

Company registration number: 615140

SMARTETN PUBLIC LIMITED COMPANY

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

SMARTETN PUBLIC LIMITED COMPANY

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SMARTETN PUBLIC LIMITED COMPANY

COMPANY INFORMATION

DIRECTORS

Antonio De Negri
David Kenny (resigned 5 March 2024)
Joanne Kenny
Joseph Kenny (appointed 5 March 2024)

**COMPANY SECRETARY AND
REGISTERED OFFICE**

Trustmoore Corporate Secretary (Ireland) Limited
31 – 32 Leeson Street Lower
Dublin 2
Ireland

CORPORATE SERVICE PROVIDER

Trustmoore Ireland Ltd
31 – 32 Leeson Street Lower
Dublin 2
Ireland

COMPANY PARENT

Cirdan Capital Management Limited
54 Baker Street
Marylebone
London W1U 7BU
United Kingdom

**GUARANTOR, DEALER, ARRANGER
AND CALCULATION AGENT**

Cirdan Capital Management Limited
54 Baker Street
Marylebone
London W1U 8EQ
United Kingdom

INDEPENDENT AUDITORS

Forvis Mazars
Chartered Accountants and Statutory Audit Firm
Harcourt Centre Block 3
Harcourt Road
Dublin 2
Ireland

SOLICITORS

Arthur Cox
Ten Earlsfort Terrace
Dublin 2, D02 T380
Ireland

DWF LLP (Italian Branch)
Via dei Bossi 6,
20121,
Milan
Italy

BANKERS

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

Interactive Brokers LLC
One Pickwick Plaza
Greenwich, CT06830
United States

Banca Finnat
Palazzo Altieri,
Piazza del Gesu,
Rome,
Italy

BFF Bank S.pA
Via Domenichino 5
Milan 20149
Italy

SMARTETN PUBLIC LIMITED COMPANY

COMPANY INFORMATION (CONTINUED)

BANKERS (continued)	European Depositary Bank SA 3, Rue Gabriel Lippmann, L-5365 Munsbach Luxembourg
	Railsbank 1 Snowden St, London, EC2A 2DQ United Kingdom
	Smartbank S.p.A Via Calabritto, 20-80121 Napoli, Italy
REGISTRAR	Carmelo Benenti Torlo 22 Via Mezz'Oncia Borgo Lavezzaro Novara 28071 Italy
LISTING AGENT	Arthur Cox Listing Services Limited Ten Earlsfort Terrace Dublin 2, D02 T380 Ireland
PRINCIPAL PAYING AGENT, EXCHANGE AGENT AND TRANSFER AGENT	Citibank N.A., London Branch (up to 7 January 2022) 33 Canada Square Canary Wharf London E14 5LB United Kingdom
	BFF Bank S.p.A. (from on 7 January 2022) Via Domenichino 5 Milan 20149 Italy
CUSTODIAN	Goldman Sachs International Peterborough Court 133 Fleet Street London EC4A 2BB United Kingdom
	BFF Bank S.p.A. Via Domenichino 5 Milan 20149 Italy
DERIVATIVES' BROKER	Interactive Brokers LLC One Pickwick Plaza Greenwich, CT06830 United States
DERIVATIVE COUNTERPARTY	Goldman Sachs International Peterborough Court 133 Fleet Street London EC4A 2BB United Kingdom
	J.P. Morgan Securities plc. 25 Bank Street Canary Wharf London E14 5JP United Kingdom

SMARTETN PUBLIC LIMITED COMPANY

COMPANY INFORMATION (CONTINUED)

DERIVATIVE COUNTERPARTY
(Continued)

Credit Suisse
1 Cabot Square
London
United Kingdom

Citigroup Global Markets Limited
Citigroup Centre,
Canada Square,
Canary Wharf, London
E14 5LB
United Kingdom

Morgan Stanley
25 Cabot Square,
Canary Wharf, London
E14 4QA
United Kingdom

SMARTETN PUBLIC LIMITED COMPANY

DIRECTORS' REPORT

The directors present their report together with the audited financial statements of SmartETN Public Limited Company (the "Company") for the financial year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The Company was incorporated on 13 November 2017 as a public limited company under Irish company law. The registration number of the Company is 615140. The Company is a direct wholly owned subsidiary of Cirdan Capital Management Limited, an entity incorporated in England and Wales.

The Company's principal activity is to acquire a portfolio of financial instruments financed by the issuance of listed debt obligations (the "Certificates") to investors (the "Certificate holders"). The listed Certificates issued are either listed on the Frankfurt exchange, the Vienna stock exchange or the EuroTLX stock exchange. Refer to note 20 for the detail of Certificates in issuance at the date of the financial statements. The net proceeds from issuance of certain Certificates are used to enter into offsetting financial transactions in such a way as to hedge the exposure of the Company to the future promised returns of the Certificates issued to the minimum extent required. In addition, the Company also maintains an investment portfolio using the proceeds from certain Certificates issued to generate excess returns over the contractual obligations for the benefit of the Arranger. The investment portfolio of financial assets may consist of common stocks, equity stock indices, mutual funds stocks, money market funds, stock warrants, debt instruments and unlisted investments. The investment portfolio of financial liabilities of the Company consists of short traded stocks, equity stock indices, mutual funds stocks and stock warrants. During the financial year under review, Certificates may have been cancelled or redeemed. Cancelled refers to Certificates that were fully bought back and subsequently marked-down. A redemption would be an event, whereby a Certificate has either matured, or been autocalled.

The Company fully hedges its exposures on its Certificates and has entered into hedging agreements with Goldman Sachs International ("GSI"), J.P. Morgan Securities plc, Citigroup Global Markets Limited, Credit Suisse International and Morgan Stanley. Interactive Brokers Ltd and its affiliate Interactive Brokers LLC are broker of the Company for derivative and non-derivative financial instruments.

During the financial year, the Company had a paying agent service agreements with BFF Bank S.p.A. In the prior financial period, BFF Bank S.p.A was appointed in January 2022, and were preceded by Citibank N.A., London Branch, who were terminated in January 2022

BUSINESS REVIEW

The Directors are satisfied with the trading results of the Company during the financial year. The Company experienced a strong year of performance. Although assets have decreased to €303,988,146 (Dec 2022: €362,355,588), Certificate issuance continued to grow, illustrated by the 12 months ended 31 December 2023 the Company had issued 213 new Certificates (11 months ended Dec 22: 136), with the accumulated number of Certificates issued since incorporation being 560 (Dec 22: 347). The Directors would however draw attention to the disclosure regarding the going concern and the subsequent events note, Note 30.

The Certificates issued by the Company are not rated.

FUTURE DEVELOPMENTS

The Company will continue to focus on the issuance of Structured products, exploring new target markets and types of payoffs. This will enable the Company to grow the credibility and reach of the brand and the product, whilst scaling the operations to continue the ability to provide a tailored, bespoke service to the clients.

RESULTS AND DIVIDENDS

The result for the financial year and the Company's Statement of Financial Position as at 31 December 2023 are disclosed on pages 16 and 17 respectively. The accounting profit for the financial period before tax was nil (Dec 2022: nil). The directors do not recommend the payment of a dividend (Dec 2022: nil).

SMARTETN PUBLIC LIMITED COMPANY

DIRECTORS' REPORT (CONTINUED)

RESULTS AND DIVIDENDS (CONTINUED)

The key performance indicators of the Company are as follows:

Key performance indicators	Financial year ended	Financial period ended
	31 December 2023 €	31 December 2022 €
(a) Net gain on financial assets at fair value through profit and loss	18,205,052	4,564,119
(b) Net gain on financial assets at amortised cost	18,716,538	1,225,289
(c) Net loss on financial liabilities at amortised cost	(3,338,861)	-
(d) Net gain on certificates issued at fair value through profit and loss	(17,447,232)	40,879,754
(e) Net (loss) / gain on certificates issued at amortised cost	(162,203)	440,327
(f) Net gain / (loss) on derivative financial instruments	24,709,612	(18,606,122)

DIRECTORS AND COMPANY SECRETARY

The directors of the Company are Antonio de Negri, David Kenny (resigned 5 March 2024), Joanne Kenny and Joseph Kenny (appointed 5 March 2024). The secretary of the Company is Trustmoore Corporate Secretary (Ireland) Limited. The directors of the Company are listed on page 2 and have served for the entire financial period apart from Joseph Kenny (appointed 5 March 2024). The directors and company secretary had no material interest in any contract of significance in relation to the business of the Company other than that disclosed below.

The directors of the Company, Joanne Kenny, David Kenny (resigned 5 March 2024) and Joseph Kenny (appointed 5 March 2024), and company secretary who held office on 31 December 2023 did not hold any shares, debentures or loan stock of the Company or the parent company Cirdan Capital Management Limited on that date or during the financial period. The director of the Company, Antonio De Negri, is also a director and ultimate beneficial owner of Cirdan Capital Management Limited during the financial period.

SUBSEQUENT EVENTS

Refer to Note 30 of these financial statements for the disclosure of subsequent events.

PRINCIPAL RISKS, UNCERTAINTIES AND FINANCIAL RISK MANAGEMENT

The disclosures in relation to the Company's policies for financial risk management, including market risk, interest rate risk, price risk, foreign exchange risk, credit risk and liquidity risk and the nature of the instruments used during the financial period to mitigate exposure to these risks are shown in Note 26.

POLITICAL DONATIONS

The Electoral Act, 1997 as amended by the Electoral (Amendment) (Political Funding) Act 2012 requires companies to disclose all political donations over €200 in aggregate made during the financial period. The directors, on enquiry, have satisfied themselves that no such donation in excess of this amount has been made by the Company.

DIRECTORS' COMPLIANCE STATEMENT

The directors, in accordance with Section 225(2) (a) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance to with its "relevant obligations". "Relevant obligations", in the context of the Company, are the Company's obligations under:

- (a) the Companies Act 2014, where a breach of the obligations would be a category 1 or category 2 offence;
- (b) the Companies Act 2014, where a breach of the obligations would be a serious Market Abuse of Prospectus offence;
- (c) tax law.

SMARTETN PUBLIC LIMITED COMPANY

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' COMPLIANCE STATEMENT (CONTINUED)

Pursuant to Section 225(2) (b) of the Companies Act 2014, the directors confirm that:

- (i) a compliance policy statement has been drawn up as required by Section 225(3) (a) of the Companies Act 2014 setting out the Company's policies (that, in the directors' opinion, are appropriate to the Company) respecting compliance by the Company with its relevant obligations;
- (ii) appropriate arrangements and structures have been put in place that, in their opinion, secure material compliance with the Company's relevant obligations, and
- (iii) a review has been conducted, in respect of the financial period to which the Directors' Compliance Report referred relates, of any arrangements or structures referred to above that have been put in place. The review was carried out after the financial period to which this statement relates as the Directors required the appropriate arrangements and structures to be fully established before a review could be undertaken/completed.

DISCLOSURE OF INFORMATION TO AUDITORS

The Board has concluded that there is currently no need for the Company to have a separate audit committee or internal audit function in order for the Board to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process and the monitoring of the statutory audit and the independence of the statutory auditors. The Company has taken the exemption available for Section 110 Companies set out under Companies Act 2014 S. 1551 SS (11) (c) not to have a separate audit committee.

So far as each of the directors in the office at the date of the approval of the financial statements are aware:

- There is no relevant audit information of which the Company's auditors are unaware; and
- The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

GOING CONCERN

The Company's financial statements for the financial year ended 31 December 2023 have been prepared on a going concern basis. The directors anticipate that the financial assets will continue to generate enough cash flow on an ongoing basis to meet the Company liabilities as they fall due. The Company's exposure to liability from its Certificates issues is hedged by entering into equal and opposite asset exposure, which will protect the Company against any capital and market risk, as per Note 26 of these financial statements.

As a Section 110 Company, the total assets are matched with the total liabilities of the Company. Under the terms of the Hedging Advisory Arrangement between SmartETN PLC (the "Company") and Cirdan Capital Management (the "Parent Company"), which describes the fees and consideration that the Parent Company is entitled to. The directors of the Parent Company have confirmed that it will not invoice any excess profits earned by SmartETN PLC, to the extent that the Company would not meet its obligations as they fall due in the ordinary course of business within 12 months from the date of the approval of the financial statements. Consequently, the directors of the Company will ensure compliance of this arrangement.

Following the events as mentioned above and the events as disclosed in the subsequent events note, Note 30, the directors acknowledge that there is a material uncertainty related to the going concern and will continue to monitor the situation closely. The long-term strategy of the company is to find strategic partners, who will provide additional financial resources and new commercial opportunities.

ACCOUNTING RECORDS

The directors are responsible for ensuring that adequate accounting records, as outlined in Sections 281 – 285 of the Companies Act 2014, are kept by the Company. The measures taken by directors to ensure compliance with the Company's obligation to keep adequate accounting records are by ensuring that a competent service provider is responsible for the preparation and maintenance of the accounting records. The accounting records of the company are kept at the registered office, 31-32 Leeson Street Lower, Dublin 2, Ireland.

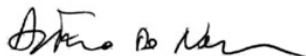
SMARTETN PUBLIC LIMITED COMPANY

DIRECTORS' REPORT (CONTINUED)

INDEPENDENT AUDITORS

Forvis Mazars, Chartered Accountants and Statutory Audit Firm have expressed willingness to continue in office in accordance with Section 383 (2) of the Companies Act 2014.

The report was approved by the Board on 11 September 2024 and signed on its behalf by:



Antonio De Negri
Director



Joanne Kenny
Director

SMARTETN PUBLIC LIMITED COMPANY

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and the financial statements in accordance with Irish Law.

Irish law requires the directors to prepare financial statements for each financial year giving a true and fair view of the Company's assets, liabilities and financial position at the end of the financial year and the profit or loss of the Company for the financial year. Under the law the directors have prepared the financial statements in accordance with Irish law and Generally Accepted Accounting Practices in Ireland (accounting standards issued by the Financial Reporting Council, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland').

Under Irish law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the Company for the financial year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue its business.

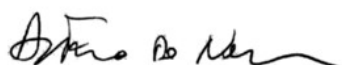
The directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors 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.

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

This report was approved by the Board on 11 September 2024 and signed on its behalf by:



Antonio De Negri
Director



Joanne Kenny
Director

Independent auditor's report to the members of SmartETN Public Limited Company

Report on the audit of the financial statements

Opinion

We have audited the financial statements of SmartETN Public Limited Company ('the Company'), for the year-ended 31 December 2023, which comprise which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, and notes to the Company financial statements, including the summary of significant accounting policies set out in Note 2. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council* (FRS 102).

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2023, and of its result for the year then ended;
- have been properly prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) 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 financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), applied as required for the types of entity determined to be appropriate in the circumstances. 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.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial statements, which outlines the basis of preparation of these financial statements on a going concern basis.

Our evaluation of the director's assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- An assessment of the reasonableness of management's going concern assessment including discussions/enquires with management and review of the financial performance and financial position of the Company at the year-end date for indicators of any going concern uncertainties.
- Review of post period activity and post period financial information; and
- Evaluation on the sufficiency of disclosures in the financial statements pertaining to the going concern assessment.

