alphabeta access products ltd
(formerly Oder Capital Limited)

Report and Audited Financial Statements

For the year ended 31 December 2018

CONTENTS PAGE

DIRECTORS' REPORT
For the year ended 31 December 2018

The Directors present their Report, together with the audited financial statements of alphabeta access products ltd (the "Company"), for the year ended 31 December 2018.

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 (together "the Certificates") under the terms of a US$50,000,000,000 Certificate Programme (increased from US$30,000,000,000 on 13 June 2019). The Certificates will be issued in series and will provide holders with indirect access to various leveraged products holding investments in a range of trading Programmes. There were two new series' of certificates ("Series 15" and "Series 16") issued during the year which give access to an underlying basket of listed securities. As at the year end, there were six Series of Certificates outstanding.

RESULTS AND DIVIDENDS

The results for the year are set out on page 10. The Directors did not recommend any dividends for the year (2017: US$ nil).

DIRECTORS

The Directors who held office during the year and up to the date of this report were:

M Newton (appointed 12 March 2019)
S Conroy

S M Rayson who was appointed as a Director on 15 May 2015, resigned on 12 March 2019.

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 AUDITOR

Deloitte LLP have expressed their willingness to continue in office. The Directors have obtained a waiver to dispense with the need to hold annual general meetings. As such, under Companies (Jersey) Law 1991 as amended (the "Law"), Deloitte LLP will remain in office until formally removed.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing 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 the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board. The financial statements are required by law to be properly prepared in accordance with the Companies (Jersey) Law 1991.

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:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance: and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company at that time and to enable them to ensure that any financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' REPORT
For the year ended 31 December 2018

Approved by the Board of Directors
and signed on behalf of the Board

Secretary

Date: 31 July 2019

Registered Office
47 Esplanade
St Helier
Jersey
JE1 0BD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALPHABETA ACCESS PRODUCTS LIMITED (FORMERLY ODER CAPITAL LIMITED)

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- **give a true and fair view of the state of the company's affairs as at 31 December 2018 and of the company's profit for the year then ended;**
- **have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and**
- **have been properly prepared in accordance with Companies (Jersey) Law 1991.**

We have audited the financial statements of Alphabeta Access Products Limited (the 'Company') which comprise:

- the statement of financial position;
- the statement of comprehensive income;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as issued by the IASB.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters	The key audit matter that we identified in the current year relates to the valuation of the Company's investments held as at the year end.
Materiality	The materiality that we used for the Company financial statements was $4,583,000 which was determined on the basis of 2% of total assets.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

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 and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

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.

Valuation of investments	
Key audit matter description	The Company's investments have a total fair value of $218.9m (2017: $191.7m) as at 31 December 2018. This is comprised solely of investments in a variety of leveraged products that hold investments. The fair value of the investments is based upon the underlying Net Asset Value of the underlying leveraged products. The judgement associated with the valuation of the investments therefore arises from the risk of errors or deliberate manipulation of the underlying valuations or of recorded investment holdings that could result in material misstatement of the financial statements. Details of the investments are disclosed in note 4 and the accounting policies relating to them are disclosed in note 2. Investments are the most quantitatively significant balance in the Statement of Financial Position of Alphabeta Access Products Limited and are an area of focus as they drive the distributable assets of the Company. The fair values of the investments held are based on the market conditions and other available information.
How the scope of our audit responded to the key audit matter	In order to test the investments balance as at 31 December 2018 we performed the following procedures: • Assessed the design and implementation of controls relating to the valuation of investments, including controls adopted by the Company's administrators; • Evaluated the valuation policy and methodology adopted by management in comparison to IFRS and industry practice; • Reconciled the number of underlying equity shares held by the Company as at 31 December 2018 to independently received custodian confirmations; • Obtained independent pricing information from custodians as at 31 December 2018 in order to recalculate the fair value of all of the investments held the Company; • Obtained the signed financial statements of the underlying investments in order to compare the value per the signed finanical statement to the fair value recorded and consider any other factors that would affect the fair value held by the Company; and • Tested the initial cost and cut-off of investment transactions by agreeing the purchase and sale of a sample of the Company investments to independent confirmations.

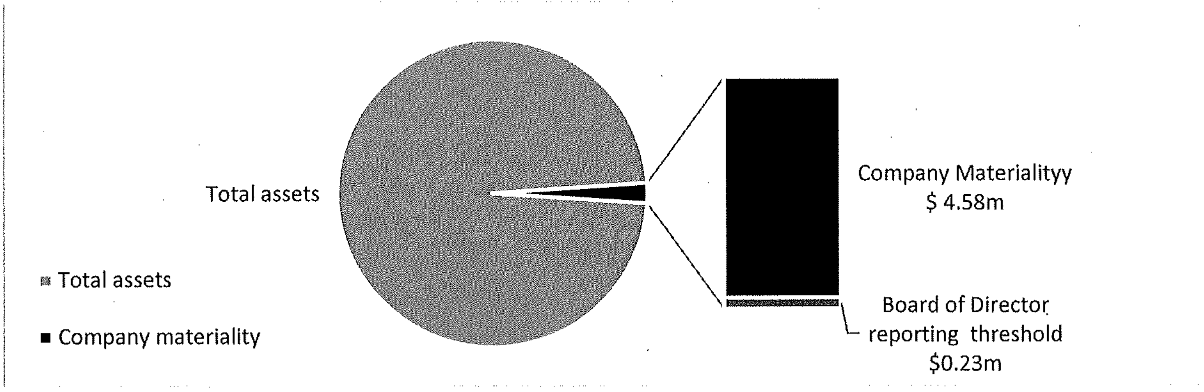
Key observations	Based on our audit work, we concurred with directors that the valuation of the investment was appropriate.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Company materiality	$4,583,000 (2017: $3,834,000)
Basis for determining materiality	A percentage of total assets was used for the year ended 31 December 2018 being 2% (2017: 2%).
Rationale for the benchmark applied	Total assets is the key balance considered by the users of the financial statements which is consistent with the market approach for such entities.



