

Digital X Bitcoin ETF

ARSN 650 945 216

Condensed interim financial report For the half-year ended 31 December 2025

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This condensed interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this condensed interim financial report should be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made in respect of Digital X Bitcoin ETF during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the current Product Disclosure Statement as per Note 2.

This condensed interim financial report covers Digital X Bitcoin ETF as an individual entity.

The Responsible Entity of Digital X Bitcoin ETF is K2 Asset Management Ltd (ABN 95 085 445 094) (AFSL 244393).

The Responsible Entity's registered office is:
Level 44, 101 Collins Street,
Melbourne, VIC, 3000.

Directors' report

The directors of K2 Asset Management Ltd, the Responsible Entity of Digital X Bitcoin ETF (the "Fund"), present their report together with the condensed interim financial statements of the Fund for the half-year ended 31 December 2025 and auditors report thereon.

Principal activities

The Fund is an Australian registered managed investment scheme which was constituted on 10 June 2021, registered with the Australian Securities and Investments Commission on 18 June 2021 and commenced operations on 12 July 2024. The Fund is available to investors on the Australian Securities Exchange (ASX) as an active Exchange Traded Managed Fund (ASX Code: BTXX). The Fund is domiciled in Australia.

The Fund aims to deliver a return that tracks the performance of the price of Bitcoin (before fees and expenses). The return of the Fund will be calculated by reference to the CME CF Bitcoin Reference Rate (BRR). As the BRR is denominated in USD, and the Fund is denominated in AUD, investors will be subject to fluctuations in the AUD/USD exchange rate as well as fluctuations in the price of Bitcoin.

The Fund holds substantially all of its assets in long-term holdings of Bitcoin to achieve the investment objective. The Fund is intended to be a passive holder of Bitcoin and will not buy and sell Bitcoin other than to facilitate redemptions and creations of Bitcoin Interests in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

The Fund did not have any employees during the half-year.

There were no significant changes in the nature of the Fund's activities during the half-year.

The various service providers for the Fund are detailed below:

Service	Provider
Responsible Entity	K2 Asset Management Ltd
Investment Manager	Digital X Asset Management Pty Ltd
Administrator and cash custodian	Apex Fund Services Pty Ltd (an Apex Group Company)
Custody	Coinbase Custody Trust Company LLC
Unit Registry	Automic Pty Ltd
Statutory Auditor	KPMG

Directors

The following persons held office as directors of Digital X Bitcoin ETF during or since the end of the half-year and up to the date of this report:

Campbell W Neal
 Hollie A Wight
 George Boubouras
 Neil Sheather

Review and results of operations

During the half-year, the Fund invested its funds in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

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

	Half-year ended 31 December 2025	Half-year ended 31 December 2024
Operating loss before finance costs for the year (\$'000s)	(5,960)	(28)
Total other comprehensive income for the year (\$'000s)	(6,097)	3,243

Significant changes in state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Fund that occurred during the half-year ended 31 December 2025.

Matters subsequent to the end of the financial period

Subsequent to 31 December 2025 and up to the date of signing the condensed interim financial statements, the market value of Bitcoin has decreased by approximately 24%.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect:

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

Directors' report (continued)

Likely developments and expected results of operations

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

The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Indemnification and insurance of officers

No insurance premiums are paid for out of the assets of the Fund in regard to insurance cover provided to the officers of K2 Asset Management Ltd. So long as the officers of K2 Asset Management Ltd act in accordance with the Fund's Constitution and the Law, the officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund.

Indemnification of auditor

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

Fees paid to and interests held in the Fund by the Responsible Entity and its associates

Fees paid to the Responsible Entity and its associates out of Fund property during the half-year are disclosed in Note 9 to the condensed interim financial statements.

No fees were paid out of Fund property to the directors of the Responsible Entity during the half-year.

The number of interests in the Fund held by the Responsible Entity or its associates as at the end of the half-year are disclosed in Note 9 to the condensed interim financial statements.

Interests in the Fund

The movement in units on issue in the Fund during the half-year is disclosed in Note 6 to the condensed interim financial statements.

The value of the Fund's assets and liabilities is disclosed in the condensed interim statement of financial position and derived using the basis set out in Note 2 to the condensed interim financial statements.

Environmental regulation

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

Rounding of amounts to the nearest thousand dollars

Amounts in the Directors' report have been rounded to the nearest thousand dollars in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, unless otherwise indicated.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

This report is made in accordance with a resolution of the directors of Digital X Bitcoin ETF.