As noted in note 30 to the financial statements, there has been a substantial amount of post period redemptions of certificates in issue, the company has been delisted from Borsa Italiana, there has been no new subscription, and the company is seeking to identify new partners to provide additional financial resources. In evaluating all of the above, we have concluded that these indicate that a material uncertainty exists that may cast a significant doubt to the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Emphasis of matter

We draw attention to note 30 of the financial statements, which describes the subsequent events that have transpired from the date of the financial statements until the financial statements are approved for issue.

Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, 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) identified by the auditor, including 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.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section of this report, we summarise below the key audit matters in forming our audit opinion above, together with an overview of the principal audit procedures performed to address each matter and, where relevant, key observations arising from those procedures.

Key audit matter - Valuation of financial instruments at FVTPL	How the matter was addressed
<p>The financial position of the Company depends, to a significant degree, on the valuation of its financial instruments at fair value some of which are based on management judgement and estimation.</p> <p>The Company's financial instruments at fair value comprise investments that are held for proprietary trading purposes and for hedging purposes, certain certificates issued by the Company and derivatives.</p> <p>With the exception of those financial instruments classified as level 3 in the fair value hierarchy we do not consider the valuation of those other financial instruments at fair value to be a significant risk of material misstatement but because of the materiality of these instruments in the context of the financial statements as a whole, we considered valuation of all instruments at fair value as our key audit matter.</p> <p>Refer to Note 2 'Accounting Policies' and notes 13, 15, 20 and 27 (financial disclosures) of the Financial Statements.</p>	<p><i>For Level 1 and Level 2 instruments:</i></p> <ul style="list-style-type: none"> Discussed with management regarding the valuation methodologies applied for the Company's financial instruments; Reviewed the fair value methodologies applied by the Company for reasonableness and compliance with fair value measurement principles; Obtained supporting evidence for the valuation of the Company's investments and perform independent re-pricing testing; Agreed derivative valuations to independent counterparty confirmations; On a sample basis agreed the nominal value of certificates issued to relevant agreements and recalculated the valuation of certificates held at year end; and Performed an assessment of the appropriateness of the related disclosures in the financial statements. <p><i>For level 3 instruments:</i></p> <ul style="list-style-type: none"> Updated our understanding of the end-to-end valuation process, including an understanding of the key assumptions and unobservable inputs, with the assistance of our quantitative finance team; Employed the services of our quantitative finance team on the performance of the following: <ul style="list-style-type: none"> Assessed the appropriateness of the valuation methods applied by the Company; Reviewed the appropriateness of the valuation of level 3 instruments; and Reviewed the appropriateness of the FV hierarchy applied

	<ul style="list-style-type: none"> ▪ Challenged key assumptions underpinning the valuation made by management; and ▪ Recalculated unrealised fair value movements on a sample basis. <p>Based on testing performed we concluded that the valuations of the Company's financial instruments at fair value to be reasonable.</p>
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Our application of materiality

We apply the concept of materiality in planning and performing the audit and in evaluating the impact of misstatements, if any. Materiality is an expression of the relative significance or importance of a matter in the context of the financial statements. Misstatements in the financial statements are material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken based on the financial statements.

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	€4,559,822
How we determined it	1.5% of total assets
Rationale for benchmark applied	In determining our materiality, we have applied professional judgement and considered those financial metrics, which we believed to be relevant, and concluded that the total assets were the most relevant benchmark. We applied this benchmark because in our view this is the metric against which the recurring performance of the Company is commonly measured by the primary users of the financial statements.
Performance materiality	<p>€2,735,893</p> <p>Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole.</p> <p>Performance materiality was determined at 60%, by taking into account factors such previous year audit misstatements, and significant control deficiencies raised.</p>
Reporting threshold	We agreed with those charged with governance that we would report to them misstatements identified during our audit above €136,795 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Overview of the scope of the audit

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements such as making assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the

Company, its environment, controls and critical business processes, to consider qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Directors' Responsibility Statement other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the directors' report has been prepared in accordance with applicable legal requirements;
- the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited; and
- the financial statements are in agreement with the accounting records.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of Sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as management determines 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 management either intends to liquidate the Company or to cease operations, or has 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 (Ireland) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the Company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2014, and we considered the extent to which non-compliance might have a material effect on the financial statements.

In identifying and assessing risks of material misstatement in respect to irregularities including non-compliance with laws and regulations, our procedures included but were not limited to:

- Obtaining an understanding of the legal and regulatory framework applicable to the Company;
- Inquiring with the management and those charged with governance as to whether the Company is in compliance with laws and regulations, and discussing the policies and procedures in place regarding compliance with laws and regulations;
- Reviewing minutes of Board of directors' meetings;
- Discussing amongst the engagement team the identified laws and regulations, and remaining alert to any indications of non-compliance; and
- Focusing on areas of laws and regulations that could reasonably be expected to have a material effect on preparation of the financial statements such as Companies Act 2014.

Our procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud such as opportunities for fraudulent manipulation of financial statements, and determined the principal risks;
- Making enquiries of those involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments;
- Reviewing the appropriateness of journal entries;
- Maintaining professional scepticism when reviewing key management estimates and other areas of management judgement, and seeking to identify if any evidence of management bias exists; and
- Reviewing any significant transactions outside the normal course of business.

The primary responsibility for the prevention and detection of irregularities including fraud rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

As a result of our procedures, we did not identify any key audit matters relating to irregularities.

The risks of material misstatement that had the greatest effect on our audit, including fraud, are discussed under "Key audit matters" within this report.

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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.



Michael Tuohy

for and on behalf of Forvis Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2
Date: 13 September 2024

SMARTETN PUBLIC LIMITED COMPANY

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

		Financial year ended 31 December 2023	Financial period ended 31 December 2022
	Notes	€	€
Net gain on financial assets at FVTPL	3	18,205,052	4,564,119
Net gain on financial assets at amortised cost	4	18,716,538	1,225,289
Expense on liabilities at amortised cost	5	(3,338,861)	-
Net income from financial assets and liabilities		33,582,729	5,789,408
Net (loss) / gain on certificates issued at FVTPL	6	(17,447,232)	40,879,754
Net (loss) / gain on certificates issued at amortised cost	7	(162,203)	440,327
Net gain / (loss) on derivative financial instruments	8	24,709,612	(18,606,122)
Arranger and guarantor fee expense	9	(38,554,244)	(27,998,184)
Administration expenses	10	(1,296,438)	(461,825)
Other expenses	11	(832,224)	(43,358)
Profit on ordinary activities before taxation		-	-
Corporate tax charge	12	-	-
Profit for the financial year/period		-	-
Other comprehensive income		-	-
Total comprehensive income for the financial year/period		-	-

All amounts relate to continuing operations.

The notes on pages 20 to 52 form an integral part of these financial statements.

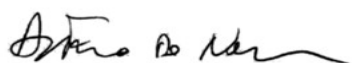
SMARTETN PUBLIC LIMITED COMPANY

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Notes	As at 31 December 2023 €	As at 31 December 2022 €
ASSETS			
Non-current assets			
Financial assets at FVTPL	13	26,989,732	34,029,700
Financial assets at amortised cost	14	53,115,591	82,103,146
Derivative financial assets	15	2,809,941	7,461,909
		<u>82,915,264</u>	<u>123,594,755</u>
Current assets			
Trade and other receivables	16	89,147,743	113,267,823
Reverse repurchase agreements	17	-	40,690,000
Cash and cash equivalents	18	125,966,998	60,786,472
Unsettled trades receivable	19	1,468,875	21,680,857
Derivative financial assets	15	4,489,266	2,335,681
		<u>221,072,882</u>	<u>238,760,833</u>
TOTAL ASSETS		<u>303,988,146</u>	<u>362,355,588</u>
LIABILITIES			
Non-current liabilities			
Certificates issued at FVTPL	20	161,551,944	180,486,231
Derivative financial liabilities	15	69,702,952	86,060,086
		<u>231,254,896</u>	<u>266,546,317</u>
Current liabilities			
Certificates issued at FVTPL	20	48,808,743	9,746,015
Certificates issued at amortised cost	20	-	18,768,232
Interest payable on Certificates	21	88,390	135,621
Trade and other payables	22	17,208,384	8,163,581
Repurchase agreements	23	-	33,942,935
Unsettled trades payable	19	130,403	15,990,233
Derivative financial liabilities	15	6,472,330	9,037,654
		<u>72,708,250</u>	<u>95,784,271</u>
TOTAL LIABILITIES		<u>303,963,146</u>	<u>362,330,588</u>
EQUITY			
Called up share capital	24	25,000	25,000
Retained earnings		<u>-</u>	<u>-</u>
TOTAL EQUITY		<u>25,000</u>	<u>25,000</u>
TOTAL EQUITY AND LIABILITIES		<u>303,988,146</u>	<u>362,355,588</u>

The notes on pages 20 to 52 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 11 September 2024 and signed on its behalf by:



Antonio De Negri
Director



Joanne Kenny
Director

SMARTETN PUBLIC LIMITED COMPANY

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Called up share capital €	Retained earnings €	Total €
As at 01 February 2022	25,000	-	25,000
Shares issued during the financial year	-	-	-
Total comprehensive income for the financial period	-	-	-
As at 31 December 2022	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Shares issued during the financial period		-	-
Total comprehensive income for the financial year		-	-
As at 31 December 2023	<u>25,000</u>	<u>-</u>	<u>25,000</u>

The notes on pages 20 to 52 form an integral part of these financial statements.

SMARTETN PUBLIC LIMITED COMPANY

STATEMENT OF CASHFLOW FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

		Financial year ended 31 December 2023	Financial period ended 31 December 2022
Cash flow from operating activities	Notes	€	€
Profit for the financial year/period		-	-
Interest and dividends on financial assets at FVTPL	3	51,442	2,982,107
Interest on financial assets at amortised cost	4	16,600,765	2,231,543
Interest on liabilities at amortised cost	5	(3,338,861)	-
Interest on certificates issued at FVTPL	6	(17,088,855)	(11,375,336)
Interest on certificates issued at amortised cost	7	(289,276)	(1,242,980)
Other expense	11	(832,224)	(43,359)
(Increase) in trade and other receivables	16	43,819,217	(36,102,756)
Administrative expenses	10	(1,296,438)	(461,825)
Arranger and guarantor fee expense	9	(38,554,244)	(27,998,184)
Increase / (decrease) in trade and other payables	22	(6,862,260)	9,681,931
Net cash (used) in operating activities		(7,790,734)	(62,328,860)
Cash flows from investing activities			
Purchase of financial assets at FVTPL	13	(870,091,425)	(215,423,023)
Disposal of financial assets at FVTPL	13	895,285,003	219,906,494
Purchase of financial assets at amortised cost	14	(601,009,965)	(67,366,644)
Disposal of financial assets at amortised cost	14	632,626,139	16,368,422
Decrease / (Increase) in other short term financial assets	17	40,690,000	(40,690,000)
(Decrease) / Increase in borrowings	23	(33,942,934)	33,942,935
Net receipts on derivatives financial instruments	15	8,285,537	33,542,669
Net cash (used) in investing activities		71,842,355	(19,719,147)
Cash flows from financing activities			
Redemption of certificates at FVTPL	20	(222,584,489)	(60,566,744)
Issuance of certificates at FVTPL	20	242,354,553	180,933,669
Redemption of certificates at amortised cost	20	(18,641,159)	(24,962,455)
Issuance of certificates at amortised cost	20	-	8,838,920
Net cash from financing activities		1,128,905	104,243,390
Net increase in cash and cash equivalents		65,180,526	22,195,383
Cash and cash equivalents at the beginning of the financial year / period		60,786,472	38,591,089
Cash and cash equivalents at end of financial year / period	18	125,966,998	60,786,472

The notes on pages 20 to 52 form part of these financial statements.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1. GENERAL INFORMATION

The Company was incorporated on 13 November 2017, under the laws of Ireland with registration number 615140 and a registered address of 31-32 Leeson Street Lower, Dublin 2, Ireland.

The Company is a direct wholly owned subsidiary of Cirdan Capital Management Limited, an entity incorporated in England and Wales. The financial year for the Company was changed from January to December. This change is reflected in the 11 months ending 31 December 2022.

The Company is special purpose company with limited liability and qualifies for the regime contained in section 110 of the Irish Taxes Consolidation Act, 1997 (the "TCA"). This provides that a qualifying company will be liable to corporation tax at the rate of 25% under Case III of Schedule D in respect to taxable profits.

The principal activity of the Company is set out in the directors' report.

2. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Companies Act 2014. The financial statements have been prepared under the historical cost convention, except for certain financial instruments classified at FVTPL, which have been measured at fair value.

The Company's financial statements for the financial year ended 31 December 2023 have been also prepared on a going concern basis. The directors anticipate that the financial assets will continue to generate enough cash flow on an ongoing basis to meet the Company liabilities as they fall due. The Company's exposure to liability from its Certificates issues is hedged by entering into equal and opposite asset exposure, which will protect the Company against any capital and market risk, as per Note 26 of these financial statements.

As a Section 110 Company, the total assets are matched with the total liabilities of the Company. Under the terms of the Hedging Advisory Arrangement between SmartETN PLC (the "Company") and Cirdan Capital Management (the "Parent Company"), which describes the fees and consideration that the Parent Company is entitled to. The directors of the Parent Company have confirmed that it will not invoice any excess profits earned by SmartETN PLC, to the extent that the Company would not meet its obligations as they fall due in the ordinary course of business within 12 months from the date of the approval of the financial statements. Consequently, the directors of the Company will ensure compliance of this arrangement.

Following the events as mentioned above and the events as disclosed in the subsequent events note, Note 30, the directors acknowledge that there is a material uncertainty related to the going concern and will continue to monitor the situation closely. The long-term strategy of the company is to find strategic partners, who will provide additional financial resources and new commercial opportunities.

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been consistently applied to all financial periods presented, unless otherwise stated.

Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis by the directors. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised and in any future years affected. In particular the information about the Company's significant estimates is disclosed in Note 27 and these relate to the fair value of the Company's financial instruments measured at fair value.

Rounding

The financial statements are reported to the nearest whole €, with all figures rounded accordingly.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES (CONTINUED)

Foreign currency

Monetary assets and liabilities denominated in foreign currency included in the Company's financial statements are measured in Euro denoted by the symbol "€" which is the Company's functional and presentational currency. Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the retranslation at the financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Interest income and expense

Interest income on financial assets is recognised on an accrual basis by reference to the principal outstanding and at the effective interest rate applicable.

Interest expense on financial liabilities is recognised on an accrual basis, as they become due. Certain Certificates may have conditional performance criteria and the interest would only become payable if and when an underlying criteria is met. For Certificates that have a fixed rate interest expense, the expense is accrued accordingly.

Interest expense on Certificates at fair value through profit or loss are recognised in "net gain on financial assets and liabilities at fair value through profit or loss" on the Statement of Comprehensive Income.