We agreed with the Board of Directors that we would report to the Board all audit differences in excess of $229,100 (2017: $191,700) for the Company, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Board of Directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including internal controls, and assessing the risks of material misstatement.

The Company holds underlying investments in a number of investments. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

The administrator maintains the books and records of the Company. Our audit therefore included obtaining an understanding of this service organisation and its relationship with the Company.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

We have nothing to report in respect of these matters.

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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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.

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 (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Adequacy of explanations received and accounting records

Under the Companies (Jersey) Law, 1991 we are required to report to you if, in our opinion:

we have not received all the information and explanations we require for our audit; or

proper accounting records have not been kept by the company, or proper returns adequate for our audit have not been received from branches not visited by us; or

the financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Article 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.

Theo Brennand, BA, FCA
Recognized auditor
For and on behalf of Deloitte LLP
Jersey, St Helier
Date: 31 July 2019

STATEMENT OF FINANCIAL POSITION
As at 31 December 2018

Assets	Notes	31-Dec-18 US$	31-Dec-17 US$
Non-Current Assets			
Financial assets at fair value through profit or loss	4	218,956,590	191,690,816
Current Assets			
Trade and other receivables	5	10,123,785	-
Cash and cash equivalents		72,205	23,609
		10,195,990	23,609
Total Assets		229,152,580	191,714,425
Equity			
Capital and Reserves Attributable to the Equity Holders of the Company			
Share capital	6	3	3
Accumulated reserves		72,202	23,608
Total Equity		72,205	23,611
Liabilities			
Current Liabilities			
Trade and other payables	7	10,123,785	70,356
Non-Current Liabilities			
Financial liabilities at fair value through profit or loss	8	218,956,590	191,620,458
Total Liabilities		229,080,375	191,690,814
Total Equity and Liabilities		229,152,580	191,714,425

These Financial Statements on pages 9 to 26 were approved and authorised for issue by the Board of Directors on 31 July 2019, and were signed on its behalf by:

Director

Stuart Conroy
Authorised Signatory

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2018

	Notes	1-Jan-18 to 31-Dec-18 US$	1-Jan-17 to 31-Dec-17 US$
Income			
Other income		-	16,827
Bank interest income		116	-
Foreign exchange gain		50,990	531,029
Fair value gain on financial liabilities at fair value through profit or loss	8	10,703,682	-
Fair value movement on financial assets at fair value through profit or loss	4	-	26,559,048
		10,754,788	27,106,904
Expenses			
Fair value loss on financial assets at fair value through profit or loss	4	10,652,563	-
Fair value movement on financial liabilities at fair value through profit or loss	8	-	26,506,329
Management fees	9	51,119	52,720
Bank charges		2,512	3,922
Realised loss on sale of investments	4	-	504,772
Foreign exchange loss		-	527,299
		10,706,194	27,090,270
Profit for the year		48,594	16,634
Other comprehensive income		-	-
Total Comprehensive Income attributable to Equity Holders of the Company		48,594	16,634

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

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2018

	Share Capital US$	Accumulated Reserves US$	Total US$
As at 1 January 2018	3	23,608	23,611
Profit and total comprehensive income for the year	-	48,594	48,594
As at 31 December 2018	3	72,202	72,205

	Share Capital US$	Accumulated Reserves US$	Total US$
As at 1 January 2017	3	6,974	6,977
Profit and total comprehensive income for the year	-	16,634	16,634
As at 31 December 2017	3	23,608	23,611

STATEMENT OF CASH FLOWS
For the year ended 31 December 2018

	Notes	31-Dec-18 US$	31-Dec-17 US$
Cash flows from operating activities			
Profit for the year		48,594	16,634
Fair value movement on financial liabilities at fair value through profit or loss	8	10,703,682	26,506,329
Fair value movement on financial assets at fair value through profit or loss	4	(10,652,563)	(26,559,048)
Decrease in receivables		-	661,719
Decrease in payables		(3,323)	(616,521)
		96,390	9,113
Cash flows from investing activities			
Purchase of investments	4	(131,969,739)	(57,586,468)
Sale of investments		70,641,327	28,713,818
Net cash outflow from investing activities		(61,328,412)	(28,872,650)
Cash flows from financing activities			
Issue of Certificates		131,969,739	57,586,468
Redemption of Certificates		(70,689,121)	(28,713,818)
Net cash inflow from financing activities		61,280,618	28,872,650
Increase in cash and cash equivalents		48,596	9,113
Cash and cash equivalents at the beginning of the year		23,609	14,496
Cash and cash equivalents at the end of the year		72,205	23,609

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

1 GENERAL INFORMATION
The Company's principal place of business is at 47 Esplanade, St. Helier, Jersey, JE1 0BD. The Company was incorporated on 29 May 2012 under the Companies (Jersey) Law 1991. The principal activity of the Company is to issue secured and unsecured Certificates (together "the Certificates") under the terms of a US$50,000,000,000 Certificate Programmes ("the Programme") (increased from US$30,000,000,000 on 13 June 2019). The Certificates will be issued in series and will provide holders with indirect access to various leveraged products holding investments in a range of trading Programmes.

