

ARSN 636 515 887



# Global X Ultra Short Nasdaq 100 Complex ETF (formerly Global X Ultra Short Nasdaq 100 Hedge Fund)

**Annual Financial Report**

For the year ended 30 June 2024

ARSN 636 515 887



# Global X Ultra Short Nasdaq 100 Complex ETF

**Annual Financial Report**  
For the year ended 30 June 2024

## Contents

	<b>Page</b>
Directors' Report	1
Auditor's Independence Declaration	4
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	26
Independent Auditor's Report	27



## Directors' Report

The directors of Global X Management (AUS) Limited (the "Responsible Entity"), the Responsible Entity of Global X Ultra Short Nasdaq 100 Complex ETF (formerly Global X Ultra Short Nasdaq 100 Hedge Fund) (the "Fund"), present their annual report together with the financial statements of the Fund, for the year ended 30 June 2024 and the auditor's report thereon.

### Fund Objectives

The Fund aims to provide investors with geared returns (before fees and expenses), that are inversely related with, and significantly magnified against the performance of the Nasdaq 100 (the "index").

In other words:

- (a) when the Index moves down, it is anticipated the Fund will generate positive returns of a greater magnitude than the downward movement of the Index; and
- (b) when the Index moves up, it is anticipated the Fund will generate negative returns of a greater magnitude than the upward movement of the Index.

The magnitude by which the returns generated by the Fund from time to time are greater than, or less than the movement in the Index, will depend primarily upon the leverage applied during the time in which the returns are calculated (which leverage will be within the Target Range).

The Fund is an exchange quoted managed funds and can be traded by investors on the Australian Securities Exchange ("ASX"); ETFs can be bought and sold like any other share through normal brokerage accounts.

### Principal Activities

The Fund was constituted on 20 September 2019 and commenced its operations on 10 July 2020. The Fund is currently quoted on the ASX. The admission date was 13 July 2020.

The Fund invested in accordance with the provisions of the Fund's Constitution. There were no significant changes in the nature of the Fund's activities during the year ended 30 June 2024.

The Fund did not have any employees during the year ended 30 June 2024.

### Directors

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

Young Kim

Evan Metcalf

Oliver Reynolds (Appointed on 11 September 2023)

Namki Kim (Appointed 30 July 2024)

Emanuel Damianakis (Appointed 5 August 2024)

Kanish Chugh (Resigned on 7 September 2023)

Thomas Park (Resigned 30 July 2024)

Chi Ho Man (Appointed 12 December 2023, Resigned 5 August 2024)

### Review and Results of Operations

On 29 May 2024, the name of the fund changed from Global X Ultra Short Nasdaq 100 Hedge Fund to Global X Ultra Short Nasdaq 100 Complex ETF.

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



## Directors' Report (continued)

### Review and Results of Operations (continued)

#### Results

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

	Year ended 30 June 2024 AUD'000	Year ended 30 June 2023 AUD'000
Loss for the year	(29,300)	(49,194)
Distributions paid and payable	-	-

#### Significant Changes in State of Affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Fund that occurred during the financial year under review.

#### Matters Subsequent to the End of the Financial Year

As the investments are measured at their 30 June 2024 fair values in the financial report, any change in values subsequent to the end of the reporting year not reflected in the Statement of Profit or Loss and Other Comprehensive Income or the Statement of Financial Position.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect:

- (i) the operations of the Fund in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Fund in future financial years.

#### Likely Developments and Expected Results of Operations

The Fund will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Fund and in accordance with the provisions of the Fund's Constitution.

The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund invests.

The market price is a function of supply and demand amongst investors wishing to buy and sell and the bid or offer spread that the market makers are willing to quote. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Further information on likely developments in the operations of the Fund and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Fund.

#### Indemnification and Insurance of Officers and Auditor

No insurance premiums are paid for out of the assets of the Fund in regards to insurance cover provided to either the officers of the Responsible Entity or the auditor of the Fund. So long as the officers of the Responsible Entity act in accordance with the Fund's Constitution and the Law, officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund.

The auditor of the Fund is in no way indemnified out of the assets of the Fund.



## Directors' Report (continued)

### Fees Paid and Interests Held in the Fund by the Responsible Entity or its Associates

Fees paid to the Responsible Entity and its associates out of Fund property during the year are disclosed in Note 10 of the financial statements.

No fees were paid out of Fund property to the directors of the Responsible Entity during the year (30 June 2023: Nil).

The number of interests in the Fund held by the Responsible Entity or its associates as at the end of the financial year are also disclosed in Note 10 of the financial statements.

### Interests in the Fund

The movement in units on issue in the Fund during the year is disclosed in Note 5 of the financial statements.

### Value of Assets

The value of the Fund's assets and liabilities is disclosed on the Statement of Financial Position and derived using the basis set out in Note 2 of the financial statements.

### Environmental Regulation

The operations of the Fund are not subject to any particular or significant environmental regulations under either Commonwealth, State or Territory law.

### Rounding of Amounts

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

### Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 5.

The financial statements were authorised for issue by the directors on 19 September 2024.

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

Director

Sydney

19 September 2024



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

To the Directors of Global X Management (AUS) Limited as the Responsible Entity of Global X Ultra Short Nasdaq 100 Complex ETF (formerly Global X Ultra Short Nasdaq 100 Hedge Fund)

I declare that, to the best of my knowledge and belief, in relation to the audit of Global X Ultra Short Nasdaq 100 Complex ETF (formerly Global X Ultra Short Nasdaq 100 Hedge Fund) for the financial year ended 30 June 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

  
KPMG



Nic Buchanan

*Partner*

Sydney

19 September 2024

## Global X Ultra Short Nasdaq 100 Complex ETF

Statement of Profit or Loss and Other Comprehensive Income  
For the year ended 30 June 2024



