

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2025

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number 001-42185

Grayscale Ethereum Trust ETF

SPONSORED BY GRAYSCALE INVESTMENTS SPONSORS, LLC

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

82-6677805
(I.R.S. Employer
Identification No.)

c/o Grayscale Investments Sponsors, LLC
290 Harbor Drive, 4th Floor
Stamford, Connecticut 06902
(Address of Principal Executive Offices) (Zip Code)
(212) 668-1427
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Grayscale Ethereum Trust ETF Shares	ETHE	NYSE Arca, Inc.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of Shares of the registrant outstanding as of October 31, 2025: 124,148,500

GRAYSCALE® ETHEREUM TRUST ETF
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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains “forward-looking statements” with respect to the financial conditions, results of operations, plans, objectives, future performance and business of Grayscale Ethereum Trust ETF (the “Trust”). Statements preceded by, followed by or that include words such as “may,” “might,” “will,” “should,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” or “continue,” the negative of these terms and other similar expressions are intended to identify some of the forward-looking statements. All statements (other than statements of historical fact) included in this Quarterly Report that address activities, events or developments that will or may occur in the future, including such matters as changes in market prices and conditions, the Trust’s operations, the plans of Grayscale Operating, LLC (“GSO”), the co-sponsor of the Trust from January 1, 2025 to May 3, 2025, and Grayscale Investments Sponsors, LLC (“GSIS”), the co-sponsor of the Trust from January 1, 2025 to May 3, 2025 and the sole remaining sponsor thereafter (each of GSO and GSIS, the “Sponsor”, as the context may require, and GSO and GSIS, together, the “Co-Sponsors”), and references to the Trust’s future success and other similar matters are forward-looking statements. These statements are only predictions. Actual events or results may differ materially from such statements. These statements are based upon certain assumptions and analyses the Sponsor made based on its perception of historical trends, current conditions and expected future developments, as well as other factors appropriate in the circumstances. Whether or not actual results and developments will conform to the Sponsor’s expectations and predictions, however, is subject to a number of risks and uncertainties, including, but not limited to, those described in “Part I, Item 1A. Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the Securities and Exchange Commission (the “SEC”) on February 27, 2025 (our “Annual Report”) and in “Part II, Item 1A. Risk Factors” herein. Forward-looking statements are made based on the Sponsor’s beliefs, estimates and opinions on the date the statements are made and neither the Trust nor the Sponsor is under a duty or undertakes an obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, other than as required by applicable laws. Investors are therefore cautioned against relying on forward-looking statements.

Unless otherwise stated or the context otherwise requires, the terms “we,” “our” and “us” in this Quarterly Report refer to the Sponsor acting on behalf of the Trust.

A glossary of industry and other defined terms is included in this Quarterly Report, beginning on page 34.

INDUSTRY AND MARKET DATA

Although we are responsible for all disclosure contained in this Quarterly Report on Form 10-Q, in some cases we have relied on certain market and industry data obtained from third-party sources that we believe to be reliable. Market estimates are calculated by using independent industry publications in conjunction with our assumptions regarding the Ethereum industry and market. While we are not aware of any misstatements regarding any market, industry or similar data presented herein, such data involves risks and uncertainties and is subject to change based on various factors, including those discussed under the headings “Forward-Looking Statements,” “Part I, Item 1A. Risk Factors” in our Annual Report and “Part II, Item 1A. Risk Factors” in this Quarterly Report on Form 10-Q.

PART I – FINANCIAL INFORMATION:

Item 1. Financial Statements (Unaudited)

GRAYSCALE ETHEREUM TRUST ETF
STATEMENTS OF ASSETS AND LIABILITIES (UNAUDITED)
(Amounts in thousands, except Share and per Share amounts)

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Assets:		
Investment in Ether, at fair value (cost \$866,418 and \$608,668 as of September 30, 2025 and December 31, 2024, respectively)	\$ 4,425,198	\$ 4,735,980
Total assets	<u>\$ 4,425,198</u>	<u>\$ 4,735,980</u>
Liabilities:		
Sponsor’s Fee payable, related party	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>
Net assets	<u>\$ 4,425,198</u>	<u>\$ 4,735,980</u>
Shares issued and outstanding, no par value (unlimited Shares authorized)	<u>129,218,500</u>	<u>169,098,500</u>
Principal Market NAV per Share	<u>\$ 34.25</u>	<u>\$ 28.01</u>

See accompanying notes to the unaudited financial statements.

GRAYSCALE ETHEREUM TRUST ETF
SCHEDULES OF INVESTMENT (UNAUDITED)
(Amounts in thousands, except quantity of Ether and percentages)

September 30, 2025

	Quantity of Ether	Cost	Fair Value	% of Net Assets
Investment in Ether	1,063,337.97367740	\$ 866,418	\$ 4,425,198	100%
Total Investment		\$ 866,418	\$ 4,425,198	100%
Net assets			\$ 4,425,198	100%

December 31, 2024

	Quantity of Ether	Cost	Fair Value	% of Net Assets
Investment in Ether	1,417,788.29257515	\$ 608,668	\$ 4,735,980	100%
Total Investment		\$ 608,668	\$ 4,735,980	100%
Net assets			\$ 4,735,980	100%

See accompanying notes to the unaudited financial statements.

GRAYSCALE ETHEREUM TRUST ETF
STATEMENTS OF OPERATIONS (UNAUDITED)
(Amounts in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Investment income:				
Investment income	\$ -	\$ -	\$ -	\$ -
Expenses:				
Sponsor's Fee, related party	27,198	38,003	64,644	152,936
Net investment loss	(27,198)	(38,003)	(64,644)	(152,936)
Net realized and unrealized gain (loss) from:				
Net realized gain on investment in Ether sold to pay expenses	22,479	32,416	52,693	131,970
Net realized gain on investment in Ether sold for redemption of Shares	530,177	2,459,785	1,188,073	2,459,785
Net realized gain on investment in Ether sold for Initial Distribution (Return of Capital) ⁽¹⁾	-	888,140	-	888,140
Net change in unrealized appreciation on investment in Ether	1,314,604	(5,157,790)	(568,532)	(1,884,679)
Net realized and unrealized gain (loss) on investment	1,867,260	(1,777,449)	672,234	1,595,216
Net increase (decrease) in net assets resulting from operations	\$ 1,840,062	\$ (1,815,452)	\$ 607,590	\$ 1,442,280

- (1) Represents the impact of the Initial Distribution of 292,262.98913350 Ether, with a value of approximately \$1,010.9 million to Grayscale Ethereum Mini Trust ETF, completed on July 23, 2024, as discussed in Note 4.

See accompanying notes to the unaudited financial statements.

GRAYSCALE ETHEREUM TRUST ETF
STATEMENTS OF CHANGES IN NET ASSETS (UNAUDITED)
(Amounts in thousands, except change in Shares outstanding)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Increase (decrease) in net assets from operations:				
Net investment loss	\$ (27,198)	\$ (38,003)	\$ (64,644)	\$ (152,936)
Net realized gain on investment in Ether sold to pay expenses	22,479	32,416	52,693	131,970
Net realized gain on investment in Ether sold for redemption of Shares	530,177	2,459,785	1,188,073	2,459,785
Net realized gain on investment in Ether sold for Initial Distribution (Return of Capital) ⁽¹⁾	-	888,140	-	888,140
Net change in unrealized appreciation on investment in Ether	1,314,604	(5,157,790)	(568,532)	(1,884,679)
Net increase (decrease) in net assets resulting from operations	1,840,062	(1,815,452)	607,590	1,442,280
Increase (decrease) in net assets from capital share transactions:				
Shares issued	381,050	-	526,074	-
Shares redeemed	(632,847)	(2,859,603)	(1,444,446)	(2,859,603)
Return of Capital ⁽¹⁾	-	(1,010,935)	-	(1,010,935)
Net decrease in net assets resulting from capital share transactions	(251,797)	(3,870,538)	(918,372)	(3,870,538)
Total increase (decrease) in net assets from operations and capital share transactions	1,588,265	(5,685,990)	(310,782)	(2,428,258)
Net assets:				
Beginning of period	2,836,933	10,015,786	4,735,980	6,758,054
End of period	<u>\$ 4,425,198</u>	<u>\$ 4,329,796</u>	<u>\$ 4,425,198</u>	<u>\$ 4,329,796</u>
Change in Shares outstanding:				
Shares outstanding at beginning of period	136,148,500	310,158,500	169,098,500	310,158,500
Shares issued	11,700,000	-	18,710,000	-
Shares redeemed	(18,630,000)	(112,360,000)	(58,590,000)	(112,360,000)
Net decrease in Shares	(6,930,000)	(112,360,000)	(39,880,000)	(112,360,000)
Shares outstanding at end of period	<u>129,218,500</u>	<u>197,798,500</u>	<u>129,218,500</u>	<u>197,798,500</u>

- (1) Represents the impact of the Initial Distribution of 292,262.98913350 Ether, with a value of approximately \$1,010.9 million to Grayscale Ethereum Mini Trust ETF, completed on July 23, 2024, as discussed in Note 4.

See accompanying notes to the unaudited financial statements.

GRAYSCALE ETHEREUM TRUST ETF
STATEMENTS OF CASH FLOWS (UNAUDITED)
(Amounts in thousands)

	Nine Months Ended September 30,	
	2025	2024
Cash provided by operating activities		
Net increase in net assets resulting from operations	\$ 607,590	\$ 1,442,280
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:		
Purchases of Ether ⁽¹⁾	\$ (523,178)	\$ -
Proceeds from Ether sold to pay redemptions ⁽¹⁾	1,439,769	2,859,603
Proceeds from Ether sold to pay expenses	64,644	152,936
Net realized gain	(1,240,766)	(3,479,895)
Net change in unrealized appreciation on investment in Ether	568,532	1,884,679
Change in operating assets and liabilities:		
Sponsor's Fee payable	-	-
Net cash provided by operating activities	\$ 916,591	\$ 2,859,603
Cash used in financing activities		
Proceeds from issuance of capital shares ⁽¹⁾	\$ 523,178	\$ -
Payments for capital shares redeemed ⁽¹⁾	(1,439,769)	(2,859,603)
Net cash used in financing activities	\$ (916,591)	\$ (2,859,603)
Cash		
Net increase (decrease) in cash	\$ -	\$ -
Cash, beginning of period	-	-
Cash, end of period	\$ -	\$ -
Supplemental disclosure of noncash operating activities		
Transfer of Ether to pay for Sponsor's Fee	\$ 64,644	\$ 152,936
Supplemental disclosure of noncash financing activities		
Transfer of Ether used for Initial Distribution (Return of Capital) ⁽²⁾	\$ -	\$ 1,010,935
(1) The proceeds collected by an Authorized Participant from the sale of Shares and the payments for Shares redeemed by an Authorized Participant do not correlate with the amounts in the Statement of Operations and the Statement of Changes in Net Assets for the period due to creations and redemptions occurring at the Index Price as defined in the Trust Agreement.		
(2) Represents the impact of the Initial Distribution of 292,262.98913350 Ether, with a value of approximately \$1,010.9 million to Grayscale Ethereum Mini Trust ETF, completed on July 23, 2024, as discussed in Note 4.		

See accompanying notes to the unaudited financial statements.

GRAYSCALE ETHEREUM TRUST ETF

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

1. Organization

Grayscale Ethereum Trust ETF (the “Trust”) is a Delaware Statutory Trust that was formed on December 13, 2017 and commenced operations on December 14, 2017. In general, the Trust holds Ethereum tokens (“Ether”) and, from time to time, issues common units of fractional undivided beneficial interest (“Shares”) in exchange for Ether. Prior to July 23, 2024, the Trust did not operate a redemption program. On May 23, 2024, the Securities and Exchange Commission (the “SEC”) approved an application under Rule 19b-4 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) by NYSE Arca, Inc. (“NYSE Arca”) to list the Shares of the Trust, which began trading on NYSE Arca on July 23, 2024 (the “Uplisting Date”), following the effectiveness of the Trust’s registration statement on Form S-3, as amended (File No. 333-278880). As of the date of this Quarterly Report, the Trust is an SEC reporting company with its Shares registered pursuant to Section 12(b) of the Exchange Act. On July 22, 2024, in connection with the approval of the 19b-4 Application on May 23, 2024 and the effectiveness of the registration statement on Form S-3, as amended, Grayscale Investments, LLC (“GSI”) authorized the commencement of a redemption program. Effective July 23, 2024, the Trust creates and redeems Shares at such times and for such periods as determined by the Sponsor (as defined below), but only in one or more whole “Baskets.” A Basket equals 10,000 Shares. The creation of a Basket requires the delivery to the Trust of the amount of Ether (or cash to acquire such amount of Ether) represented by one Share immediately prior to such creation multiplied by 10,000. The redemption of a Basket requires distribution by the Trust of the amount of Ether represented by one Share immediately prior to such redemption multiplied by 10,000. The Trust may from time to time halt creations and redemptions for a variety of reasons, including in connection with forks, airdrops and other similar occurrences.

The Trust’s investment objective is for the value of the Shares (based on Ether per Share) to reflect the value of the Ether held by the Trust, less the Trust’s expenses and other liabilities.