Six series of Certificates were in issue at the year end and provide direct access to the following Programmes all of which are Limited Liability Companies, incorporated in Delaware, the Cayman Islands, Ireland and Luxembourg:

OM Arbea Fund Limited	Cayman Islands
Lynx (Cayman) Fund Limited	Cayman Islands
IPM (Cayman) Fund Limited	Ireland
Quantica Capital (Cayman) Fund	Ireland
Series 15 - Investment basket	Ireland
Series 16 - Investment basket	Ireland

E2 WNTN TradeCo - Diversified Programme LLC, AZ Pure China - Fixed Income Strategy sub-fund, Pure SICAV-SIF S.A. - AppleTree Multi-Strategy Sub-fund, A&Q Risk Premia Select Limited & Series 14 - Investment basket were fully redeemed in the year.

2 PRINCIPAL ACCOUNTING POLICIES
The following accounting policies have been applied consistently throughout the years 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 accounting
These financial statements have been prepared on a historical cost basis, except for financial assets and financial liabilities designated at fair value through profit or loss 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, are paid by Morgan Stanley. Income is received from Morgan Stanley to cover bank charges. The unsecured Certificates 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 and amended standards adopted for the year ended 31 December 2018
The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2018:

- IFRS 9 – Financial Instruments
- IFRS 15 - Revenue from Contracts with Customers

The nature and the impact of each new standard and amendment is described below:

IFRS 9 Financial Instruments
The Company adopted IFRS 9 'Financial Instruments' on its effective date of 1 January 2018. IFRS 9 replaces IAS 39 'Financial Instruments: Recognition and Measurement' and introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is not applicable to items that have already been derecognised at 1 January 2018, the date of initial application.

a) Classification and measurement
The Company has assessed the classification of financial instruments as at the date of initial application and has applied such classification retrospectively. Based on that assessment:

- All financial assets previously held at fair value continue to be measured at fair value.

- Debt instruments and equity instruments, other than investments in subsidiaries and associates, are acquired for the purpose of generating short-term profit. Therefore, they meet the held-for-trading criteria and are required to be measured at fair value through profit and loss ("FVPL").

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2018

2 PRINCIPAL ACCOUNTING POLICIES - (CONTINUED)
a) Classification and measurement (continued)

- Financial assets previously classified as loans and receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. Thus, such instruments continue to be measured at amortised cost under IFRS 9.

- The classification of financial liabilities under IFRS 9 remains broadly the same as under IAS 39. The main impact on measurement from the classification of liabilities under IFRS 9 relates to the element of gains or losses for financial liabilities designated as at FVPL attributable to changes in credit risk. IFRS 9 requires that such element be recognised in other comprehensive income (OCI), unless this treatment creates or enlarges an accounting mismatch in profit or loss, in which case, all gains and losses on that liability (including the effects of changes in credit risk) should be presented in profit or loss. The Company has designated financial liabilities at FVPL. However, this requirement has not had an impact on the Company.

b) Impairment
IFRS 9 requires the Company to record expected credit losses ("ECLs") on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. Given the limited exposure of the Company to credit risk, this amendment has not had a material impact on the financial statements. The Company only holds trade receivables with no financing component and that have maturities of less than 12 months at amortised cost. Therefore, it has adopted an approach similar to the simplified approach to ECLs.

Impact of adoption of IFRS 9
The classification and measurement requirements of IFRS 9 have been adopted retrospectively as of the date of initial application on 1 January 2018. However, the Company has chosen to take advantage of the option not to restate comparatives. Therefore, the 2017 figures are presented and measured under IAS 39. The following table shows the original measurement categories in accordance with IAS 39 and the new measurement categories under IFRS 9 for the Company's financial assets and financial liabilities as at 1 January 2018:

Financial assets

1 January 2018	IAS 39 Classification	IAS 39 Measurement US$	IFRS 9 Classification	IFRS 9 Measurement US$
Equity instruments	Held for trading at FVPL	191,690,816	FVPL	191,690,816
Cash and cash equivalents	Amortised cost	23,609	Amortised cost	23,609

In line with the characteristics of the Company's financial instruments as well as its approach to their management, the Company neither revoked nor made any new designations on the date of initial application. IFRS 9 has not resulted in changes in the carrying amount of the Company's financial instruments due to changes in measurement categories. All financial assets that were classified as FVPL under IAS 39 are still classified as FVPL under IFRS 9. All financial assets that were classified as loans and receivables and measured at amortised cost continue to be.

In addition, the application of the ECL mode/under IFRS 9 has not changed the carrying amounts of the Company's amortised cost financial assets.

The carrying amounts of amortised cost instruments continued to approximate these instruments' fair values on the date of transition after transitioning to IFRS 9.

IFRS 15 Revenue from contracts with customers
The Company adopted IFRS 15 Revenue from contracts with customers on its effective date of 1 January 2018. IFRS 15 replaces IAS 18 Revenue and establishes a five-step model to account for revenue arising from contracts with customers. In addition, guidance on interest and dividend income has been moved from IAS 18 to IFRS 9 without significant changes to the requirements. Therefore, there was no impact of adopting IFRS 15 for the Company.

