Statement of Directors' responsibilities

The Directors are responsible for preparing financial statements in accordance with generally accepted accounting principles.

Companies Law requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the Company's surplus or deficit for that period.

International Accounting Standard 1 "Presentation of Financial Statements" requires that financial statements present fairly, for each financial period, the Company's financial position, financial performance, and cash flows. This requires the faithful representation of the effects of transactions, other events, and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. However, the Directors are also required to;

- Select suitable accounting policies and then apply them consistently;
- Make judgements that are reasonable and prudent; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Company and to enable them to ensure that the financial statements comply with Jersey Company Law. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud error and non-compliance with law and regulations.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

Directors' Report (continued)

Statement of directors' responsibilities (continued)

The Directors confirm that so far as they are aware, there is no relevant audit information, of which the Company's auditor is unaware and they have taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of this information.

Going Concern

The Directors have prepared the financial statements of the Company on a going concern basis. The expenses of the Company, other than bank charges and management fees, are paid by Morgan Stanley & Co International Plc ("Morgan Stanley") and income is received from Morgan Stanley to cover bank charges. The Directors have no reason to believe that Morgan Stanley will not honour this agreement for at least a period to 31 March 2025 and note that this agreement has been in place for a number of years and Morgan Stanley have continued to meet their obligations under it. Also, the Directors have no reason to believe that Morgan Stanley will not continue as a going concern amidst the current uncertain market conditions. The unsecured certificates and notes are limited recourse as the principal repayment of each series is linked to the value for the financial assets. The Directors have therefore prepared the financial statements on a going concern basis.

Company Secretary

The Secretary of the Company who has been Secretary for the year under review and up to the date for this report is Crestbridge Corporate Services Limited.

Independent auditors

Grant Thornton Limited were appointed as the Independent Auditor on 6 December 2019 and have expressed their willingness to continue in office.

Approved by the Board of Directors on 28 March 2024.

Registered Office
47 Esplanade
St Helier
Jersey
JE1 0BD

Tim Ridgway

INDEPENDENT AUDITOR'S REPORT

To the members of alphabeta access products ltd

Opinion

We have audited the financial statements of alphabeta access products ltd (the "Company"), which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements:

- give a true and fair view of the financial position of the Company as at 31 December 2023 and of its financial performance and its cashflows for the year then ended;
- are in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Standards Board (IASB); and
- comply with the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Jersey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our approach to the audit

Overview

Grant Thornton

Materiality

Overall materiality was $16.98 million, which represents 1.5% of the Company's total assets (2022: $11.53 million which represented 1% of the Company's total assets).

The measurement benchmark was selected as total assets are the key driver of the business. We increased our measurement percentage as we have audited the financial statements of the company for a number of years. The company has a low instance of misstatements or internal control deficiencies.

Audit scope

- We conducted our audit of the financial statements based on information provided by the appointed service providers to the Company to whom the directors have delegated the provision of certain functions, including Crestbridge Limited.
- We have carried out our audit work in Jersey. We have tailored the scope of our audit taking into account the types of investments within the Company, the accounting processes and controls and the industry in which the Company operates.

The Company is a Jersey-incorporated company whose principal activity is to issue secured and unsecured certificates. The Certificates and Notes are issued in series and provide holders with indirect access to various leveraged products holding investments in a range of trading Programmes The certificates in issue are listed on Euronext Dublin, Gibraltar Stock Exchange, Baden Württemberg Stock Exchange, Nasdaq First North Sweden and Vienna Stock exchange.

Key audit matters

- Valuation of investments – this is consistent with prior year.

To the members of alphabeta access products ltd

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of the Directors override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Company materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall materiality	$16.98 million (2022: $11.53 million)
How we determined it	1.5% (2022: 1%) of the Company's total assets.
Rationale for the materiality benchmark	We believe that total assets is the primary measure used by the shareholders in assessing the performance of the Company. It is also a generally accepted measure used for companies in this industry.