GSI was the sponsor of the Trust before January 1, 2025, Grayscale Operating, LLC (“GSO”), was the co-sponsor of the Trust from January 1, 2025 to May 3, 2025, and Grayscale Investments Sponsors, LLC (“GSIS”, or the “Sponsor”), was the co-sponsor of the Trust from January 1, 2025 to May 3, 2025 and is the sole remaining sponsor thereafter. GSI was, and each of GSO and GSIS are, a consolidated subsidiary of Digital Currency Group, Inc. (“DCG”). The Sponsor is responsible for the day-to-day administration of the Trust pursuant to the provisions of the Trust Agreement. The Sponsor is responsible for preparing and providing annual and quarterly reports on behalf of the Trust to investors and is also responsible for selecting and monitoring the Trust’s service providers. As partial consideration for the Sponsor’s services, the Trust pays the Sponsor a Sponsor’s Fee as discussed in Note 7. The Sponsor also acts as the sponsor and manager of other single-asset and diversified investment products, each of which is an affiliate of the Trust. Information related to the affiliated investment products can be found on the Sponsor’s website at www.grayscale.com/resources/regulatory-filings. Any information contained on or linked from such website is not part of nor incorporated by reference into these unaudited financial statements. Several of the affiliated investment products are SEC reporting companies with their shares registered pursuant to Section 12(g) of the Exchange Act. In addition, the following affiliated investment products are also SEC reporting companies with their shares registered pursuant to Section 12(b) of the Exchange Act: Grayscale Bitcoin Trust ETF, Grayscale Ethereum Mini Trust ETF, Grayscale Bitcoin Mini Trust ETF, Grayscale CoinDesk Crypto 5 ETF and, as of October 29, 2025, Grayscale Solana Trust ETF.

Authorized Participants of the Trust are the only entities who may place orders to create or redeem Baskets. Grayscale Securities, LLC (“Grayscale Securities” or, in such capacity, an “Authorized Participant”), a registered broker-dealer and affiliate of the Sponsor, was the only Authorized Participant from October 3, 2022 through July 21, 2024. On or after July 22, 2024, the Sponsor, on behalf of the Trust, and the Transfer Agent entered into Participant Agreements with a number of unaffiliated Authorized Participants in connection with the approval of NYSE Arca’s application under Rule 19b-4 of the Exchange Act, and the Trust has also since engaged other Authorized Participants. In connection with the entry into the Participant Agreements, as of July 22, 2024, the Sponsor amended, solely, with respect to the Trust, the Participant Agreement, dated as of October 3, 2022, between the Sponsor and Grayscale Securities, to remove the Trust as an entity covered by the Agreement. Effective July 22, 2024, Grayscale Securities no longer serves as Authorized Participant of the Trust. Additional Authorized Participants may be added at any time, subject to the discretion of the Sponsor.

Liquidity Providers facilitate the purchase and sale of Ether in connection with cash orders for creations or redemptions of Baskets. The Liquidity Providers with which GSIS, acting in its capacity as the “Liquidity Engager,” will engage in Ether transactions are third parties that are not affiliated with the Sponsor or the Trust and are not acting as agents of the Trust, the Sponsor, or any Authorized Participant, and all transactions will be done on an arm’s-length basis. Except for the contractual relationships between each Liquidity Provider and GSIS in its capacity as the Liquidity Engager, there is no contractual relationship between each Liquidity Provider and the Trust, the Sponsor, or any Authorized Participant. The Liquidity Engager may engage additional Liquidity Providers who are unaffiliated with the Trust in the future.

Effective July 23, 2024, the Trust, the Sponsor and Coinbase, Inc., the prime broker of the Trust (“Coinbase” or the “Prime Broker”), on behalf of itself and as agent for Coinbase Custody Trust Company, LLC (“Coinbase Custody” or the “Custodian”) and Coinbase

Credit, Inc. (“Coinbase Credit” and, collectively with Coinbase and Coinbase Custody, the “Coinbase Entities”), entered into the Coinbase Prime Broker Agreement governing the Trust’s and the Sponsor’s use of the Custodial and Prime Broker Services provided by the Custodian and the Prime Broker. The Prime Broker Agreement establishes the rights and responsibilities of the Custodian, the Prime Broker, the Sponsor and the Trust with respect to the Trust’s Ether which is held in accounts maintained and operated by the Custodian, as a fiduciary with respect to the Trust’s assets, and the Prime Broker (together with the Custodian, the “Custodial Entities”) on behalf of the Trust. The Custodian is responsible for safeguarding the Ether held by the Trust, and holding the private key(s) that provide access to the Trust’s digital wallets and vaults. Additionally, on August 8, 2025, the Sponsor and Anchorage Digital Bank N.A. (“Anchorage Digital”), a national trust bank chartered by the Office of the Comptroller of the Currency, entered into a custodial services agreement (the “Anchorage Digital Custodian Agreement”). Pursuant to the Anchorage Digital Custodian Agreement, Anchorage Digital will provide services related to custody and safekeeping of the Trust’s Ether holdings.

Effective July 23, 2024, the transfer agent for the Trust (the “Transfer Agent”) is The Bank of New York Mellon. The responsibilities of the Transfer Agent are to (1) facilitate the issuance and redemption of shares of the Trust; (2) respond to correspondence by Trust shareholders and others relating to its duties; (3) maintain shareholder accounts; and (4) make periodic reports to the Trust. The co-transfer agent for the Trust (the “Co-Transfer Agent”) is Continental Stock Transfer & Trust Company.

The administrator for the Trust (the “Administrator”) is BNY Mellon Asset Servicing, a division of The Bank of New York Mellon. BNY Mellon Asset Servicing provides administration and accounting services to the Trust. The Administrator’s fees are paid on behalf of the Trust by the Sponsor.

The marketing agent for the Trust (the “Marketing Agent”) is Foreside Fund Services, LLC. The Marketing Agent provides the following services to the Sponsor: (i) assist the Sponsor in facilitating Participation Agreements between and among Authorized Participants, the Sponsor, on behalf of the Trust, and the Transfer Agent; (ii) provide prospectuses to Authorized Participants; (iii) work with the Transfer Agent to review and approve orders placed by the Authorized Participants and transmitted to the Transfer Agent; (iv) review and file applicable marketing materials with FINRA and (v) maintain, reproduce and store applicable books and records.

On May 23, 2019, the Trust received notice that its Shares were qualified for public trading on the OTCQX Best Market® (“OTCQX”) of OTC Markets Group Inc. Until July 22, 2024, the Trust’s trading symbol on OTCQX was “ETHE.” On May 23, 2024, the SEC approved an application under Rule 19b-4 of the Exchange Act by NYSE Arca to list the Shares of the Trust. Shares of the Trust began trading on NYSE Arca on July 23, 2024, following the effectiveness of the Trust’s registration statement on Form S-3, as amended (File No. 333-278880). On September 17, 2025, the SEC approved a proposed rule change for new Rule 8.201-E (Generic) pursuant to Rule 19b-4 under the Exchange Act to amend NYSE Arca’s listing rules to permit the listing and trading of shares of certain commodity-based exchange-traded products that satisfy certain generic requirements (the “Generic Listing Standards”). On September 29, 2025, the Sponsor’s application to list and trade the Trust’s Shares on NYSE Arca under the Generic Listing Standards was approved. The Trust’s trading symbol on NYSE Arca is “ETHE” and the CUSIP number for its Shares is 389638107.

The Trust may also receive Incidental Rights and/or IR Virtual Currency as a result of the Trust’s investment in Ether, in accordance with the terms of the Trust Agreement.

Incidental Rights are rights to claim, or otherwise establish dominion and control over, any virtual currency or other asset or right, which rights are incident to the Trust’s ownership of Ether and arise without any action of the Trust, or of the Sponsor or Trustee on behalf of the Trust; IR Virtual Currency is any virtual currency tokens, or other asset or right, received by the Trust through the exercise (subject to the applicable provisions of the Trust Agreement) of any Incidental Right. On July 29, 2019, the Sponsor delivered to the Custodian (as defined below), on behalf of the Trust, a notice stating that the Trust is abandoning irrevocably for no direct or indirect consideration, effective immediately prior to each time at which the Trust creates Shares, all Incidental Rights and IR Virtual Currency to which it would otherwise be entitled as of such time. On May 23, 2024, the Trust delivered a supplemental notice to the Prime Broker, the Custodian and Coinbase Credit, Inc. providing that the Trust also will abandon irrevocably for no direct or indirect consideration, effective immediately prior to each time at which the Trust redeems Shares, all Incidental Rights or IR Virtual Currency to which it would otherwise be entitled as of such time. The Sponsor has committed to cause the Trust not to take any Affirmative Action to acquire any Incidental Rights or IR Virtual Currency, thereby irrevocably abandoning any Incidental Rights and IR Virtual Currency to which the Trust may become entitled in the future. Because the Sponsor has now committed to causing the Trust to irrevocably abandon all Incidental Rights and IR Virtual Currency to which the Trust otherwise would become entitled in the future, and causing the Trust not to take any Affirmative Actions, the Trust will not receive any direct or indirect consideration for the Incidental Rights or IR Virtual Currency and thus the value of the Shares will not reflect the value of the Incidental Rights or IR Virtual Currency. In addition, in the event the Sponsor seeks to change the Trust’s policy with respect to Incidental Rights or IR Virtual Currency, an application would need to be filed with the SEC by NYSE Arca seeking approval to amend its listing rules to permit the Trust to distribute the Incidental Rights or IR Virtual Currency in-kind to an agent of the shareholders for resale by such agent.

2. Summary of Significant Accounting Policies

In the opinion of management of the Sponsor of the Trust, all adjustments (which include normal recurring adjustments) necessary to present fairly the financial position as of September 30, 2025 and December 31, 2024 and results of operations for the three and nine months ended September 30, 2025 and 2024 have been made. The results of operations for the periods presented are not necessarily indicative of the results of operations expected for the full year. These unaudited financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2024 included in our Annual Report.

The following is a summary of significant accounting policies followed by the Trust:

The financial statements have been prepared in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”). The Trust qualifies as an investment company for accounting purposes pursuant to the accounting and reporting guidance under Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946, *Financial Services—Investment Companies*. The Trust uses fair value as its method of accounting for Ether in accordance with its classification as an investment company for accounting purposes. The Trust is not a registered investment company under the Investment Company Act of 1940. U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates and these differences could be material.

The Trust conducts its transactions in Ether, including receiving Ether for the creation of Shares and delivering Ether for the redemption of Shares and for the payment of the Sponsor’s Fee. The Sponsor will determine the Trust’s net asset value (“NAV”) on each business day as of 4:00 p.m., New York time, or as soon thereafter as practicable.

Cash and Cash Equivalents

Generally, the Trust does not intend to hold cash, except in connection with cash orders for creations or redemptions of Baskets. Cash includes non-interest bearing non-restricted cash with one institution. Cash in a bank deposit account, at times, may exceed U.S. federally insured limits. The Trust has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on such bank deposits.

Principal Market and Fair Value Determination

To determine which market is the Trust’s principal market (or in the absence of a principal market, the most advantageous market) for purposes of calculating the Trust’s net asset value in accordance with U.S. GAAP (“Principal Market NAV”), the Trust follows ASC Topic 820-10, *Fair Value Measurement*, which outlines the application of fair value accounting. ASC 820-10 determines fair value to be the price that would be received for Ether in a current sale, which assumes an orderly transaction between market participants on the measurement date. ASC 820-10 requires the Trust to assume that Ether is sold in its principal market to market participants or, in the absence of a principal market, the most advantageous market. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable, and willing and able to transact.

The Trust only receives Ether in connection with a creation order from the Authorized Participant (or a Liquidity Provider) and does not itself transact on any Digital Asset Markets. Therefore, the Trust looks to market-based volume and level of activity for Digital Asset Markets. The Authorized Participant(s), or a Liquidity Provider, may transact in a Brokered Market, a Dealer Market, Principal-to-Principal Markets and Exchange Markets (referred to as “Trading Platform Markets” in this Quarterly Report), each as defined in the FASB ASC Master Glossary (collectively, “Digital Asset Markets”).

In determining which of the eligible Digital Asset Markets is the Trust’s principal market, the Trust reviews these criteria in the following order:

First, the Trust reviews a list of Digital Asset Markets that maintain practices and policies designed to comply with anti-money laundering (“AML”) and know-your-customer (“KYC”) regulations, and non-Digital Asset Trading Platform Markets that the Trust reasonably believes are operating in compliance with applicable law, including federal and state licensing requirements, based upon information and assurances provided to it by each market.

Second, the Trust sorts these Digital Asset Markets from high to low by market-based volume and level of activity of Ether traded on each Digital Asset Market in the trailing twelve months.

Third, the Trust then reviews pricing fluctuations and the degree of variances in price on Digital Asset Markets to identify any material notable variances that may impact the volume or price information of a particular Digital Asset Market.

Fourth, the Trust then selects a Digital Asset Market as its principal market based on the highest market-based volume, level of activity and price stability in comparison to the other Digital Asset Markets on the list. Based on information reasonably available to the Trust, Trading Platform Markets have the greatest volume and level of activity for the asset. The Trust therefore looks to accessible Trading Platform Markets as opposed to the Brokered Market, Dealer Market and Principal-to-Principal Markets to

determine its principal market. As a result of the aforementioned analysis, a Trading Platform Market has been selected as the Trust's principal market.