New standards and interpretations not yet adopted
Standards issued but not yet effective up to the reporting date of the audited financial statements are listed below:

	For annual periods commencing on:
Amendments to IFRS 9 (Oct 17)	1 January 2019
IFRS 16 Leases	1 January 2019
IFRIC 23 Uncertainty over income tax treatments	1 January 2019
Amendments to IAS 28 (Oct 20717)	1 January 2019
Annual Improvements to IFRSs: 2015-2017 Cycle (Dec 2017)	1 January 2019
Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020
Amendments to IFRS 3 – Definition of a Business	1 January 2020
Amendments to IAS 1 and IAS 8 (Oct 2018) – Definition of Material	1 January 2020

The evaluation of the impact on the financial statements in respect of the: disclosures; classification; and, measurement on adoption of the standards in issue but not yet effective for periods beginning on or after 1 January 2019 has not been finalised and is currently being assessed by the Directors.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2018

2 PRINCIPAL ACCOUNTING POLICIES - (CONTINUED)

Financial instruments
In the current period, the Company has adopted IFRS 9 Financial Instruments. See above for an explanation of the impact. Comparative figures for the year ended 31 December 2017 have not been restated. Therefore, financial instruments in the comparative period are still accounted for in accordance with IAS 39 Financial Instruments: Recognition and Measurement.

1. Accounting policies applied from 1 January 2018

1.1 Classification

From 1 January 2018, 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 FVPL 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.

1.2 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 fair value through profit or loss which are measured initially at fair value.

1.3 Subsequent measurement of financial assets and liabilities

Financial assets

Debt instruments
Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- 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.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the Statement of Comprehensive Income.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL 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 which are classified as FVTPL. The FVTPL option can also be irrevocably elected at initial recognition of financial liabilities, if it eliminates or significantly reduces an accounting mismatch, the financial liability is part of a portfolio that is managed and evaluated on a fair value basis, in accordance with a documented risk management or investment strategy or there is an embedded derivative in the financial or non-financial host contract and the derivative is not closely related to the host contract.

Equity instruments
The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. No such irrevocable election has been made.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2018

2 PRINCIPAL ACCOUNTING POLICIES - (CONTINUED)
Equity instruments (continued)

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the Statement of Comprehensive Income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

1.4 Impairment

From 1 January 2018, the Company assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

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.

1.5 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.

Accounting policies applied until 31 December 2017

Financial assets at fair value through profit or loss
Financial assets include investments which provide indirect access to various underlying leveraged products. Financial assets are designated as financial assets at fair value through profit or loss. Purchases and sales of these investments are recognised on the trade date. These investments are initially recognised at cost which corresponds with the fair value of such investments and are subsequently measured at fair value through profit or loss thereafter. Financial assets are derecognised when the rights to receive cash flows from these investments have expired or the Company has transferred substantially all risks and rewards of ownership. Financial assets includes an element of cash that is held solely for trading and is held within a custody account.

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.

Financial liabilities at fair value through profit or loss
Financial liabilities include the Certificates issued by the Company that are listed on Euronext Dublin. The Certificates are designated as financial liabilities at fair value through profit or loss. The Certificates are recognised at cost at their net issue proceeds which corresponds with the fair value of the Certificates and are subsequently measured at fair value through profit or loss thereafter. Certificates issued are recognised on the trade date and derecognised, either fully or partly, when the Company has transferred substantially all or part of its financial obligations relating thereto. Realised gains or losses on derecognition of the Certificates are recognised in the Statement of Comprehensive Income. Realised gains or losses are calculated by subtracting the weighted average book cost based on the number of certificates in issue from the proceeds of the respective trade.

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.

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.

Expenses
All the Company expenses other than bank charges are paid by Morgan Stanley & Co. International Plc ("Morgan Stanley") and consequently are not recognised in these financial statements.

Revenue
Revenue has been recognised as and when it falls due to the Company. The Company is entitled to transaction fees of US$750 for each series of Certificates issued during the year. In addition, income is received by the Company from Morgan Stanley to cover bank charges.

Taxation
The Company is liable to Jersey income tax at a rate of 0% (2017: 0%).

Valuation of Certificates
The Company held six series' of Certificates as at the year-end. The Certificates constitute a straight pass through exposure, net of fees, to the underlying investments detailed in note 4. The underlying investments are listed on Euronext Dublin.

The Company has designated all of the Certificates at fair value through profit or loss which is equivalent to the available quoted price of the underlying investment in the market. The Certificates are initially recognised at fair value and subsequently re-measured at fair value through profit or loss based on the last traded 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 (CONTINUED)
For the year ended 31 December 2018

3 ACCOUNTING 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 2 and 3 of the fair value hierarchy. The table in note 4 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.

Capital risk management
When managing capital, the Company's objectives is to safeguard the its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company aims to deliver these objectives by aiming to achieve consistent returns from its assets, maintaining sufficient liquidity to meet the expenses of the Company. Currently, there are no externally imposed capital requirements.