Interest expense on Certificates at amortised cost are recognised in "Interest expense on certificates at amortised cost" on the Statement of Comprehensive Income.

Taxation

Current tax represents the sum of the tax payable for the current reporting year. The tax currently payable is based on taxable profit for the financial year calculated in accordance with Irish tax laws. The Company's liability for current tax is calculated using tax rates and laws that have been enacted or subsequently enacted at the reporting year end date.

Financial instruments

The financial instruments held by the Company include the following:

- o Cash and cash equivalents
- o Debt investments
- o Long/short equity investments
- o Derivative financial instruments
- o Certificates issued
- o Trade and other payables
- o Trade and other receivables
- o Repurchase Agreements
- o Unsettled trades (Receivables or Payables)

The Company has applied the provisions of both Section 11 and Section 12 of FRS 102 in full to account for all its financial instruments.

Categorisation

Cash and cash equivalents are measured at amortised cost. Debt instruments which qualify as basic financial instruments under Section 11 of FRS 102 and where the intention is to hold to maturity are measured at amortised cost. Debt instruments which do not qualify as basic financial instruments under Section 11 of FRS 102 are designated at fair value through profit or loss. The Company measures derivative financial instruments at fair value through profit or loss. Certificates which qualify as basic financial instruments under Section 11 of FRS 102 are measured at amortised cost. Long/short equity investments and certain certificates issued are measured at fair value through profit or loss. Long/short equity investments are non-derivative financial assets/liabilities and are quoted in an active market.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES (CONTINUED)

Recognition and initial measurement

The Company initially recognises all financial assets and liabilities at fair value on the trade date at which the Company becomes a party to the contractual provisions of the instruments. Purchases and sales of financial assets and financial liabilities are recognised using trade date accounting. According to FRS 102, the transaction price represents the best indication of the fair value of a financial instrument unless the fair value of the instrument can be better determined by comparing it with other observable current market transaction involving the same instrument (level 1 instrument) or is based on a valuation provided by the recognised counter party (level 2 instrument). If this is the case, the difference between the transaction price and the fair value is recognised as day-1 profit or loss in the line item "net gain/(loss) on certificates issued at FVTPL".

From debt trade dates, any gains and losses arising from changes in fair value of the financial assets or financial liabilities measured at fair value through profit or loss are recorded through profit or loss in the statement of comprehensive income. Financial assets and financial liabilities not categorised as at fair value through profit or loss are subsequently measured at amortised cost less impairment.

Recognition of net gains and losses on financial assets

The net gain / (loss) on financial assets at fair value through profit and loss is recognised in the statement of comprehensive income and is comprised of interest income, dividend income, net realised gain/losses on disposals of such instruments and net unrealised gains/losses due to fair value movements during the year.

The net gain / (loss) on financial assets at amortised cost is recognised in the statement of comprehensive income and is comprised of interest income, net realised gain/losses on disposals of such financial instruments, foreign exchange movements and any impairment provisions/losses (if applicable).

Recognition of net gains and losses on financial liabilities

The net gain / (loss) on certificates issued at fair value through profit and loss is recognised in the statement of comprehensive income and is comprised of interest expense, net realised gain/losses on disposals of such instruments and net unrealised gains/losses due to fair value movements during the year.

Recognition of net gains and losses on financial liabilities (continued)

The net gain / (loss) on certificates issued at amortised cost is recognised in the statement of comprehensive income and is comprised of interest expense, net realised gain/losses on disposals of such financial instruments foreign exchange movements.

Recognition of net gains and losses on derivatives

The net gain / (loss) on derivatives is recognised in the statement of comprehensive income and is presented net of interest income/expense, net realised gain/losses on disposals of such instruments and net unrealised gains/losses due to fair value movements during the year.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred and does not retain control of the financial asset. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principle or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company measures instruments quoted in an active market at current bid price.

If there is no quoted price in an active market, the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates factors that market participants would take into account in pricing a transaction.

The Company measures fair values using the following hierarchy:

Level 1: Quoted market price in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The fair value of certain certificates issued by the Company is directly linked to the change in the fair value of the respective underlying reference items as specified in the terms and conditions of each relevant Certificate contract. Therefore, the fair value of such certificates is measured by the movement of the fair value of the underlying reference item between the issuance date and at the balance sheet date. The fair value of the underlying reference item is based on quoted market prices observable in an active market or provided by the recognised counterparties to the transactions.

Trade and other receivables and payables

The trade and other receivables and payables are initially measured at fair value. They are subsequently measured to amortised cost.

Unsettled trades (Receivable or Payable)

Unsettled trades include amounts payable for securities purchased and receivables for securities sold that have been contracted for but not yet delivered on the reporting date. They are initially measured at fair value plus any directly attributable incremental costs and subsequently measured at amortised cost.

Fair value measurement

The fair value of certain certificates issued by the Company is directly linked to the change in the fair value of the respective underlying reference items as specified in the terms and conditions of each relevant Certificate contract. Therefore, the fair value of such certificates is measured by the movement of the fair value of the underlying reference item between the issuance date and at the balance sheet date. The fair value of the underlying reference item is based on quoted market prices observable in an active market or provided by the recognised counterparties to the transactions.

The fair value of certain certificates issued by the Company is not directly linked to the change in the fair value of the respective underlying reference item as specified in the terms and conditions of each relevant Certificate contract, but rather to a general pool of financial assets that still performs to the minimum extent required. Therefore, the fair value of such certificates is valued by internal valuation techniques.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Impairment of financial assets at amortised cost

The Company reviews whether there is objective evidence that a financial asset at amortised cost is impaired. Objective evidence that a financial asset is impaired does include data that comes to the attention of the Company about certain loss events including:

- Significant financial difficulty of the borrower;
- A breach of contract, such as default or delinquency in interest or principal payments;
- The Company granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that the lender would not otherwise consider;
- Is becoming probable that the borrower will enter bankrupt or other financial reorganisation;
- The disappearance of an active market for that financial assets because of financial difficulties;
- observable data indicating that there is measurable decrease in the estimated future cash flows
- From a group of financial assets since the initial recognition of those assets, even though the decrease cannot yet be identified with the individual financial assets in the group.

The Company measures impairment loss as the difference between the financial asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

Cash and cash equivalents

Cash and cash equivalents comprise bank balances and bank overdrafts, including short-term highly liquid investments with original maturities of three months or less.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from quoted market prices in active markets or from the recognised counterparties to the transaction. Derivatives are included as assets when their fair value is positive and liabilities when their fair value is negative, unless there is the legal ability and intention to settle net. Gains and losses arising from changes in the fair value of derivatives are included in the Statement of Comprehensive Income in the financial period in

which they arise. The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Company recognises profits on day one.

The Company is required to place collateral with the derivatives' broker and the derivative counterparties covering the open derivative positions. The size of the collateral is derived based on the difference between initial and the subsequent fair value of each derivative financial instrument. Derivatives' collateral is held at cost and it included within trade and other receivables.

Share capital

Ordinary shares are classified as equity as per the Company's Constitution.

Other expenses

Other expenses are recognised in the Statement of Comprehensive Income on an accrual basis. Other expenses include trade fees paid.

3. NET GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Interest income on financial assets at FVTPL	51,272	2,913,452
Net realised gain on disposal of assets at FVTPL	17,583,128	1,285,992
Net unrealised gain on fair value of financial assets at FVTPL	570,482	296,019
Dividend income	170	68,656
	<u>18,205,052</u>	<u>4,564,119</u>

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. NET GAIN ON FINANCIAL ASSETS AT AMORTISED COST

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Interest income on financial assets at amortised cost	11,739,673	2,106,419
Net realised gain / (loss) on disposal of financial assets at amortised cost	2,728,006	(164)
Net unrealised foreign exchange (loss) on financial assets at amortised cost	(99,387)	(272,662)
Interest income on cash and cash equivalents	4,998,063	318,321
Interest expense on cash and cash equivalents *	(136,971)	(733,429)
Net unrealised foreign exchange (loss) on other financial instruments at amortised cost	(512,846)	(193,196)
	<u>18,716,538</u>	<u>1,225,289</u>

Interest expense on cash and cash equivalents for the period 31 December 2022 has been reallocated from Note 7, Net (loss) on certificates issued at amortised cost.

5. EXPENSE ON LIABILITIES AT AMORTISED COST

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Interest expense on financial liabilities at amortised cost	(3,338,861)	-
	<u>(3,338,861)</u>	<u>-</u>

Interest expense on the portfolio of repurchase agreements during the 31 December 2023 financial year.

6. NET (LOSS) / GAIN ON CERTIFICATES ISSUED AT FAIR VALUE THROUGH PROFIT AND LOSS

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Interest expense on certificates issued at FVTPL	(17,088,855)	(10,756,042)
Net realised gain on redemption of certificates at FVTPL	21,248,937	6,276,959
Net unrealised (loss) / gain on fair value of certificates at FVTPL	(21,607,314)	45,358,837
	<u>(17,447,232)</u>	<u>40,879,754</u>

7. NET (LOSS) ON CERTIFICATES ISSUED AT AMORTISED COST

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Interest expense on certificates issued at amortised cost	(289,276)	(504,710)
Amortisation of premium / discount of certificates	54,628	935,382
Net realised gain on redemption of certificates at cost	72,445	9,655
	<u>(162,203)</u>	<u>440,327</u>

Interest expense on cash and cash equivalents for the period 31 December 2022 has been reallocated to Note 4, Net gain on financial assets at amortised cost.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

8. NET GAIN / (LOSS) ON DERIVATIVE FINANCIAL INSTRUMENTS

	Financial year ended 31 December 2023 €	Financial period ended 31 December 2022 €
Net gain / (loss) on derivative financial instruments	24,709,612	(18,606,122)
	<u>24,709,612</u>	<u>(18,606,122)</u>

The net gain / (loss) on derivative financial instruments at fair value through profit and loss is comprised of realised and unrealised gains / losses as well as interest income and interest expense receivable or payable on those derivatives.

9. ARRANGER AND GUARANTOR FEE EXPENSE

	Financial year ended 31 December 2023 €	Financial period ended 31 December 2022 €
Arranger fees on Actively Managed Certificates (AMC)	(3,205,313)	(1,895,183)
Arranger fees on Structured Products	(32,521,524)	(23,859,040)
Guarantor fees	(2,827,407)	(2,243,961)
	<u>(38,554,244)</u>	<u>(27,998,184)</u>

Arranger fees and Guarantor fees

Arranger fees are negotiated for each Series separately. Cirdan Capital Management Ltd is also entitled as Guarantor to receive any excess returns over the contractual obligations of the Certificates. Arranger and Guarantor fees are recognised on the accrual basis and consist of the following:

Management Fees

Management fees are calculated using a fixed percentage based on the level of investment asset held in a certificate, charged on Actively Management Certificates (AMC's).

Performance Fees

Performance fees are calculated using a fixed percentage based on the performance of an investment asset held in a certificate, compared to a set watermark, charged on Actively Management Certificates (AMC's).

Structuring Fees

Structuring fees are calculated using either a fixed percentage of funds received on a Certificate or an agreed amount of fees related to the issuance of a certificate. These would be charged on all structured products, excluding Actively Management Certificates (AMC's).

Market Making Fees

Market Making fees are related to the function of the market making, creating a suitable buy and sell transaction at a beneficial level to the Company. The fee could be charged across any Certificate.

The arranger is entitled to receive an arranger fee for each active Series. Arranger fees are negotiated between Cirdan and Certificate holders for each Series separately. The arranger is also entitled to receive any excess returns generated over the contractual obligations of the Certificates.

The arranger fees consist of management fees, performance fees, structuring fees and market making fees.

Guarantor expenses consist of surpluses payable to the Guarantor. Surpluses payable will only be paid once such surpluses are realised and after settlement of all the Company's obligations under the terms of the Certificates.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

10. ADMINISTRATION EXPENSES

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Interactive Brokers' commissions and fees	(1,271,272)	(391,875)
Bank charges	(25,166)	(50,475)
Commissions	-	(19,475)
	<u>(1,296,438)</u>	<u>(461,825)</u>

The Company has no employees. Accounting services have been shared with Trustmoore Ireland Ltd, the Corporate Service Provider. Corporate secretarial services have been outsourced to Trustmoore Corporate Secretary (Ireland) Limited. Joanne Kenny and David Kenny (resigned 5 March 2024), directors of the Company, are also directors of F.P.R. Trust Corporate Services Limited, which received €20,000 (Dec 2022: €20,000) by way of remuneration for provision of directors' services. The Company does not pay any director fees to Antonio De Negri.

The Mazars audit fee is €115,000 excluding VAT (Dec 2022: €93,500). Tax fees excluding VAT payable to Mazars are €2,750 (Dec 2022: €2,500).

During the year certain expenses, including corporation and administration fees payable to Mazars and directors fees payable to F.P.R Trust Corporate Services Limited were directly incurred and settled on behalf of the Company by Cirdan Capital Management Limited.

11. OTHER EXPENSES

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Other expenses	(770,037)	-
WHT expenses	(62,187)	(43,358)
	<u>(832,224)</u>	<u>(43,358)</u>

12. TAXATION

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Corporation tax charge	-	-

The reconciliation between the current tax charge for the financial year and the current charge that would result from applying the standard rate of Irish corporation tax to profits on ordinary activities is explained below:

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Profit on ordinary activities before tax	-	-
Profit on ordinary activities multiplied by the standard rate of Irish corporation tax for the financial year at 12.5%	-	-
Effects of:		
Higher rate tax applicable under Section 110 TCA,1997	-	-
Current tax charge for the financial year / period	-	-

The Company is a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act, 1997. As such the profits are chargeable to corporation tax under case III of schedule D at the rate of 25% but are computed in accordance with the provisions applicable to case I of schedule D.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

13. FINANCIAL ASSETS AT FVTPL

	Financial year ended 31 December 2023 €	Financial period ended 31 December 2022 €
Balance at the beginning of the financial year/period	34,029,700	36,931,159
Purchases of financial assets at FVTPL	870,091,425	215,423,024
Disposal of financial assets at FVTPL	(895,285,003)	(219,906,494)
Net realised (loss) / gain on disposal of assets at FVTPL	17,583,128	1,285,992
Net unrealised (loss) / gain on fair value of financial assets at FVTPL	570,482	296,019
Balance at the end of the financial year/period	26,989,732	34,029,700

The table below classifies financial assets into investments used for hedging exposures and discretionary investments ("Treasury Management trading") following the Company's investment strategy:

	Financial year ended 31 December 2023 €	Financial period ended 31 December 2022 €
Financial assets at FVTPL used for hedging exposures		
Financial assets at FVTPL	16,431,852	21,319,584
	16,431,852	21,319,584
Financial assets at FVTPL used for treasury management trading		
Financial assets at FVTPL	10,557,880	12,710,116
	10,557,880	12,710,116

The portfolio of financial assets consists primarily of equity instruments denominated in EUR, USD, GBP and CHF.