	Notes	Year ended 30 June 2024 AUD'000	Year ended 30 June 2023 AUD'000
<b>Investment income</b>			
Net losses on financial instruments at fair value through profit or loss (including FX gains/(losses))	4	(29,694)	(49,415)
Other income		<u>1,142</u>	<u>1,063</u>
<b>Total net investment loss</b>		<u>(28,552)</u>	<u>(48,352)</u>
<b>Expenses</b>			
Management fees	10	694	802
Other expenses		<u>54</u>	<u>40</u>
<b>Total operating expenses</b>		<u>748</u>	<u>842</u>
<b>Loss for the year</b>		(29,300)	(49,194)
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive loss for the year</b>		<u>(29,300)</u>	<u>(49,194)</u>

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

## Global X Ultra Short Nasdaq 100 Complex ETF

Statement of Financial Position  
As at 30 June 2024



	Notes	As at 30 June 2024 AUD'000	As at 30 June 2023 AUD'000
<b>Assets</b>			
Cash and cash equivalents	12(b)	33,017	59,219
Margin accounts		6,943	17,007
Financial assets at fair value through profit or loss	7	1,288	591
Receivables	6	<u>626</u>	<u>948</u>
<b>Total assets</b>		<u>41,874</u>	<u>77,765</u>
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss	8	11	4,027
Payables	9	<u>881</u>	<u>66</u>
<b>Total liabilities</b>		<u>892</u>	<u>4,093</u>
<b>Net assets attributable to unitholders - equity</b>	5	<u>40,982</u>	<u>73,672</u>

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



## Global X Ultra Short Nasdaq 100 Complex ETF

Statement of Changes in Equity  
For the year ended 30 June 2024



	Notes	Year ended 30 June 2024 AUD'000	Year ended 30 June 2023 AUD'000
<b>Total equity at the beginning of the financial year</b>	5	73,672	40,055
<b>Comprehensive income for the year</b>			
Loss for the year		(29,300)	(49,194)
Other comprehensive income		-	-
<b>Total comprehensive loss for the year</b>		<u>(29,300)</u>	<u>(49,194)</u>
<b>Transactions with unitholders</b>			
Applications	5	550,454	430,523
Redemptions	5	<u>(553,844)</u>	<u>(347,712)</u>
<b>Total transactions with unitholders</b>		<u>(3,390)</u>	<u>82,811</u>
<b>Total equity at the end of the financial year</b>	5	<u><u>40,982</u></u>	<u><u>73,672</u></u>

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

## Global X Ultra Short Nasdaq 100 Complex ETF

Statement of Cash Flows  
For the year ended 30 June 2024



	Notes	Year ended 30 June 2024 AUD'000	Year ended 30 June 2023 AUD'000
<b><i>Cash flows from operating activities</i></b>			
Proceeds from sale of financial instruments		-	-
Payments for purchase of financial instruments		(24,411)	(46,598)
Interest income received		1,063	950
Other income received		109	20
Management fees paid		(787)	(832)
Other expenses paid		<u>(54)</u>	<u>(4,931)</u>
<b><i>Net cash outflow from operating activities</i></b>	12(a)	<u>(24,080)</u>	<u>(51,391)</u>
<b><i>Cash flows from financing activities</i></b>			
Proceeds from applications by unitholders		550,819	429,740
Payments for redemptions by unitholders		<u>(553,008)</u>	<u>(347,712)</u>
<b><i>Net cash (outflow)/ inflow from financing activities</i></b>		<u>(2,189)</u>	<u>82,028</u>
<b><i>Net (decrease)/increase in cash and cash equivalents</i></b>		(26,269)	30,637
Cash and cash equivalents at the beginning of the year		59,219	28,867
Effects of foreign currency exchange rate changes on cash and cash equivalents		<u>67</u>	<u>(285)</u>
<b><i>Cash and cash equivalents at the end of the year</i></b>	12(b)	<u><u>33,017</u></u>	<u><u>59,219</u></u>

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



## 1 General Information

These financial statements cover Global X Ultra Short Nasdaq 100 Complex ETF (formerly Global X Ultra Short Nasdaq 100 Hedge Fund) (the "Fund") as an individual entity. The Fund was registered with the Australian Securities and Investments Commission (ASIC) as a registered managed investment scheme on 14 October 2019, and commenced its operations on 10 July 2020. The Fund is currently quoted on the Australian Securities Exchange ("ASX") with ticker code SNAS.

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

The Responsible Entity of the Fund is Global X Management (AUS) Limited (the "Responsible Entity"). The Responsible Entity's registered office is Level 9, 115 Pitt Street, Sydney NSW 2000 Australia.

The financial report was authorised for issue by the directors on 19 September 2024. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

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

## 2 Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

### (a) Statement of Compliance and Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* in Australia.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and financial liabilities at fair value through profit or loss. The amount expected to be recovered or settled within twelve months after the end of each reporting year cannot be reliably determined.

#### (i) Compliance with International Financial Reporting Standards

The financial statements of the Fund also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

#### (ii) New and amended standards adopted by the Fund

The Fund has adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 July 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 2 Summary of material accounting policies (2023: Summary of significant accounting policies) in certain instances in line with the amendments.

#### (iii) New standards, amendments and interpretations effective after 1 July 2024 and have not been early adopted

A number of new accounting standards, amendments and interpretations have been published that are not mandatory for the 30 June 2024 reporting period and have not been early adopted in preparing these financial statements.

Most of these are not expected to have a material impact on the financial statement of the fund. However, management is still in the process of assessing the impact of the new standard AASB 18 which was issued in June 2024 and replaces AASB 101 Presentation of Financial Statements.

#### (iv) Investment entity exception

The Fund meets the definition of an investment entity and therefore apply the investment entity amendments to AASB 10 Consolidated Financial Statements ("AASB 10"), AASB 12 Disclosure of Interests in Other Entities and AASB 127 Separate Financial Statements. AASB 10 is applicable to all investees; among other things, it requires the consolidation of an investee if the Fund controls the investee on the basis of de facto circumstances. An exception however exists where an entity meets the definition of an investment entity.