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Summary as at 31 December 2018

Investment Programme	Cost US$	Purchases US$	Sales US$	Realised Gain/ (Loss) on Cost US$	FX Movement US$	Cost US$
E2 WNTN TradeCo - Diversified	3,176,531	2,075,000	(6,002,580)	751,049	-	-
OM Arbea Fund Ltd	24,270,030	-	-	-	(1,357,357)	22,912,673
Lynx (Cayman) Fund Limited	17,501,802	11,390,296	(13,452,650)	(2,668,926)	-	12,770,522
IPM (Cayman) Fund Limited	58,475,265	-	-	-	-	58,475,265
Quantica Capital Cayman Fund	9,403,160	10,500,000	(9,800,000)	1,727,729	-	11,830,889
AZ Pure China - Fixed Income Strategy sub-fund	7,000,000	-	(7,034,756)	34,756	-	-
Pure SICAV-SIF S.A. - AppleTree Multi-Strategy sub-fund	10,563,872	-	(10,175,090)	83,611	(472,393)	-
A&Q Risk Premia Select Limited	-	5,000,000	(4,822,380)	(177,620)	-	-
Series 14 - Investment basket	30,011,000	-	(29,477,656)	(2,146,539)	1,613,195	-
Series 15 - Investment basket	-	74,036,199	-	-	(5,237,609)	68,798,590
Series 16 - Investment basket	-	28,968,244	-	-	(299,269)	28,668,975
	160,401,660	131,969,739	(80,765,112)	(2,395,940)	(5,753,433)	203,456,914

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2018

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Summary as at 31 December 2018

	Unrealised Fair Value Gain/(Loss) US$ 1 Jan 2018	FX Movement US$	Unrealised Fair value movement US$	Net Unrealised Gain/(Loss) US$ 31 Dec 2018
E2 WNTN TradeCo - Diversified Programme LLC	953,786	-	(953,786)	-
OM Arbea Fund Ltd	11,014,688	(615,964)	(3,531,530)	6,867,194
Lynx (Cayman) Fund Limited	(3,162,895)	-	847,250	(2,315,645)
IPM (Cayman) Fund Limited	18,032,033	-	104,759	18,136,792
Quantica Capital Cayman Fund	4,381,452	-	(4,491,674)	(110,222)
AZ Pure China - Fixed Income Strategy sub-fund	(172,394)	172,394	-	-
Pure SICAV-SIF S.A. - AppleTree Multi-Strategy sub-fund	176,720	(7,903)	(168,817)	-
A&Q Risk Premia Select Limited	-	-	-	-
Series 14 - Investment basket	65,766	(2,941)	(62,825)	-
Series 15 - Investment basket	-	(5,315,385)	-	(5,315,385)
Series 16 - Investment basket	-	(1,763,058)	-	(1,763,058)
	31,289,156	(7,532,857)	(8,256,623)	15,499,676
Financial assets at fair value through profit or loss				218,956,590

	31-Dec-18 US$
Realised loss on cost	(2,395,940)
Unrealised fair value movement	(8,256,623)
Fair value movement on assets measured at fair value through profit or loss	(10,652,563)

Level 3 Investment Reconciliation

		31-Dec-18 US$	31-Dec-17 US$
Fair value as at 1 January		17,568,198	15,816,459
Disposal		(17,209,846)	-
Gain/(losses)	Realised	118,367	-
	Unrealised	(168,817)	452,708
	FX movement	(307,902)	1,299,031
Fair value as at 31 December		-	17,568,198

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2018

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - (CONTINUED)

Summary as at 31 December 2017

Investment Programme	Cost US$ 1 Jan 2017	Purchases US$	Sales US$	Realised Gain/(Loss) on Cost US$	FX Movement US$	Cost US$ 31 Dec 2017
E2 Quest TradeCo - QTI Programme LLC	512,504	193,000	(561,553)	(143,951)	-	-
E2 WNTN TradeCo - Diversified	4,562,328	5,607,900	(7,052,326)	58,629	-	3,176,531
OM Arbea Fund Ltd	22,174,684	-	-	-	2,095,346	24,270,030
Lynx (Cayman) Fund Limited	23,264,573	18,407,912	(18,599,939)	(5,570,744)	-	17,501,802
IPM (Cayman) Fund Limited	58,475,265	-	-	-	-	58,475,265
Quantica Capital Cayman Fund	7,685,375	3,900,000	(2,500,000)	317,785	-	9,403,160
AZ Pure China - Fixed Income Strategy Sub	7,000,000	-	-	-	-	7,000,000
Pure SICAV-SIF S.A. - AppleTree Multi-Strategy sub-fund	9,262,528	-	-	-	1,301,344	10,563,872
Series 14 - Investment Basket	-	29,477,656	-	-	533,344	30,011,000
	132,937,257	57,586,468	(28,713,818)	(5,338,281)	3,930,034	160,401,660

Summary as at 31 December 2017

	Unrealised Fair Value Gain/(Loss) US$ 1 Jan 2017	Realised Gain/(Loss) on Disposal US$	Fair Value Movement in Year US$	Net Unrealised Gain/(Loss) US$ 31 Dec 2017
E2 Quest TradeCo - QTI Programme LLC	(124,107)	-	124,107	-
E2 WNTN TradeCo - Diversified Programme	(462,035)	-	1,415,821	953,786
OM Arbea Fund Ltd	5,551,388	524,567	4,938,733	11,014,688
Lynx (Cayman) Fund Limited	(5,533,081)	-	2,370,186	(3,162,895)
IPM (Cayman) Fund Limited	(75,392)	-	18,107,425	18,032,033
Quantica Capital Cayman Fund	(41,131)	-	4,422,583	4,381,452
AZ Pure China - Fixed Income Strategy Sub-sub fund	(429,593)	-	257,199	(172,394)
Pure SICAV-SIF S.A. - AppleTree Multi-Strategy sub-fund	(16,476)	(2,313)	195,509	176,720
Series 14 - Investment basket	-	-	65,766	65,766
	(1,130,427)	522,254	31,897,329	31,289,156

Financial assets at fair value through profit or loss	191,690,816

	31-Dec-17 US$
Realised loss on cost	(5,338,281)
Unrealised fair value movement	31,897,329
Fair value movement on assets measured at fair value through profit or loss	26,559,048