Hollie Weight
Director

Melbourne
26 February 2026



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

To the Directors of K2 Asset Management Ltd (the Responsible Entity) of
DigitalX Bitcoin ETF

I declare that, to the best of my knowledge and belief, in relation to the review of DigitalX Bitcoin ETF
for the half-year ended 31 December 2025 there have been:

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

KPMG

Chris Wooden

Partner

Melbourne

26 February 2026

Condensed interim statement of comprehensive income

	Note	Half-year ended 31 December 2025 \$'000	Half-year ended 31 December 2024 \$'000
Investment income			
Net gain on disposal of Digital Assets		108	-
Net gain on foreign exchange transactions		58	-
Total investment income		166	-
Expenses			
Management fees	9	140	23
Transaction costs		11	5
Revaluation loss of Digital Assets		5,975	-
Total expenses		6,126	28
Loss before finance costs attributable to unit holder for the half-year		(5,960)	(28)
Finance costs			
Decrease/(increase) in net assets attributable to unit holders	6	12,057	(3,215)
Other comprehensive income			
Revaluation (loss)/gain on Digital Assets at fair value		(6,097)	3,243
Total Other comprehensive income that will not be reclassified to profit or loss		(6,097)	3,243
Total comprehensive income for the half-year		-	-

The above condensed interim statement of comprehensive income should be read in conjunction with the accompanying notes.

Condensed interim statement of financial position

	Note	As at 31 December 2025 \$'000	As at 30 June 2025 \$'000
Assets			
Cash and cash equivalents	8	5	3
Digital Assets at fair value	5	47,818	53,636
Receivables		-	12
Total assets		<u>47,823</u>	<u>53,651</u>
Liabilities			
Payables		144	21
Distributions payable		-	881
Total liabilities (excluding net assets attributable to unit holders)		<u>144</u>	<u>902</u>
Net assets attributable to unit holders – liability	6	<u>47,679</u>	<u>52,749</u>
Total Net Assets		<u>-</u>	<u>-</u>
Equity			
Unit holder reserve		-	(6,097)
Revaluation reserve		-	6,097
Total Equity		<u>-</u>	<u>-</u>

The above condensed interim statement of financial position should be read in conjunction with the accompanying notes.

Condensed interim statement of changes in equity

	Unit holder Reserve \$'000	Revaluation Reserve \$'000	Total Equity \$'000
Opening balance as at 1 July 2025	(6,097)	6,097	-
Other comprehensive income	-	(6,097)	(6,097)
Transfer to net assets attributable to unitholders	12,057	-	12,057
Loss for the half-year	(5,960)	-	(5,960)
Closing balance as at 31 Dec 2025	-	-	-
	Unit holder Reserve \$'000	Revaluation Reserve \$'000	Total Equity \$'000
Opening balance as at 1 July 2024	-	-	-
Other comprehensive income	-	3,243	3,243
Transfer to net assets attributable to unitholders	(3,215)	-	(3,215)
Loss for the half-year	(28)	-	(28)
Closing balance as at 31 Dec 2024	(3,243)	3,243	-

The Fund's net assets attributable to unit holders are classified as a liability under *AASB 132 Financial Instruments: Presentation*. As such, the Fund has not presented any items with respect to net assets attributable to unit holders in the changes in equity for the current or comparative year.

The above condensed interim statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed interim statement of cash flows

	Note	Half-year ended 31 December 2025 \$'000	Half-year ended 31 December 2024 \$'000
Cash flows from operating activities			
Payments for purchase of Digital Assets at fair value		(8,549)	(47,002)
Proceeds from sales of Digital Assets at fair value		2,403	-
Other income received		40	-
Management fees paid		(45)	-
Transaction costs paid		(11)	(5)
Payments for foreign exchange movements		58	-
Net cash (outflow)/inflow from operating activities		(6,104)	(47,007)
Cash flows from financing activities			
Proceeds from applications by unit holders		8,566	47,007
Payments for redemptions by unit holders		(1,702)	-
Distributions paid		(758)	-
Net cash (outflow)/inflow from financing activities		6,106	47,007
Net increase/(decrease) in cash and cash equivalents		2	-
Cash and cash equivalents at the beginning of the half-year		3	-
Cash and cash equivalents at the end of the half-year	8	5	-
Non-cash operating and financing activities		123	47,007

The above condensed interim statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the condensed interim financial statements

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1 General information

These condensed interim financial statements cover Digital X Bitcoin ETF (the "Fund") as an individual entity which is a registered managed investment scheme under the Corporations Act 2001 and was admitted to trading status on the ASX under the AQUA Rules on 12 July 2024 (ASX code: BTXX). The Fund was constituted on 10 June 2021, registered with the Australian Securities and Investments Commission on 18 June 2021 and commenced operations on 12 July 2024. The Fund will terminate in accordance with the provisions of the Fund's Constitution or by Law.