## 2 Summary of Material Accounting Policies (continued)

### (a) Statement of Compliance and Basis of Preparation (continued)

#### (iv) Investment entity exception (continued)

The Fund meets the definition of investment entity due to the following factors:

- (a) the Fund obtains funds from one or more unitholders for the purpose of providing the unitholders with investment management services;
- (b) the Fund commits to the unitholders that the business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- (c) the Fund measures and evaluates the performance of substantially all of their investments on a fair value basis.

In making the above assessments, the Fund has multiple investments and multiple investors. Its investors are generally unrelated parties of the Funds. Unitholders invest for returns from capital appreciation, investment income, or both. Directors of the Responsible Entity have concluded that the Fund meets the definition of investment entity.

### (b) Financial Instruments

#### (i) Classification

The Fund classifies its investments based on its business model for managing those financial assets and their contractual cash flow characteristics. The Fund's portfolio of financial assets is managed and its performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund evaluates the information about its investments on a fair value basis together with other related financial information.

Derivatives are measured at fair value through profit or loss.

The Fund holds financial assets and financial liabilities comprising derivatives which are classified as financial assets and financial liabilities at fair value through profit or loss.

#### (ii) Recognition/derecognition

The Fund recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments has expired or the Fund has transferred substantially all risks and rewards of ownership.

#### (iii) Measurement

Financial assets and liabilities at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the profit or loss in the year in which they arise.

- *Fair value in an active market*

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting date without any deduction for estimated future selling costs. The quoted market price used for financial assets and financial liabilities held by the Fund is the last traded market price.

- *Fair value in an inactive or unquoted market*

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Accordingly, there may be a difference between the fair value at initial recognition and amounts determined using a valuation technique. If such a difference exists, the Fund recognises the difference in the profit or loss to reflect a change in factors, including time, that market participants would consider in setting a price.



## 2 Summary of Material Accounting Policies (continued)

### (c) Offsetting Financial Instruments

Financial assets and liabilities are reported on a gross basis in the Statement of Financial Position. Where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously on default or in the ordinary course of business, the financial assets and liabilities will be offset and reported on a net basis in notes to the financial statements.

### (d) Net Assets Attributable to Unitholders

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders.

The units can be put back to the Fund at any time for cash based on the redemption price, which is equal to a proportionate share of the Fund's net asset value attributable to the unitholders.

The units are carried at the redemption amount that is payable at balance sheet date if the holder exercises the right to put the unit back to the Fund. This amount represents the expected cash flows on redemption of these units.

Units are classified as equity when they satisfy the following criteria under AASB 132 *Financial instruments: Presentation*:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Fund's liquidation;
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical;
- the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavorable conditions to the Fund, and it is not a contract settled in the Fund's own equity instruments; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

### (e) Distributions to Unitholders

In accordance with the Fund's Constitution, the Fund attributes its taxable income, and any other amounts determined by the Responsible Entity, to unitholders by cash or reinvestment. The distributions are recognised in the Statement of Changes in Equity as units issued upon reinvestments of distributions and distributions paid and payable.

### (f) Increase/Decrease in Net Assets Attributable to Unitholders

Movements in net assets attributable to unitholders are recognised in the Statement of Changes in Equity.

### (g) Cash and Cash Equivalents

Cash and cash equivalents may include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown as liabilities on the Statement of Financial Position.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities as movements in the fair value of these securities represent the Fund's main income generating activity.

### (h) Margin Accounts

Margin accounts comprise cash held as collateral for derivative transactions and short sales. The cash is held by the broker against existing margin calls and is restricted to only be available to meet margin calls. It is not included as a component of cash and cash equivalents.

The comparatives have been reclassified to ensure consistency with the current year presentation.



## 2 Summary of Material Accounting Policies (continued)

### (i) Applications and Redemptions

Applications received for units in the Fund are recorded net of any entry fees payable prior to the issue of units in the Fund. Redemptions from the Fund are recorded gross of any exit fees payable after the cancellation of units redeemed.

Unit redemption prices are determined by reference to the net assets for unit pricing purposes of the Fund, divided by the number of units on issue at or immediately prior to close of business each day. Applications and redemptions of units are processed simultaneously.

### (j) Investment Income and Expenses

Dividend income is recognised on the ex-dividend date. The Fund may incur withholding tax imposed by certain countries on investment income. Such income is recorded net of withholding tax in the profit or loss. If a portion of the foreign withholding taxes is reclaimable, it is recorded as an asset.

Dividends declared on securities sold short are recorded as a dividend expense on the ex-dividend date.

Distributions are recognised on an entitlements basis.

### (k) Expenses

All expenses, including Management fees, are recognised in the profit or loss on an accruals basis.

### (l) Income Tax

Under current legislation, the Fund is not subject to income tax provided the taxable income of the Fund is fully attributed to unitholders under the Attribution Managed Investment Scheme regime.

The benefit of imputation credits and foreign tax paid are passed on to unitholders.

### (m) Goods and Services Tax ("GST")

The GST incurred on the costs of various services provided to the Fund by third parties such as custodial services and investment management fees have been passed onto the Fund. The Fund qualifies for Reduced Input Tax Credits ("RITC") hence, investment management fees, custodial fees and other expenses have been recognised in the profit or loss net of the amount of GST recoverable from the Australian Taxation Office ("ATO"). Accounts payable and accrued expenses are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the Statement of Financial Position. Cash flows relating to GST are included in the Statement of Cash Flows on a gross basis.

### (n) Receivables

Receivables may include amounts for dividends, interest, trust distributions, amounts due from brokers and applications receivable. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the end of the reporting date from the time of the last payment using the effective interest rate method. Amounts due from brokers represent receivables for securities that have been contracted for but not yet delivered by the end of the reporting date. Applications receivable are recorded when the applications are made for units in the Fund with the consideration yet to be received as at the end of the reporting date.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund measures the loss allowance on receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance.

The amount of the loss allowance is recognised in the profit or loss within other expenses. When a trade receivable for which a loss allowance had been recognised becomes uncollectible in a subsequent year, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the profit or loss.



## 2 Summary of Material Accounting Policies (continued)

### (o) Payables

Payables include liabilities and accrued expenses owing by the Fund and redemptions payable which are unpaid as at the end of the reporting year.