To the members of alphabeta access products ltd

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter/ significant risk	How the matter was addressed in our audit
Key audit matter and significant risk: Valuation of investments (2023: $1,132.59 million, and 2022: $1,152.52 million) We identified investments being materially misstated due to incorrect valuation as one of the most significant assessed risks of material misstatement due to error. Investments comprise of positions in leveraged products that hold investments in a range of trading programmes. The fair value of investments (financial assets at fair value through profit or loss) is based on the price of the underlying leveraged products. The fair value may be misstated due to inaccuracies in the underlying products' valuations or incorrect calculation of the fair value as at year end. *Refer to the accounting policies on pages 13-17 and Note 6, Financial Assets at Fair Value through Profit or Loss, in the Financial Statements.*	In responding to the key audit matter, we performed the following audit procedures: • We reviewed the Company's accounting policies to confirm their compliance with IFRS requirements; • We obtained an understanding of controls around the valuation of investments including assessing the design and implementation of these controls. • We obtained SOC 1 reports of the investments custodians to obtain an understanding of controls around pricing methods used by the custodians. • We agreed the value of investments to published third-party pricing software; and • We confirmed the relevant holdings to custodian confirmations. Based on the results of our audit procedures, we are satisfied that the investments have been appropriately valued.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs as issued by the IASB, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

To the members of alphabeta access products ltd

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT (continued)

To the members of alphabeta access products ltd

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the Company's financial statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.

Alexander Ross Langley
For and on behalf of Grant Thornton Limited
Chartered Accountants
St Helier
Jersey

28 March 2024

Statement of Financial Position

As at 31 December 2023

	Notes	31 December 2023 US$	31 December 2022 US$
ASSETS			
Current assets			
Financial assets at fair value through profit or loss	6	1,126,421,646	1,152,522,820
Trade and other receivables	9	6,099,827	415,827
Cash and cash equivalents		70,873	8,477
Total Assets		1,132,592,346	1,152,947,124
LIABILITIES			
Current liabilities			
Financial liabilities at fair value through profit or loss	8	1,126,421,646	1,152,522,820
Trade and other payables	10	6,161,152	418,075
Total Liabilities		1,132,582,798	1,152,940,895
EQUITY			
Capital and Reserves Attributable to the Equity Holders of the Company			
Share capital	7	3	3
Retained earnings		9,545	6,226
Total Equity		9,548	6,229
Total Liabilities and Equity		1,132,592,346	1,152,947,124

These audited financial statements on pages 9 to 25 were approved and authorised for issue by the Board of Directors on 28 March 2024 and were signed on its behalf by:

Tim Ridgway

Director

The notes on pages 13 to 25 are an integral part of these audited financial statements

Statement of Comprehensive Income

For the year ended 31 December 2023

	Notes	Year ended 31 December 2023 US$	31 December 2022 US$
Income			
Other income	4	144,424	3,000
Fair value gain on financial liabilities at fair value through profit or loss		98,989,964	118,087,018
Foreign exchange (loss)/gain		(110)	510
		99,134,278	118,090,528
Expenses			
Management fees	5	134,673	-
Net bank interest and charges		6,322	10,916
Fair value loss on financial assets at fair value through profit or loss		98,989,964	118,087,018
		99,130,959	118,097,934
Profit/(loss) for the year		3,319	(7,406)
Total comprehensive income/(loss) attributable to:			
Equity holders of the company		3,319	(7,406)

All results in the current year and prior year result from continuing operations.

Statement of Changes in Equity

For the year ended 31 December 2023

	Share Capital US$	Accumulated Reserves US$	Total US$
Balance at 1 January 2022	3	15,882	15,885
Loss for the year	-	(7,406)	(7,406)
Dividends	-	(2,250)	(2,250)
Balance at 31 December 2022	3	6,226	6,229

	Share Capital US$	Accumulated Reserves US$	Total US$
Balance at 1 January 2023	3	6,226	6,229
Profit for the year	-	3,319	3,319
Balance at 31 December 2023	3	9,545	9,548

The notes on pages 13 to 25 are an integral part of these audited financial statements

Statement of Cash Flows

For the year ended 31 December 2023

	Year ended 31 December 2023 US$	31 December 2022 US$
Cash flows from operating activities		
Net profit/(loss) for the year	3,319	(7,406)
Increase in trade and other receivables	(5,684,000)	(415,827)
Increase in trade and other payables	5,743,077	373,319
Fair value movement on financial assets at fair value through profit or loss	98,989,964	118,087,018
Fair value movement on financial liabilities at fair value through profit or loss	(98,989,964)	(118,087,018)
Foreign exchange	110	(510)
Net cash generated from/(used in) operating activities	62,506	(50,424)
Cash flows from investing activities		
Purchase of investments	(293,687,017)	(519,508,933)
Proceeds from sale of investments	415,083,917	101,157,178
Net cash generated from/(used in) investing activities	121,396,900	(418,351,755)
Cash flows from financing activities		
Issue of certificates and notes	293,687,017	519,508,933
Redemption of certificates and notes	(415,083,917)	(101,157,178)
Distribution paid	-	(2,250)
Net cash (used in)/generated from financing activities	(121,396,900)	418,349,505
Net increase/(decrease) in cash and cash equivalents	62,506	(52,674)
Cash and cash equivalents at the beginning of the year	8,477	60,641
Effects of exchange rate changes on cash and cash equivalents	(110)	510
Cash and cash equivalents at end of year	**70,873**	**8,477**