14. FINANCIAL ASSETS AT AMORTISED COST

	Financial year ended 31 December 2023 €	Financial period ended 31 December 2022 €
Balance at the beginning of the year/period	82,103,146	31,377,751
Purchases of financial assets at amortised cost	601,009,965	57,401,144
Disposal of financial assets at amortised cost	(632,626,139)	(16,368,422)
Reclassification to trade and other receivables	-	9,965,500
Net realised gain on disposal of financial assets at amortised cost	2,728,006	(164)
Net unrealised foreign exchange gain / (loss)	(99,387)	(272,662)
Balance at the end of the year/period	53,115,591	82,103,146

The whole portfolio of financial assets at amortised cost is used for treasury management trading.

The portfolio of financial assets consists of debt instruments denominated in EUR. This includes €33,275,791 bonds pledged as collateral. In the period ending 31 December 2022 an amount of €9,965,500 has been re-classified from Trade and Other Receivables, Margin, to financial assets at amortised cost.

Included in the 31 December 2022 above, debt instruments are investments in passthrough securities issued by Aldburg S.A., a special purpose vehicle incorporated in Luxembourg and arranged by Cirdan Capital Management Limited, as at financial year end, 31 December 2023: €nil.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

15. DERIVATIVE FINANCIAL INSTRUMENTS

The fair value of the derivative financial instruments is based on prices from the Derivatives' Brokers, Interactive Brokers LLC ("IB") and the Derivative Counterparties, Goldman Sachs International ("GSI"), J.P. Morgan Securities plc. ("JPM"), Credit Suisse, CITI Bank and Morgan Stanley and are considered level one and level two valuations. Derivative financial instruments are used to hedge the return on certain Certificates issued.

Based on the fair values provided by the Derivatives' Brokers and the Derivative Counterparties, the following derivative financial instruments are classified as assets as at 31 December 2023:

	As at 31 December 2023	As at 31 December 2022
Non – Current Assets	€	€
Instrument type		
Options on futures	1,506,474	6,448,114
Interest rate options	601,758	-
CFDs	-	129
Equity linked swaps	581,928	172,843
Credit default index	119,781	-
Synthetics	-	840,823
	<u>2,809,941</u>	<u>7,461,909</u>

	As at 31 December 2023	As at 31 December 2022
Current Assets	€	€
Instrument type		
Synthetics	-	1,762,221
Options	2,115,389	100,263
Equity linked swaps	1,043,296	10,311
Forwards	91,433	-
Warrants	-	65,585
CFDs	1,239,148	397,301
	<u>4,489,266</u>	<u>2,335,681</u>

Based on the fair values provided by the Derivatives' Brokers and the Derivative Counterparties, the following derivative financial instruments are classified as liabilities as at 31 December 2023:

	As at 31 December 2023	As at 31 December 2022
Non – Current Liabilities	€	€
Instrument type		
Options	(9,765,307)	(6,345,451)
Credit default swap	(77,495)	-
CFDs	-	(263)
Equity linked swaps	(59,860,150)	(79,714,372)
	<u>(69,702,952)</u>	<u>(86,060,086)</u>

Based on the fair values provided by the Derivatives' Broker, the following derivative financial instruments are classified as liabilities as at 31 December 2023:

	As at 31 December 2023	As at 31 December 2022
Current Liabilities	€	€
Instrument type		
Synthetics	-	(3,961,002)
CFDs	(91,294)	(96,807)
Warrants	-	(2,328)
Forwards	(323,353)	-
Equity linked swaps	(2,870,988)	(4,835,602)
Equity and index options	(3,186,695)	(141,915)
	<u>(6,472,330)</u>	<u>(9,037,654)</u>

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

16. TRADE AND OTHER RECEIVABLES

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Cash collateral receivable for derivatives futures	1,261,425	672,229
Cash collateral for margin calls	80,454,750	121,040,410
Reclassification to financial assets at amortised cost	-	(9,965,500)
Other receivables	102,339	757,911
Intercompany loan receivable	6,044,859	-
Interest income receivable	1,284,370	-
Receivable from subscriptions to Certificates	-	762,773
	<u>89,147,743</u>	<u>113,267,823</u>

€9,965,500 of bonds pledged as collateral has been re-classified to financial assets at amortised cost.

Receivable from subscriptions to certificates is related to variance in settlement date and trade date. SmartETN PLC applies trade date accounting.

17. REVERSE REPURCHASE AGREEMENTS

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Reverse repurchase agreements	-	40,690,000
	<u>-</u>	<u>40,690,000</u>

Reverse repurchase agreements involve purchases of securities with an agreement to resell substantially identical investments at a fixed price on a certain future date.

During the period, the Company engaged Fourchildren Limited, through a Group Master Repurchase Agreement (GRMA) to accept security of assets, in exchange for funding activities. As at 31 December 2023, the total fair value of the security received was €nil (Dec 2022: 40,690,000), none of which had been resold or repledged. These transactions were conducted under terms that are usual and customary to standard reverse repurchase agreements.

18. CASH AND CASH EQUIVALENTS

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Cash and cash equivalents	122,251,530	55,336,823
Money Market Funds	3,715,468	5,449,649
	<u>125,966,998</u>	<u>60,786,472</u>

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short term highly liquid investments with original maturity of three months or less.

19. NET UNSETTLED TRADES OF FINANCIAL ASSETS

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Unsettled trades receivable	1,468,875	21,680,857
Unsettled trades payable	(130,403)	(15,990,233)
	<u>1,338,472</u>	<u>5,690,624</u>

These balances relate to the variance in settlement date and trade date. SmartETN PLC applies trade date accounting.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. CERTIFICATES ISSUED AT FVTPL AND AT COST

There are two types of Certificates issued by the Company:

Index linked Certificate

An index linked Certificate is a structured product whereby the performance of the Certificate is directly linked to the performance of an underlying index. The index could be a fixed composition of underlying assets, or, may have a fluid composition, which is managed (Actively Managed Certificates-‘AMC’) within a pre-set investment mandate based on a treasury management methodology (“Index rules”). The investment objective is to achieve an increase in capital value.

Coupon paying Certificate

A coupon paying Certificate is a structured product with a pre-set coupon payoff, payable conditionally on the performance of the underlying assets. The assets are a fixed selection, as set out at issuance, with observation dates pre-defined to observe the value at a given time. Depending on the performance of the underlying assets against the thresholds defined in the issue terms of the Certificate, there may be a coupon payable to the Certificate holder. At maturity the investor will receive the notional amount if the performance of the underlying assets is above the pre-determined thresholds, otherwise the investor will incur a loss.

Certain Certificates’ return, in respect of interest payable and/or redemption amount, is linked to the performance of a reference item such as one or more indices or one or more shares or depository receipts. The satisfaction of the economic obligations in respect of the Certificates is unconditionally and irrevocably guaranteed by Cirdan Capital Management Limited (the “Guarantor”). The obligations of the Guarantor under its guarantee will be direct, unconditional and unsecured obligations of the Guarantor and will rank pari passu with all other unsecured and unsubordinated obligations of the Guarantor. A Certificate holder does not have rights of ownership in the reference item(s).

The value of certain Certificates will move in accordance with the value of the reference item. For Certificates that are capital protected, the redemption value will always be equal to a minimum of the nominal amount per Certificate, of the specified denomination of the Certificate. The redemption amount is guaranteed by the Guarantor.

For all other Certificates, which are not capital protected, if the reference item value on the redemption valuation date is below 100 per cent, the loss will be equal to that of a direct investment in the reference item on the redemption valuation date, subject to a minimum redemption amount of 10 per cent, of the specified denomination of the Certificate. The minimum redemption amount of 10 per cent is guaranteed by the Guarantor.

	Financial year ended 31 December 2023 €	Financial period ended 31 December 2022 €
Non-current liabilities		
Certificates issued at FVTPL	161,551,944	180,486,231
Certificates issued at amortised cost	-	-
	<u>161,551,944</u>	<u>180,486,231</u>
	Financial year ended 31 December 2023 €	Financial period ended 31 December 2022 €
Current liabilities		
Certificates issued at FVTPL	48,808,743	9,746,015
Certificates issued at amortised cost	-	18,768,232
	<u>48,808,743</u>	<u>28,514,247</u>

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. CERTIFICATES ISSUED AT FVTPL AND AT COST

Certificates issued at FVTPL

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
Balance at the beginning of the financial year/period	190,232,246	122,120,414
Subscriptions of Certificates issued at FVTPL	242,354,553	180,933,669
Redemption of Certificates issued at FVTPL	(222,584,489)	(60,566,744)
Net realised gain on redemption of Certificates issued at FVTPL	(21,248,937)	(6,196,297)
Net unrealised gain on fair value of Certificates issued at FVTPL	21,607,314	(46,058,796)
Balance at the end of the financial year/period	210,360,687	190,232,246

Certificates issued at amortised cost

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	18,768,232	35,841,645
Balance at the beginning of the financial year/period		
Subscriptions of Certificates issued at amortised cost	-	8,838,920
Redemption of Certificates issued at amortised cost	(18,641,159)	(24,962,455)
Net realised (loss)/gain on redemption of Certificates issued at amortised cost	(72,445)	(13,639)
Amortisation premium/discount of certificates	(54,628)	(935,023)
Net unrealised foreign exchange (loss)		(1,216)
Balance at the end of the financial year/period	-	18,768,232

All Certificates are listed. The Certificates are listed on the Frankfurt Stock Exchange, the EuroTLX Stock Exchange and the Vienna Stock Exchange (Third Market). The nature of the markets on which the Certificates are listed are Multi-Lateral Trading Facilities exchanges, MTF.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. CERTIFICATES ISSUED AT FVTPL AND AT COST (CONTINUED)

Certificates issued at fair value through Profit and Loss

Series	Currency	Maturity	Issued Amount Amount CCY	Subscribed Amount Amount CCY	Carrying Value as at 31 December 2023 €	Carrying Value as at 31 December 2022 €
2019-09	USD	21/08/2029	3,000,000	2,305,000	1,484,165	1,529,132
2019-10	USD	21/08/2029	500,000	138,000	86,676	89,876
2019-17	USD	20/11/2024	1,000,000	72,000	58,276	392,035
2019-19	EUR	27/12/2023	8,000,000	Matured	-	138,196
2019-20	EUR	27/12/2023	3,000,000	Matured	-	771,834
2020-05	EUR	17/04/2025	5,000,000	Redeemed	-	105,825
2020-06	EUR	12/05/2025	5,000,000	Redeemed	-	13,984
2020-09	EUR	12/06/2023	10,000,000	Matured	-	5,901,726
2020-10	USD	23/08/2025	3,000,000	1,515,000	1,281,475	4,762,782
2020-13	EUR	14/08/2025	7,000,000	1,167,000	1,250,417	1,306,803
2020-14	EUR	01/09/2025	1,500,000	935,000	517,614	643,779
2020-16	EUR	25/09/2025	3,000,000	1,604,000	1,534,930	1,521,289
2020-17	EUR	01/10/2025	1,000,000	500,000	477,752	454,064
2020-23	EUR	20/11/2023	3,000,000	Matured	-	5,151
2020-26	EUR	17/11/2025	5,000,000	13,000	11,724	12,562
2020-27	EUR	17/11/2025	500,000	10,000	11,371	12,747
2020-28	EUR	17/11/2025	5,000,000	20,000	21,063	16,668
2020-29	EUR	17/11/2025	5,000,000	34,000	32,820	36,968
2020-35	EUR	17/12/2024	5,000,000	695,000	188,206	288,165
2020-36	EUR	27/12/2024	1,750,000	821,905	2,348	2,733
2020-37	EUR	02/01/2026	3,000,000	480,000	42,283	82,710
2020-38	EUR	06/01/2025	3,500,000	202,720	579	829
2021-01	EUR	08/01/2026	10,000,000	1,242,000	829,619	1,008,582
2021-02	EUR	05/02/2025	2,850,000	1,122,140	2,953	3,239
2021-03	EUR	30/01/2024	3,000,000	Redeemed	-	873,398
2021-04	EUR	16/12/2025	10,000,000	776,000	770,299	1,151,756
2021-05	EUR	26/03/2026	10,000,000	635,000	420,191	433,083
2021-06	EUR	20/02/2025	3,000,000	243,000	227,132	324,429
2021-07	EUR	26/02/2025	1,900,000	108,300	285	-
2021-10	EUR	13/03/2025	3,000,000	172,000	66,323	68,110
2021-11	EUR	13/03/2025	3,000,000	327,000	321,147	358,904
2021-12	EUR	10/03/2026	10,000,000	4,894,000	3,761,691	6,173,401
2021-13	EUR	24/03/2025	1,950,000	50,700	130	520
2021-14	EUR	16/03/2026	5,000,000	2,000	1,382	1,520
2021-15	EUR	25/03/2025	5,000,000	243,000	82,037	118,803
2021-19	EUR	31/03/2025	1,950,000	618,033	497,913	243,818
2021-20	EUR	09/04/2026	10,000,000	4,163,000	4,192,246	3,971,000
2021-22	EUR	29/04/2026	13,000,000	10,794,000	697,292	221,014
2021-23	EUR	04/05/2026	10,000,000	860,000	719,876	677,092
2021-25	EUR	22/04/2026	5,000,000	130,000	108,813	1,562,846
2021-26	EUR	06/05/2026	15,000,000	10,021,000	993,081	892,581
2021-29	EUR	28/04/2026	3,000,000	Redeemed	-	616,968
2021-30	EUR	13/05/2026	10,000,000	3,422,000	3,523,663	3,418,516
2021-31	EUR	21/05/2026	10,000,000	4,483,000	1,159,304	67,963
2021-34	EUR	27/05/2026	5,000,000	37,000	59,661	100,573
2021-35	EUR	10/06/2026	3,000,000	361,000	32,129	65,600
2021-36	EUR	30/06/2026	3,000,000	1,158,000	155,519	197,074
2021-37	EUR	03/06/2026	3,000,000	61,000	4,941	12,172
2021-38	EUR	23/06/2026	3,000,000	1,304,000	-	21,481
2021-39	EUR	26/06/2025	3,000,000	1,074,000	35,549	92,407
2021-40	EUR	30/06/2026	5,000,000	866,000	827,792	810,553
2021-41	EUR	15/07/2025	6,000,000	3,358,000	1,929,507	1,610,697
2021-42	EUR	15/07/2025	5,000,000	3,002,000	564,376	1,229,771
2021-43	EUR	28/07/2026	3,000,000	405,000	61,965	66,042
2021-44	EUR	27/01/2023	10,000,000	Matured	-	19,979
2021-46	EUR	06/08/2026	15,000,000	2,997,000	3,013,988	9,070,356
2021-47	EUR	13/08/2024	3,000,000	54,000	29,786	51,547
2021-49	EUR	18/08/2027	3,000,000	1,454,000	1,300,311	1,267,258

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. CERTIFICATES ISSUED AT FVTPL AND AT COST (CONTINUED)

Certificates issued at fair value through Profit and Loss (continued)