The Trust determines its principal market (or in the absence of a principal market the most advantageous market) annually and conducts a quarterly analysis to determine (i) if there have been recent changes to each Digital Asset Market's trading volume and level of activity in the trailing twelve months, (ii) if any Digital Asset Markets have developed that the Trust has access to, or (iii) if recent changes to each Digital Asset Market's price stability have occurred that would materially impact the selection of the principal market and necessitate a change in the Trust's determination of its principal market.

The cost basis of the Ether received by the Trust in connection with a creation order is recorded by the Trust at the fair value of Ether at 4:00 p.m., New York time, on the creation date for financial reporting purposes. The cost basis recorded by the Trust may differ from proceeds collected by the Authorized Participant from the sale of the corresponding Shares to investors.

Investment Transactions and Revenue Recognition

The Trust considers investment transactions to be the receipt of Ether for Share creations and the delivery of Ether for Share redemptions, or for payment of expenses in Ether. The Trust records its investment transactions on a trade date basis and changes in fair value are reflected as net change in unrealized appreciation or depreciation on investments. Realized gains and losses are calculated using the specific identification method. Realized gains and losses are recognized in connection with transactions including settling obligations for the Sponsor's Fee in Ether.

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the 'exit price') in an orderly transaction between market participants at the measurement date.

U.S. GAAP utilizes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Trust. Unobservable inputs reflect the Trust's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Trust has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, these valuations do not entail a significant degree of judgment.
- Level 2 – Valuations based on quoted prices in markets that are not active or for which significant inputs are observable, either directly or indirectly.
- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary by investment. To the extent that valuations are based on sources that are less observable or unobservable in the market, the determination of fair value requires more judgment. Fair value estimates do not necessarily represent the amounts that may be ultimately realized by the Trust.

		Fair Value Measurement Using		
(Amounts in thousands)	Amount at Fair Value	Level 1	Level 2	Level 3
September 30, 2025				
Assets				
Investment in Ether	\$ 4,425,198	\$ 4,425,198	\$ -	\$ -
December 31, 2024				
Assets				
Investment in Ether	\$ 4,735,980	\$ 4,735,980	\$ -	\$ -

Segment Reporting

The Chief Executive Officer and Chief Financial Officer of the Sponsor act as the Trust's chief operating decision maker ("CODM"). The Trust represents a single operating segment, as the CODM monitors the operating results of the Trust as a whole and the Trust's passive investment objective is pre-determined in accordance with the terms of the Trust Agreement. The financial information in the form of the Trust's total returns, expense ratios and changes in net assets (i.e., changes in net assets resulting from operations and capital share transactions), which are used by the CODM to assess the segment's performance, are consistent with that presented

within the Trust's financial statements. Segment assets are reflected on the accompanying Statements of Assets and Liabilities as Total assets and the only significant segment expense, the Sponsor's fee, related party, is included in the accompanying Statements of Operations.

3. Fair Value of Ether

Ether is held by the Custodian on behalf of the Trust and is carried at fair value. As of September 30, 2025 and December 31, 2024, the Trust held 1,063,337.97367740 and 1,417,788.29257515 Ether, respectively.

The Trust determined the fair value per Ether to be \$4,161.61 and \$3,340.40 on September 30, 2025 and December 31, 2024, respectively, using the price provided at 4:00 p.m., New York time, by the Digital Asset Trading Platform Market considered to be the Trust's principal market (Crypto.com).

The following represents the changes in quantity of Ether and the respective fair value:

(Amounts in thousands, except Ether amounts)	Quantity	Fair Value
Balance at December 31, 2023	2,962,629.50149940	\$ 6,758,054
Ether contributed	4,028.41550052	14,886
Ether redeemed	(1,197,071.35114039)	(3,611,158)
Ether distributed for Initial Distribution (Return of Capital) ⁽¹⁾	(292,262.98913350)	(1,010,935)
Ether distributed for Sponsor's Fee, related party	(59,535.28415088)	(182,594)
Net change in unrealized appreciation on investment in Ether	-	(1,385,995)
Net realized gain on investment in Ether sold to pay expenses	-	157,557
Net realized gain on investment in Ether sold for redemption of Shares	-	3,108,025
Net realized gain on investment in Ether sold for Return of Capital ⁽¹⁾	-	888,140
Balance at December 31, 2024	1,417,788.29257515	\$ 4,735,980
Ether contributed	154,989.92138437	526,074
Ether redeemed	(487,259.67986493)	(1,444,446)
Ether distributed for Sponsor's Fee, related party	(22,180.56041719)	(64,644)
Net change in unrealized appreciation on investment in Ether	-	(568,532)
Net realized gain on investment in Ether sold to pay expenses	-	52,693
Net realized gain on investment in Ether sold for redemption of Shares	-	1,188,073
Balance at September 30, 2025	1,063,337.97367740	\$ 4,425,198

- (1) Represents the impact of the Initial Distribution of 292,262.98913350 Ether, with a value of approximately \$1,010.9 million to Grayscale Ethereum Mini Trust ETF, completed on July 23, 2024, as discussed in Note 4.

4. The Initial Distribution to the Grayscale Ethereum Mini Trust ETF

On July 8, 2024, the Sponsor of the Trust at the direction of its board of directors, declared a pro rata distribution on the Shares of the Trust, pursuant to which each holder of Shares as of 4:00 PM ET on July 18, 2024 (the "Record Date") was entitled to receive shares (the "ETH Shares") of Grayscale Ethereum Mini Trust ETF (the "ETH Trust"), a Delaware statutory trust sponsored by the Sponsor, in connection with its previously announced initial creation and distribution of ETH Shares (such transactions collectively, the "Initial Distribution"). On July 23, 2024, the Trust completed its previously announced pro rata distribution of 310,158,500 shares of the ETH Trust to shareholders of the Trust as of the Record Date and contributed to the ETH Trust an amount of Ether equal to approximately 10% of the total Ether held by the Trust as of the Record Date, equal to 292,262.98913350 Ether, with a value of \$1,010,934,757, as consideration and in exchange for 310,158,500 shares of the ETH Trust at \$3.26 per share.

5. Creations and Redemptions of Shares

At September 30, 2025 and December 31, 2024, there were an unlimited number of Shares authorized by the Trust. The Trust creates and redeems Shares from time to time, but only in one or more Baskets. The creation and redemption of Baskets on behalf of investors are made by the Authorized Participant in exchange for the delivery of Ether to the Trust or the distribution of Ether by the Trust. The amount of Ether required for each Creation Basket or Redemption Basket is determined by dividing (x) the amount of Ether owned by the Trust at 4:00 p.m., New York time, on such trade date of a creation or redemption order, after deducting the amount of Ether representing the U.S. dollar value of accrued but unpaid fees and expenses of the Trust, by (y) the number of Shares outstanding at such time and multiplying the quotient obtained by 10,000. Each Share represented approximately 0.0082 and 0.0084 of one Ether at September 30, 2025 and December 31, 2024, respectively. The decrease in the amount of Ether represented by each Share is primarily a result of the periodic withdrawal of Ether to pay the Sponsor's Fee.

The cost basis of investments in Ether recorded by the Trust is the fair value of Ether, as determined by the Trust, at 4:00 p.m., New York time, on the date of transfer to the Trust by the Authorized Participant, or Liquidity Provider, based on the Creation Baskets. The cost basis recorded by the Trust may differ from proceeds collected by the Authorized Participant from the sale of each Share to investors. The Authorized Participant or Liquidity Provider may realize significant profits buying, selling, creating, and redeeming Shares as a result of changes in the value of Shares or Ether.

On October 2, 2023, NYSE Arca filed an application with the SEC pursuant to Rule 19b-4 under the Exchange Act to list the Shares of the Trust on NYSE Arca. On April 23, 2024, the Sponsor filed with the SEC a registration statement on Form S-3, as amended through July 18, 2024, to register the Shares of the Trust under the Securities Act of 1933. On May 23, 2024, the SEC approved NYSE Arca's 19b-4 application to list the Shares of the Trust on NYSE Arca as an exchange-traded product and on July 22, 2024, the Sponsor authorized the commencement of a redemption program once the registration statement on Form S-3, as amended, was declared effective.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Activity in Number of Shares Issued and Redeemed:				
Shares issued	11,700,000	-	18,710,000	-
Shares redeemed	(18,630,000)	(112,360,000)	(58,590,000)	(112,360,000)
Net Change in Number of Shares Issued and Redeemed	(6,930,000)	(112,360,000)	(39,880,000)	(112,360,000)
	Three Months Ended September 30,		Nine Months Ended September 30,	
(Amounts in thousands)	2025	2024	2025	2024
Activity in Value of Shares Issued and Redeemed:				
Shares issued	\$ 381,050	\$ -	\$ 526,074	\$ -
Shares redeemed	(632,847)	(2,859,603)	(1,444,446)	(2,859,603)
Return of Capital ⁽¹⁾	-	(1,010,935)	-	(1,010,935)
Net Change in Value of Shares Issued and Redeemed	\$ (251,797)	\$ (3,870,538)	\$ (918,372)	\$ (3,870,538)

(1) Represents the impact of the Initial Distribution of 292,262.98913350 Ether, with a value of approximately \$1,010.9 million to Grayscale Ethereum Mini Trust ETF, completed on July 23, 2024, as discussed in Note 4.

Ether receivable represents the value of Ether covered by contractually binding orders for the creation of Shares where the Ether has not yet been transferred to the Trust's account. Generally, ownership of the Ether is transferred within no more than two business days of the trade date.

	As of September 30,	
(Amounts in thousands)	2025	2024
Ether receivable	\$ -	\$ -

Ether payable represents the value of Ether covered by contractually binding orders for the redemption of Shares where the Ether has not yet been transferred out of the Trust's account. Generally, ownership of the Ether is transferred within no more than two business days of the trade date.

	As of September 30,	
(Amounts in thousands)	2025	2024
Ether payable	\$ -	\$ -

6. Income Taxes

The Sponsor takes the position that the Trust is properly treated as a grantor trust for U.S. federal income tax purposes. Assuming that the Trust is a grantor trust, the Trust will not be subject to U.S. federal income tax. Rather, if the Trust is a grantor trust, each beneficial owner of Shares will be treated as directly owning its pro rata Share of the Trust's assets and a pro rata portion of the Trust's income, gains, losses and deductions will "flow through" to each beneficial owner of Shares.

If the Trust were not properly classified as a grantor trust, the Trust might be classified as a partnership for U.S. federal income tax purposes. However, due to the uncertain treatment of digital assets, including forks, airdrops and similar occurrences for U.S. federal income tax purposes, there can be no assurance in this regard. If the Trust were classified as a partnership for U.S. federal income tax purposes, the tax consequences of owning Shares generally would not be materially different from the tax consequences described

herein, although there might be certain differences, including with respect to timing. In addition, tax information reports provided to beneficial owners of Shares would be made in a different form. If the Trust were not classified as either a grantor trust or a partnership for U.S. federal income tax purposes, it would be classified as a corporation for such purposes. In that event, the Trust would be subject to entity-level U.S. federal income tax (currently at the rate of 21%) on its net taxable income and certain distributions made by the Trust to shareholders would be treated as taxable dividends to the extent of the Trust's current and accumulated earnings and profits.

In accordance with U.S. GAAP, the Trust has defined the threshold for recognizing the benefits of tax positions in the financial statements as "more-likely-than-not" to be sustained by the applicable taxing authority and requires measurement of a tax position meeting the "more-likely-than-not" threshold, based on the largest benefit that is more than 50% likely to be realized. Tax positions deemed to meet the "more-likely-than-not" threshold are recorded as a tax benefit in the current period. As of, and during the periods ended September 30, 2025 and December 31, 2024, the Trust did not have a liability for any unrecognized tax amounts. However, the Sponsor's conclusions concerning its determination of "more-likely-than-not" tax positions may be subject to review and adjustment at a later date based on factors including, but not limited to, further implementation guidance, and ongoing analyses of and changes to tax laws, regulations and interpretations thereof.

The Sponsor of the Trust has evaluated whether or not there are uncertain tax positions that require financial statement recognition and has determined that no reserves for uncertain tax positions related to federal, state and local income taxes existed as of September 30, 2025 or December 31, 2024.

7. Related Parties

The Trust considered the following entities, their directors, and certain employees to be related parties of the Trust as of September 30, 2025: DCG, GSO, GSIS and Grayscale Securities. As of both September 30, 2025 and December 31, 2024, 5,858 Shares of the Trust were held by related parties of the Trust.

In accordance with the Trust Agreement governing the Trust, the Trust pays a fee to the Sponsor, calculated as 2.5% of the aggregate value of the Trust's assets, less its liabilities (which include any accrued but unpaid expenses up to, but excluding, the date of calculation), as calculated and published by the Sponsor or its delegates in the manner set forth in the Trust Agreement (the "Sponsor's Fee"). The Sponsor's Fee accrues daily in U.S. dollars and is payable in Ether, daily in arrears. The amount of Ether payable in respect of each daily U.S. dollar accrual will be determined by reference to the same U.S. dollar value of Ether used to determine such accrual. For purposes of these financial statements, the U.S. dollar value of Ether is determined by reference to the Digital Asset Trading Platform Market that the Trust considers its principal market as of 4:00 p.m., New York time, on each valuation date. The Trust held no Incidental Rights or IR Virtual Currency as of September 30, 2025 and December 31, 2024. No Incidental Rights or IR Virtual Currencies have been distributed in payment of the Sponsor's Fee during the three and nine months ended September 30, 2025 and 2024.