The Company used the proceeds of each issue of Certificates detailed in note 8 to acquire interest units in the Investment Programmes listed above. The Investment Programmes are Delaware, Ireland and Cayman Islands Limited Liability Companies. The Investment Programmes provide exposure to leveraged derivative instruments and are held for capital appreciation. The units are listed on the Irish Stock Exchange except those linked to Series 15 and 16 which invest in a diversified basket of shares of which the prices are published on Bloomberg.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2018

5 TRADE AND OTHER RECEIVABLES

	31-Dec-18 US$	31-Dec-17 US$
Proceeds from underlying investments	10,123,785	-
	10,123,785	-

6 SHARE CAPITAL

	31-Dec-18	31-Dec-17
Authorised		
10,000 ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid	US$	US$
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 : USD 1.5000
The Company has one class of ordinary shares which carry no right to fixed income.

7 TRADE AND OTHER PAYABLES

	31-Dec-18 US$	31-Dec-17 US$
Due to certificate holders	10,056,752	-
Accrued management fees	67,033	70,356
	10,123,785	70,356

All the expenses of the Company, other than bank charges and management fees, are paid by Morgan Stanley who have provided funds to cover any bank charges. Any funds remaining in the bank account following the settlement of all liabilities and payment of dividends will then be transferred back to Morgan Stanley on dissolution of the Company. Management fees will be paid from the proceeds of an annual redemption of the required number of underlying shares.

8 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

The Company may issue up to US$50,000,000,000 secured and unsecured Certificates under the terms of the Certificate Programme dated 29 June 2012. All series currently in issue are unsecured and asset backed. At the year end the Company had six Series of Certificates in issue under the Programme, two with a nominal value of US$1,000,000,000, one with a nominal value of US$500,000,000, one with a nominal value of GBP500,000,000, one with a nominal value of EUR30,000,000 and one with a nominal value of EUR325,000,000. The Company has the ability to issue an additional US$46,455,166,465 of Certificates at the year end. Details of the six Series of Certificates in issue are as follows:

<u>Notional amount</u> Series	Aggregate Nominal Amount of Certificates in Series 31/12/2018 US$	Nominal Value of Certificates Repurchased by the Company 31/12/2018 US$	Cost of Certificates Subscribed 31/12/2018 US$
Series 5 Certificates - US$ equivalent	637,734,090	726,774,524	22,912,673
Series 6 Certificates	500,000,000	498,500,000	12,770,522
Series 9 Certificates	1,000,000,000	964,450,920	58,475,265
Series 10 Certificates	1,000,000,000	997,300,500	11,830,889
Series 15 Certificates - US$ equivalent	34,402,770	-	68,798,590
Series 16 Certificates - US$ equivalent	372,696,675	-	28,668,975
	3,544,833,535	3,187,025,944	203,456,914

<u>Fair Values</u> Series	Fair Value per Certificate 31/12/2018 US$	Fair Value of Subscribed Certificates 31/12/2018 US$
Series 5 Certificates - US$ equivalent	166.073865	29,779,867
Series 6 Certificates	0.534278	10,454,877
Series 9 Certificates	0.950700	76,612,057
Series 10 Certificates	0.749400	11,720,668
Series 15 Certificates - US$ equivalent	105,453.824668	63,483,204
Series 16 Certificates - US$ equivalent	107,623.664710	26,905,917
		218,956,590
Unrealised fair value gain at year end		8,205,504
Net fair value loss for the year (note 4)		(8,256,623)

During the year, the foreign exchange loss on financial liabilities at fair value through profit or loss was US$13,286,290.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2018

8 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS - (CONTINUED)

Number of Certificates Series	Number of Certificates 31/12/2018	Number of Subscribed Certificates 31/12/2018	Number of Unsubscribed Certificates 31/12/2018
Series 5 Certificates	5,000,000	179,317	4,820,683
Series 6 Certificates	500,000,000	19,568,232	480,431,768
Series 9 Certificates	1,000,000,000	80,584,892	919,415,108
Series 10 Certificates	1,000,000,000	15,640,069	984,359,931
Series 15 Certificates	602	602	-
Series 16 Certificates	250	250	-
	2,505,000,852	115,973,362	2,389,027,490

	31-Dec-18 US$
Realised gain on cost	2,447,059
Unrealised fair value movement	8,256,623
Fair value movement on liabilities measured at fair value through profit or loss	10,703,682

Notional amount Series	Aggregate Nominal Amount of Certificates in Series 31/12/2017 US$	Nominal Value of Certificates Repurchased by the Company 31/12/2017 US$	Cost of Certificates Subscribed 31/12/2017 US$
Series 3 Certificates	1,000,000,000	1,022,122,518	3,176,531
Series 5 Certificates - US$ equivalent	675,510,000	769,824,706	24,270,030
Series 6 Certificates	500,000,000	498,500,000	17,501,802
Series 9 Certificates	1,000,000,000	964,450,920	58,475,265
Series 10 Certificates	1,000,000,000	997,300,500	9,403,160
Series 11 Certificates	7,000,000	-	7,000,000
Series 12 Certificates - US$ equivalent	10,563,872	-	10,563,872
Series 14 Certificates - US$ equivalent	30,011,000	-	30,011,000
	4,223,084,872	4,252,198,644	160,401,660