Trades are recorded on trade date, and normally settled within three business days. Purchases of financial instruments that are unsettled at reporting date are included in payables. Redemptions payable are recognised when the unitholder returns their holdings back into the Fund foregoing all rights associated with the units, with the payment yet to be released.

The distribution amount payable to unitholders as at reporting date is recognised separately on the Statement of Financial Position when unitholders are presently entitled to the distributable income under the Fund's Constitution.

### (p) Foreign Currency Translation

#### (i) Functional and presentation currency

Items included in the Fund's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian Dollar, which reflects the currency of the economy in which the Fund competes for funds and is regulated. The Australian Dollar is also the Fund's presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss within net gains/(losses) on financial instruments at fair value through profit or loss.

The Fund does not isolate that portion of gains or losses on securities and derivative financial instruments which is due to changes in foreign exchange rates from that which is due to changes in the market price of securities. Such fluctuations are included with the net gains or losses on financial instruments at fair value through profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the profit or loss on a net basis within net gains/(losses) on financial instruments at fair value through profit or loss.

### (q) Use of Estimates and Critical Accounting Judgments

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

For the majority of the Fund's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example, over-the-counter derivatives or unquoted securities are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them. Models are calibrated by back-testing to actual transactions to ensure that outputs are reliable.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For certain other financial instruments, including amounts due from/to brokers and payables, the carrying amounts approximate fair value due to the immediate or short term nature of these financial instruments.

### (r) Rounding of Amounts

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



### 3 Financial Risk Management

The Fund's activities expose it to a variety of financial risks: credit risk, liquidity risk, and market risk (including price risk and currency risk). The Fund's overall risk management program focuses on ensuring compliance with the Fund's Product Disclosure Statements and seeks to maximise the returns derived for the level of risk to which the Fund is exposed. The Fund may use derivative financial instruments to moderate and create certain risk exposures. Financial risk management is carried out by the Portfolio Managers with oversight by the Compliance Officer and ultimately by the Board of Directors of the Responsible Entity (the "Board") under policies approved by the Board.

The Fund uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of foreign exchange and other price risks. Sensitivity analysis is explained in Note 3(b).

Market disruptions associated with current geopolitical events have had a global impact, and uncertainty exists as to their implications. Such disruptions can adversely affect asset values and thus the performance of the Fund. The Responsible Entity is continuing to monitor this development and evaluate its impact on the Fund.

#### (a) Market Risk

##### (i) Price Risk

The Fund is exposed to price risk. This arises from investments held by the Fund for which prices in the future are uncertain. They are classified in the Statement of Financial Position as fair value through profit or loss. Where non-monetary financial instruments are denominated in currencies other than the Australian Dollar, the price in the future will also fluctuate because of changes in foreign exchange rates. All securities investments present a risk of loss of capital.

Market risk is managed and monitored by the Responsible Entity on a portfolio basis, with risks managed through ensuring that investment activities are undertaken in accordance with the Fund's investment model which is reviewed and updated regularly.

The Responsible Entity continuously monitors the Fund's holdings relative to the recommended portfolio, and the exposure of the Fund is monitored to ensure that it remains within designated ranges or asset allocation constraints, taking into account any derivative position being used to manage risks.

In addition, the Board regularly reviews the Fund to ensure the Fund is following the appropriate investment model, its portfolio is in accordance with its stated guidelines and restrictions, and the performance of the Fund remains in expected bounds.

The sensitivity analysis in Note 3(b) explains how the risk is measured and summarises the potential exposure of the Fund's net assets attributable to unitholders.

##### (ii) Currency Risk

The Fund holds monetary and non monetary assets denominated in currencies other than the Australian Dollar. The currency risk relating to non monetary assets and liabilities is a component of price risk. Currency risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates.

The sensitivity analysis in Note 3(b) explains how the risk is measured and summarises the potential exposure of the Fund's net assets attributable to unitholders.

Currency risk is managed using forward foreign exchange contracts and other derivatives in accordance with Fund guidelines and restrictions. Daily monitoring is undertaken to ensure instruments used and exposures created are consistent with the investment strategy and objectives of the Fund. For accounting purposes, the Fund does not designate any derivatives as hedges in a hedging relationship, and hence these derivative financial instruments are classified as at fair value through profit or loss.

This disclosure for the Fund has not been made on a look through basis for investments held indirectly through underlying funds. The disclosure of currency risk may not present the true currency risk profile of the Fund where the underlying fund has a significant exposure to currency risk.





### 3 Financial Risk Management (continued)

#### (a) Market Risk (continued)

##### (ii) Currency Risk (continued)

The following tables summarise the Fund's assets and liabilities, monetary and non-monetary, which are denominated in different currencies:

	United States Dollar AUD'000	Australian Dollar AUD'000	Total AUD'000
<b>30 June 2024</b>			
<b>Assets</b>			
Cash and cash equivalents	12,385	20,632	33,017
Margin account	5,703	1,240	6,943
Receivables	8	618	626
Financial assets at fair value through profit or loss	<u>1,288</u>	<u>-</u>	<u>1,288</u>
<b>Total assets</b>	<u>19,384</u>	<u>22,490</u>	<u>41,874</u>
<b>Liabilities</b>			
Payables	3	878	881
Financial liabilities at fair value through profit or loss	<u>11</u>	<u>-</u>	<u>11</u>
<b>Total liabilities</b>	<u>14</u>	<u>878</u>	<u>892</u>
<b>Net assets attributable to unitholders – equity</b>	<u>19,370</u>	<u>21,612</u>	<u>40,982</u>
<b>(Decrease)/Increase in exposure from currency derivatives</b>	<u>(20,196)</u>	<u>20,196</u>	<u>-</u>
<b>Total foreign currency exposure</b>	<u>(826)</u>	<u>41,808</u>	<u>40,982</u>
	United States Dollar AUD'000	Australian Dollar AUD'000	Total AUD'000
<b>30 June 2023</b>			
<b>Assets</b>			
Cash and cash equivalents	5,372	53,847	59,219
Margin account	15,767	1,240	17,007
Receivables	-	948	948
Financial assets at fair value through profit or loss	<u>370</u>	<u>221</u>	<u>591</u>
<b>Total assets</b>	<u>21,509</u>	<u>56,256</u>	<u>77,765</u>
<b>Liabilities</b>			
Payables	-	66	66
Financial liabilities at fair value through profit or loss	<u>4,027</u>	<u>-</u>	<u>4,027</u>
<b>Total liabilities</b>	<u>4,027</u>	<u>66</u>	<u>4,093</u>
<b>Net assets attributable to unitholders – equity</b>	<u>17,482</u>	<u>56,190</u>	<u>73,672</u>
<b>(Decrease)/Increase in exposure from currency derivatives</b>	<u>(40,503)</u>	<u>40,503</u>	<u>-</u>
<b>Total foreign currency exposure</b>	<u>(23,021)</u>	<u>96,693</u>	<u>73,672</u>