The notes on pages 13 to 25 are an integral part of these audited financial statements

Notes to the Financial Statements

For the year ended 31 December 2023

1 General Information

The Company was incorporated as a public company on 29 May 2012. The principal activity of the Company is to issue secured and unsecured Notes and Certificates under the terms of the following programmes:

- Secured and Unsecured Certificate Programme (previously US$50,000,000,000)

- US$30,000,000,000 Secured and Unsecured Note Programme

- US$50,000,000,000 alphabeta access products ltd and Memel Capital PCC secured and unsecured Notes and Certificates issuance programme

- Programme for the Issuance of Exchange Traded Products operating in Sweden

- Programme for the Issuance of Exchange Traded Products operating in Germany

Certificates linked to following investments issued under the Secured and Unsecured Certificate Programme (previously US$ 50,000,000,000) are detailed below:

Series Name:	**Principal Country of Operation**
Series 6 - Lynx (Cayman) Fund Limited	Cayman Islands
Series 16 - Investment basket	Ireland
Series 20 - RAM (Cayman) Systematic DIVALPHA Limited	Cayman Islands
Series 23 - Investment basket	Ireland
Series 24 - Investment basket	Ireland
Series 25 - Bayforest (Cayman) Fund Limited	Cayman Islands
Series 26 - AQR Commodity 1 (Cayman) Limited	Cayman Islands
Series 27 - Man Custom Hedging (Cayman Limited)	Cayman Islands
Series 29 - AQR Commodity 2 (Cayman) Limited	Cayman Islands (created during 2023)
Series 30 - AHL Evolution Restricted Limited	Cayman Islands (created during 2023)

Notes issued under the US$30,000,000,000 Secured and Unsecured Note Programme are detailed below:

Repack Series 2 - Issue of US$2,400,000 Fund Linked Note 2029	Gibraltar	(retired during 2023)

Notes issued under the US$50,000,000,000 alphabeta access products ltd and Memel Capital PCC secured and unsecured Notes and Certificates issuance programme are detailed below:

Series 2023-2 Issue of GBP 75,000,000 Morgan Stanley QSP Basket 7 Linked Securities	(created in 2023)
Series 2023-3 Issue of EUR 250,000,000 Floating Rate Securities	(created in 2023)

There are two exchange traded products programmes in operation which are detailed below:

Programme for the Issuance of Exchange Traded Products	Sweden
Programme for the Issuance of Exchange Traded Products	Germany

Notes to the Financial Statements

For the year ended 31 December 2023 (continued)

2 Material Accounting Policies

The following accounting policies have been applied consistently throughout the year presented in dealing with items which are considered to be material in relation to the Company's audited financial statements (the "financial statements").

Basis of preparation

These audited financial statements have been prepared on an historical cost basis, except for financial assets and liabilities designated at Fair Value Through Profit or Loss ('FVTPL') which have all been measured at fair value. The financial statements are presented in United States Dollars ('US$').

Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB").

Going concern

The Directors have prepared the financial statements of the Company on a going concern basis. The expenses of the Company, other than bank charges and management fees, are paid by Morgan Stanley & Co International Plc ("Morgan Stanley") and income is received from Morgan Stanley to cover bank charges. The Directors have no reason to believe that Morgan Stanley will not honour this agreement for at least a period to 31 March 2025 and note that this agreement has been in place for a number of years and Morgan Stanley have continued to meet their obligations under it. Also, the Directors have no reason to believe that Morgan Stanley will not continue as a going concern amidst the current uncertain market conditions. The unsecured certificates and notes are limited recourse as the principal repayment of each series is linked to the value for the financial assets. The Directors have therefore prepared the financial statements on a going concern basis.

New accounting standards and interpretations

(i) Standards and amendments to existing standards effective for reporting periods beginning on 1 January 2023:

	Effective Date
Amendments to IAS 8 'Definition of Accounting Estimates	1 January 2023
Amendments to IAS 1 and Practice Statement 2 'Disclosure of Accounting Policies'	1 January 2023

The Directors have assessed that these standards will not have a material effect on the financial statements of the Company.