As partial consideration for receipt of the Sponsor's Fee, the Sponsor is obligated under the Trust Agreement to assume and pay all fees and other expenses incurred by the Trust in the ordinary course of its affairs, excluding taxes, but including marketing fees; administrator fees, if any; custodian fees; transfer agent fees; trustee fees; the fees and expenses related to the listing, quotation or trading of the Shares on any secondary market (including customary legal, marketing and audit fees and expenses) in an amount up to \$600,000 in any given fiscal year; ordinary course legal fees and expenses; audit fees; regulatory fees, including, if applicable, any fees relating to the registration of the Shares under the Securities Act or the Exchange Act; printing and mailing costs; the costs of maintaining the Trust's website and applicable license fees (together, the "Sponsor-paid Expenses"), provided that any expense that qualifies as an Additional Trust Expense will be deemed to be an Additional Trust Expense and not a Sponsor-paid Expense.

The Trust may incur certain extraordinary, non-recurring expenses that are not Sponsor-paid Expenses, including, but not limited to, taxes and governmental charges, expenses and costs of any extraordinary services performed by the Sponsor (or any other service provider) on behalf of the Trust to protect the Trust or the interests of shareholders, any indemnification of the Custodian or other agents, service providers or counterparties of the Trust, the fees and expenses related to the listing, quotation or trading of the Shares on any secondary market (including legal, marketing and audit fees and expenses) to the extent exceeding \$600,000 in any given fiscal year and extraordinary legal fees and expenses, including any legal fees and expenses incurred in connection with litigation, regulatory enforcement or investigation matters (collectively "Additional Trust Expenses"). In such circumstances, the Sponsor or its delegate (i) will instruct the Custodian to withdraw from the Vault Balance Ether in such quantity as may be necessary to permit payment of such Additional Trust Expenses and (ii) may either (x) cause the Trust (or its delegate) to convert such Ether into U.S. dollars or other fiat currencies at the Actual Exchange Rate or (y) when the Sponsor incurs such expenses on behalf of the Trust, cause the Trust (or its delegate) to deliver such Ether in kind to the Sponsor, in each case in such quantity as may be necessary to permit payment of such Additional Trust Expenses.

For the three months ended September 30, 2025 and 2024, the Trust incurred Sponsor's Fees of \$27,199,344 and \$38,003,478, respectively. For the nine months ended September 30, 2025 and 2024, the Trust incurred Sponsor's Fees of \$64,644,000 and \$152,936,135, respectively. As of September 30, 2025 and December 31, 2024, there were no accrued and unpaid Sponsor's Fees. In

addition, the Sponsor may pay Additional Trust Expenses on behalf of the Trust, which are reimbursable by the Trust to the Sponsor. For the three and nine months ended September 30, 2025 and 2024, the Sponsor did not pay any Additional Trust Expenses on behalf of the Trust.

On March 2, 2022, the board of the Sponsor approved the purchase by DCG, the indirect parent company of the Sponsor, of up to an aggregate total of \$200 million worth of Shares of the Trust and shares of any of the following five investment products the Sponsor also acts as the sponsor and manager of, including Grayscale Bitcoin Trust ETF (NYSE Arca: GBTC), Grayscale Bitcoin Cash Trust (BCH) (OTCQX: BCHG), Grayscale CoinDesk Crypto 5 ETF (NYSE Arca: GDLC), Grayscale Ethereum Classic Trust (ETC) (OTCQX: ETCG), and Grayscale Stellar Lumens Trust (XLM) (OTCQX: GXLM). Subsequently, DCG authorized such purchase. The Share purchase authorization does not obligate DCG to acquire any specific number of Shares in any period, and may be expanded, extended, modified, or discontinued at any time. From March 2, 2022 through September 30, 2025, DCG had not purchased any Shares of the Trust under this authorization.

As previously described in Note 4, on July 23, 2024, the Trust completed its previously announced pro rata distribution of 310,158,500 shares of the ETH Trust to shareholders of the Trust as of 4:00 PM ET on the Record Date and contributed to the ETH Trust an amount of Ether equal to approximately 10% of the total Ether held by the Trust as of the Record Date, equal to 292,262.98913350 Ether, as consideration and in exchange for the issuance of shares of the ETH Trust.

8. Risks and Uncertainties

The Trust is subject to various risks including market risk, liquidity risk, and other risks related to its concentration in a single asset, Ether. Investing in Ether is currently highly speculative and volatile.

The Principal Market NAV of the Trust, calculated by reference to the principal market price in accordance with U.S. GAAP, relates primarily to the value of the Ether held by the Trust, and fluctuations in the price of Ether could materially and adversely affect an investment in the Shares of the Trust. The price of Ether has a limited history. During such history, Ether prices have been volatile and subject to influence by many factors, including the levels of liquidity. If Digital Asset Markets continue to experience significant price fluctuations, the Trust may experience losses. Several factors may affect the price of Ether, including, but not limited to, global Ether supply and demand, theft of Ether from global trading platforms or vaults, competition from other forms of digital currency or payment services, global or regional political, economic or financial conditions, and other unforeseen events and situations.

The Ether held by the Trust are commingled, and the Trust's shareholders have no specific rights to any specific Ether. In the event of the insolvency of the Trust, its assets may be inadequate to satisfy a claim by its shareholders.

There is currently no clearing house for Ether, nor is there a central or major depository for the custody of Ether. There is a risk that some or all of the Trust's Ether could be lost or stolen. There can be no assurance that the Custodian will maintain adequate insurance or that such coverage will cover losses with respect to the Trust's Ether. Further, transactions in Ether are irrevocable. Stolen or incorrectly transferred Ether may be irretrievable. As a result, any incorrectly executed Ether transactions could adversely affect an investment in the Shares.

The SEC, at least under the prior administration, has stated that certain digital assets may be considered "securities" under the federal securities laws. The test for determining whether a particular digital asset is a "security" is complex and difficult to apply, and the outcome is difficult to predict. A number of SEC and SEC staff actions with respect to a variety of digital assets demonstrate this difficulty. For example, public though non-binding, statements by senior officials at the SEC have indicated that the SEC did not consider Bitcoin or Ether to be securities, and does not currently consider Bitcoin to be a security. In addition, the SEC appears to have implicitly taken the view that Ether is not a security (i) by not objecting to Ether futures trading on Commodity Futures Trading Commission-regulated markets under rules designed for futures on non-security commodity underliers and (ii) by approving the listing and trading of exchange-traded products ("ETPs") that invest in Ether (i.e., approving the redemption of shares of the Trust) under the rules for commodity-based trust shares, without requiring these ETPs to be registered as investment companies. Likewise, in various courts filings and arguments the SEC has distinguished Ether from assets that it claimed were securities, and in judicial opinions, courts have accepted or even assumed that Ether is not a security. Moreover, in a recent settlement with another market participant relating to allegations that it acted as an unregistered broker-dealer for facilitating trading in certain digital assets, the SEC highlighted that the firm would cease trading in all digital assets other than Bitcoin, Bitcoin Cash and Ether—activity that, if the SEC believed Ether was presently a security—would continue to constitute unregistered brokerage activity. The SEC staff has also provided informal assurances via no-action letter to a handful of promoters that their digital assets are not securities. Moreover, the SEC's Division of Corporation Finance has published statements that it does not consider, under certain circumstances, "meme coins" or some stablecoins to be securities. However, such statements may be withdrawn at any time without notice and comment by the Division of Corporation Finance at the SEC or the SEC itself. In addition, the SEC has brought enforcement actions against the issuers and promoters of several other digital assets on the basis that the digital assets in question are securities and has not formally or explicitly confirmed that it does not deem Ether to be a security. These developments demonstrate the difficulty in applying the federal securities laws to digital assets generally. In January 2025, the SEC launched a crypto task force dedicated to developing a comprehensive and clear regulatory framework for digital assets led by Commissioner Hester Peirce. Subsequently, Commissioner

Peirce announced a list of specific priorities to further that initiative, which included pursuing final rules related to a digital asset's security status, a revised path to registered offerings and listings for digital assets-based investment vehicles, and clarity regarding digital asset custody, lending, and staking. However, the efforts of the crypto task force have only just begun, and how or whether the SEC regulates digital asset activity in the future remains to be seen.

If Ether is determined to be a "security" under federal or state securities laws by the SEC or any other agency, or in a proceeding in a court of law or otherwise, it may have material adverse consequences for Ether. For example, it may become more difficult for Ether to be traded, cleared and custodied as compared to other digital assets that are not considered to be securities, which could, in turn, negatively affect the liquidity and general acceptance of Ether and cause users to migrate to other digital assets. As such, any determination that Ether is a security under federal or state securities laws may adversely affect the value of Ether and, as a result, an investment in the Shares.

In addition, if Ether is in fact a security, the Trust could be considered an unregistered "investment company" under the Investment Company Act of 1940, which could necessitate the Trust's liquidation. In this case, the Trust and the Sponsor may be deemed to have participated in an illegal offering of securities and there is no guarantee that the Sponsor will be able to register the Trust under the Investment Company Act of 1940 at such time or take such other actions as may be necessary to ensure the Trust's activities comply with applicable law, which could force the Sponsor to liquidate the Trust.

To the extent a private key, held by the Custodian, required to access an address on the Ethereum Network holding Ether is lost, destroyed or otherwise compromised and no backup of the private keys are accessible, the Trust may be unable to access the Ether controlled by the private key and the private key will not be capable of being restored by the Ethereum Network. The processes by which Ether transactions are settled are dependent on the Ethereum peer-to-peer network, and as such, the Trust is subject to operational risk. A risk also exists with respect to previously unknown technical vulnerabilities, which may adversely affect the value of Ether.

The Trust relies on third-party service providers to perform certain functions essential to its operations. Any disruptions to the Trust's service providers' business operations resulting from business failures, financial instability, security failures, government mandated regulation or operational problems could have an adverse impact on the Trust's ability to access critical services and be disruptive to the operations of the Trust.

The Sponsor and the Trust may be subject to various litigation, regulatory investigations, and other legal proceedings that arise in the ordinary course of its business.

9. Financial Highlights Per Share Performance

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Per Share Data:				
Principal Market NAV, beginning of period	\$ 20.84	\$ 32.29	\$ 28.01	\$ 21.79
Net increase (decrease) in net assets from investment operations:				
Net investment loss	(0.20)	(0.16)	(0.45)	(0.53)
Net realized and unrealized gain (loss) ⁽¹⁾	13.61	(10.24)	6.69	0.63
Net increase (decrease) in net assets resulting from operations	13.41	(10.40)	6.24	0.10
Principal Market NAV, end of period	\$ 34.25	\$ 21.89	\$ 34.25	\$ 21.89
Total return ⁽¹⁾	64.35%	-24.68%	22.28%	11.62%
Ratios to average net assets:				
Net investment loss	-2.50%	-2.50%	-2.50%	-2.50%
Expenses	-2.50%	-2.50%	-2.50%	-2.50%

(1) Includes the impact of the Initial Distribution of 292,262.98913350 Ether, representing 0.00094230 Ether per Share, with a value of approximately \$1,010.9 million to Grayscale Ethereum Mini Trust ETF, completed on July 23, 2024, as discussed in Note 4.

Ratios of net investment loss and expenses to average net assets have been annualized.

An individual shareholder's return, ratios, and per Share performance may vary from those presented above based on the timing of Share transactions. The amount shown for a Share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the number of Shares issued in Creations occurring at an operational value derived from an operating metric as defined in the Trust Agreement.

Total return is calculated assuming an initial investment made at the Principal Market NAV at the beginning of the period and assuming redemption on the last day of the period.

10. Indemnifications

In the normal course of business, the Trust enters into certain contracts that provide a variety of indemnities, including contracts with the Sponsor and affiliates of the Sponsor, DCG and its officers, directors, employees, subsidiaries and affiliates, and the Custodian as well as others relating to services provided to the Trust. The Trust's maximum exposure under these and its other indemnities is unknown. However, no liabilities have arisen under these indemnities in the past and, while there can be no assurances in this regard, there is no expectation that any will occur in the future. Therefore, the Sponsor does not consider it necessary to record a liability in this regard.

11. Subsequent Events

On October 6, 2025, the Trust began staking its Ether pursuant to staking arrangements with the Custodian and certain third party staking providers, as described in the Trust's Current Report on Form 8-K filed October 6, 2025.

On October 22, 2025, GSO Intermediate Holdings Corporation ("GSOIH"), a Delaware corporation which was the sole managing member of GSO, a Delaware limited liability company which is the sole member of the Sponsor, consummated an internal corporate reorganization (the "Management Reorganization"). Pursuant to the Management Reorganization, GSOIH transferred a portion of its common membership units of GSO for Class A shares of Grayscale Investments, Inc. ("Grayscale Investments"), a Delaware corporation incorporated in connection with the Management Reorganization, and ceded its managing member rights in GSO to Grayscale Investments. As a result of the Management Reorganization, Grayscale Investments is now the sole managing member of GSO, the sole member of the Sponsor.