### 3 Financial Risk Management (continued)

**(a) Market Risk (continued)**

*(iii) Interest Rate Risk*

The majority of the Fund's financial assets and liabilities are non interest bearing. As a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of markets interest rates. The Fund's exposure to cash flow interest rate risk is limited to its cash and cash equivalents and margin deposit, which are floating rate interest bearing investments.

**(b) Sensitivity Analysis**

The following table summarises the sensitivity of the Fund's net assets attributable to unitholders to currency risk and price risk. Actual movements may be greater or less than anticipated depending on prevailing market conditions.

<b>Global X Ultra Short Nasdaq 100 Complex ETF</b>		
<b>Price Risk</b>		
Impact on operating profit/net assets attributable to unitholders		
	<b>-10%</b>	<b>+10%</b>
	<b>AUD'000</b>	<b>AUD'000</b>
<b>At 30 June 2024</b>	<b>(120)</b>	<b>120</b>
At 30 June 2023	381	(381)

<b>Global X Ultra Short Nasdaq 100 Complex ETF</b>		
<b>Currency Risk</b>		
Impact on operating profit/net assets attributable to unitholders		
	<b>-10%</b>	<b>+10%</b>
	<b>AUD'000</b>	<b>AUD'000</b>
<b>At 30 June 2024</b>	<b>202</b>	<b>(202)</b>
At 30 June 2023	1,899	(1,899)

**(c) Credit Risk Exposure**

Credit risk is the risk that the counterparty will fail to perform contractual obligations, either in whole or in part, when they fall due.

Credit risk primarily arises from trading derivative products. Other credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions, amounts due from brokers, trading derivatives and other receivables. None of these assets are impaired nor past due but not impaired.

Market prices generally incorporate credit risk assessments into valuations and risk of loss is implicitly provided for in the carrying value of financial assets and liabilities as they are marked to market.

*(i) Interest Bearing Securities*

The Fund does not have any direct holding in interest bearing securities. The Fund may be exposed to other credit risk from cash and cash equivalents, deposits with banks and other financial institutions, amounts due from brokers, trading derivatives and other receivables.

*(ii) Settlement of Securities Transactions*

All transactions are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

*(iii) Other Credit Risk*

The exposure to credit risk for cash and cash equivalents, deposits with banks and other financial institutions is considered to be minimal due to the high credit rating of the relevant financial institution. The sensitivity analysis is also used to manage and measure the credit risk of the Fund.

The Fund is not materially exposed to credit risk on other financial assets.

The maximum exposure to credit risk at the reporting date is the carrying amount of cash and cash equivalents, other financial assets and collateral held and pledged. None of these assets are impaired nor past due.



### 3 Financial Risk Management (continued)

#### (d) Liquidity and Cash Flow Risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. The Statement of Financial Position is presented on a liquidity basis and discussed in Note 2(a).

The Fund is exposed to daily cash redemptions of redeemable units and daily margin calls on derivatives. The liquidity risks associated with the need to satisfy unitholders' requests for redemptions are mitigated by maintaining adequate liquidity to satisfy usual redemption volumes and restricting the investment activities of the Fund to securities that are actively traded and highly liquid. The Fund also maintains continuous monitoring of forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Responsible Entity considers and maintains the liquidity of the Fund, in the context of the investment objectives and liquidity requirements of the Fund.

The following tables analyse the Fund's financial liabilities and derivative financial instruments (as appropriate) into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the tables are contractual undiscounted cash flows.

At 30 June 2024	Less than 1 month AUD'000	1 - 3 months AUD'000	Total AUD'000
<b>Derivative financial liabilities</b>			
Financial liabilities at fair value through profit or loss			
Listed futures contracts*	-	(11)	(11)
<b>Non-derivative liabilities</b>			
Payables	(881)	-	(881)
<b>Total liabilities</b>	<b>(881)</b>	<b>(11)</b>	<b>(892)</b>
At 30 June 2023	Less than 1 month AUD'000	1 - 3 months AUD'000	Total AUD'000
<b>Derivative financial liabilities</b>			
Financial liabilities at fair value through profit or loss			
Listed futures contracts*	-	(3,807)	(3,807)
Forward currency contracts			
- Inflows	12,093	-	12,093
- Outflows	(12,313)	-	(12,313)
<b>Non-derivative liabilities</b>			
Payables	(66)	-	(66)
<b>Total liabilities</b>	<b>(286)</b>	<b>(3,807)</b>	<b>(4,093)</b>

\*It is impracticable to determine the contractual cash outflows for futures contracts due to the nature of the instrument.

#### (e) Fair Values of Financial Assets and Liabilities

The carrying amounts of the Fund's assets and liabilities at the end of each reporting year approximate their fair values.

Financial assets and liabilities at fair value through profit or loss are measured initially at fair value. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the profit or loss.



### 3 Financial Risk Management (continued)

#### (e) Fair Values of Financial Assets and Liabilities (continued)

##### (i) Fair value in an active market

The fair value of financial assets and liabilities traded in active markets is based on their last traded prices at the end of the reporting year without any deduction for estimated future selling costs.