Series	Currency	Maturity	Issued Amount CCY	Subscribed Amount CCY	Carrying Value as at 31 December 2023 €	Carrying Value as at 31 December 2022 €
2021-50	EUR	01/09/2026	10,000,000	1,238,000	1,169,291	1,347,469
2021-51	EUR	26/08/2025	3,000,000	216,000	45,878	10,486
2021-52	EUR	29/08/2023	10,000,000	Matured	-	100,337
2021-53	EUR	16/09/2026	8,000,000	1,771,000	175,506	782,310
2021-55	EUR	21/03/2023	3,000,000	Matured	-	18,933
2021-56	EUR	23/09/2026	8,000,000	517,000	50,666	86,279
2021-57	EUR	01/10/2025	5,000,000	Redeemed	-	4,011,947
2021-58	EUR	03/04/2023	10,000,000	Matured	-	25,351
2021-59	EUR	12/10/2026	5,000,000	1,671,000	183,340	1,666,415
2021-60	EUR	05/10/2026	5,000,000	2,434,000	2,537,109	2,184,216
2021-61	EUR	21/10/2025	5,000,000	305,000	19,367	84,552
2021-62	EUR	09/10/2025	10,000,000	9,052,000	287,854	-
2021-63	EUR	08/10/2026	10,000,000	226,000	212,698	176,663
2021-65	EUR	08/10/2026	5,000,000	80,000	50,851	1,453,562
2021-66	EUR	08/10/2026	5,000,000	1,296,000	1,372,645	249,766
2021-67	EUR	08/10/2026	5,000,000	12,000	12,844	8,707
2021-68	EUR	08/10/2026	10,000,000	430,000	396,800	4,329,878
2021-69	EUR	13/10/2026	5,000,000	-	-	25,680
2021-70	EUR	29/10/2025	5,000,000	660,000	113,520	89,968
2021-71	EUR	17/11/2025	1,600,000	226,400	91,975	77,819
2021-72	EUR	04/11/2025	3,000,000	755,000	14,798	5,928
2021-73	EUR	11/11/2025	3,000,000	1,271,000	95,071	106,637
2021-74	EUR	24/11/2025	900,000	146,250	83,200	225,526
2021-75	EUR	24/11/2025	900,000	22,500	18,500	205,886
2021-76	EUR	16/11/2026	3,000,000	301,000	262,051	287,931
2021-77	EUR	18/11/2025	1,000,000	319,000	28,263	65,736
2021-78	EUR	18/11/2026	1,000,000	288,000	-	15,350
2021-79	EUR	21/11/2023	3,000,000	Matured	-	127,650
2021-81	EUR	27/11/2025	5,000,000	1,299,000	726,011	601,801
2021-82	EUR	07/12/2026	2,000,000	1,308,000	1,063,142	845,440
2021-83	EUR	12/06/2023	3,000,000	Matured	-	36,210
2021-86	EUR	09/12/2025	3,000,000	184,000	93,527	88,451
2021-87	EUR	31/12/2025	3,000,000	425,000	38,292	44,627
2021-88	EUR	18/12/2025	2,000,000	492,000	29,668	63,124
2021-89	EUR	23/12/2024	1,500,000	487,000	28,733	22,159
2021-90	EUR	22/06/2023	5,000,000	Matured	-	3,056
2021-91	EUR	23/12/2026	3,000,000	Redeemed	-	4,808,940
2021-92	EUR	28/12/2023	1,500,000	Matured	-	23,725
2021-93	EUR	23/12/2026	5,000,000	Redeemed	-	9,701,096
2021-94	EUR	03/01/2024	3,000,000	250,000	68,975	34,275
2021-95	EUR	30/12/2026	3,000,000	Redeemed	-	680,029
2022-01	EUR	11/01/2028	3,000,000	1,555,000	1,416,106	1,377,363
2022-02	EUR	12/01/2027	3,000,000	901,000	728,121	1,029,003
2022-03	EUR	19/01/2027	3,000,000	258,000	25,929	35,347
2022-04	EUR	19/01/2027	3,000,000	535,000	472,351	74,893
2022-05	EUR	20/01/2026	1,500,000	1,022,000	542,580	282,482
2022-06	EUR	25/01/2027	17,000,000	5,218,000	7,205,717	3,920,115
2022-07	EUR	29/01/2025	3,000,000	164,000	179,318	135,980
2022-08	EUR	27/01/2027	5,000,000	Redeemed	-	8,323,610
2022-09	EUR	05/02/2024	3,000,000	Redeemed	-	1,046,986
2022-10	EUR	04/02/2027	5,000,000	Redeemed	-	66,054
2022-100	EUR	21/09/2027	3,000,000	878,000	832,748	1,056,157
2022-101	EUR	23/11/2026	1,450,000	573,765	473,898	427,102
2022-103	EUR	06/10/2025	3,000,000	206,000	132,204	126,544

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. CERTIFICATES ISSUED AT FVTPL AND AT COST (CONTINUED)

Certificates issued at fair value through Profit and Loss (continued)

Series	Currency	Maturity	Issued Amount CCY	Subscribed Amount CCY	Carrying Value as at 31 December 2023 €	Carrying Value as at 31 December 2022 €
2022-104	EUR	11/11/2026	3,000,000	Redeemed	-	205,467
2022-105	EUR	13/10/2025	3,000,000	130,000	107,304	24,606
2022-106	EUR	04/10/2023	3,000,000	Matured	-	744,927
2022-107	EUR	06/10/2027	2,000,000	Redeemed	-	572,621
2022-108	EUR	12/10/2027	10,000,000	Redeemed	-	354,449
2022-109	EUR	03/11/2026	3,000,000	362,000	144,800	280,917
2022-11	EUR	04/02/2026	5,000,000	76,000	68,392	105,915
2022-110	EUR	04/10/2025	5,000,000	2,291,000	1,850,670	965,726
2022-111	EUR	15/04/2024	10,000,000	Redeemed	-	20,803
2022-112	EUR	10/11/2027	10,000,000	160,000	31,489	547,824
2022-113	EUR	21/10/2024	2,000,000	Redeemed	-	136,938
2022-114	USD	20/10/2023	900,000	Matured	-	2,415
2022-115	EUR	10/11/2027	3,000,000	Redeemed	-	197,790
2022-116	EUR	23/11/2027	3,000,000	Redeemed	-	446,938
2022-117	EUR	09/11/2027	4,000,000	183,000	150,536	195,938
2022-118	EUR	18/11/2027	2,000,000	603,000	290,947	157,182
2022-119	EUR	09/11/2027	3,000,000	Redeemed	-	269,218
2022-12	EUR	04/02/2026	5,000,000	485,000	320,682	266,594
2022-120	EUR	11/11/2025	5,000,000	Redeemed	-	331,839
2022-121	EUR	18/11/2027	3,000,000	749,000	394,829	373,283
2022-122	EUR	13/12/2027	2,000,000	651,000	624,262	493,450
2022-123	EUR	23/11/2032	3,000,000	Redeemed	-	716,221
2022-124	EUR	08/11/2023	3,000,000	Matured	-	269,815
2022-125	EUR	23/11/2027	2,000,000	Redeemed	-	219,186
2022-126	EUR	15/12/2026	2,000,000	Redeemed	-	292,566
2022-127	EUR	25/11/2024	3,000,000	Redeemed	-	226,542
2022-128	EUR	08/12/2026	3,000,000	Redeemed	-	42,512
2022-129	EUR	01/12/2025	2,000,000	Redeemed	-	172,906
2022-13	EUR	05/02/2026	3,000,000	177,000	68,322	61,398
2022-130	EUR	30/05/2024	10,000,000	242,000	198,304	500,000
2022-131	USD	02/12/2026	400,000	Redeemed	-	210,951
2022-132	EUR	08/12/2026	3,000,000	Redeemed	-	561,802
2022-133	USD	07/06/2024	440,000	110,000	1,629	37,412
2022-135	EUR	15/12/2025	3,000,000	656,000	633,833	13,964
2022-136	EUR	12/12/2024	5,000,000	1,497,000	763,630	934,798
2022-137	EUR	29/12/2027	3,000,000	1,541,000	1,392,718	132,646
2022-138	EUR	16/12/2025	2,000,000	Redeemed	-	539,700
2022-139	EUR	20/12/2027	3,000,000	Redeemed	-	133,211
2022-14	EUR	10/02/2026	1,000,000	240,000	42,168	83,664
2022-140	EUR	21/12/2027	1,560,000	141,960	83,921	6,498
2022-141	EUR	22/12/2026	2,000,000	290,000	111,853	201,637
2022-143	USD	27/12/2027	3,000,000	597,000	456,158	130,379
2022-144	CHF	28/12/2023	2,000,000	Matured	-	521,077
2022-145	EUR	27/12/2027	2,000,000	500,000	331,537	367,870
2022-15	EUR	12/02/2024	3,000,000	222,000	45,044	64,233
2022-16	EUR	25/02/2027	5,000,000	232,000	179,058	103,026
2022-17	EUR	20/02/2024	2,000,000	241,000	31,908	31,234
2022-18	EUR	30/08/2032	10,800,000	Redeemed	-	8,000
2022-19	EUR	18/02/2026	1,000,000	135,000	104,315	35,760
2022-20	EUR	18/02/2026	1,000,000	422,000	173,695	148,799
2022-21	EUR	24/02/2027	15,000,000	8,759,000	7,800,765	5,289,072
2022-23	EUR	16/03/2027	3,000,000	132,000	123,077	179,847
2022-24	EUR	07/03/2025	3,000,000	Redeemed	-	1,735,788
2022-25	EUR	08/03/2027	2,000,000	Redeemed	-	295,182
2022-27	EUR	31/03/2026	3,000,000	358,000	300,648	115,823
2022-28	EUR	17/05/2027	15,000,000	3,602,000	3,910,179	2,939,854
2022-29	USD	24/02/2023	1,000,000	Matured	-	49,500
2022-30	USD	24/02/2023	1,000,000	Matured	-	98,497
2022-31	USD	24/03/2023	1,000,000	Matured	-	65,248

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. CERTIFICATES ISSUED AT FVTPL AND AT COST (CONTINUED)

Certificates issued at fair value through Profit and Loss (continued)

Series	Currency	Maturity	Issued Amount CCY	Subscribed Amount CCY	Carrying Value as at 31 December 2023 €	Carrying Value as at 31 December 2022 €
2022-32	USD	24/02/2023	1,000,000	Matured	-	60,067
2022-33	EUR	12/04/2027	3,000,000	1,499,000	1,319,181	1,111,108
2022-35	EUR	02/04/2027	3,000,000	Redeemed	-	34,088
2022-36	EUR	31/03/2026	3,000,000	Redeemed	-	197,286
2022-38	EUR	02/04/2026	10,000,000	981,000	571,825	660,730
2022-39	EUR	06/04/2023	3,000,000	Matured	-	12,857
2022-40	EUR	14/04/2026	3,000,000	35,000	32,329	21,596
2022-41	EUR	16/04/2027	5,000,000	72,000	75,664	65,053
2022-42	EUR	12/04/2027	5,000,000	Redeemed	-	45,684
2022-43	EUR	28/10/2025	3,000,000	558,000	541,204	453,942
2022-44	EUR	28/04/2027	3,000,000	Redeemed	-	317,648
2022-45	EUR	05/05/2027	3,000,000	830,000	805,432	618,704
2022-46	EUR	04/05/2027	5,000,000	13,000	1,726	1,205
2022-47	EUR	04/05/2027	10,000,000	2,629,000	2,473,100	2,516,568
2022-48	EUR	04/05/2027	5,000,000	Redeemed	-	953,409
2022-49	EUR	07/05/2025	2,000,000	50,000	7,265	15,934
2022-50	EUR	10/06/2027	3,000,000	Redeemed	-	151,544
2022-51	EUR	26/05/2026	1,000,000	Redeemed	-	255,918
2022-52	EUR	11/05/2027	5,000,000	3,532,000	3,444,406	2,110,734
2022-53	EUR	12/05/2025	1,500,000	85,000	76,517	70,006
2022-55	EUR	20/05/2027	1,500,000	441,000	394,210	448,412
2022-56	EUR	20/05/2027	1,500,000	Redeemed	-	250,622
2022-57	EUR	11/05/2032	10,000,000	976,000	1,199,833	2,647,741
2022-58	EUR	11/07/2024	20,000,000	7,762,000	7,066,462	12,736,060
2022-59	EUR	31/05/2027	3,000,000	221,000	198,649	222,796
2022-61	EUR	27/07/2026	1,475,000	950,903	364,244	406,199
2022-62	EUR	26/05/2026	3,000,000	Redeemed	-	2,111,949
2022-63	EUR	15/06/2026	3,000,000	Redeemed	-	207,563
2022-64	EUR	11/06/2027	3,000,000	410,000	367,182	341,038
2022-65	EUR	23/06/2025	5,000,000	303,000	46,268	10,238
2022-66	EUR	23/12/2025	5,000,000	1,306,000	279,353	20,670
2022-67	EUR	23/06/2032	10,000,000	56,000	38,361	469,872
2022-68	EUR	03/07/2028	3,000,000	98,000	103,913	173,688
2022-69	EUR	29/06/2027	10,000,000	Redeemed	-	3,960,864
2022-70	EUR	29/06/2027	10,000,000	Redeemed	-	3,140,919
2022-71	EUR	01/07/2027	3,000,000	Redeemed	-	325,219
2022-72	EUR	30/06/2026	3,000,000	Redeemed	-	533,700
2022-73	EUR	17/07/2028	3,000,000	117,000	108,580	378,739
2022-74	EUR	21/07/2026	1,000,000	Redeemed	-	378,766
2022-75	EUR	12/07/2027	10,000,000	2,000,000	1,919,156	262,982
2022-76	EUR	07/09/2027	3,000,000	331,000	245,834	292,418
2022-77	EUR	08/09/2026	740,000	313,020	112,095	82,980
2022-78	EUR	15/07/2027	2,310,000	467,390	267,383	305,929
2022-79	EUR	26/07/2027	10,000,000	303,000	299,900	774,550
2022-80	EUR	23/07/2027	1,050,000	522,900	187,945	201,745
2022-81	EUR	27/07/2027	930,000	11,160	4,428	4,478
2022-82	EUR	27/07/2026	1,825,000	473,770	122,272	139,425
2022-84	EUR	04/08/2023	5,000,000	Matured	-	44,386
2022-85	EUR	03/08/2027	1,400,000	371,000	385,522	295,052
2022-86	EUR	30/07/2026	3,000,000	Redeemed	-	481,964
2022-88	EUR	08/10/2026	2,430,000	Redeemed	-	96,535
2022-89	EUR	22/08/2023	5,000,000	Matured	-	135,278
2022-90	EUR	24/08/2027	10,000,000	Redeemed	-	1,853,410
2022-91	USD	13/09/2028	5,000,000	2,758,000	2,272,836	1,906,445
2022-92	EUR	11/09/2024	440,000	58,740	42,720	37,060

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. CERTIFICATES ISSUED AT FVTPL AND AT COST (CONTINUED)