The Responsible Entity of the Fund is K2 Asset Management Ltd (ABN 95 085 445 094) (AFSL 244393) (the "Responsible Entity"). The Responsible Entity's registered office is Level 44, 101 Collins Street, Melbourne, VIC, 3000. These condensed interim financial statements are presented in Australian dollars.

The Fund holds substantially all of its assets in long-term holdings of Bitcoin to achieve the investment objective. The Fund is intended to be a passive holder of Bitcoin and will not buy and sell Bitcoin other than to facilitate redemptions and creations of Bitcoin Interests in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

The condensed interim financial statements were authorised for issue by the directors on the date the Directors' declaration was signed. The directors of the Responsible Entity have the power to amend and reissue the condensed interim financial statements.

2 Summary of material accounting policies

The principal accounting policies applied in the preparation of these condensed interim financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated in the following text. All material accounting and risk management policies adopted in the preparation of the financial statements have been outlined in below.

(a) Basis of preparation

These condensed interim financial statements for the six months ended 31 December 2025 have been prepared in accordance with Australian Accounting Standards AASB 134 Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34 Interim Financial Reporting.

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

The condensed interim statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within 12 months, except for investments in Digital Assets.

The Fund manages its Digital Assets based on the applications and redemptions in the Fund at any given point in time. The Investment Manager does not engage in active trading in Digital Assets beyond what is required for unit creation and redemption processes. As such, it is expected that a portion of the portfolio may be realised within 12 months, however, an estimate of that amount cannot be reliably determined as at reporting date.

In the case of net assets attributable to unit holders, the units are redeemable on demand at the unit holder's option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within 12 months cannot be reliably determined.

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

The condensed interim financial statements of the Fund also comply with IFRS as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the Fund

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2025 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

(b) Use of estimates and judgements

The Fund makes estimates, assumptions and judgements that affect the reported amounts of assets and liabilities within the current and next financial period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods effected.

The following are the critical judgements that the directors have made in the process of applying the Fund's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Determination of measurement basis for Digital Assets

The directors note that the topic of Digital Assets and the accounting for Digital Assets continues to be considered by the International Accounting Standards Board (IASB) and continue to monitor new comments and interpretations released by the Board and other standard setters from around the world.

Following a review of the facts and circumstances, the directors have considered their position for the period ended 31 December 2025, 31 December 2024 and have determined that the Digital Assets fall within the scope of IAS 38 Intangible Assets. In accordance with IAS 38, the Fund recognises and measures Digital Assets, specifically its Bitcoin, as intangible assets using the revaluation model.

For more information refer to Note 2(c) to the condensed interim financial statements.

Determination of fair value for Fund assets

A number of the Fund's accounting policies require the measurement of fair values, for both financial and non-financial assets. For the majority of the assets held by the Fund, quoted market prices are readily available. However, certain assets are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by the Investment Manager.

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

For more information on how fair value is calculated refer to Note 4 to the condensed interim financial statements.

The directors do not consider that any significant estimates have been applied in the preparation of these condensed interim financial statements.

2 Summary of material accounting policies (continued)

(c) Digital Assets at fair value

The Fund holds substantially all of its assets in long-term holdings of Bitcoin to achieve its investment objective. The Fund is intended to be a passive holder of Bitcoin and will not buy and sell Bitcoin other than to facilitate redemptions and creations of units in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

Whilst the IFRS Interpretation Committee issued an agenda decision on the accounting for cryptocurrencies in June 2019, there is no one standard under IFRS which details how digital currencies are to be accounted for. Following a review of the facts and circumstances, the directors have determined that the Digital Assets fall within the scope of IAS 38 Intangible Assets. Furthermore, the directors have determined to account for Digital Assets under the IAS 38 revaluation model being its fair value on the basis there is an active market for the transfer and sale of the Digital Assets that the Fund holds. The Digital Assets are held to provide the unit holders with the exposure to changes in the fair value of Digital Assets and therefore the Directors consider that carrying the Digital Assets at fair value reflects the objectives and the purpose of holding the asset.