(ii) New standards, amendments and interpretations not yet effective for reporting periods beginning on 1 January 2024

A number of new standards and amendments to standards and interpretations are not yet effective for reporting periods beginning after 1 January 2024, and have not been applied in preparing these financial statements. The Directors have assessed that these standards will not have a material effect on the financial statements of the Company.

	Effective Date
Amendment to IAS 1 ‘Classification of liabilities as current or non-current’	1 January 2024
IFRS S1, ‘General requirements for disclosure of sustainability-related financial information	1 January 2024
Amendments to IAS 21 - Lack of Exchangeability	1 January 2025

Notes to the Financial Statements

For the year ended 31 December 2023 (continued)

2 Material Accounting Policies (continued)

Financial instruments

2.1 Classification

The Company classifies its financial assets and financial liabilities in the following measurement categories:

· those to be measured subsequently at fair value; and

· those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial instruments and the contractual terms of the cash flows.

Assets measured at fair value are Financial Assets at FVTPL and Financial Assets at Fair Value through Other Comprehensive Income ("FVOCI"), gains and losses of which will be recorded in profit or loss or other comprehensive income ("OCI") respectively. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI. No such irrevocable election has been made.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

2.2 Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at FVTPL which are measured initially at fair value.

2.3 Subsequent measurement of financial assets and liabilities

Financial assets

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its financial assets:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the Statement of Comprehensive Income.

- FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Financial liabilities

Financial liabilities are classified and subsequently measured at amortised cost, except for those that are derivative financial instruments or financial liabilities that are held for trading i.e. the Certificates and notes, which are classified as FVTPL.

2.4 Impairment

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.5 Derecognition

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires. Gains and losses on sales are calculated on an average cost basis.

Notes to the Financial Statements

For the year ended 31 December 2023 (continued)

2 Material Accounting Policies (continued)

Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks. For the purpose of the Statement of Cash Flows, cash and cash equivalents are considered to be all highly liquid investments with maturity of three months or less.

Functional and presentation currency

Items included in the financial statements of the Company are measured using the primary currency in which the Company operates. The financial statements are presented in United States Dollar, which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Share Capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Equity investments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Retained Earnings

Retained earnings represent all current and prior period results of operations as reported in the statement of profit or loss, reduced by the amounts of dividends paid, if any.

Expenses

All the Company expenses other than bank charges and management fees are paid by Morgan Stanley & Co. International Plc ("Morgan Stanley") and consequently are not recognised in these financial statements. Bank charges are recognised on an accrual basis.

Revenue

Revenue is recognised when there is a new issue of series of Certificates or Notes, from this the Company is entitled to transaction fees of US$750. Income is received by the Company from Morgan Stanley to cover bank charges and a Certificate fee is received from AHL Evolution Restricted Limited and is recognised on an accruals basis.

Taxation

The Company is liable to Jersey income tax at a rate of 0% (2022: 0%).

Valuation of Certificates

The Company held 15 series' of certificates and notes as at the year-end. The certificates and notes constitute a straight pass through exposure, net of fees, to the underlying investments detailed in note 6. The certificates and notes are listed on Euronext Dublin, Baden Württemberg Stock Exchange, Vienna Stock Exchange and Nasdaq First North Sweden.

The Company has designated all of the Certificates and notes at FVTPL which is equivalent to the available quoted price of the underlying investment in the market. The Certificates and notes are initially recognised at fair value and subsequently re-measured at fair value through profit or loss based on the last available price of the underlying investment. Profits and losses on sales are accounted for on a trade date basis and taken to the Statement of Comprehensive Income.

Notes to the Financial Statements

For the year ended 31 December 2023 (continued)

3 Accounting Estimates and Judgements

Critical accounting judgements

The Directors of the Company have considered there to be no critical accounting judgements made in respect of the preparation of these financial statements.

Key sources of estimation

The Company uses valuations received from the third party administrators of the underlying investments for daily Net Asset Valuation calculations. Financial assets at fair value through profit or loss are independently valued on an individual basis depending on the nature of the investment. Fair value estimates are made at a specific point in time, based on market conditions and other available information. The certificate investments fall under Level 1 and 2 of the fair value hierarchy. The table in note 6 shows a reconciliation of opening balances to the year end balances. The Directors consider there to be no other key sources of estimation uncertainty at the year end date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

4 Other Income

	Year ended 31 December 2023 US$	31 December 2022 US$
Certificate fee income in relation to Series 30	134,674	-
Income received to cover bank interest and charges	3,000	-
Income received to cover new series set up fees	6,750	3,000
	144,424	3,000

5 Management fees

Pursuant to the Final Terms in relation to the Series 30 ("Series 30") Certificates, Morgan Stanley will receive from the Company, a fee equal to 0.20% (20 basis points) per annum, calculated and accrued quarterly on the net asset value of the underlying shares. The fee will be paid from certificate fee income received from from the underlying fund AHL Evolution Restricted Limited.