Certificates issued at fair value through Profit and Loss (continued)

Series	Currency	Maturity	Issued Amount CCY	Subscribed Amount CCY	Carrying Value as at 31 December 2023 €	Carrying Value as at 31 December 2022 €
2022-93	EUR	25/08/2027	1,430,000	273,845	228,843	244,902
2022-94	EUR	01/10/2027	20,000,000	447,000	349,729	226,424
2022-95	EUR	07/09/2032	10,000,000	3,470,000	3,428,674	2,620,950
2022-96	EUR	15/09/2023	5,000,000	Matured	-	408,364
2022-97	EUR	27/09/2027	3,000,000	Redeemed	-	261,027
2022-98	EUR	16/09/2026	2,000,000	Redeemed	-	48,364
2022-99	EUR	16/09/2026	2,000,000	Redeemed	-	374,744
2023-01	EUR	24/01/2033	10,000,000	349,000	298,923	-
2023-02	EUR	24/01/2033	10,000,000	682,000	605,260	-
2023-03	EUR	24/01/2033	10,000,000	619,000	553,286	-
2023-04	EUR	13/01/2026	5,000,000	1,091,000	601,250	-
2023-05	EUR	18/01/2027	3,000,000	767,000	55,356	-
2023-06	EUR	25/01/2028	3,000,000	140,000	134,176	-
2023-07	EUR	26/01/2027	2,000,000	118,000	105,823	-
2023-10	EUR	01/02/2028	2,000,000	368,000	356,493	-
2023-100	EUR	19/06/2028	2,880,000	546,240	533,683	-
2023-101	EUR	16/06/2028	5,000,000	152,000	107,773	-
2023-102	EUR	30/06/2025	10,000,000	2,759,000	2,331,355	-
2023-103	EUR	23/06/2025	3,000,000	500,000	424,688	-
2023-104	EUR	03/07/2028	3,000,000	220,000	179,784	-
2023-105	EUR	30/06/2028	3,000,000	465,000	394,087	-
2023-106	EUR	04/07/2028	3,000,000	312,000	268,742	-
2023-107	EUR	26/07/2027	3,000,000	280,000	215,304	-
2023-108	EUR	11/07/2028	2,910,000	315,250	280,963	-
2023-109	EUR	06/07/2028	3,000,000	195,000	172,529	-
2023-11	EUR	25/01/2027	3,000,000	2,032,000	1,539,953	-
2023-110	EUR	06/07/2028	3,000,000	200,000	178,775	-
2023-111	EUR	20/07/2027	2,000,000	332,000	252,471	-
2023-112	EUR	24/07/2028	3,000,000	345,000	271,525	-
2023-113	EUR	14/07/2028	5,000,000	3,000	2,923	-
2023-114	EUR	19/07/2028	10,000,000	4,143,000	1,692,088	-
2023-115	EUR	21/07/2025	3,000,000	21,000	20,289	-
2023-116	EUR	21/07/2028	3,000,000	608,000	560,656	-
2023-117	EUR	25/07/2028	5,000,000	4,024,000	3,477,943	-
2023-119	EUR	25/07/2028	3,000,000	28,000	23,151	-
2023-12	EUR	29/01/2025	3,000,000	55,000	51,650	-
2023-120	EUR	28/07/2025	15,000,000	3,005,000	3,059,992	-
2023-121	EUR	01/08/2028	3,000,000	327,000	262,544	-
2023-122	EUR	22/07/2024	5,000,000	2,238,000	1,875,954	-
2023-123	EUR	27/07/2028	3,000,000	300,000	190,327	-
2023-124	EUR	31/07/2028	3,000,000	316,000	263,867	-
2023-125	EUR	01/08/2028	3,000,000	1,010,000	703,162	-
2023-126	EUR	04/08/2025	3,000,000	250,000	227,460	-
2023-127	USD	04/08/2025	3,000,000	250,000	204,656	-
2023-128	EUR	08/08/2024	3,000,000	984,000	909,413	-
2023-129	EUR	10/08/2028	3,000,000	300,000	226,660	-
2023-13	EUR	02/02/2027	3,000,000	51,000	49,985	-
2023-130	EUR	23/08/2028	3,000,000	250,000	226,768	-
2023-132	EUR	06/09/2027	5,000,000	427,000	378,749	-
2023-133	EUR	07/09/2028	3,000,000	908,000	833,362	-
2023-134	EUR	19/03/2025	825,000	199,925	61,359	-
2023-135	EUR	12/09/2028	3,000,000	1,166,000	956,767	-
2023-136	EUR	13/09/2028	980,000	412,580	361,976	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. CERTIFICATES ISSUED AT FVTPL AND AT COST (CONTINUED)

Certificates issued at fair value through Profit and Loss (continued)

Series	Currency	Maturity	Issued Amount CCY	Subscribed Amount CCY	Carrying Value as at 31 December 2023 €	Carrying Value as at 31 December 2022 €
2023-137	EUR	26/09/2028	980,000	217,560	182,426	-
2023-138	EUR	22/09/2026	3,000,000	285,000	283,290	-
2023-139	EUR	23/09/2024	3,000,000	1,777,000	1,169,040	-
2023-140	EUR	21/09/2028	3,000,000	1,128,000	896,608	-
2023-141	EUR	21/09/2027	3,000,000	740,000	643,134	-
2023-142	EUR	21/09/2028	3,000,000	310,000	245,646	-
2023-143	EUR	23/09/2024	3,000,000	1,375,000	999,096	-
2023-144	EUR	26/09/2028	2,940,000	280,280	250,177	-
2023-145	EUR	27/09/2027	3,000,000	5,000	4,842	-
2023-147	EUR	20/12/2028	10,000,000	5,000	5,006	-
2023-148	EUR	27/09/2027	3,000,000	262,000	248,527	-
2023-150	EUR	04/10/2028	3,000,000	215,000	136,181	-
2023-151	EUR	09/10/2028	3,000,000	100,000	88,290	-
2023-152	EUR	03/11/2028	10,000,000	614,000	629,365	-
2023-153	EUR	13/11/2028	3,000,000	307,000	254,810	-
2023-154	EUR	17/10/2028	3,000,000	568,000	429,334	-
2023-155	EUR	19/10/2027	3,000,000	271,000	260,187	-
2023-157	EUR	13/10/2026	2,601,000	404,889	413,581	-
2023-158	EUR	23/10/2026	3,000,000	251,000	216,698	-
2023-159	EUR	19/10/2028	3,000,000	275,000	211,365	-
2023-16	EUR	30/01/2026	10,000,000	115,000	38,430	-
2023-160	EUR	20/10/2028	10,000,000	3,814,000	3,738,101	-
2023-161	EUR	25/10/2028	2,940,000	328,300	310,176	-
2023-162	EUR	27/10/2028	3,000,000	402,000	320,675	-
2023-163	EUR	24/10/2024	3,000,000	252,000	246,875	-
2023-164	EUR	27/10/2028	3,000,000	200,000	148,740	-
2023-165	EUR	20/10/2033	5,000,000	1,197,000	1,210,678	-
2023-166	EUR	01/11/2028	3,000,000	205,000	181,609	-
2023-167	EUR	30/10/2024	7,800,000	5,137,600	3,775,599	-
2023-168	EUR	01/11/2028	3,000,000	34,000	31,083	-
2023-17	EUR	09/03/2033	15,000,000	3,090,000	3,243,419	-
2023-172	EUR	24/11/2028	10,000,000	215,000	206,811	-
2023-173	EUR	09/11/2028	1,000,000	200,000	152,942	-
2023-174	EUR	08/11/2027	3,000,000	106,000	102,481	-
2023-175	EUR	09/11/2027	3,000,000	7,000	6,929	-
2023-176	EUR	14/11/2024	5,000,000	1,504,000	1,472,354	-
2023-177	EUR	15/11/2027	3,000,000	907,000	483,927	-
2023-178	EUR	15/11/2027	3,000,000	327,000	202,609	-
2023-179	EUR	16/11/2027	3,000,000	1,050,000	781,725	-
2023-18	EUR	10/02/2025	3,000,000	197,000	194,812	-
2023-180	EUR	15/11/2027	3,000,000	9,000	6,442	-
2023-181	EUR	16/11/2028	3,000,000	215,000	185,588	-
2023-182	EUR	20/11/2028	3,000,000	389,000	323,609	-
2023-183	EUR	22/11/2028	3,000,000	303,000	244,794	-
2023-184	EUR	21/11/2028	3,000,000	62,000	44,972	-
2023-185	EUR	21/11/2028	3,000,000	50,000	30,155	-
2023-187	EUR	25/11/2024	7,800,000	4,754,100	3,293,794	-
2023-188	EUR	22/11/2027	3,000,000	350,000	310,345	-
2023-189	EUR	05/12/2028	3,000,000	300,000	240,960	-
2023-19	EUR	03/02/2028	2,000,000	732,000	660,216	-
2023-191	EUR	27/11/2024	3,000,000	1,551,000	1,410,559	-
2023-192	EUR	04/12/2028	3,000,000	230,000	199,870	-
2023-194	EUR	14/12/2028	3,000,000	115,000	98,509	-
2023-195	EUR	05/12/2028	3,000,000	781,000	624,331	-
2023-196	EUR	05/12/2028	3,000,000	68,000	55,572	-

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. CERTIFICATES ISSUED AT FVTPL AND AT COST (CONTINUED)

Certificates issued at fair value through Profit and Loss (continued)

Series	Currency	Maturity	Issued Amount CCY	Subscribed Amount CCY	Carrying Value as at 31 December 2023 €	Carrying Value as at 31 December 2022 €
2023-197	EUR	04/12/2028	3,000,000	100,000	85,905	-
2023-198	EUR	06/12/2027	3,000,000	232,000	161,092	-
2023-199	EUR	14/12/2026	3,000,000	42,000	39,021	-
2023-20	EUR	06/08/2024	2,000,000	135,000	10,686	-
2023-200	EUR	13/12/2028	3,000,000	439,000	350,015	-
2023-201	EUR	29/12/2028	3,000,000	289,000	205,999	-
2023-202	EUR	22/12/2025	5,000,000	25,000	21,628	-
2023-204	EUR	21/12/2028	3,000,000	252,000	211,201	-
2023-205	EUR	09/01/2029	6,000,000	160,000	128,416	-
2023-21	EUR	07/02/2028	5,000,000	1,053,000	1,035,861	-
2023-210	EUR	23/12/2024	3,900,000	426,400	297,611	-
2023-213	EUR	29/12/2027	3,000,000	300,000	253,230	-
2023-214	EUR	24/12/2026	3,000,000	200,000	166,645	-
2023-22	EUR	02/02/2027	3,000,000	260,000	256,308	-
2023-23	EUR	08/02/2028	2,000,000	917,000	797,714	-
2023-24	EUR	14/08/2026	2,000,000	1,105,000	955,494	-
2023-25	EUR	17/02/2028	10,000,000	2,682,000	2,517,752	-
2023-26	EUR	01/03/2028	3,000,000	204,000	167,178	-
2023-27	EUR	16/02/2027	3,000,000	262,000	251,127	-
2023-28	EUR	21/02/2028	3,000,000	81,000	74,287	-
2023-29	EUR	21/02/2028	3,000,000	562,000	474,640	-
2023-30	EUR	23/02/2027	3,000,000	342,000	277,202	-
2023-31	EUR	17/02/2028	3,000,000	420,000	234,626	-
2023-32	EUR	23/02/2028	3,000,000	41,000	36,656	-
2023-33	EUR	23/02/2028	3,000,000	304,000	276,451	-
2023-34	EUR	25/02/2025	3,000,000	130,000	120,302	-
2023-35	EUR	24/02/2028	5,000,000	1,169,000	1,122,929	-
2023-36	EUR	02/03/2028	3,000,000	10,000	9,822	-
2023-37	EUR	02/03/2027	3,000,000	422,000	422,169	-
2023-38	EUR	02/09/2024	5,000,000	29,000	1,884	-
2023-40	EUR	14/03/2028	3,000,000	2,123,000	2,056,550	-
2023-42	EUR	15/03/2027	3,000,000	11,000	10,909	-
2023-43	EUR	15/03/2028	3,000,000	39,000	37,535	-
2023-44	EUR	16/03/2027	2,000,000	175,000	158,531	-
2023-45	EUR	18/03/2027	3,000,000	1,118,000	1,067,802	-
2023-46	EUR	17/03/2028	10,000,000	495,000	471,686	-
2023-47	EUR	21/03/2028	3,000,000	8,000	7,029	-
2023-48	EUR	21/03/2028	3,000,000	1,304,000	1,218,956	-
2023-50	EUR	31/03/2027	3,000,000	173,000	166,545	-
2023-51	EUR	22/03/2027	3,000,000	786,000	776,804	-
2023-52	EUR	22/03/2028	15,000,000	13,071,000	12,576,184	-
2023-53	EUR	22/03/2028	3,000,000	389,000	343,484	-
2023-54	EUR	30/03/2028	2,000,000	34,000	33,258	-
2023-58	EUR	08/04/2026	3,000,000	300,000	298,905	-
2023-59	EUR	09/04/2026	3,000,000	34,000	37,903	-
2023-60	EUR	07/04/2027	3,000,000	2,464,000	1,909,758	-
2023-61	EUR	07/10/2024	10,000,000	1,828,000	1,803,139	-
2023-62	EUR	19/04/2027	3,000,000	209,000	188,310	-
2023-63	EUR	21/04/2027	3,000,000	335,000	318,964	-
2023-64	EUR	26/05/2027	810,000	406,620	139,054	-
2023-65	EUR	25/04/2028	3,000,000	502,000	447,454	-
2023-66	EUR	26/05/2028	3,000,000	77,000	66,880	-
2023-67	EUR	26/05/2028	3,000,000	78,000	68,963	-
2023-68	EUR	22/05/2028	3,000,000	377,000	291,549	-
2023-70	EUR	03/05/2027	3,000,000	50,000	50,418	-
2023-72	EUR	21/10/2026	3,000,000	321,000	297,643	-

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. CERTIFICATES ISSUED AT FVTPL AND AT COST (CONTINUED)

Certificates issued at fair value through Profit and Loss (continued)