The Fund values its investments in accordance with the accounting policies set out in Note 2(b). For the majority of its investments, the Fund relies on information provided by independent pricing services for the valuation of its investments.

The quoted market price used for financial assets and financial liabilities held by the Fund is the last traded market price. Where the last traded price does not fall within the bid-ask spread, an assessment is performed by the Responsible Entity to determine the appropriate valuation price to use that is most representative of fair value.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual regularly occurring market transactions on an arm's length basis.

##### (ii) Fair value in an inactive or unquoted market

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting year applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting year. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Fund would receive or pay to terminate the contract at the end of the reporting year taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward foreign exchange contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date.

#### (f) Fair Value Hierarchy

The Fund classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 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 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Responsible Entity. The Responsible Entity considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.



### 3 Financial Risk Management (continued)

#### (f) Fair Value Hierarchy (continued)

The following tables present the Fund's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 30 June 2024 and 30 June 2023.

As at 30 June 2024	Level 1 AUD'000	Level 2 AUD'000	Level 3 AUD'000	Total AUD'000
<b>Financial Assets</b>				
Financial assets at fair value through profit or loss				
Forward currency contracts	-	82	-	82
Listed futures contracts	<u>1,206</u>	-	-	<u>1,206</u>
<b>Total financial assets</b>	<u><u>1,206</u></u>	<u><u>82</u></u>	<u><u>-</u></u>	<u><u>1,288</u></u>
<b>Financial Liabilities</b>				
Financial liabilities at fair value through profit or loss				
Forward currency contracts	-	-	-	-
Listed futures contracts	<u>11</u>	-	-	<u>11</u>
<b>Total financial liabilities</b>	<u><u>11</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>11</u></u>
As at 30 June 2023	Level 1 AUD'000	Level 2 AUD'000	Level 3 AUD'000	Total AUD'000
<b>Financial Assets</b>				
Financial assets at fair value through profit or loss				
Forward currency contracts	-	591	-	591
<b>Total financial assets</b>	<u><u>-</u></u>	<u><u>591</u></u>	<u><u>-</u></u>	<u><u>591</u></u>
<b>Financial Liabilities</b>				
Financial liabilities at fair value through profit or loss				
Forward currency contracts	-	220	-	220
Listed futures contracts	<u>3,807</u>	-	-	<u>3,807</u>
<b>Total financial liabilities</b>	<u><u>3,807</u></u>	<u><u>220</u></u>	<u><u>-</u></u>	<u><u>4,027</u></u>

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities, trusts and exchange traded futures.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include investment grade corporate bonds, certain listed equities, certain unlisted unit trust, and over-the-counter derivatives. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. As observable prices are not available for these securities, the Responsible Entity has used valuation techniques to derive fair value.

The Fund did not hold any level 3 instruments during the year ended 30 June 2024 (30 June 2023: Nil).

There were no transfers between levels for recurring fair value measurements during the year ended 30 June 2024 (30 June 2023: Nil).



### 3 Financial Risk Management (continued)

#### (g) Offsetting Financial Assets and Financial Liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The gross and net positions of financial assets and liabilities that have been offset as at 30 June 2024 and 30 June 2023, are disclosed in the first three columns of the tables below:

	Note	Gross amounts of recognised AUD'000	Gross amounts of recognised offset in the statement of financial position AUD'000	Net amounts of financial instruments presented in the statement of financial position AUD'000	Related amounts not offset in the statement of financial position		Net amount AUD'000
					D(i)	D(ii)	
					Financial instruments (including non-cash collateral) AUD'000	Cash collateral pledged AUD'000	
<b>As at 30 June 2024</b>							
<b>Derivative financial assets</b>							
- Forward currency contracts	7	82	-	82	-	-	82
- Listed futures contracts		1,206	-	1,206	-	-	1,206
- Margin account		6,943	-	6,943	-	(11)	6,932
		<u>8,231</u>	<u>-</u>	<u>8,231</u>	<u>-</u>	<u>(11)</u>	<u>8,220</u>
<b>Derivative financial liabilities</b>							
- Listed futures contracts	8	11	-	11	-	(11)	-
		<u>11</u>	<u>-</u>	<u>11</u>	<u>-</u>	<u>(11)</u>	<u>-</u>
<b>As at 30 June 2023</b>							
<b>Derivative financial assets</b>							
- Forward currency contracts	7	591	-	591	(220)	-	371
- Margin account		17,007	-	17,007	-	(3,807)	13,200
		<u>17,598</u>	<u>-</u>	<u>17,598</u>	<u>(220)</u>	<u>(3,807)</u>	<u>13,571</u>
<b>Derivative financial liabilities</b>							
- Forward currency contracts	8	220	-	220	(220)	-	-
- Listed futures contracts		3,807	-	3,807	-	(3,807)	-
		<u>4,027</u>	<u>-</u>	<u>4,027</u>	<u>(220)</u>	<u>(3,807)</u>	<u>-</u>



#### 4 Net Losses on Financial Instruments at Fair Value Through Profit or Loss

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

	Year ended 30 June 2024 AUD'000	Year ended 30 June 2023 AUD'000
Net gains/(losses) on financial assets and liabilities at fair value through profit or loss (including FX gains/(losses))	4,714	(3,788)
Net losses on financial assets and liabilities at fair value through profit or loss (including FX gains/(losses))	<u>(34,408)</u>	<u>(45,627)</u>
Net losses on financial assets and liabilities at fair value through profit or loss (including FX gains/(losses))	<u>(29,694)</u>	<u>(49,415)</u>

#### 5 Net Assets Attributable to Unitholders

Under AASB 132 *Financial instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Fund shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions.

The Fund meets the criteria set out under AASB 132 and net assets attributable to unitholders is classified as equity.