Notes to the Financial Statements

For the year ended 31 December 2023 (continued)

6 Financial Assets at Fair Value through Profit or Loss

	Fair Value 31 December 2023 US$	Fair Value 31 December 2022 US$
Investment Programmes		
Lynx (Cayman) Fund Limited (Series 6)	7,727,130	7,326,769
Basket Programme (Series 16)	-	77,430,562
RAM (Cayman) Systematic DIVALPHA Limited (Series 20)	-	9,560,666
Basket Programme (Series 23)	29,631,773	86,544,619
Basket Programme (Series 24)	738,980,560	716,732,242
Bayforest (Cayman) Fund Limited (Series 25)	4,569,426	6,735,590
AQR Commodity 1 (Cayman) Limited (Series 26)	33,560,182	22,558,407
Man Custom Hedging (Cayman) Limited (Series 27)	77,566,920	116,405,864
AHL Evolution Restricted Limited (Series 30)	86,506,552	-
Swedish ETP Programme	38,531,352	43,146,837
German ETP Programme	65,549,237	64,627,955
Repack Programme (Series 2)	-	1,453,309
Repack Programme (Series 2023-2)	16,170,424	-
Repack Programme (Series 2023-3)	27,628,090	-
	1,126,421,646	1,152,522,820

The Company used the proceeds of each issue of Certificates or notes detailed in note 7 to acquire interest units in a variety of Investment Programmes. Series 6, 23, 24, 25, 26, 27, and 30 Investment Programmes included Ireland and Cayman Islands Limited Liability Companies and the units are listed on Euronext Dublin. The Investment Programmes provide exposure to leveraged derivative instruments and are held for capital appreciation.

Repack Programme (Series 2023-2) provides limited recourse to a basket of Morgan Stanley QSP Basket 7 Linked Securities. These are listed on the Vienna MTF exchange.

Repack Programme (Series 2023-3) provides limited recourse to a basket of EuroStoxx Futures tradable on Eurex. The basket reflects the delta hedging demand of Morgan Stanley. These are listed on the Vienna MTF exchange.

The German ETP Programme provides exposure to 44 index and share linked securities which are listed on the unregulated trading segment of the Baden Wurrtenburg Stock Exchange and the Official List of EuroNext Dublin.

The Swedish ETP Programme provides exposure to 75 unsecured exchange traded products including index linked debt and warrant instruments which are simultaneously listed on the warrant and certificate exchange segment for the Nasdaq First North Sweden and traded on its regulated market.

The proceeds from both these ETP programmes are invested into a stock basket selected from a pre-prescribed stock universe.

7 Share Capital

	31 December 2023 US$	31 December 2022 US$
Authorised		
10,000 ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid		
2 ordinary shares of £1 each	3	3

On incorporation 2 ordinary shares were issued and fully paid at £1 each, at a foreign exchange rate of GBP 1.0000:US$ 1.35. The Company has one class of ordinary shares which carry no right to fixed income.

Notes to the Financial Statements

For the year ended 31 December 2023 (continued)

8 Financial Liabilities at Fair Value Through Profit or Loss

At 31 December 2023 the Company had 15 certificate and note programmes in operation. Series 6, 23, 24, 25, 26, 27, 29 and 30 are issued under a secured and unsecured Certificates Programme dated 29 June 2012 (previously US$50,000,000,000 programme). Swedish ETP programme certificates are issued under a programme for the Issuance of Exchange Traded Products dated 16 August 2018. German ETP programme certificates are issued under a programme for the Issuance of Exchange Traded Products dated 29 April 2022. Repack (Series 2) Programme Notes are issued under a US$30,000,000,000 Secured and Unsecured Note Programme dated 17 October 2019. Repack (Series 2023-2) and Repack (Series 2023-3) Programme Notes are issued under a US$50,000,000,000 Secured and Unsecured Note Programme dated 1 March 2022.