Initial recognition

Digital Assets are initially recorded at their fair value at the date of acquisition. This fair value is typically based on the transaction price at the time of purchase.

Subsequent Measurement

Following initial recognition, Digital Assets are revalued at each reporting date to reflect their current fair value. Any increase in fair value is recognised as a revaluation gain within other comprehensive income, increasing equity. However, if there are any previous impairment charges that were recognised through Profit or Loss, fair value gains will be first recorded through Profit or Loss in respect of any previous impairment recognised being reversed.

Conversely, if the fair value decreases, the decline is first offset against any existing revaluation surplus for the asset. If there is no surplus, or if the decrease exceeds the surplus, the excess loss is recognised as an impairment through the Profit or Loss.

Frequency of Revaluation

To ensure that carrying amounts reflect fair value, revaluations are conducted regularly, with adjustments made as necessary to address the high volatility associated with cryptocurrencies.

Derecognition

The Fund derecognises Digital Assets when either of the following conditions is met:

- (i) Disposal: Upon redemption of units and the sale of Digital Assets, the attributable cost shall be calculated in accordance with the average cost methodology, and the overall cost reduced accordingly to represent the de-recognition of the Digital Assets. Any previously recognised gains on the Digital Assets de-recognised as a result of the sale are reclassified to unitholder reserves.
- (ii) No Future Economic Benefits: If no future economic benefits are expected to arise from the use or disposal of the Digital Asset, it is derecognised. This may occur due to obsolescence, changes in market conditions, or other factors rendering the asset economically unviable.

(d) Reserves

A revaluation reserve and unitholder reserves are maintained within equity. All profits or losses are taken to unit holder reserves at the end of each period. Gains and reversals of previously recognised gains arising on the movement in the fair value of Digital Assets, above cost, are taken to the revaluation reserve at the end of each accounting period.

(e) Net assets attributable to unit holders - liability

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

The units are classified as financial liabilities as the unit holders are absolutely entitled to the Fund's distributable income in accordance with the Fund's Constitution.

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

The units are carried at the redemption amount that is payable at the reporting date if the holder exercises the right to put the units back to the Fund.

(f) Cash and cash equivalents

For the purpose of presentation in the condensed interim statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as trading of these securities represents the Fund's main income generating activity.

(g) Rounding of amounts

The Fund is an entity of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 relating to the "rounding off" of amounts in the condensed interim financial statements. Amounts in the condensed interim financial statements have been rounded to the nearest thousand dollars, unless otherwise indicated.

3 Financial risk management

The Fund's activities expose it to a variety of financial risks including market risk (which incorporates price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Fund's overall risk management programme focuses on ensuring compliance with the Fund's Product Disclosure Statement and the investment guidelines of the Fund. It also seeks to maximise the returns derived for the level of risk to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance.

(a) Market risk

Market risk is the risk that changes in market prices (such as price risk, foreign exchange rates and interest rates) will affect the Fund's income or the value of its assets held or issued.

(i) Price risk

Price risk arises from investments held by the Fund for which prices in the future are uncertain. The Fund uses different methods to measure different types of risk to which it is exposed. These methods are explained below.

As the Fund is a spot Bitcoin fund, it is difficult to mitigate any price risk as the value of the Fund is sensitive to the market sentiment towards Bitcoin and large swings in the pricing is actually expected. The only factor that is taken into consideration are the different prices that Bitcoin trading platforms charge but there are also risks associated with trading on platforms based on cost as these platforms are not as regulated as they are in traditional equity and money markets.

(ii) Foreign exchange risk

The Fund operates internationally and holds both monetary and non-monetary assets denominated in currencies other than the Australian dollar. Foreign exchange risk arises as the value of monetary securities denominated in other currencies fluctuate due to changes in exchange rates. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk and not foreign exchange risk. However, the Investment Manager monitors the exposure of all foreign currency denominated assets and liabilities.