Also in connection with the Management Reorganization, on October 22, 2025, DCG Grayscale Holdco, LLC ("DCG Holdco"), the sole stockholder of Grayscale Investments, elected a board of directors (the "Board") at Grayscale Investments. Prior to the Management Reorganization, GSOIH's board of directors was responsible for managing and directing the affairs of the Sponsor. As a result of the Management Reorganization, the Board of Grayscale Investments is responsible for managing and directing the affairs of the Sponsor, and consists of Barry Silbert, Mark Shifke, Simon Koster, Peter Mintzberg and Edward McGee, the same members as the board of directors of GSOIH prior to the Management Reorganization. Mr. Mintzberg and Mr. McGee also retain the authority granted to them as officers of the Sponsor under the limited liability company agreement of the Sponsor. Mr. Silbert is the Chairperson of the Board of Grayscale Investments.

DCG Holdco, Grayscale Investments, GSOIH, GSO and the Sponsor are all consolidated subsidiaries of Digital Currency Group, Inc.

The Sponsor does not expect the Management Reorganization to have any material impact on the operations of the Trust.

As of the close of business on October 31, 2025, the fair value of Ether determined in accordance with the Trust's accounting policy was \$3,884.40 per Ether.

There are no known events that have occurred that require disclosure other than that which has already been disclosed in these notes to the financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read together with, and is qualified in its entirety by reference to, our unaudited financial statements and related notes included elsewhere in this Quarterly Report, which have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). The following discussion may contain forward-looking statements based on assumptions we believe to be reasonable. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those set forth under "Part II, Item 1A. Risk Factors" in this Quarterly Report or in "Part I, Item 1A. Risk Factors" and "Forward-Looking Statements" or other sections of our Annual Report.

Trust Overview

The Trust is a passive entity that is managed and administered by the Sponsor and does not have any officers, directors or employees. The Trust holds Ether and, from time to time on a periodic basis, issues Creation Baskets in exchange for deposits of Ether. On July 22, 2024, in connection with the approval of application under Rule 19b-4 of the Securities Exchange Act of 1934 on May 23, 2024 and the effectiveness of the registration statement on Form S-3, as amended (File No. 333-278880), the Sponsor authorized the commencement of a redemption program. Shares of the Trust began trading on NYSE Arca on July 23, 2024, following the effectiveness of the Trust's registration statement on Form S-3, as amended. The Trust issues Shares only in one or more blocks of 10,000 Shares (a block of 10,000 Shares is called a "Basket") to certain Authorized Participants from time to time. Baskets are offered in exchange for Ether. Through its redemption program, the Trust redeems Shares from Authorized Participants on an ongoing basis. As a passive investment vehicle, the Trust's investment objective is for the value of the Shares (based on Ether per Share) to reflect the value of the Ether held by the Trust, determined by reference to the Index Price, less the Trust's expenses and other liabilities. While an investment in the Shares is not a direct investment in Ether, the Shares are designed to provide investors with a cost-effective and convenient way to gain investment exposure to Ether. The Trust is not managed like a business corporation or an active investment vehicle. The Trust will not utilize leverage, derivatives or any similar arrangements in seeking to meet its investment objective.

Historically, the Trust has not met its investment objective and, prior to their uplisting to NYSE Arca on July 23, 2024, the Shares quoted on OTCQX did not reflect the value of the Ether held by the Trust, less the Trust's expenses and other liabilities, but instead have traded at both premiums and discounts to such value, which at times were substantial, although the Sponsor has observed that the Trust has begun to meet its investment objective more closely following the uplisting of the Shares to NYSE Arca.

On January 1, 2025, GSI consummated an internal corporate reorganization (the "Reorganization"), pursuant to which GSI, the Sponsor of the Trust prior to the Reorganization, merged with and into GSO, a Delaware limited liability company and a consolidated subsidiary of DCG, with GSO continuing as the surviving company (the "Merger"). As a result of the Merger, GSO succeeded by operation of law to all the rights, powers, privileges and franchises and became subject to all of the obligations, liabilities, restrictions and disabilities of GSI, including with respect to the Sponsor Contracts (as defined below), all as provided under the Delaware Limited Liability Company Act. The Reorganization has not had any material impact on the operations of the Trust.

In connection with the Reorganization, on January 1, 2025, and promptly following the effectiveness of the Merger, GSO assigned certain contracts pertaining to its role as Sponsor (as such term is defined in the Trust Agreement) of the Trust (such contracts, the "Sponsor Contracts") to GSIS, a Delaware limited liability company and a wholly owned direct subsidiary of GSO, whereby GSIS assumed all of the rights and obligations of GSO under the Sponsor Contracts. Other than the assumption of the Sponsor Contracts by GSIS, the Reorganization does not alter the rights or obligations under any of the Sponsor Contracts.

In connection with the Reorganization, on January 1, 2025, and promptly following the effectiveness of the Merger, GSO and GSIS executed a Certificate of Admission, pursuant to which GSIS was admitted as an additional Sponsor of the Trust under the Trust Agreement, by and among GSO (as successor in interest to GSI), the Trustee, and the shareholders from time to time thereunder, as amended from time to time. GSIS shall be subject to the rights and obligations of a Sponsor under the Trust Agreement.

On January 3, 2025, GSO voluntarily withdrew as a Sponsor of the Trust pursuant to the terms of the Trust Agreement, and, effective May 3, 2025, GSIS became the sole remaining Sponsor of the Trust.

Critical Accounting Policies and Estimates

Investment Transactions and Revenue Recognition

The Trust considers investment transactions to be the receipt of Ether by the Trust in connection with Share creations and the delivery of Ether by the Trust in connection with Share redemptions or for payment of expenses in Ether. The Trust records its investment transactions on a trade date basis and changes in fair value are reflected as net change in unrealized appreciation or depreciation on investments. Realized gains and losses are calculated using the specific identification method. Realized gains and losses are recognized in connection with transactions including settling obligations for the Sponsor's Fee in Ether.

Principal Market and Fair Value Determination

To determine which market is the Trust's principal market (or in the absence of a principal market, the most advantageous market) for purposes of calculating the Trust's net asset value in accordance with U.S. GAAP ("Principal Market NAV"), the Trust follows Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820-10, *Fair Value Measurement*, which outlines the application of fair value accounting. ASC 820-10 determines fair value to be the price that would be received for Ether in a current sale, which assumes an orderly transaction between market participants on the measurement date. ASC 820-10 requires the Trust to assume that Ether is sold in its principal market to market participants or, in the absence of a principal market, the most advantageous market. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable, and willing and able to transact.

The Trust only receives Ether in connection with a creation order from the Authorized Participant (or a Liquidity Provider) and does not itself transact on any Digital Asset Markets. Therefore, the Trust looks to market-based volume and level of activity for Digital Asset Markets. The Authorized Participant(s), or a Liquidity Provider, may transact in a Brokered Market, a Dealer Market, Principal-to-Principal Markets and Exchange Markets (referred to as "Trading Platform Markets" in this Quarterly Report), each as defined in the FASB ASC Master Glossary (collectively, "Digital Asset Markets").

In determining which of the eligible Digital Asset Markets is the Trust's principal market, the Trust reviews these criteria in the following order:

- First, the Trust reviews a list of Digital Asset Markets that maintain practices and policies designed to comply with anti-money laundering ("AML") and know-your-customer ("KYC") regulations, and non-Digital Asset Trading Platform Markets that the Trust reasonably believes are operating in compliance with applicable law, including federal and state licensing requirements, based upon information and assurances provided to it by each market.
- Second, the Trust sorts these Digital Asset Markets from high to low by market-based volume and level of activity of Ether traded on each Digital Asset Market in the trailing twelve months.
- Third, the Trust then reviews pricing fluctuations and the degree of variances in price on Digital Asset Markets to identify any material notable variances that may impact the volume or price information of a particular Digital Asset Market.
- Fourth, the Trust then selects a Digital Asset Market as its principal market based on the highest market-based volume, level of activity and price stability in comparison to the other Digital Asset Markets on the list. Based on information reasonably available to the Trust, Trading Platform Markets have the greatest volume and level of activity for the asset. The Trust therefore looks to accessible Trading Platform Markets as opposed to the Brokered Market, Dealer Market and Principal-to-Principal Markets to determine its principal market. As a result of the aforementioned analysis, a Trading Platform Market has been selected as the Trust's principal market.

The Trust determines its principal market (or in the absence of a principal market the most advantageous market) annually and conducts a quarterly analysis to determine (i) if there have been recent changes to each Digital Asset Market's trading volume and level of activity in the trailing twelve months, (ii) if any Digital Asset Markets have developed that the Trust has access to, or (iii) if recent changes to each Digital Asset Market's price stability have occurred that would materially impact the selection of the principal market and necessitate a change in the Trust's determination of its principal market.

The cost basis of the Ether received by the Trust in connection with a creation order is recorded by the Trust at the fair value of Ether at 4:00 p.m., New York time, on the creation date for financial reporting purposes. The cost basis recorded by the Trust may differ from proceeds collected by the Authorized Participant from the sale of the corresponding Shares to investors.

Investment Company Considerations

The Trust is an investment company for U.S. GAAP purposes and follows accounting and reporting guidance in accordance with the FASB ASC Topic 946, *Financial Services—Investment Companies*. The Trust uses fair value as its method of accounting for Ether in accordance with its classification as an investment company for accounting purposes. The Trust is not a registered investment company under the Investment Company Act. U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates and these differences could be material.

Review of Financial Results (unaudited)

Financial Highlights for the Three and Nine Months Ended September 30, 2025 and 2024

(All amounts in the following table and the subsequent paragraphs, except Share, per Share, Ether and price of Ether amounts, are in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net realized and unrealized gain (loss) on investment in Ether ⁽¹⁾	\$ 1,867,260	\$ (1,777,449)	\$ 672,234	\$ 1,595,216
Net increase (decrease) in net assets resulting from operations	\$ 1,840,062	\$ (1,815,452)	\$ 607,590	\$ 1,442,280
Net assets ⁽²⁾	\$ 4,425,198	\$ 4,329,796	\$ 4,425,198	\$ 4,329,796

- (1) Includes the impact of the Initial Distribution of 292,262.98913350 Ether, with a value of approximately \$1,010.9 million to Grayscale Ethereum Mini Trust ETF, completed on July 23, 2024, as discussed in Note 4 of the notes to the unaudited financial statements.
- (2) Net assets in the above table and subsequent paragraphs are calculated in accordance with U.S. GAAP based on the Digital Asset Market price of Ether on the Digital Asset Trading Platform that the Trust considered its principal market, as of 4:00 p.m., New York time, on the valuation date.

Net realized and unrealized gain on investment in Ether for the three months ended September 30, 2025 was \$1,867,260, which includes a realized gain of \$22,479 on the transfer of Ether to pay the Sponsor's Fee, a realized gain of \$530,177 on the sale of Ether to meet redemptions, and net change in unrealized appreciation on investment in Ether of \$1,314,604. Net realized and unrealized gain on investment in Ether for the period was driven by Ether price appreciation from \$2,516.23 per Ether as of June 30, 2025, to \$4,161.61 per Ether as of September 30, 2025. Net increase in net assets resulting from operations was \$1,840,062 for the three months ended September 30, 2025, which consisted of the net realized and unrealized gain on investment in Ether, less the Sponsor's Fee of \$27,198. Net assets increased to \$4,425,198 at September 30, 2025, a 56% increase for the three-month period. The increase in net assets resulted from the aforementioned Ether price appreciation and the contribution of approximately 96,595 Ether with a value of \$381,050 to the Trust in connection with Share creations during the period, partially offset by the withdrawal of approximately 6,951 Ether to pay the foregoing Sponsor's Fee and the redemption of approximately 153,760 Ether with a value of \$632,847 from the Trust.

Net realized and unrealized loss on investment in Ether for the three months ended September 30, 2024 was (\$1,777,449), which includes a realized gain of \$32,416 on the transfer of Ether to pay the Sponsor's Fee, a realized gain of \$2,459,785 on the sale of Ether to meet redemptions, a realized gain of \$888,140 on the sale of Ether related to the Initial Distribution to Grayscale Ethereum Mini Trust ETF, and net change in unrealized appreciation on investment in Ether of (\$5,157,790). Net realized and unrealized loss on investment in Ether for the period was driven by Ether price depreciation from \$3,423.00 per Ether as of June 30, 2024, to \$2,594.43 per Ether as of September 30, 2024. Net decrease in net assets resulting from operations was (\$1,815,452) for the three months ended September 30, 2024, which consisted of the net realized and unrealized loss on investment in Ether, plus the Sponsor's Fee of \$38,003. Net assets decreased to \$4,329,796 at September 30, 2024, a 57% decrease for the three-month period. The decrease in net assets resulted from the aforementioned Ether price depreciation, the withdrawal of approximately 13,267 Ether to pay the foregoing Sponsor's Fee, the redemption of approximately 951,615 Ether, with a value of \$2,859,603 from the Trust, and the Initial Distribution of approximately 292,263 Ether, with a value of \$1,010,935 from the Trust, to Grayscale Ethereum Mini Trust ETF.