All series currently in issue are unsecured and asset backed. At the year end the Company had 15 Series of Certificates in issue under the Programmes, details of the 15 series of Certificates and Notes in issue are as follows:

	Number of Certificates in Issue 31 December 2023	**Number of Subscribed Certificates 31 December 2023**	**Number of Unsubscribed Certificates 31 December 2023**
Series			
Series 6 Certificates	500,000,000	6,650,173	493,349,827
Series 16 Certificates	3,250	-	3,250
Series 20 Certificates	500,000,000	-	500,000,000
Series 23 Certificates	3,000	300	2,700
Series 24 Certificates	7,500	6,091	1,409
Series 25 Certificates	1,000,000,000	2,508,532	997,491,468
Swedish ETP Programme	92,000,000	3,068,464	88,931,536
Series 26 Certificates	2,000,000,000	21,376,337	1,978,623,663
German ETP Programme	163,927,887	5,895,261	158,032,626
Series 27 Certificates	10,000,000	855,059	9,144,941
Series 29 Certificates	2,000,000,000	-	2,000,000,000
Series 30 Certificates	20,000,000	449,234	19,550,766
Repack Programme (Series 2)	10	-	10
Repack Programme (Series 2023-2)	75,000	12,792	62,208
Repack Programme (Series 2023-3)	250,000	25,000	225,000
	6,286,266,647	40,847,243	6,245,419,404

	Fair Value of Certificates 31 December 2023 US$	**Fair Value of Certificates 31 December 2022 US$**
Series		
Series 6 Certificates	7,727,130	7,326,769
Series 16 Certificates	-	77,430,562
Series 20 Certificates	-	9,560,666
Series 23 Certificates	29,631,773	86,544,619
Series 24 Certificates	738,980,560	716,732,242
Series 25 Certificates	4,569,426	6,735,590
Series 26 Certificates	33,560,182	22,558,407
Series 27 Certificates	77,566,920	116,405,864
Series 30 Certificates	86,506,552	-
German ETP Programme	65,549,237	64,627,955
Swedish ETP Programme	38,531,352	43,146,837
Repack Programme (Series 2)	-	1,453,309
Repack Programme (Series 2023-2)	16,170,424	-
Repack Programme (Series 2023-3)	27,628,090	-
	1,126,421,646	1,152,522,820

Notes to the Financial Statements

For the year ended 31 December 2023 (continued)

8 Financial Liabilities at Fair Value Through Profit or Loss (continued)

Summary as at 31 December 2022	Number of Certificates in Issue 31 December 2022 US$	Number of Subscribed Certificates 31 December 2022 US$	Number of Unsubscribed Certificates 31 December 2022 US$
Series			
Series 6 Certificates	500,000,000	2,503,864	497,496,136
Series 16 Certificates	3,250	660	2,590
Series 20 Certificates	500,000,000	5,242,168	494,757,832
Series 23 Certificates	3,000	860	2,140
Series 24 Certificates	7,500	6,717	783
Series 25 Certificates	1,000,000,000	5,039,511	994,960,489
Series 26 Certificates	2,000,000,000	16,453,882	1,983,546,118
Series 27 Certificates	10,000,000	1,036,156	8,963,844
Series 28 Certificates	4,000	-	4,000
Swedish ETP Programme	92,000,000	3,068,464	88,931,536
German ETP Programme	163,927,887	5,895,261	158,032,626
Repack Programme (Series 2)	10	10	-
	4,265,945,647	39,247,553	4,226,698,094

The Certificates and notes constitute a straight pass through exposure, net of fees, to the underlying investments detailed in note 6. The Certificates and notes are limited recourse to the proceeds of the investments. The Certificate and note holders shall have no rights or claims against any other assets or future series of the Certificates or notes issued by the Company.

The amount of the Company's obligations in respect of the Certificates or notes are dependent on the performance of the underlying investment in the interest units of the Investment Programme that each of the Certificates or notes are exposed to, which will in turn determine the amounts repaid to the Certificate holders. The investment in the Certificates is not capital protected and therefore any negative performance of interest units in each underlying Investment Programme will be reflected in the redemption price, which could result in a total loss on redemption of the Certificates or notes. The Certificates or notes can be redeemed at any time.

The holders of the Certificates have no shareholders rights and no duty to cover losses.

As per the relevant programme prospectus, Crestbridge Fund Administrators Limited, were appointed as the Calculation Agent, will determine the termination amount, liquidation repayment amount or the repayment of the repurchase price as the case may be.

Following the issue of the Certificates detailed above US$6,250,357,925 (2022: US$4,226,698,104) remains available for issue under the Certificate and Note Programmes.