As Bitcoin generally trades in US dollars there is the risk of foreign exchange losses when converting assets into Australian Dollar. Bitcoin held by the Fund will be valued in US dollars, however the Fund itself will be valued in Australian dollars. While the Investment Manager quantifies the risk of each individual Bitcoin, the Investment Manager does not actively manage or hedge currencies in aggregate for the Fund. Therefore, the Fund will be affected by currency movements, which may have an adverse effect on the value of the Fund.

The table below summarises the fair value of the Fund's financial assets and liabilities, monetary and non-monetary, which are denominated in a currency other than the Australian dollar.

	As at 31 December 2025 \$'000	As at 30 June 2025 \$'000
Digital Assets at fair value	47,818	53,636
Net exposure	47,818	53,636

The table at Note 3(b) summarises the sensitivities of the Fund's monetary assets and liabilities to foreign exchange risk. The analysis is based on the reasonably possible shift that the Australian dollar weakened and strengthened by 15% against the significant foreign currencies to which the Fund is exposed.

(iii) Interest rate risk

The Fund is exposed to cash flow interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed rates expose the Fund to fair value interest rate risk.

The Fund's interest bearing financial instruments expose them to risks associated with the effects of fluctuation in the prevailing market interest rate on its financial positions and cash flows.

Interest rate risk management is undertaken by maintaining as close to a fully invested position as possible thus limiting the exposure of the Fund to interest rate risk.

As at 31 December 2025, the impact of interest rate risk on the profit and net assets attributable to unit holders is considered immaterial to the Fund.

(iv) Market making risk

The Responsible Entity, on behalf of the Fund, provides liquidity to investors by acting as a buyer and seller of the Fund's units on the ASX. Market making risk is the risk of an error in the execution or settlement of the underlying Fund units. The Responsible Entity, on behalf of the Fund, mitigates this risk by having the power to increase the spread at which it makes a market and the right to cease making a market (subject to its obligations under AQUA Rules and ASX Operating Rules). The Responsible Entity has appointed an independent market participant to act as its agent to transact and facilitate settlement on its behalf.

3 Financial risk management (continued)

(b) Summarised sensitivity analysis

The following table summarises the sensitivity of the Fund's net assets attributable to unit holders to market risks. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in foreign exchange rates, interest rates and the historical correlation of the Fund's investments with the relevant benchmark and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market movements resulting from changes in the performance of and/or correlation between the performances of the economies, markets and securities in which the Fund invests. As a result, historic variations in risk variables should not be used to predict future variances in the risk variables.

	Impact on operating profit/net assets attributable to unit holders			
	Price risk	Price risk	Foreign exchange risk	Foreign exchange risk
	-25% \$'000	+25% \$'000	-10% \$'000	+10% \$'000
As at 31 December 2025	(11,955)	11,955	(4,782)	4,782
As at 30 June 2025	(13,409)	13,409	(5,364)	5,364

(c) Credit risk

The Fund is exposed to credit risk, which is the risk that a counterparty will be unable to pay its obligations in full when they fall due, causing a financial loss to the Fund. The Fund's principal financial assets are cash and cash equivalents which represents the Fund's maximum exposure to credit risk.

The Fund does not have a significant concentration of credit risk that arises from an exposure to a single counterparty or group of counterparties having similar characteristics.

Settlement of transactions

All transactions in Bitcoins are settled/paid for upon delivery using approved trading platforms. The risk of default is considered low, as delivery of Bitcoin sold is only made once the broker has received payment. Payment is made once the Bitcoin purchased have been received by the broker. The trade will fail if either party fails to meet its obligations.

(d) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Exposure to liquidity risk for the Fund may arise from the requirement to meet daily redemption requests or to fund foreign exchange related cash flow requirements. When units are redeemed, the Fund returns the corresponding amount of Digital Assets determined by the Entitlement of those units, therefore the redemption of units would not impact the liquidity of the Fund.

In certain circumstances, for example, in the event of volatility in the relevant markets, the Responsible Entity has the discretion to reject an application for units and to defer or adjust redemption of units if the exercise of such discretion is in the best interests of unit holders. The Fund did not reject or withhold any redemptions during the year.