Fair Value Series	Fair Value per Certificate 31/12/2017 US$	Fair Value of Subscribed Certificates 31/12/2017 US$
Series 3 Certificates	342.850320	4,130,318
Series 5 Certificates - US$ equivalent	196.771759	35,284,718
Series 6 Certificates	0.823628	14,338,907
Series 9 Certificates	0.949400	76,507,298
Series 10 Certificates	1.059200	13,784,612
Series 11 Certificates - US$ equivalent	4.911000	6,827,606
Series 12 Certificates - US$ equivalent	121,252.646892	10,670,233
Series 14 Certificates - US$ equivalent	120,307.064422	30,076,766
		191,620,458
Net unrealised fair value loss at year end		(31,844,610)
Net fair value gain for the year (note 4)		31,897,329

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2018

8 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS - (CONTINUED)

Number of Certificates

Series	Number of Certificates 31/12/2017	Number of Subscribed Certificates 31/12/2017	Number of Unsubscribed Certificates 31/12/2017
Series 1 Certificates	10,000,000	143,951	9,856,049
Series 3 Certificates	10,000,000	12,047	9,987,953
Series 5 Certificates	5,000,000	179,318	4,820,682
Series 6 Certificates	500,000,000	17,409,446	482,590,554
Series 9 Certificates	1,000,000,000	80,584,894	919,415,106
Series 10 Certificates	1,000,000,000	13,014,173	986,985,827
Series 11 Certificates	1,390,268	1,390,268	-
Series 12 Certificates	88	88	-
Series 14 Certificates	250	250	-
	2,526,390,606	112,734,435	2,413,656,171

	31-Dec-17 US$
Realised loss on cost	(31,844,610)
Unrealised fair value movement	5,338,281
Fair value movement on liabilities measured at fair value through profit or loss	(26,506,329)

During the prior year, the foreign exchange loss on financial liabilities at fair value through profit or loss was US$4,766,739.

The Certificates constitute a straight pass through exposure, net of fees, to the underlying investments detailed in note 4. The Certificates are limited recourse to the proceeds of the investments. The Certificate holders shall have no rights or claims against any other assets or future series of the Certificates issued by the Company.

The amount of the Company's obligations in respect of the Certificates is dependent on the performance of the underlying investment in the interest units of the investment Programme that each of the Certificates is 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. The Certificates can be redeemed at any time.

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

As per the Prospectus, Crestbridge Fund Administrators Limited, acting 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$46,455,166,465 remains available for issue under the Certificate Programme dated 29 June 2012.

9 MANAGEMENT FEES
Pursuant to the Final Terms in relation to the Series 12 ("Series 12") Certificates, the Manager will receive from the Company, a management fee equal to 0.5% (50 basis points) per annum, calculated and accrued monthly on the net asset value of the underlying shares. The management fee will be paid from the proceeds of an annual redemption of the required number of underlying shares.

In the event of a full redemption, the outstanding management fees will be paid with the redemption proceeds.

10 FINANCIAL RISK MANAGEMENT
The Company's activities expose it to a variety of financial risks: market risk (including currency 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 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) 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 investment interest units of OM Arbea Fund Limited, Lynx (Cayman) Fund Limited, IPM (Cayman) Fund Limited, Quantica Capital Cayman Fund, the Series 15 Basket of Shares and the Series 16 Basket of Shares (the "Underlying Investments") are highly liquid and the repayment profile of the Certificates, the Company's main liabilities, have been matched to the liquidity profile of the investments which are publicly traded.

The financial liabilities at fair value through profit or loss have been recognised on the statement of financial position as non-current liabilities based on their expected maturity. However, the certificates can be redeemed early at the option of the certificate holders and have therefore been classified as current liabilities for the purposes of this note.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2018

10 FINANCIAL RISK MANAGEMENT (CONTINUED)
(a) Liquidity risk (continued)

The following table details the Company's liquidity analysis for its financial assets and liabilities.

As at 31 December 2018	Up to 1 yr US$	1yr to 2 yrs US$	Over 2 yrs US$	Total US$
Assets				
Current assets				
Cash and cash equivalents	72,205	-	-	72,205
Trade and other receivables	10,123,785	-	-	10,123,785
Investment portfolio				
Financial assets at fair value through profit or loss	218,956,590	-	-	218,956,590
	229,152,580	-	-	229,152,580
Liabilities				
Current liabilities				
Trade and other payables	10,123,785	-	-	10,123,785
Non-current liabilities				
Financial liabilities at fair value through profit or loss	218,956,590	-	-	218,956,590
	229,080,375	-	-	229,080,375

As at 31 December 2017	Up to 1 yr US$	1yr to 2 yrs US$	Over 2 yrs US$	Total US$
Assets				
Current assets				
Cash and cash equivalents	23,609	-	-	23,609
Investment portfolio				
Financial assets at fair value through profit or loss	191,690,816	-	-	191,690,816
	191,714,425	-	-	191,714,425
Liabilities				
Current liabilities				
Trade and other payables	70,356	-	-	70,356
Non-current liabilities				
Financial liabilities at fair value through profit or loss	191,620,458	-	-	191,620,458
	191,690,814	-	-	191,690,814

(b) 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 holders.

The expenses of the Company are funded by a third party and the Company will issue further Certificates 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.