As stipulated within the Fund's Constitution, each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

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

	Year ended 30 June 2024		Year ended 30 June 2023	
	No.'000	AUD'000	No.'000	AUD'000
Opening balance	29,275	73,672	7,300	40,055
Loss for the year	-	(29,300)	-	(49,194)
Applications	245,850	550,454	98,025	430,523
Redemptions	<u>(245,190)</u>	<u>(553,844)</u>	<u>(76,050)</u>	<u>(347,712)</u>
<b>Closing balance</b>	<u>29,935</u>	<u>40,982</u>	<u>29,275</u>	<u>73,672</u>

#### Capital Risk Management

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

The Fund monitors the level of daily applications and redemptions relative to the liquid assets in the Fund. As of 30 June 2024, the capital of the Fund is represented in the net assets attributable to unitholders table.

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



## 6 Receivables

	As at 30 June 2024 AUD'000	As at 30 June 2023 AUD'000
Other receivables	208	165
Subscription receivables	<u>418</u>	<u>783</u>
<b>Total</b>	<u><b>626</b></u>	<u><b>948</b></u>

There are no past due (not impaired) or loss allowance for doubtful debts included in the above receivables as at 30 June 2024 (30 June 2023: Nil).

## 7 Financial Assets at Fair Value Through Profit or Loss

	As at 30 June 2024 AUD'000	As at 30 June 2023 AUD'000
<b>Financial assets at fair value through profit or loss</b>		
Listed futures contracts	1,206	-
Forward currency contracts	<u>82</u>	<u>591</u>
<b>Total financial assets at fair value through profit or loss</b>	<u><b>1,288</b></u>	<u><b>591</b></u>

An overview of the risk exposures relating to financial assets at fair value through profit or loss is included in Note 3.

## 8 Financial Liabilities at Fair Value Through Profit or Loss

	As at 30 June 2024 AUD'000	As at 30 June 2023 AUD'000
<b>Financial liabilities at fair value through profit or loss</b>		
Listed futures contracts	11	3,807
Forward currency contracts	<u>-</u>	<u>220</u>
<b>Total financial liabilities at fair value through profit or loss</b>	<u><b>11</b></u>	<u><b>4,027</b></u>

An overview of the risk exposures relating to financial liabilities at fair value through profit or loss is included in Note 3.

## 9 Payables

	As at 30 June 2024 AUD'000	As at 30 June 2023 AUD'000
Management fees payables	42	66
Redemption payable	836	-
Other payables	<u>3</u>	<u>-</u>
<b>Total</b>	<u><b>881</b></u>	<u><b>66</b></u>





## 10 Related Party Transactions

### Responsible Entity

The Responsible Entity of the Fund is Global X Management (AUS) Limited (ABN 13 150 433 828, AFSL 466778) whose ultimate holding company is Mirae Asset Global Investments Co., Ltd.

Global X Management (AUS) Limited is incorporated in Australia and Mirae Asset Global Investments Co., Ltd. is incorporated in the Republic of Korea.

### Key management personnel

The Fund does not employ personnel in its own right. However, it is required to have an incorporated Responsible Entity to manage the activities of the Fund and this is considered to be key management personnel. The directors of the Responsible Entity, which are key management personnel of the Responsible Entity, during or since the end of the financial year are:

#### (a) Directors

Young Kim

Evan Metcalf

Oliver Reynolds (Appointed on 11 September 2023)

Namki Kim (Appointed 30 July 2024)

Emanuel Damianakis (Appointed 5 August 2024)

Kanish Chugh (Resigned on 7 September 2023)

Thomas Park (Resigned 30 July 2024)

Chi Ho Man (Appointed 12 December 2023, Resigned 5 August 2024)

#### (b) Other key management personnel

No other person had authority and responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly during the financial year or since the end of the financial year and up to the date of this report.

#### (c) Key management personnel compensation

Key management personnel are paid by the Responsible Entity. Payments made from the Fund to the Responsible Entity do not include any amounts attributable to the compensation of key management personnel.

### Related party unitholdings

All transactions with related parties are conducted on normal terms and conditions. From time to time the Responsible Entity, or its director-related entities, may invest in or withdraw from the Fund. These investments or withdrawals are on the same terms and conditions as those entered into by other unitholders of the Fund.

As at 30 June 2024, no key management personnel held units in the Fund (30 June 2023: Nil).



## 10 Related Party Transactions (continued)

### Management fees and other transactions

In accordance with the Fund's Constitution, the Responsible Entity was entitled to receive fees for the provision of services to the Fund.

	Amount Charged AUD	Amount Outstanding AUD
<b>At 30 June 2024</b>		
Management fees	694,402	42,578
	Amount Charged AUD	Amount Outstanding AUD
<b>At 30 June 2023</b>		
Management fees	802,363	66,308

The Management Fee is calculated by applying a fixed percentage to the value of Units in issue on a daily basis, equivalent to 1.00% per annum, inclusive of GST, and net of applicable RITC. The Management Fee is paid in Australian Dollars on a monthly basis.

### Investments

The Fund did not hold any investments in funds also managed by the Responsible Entity or its related parties during the reporting year (30 June 2023: Nil).

### Other transactions with the Fund

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Fund since the end of the previous financial year and there were no material contracts involving key management personnel's interests subsisting at year end.

## 11 Remuneration of Auditor

During the year the following fees were paid or payable for services provided by the auditor of the Fund:

	Year ended 30 June 2024 AUD'000	Year ended 30 June 2023 AUD'000
<b>KPMG</b>		
Audit and review of the financial statements	12	11
Other regulatory assurance services	<u>3</u>	<u>3</u>
<b>Total</b>	<u>15</u>	<u>14</u>

Other services relate to the audit of the Fund's compliance plan. The audit fees paid or payable are discharged by the Responsible Entity from the fees earned from the Fund.