(i) Maturities of non-derivative financial liabilities

The table below analyses the Fund's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month \$'000	1 to 6 months \$'000	6 to 12 months \$'000	Over 12 months \$'000	Total \$'000
As at 31 December 2025					
Payables	144	-	-	-	144
Total financial liabilities	144	-	-	-	144
As at 30 June 2025					
Payables	21	-	-	-	21
Total financial liabilities	21	-	-	-	21

(e) Risks relating to Digital Assets

(i) Custodial risk

The Fund has established a custody relationship with Coinbase Custody Trust Company LLC ("Coinbase"). In this arrangement, all the Fund's Digital Assets are held in wallets operated by Coinbase. Coinbase operates a "cold" (offline) storage solution for the Crypto Asset Collateral. The main risk of such solutions has been the potential damage or loss of the infrastructure on which such storage relies. The private key required to access bitcoin may be lost, destroyed or stolen resulting in the Fund being unable to liquidate the digital currency, which would adversely affect investment in the Fund. The Fund aims to hold at least 80% of its digital currency in cold storage.

Custodial risk is managed by the Responsible Entity by subjecting each Custodian to a detailed due diligence review prior to their appointment, as well as undertaking regular due diligence updates and undertaking ongoing monitoring of their service.

All transactions of the Fund's Digital Assets with Coinbase including movements between the hot and cold storage wallets are subject to the Responsible Entity's prior approval.

3 Financial risk management (continued)

(e) Risks relating to Digital Assets (continued)

(ii) Forked Assets

A fork is a change of the blockchain caused by a change in the protocol which is distinct from the main one. It can cause several risks such as the trading may be temporarily or indefinitely suspended and the prices can be negatively impacted. A hard fork may result in the Digital Asset becoming a new forked digital asset. If this were to happen then it could reduce the value of Digital Assets with the Custodian, the Entitlement, and the value of the unit.

If the Custodian does not support the Forked Asset, the Fund may be unable to claim such assets, and the relevant Forked Asset may be assumed to have a value of zero for the purposes of computing the Fund's Net Asset Value. If the Custodian does support a previously unsupported Forked Asset and a viable market for these Forked Assets has been developed, these Forked Assets will be disposed of at that time at the prevailing market rate.

Newly-Forked Assets may be less liquid than more established assets, and as such may be difficult for the Fund to dispose of in a timely manner. It is not possible to predict the impact that any Fork could have on the Fund or for how long any resulting disruption may exist.

It may be necessary for the Fund's quotation on the ASX and creations and redemptions of its Digital Asset interests be suspended for a year because of a fork.

(iii) Airdrops

An airdrop occurs when the issuer of a new digital asset declares to the holder of another specific digital asset that they will be entitled to claim for free a quantity of the new digital asset because they are holding this specific other digital asset. If an airdrop occurs intended to benefit holders of a Digital Asset, then the ability of a holder of Bitcoin interest relating to such Digital Asset to participate in the airdrop will depend on the support of the Custodian. There is no obligation on the Custodian to support any airdrop or hold the airdropped digital asset and so there is no certainty that holders of Bitcoin interests will be able to obtain any airdropped digital currencies or realise any value from them.

The Investment Manager has no intention to participate in an airdrop and should they be of consideration, comprehensive due diligence and consent from the Responsible Entity will be required prior to participating in an airdrop on behalf of the Fund.

4 Fair value measurement

The Fund measures and recognises financial assets and liabilities at fair value through profit or loss on a recurring basis. The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

(a) Fair value in an active market (level 1)

The fair value of assets and liabilities traded in active markets (such as Bitcoins) are based on quoted market prices at the close of trading at the end of the reporting period without any deduction for estimated future selling costs. For the majority of its investments, the Fund relies on information provided by independent pricing services for the valuation of its investments.

The quoted market price used for financial assets held by the Fund is the current last traded price; the quoted market price for financial liabilities is the current asking price.

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

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

(b) Recognised fair value measurements

The table below presents the Fund's financial assets and liabilities measured and recognised at fair value as at 31 December 2025 and 30 June 2025.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 31 December 2025				
Assets				
Digital Assets at fair value	47,818	-	-	47,818
Total financial assets	47,818	-	-	47,818
As at 30 June 2025				
Assets				
Digital Assets at fair value	53,636	-	-	53,636
Total assets	53,636	-	-	53,636

(c) Transfer between levels

Management's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels in the fair value hierarchy at the end of the reporting period.