Notes to the Financial Statements

For the year ended 31 December 2023 (continued)

9 Trade and Other Receivables

	31 December 2023 US$	31 December 2022 US$
Amounts falling due within the year		
Due from sale of investments (series 30)	3,210,557	-
Due from sale of investments (series 26)	2,535,238	-
Due from sale of investments (series 27)	310,021	65,828
Due from sale of investments (series 20)	-	349,999
Management fees due (series 30)	44,011	-
	6,099,827	415,827

10 Trade and Other Payables

	31 December 2023 US$	31 December 2022 US$
Amounts falling due within the year		
Due in respect of investment purchases (series 30)	3,210,557	-
Due in respect of investment purchases (series 26)	2,535,238	-
Due in respect of investment purchases (series 27)	310,021	65,826
Due in respect of investment purchases (series 20)	-	349,999
Distributions payable	-	2,250
Residual funds due to certificate holder	44,011	-
Management fees payable (series 30)	61,325	-
	6,161,152	418,075

11 Financial Risk Management

The Company’s activities expose it to a variety of financial risks: market risk (including currency risk, foreign exchange risk, fair value interest rate risk, price risk, cash flow risk and interest rate risk), capital management risk, credit risk and liquidity risk. The financial risks relate to the following financial instruments: financial assets at fair value through profit or loss, cash and cash equivalents, trade receivables and other payables and financial liabilities at fair value through profit or loss. The accounting policies with respect to these financial instruments are described in note 2. The Company’s risk management policies employed to manage these risks are discussed below.

(a) Market risk

The Company's exposure to market risk is comprised of the following risks:

(i) Foreign exchange risk

The Company is not exposed to foreign exchange risk on Financial assets at FVTPL as any risk is offset by price changes in the Financial liabilities at FVTPL. However there is insignificant foreign exchange exposure to the cash of the Company.

(ii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer. Price risk is increased due to the leveraged nature of the investments however these are documented in the prospectus and the Certificate holders are aware of the risks.

The Company is exposed to market price risk arising from its Underlying Investments (see note 6 for the fair value of these investments). Any price risk to the Company is managed due to the limited recourse nature of the underlying Certificates as disclosed in note 8. Therefore the Directors do not believe the Company is subject to any price risk; though Certificate holders are exposed to price risk.

Notes to the Financial Statements

For the year ended 31 December 2023 (continued)

11 Financial Risk Management (continued)

Market risk (continued)

(iii) Cash flow and fair value interest rate risk

As the Company has no significant interest-bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates.

The Company is not subject to interest rate risk on any of its liabilities.

(b) Credit risk

Credit risk is the risk that a counterparty will be unable to meet a commitment that it has been entered into with the Company. Credit risk is the potential exposure of the Company to loss in the event of non-performance by the Underlying Investments, the counterparties to the investments. The Directors consider that the Company is not exposed to any material net credit risk as the Certificates or Notes issued have limited recourse to the proceeds of the investments and hence, amounts due to the Certificate or Note holders are limited to the amount received from the Underlying Investments.

The following table shows the Company's maximum exposure to credit risk:

As at 31 December 2023	Amount US$
Assets	
Cash and cash equivalents	70,873
Trade and other receivables	6,099,827
Financial assets at FVTPL	1,126,421,646
	1,132,592,346

As at 31 December 2022	Amount US$
Assets	
Cash and cash equivalents	8,477
Trade and other receivables	415,827
Financial assets at FVTPL	1,152,522,820
	1,152,947,124

The Company is subject to the ECL model on its financial assets that are carried at amortised cost.

Notes to the Financial Statements

For the year ended 31 December 2023 (continued)

11 Financial Risk Management (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The potential risk of not being able to meet its financial liabilities is mitigated by the fact that the investments detailed in note 6 are of highly liquid and the repayment profile of the Certificates and notes, the Company's main liabilities, have been matched to the liquidity profile of the investments which are publicly traded.