## 12 Reconciliation of Loss to Net Cash Outflow from Operating Activities

	Year ended 30 June 2024	Year ended 30 June 2023
	AUD'000	AUD'000
<b>(a) Reconciliation of operating loss to net cash outflow from operating activities</b>		
Operating loss for the year	(29,300)	(49,194)
Net losses on financial instruments at fair value through profit or loss (including FX (gains)/losses)	29,694	49,415
Purchases of financial instruments	(24,411)	(46,598)
Net change in receivables and other assets	(43)	(154)
Net change in payables and accrued liabilities	(20)	(4,860)
<b>Net cash outflow from operating activities</b>	<b>(24,080)</b>	<b>(51,391)</b>
<b>(b) Components of cash and cash equivalents</b>		
Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the Statement of Financial Position as follows:		
Cash	33,017	59,219
<b>Total cash and cash equivalents</b>	<b>33,017</b>	<b>59,219</b>

The comparatives have been reclassified to ensure consistency with the current year presentation.

## 13 Segment Information

The Fund operates solely in the business of providing investors with the performance of the market, before fees and expenses, as represented by the Global X Ultra Short Nasdaq 100 Complex ETF. The Responsible Entity, which is the chief operating decision maker for the purposes of assessing performance and determining the allocation of resources, ensures that the Fund's holdings and performance are in accordance with the Global X Ultra Short Nasdaq 100 Complex ETF. Accordingly, no additional qualitative or quantitative disclosures are required.

## 14 Events Occurring After the Reporting Year

No other significant events have occurred since the end of the reporting year up to the date of signing the Annual Financial Report which would impact on the financial position of the Fund disclosed in the Statement of Financial Position as at 30 June 2024 or on the results and cash flows of the Fund for the year ended on that date.

## 15 Contingent Assets, Contingent Liabilities and Commitments

There are no outstanding contingent assets, contingent liabilities or commitments as at 30 June 2024 (30 June 2023: Nil).

## Global X Ultra Short Nasdaq 100 Complex ETF

Directors' Declaration  
For the year ended 30 June 2024



In the opinion of the directors of Global X Management (AUS) Limited, the Responsible Entity of Global X Ultra Short Nasdaq 100 Complex ETF (the "Fund"):

- (a) the financial statements and notes set out on pages 6 to 26 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
  - (ii) giving a true and fair view of the Fund's financial position as at 30 June 2024 and of its performance, for the financial year ended on that date;
- (b) the financial statements also comply with International Financial Reporting Standards as disclosed in Note 2(a); and
- (c) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

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

Signed in accordance with a resolution of the Responsible Entity made pursuant to s.295(5) of the *Corporations Act 2001*.

Director

Sydney

19 September 2024



# Independent Auditor's Report

To the unitholders of Global X Ultra Short Nasdaq 100 Complex ETF (formerly Global X Ultra Short Nasdaq 100 Hedge Fund)

## Opinion

We have audited the **Financial Report** of Global X Ultra Short Nasdaq 100 Complex ETF (formerly Global X Ultra Short Nasdaq 100 Hedge Fund) (the Fund).

In our opinion, the accompanying Financial Report of the Fund gives a true and fair view, including of the Fund's financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the Corporations Act 2001, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Statement of Financial Position as at 30 June 2024
- Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, and Statement of Cash Flows for the year then ended
- Notes including material accounting policies
- Directors' Declaration.

## Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Fund in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

## Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period. This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

### Valuation and existence of financial instruments at fair value through profit or loss

Refer to Note 2b Material Accounting Policies, Note 3e Financial Risk Management, Note 7 Financial assets at fair value through profit or loss (\$1,288,000) and Note 8 Financial Liabilities at Fair Value through Profit or loss (\$11,000) in the Financial Report.

The key audit matter	How the matter was addressed in our audit
<p>Financial assets and liabilities at fair value through profit or loss comprise investments in forward currency contracts and listed futures contracts (“investments”).</p> <p>The Fund outsources certain processes and controls relevant to:</p> <ul style="list-style-type: none"> <li>- Initiating and executing the purchase and sale of investments and recording and valuing of investments to the Fund administrator;</li> <li>- maintaining custody and underlying records of investments to the custodian.</li> </ul> <p>Valuation and existence of investments is a key audit matter due to the:</p> <ul style="list-style-type: none"> <li>- Size of the Fund’s portfolio of investments; and</li> <li>- Importance of the performance of these investments in driving the Fund’s investment income and capital performance.</li> </ul> <p>As a result, this was the area with the greatest effect on our overall audit strategy and allocation of resources in planning and performing our audit.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>- We assessed the appropriateness of the accounting policies applied by the Fund, including those relevant to the fair value of investments, against the requirements of the accounting standards.</li> <li>- We obtained and read the Fund’s administrator and custodian’s ISAE 3402 (<i>Assurance Reports on Controls at a Service Organization</i>) assurance reports for the period from 1 April 2023 to 31 March 2024 to understand the processes and assess controls relevant to the: <ul style="list-style-type: none"> <li>• Custodian to maintain custody and underlying records of the Fund’s investments;</li> <li>• Fund administrator to initiate and execute the purchase and sale of and to record and value the Fund’s investments.</li> </ul> </li> <li>- We obtained and read the Fund’s administrator and custodian’s bridging letter over the period not covered by the ISAE3402 assurance reports. We compared the processes and controls in the bridging letter for consistency with those in the ISAE3402 assurance reports.</li> <li>- We assessed the reputation, professional competence and independence of the auditors of the ISAE3402 assurance reports.</li> <li>- We checked the existence of investments, being the ownership and quantity held, to external custody reports as at 30 June 2024.</li> <li>- We checked the valuation of investments, as recorded in the general ledger, to independently sourced prices such as those from relevant stock exchanges as at 30 June 2024.</li> <li>- We evaluated the Fund’s disclosures of investments, using our understanding obtained from our testing, against the requirements of the accounting standards.</li> </ul>



## Other Information

Other Information is financial and non-financial information in Fund's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors of Global X Management (AUS) Limited (the Responsible Entity) are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

## Responsibilities of the Directors for the Financial Report

The Directors of the Responsible Entity are responsible for:

- preparing the Financial Report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Fund, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Fund, and that is free from material misstatement, whether due to fraud or error
- assessing the Fund's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.



## Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf)

This description forms part of our Auditor's Report.

  
KPMG

  
Nic Buchanan

Partner

Sydney

19 September 2024