5 Digital Assets at fair value

	As at 31 December 2025 \$'000	As at 30 June 2025 \$'000
Digital Assets at fair value		
Bitcoin	47,818	53,636
Total Digital Assets at fair value	47,818	53,636

6 Net assets attributable to unit holders

Movements in the number of units and net assets attributable to unit holders during the half-year were as follows:

	Half-year ended 31 December 2025		Half-year ended 31 December 2024	
	Units '000	\$'000	Units '000	\$'000
Opening balance	1,472	52,749	-	-
Applications	250	8,566	1,462	47,007
Reinvestment of distributions	3	123	-	-
Redemptions	(70)	(1,702)	-	-
(Decrease)/increase in net assets attributable to unit holders	-	(12,057)	-	3,215
Closing balance	1,655	47,679	1,462	50,222

As stipulated within the Fund's Constitution, each unit represents a right to an individual share in the Fund, which entitles a unitholder to an interest in the underlying Digital Assets held by the Fund.

Units are redeemed on demand at the unit holders' option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within twelve months after the end of the reporting period cannot be reliably determined.

Capital risk management

The Fund considers its net assets attributable to unit holders as capital, notwithstanding that net assets attributable to unit holders are classified as a liability. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of unit holders.

Daily applications and redemptions are reviewed relative to the liquidity of the Fund's underlying assets on a daily basis by the Responsible Entity. Under the terms of the Fund's Constitution, the Responsible Entity has the discretion to reject an application for units and to defer or adjust redemption of units if the exercise of such discretion is in the best interests of unit holders.

7 Distributions to unit holders

There were no distributions declared for the half-years ended 31 December 2025 and 31 December 2024.

8 Cash and cash equivalents

	As at 31 December 2025 \$'000	As at 30 June 2025 \$'000
Cash at bank	5	3
Total cash and cash equivalents	5	3

9 Related party transactions

The Responsible Entity of Digital X Bitcoin ETF is K2 Asset Management Ltd (ABN 95 085 445 094) (AFSL 244393). Accordingly, transactions with entities related to K2 Asset Management Ltd are disclosed below.

The Responsible Entity has contracted services to Digital X Asset Management Pty Ltd to act as Investment Manager for the Fund and Apex Fund Services Pty Ltd to act as Administrator for the Fund. The contracts are on normal commercial terms and conditions.

a. Responsible Entity fees, Investment Manager's fees and other transactions

The transactions during the period and amounts payable as at period end between the Fund, the Responsible Entity and the Investment Manager were as follows:

	Half-year ended 31 December 2025 \$	Half-year ended 31 December 2024 \$
Management fees for the half-year	140,229	23,215
Management fees payable at half-year end	116,439	23,215

10 Events occurring after the reporting period

Subsequent to 31 December 2025 and up to the date of signing the condensed interim financial statements, the market value of Bitcoin has decreased by approximately 24%.

No other significant events have occurred since the end of the half-year which would impact on the financial position of the Fund as disclosed in the condensed interim statement of financial position as at 31 December 2025 or on the results and cash flows of the Fund for the half-year ended on that date.

11 Contingent assets and liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 31 December 2025 and 30 June 2025.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) The condensed interim financial statements and notes set out on pages 5 to 16 are in accordance with the Corporations Act 2001, including:
 - (i) complying with AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Fund's financial position as at 31 December 2025 and of its performance for the half-year ended on that date.
- (b) There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable;
- (c) Note 2(a) confirms that the financial statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors of K2 Asset Management Ltd through a delegated authority given by K2 Asset Management Ltd's Board.



Hollie Weight
Director

Melbourne
26 February 2026



Independent Auditor's Review Report

To the unitholders of DigitalX Bitcoin ETF

Conclusion

We have reviewed the accompanying **Condensed Interim Financial Report** of DigitalX Bitcoin ETF.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Condensed Interim Financial Report of DigitalX Bitcoin ETF does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Registered **Scheme's** financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
 - complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.
- The **Condensed Interim Financial Report** comprises:
- Condensed statement of financial position as at 31 December 2025;
 - Condensed statement of comprehensive income, Condensed statement of changes in equity and Condensed statement of cash flows for the half-year ended on that date;
 - Notes 1 to 11 including selected explanatory notes; and
 - The Directors' Declaration.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Registered Scheme in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of annual financial reports of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.



Responsibilities of the Directors for the Condensed Interim Financial Report

The Directors of the Registered Scheme are responsible for:

- the preparation of the Condensed Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Condensed Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Condensed Interim Financial Report

Our responsibility is to express a conclusion on the Condensed Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Registered Scheme's financial position as at 31 December 2025 and its performance for the Half-Year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Condensed Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Chris Wooden

Partner

Melbourne

26 February 2026