Net realized and unrealized gain on investment in Ether for the nine months ended September 30, 2025 was \$672,234, which includes a realized gain of \$52,693 on the transfer of Ether to pay the Sponsor's Fee, a realized gain of \$1,188,073 on the sale of Ether to meet redemptions, and net change in unrealized appreciation on investment in Ether of (\$568,532). Net realized and unrealized gain on investment in Ether for the period was driven by Ether price appreciation from \$3,340.40 per Ether as of December 31, 2024, to \$4,161.61 per Ether as of September 30, 2025. Net decrease in net assets resulting from operations was \$607,590 for the nine months ended September 30, 2025, which consisted of the net realized and unrealized loss on investment in Ether, plus the Sponsor's Fee of \$64,644. Net assets decreased to \$4,425,198 at September 30, 2025, a 7% decrease for the nine-month period. The decrease in net assets resulted from the withdrawal of approximately 22,181 Ether to pay the foregoing Sponsor's Fee and the redemption of approximately 487,259 Ether with a value of \$1,444,446 from the Trust, partially offset by the aforementioned Ether price appreciation and the contribution of approximately 154,990 Ether with a value of \$526,074 to the Trust in connection with Share creations during the period.

Net realized and unrealized gain on investment in Ether for the nine months ended September 30, 2024 was \$1,595,216, which includes a realized gain of \$131,970 on the transfer of Ether to pay the Sponsor's Fee, a realized gain of \$2,459,785 on the sale of Ether to meet redemptions, a realized gain of \$888,140 on the sale of Ether related to the Initial Distribution to Grayscale Ethereum Mini Trust ETF, and net change in unrealized appreciation on investment in Ether of (\$1,884,679). Net realized and unrealized gain on investment in Ether for the period was driven by Ether price appreciation from \$2,281.10 per Ether as of December 31, 2023, to \$2,594.43 per Ether as of September 30, 2024. Net increase in net assets resulting from operations was \$1,442,280 for the nine months ended September 30, 2024, which consisted of the net realized and unrealized gain on investment in Ether, less the Sponsor's Fee of \$152,936. Net assets decreased to \$4,329,796 at September 30, 2024, a 36% decrease for the nine-month period. The decrease in net assets resulted from the withdrawal of approximately 49,871 Ether to pay the foregoing Sponsor's Fee, the redemption of approximately 951,615 Ether, with a value of \$2,859,603 from the Trust, and the Initial Distribution of approximately 292,263 Ether, with a value of \$1,010,935 from the Trust, to Grayscale Ethereum Mini Trust ETF, partially offset by the aforementioned Ether price appreciation.

Cash Resources and Liquidity

The Trust only receives and holds cash in order to facilitate creations and redemptions pursuant to Cash Orders, and has not otherwise had or maintained a cash balance at any time since inception. When selling Ether in the Digital Asset Market to pay Additional Trust Expenses on behalf of the Trust, the Sponsor endeavors to sell the exact amount of Ether needed to pay expenses in order to minimize the Trust's holdings of assets other than Ether. In addition, upon the consummation or deemed failure of a Cash Order to create or redeem Baskets, the Trust will promptly return any excess cash it continues to hold with respect to such Cash Order to the applicable counterparty. As a consequence, the Sponsor expects that the Trust will not record any cash flow from its operations and that its cash balance will be zero at the end of each reporting period. Furthermore, the Trust is not a party to any off-balance sheet arrangements.

Generally, the Trust does not intend to hold cash, except in connection with Cash Orders for creations or redemptions of Baskets. Cash includes non-interest bearing non-restricted cash with one institution. Cash in a bank deposit account, at times, may exceed U.S. federally insured limits. The Trust has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on such bank deposits.

In exchange for the Sponsor's Fee, the Sponsor has agreed to assume most of the expenses incurred by the Trust. As a result, the only ordinary expense of the Trust during the periods covered by this Quarterly Report was the Sponsor's Fee. The Trust is not aware of any trends, demands, conditions or events that are reasonably likely to result in material changes to its liquidity needs.

Selected Operating Data

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(All Ether balances are rounded to the nearest whole Ether)				
Ether:				
Opening balance	1,127,454	2,926,026	1,417,788	2,962,630
Creations	96,595	-	154,990	-
Redemptions	(153,760)	(951,615)	(487,259)	(951,615)
Initial Distribution (Return of Capital) ⁽¹⁾	-	(292,263)	-	(292,263)
Sponsor's Fee, related party	(6,951)	(13,267)	(22,181)	(49,871)
Closing balance	1,063,338	1,668,881	1,063,338	1,668,881
Accrued but unpaid Sponsor's Fee, related party	-	-	-	-
Net closing balance	1,063,338	1,668,881	1,063,338	1,668,881
Number of Shares:				
Opening balance	136,148,500	310,158,500	169,098,500	310,158,500
Creations	11,700,000	-	18,710,000	-
Redemptions	(18,630,000)	(112,360,000)	(58,590,000)	(112,360,000)
Closing balance	129,218,500	197,798,500	129,218,500	197,798,500

	As of September 30,	
	2025	2024
Price of Ether on principal market ⁽²⁾	\$ 4,161.61	\$ 2,594.43
Principal Market NAV per Share ⁽³⁾	\$ 34.25	\$ 21.89
Index Price ⁽⁴⁾	\$ 4,161.97	\$ 2,592.73
NAV per Share ⁽⁴⁾	\$ 34.25	\$ 21.88

- (1) Represents the impact of the Initial Distribution of 292,262.98913350 Ether, with a value of approximately \$1,010.9 million to Grayscale Ethereum Mini Trust ETF, completed on July 23, 2024, as discussed in Note 4 of the notes to the unaudited financial statements.
- (2) The Trust performed an assessment of the principal market at September 30, 2025 and identified the principal market as Crypto.com. The Trust performed an assessment of the principal market at September 30, 2024 and identified the principal market as Coinbase.
- (3) As of September 30, 2025, the Principal Market NAV per Share was calculated using the fair value of Ether based on the price provided by Crypto.com, the Digital Asset Trading Platform that the Trust considered its principal market, as of 4:00 p.m., New York time, on the valuation date. As of September 30, 2024, the Principal Market NAV per Share was calculated using the fair value of Ether based on the price provided by Coinbase, the Digital Asset Trading Platform that the Trust considered its principal market, as of 4:00 p.m., New York time, on the valuation date. Prior to February 23, 2024, Principal Market NAV was referred to as NAV and Principal Market NAV per Share was referred to as NAV per Share.
- (4) The Trust's NAV per Share is derived from the Index Price as represented by the Index as of 4:00 p.m., New York time, on the valuation date. The Trust's NAV per Share is calculated using a non-GAAP methodology where the price is derived from multiple Digital Asset Trading Platforms. Prior to February 23, 2024, NAV was referred to as Digital Asset Holdings and NAV per Share was referred to as Digital Asset Holdings per Share. See "Item 1. Business—Overview of the Ethereum Industry and Market—Ether Value—The Index and the Index Price" in our Annual Report for a description of the Index and the Index Price. On September 21, 2025, the Index Provider added Gemini to the Index due to the trading platform meeting the Index Provider's minimum liquidity requirement, and removed Bullish due to the trading platform failing to meet the Index Provider's minimum liquidity requirement, as part of its scheduled quarterly review. The Digital Asset Trading Platforms included in the Index (the "Constituent Trading Platforms") as of September 30, 2025, were Coinbase, Kraken, Crypto.com, LMAX Digital, and Gemini. The Digital Asset Trading Platforms included in the Index as of September 30, 2024, were Coinbase, Kraken, LMAX Digital and Crypto.com. See "Item 1. Business—Valuation of Ether and Determination of NAV" in our Annual Report for a description of the Trust's NAV per Share.

For accounting purposes prior to July 23, 2024, the Trust reflected creations and the Ether receivable for proceeds with respect to such creations on the date of receipt of a notification of a creation but did not issue Shares until the requisite amount of Ether for proceeds was received. On July 22, 2024, in connection with the approval of application under Rule 19b-4 of the Securities Exchange

Act of 1934 on May 23, 2024 and the effectiveness of the registration statement on Form S-3, as amended, the Sponsor authorized the commencement of a redemption program. Effective July 23, 2024, the date on which the Shares of the Trust began trading on NYSE Arca, the Trust reflects creations and redemptions and the Ether for proceeds receivable or payable with respect to such creations and redemptions, respectively, on the business day following the receipt of a notification of a creation or redemption order by an Authorized Participant. Creation and redemption orders are settled on T+1 or T+2, as established at the time of order placement, and therefore the Ether for proceeds receivable or payable with respect to such creations and redemptions, respectively, are recorded as a receivable or payable until the Ether are delivered or removed from the Trust for settlement.

As of September 30, 2025, the Trust had a net closing balance of 1,063,337.97367740 Ether with a value of \$4,425,580,746 based on the Index Price of \$4,161.97 on September 30, 2025 (non-GAAP methodology). As of September 30, 2025, the total market value of the Trust's Ether was \$4,425,197,945 based on the price of one Ether in the principal market (Crypto.com) of \$4,161.61 on September 30, 2025.

As of September 30, 2024, the Trust had a net closing balance of 1,668,881.33227926 Ether with a value of \$4,326,958,697, based on the Index Price of \$2,592.73 on September 30, 2024 (non-GAAP methodology). As of September 30, 2024, the total market value of the Trust's Ether was \$4,329,795,795, based on the price of one Ether in the principal market (Coinbase) of \$2,594.43 on September 30, 2024.

Historical NAV and Ether Prices

As movements in the price of Ether will directly affect the price of the Shares, investors should understand recent movements in the price of Ether. Investors, however, should also be aware that past movements in the Ether price are not indicators of future movements. Movements may be influenced by various factors, including, but not limited to, government regulation, security breaches experienced by service providers, as well as political and economic uncertainties around the world.

The Trust's performance prior to July 23, 2024 is based on market-determined prices on the OTCQX marketplace and on the Trust's performance without an ongoing share creation and redemption program. Prior to July 23, 2024, the Trust's Shares traded at both premiums and discounts to the value of the Trust's assets, less its expenses and other liabilities, which at times were substantial, in part due to the lack of an ongoing redemption program. Effective as of July 23, 2024, the Trust established an ongoing share creation and redemption program and the Shares of the Trust were listed to NYSE Arca. Hence, the Trust's performance for periods prior to July 23, 2024 is not directly comparable to, and should not be used to make conclusions in conjunction with, the Trust's performance for periods subsequent to July 23, 2024.

The following chart illustrates the movement in the Trust's NAV per Share (as adjusted for the Share Split for periods prior to December 17, 2020) versus the Index Price and the Trust's Principal Market NAV per Share (as adjusted for the Share Split for periods prior to December 17, 2020) from December 14, 2017 to September 30, 2025. For more information on the determination of the Trust's NAV, see "Item 1. Business—Overview of the Ethereum Industry and Market—Ether Value—The Index and the Index Price" in our Annual Report.

Movement in the Index Price (Non-GAAP), NAV per Share (Non-GAAP) and Principal Market NAV per Share (unaudited)



The following table illustrates the movements in the Index Price from October 1, 2020 to September 30, 2025. During such period, the Index Price has ranged from \$340.74 to \$4,832.59, with the straight average being \$2,384.28 through September 30, 2025. The Sponsor has not observed a material difference between the Index Price and average prices from the Constituent Trading Platforms as of September 30, 2025, individually or as a group.