(c) 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. In turn the Company is exposed to a potential loss under the Certificates but this is mitigated by way of a charge over the Underlying Investments. The Directors consider that the Company is not exposed to any material net credit risk as the Certificates issued have limited recourse to the proceeds of the investments and hence, amounts due to the Certificate holders are limited to the amount received from the Underlying Investments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2018

10 FINANCIAL RISK MANAGEMENT - (CONTINUED)
(c) Credit risk (continued)

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

As at 31 December 2018	Up to 1 yr US$	1yr to 2 yrs US$	Over 2 yrs US$	Total US$
Current assets				
Cash and cash equivalents	72,205	-	-	72,205
Trade and other receivables	10,123,785	-	-	10,123,785
Investment portfolio				
Financial assets at fair value through profit or loss	218,956,590	-	-	218,956,590
	229,152,580	-	-	229,152,580

As at 31 December 2017	Up to 1 yr US$	1yr to 2 yrs US$	Over 2 yrs US$	Total US$
Current assets				
Cash and cash equivalents	23,609	-	-	23,609
Investment portfolio				
Financial assets at fair value through profit or loss	191,690,816	-	-	191,690,816
	191,714,425	-	-	191,714,425

(d) Market risk
The Company's exposure to market risk is comprised of the following risks:

(i) Foreign exchange risk
The Company is exposed to foreign exchange risk as some of the Company's transactions are in currencies other than US Dollars which is the Company's functional and presentational currency.

The sensitivity analyses below have been determined based on the exposure to GBP and EUR exchanges rate at the reporting date:

For GBP and EUR denominated financial assets and liabilities, the analysis is prepared assuming the amount of the asset outstanding at the reporting date was outstanding for the whole year. A 5% increase or decrease represents the Directors' assessment of a reasonably possible change in foreign exchange rates.

If the US$ strengthened by 5% against the GBP and EUR and all other variables held constant, the Company's comprehensive income for the year would have been US$52 higher as a result of foreign exchange losses on translation of GBP and EUR denominated financial assets and liabilities.

If the US$ weakened by 5% against the GBP and EUR and all other variables held constant, the Company's comprehensive income for the year would have been US$52 lower as a result of foreign exchange gains on translation of GBP and EUR denominated financial assets and liabilities.

The following table shows the assets and liabilities of the Company which are denominated in a foreign currency:

	Assets		Liabilities	
	31/12/2018 US$	31/12/2017 US$	31/12/2018 US$	31/12/2017 US$
EUR denominated	90,389,122	40,844,981	(90,389,121)	(40,817,357)
GBP denominated	29,779,867	35,285,523	(29,779,867)	(35,284,718)
	120,168,989	76,130,504	(120,168,988)	(76,102,075)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2018

10 FINANCIAL RISK MANAGEMENT (CONTINUED)
(d) Market risk (continued)

(ii) 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.

(iii) 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 4 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.

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).

Inputs for asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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

All assets during the year are measured using fair values falling under levels 1, 2 and 3.

31 December 2018	**Level 1 (US$)**	**Level 2 (US$)**	**Level 3 (US$)**
	90,389,122	128,567,469	-

31 December 2017	**Level 1 (US$)**	**Level 2 (US$)**	**Level 3 (US$)**
	30,076,766	144,404,584	17,568,198

There were no transfers between Level 1, 2 and 3 during the year.

All liabilities during the year are measured using fair values falling under levels 1, 2 and 3.

31 December 2018	**Level 1 (US$)**	**Level 2 (US$)**	**Level 3 (US$)**
	90,389,122	128,567,469	-

31 December 2017	**Level 1 (US$)**	**Level 2 (US$)**	**Level 3 (US$)**
	-	144,045,853	47,574,605

The valuation of the majority of the underlying investments falls under level 2 fair value hierarchy. Although these investments are quoted, they are not actively traded. The fair values of quoted investments have been derived using observable market data.

11 RELATED PARTY DISCLOSURES
M Newton and S Conroy, 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 £181,187 (2017: £122,541) was due to Crestbridge in respect of services of which £ nil (2017: £27,459) 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 (CONTINUED)
For the year ended 31 December 2018

12 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.

13 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.

14 EVENTS AFTER THE REPORTING YEAR
On 12 August 2018, the Directors approved under the Programme, the Company's participation in a transaction whereby the Company in its capacity as issuer, would issue unsecured exchange traded products which would be listed simultaneously on the warrants and certificate exchange segment of the Nasdaq First North Sweden and the official list of the Irish Stock Exchange Plc trading as Euronext Dublin.

As at the signing of this report, the Company had issued 44 series each of SEK 1,000,000 tracker security certificates under the Programme.

On 25 January 2019, the Company issued under the Programme, USD 500,000,000 Certificates linked to the shares of MSP (Europe) I Limited, an exempt company incorporated under the laws of the Cayman Islands. As at the signing of this report the Company had issued USD 992,929 Certificates.

On 25 February 2019, the Company fully redeemed all its shares Quantica Capital Cayman Fund ("Series 10"). Subsequently cancelling the certificates in issue linked to Series 10.

On 12 March 2019, Series 15 reached maturity. The certificates in issue linked to Series 15 were cancelled.

On 10 June 2019, the Company issued under the Programme, GBP 5,000,000,005 Certificates linked to the shares of Ruffer Multi Strategies Fund Limited, which is a regulated fund registered as a collective investment scheme in Guernsey and is listed on Euronext Dublin. As at the signing of this report the Company had issued GBP 7,692,307,700 Certificates.

On 13 June 2019, the Directors of the Company updated the base prospectus to increase the Programme size from US$ 30,000,000,000 to US$ 50,000,000,000.

On 11 July 2019, the Directors of the Company updated the base prospectus in relation to the ETP Programme to include the update of certain factual, technical and risk factor updates.

There were no other material events after the reporting period.