Series	Currency	Maturity	Issued Amount CCY	Subscribed Amount CCY	Carrying Value as at 31 December 2023 €	Carrying Value as at 31 December 2022 €
2023-73	EUR	21/10/2026	3,000,000	315,000	248,415	-
2023-74	EUR	02/05/2028	3,000,000	723,000	563,030	-
2023-75	EUR	05/05/2028	3,000,000	93,000	85,091	-
2023-76	EUR	04/05/2028	3,000,000	45,000	32,536	-
2023-77	EUR	05/05/2028	3,000,000	179,000	162,051	-
2023-78	EUR	10/05/2028	3,000,000	160,000	150,128	-
2023-79	EUR	12/05/2026	1,440,000	103,680	89,878	-
2023-80	EUR	13/05/2024	3,000,000	169,000	79,759	-
2023-81	EUR	11/05/2028	10,000,000	596,000	465,316	-
2023-82	EUR	12/05/2028	3,000,000	59,000	56,074	-
2023-83	EUR	17/05/2028	3,000,000	314,000	249,601	-
2023-84	EUR	25/05/2028	3,000,000	187,000	194,126	-
2023-88	EUR	01/06/2027	3,000,000	263,000	209,059	-
2023-89	EUR	08/06/2026	3,000,000	203,000	163,720	-
2023-90	EUR	30/05/2025	3,000,000	450,000	396,398	-
2023-91	EUR	30/05/2025	3,000,000	400,000	376,036	-
2023-92	EUR	07/06/2028	5,000,000	1,210,000	1,109,747	-
2023-94	EUR	13/06/2028	3,000,000	311,000	247,943	-
2023-95	EUR	14/06/2028	3,000,000	130,000	124,813	-
2023-96	EUR	13/06/2028	3,000,000	304,000	262,237	-
2023-98	EUR	20/06/2028	10,000,000	2,660,000	2,849,658	-
2023-99	EUR	16/06/2026	10,000,000	2,982,000	2,903,180	-
R2018-01	EUR	12/10/2021	2,000,000	Matured	-	1,305,952
R2018-02	EUR	12/10/2021	1,000,000	Matured	-	518,251
R2018-03	EUR	12/10/2021	1,000,000	Matured	-	306,443
R2018-04	EUR	12/10/2021	1,000,000	Matured	-	254,584
R2018-05	EUR	12/10/2021	1,000,000	Matured	-	432,069
R2019-03	EUR	03/06/2022	3,000,000	Matured	-	161,366
R2019-04	EUR	13/06/2022	2,000,000	Matured	-	733,951
R2020-02	EUR	27/03/2024	3,000,000	Redeemed	-	1,391,901
R2020-03	EUR	21/05/2025	2,000,000	Redeemed	-	276,262
R2020-04	EUR	26/06/2025	2,000,000	Redeemed	-	259,566
R2020-06	EUR	31/07/2025	3,000,000	Redeemed	-	526,068
R2020-07	EUR	31/07/2025	1,000,000	Redeemed	-	336,635
R2020-08	EUR	28/09/2025	1,000,000	Redeemed	-	110,644
R2020-09	EUR	09/10/2025	1,000,000	Redeemed	-	53,513
R2020-10	EUR	15/09/2025	1,000,000	Redeemed	-	212,353
R2020-11	EUR	15/09/2025	1,000,000	Redeemed	-	99,283
R2020-17	EUR	15/12/2025	2,000,000	Redeemed	-	337,093
R2021-01	EUR	15/01/2026	1,000,000	Redeemed	-	182,621
R2021-02	EUR	29/01/2026	1,000,000	Redeemed	-	229,349
R2021-03	EUR	29/01/2026	1,000,000	Redeemed	-	196,981
R2021-04	EUR	29/01/2026	1,000,000	Redeemed	-	179,247
R2021-05	EUR	29/01/2026	1,000,000	Redeemed	-	128,359
R2021-06	EUR	01/03/2026	1,000,000	Redeemed	-	190,260
R2021-07	EUR	01/03/2026	1,000,000	Redeemed	-	146,045
R2021-08	EUR	01/03/2026	1,000,000	Redeemed	-	53,842
R2021-09	EUR	09/03/2026	3,000,000	Redeemed	-	321,140
R2023-01	EUR	12/11/2024	1,000,000	1,000,000	110,772	-
					210,360,687	190,232,246

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. CERTIFICATES ISSUED AT FVTPL AND AT COST (CONTINUED)

Certificates issued at amortised cost

Series	Currency	Maturity	Issued Amount CCY	Subscribed Amount CCY	Carrying Value as at 31 December 2023 €	Carrying Value as at 31 December 2022 €
2020-12	EUR	14/08/2023	20,000,000	Matured	-	17,194,258
R2019-1	EUR	08/05/2023	8,524,260	Matured	-	1,573,974
R2020-16	EUR	04/12/2023	2,000,000	Matured	-	-
					-	18,768,232

21. INTEREST PAYABLE ON CERTIFICATES

	Financial year ended 31 December 2023 €	Financial period ended 31 December 2022 €
Interest payable on Certificates	(88,390)	(135,621)

22. TRADE AND OTHER PAYABLES

	Financial year ended 31 December 2023 €	Financial period ended 31 December 2022 €
Guarantor amount payable	(4,343,724)	(6,416,316)
Payable for subscriptions to Certificates	(7,795,500)	-
Other payables	-	(32)
Trade and other payables	(5,020,110)	(1,698,183)
Administration expenses payable	(49,050)	(49,050)
	(17,208,384)	(8,163,581)

All accrued expenses are due within one year.

Payable for subscriptions to certificates is related to variance in settlement date and trade date. SmartETN PLC applies trade date accounting.

23. REPURCHASE AGREEMENTS

	Financial year ended 31 December 2023 €	Financial period ended 31 December 2022 €
Repurchase agreements	-	(33,942,935)

Securities sold under agreements to repurchase involves sales of securities with agreements to repurchase substantially identical investments at a fixed price on a certain future date.

During the period, the Company engaged J.P. Morgan Securities PLC, through a Global Master Repurchase Agreement (GRMA), to allow the sale of assets as security in exchange for receipt of capital. As at 31 December 2023, the Company had pledged collateral / securities with a fair value of €nil (2022: €33,942,935). These transactions were conducted under the normal market agreements for standard repurchase transactions.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

24. CALLED UP SHARE CAPITAL

	Financial year ended 31 December 2023	Financial period ended 31 December 2022
	€	€
Authorised		
25,000 ordinary shares of €1 each	25,000	25,000
Allotted, called up and unpaid		
25,000 ordinary shares of €1 each	25,000	25,000

The Company issued its shares to one shareholder. 25,000 shares are held by Cirdan Capital Management Limited (England and Wales).

25. DIRECTORS AND EMPLOYEES

The Company had no employees during the financial year. Joanne Kenny and David Kenny (resigned 5 March 2024), directors of the Company, are also directors of F.P.R. Trust Corporate Services Limited, which is due to receive €20,000 (Dec 2022: €20,000) by way of remuneration for provision of directorship services. This expense was incurred and settled by Cirdan Capital Management Limited. None of those fees are payable directly to either Joanne Kenny, David Kenny or Joseph Kenny. The Company did not pay director fees to Antonio De Negri in the financial period ended 31 December 2023. In the opinion of the Directors, the Company has no key management personnel other than the Directors.

26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk management

The Company's financial instruments include cash at bank, financial assets, financial liabilities and other receivables/payables that arise directly from operations.

The Company is exposed to a variety of financial risks: capital risk, market risk (include foreign exchange risk, interest rate risk and price risk), credit risk, liquidity risk and operational risk exposure. The Company has attempted to match the properties of its financial liabilities to its financial assets including derivative financial instruments to avoid significant elements of risk generated by mismatch of realised income and repayments from the investments against its obligations towards the Certificate holders. The directors seek to assess, monitor and manage the potential adverse effects of these risks on the Company's financial performance by appropriate methods as discussed below.

Operational risk exposure

Operational risk is the risk of direct or indirect loss arising from the Company's processes, personnel and infrastructure, and from external factors other than credit risk, market risk and liquidity risk. This includes risks arising from non-compliance with legal and regulatory requirements as well as generally accepted standards of corporate behaviour.

The Company's aim is to manage operational risk so as to limit financial losses and damage to its reputation while achieving its investment objectives. The Company has appointed external legal counsel and an independent corporate service provider to manage risks arising from non-compliance with legal and regulatory requirements. The arranger, which is also the Company's parent is responsible for managing operational risk related to hedging certificates issued against investments and derivative contracts entered into.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Capital risk management

The Company manages its capital to ensure that it is able to continue as a going concern while maximizing the return to Certificate holders. The capital managed by the Company comprises of ordinary shares, Certificates issued and the financial liabilities outstanding as at financial period end. The Company is not subject to externally imposed capital requirements.

Market risk

Market risk is the potential change in the value caused by the movements in foreign exchange, in the interest rates or market prices of the financial instruments. The Certificate holders are exposed to the market risk of the underlying reference item of each Certificate issued by the Company. The Company are exposed to these same market risks in respect to its treasury management investment portfolio.

(i) Foreign exchange risk

The Company enters into FX forwards to minimise the exposure to foreign exchange risk. Foreign exchange risk not hedged by the FX forwards is borne by the Certificate holders.

The table below shows the Company's exposure to foreign currency risk as at 31 December 2023:

Assets – 31 December 2023

	Financial assets at FVTPL '€000	Financial assets at amortised cost '€000	Derivative financial instruments – asset '€000	Trade and other receivables '€000	Cash and cash equivalents '€000	Unsettled trades receivable '€000	Total '€000
EUR	15,584	53,116	4,303	79,703	113,374	568	266,648
USD	9,879	-	2,996	9,399	3,293	900	26,467
GBP	88	-	-	46	8,874	-	9,008
CHF	1,439	-	-	-	333	-	1,772
JPY	-	-	-	-	93	-	93
	26,990	53,116	7,299	89,148	125,967	1,468	303,988

Liabilities – 31 December 2023

	Certificates issued '€000	Derivative financial instruments – liability '€000	Interest payable on Certificates '€000	Trade and other payables '€000	Unsettled trades payable '€000	Total '€000
EUR	204,516	73,993	88	16,553	130	295,280
USD	5,846	2,005	-	7	-	7,858
CHF	-	-	-	648	-	648
HKD	-	177	-	-	-	177
	210,362	76,175	88	17,208	130	303,963

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Market risk (continued)

(i) Foreign exchange risk (continued)

The table below shows the Company's exposure to foreign currency risk as at 31 December 2022:

Assets – 31 December 2022

	Financial assets at FVTPL	Financial assets at amortised cost	Derivative financial instruments – asset	Trade and other receivables	Reverse repurchase agreement asset '€000	Cash and cash equival nts	Unsettled trades receivable	Total
	'€000	'€000	'€000	'€000		'€000	'€000	'€000
EUR	16,305	82,103	1,111	103,845	40,690	50,148	21,380	315,582
USD	17,653	-	5,165	8,795	-	10,043	149	41,805
GBP	60	-	-	1	-	545	-	606
CHF	4	-	-	627	-	63	152	846
CAD	-	-	-	-	-	1	-	1
JPY	-	-	3,522	-	-	32	-	3,554
AUD	7	-	-	-	-	(32)	-	(25)
SEK	-	-	-	-	-	(13)	-	(13)
	34,029	82,103	9,798	113,268	40,690	60,787	21,681	362,356

Liabilities – 31 December 2022

	Certificates issued '€000	Financial liabilities at FVTPL '€000	Derivative financial instruments – liability '€000	Interest payable on Certificates '€000	Trade and other payables '€000	Repurchase Agreements '€000	Unsettled trades payable '€000	Total '€000
EUR	199,145	-	86,454	135	8,145	33,943	15,749	343,571
USD	9,335	-	4,945	-	19	-	226	14,525
GBP	-	-	-	-	-	-	-	-
CHF	521	-	139	-	-	-	15	675
JPY	-	-	3,559	-	-	-	-	3,559
	209,001	-	95,097	135	8,164	33,943	15,990	362,330

(ii) Interest rate risk

The risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate risk is managed by entering into exact, and opposite derivative contracts to match the contractual requirements of the any Certificate interest payable.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Market risk (continued)

(ii) Interest rate risk (continued)

At the reporting date, the interest rate profile of the Company's financial assets and liabilities were as follows:

	Fixed rate	Up to 1 month	1 – 6 months	Non-interest bearing	Total
	€	€	€	€	€
Assets					
Financial assets at FVTPL	-	-	-	26,989,732	26,989,732
Financial assets at amortised cost	-	-	53,115,591	-	53,115,591
Derivative financial instruments	-	-	-	7,299,207	7,299,207
Trade and other receivables	-	-	-	89,147,743	89,147,743
Cash and cash equivalents	-	125,966,998	-	-	125,966,998
Unsettled trades receivable	-	-	-	1,468,875	1,468,875
	-	125,966,998	53,115,591	124,905,557	303,988,146

	Fixed rate	Up to 1 month	1 – 6 months	Non-interest bearing	Total
	€	€	€	€	€
Liabilities					
Certificates issued at FVTPL	93,548,223	-	10,129,377	106,683,087	210,360,687
Derivative financial instruments	-	-	-	76,175,282	76,175,282
Interest payable on certificates	-	-	-	88,390	88,390
Trade and other payables	-	-	-	17,208,384	17,208,384
Unsettled trades payable	-	-	-	130,403	130,403
	93,548,223	-	10,129,377	204,427,625	303,963,146

As at 31 December 2022, the interest rate profile of the Company's financial assets and liabilities were as follows:

	Fixed rate	Up to 1 month	1 – 6 months	Non-interest bearing	Total
	€	€	€	€	€
Assets					
Financial assets at FVTPL	-	-	-	34,029,700	34,029,700
Financial assets at amortised cost	-	-	82,103,146	-	82,103,146
Derivative financial instruments	-	-	-	9,797,590	9,797,590
Trade and other receivables	-	-	-	113,267,823	113,267,823
Reverse repurchase agreements	-	-	-	40,690,000	40,690,000
Cash and cash equivalents	-	60,786,472	-	-	60,786,472
Unsettled trades receivable	-	-	-	21,680,857	21,680,857
	-	60,786,472	82,103,146	219,465,970	362,355,588

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Market risk (continued)

(ii) Interest rate risk (continued)

	Fixed rate	Up to 1	1 – 6	Non-	Total
Liabilities	€	month	months	interest	€
		€	€	bearing	
				€	€
Certificates issued at FVTPL	3,287,550	-	12,736,060	192,976,867	209,000,477
Certificates issued at amortised cost	-	-	-	-	-
Short investments at FVTPL	-	-	-	-	-
Derivative financial instruments	-	-	-	95,097,740	95,097,740
Interest payable on Certificates	-	-	-	135,621	135,621
Trade and other payables	-	-	-	8,163,582	8,163,582
Repurchase agreements	-	-	-	33,942,935	33,942,935
Unsettled trades payable	-	-	-	15,990,233	15,990,233
	3,287,550	-	12,736,060	346,306,977	362,330,588

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or all factors affecting all similar financial instruments traded in the market.

The price risk associated with the realisation of the certain financial assets held by the Company is offset by the changes in the fair value of the Certificates issued by the Company. Changes in the fair value of such financial assets the Company hold purely for hedging its exposures from the relevant issued Certificates will be offset by an equal and opposite fair value movements on those Certificates which the Company has entered offsetting hedging transactions. Certificate holders are exposed to a maximum loss of 90% of the original capital invested by the existence of the guarantees which the Company has in place from Cirdan Capital Management Limited.

The Company is further exposed to the price risk in unfavourable movements in the investment portfolio not held for hedging purposes. The exposure arises from the Company's investment in equity securities, equity-linked derivatives and private investments. The Company mitigates the risk by applying specific concentration rules on geographic location, industry and economic sector, to ensure the investments are diversified and not impacted by similar, once off events.