As at 31 December 2023	Up to 1 yr US$	1 yr to 5 yrs US$	On demand US$	Total US$
Assets				
Cash and cash equivalents	70,873	-	-	70,873
Trade and other receivables	-	-	6,099,827	6,099,827
Financial assets at FVTPL	-	-	1,126,421,646	1,126,421,646
	70,873	-	1,132,521,473	1,132,592,346

As at 31 December 2023	Up to 1 yr US$	1 yr to 5 yrs US$	On demand US$	Total US$
Liabilities				
Financial liabilities at FVTPL	-	-	1,126,421,646	1,126,421,646
Trade and other payables	-	-	6,161,152	6,161,152
	-	-	1,132,582,798	1,132,582,798

As at 31 December 2022	Up to 1 yr US$	1 yr to 5 yrs US$	On demand US$	Total US$
Assets				
Cash and cash equivalents	8,477	-	-	8,477
Trade and other receivables	-	-	415,827	415,827
Financial assets at FVTPL	-	-	1,152,522,820	1,152,522,820
	8,477	-	1,152,938,647	1,152,947,124

As at 31 December 2022	Up to 1 yr US$	1 yr to 5 yrs US$	On Demand US$	Total US$
Liabilities				
Financial liabilities at FVTPL	-	-	1,152,522,820	1,152,522,820
Trade and other payables	-	-	418,075	418,075
	-	-	1,152,940,895	1,152,940,895

(d) Capital management

When managing capital the Company's objectives are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and the Certificate and Note holders.

The expenses of the Company are funded by a third party and the Company will issue further Certificates or notes in order to fund further investments. Any capital requirements are known with some certainty and therefore no formal monitoring is considered necessary. There are no externally imposed capital requirements.

Notes to the Financial Statements

For the year ended 31 December 2023 (continued)

11 Financial Risk Management (continued)

Fair value measurements recognised in the Statement of Financial Position

IFRS 13 Fair Value measurement requires disclosure of fair value measurements to be categorised by Level. The Levels are split between three levels:

- 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 (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The Company's financial assets and liabilities were classified as follows:

As at 31 December 2023	**Level 1 US$**	**Level 2 US$**	**Level 3 US$**
Assets	794,771,288	331,650,358	-
Liabilities	794,771,288	331,650,358	-

As at 31 December 2022	**Level 1 US$**	**Level 2 US$**	**Level 3 US$**
Assets	988,482,214	164,040,606	-
Liabilities	988,482,214	164,040,606	-

There were no transfers between Levels 1, 2 and 3 during the year. All assets and liabilities during the year are measured using fair values falling under Levels 1 and 2. The valuation of the majority of the underlying investments fall under the Level 1 fair value hierarchy. The Investments that fall under the Level 2 fair value hierarchy are quoted but they are not actively traded. The fair values of quoted investments have been derived using observable market data.

12 Related Party Transactions

S Conroy and T Ridgway, Directors of the Company, are senior employees of Crestbridge Limited ("Crestbridge") who provide ongoing administrative services to the Company at normal commercial rates. During the year £1,174,586 (31 December 2022: £1,066,832) was paid to Crestbridge in respect of services, of which £286,505 (31 December 2022: £ 310,722) was outstanding at the year end. As these expenses are paid by a third party they have not been recognised in these financial statements.

Crestbridge is the affiliate leader of a group of companies of which includes Crestbridge Corporate Services Limited (administrator and company secretary to the Company), Crestbridge Fund Administrators Limited (Calculation Agent) and Crestbridge Corporate Trustees Limited (share trustee for the Company).

Notes to the Financial Statements

For the year ended 31 December 2023 (continued)

13 Segmental Reporting

The Directors, who together are the Chief Operating Decision Makers, consider that the Company comprises of one operating segment and that it operates in the country of incorporation. The Company provides the Directors with the financial information that is on an aggregated level. As such, there is no segmental information to disclose.

14 Immediate Parent and Ultimate Controlling Party

The Immediate Parent of the Company is The Oder Capital Charitable Trust, a trust formed in Jersey for charitable purposes. The Ultimate Controlling Party of the Company is Crestbridge Corporate Trustees Limited as Trustee of The Oder Capital Charitable Trust.

15 Events after the Reporting Period

On 12 February 2024 the USD 2,400,000 Fund Linked Note 2029 with limited recourse to AT&T Inc 4.35% Bond 2029 and MS BV Warrant were delisted from the Gibraltar Stock Exchange which were issued under the US$30,000,000,000 Secured and Unsecured Note Programme.

On 22 February 2024 the Company retired 500,000,000 certificates from custody in relation to Series 20 Certificates linked to the shares of RAM (Cayman) Systematic DIVALPHA Limited.

On 23 February 2023 the Company issued the 24th tranche of Securities pursuant to the German Exchange Traded Products Programme being 5,000,000 BÖRSE ONLINE Tech-Giganten Index securities and 5,000,000 DER AKTIONÄR GRANOLAS - European Champions Index securities.