Period	Average	High		Low		End of period	Last business day
		Index Price	Date	Index Price	Date		
Twelve months ended September 30, 2021	\$ 1,867.35	\$ 4,090.65	5/12/2021	\$ 340.74	10/6/2020	\$ 2,994.79	\$ 2,994.79
Twelve months ended September 30, 2022	\$ 2,692.72	\$ 4,776.32	11/9/2021	\$ 913.51	6/18/2022	\$ 1,338.76	\$ 1,338.76
Twelve months ended September 30, 2023	\$ 1,626.72	\$ 2,116.13	4/16/2023	\$ 1,103.84	11/21/2022	\$ 1,679.54	\$ 1,665.10
Twelve months ended September 30, 2024	\$ 2,759.53	\$ 4,033.10	3/11/2024	\$ 1,531.25	10/12/2023	\$ 2,592.73	\$ 2,592.73
Twelve months ended September 30, 2025	\$ 2,974.04	\$ 4,832.59	8/22/2025	\$ 1,465.07	4/8/2025	\$ 4,161.97	\$ 4,161.97
October 1, 2020 to September 30, 2025	\$ 2,384.28	\$ 4,832.59	8/22/2025	\$ 340.74	10/6/2020	\$ 4,161.97	\$ 4,161.97

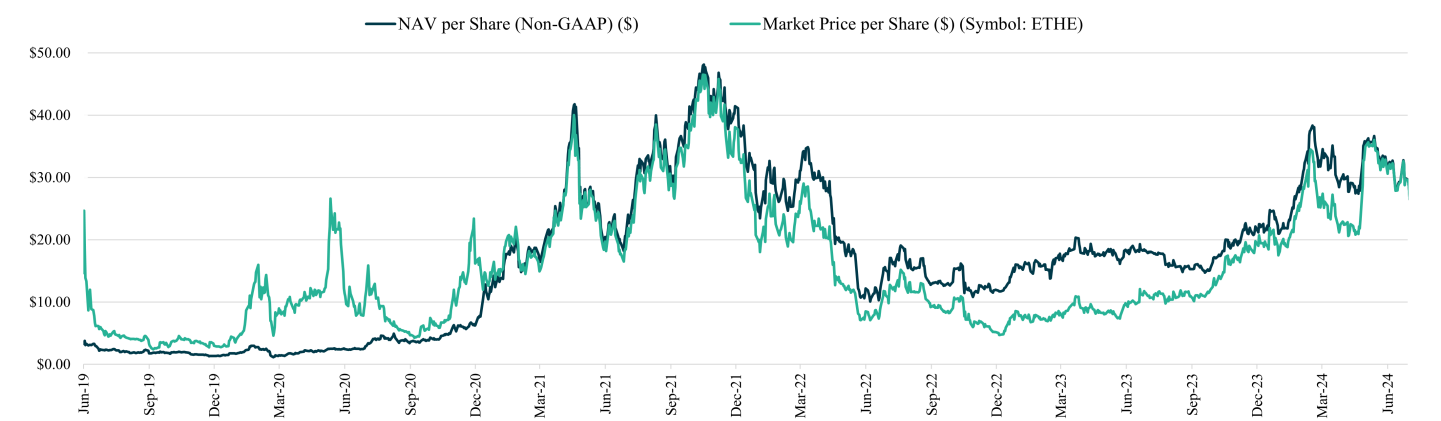
The following table illustrates the movements in the Digital Asset Market price of Ether, as reported on the Trust's principal market, from October 1, 2020 to September 30, 2025. During such period, the price of Ether has ranged from \$340.17 to \$4,833.89, with the straight average being \$2,384.31 through September 30, 2025.

Period	Average	High		Low		End of period	Last business day
		Digital Asset Market Price	Date	Digital Asset Market Price	Date		
Twelve months ended September 30, 2021	\$ 1,867.44	\$ 4,089.92	5/12/2021	\$ 340.17	10/6/2020	\$ 2,992.38	\$ 2,992.38
Twelve months ended September 30, 2022	\$ 2,692.75	\$ 4,776.95	11/9/2021	\$ 913.24	6/18/2022	\$ 1,337.53	\$ 1,337.53
Twelve months ended September 30, 2023	\$ 1,626.78	\$ 2,116.20	4/16/2023	\$ 1,103.92	11/21/2022	\$ 1,679.48	\$ 1,665.09
Twelve months ended September 30, 2024	\$ 2,759.50	\$ 4,033.86	3/11/2024	\$ 1,530.88	10/12/2023	\$ 2,594.43	\$ 2,594.43
Twelve months ended September 30, 2025	\$ 2,974.06	\$ 4,833.89	8/22/2025	\$ 1,465.40	4/8/2025	\$ 4,161.61	\$ 4,161.61
October 1, 2020 to September 30, 2025	\$ 2,384.31	\$ 4,833.89	8/22/2025	\$ 340.17	10/6/2020	\$ 4,161.61	\$ 4,161.61

The Trust’s performance prior to July 23, 2024 is based on market-determined prices on the OTCQX marketplace and on the Trust’s performance without an ongoing share creation and redemption program. Prior to July 23, 2024, the Trust’s Shares traded at both premiums and discounts to the value of the Trust’s assets, less its expenses and other liabilities, which at times were substantial, in part due to the lack of an ongoing redemption program. Effective as of July 23, 2024, the Trust established an ongoing share creation and redemption program and the Shares of the Trust were listed to NYSE Arca. Hence, the Trust’s performance for periods prior to July 23, 2024 are not directly comparable to, and should not be used to make conclusions in conjunction with, the Trust’s performance for periods subsequent to July 23, 2024.

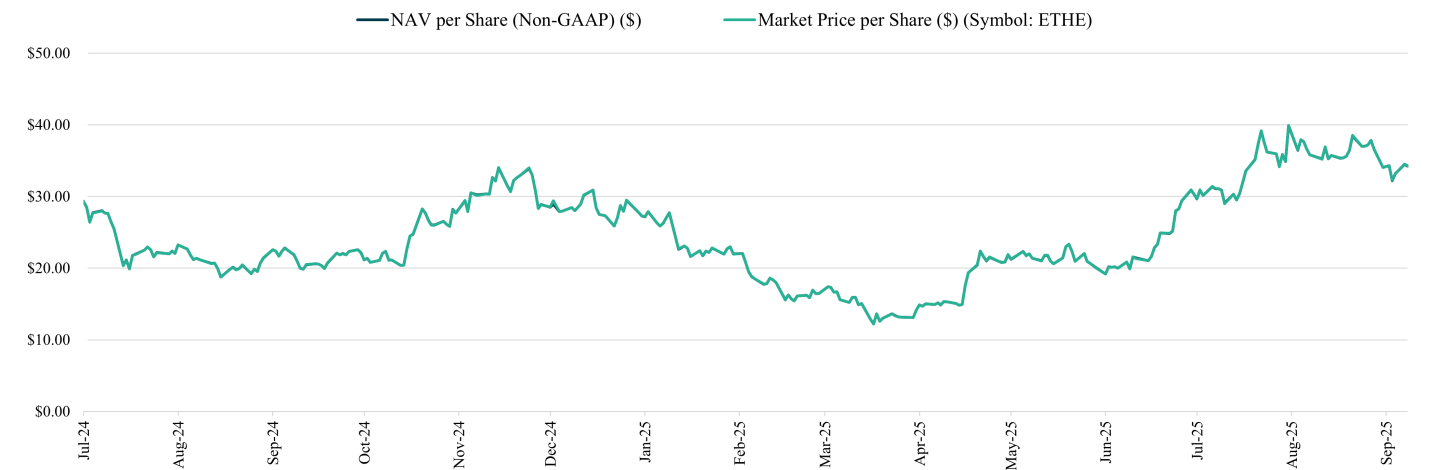
The following chart sets out the historical closing prices for the Shares as reported by OTCQX and the Trust’s NAV per Share from June 20, 2019 to July 22, 2024.

ETHE Premium/(Discount): ETHE Share Price vs. NAV per Share (Non-GAAP) (\$)



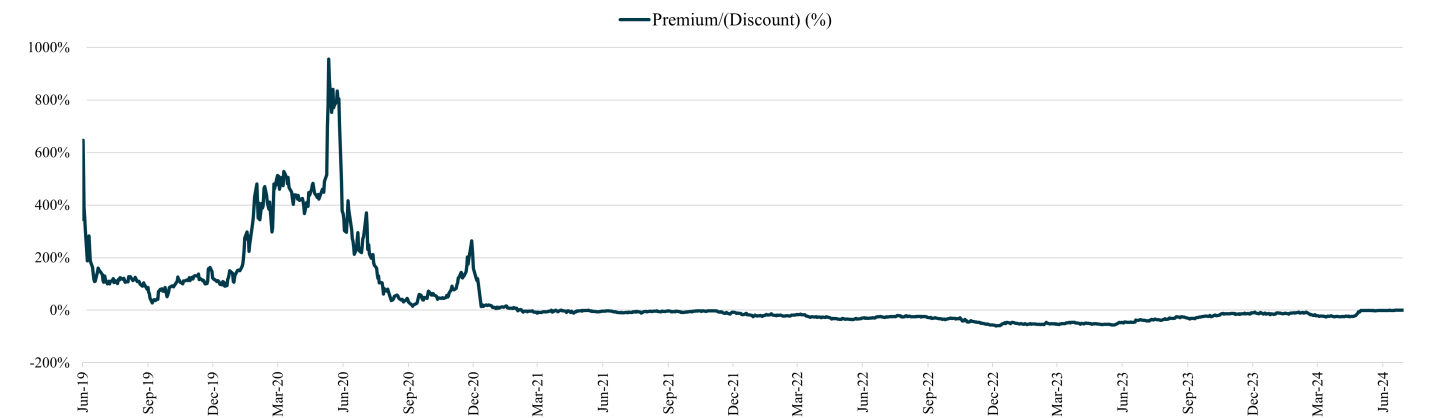
The following chart sets out the historical closing prices for the Shares as reported by NYSE Arca from July 23, 2024 to September 30, 2025 and the Trust’s NAV per Share from July 23, 2024 to September 30, 2025.

ETHE Premium/(Discount): ETHE Share Price vs. NAV per Share (Non-GAAP) (\$)



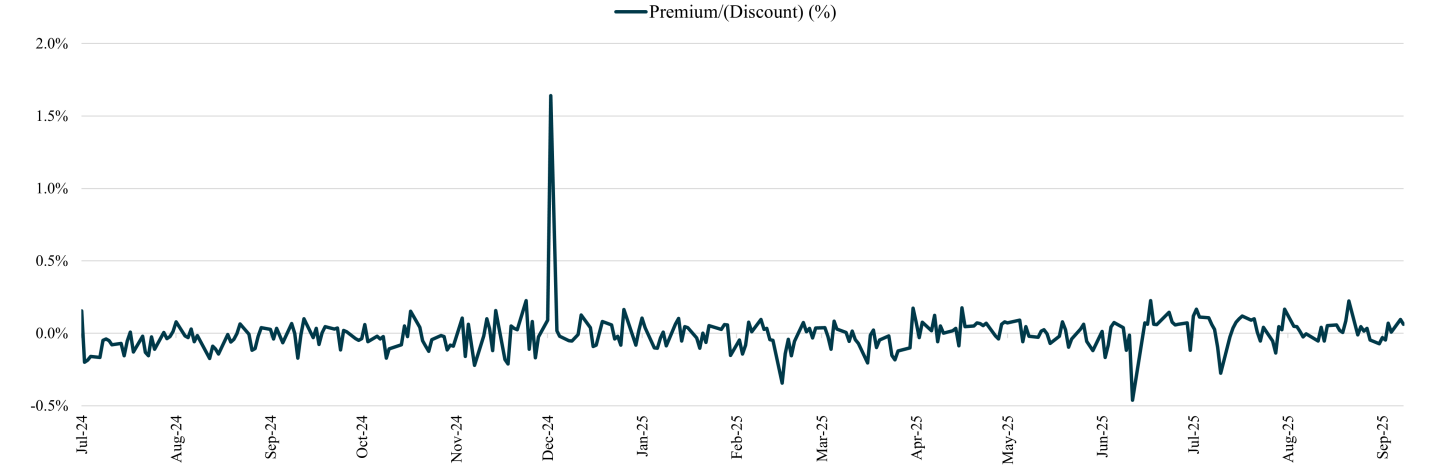
The following chart sets out the historical premium and discount for the Shares calculated as a percentage of the historical closing prices for the Shares as reported by OTCQX and the Trust’s NAV per Share from June 20, 2019 to July 22, 2024.

ETHE Premium/(Discount): ETHE Share Price vs. NAV per Share (Non-GAAP) (%)



The following chart sets out the historical premium and discount for the Shares calculated as a percentage of the historical closing prices for the Shares as reported by NYSE Arca from July 23, 2024 to September 30, 2025 divided by the Trust’s NAV per Share from July 23, 2024 to September 30, 2025.

ETHE Premium/(Discount): ETHE Share Price vs. NAV per Share (Non-GAAP) (%)



Item 3. Quantitative and Qualitative Disclosures about Market Risk

The Trust Agreement does not authorize the Trust to borrow for payment of the Trust's ordinary expenses. The Trust does not engage in transactions in foreign currencies which could expose the Trust or holders of Shares to any foreign currency related market risk. The Trust does not invest in derivative financial instruments and has no foreign operations or long-term debt instruments.

Item 4. Controls and Procedures

The Trust maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in its Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Principal Executive Officer and Principal Financial and Accounting Officer of the Sponsor, and to the audit committee of the Sponsor, as appropriate, to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of the Principal Executive Officer and the Principal Financial and Accounting Officer of the Sponsor, the Sponsor conducted an evaluation of the Trust's disclosure controls and procedures, as defined under Exchange Act Rule 13a-15(e). Based on this evaluation, the Principal Executive Officer and the Principal Financial and Accounting Officer of the Sponsor concluded that the Trust's disclosure controls and procedures were effective as of the end of the period covered by this report.

Changes in Internal Control Over Financial Reporting

There was no change in the Trust's internal controls over financial reporting that occurred during the Trust's most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, these internal controls.

PART II – OTHER INFORMATION:

Item 1. Legal Proceedings

Grayscale Operating, LLC, the former Co-Sponsor of the Trust until May 3, 2025, was a party to certain legal proceedings during the period covered by this report. Although the Trust is not a party to these proceedings, the Trust may in the future be subject to legal proceedings or disputes.

There have been no material changes to the Legal Proceedings last reported under “Part II, Item 1. Legal Proceedings” of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2025, as amended and supplemented from time to time.

As of the date of this Quarterly Report, the Sponsor does not expect the foregoing proceedings to have a material adverse effect on the Trust’s business, financial condition or results of operations.

The Sponsor and/or the Trust may be subject to additional legal proceedings and disputes in the future.