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company.

A policy is implemented where the Company can only enter into financial instruments with reputable, pre-approved counterparties. This includes closely monitoring the creditworthiness of the Company's counterparties (brokers, custodians and banks) by reviewing their credit ratings, financial statements and press releases on a regular basis.

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

The net carrying amount of the financial instruments best represents the maximum credit risk exposure at the balance sheet date. The table below represents the maximum exposure to credit risk:

	31 December 2023
Assets	€
Financial assets at FVTPL	26,989,732
Financial assets at amortised cost	53,115,591
Derivative financial instruments	7,299,207
Trade and other receivables	89,147,743
Cash and cash equivalents	125,966,998
Unsettled trades receivable	1,468,875
	<u>303,988,146</u>
	<u>303,988,146</u>
	31 December 2022
Assets	€
Financial assets at FVTPL	34,029,700
Financial assets at amortised cost	82,103,146
Derivative financial instruments	9,797,590
Trade and other receivables	113,267,823
Other short term financial asset	40,690,000
Cash and cash equivalents	60,786,472
Unsettled trades receivable	21,680,857
	<u>362,355,588</u>
	<u>362,355,588</u>

(i) The credit rating profile of the financial instruments and Counterparties are as follows:

Financial assets at FVTPL	31 December 2023	Credit rating	Rating agency
	€		
Aldburg S.A.	135,747	Unrated	N/A
BNP Paribas	70,045	AA-	Fitch Ratings
Canadian Imperial Bank of Commerce	473,898	AA-	Fitch Ratings
GAM Holdings Ltd CMN	1,438,903	Unrated	N/A
Citi Group	268,310	A+	S&P
Credit Suisse	10,039,290	A+	Fitch Ratings
Other	855,684	Unrated	N/A
Interactive Brokers	12,770,486	A-2	S&P
J.P. Morgan Structured Products	319,911	A-	S&P
Morgan Stanley & Co. International PLC	617,458	A-	S&P
	<u>26,989,732</u>		
	<u>26,989,732</u>		
Financial assets at FVTPL	31 December 2022	Credit rating	Rating agency
	€		
Aldburg S.A.	166,612	Unrated	N/A
BNP Paribas	37,412	A+	Fitch Ratings
Canadian Imperial Bank of Commerce	432,510	AA-	Fitch Ratings
Credit Suisse	11,987,179	A	Fitch Ratings
Other	1,815,899	Unrated	N/A
Interactive Brokers	17,005,264	BBB+	S&P
J.P. Morgan Structured Products	1,429,584	A+	S&P
Aldburg Public S.A.	95,430	Unrated	N/A
Morgan Stanley & Co. International PLC	1,059,810	A+	S&P
	<u>34,029,700</u>		
	<u>34,029,700</u>		

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Financial assets at amortised cost	31 December 2023 €	Credit rating	Rating agency
ADAGIO VIII CLO DAC	2,506,300	AA	Fitch Ratings
Dryden 51 EURO CLO 2017 DAC	2,406,000	AA	S&P
Bridgepoint CLO IV DAC	1,003,000	AA	Fitch Ratings
Harvest CLO XXIX DAC	7,024,500	AA	Fitch Ratings
Voya EURO CLO VI DAC	1,900,000	AA	Fitch Ratings
Barings EURO CLO 2023-2	5,000,000	A	Fitch Ratings
French Republic	33,275,791	AA-	Fitch Ratings
	<u>53,115,591</u>		

Financial assets at amortised cost	31 December 2022 €	Credit rating	Rating agency
Carlyle EURO CLO 2022-3 DAC	1,500,000	BBB	Fitch Ratings
Carlyle EURO CLO 2017-2 DAC	941,356	BBB	S&P
Harvest CLO XIX DAC	2,506,053	AA	Fitch Ratings
OZLME IV DAC	1,340,381	A+	Fitch Ratings
Adagio VIII CLO DAC	2,506,300	AA	Fitch Ratings
Dryden 51 EURO CLO 2017 BV	2,406,000	BBB-	Fitch Ratings
Harvest CLO XXIX DAC	1,372,000	A	Fitch Ratings
Barings EURO CLO 2014-2 DAC	3,138,060	AA+	Fitch Ratings
Palmer Square European Loan Funding 2022-3	7,000,000	AA	Fitch Ratings
Palmer Square European Loan Funding 2022-3	4,000,000	A	Fitch Ratings
Arbour CLO III DAC	267,205	Aa2	Moody's
Alburg S.A.	21,850,000	Unrated	N/A
French Republic	33,275,791	AA-	Fitch
	<u>82,103,146</u>		

Derivative financial instruments	31 December 2023 €	Credit rating €	Rating agency €
Interactive Brokers LLC	771,362	A-2	S&P
Goldman Sachs International	2,133,459	A-	S&P
J.P. Morgan Securities plc.	1,590,542	A-	S&P
Citigroup Global Markets Limited	1,630,787	A-	S&P
			Fitch
Morgan Stanley	1,111,545	F1	ratings
Credit Suisse International	61,512	A-1	S&P
	<u>7,299,207</u>		

Derivative financial instruments	31 December 2022 €	Credit rating €	Rating agency €
Interactive Brokers LLC	3,192,318	BBB+	S&P
Goldman Sachs International	882,301	A+	S&P
J.P. Morgan Securities plc.	785,674	A+	S&P
Citigroup Global Markets Limited	4,928,505	A+	S&P
Credit Suisse International	8,792	A	S&P
	<u>9,797,590</u>		

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

(ii) Cash

	31 December 2023	Credit rating	Rating agency
	€	€	€
Cash and cash equivalents			
Goldman Sachs International Bank	58,604,671	Aa3	Moody's
Interactive Brokers LLC	30,864,503	A-2	S&P
BFF Bank S.p.A	36,487,104	Baa2	Moody's
European Depositary Bank SA	10,679	Not rated	N/A
Smart Bank S.p.A	41	Not rated	N/A
	<u>125,966,998</u>		

	31 December 2022	Credit rating	Rating agency
	€	€	€
Cash and cash equivalents			
Citibank, N.A.	-	Aa3	Moody's
Goldman Sachs International Bank	27,036,991	Aa3	Moody's
Interactive Brokers LLC	23,897,192	BBB+	S&P
Banca 5	-	BBB	S&P
Banca Finnat Euramerica S.p.A	6,125	Not rated	N/A
BFF Bank S.p.A	4,307,718	Baa2	Moody's
European Depositary Bank SA	158,195	Not rated	N/A
Railbank Technology Ltd	179,918	Not rated	N/A
Smart Bank S.p.A	5,200,333	Not rated	N/A
	<u>60,786,472</u>		

(iii) Credit risk for unsettled trades receivable is minimal as the balance is settled in the months following the financial period-end.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses. The Company manages this risk by entering an exact equal, but opposite hedge to replicate the performance of the Certificate.

Prudent liquidity risk management requires maintaining sufficient cash and marketable investments, which the Company does. The maturity profile of the financial liabilities as at 31 December 2023 is as follows:

	Gross contractual cashflow	Up to 1 year	1 – 2 years	2 – 5 years	5 years
	€	€	€	€	
Liabilities					
Certificates issued at FVTPL	210,360,687	25,784,325	23,062,711	149,037,657	12,475,994
Certificates issued at amortised cost	-	-	-	-	-
Interest payable on Certificates	88,390	88,390	-	-	-
Trade and other payables	17,208,384	17,208,384	-	-	-
Unsettled trades payable	130,403	130,403	-	-	-
	<u>227,787,864</u>	<u>43,211,502</u>	<u>23,062,711</u>	<u>149,037,657</u>	<u>12,475,994</u>

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The maturity profile of the financial liabilities as restated at 31 December 2022 is as follows:

Liabilities	Gross contractual cashflow €	Up to 1 year €	1 – 2 years €	2 – 5 years €	5 years €
Certificates issued at FVTPL	190,232,246	71	9,120,946	180,451,956	659,273
Certificates issued at amortised cost	18,768,232	-	18,768,232	-	-
Interest payable on Certificates	135,621	135,621	-	-	-
Trade and other payables	8,163,582	8,163,582	-	-	-
Repurchase Agreements	33,942,935	33,942,935	-	-	-
Unsettled trades payable	15,990,233	15,990,233	-	-	-
	267,232,848	58,232,442	27,889,178	180,451,956	659,273

The amounts shown are the contractual undiscounted cashflows whereas the Company manages the inherent liquidity risk based on expected undiscounted cash inflows. The Company reviews the liquidity requirement on an ongoing, accrual basis to ensure that there is always sufficient liquidity to meet any short / medium term obligations

27. FAIR VALUE MEASUREMENT

The Company uses the following three-tier hierarchy as a framework for disclosing fair value based on inputs to the valuation of the Company's financial instruments:

- Level 1: Quoted market price in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The carrying amounts of financial instruments held at fair value are determined, in full or in part, by reference to the Level 1, Level 2 and Level 3 hierarchy categories as defined above. The table below sets out the instruments included in each category.

31 December 2023	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets at FVTPL				
Financial assets at FVTPL	14,209,388	12,644,597	135,747	26,989,732
Derivative financial instruments	771,362	6,527,845	-	7,299,207
	14,980,750	19,172,442	135,747	34,288,939
Financial liabilities at FVTPL				
Certificates issued at FVTPL	-	(208,789,846)	(1,570,841)	(210,360,687)
Derivative financial instruments	(680,945)	(75,494,337)	-	(76,175,282)
	(680,945)	(284,284,183)	(1,570,841)	(286,535,969)

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

27. FAIR VALUE MEASUREMENT (CONTINUED)

31 December 2022	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets at FVTPL				
Financial assets at FVTPL	17,100,693	16,762,395	166,612	34,029,700
Derivative financial instruments	3,192,317	6,605,273	-	9,797,590
	<u>20,293,010</u>	<u>23,367,668</u>	<u>166,612</u>	<u>43,827,290</u>
Financial liabilities at FVTPL				
Certificates issued at FVTPL	-	(188,613,167)	(1,619,079)	(190,232,246)
Derivative financial instruments	(3,058,627)	(92,039,113)	-	(95,097,740)
	<u>(3,058,627)</u>	<u>(280,652,280)</u>	<u>(1,619,008)</u>	<u>(285,329,986)</u>

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

28. RELATED PARTY TRANSACTIONS

The Certificates issued by the Company are unconditionally and irrevocably guaranteed by the Guarantor (Cirdan Capital Management Ltd). In case of shortfall, between the realisable value of the financial assets held by the Company and the contractual obligation of the Certificates issued by the Company, the Guarantor is obliged to cover the full amount of the shortfall. In case of a surplus, between the realisable value of the financial assets held by the Company and the contractual obligation of the Certificates issued by the Company, the Guarantor is entitled to the full amount of the surplus as a consideration for acting as Guarantor to the Company.

The amount payable by the Company to the Guarantor as at 31 December 2023 amounts to €4,343,724 (Dec 2022: €6,416,317).

Cirdan Capital Management Limited is the sole shareholder of the Company, holding 25,000 of the issued ordinary shares.

During the financial period, the Company recognised arranger fees payable to Cirdan Capital Management Limited amounting to €35,726,837 (Dec 2022: €25,754,223), with €5,020,110 (Dec 2022: €1,698,183) remaining payable as at 31 December 2023.

Cirdan Capital Management Limited acts as an arranger of Aldburg S.A., a company registered in Luxembourg. As at 31 December 2023, the Company holds Notes issued by Aldburg S.A. amounting to €135,747 (Dec 2022: €22,016,612). During the previous financial period the Company also purchased a financial asset for the purposes of onward selling this asset to Alburg S.A.. The asset was purchased and sold for €11,631,621. This is included in unsettled trades at prior year end as €5,857,476 receivable from Alburg S.A. in respect to this transaction. The amount outstanding was settled in February 2022.

Antonio De Negri, director of the Company, has a significant influence over FourChildren Limited. The Company has undertaken certain transactions with FourChildren Limited. As at 31 December 2023 a reverse repurchase balance of €nil (Dec 2022: €40,690,000), as per Note 17. Interest received on the reverse repurchase balance of €2,371,559 (Dec 2022: €nil) was recognised. As at 31 December 2023, there was interest receivable of €1,060,817 (Dec 2022: €nil).

In addition, during 31 December 2023 assets of €96,941,779 (Dec 2022: €nil) were purchased from FourChildren Limited. Assets were sold to FourChildren Limited of €28,997,933 (Dec 2022: €40,921,712) for a loss - €38,817 (Dec 2022: profit - €2,805,958)

The Company undertook trading activity with a related party, SmartBank S.p.A. As at 31 December 2023 assets of €107,557,039 (Dec 2022: €nil) were purchased from SmartBank S.p.A. Assets were sold to SmartBank S.p.A of €322,450,369 (Dec 2022: €26,324,361) for a profit - €254,250 (Dec 2022: profit - €2,320,106).

SmartBank S.p.A was a fellow subsidiary during the financial period ending 31 December 2022, and a related party with common ownership for the year ending 31 December 2023

Antonio De Negri, director of the Company, was also a director and majority shareholder of Cirdan Group S.p.A., which was a parent to Cirdan Capital Management Limited during the financial period and in that capacity held material interest in transactions conducted with the Company.

The Company has a loan receivable as at 31 December 2023 from Cirdan International Inc, €6,044,859 (Dec 2022: €nil).

SMARTETN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

28. RELATED PARTY TRANSACTIONS (CONTINUED)

Joanne Kenny and David Kenny (resigned 5 March 2024), directors of the Company, are also directors of F.P.R. Trust Corporate Services Limited, which has received €20,000 by way of remuneration for provision of director services. The Company did not pay director fees to Antonio De Negri in the financial period ended 31 December 2023.

29. DISCLOSURE OF THE ULTIMATE PARENT UNDERTAKING

The Company is a subsidiary undertaking of Cirdan Capital Management Limited, an entity incorporated in England and Wales, which owns 100% of the Company's shares. The ultimate parent company is Cirdan International Inc an entity incorporated in United States of America, which owns 100% of Cirdan Capital Management Limited's shares. In the period ending 31 December 2022, the ultimate parent entity was Cirdan Group S.p.A, and the change of ownership was completed in December 2023.

30. SUBSEQUENT EVENTS

In December 2023, the Bank of Italy placed into administration SmartBank S.p.A, an independent company that had close associations with the Cirdan Group S.p.A, including SmartETN PLC.

In 2024, following the aforementioned event, market speculation resulted in the Company facing unprecedented demand to redeem its certificates early. Although there was no requirement to meet these demands, the Company met every request with a total of €135,886,292 of early redemptions made up to 31 August 2024. In the same period there were no new subscriptions, and the Company was delisted from Borsa Italiana on 27 March 2024.

Following the events as mentioned above the directors acknowledge that there is a material uncertainty related to the going concern and will continue to monitor the situation closely.

The long-term strategy of the company is to find strategic partners, who will provide additional financial resources and new commercial opportunities.

31. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 11 September 2024.