Item 1A. Risk Factors

There have been no material changes to the Risk Factors last reported under “Part I, Item 1A. Risk Factors” of our Annual Report, as amended and supplemented by our Current Reports on Form 8-K, dated October 6, 2025 and September 26, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of equity securities by the issuer and affiliated purchasers —The table below sets forth information regarding open market purchases of Shares of Grayscale Ethereum Trust ETF (NYSE Arca: ETHE) by Digital Currency Group, Inc. (“DCG”), the indirect parent company of the Sponsor, on a monthly basis during the three months ended September 30, 2025:

Period	(a) Total Number of Shares of ETHE Purchased	(b) Average Price Paid per Share of ETHE	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	(d) Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs ⁽¹⁾ (in millions)
July 1, 2025 - July 31, 2025	-	\$ -	-	\$ 200.0
August 1, 2025 - August 31, 2025	-	-	-	200.0
September 1, 2025 - September 30, 2025	-	-	-	200.0
Total	-	\$ -	-	\$ 200.0

- (1) On March 2, 2022, the board of the Sponsor approved the purchase by DCG, the indirect parent company of the Sponsor, of up to an aggregate total of \$200 million worth of Shares of the Trust and shares of any of the following five investment products the Sponsor also acts as the sponsor and manager of, including Grayscale Bitcoin Trust ETF (NYSE Arca: GBTC), Grayscale Bitcoin Cash Trust (BCH) (OTCQX: BCHG), Grayscale CoinDesk Crypto 5 ETF (NYSE Arca: GDLC), Grayscale Ethereum Classic Trust (ETC) (OTCQX: ETCG), and Grayscale Stellar Lumens Trust (XLM) (OTCQX: GXLM). Subsequently, DCG authorized such purchase. The Share purchase authorization does not obligate DCG to acquire any specific number of Shares in any period, and may be expanded, extended, modified, or discontinued at any time. From March 2, 2022 through October 31, 2025, DCG had not purchased any Shares of the Trust under this authorization.

Although the Trust does not purchase Shares directly from its shareholders, in connection with its redemption of Baskets, the Trust redeemed 1,863 Baskets (18,630,000 Shares) during the three months ended September 30, 2025:

Period	Total Number of Shares of ETHE Redeemed	Average Price Paid per Share of ETHE ⁽¹⁾
July 1, 2025 - July 31, 2025	3,260,000	\$ 29.63
August 1, 2025 - August 31, 2025	10,350,000	34.06
September 1, 2025 - September 30, 2025	5,020,000	34.79
Total	18,630,000	\$ 33.48

- (1) The Price Paid per Share is based on the NAV per Share, which is derived from the Index Price as represented by the Index as of 4:00 p.m., New York time, on the valuation date. The Trust’s NAV per Share is calculated using a non-GAAP methodology where the price is derived from multiple Digital Asset Trading Platforms.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Exhibit Description
10.1	<u>Third Amended and Restated Declaration of Trust and Trust Agreement of Grayscale Ethereum Trust ETF, between the Sponsor and CSC Delaware Trust Company, as Trustee (incorporated by reference to Exhibit 4.1 of the Form 8-K filed by the Registrant on September 26, 2025)</u>
10.2	<u>Master Custody Service Agreement, dated August 8, 2025, between the Trust and Anchorage Digital Bank N.A. (incorporated by reference to Exhibit 10.1 of the Form 8-K filed by the Registrant on August 8, 2025)</u>
31.1	<u>Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended, with respect to the Trust's Quarterly Report on Form 10-Q for the quarter ended September 30, 2025.</u>
31.2	<u>Certification of Principal Financial and Accounting Officer pursuant to Rule 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended, with respect to the Trust's Quarterly Report on Form 10-Q for the quarter ended September 30, 2025.</u>
32.1	<u>Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, with respect to the Trust's Quarterly Report on Form 10-Q for the quarter ended September 30, 2025.</u>
32.2	<u>Certification of Principal Financial and Accounting Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, with respect to the Trust's Quarterly Report on Form 10-Q for the quarter ended September 30, 2025.</u>
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema with Embedded Linkbase Documents.
104	Cover Page Interactive Data File—The cover page interactive data file does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.

* Pursuant to Rule 406T of Regulation S-T, these interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for the purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

GLOSSARY OF DEFINED TERMS

“Actual Exchange Rate”—With respect to any particular asset, at any time, the price per single unit of such asset (determined net of any associated fees) at which the Trust is able to sell such asset for U.S. dollars (or other applicable fiat currency) at such time to enable the Trust to timely pay any Additional Trust Expenses, through use of the Sponsor’s commercially reasonable efforts to obtain the highest such price.

“Additional Trust Expenses”—Together, any expenses incurred by the Trust in addition to the Sponsor’s Fee that are not Sponsor-paid Expenses, including, but not limited to, (i) taxes and governmental charges, (ii) expenses and costs of any extraordinary services performed by the Sponsor (or any other service provider) on behalf of the Trust to protect the Trust or the interests of shareholders, (iii) any indemnification of the Custodian or other agents, service providers or counterparties of the Trust, (iv) the fees and expenses related to the listing, quotation or trading of the Shares on any Secondary Market (including legal, marketing and audit fees and expenses) to the extent exceeding \$600,000 in any given fiscal year and (v) extraordinary legal fees and expenses, including any legal fees and expenses incurred in connection with litigation, regulatory enforcement or investigation matters.

“Administrator”— The Bank of New York Mellon, a New York corporation authorized to conduct banking business.

“Administrator Fee”—The fee payable to any administrator of the Trust for services it provides to the Trust, which the Sponsor will pay such administrator as a Sponsor-paid Expense.

“Affirmative Action”—A decision by the Trust to acquire or abandon specific Incidental Rights and IR Virtual Currency at any time prior to the time of a creation or redemption of Shares.

“AML”—Anti-money laundering.

“AP Designee”—An Authorized Participant’s designee in connection with In-Kind Orders (to the extent In-Kind Regulatory Approval is obtained).

“Authorized Participant”—Certain eligible financial institutions that have entered into an agreement with the Trust and the Sponsor concerning the creation or redemption of Shares. Each Authorized Participant (i) is a registered broker-dealer and (ii) has entered into a Participant Agreement with the Sponsor and the Transfer Agent. Subject to In-Kind Regulatory Approval, in the future any Authorized Participants creating and redeeming Shares through In-Kind Orders must also own, or their AP Designee (as defined above) must own, an Ether wallet address that is known to the Custodian as belonging to the Authorized Participant or its AP Designee and maintain an account with the Custodian.

“Basket”—A block of 10,000 Shares.

“Basket Amount”—On any trade date, the amount of Ether required as of such trade date for the creation or redemption of a Basket, as determined by dividing (x) the amount of Ether owned by the Trust at 4:00 p.m., New York time, on such trade date, after deducting the amount of Ether representing the U.S. dollar value of accrued but unpaid fees and expenses of the Trust (converted using the Index Price at such time, and carried to the eighth decimal place), by (y) the number of Shares outstanding at such time (with the quotient so obtained calculated to one one-hundred-millionth of one Ether (*i.e.*, carried to the eighth decimal place)), and multiplying such quotient by 10,000.

“Basket NAV”— The U.S. dollar value of a Basket calculated by multiplying the Basket Amount by the Index Price as of the trade date.

“Blockchain” or **“Ethereum Blockchain”**—The public transaction ledger of the Ethereum Network on which transactions in Ether are recorded.

“Board”—Board of directors of Grayscale Investments, Inc., which, as of October 22, 2025, and pursuant to the Management Reorganization, manages and directs the affairs of the Sponsor.

“Cash Order”— An order for the creation or redemption of Shares pursuant to procedures facilitated by the Transfer Agent and pursuant to which a Liquidity Provider is engaged to facilitate the purchase or sale of Ether. A Cash Order may be executed as either a Variable Fee Cash Order or an Actual Execution Cash Order. Unless the Sponsor determines otherwise in its sole discretion based on market conditions and other factors existing at the time of such Cash Order, all creations and redemptions pursuant to Cash Orders are expected to be executed as Variable Fee Cash Orders.

“**Coinbase**”—Coinbase, Inc.

“**Coinbase Credit**”—Coinbase Credit, Inc.

“**Creation Basket**”—Basket of Shares issued by the Trust upon deposits of the Basket Amount required for each such Creation Basket.

“**Creation Time**”—With respect to the creation of any Shares by the Trust, the time at which the Trust creates such Shares.

“**Custodial and Prime Broker Services**”—The services of the Custodian and the Prime Broker that provide for: (i) holding of the Trust’s Ether in the Vault Balance and the Settlement Balance; (ii) transfer of the Trust’s Ether between the relevant Vault Balance and the Settlement Balance; (iii) the deposit of Ether from a public blockchain address into the respective account or accounts in which the Vault Balance or the Settlement Balance are maintained; and (iv) the withdrawal of Ether from the Vault Balance to a public blockchain address the Trust controls.

“**Custodian**”—Coinbase Custody Trust Company, LLC.

“**Custodian Fee**”—Fee payable to the Custodian and the Prime Broker for services they provide to the Trust, which the Sponsor shall pay to the Custodian as a Sponsor-paid Expense.

“**CUTPA**”—The Connecticut Unfair Trade Practices Act.

“**DCG**”—Digital Currency Group, Inc.

“**DCG Holdco**”—DCG Grayscale Holdco, LLC.

“**Digital Asset Market**”—A “Brokered Market,” “Dealer Market,” “Principal-to-Principal Market” or “Exchange Market” (referred to as “Trading Platform Market” in this Quarterly Report), as each such term is defined in the Financial Accounting Standards Board Accounting Standards Codification Master Glossary.

“**Digital Asset Trading Platform**”—An electronic marketplace where trading platform participants may trade, buy and sell Ether based on bid-ask trading. The largest Digital Asset Trading Platforms are online and typically trade on a 24-hour basis, publishing transaction price and volume data.

“**Digital Asset Trading Platform Market**”—The global trading platform market for the trading of Ether, which consists of transactions on electronic Digital Asset Trading Platforms.

“**DSTA**”—The Delaware Statutory Trust Act, as amended.

“**Ether**”—Ethereum tokens, which are a type of digital asset based on an open-source cryptographic protocol existing on the Ethereum Network, comprising units that constitute the assets underlying the Trust’s Shares.

“**Ethereum Network**”—The online, end-user-to-end-user network hosting the public transaction ledger, known as the Ethereum Blockchain, and the source code comprising the basis for the cryptographic and algorithmic protocols governing the Ethereum Network. See “Item 1. Business—Overview of the Ethereum Industry and Market” in our Annual Report.

“**ETH Trust**”—Grayscale Ethereum Mini Trust ETF.

“**Exchange Act**”—The Securities Exchange Act of 1934, as amended.

“**FINRA**”—The Financial Industry Regulatory Authority, Inc., which is the primary regulator in the United States for broker-dealers, including Authorized Participants.

“**Grayscale Investments**”—Grayscale Investments, Inc., a Delaware corporation and a consolidated subsidiary of DCG.

“**Grayscale Securities**”—Grayscale Securities, LLC, a wholly owned direct subsidiary of GSO.

“**GSI**”—Grayscale Investments, LLC, the Sponsor of the Trust until December 31, 2024.

“GSIS”—Grayscale Investments Sponsors, LLC, a Delaware limited liability company and a wholly owned direct subsidiary of Grayscale Operating, LLC.

“GSO”—Grayscale Operating, LLC, a Delaware limited liability company and a consolidated subsidiary of DCG.

“GSOIH”—GSO Intermediate Holdings Corporation, a Delaware corporation and a consolidated subsidiary of DCG.

“Incidental Rights”—Rights to acquire, or otherwise establish dominion and control over, any virtual currency or other asset or right, which rights are incident to the Trust’s ownership of Ether and arise without any action of the Trust, or of the Sponsor or Trustee on behalf of the Trust.

“Index”—The CoinDesk Ether Price Index (ETX).

“Index License Agreement”—The license agreement, dated as of February 1, 2022, between the Index Provider and the Sponsor governing the Sponsor’s use of the Index for calculation of the Index Price, as amended from time to time.

“Index Price”—The U.S. dollar value of an Ether derived from the Digital Asset Trading Platforms that are reflected in the Index, calculated at 4:00 p.m., New York time, on each business day. See “Item 1. Business—Overview of the Ethereum Industry and Market—Ether Value—The Index and the Index Price” in our Annual Report for a description of how the Index Price is calculated. For purposes of the Trust Agreement, the term Ether Index Price shall mean the Index Price as defined herein.

“Index Provider”—CoinDesk Indices, Inc., a Delaware corporation that publishes the Index.

“Initial Distribution”—The contribution by the Trust of 292,262.98913350 Ether to the ETH Trust, in exchange for 310,158,500 newly created shares of the ETH Trust, which were distributed on July 23, 2024 to the Trust’s shareholders as of the Record Date, pro rata based on a 1:1 ratio.

“In-Kind Order”—An order for the creation or redemption of Shares pursuant to which the Authorized Participant (or its AP Designee) will deliver or receive Ether directly from the Trust’s Vault Balance. Because In-Kind Regulatory Approval has not been obtained, at this time Shares will not be created or redeemed through In-Kind Orders.

“In-Kind Regulatory Approval”—The necessary regulatory approval to permit NYSE Arca to list the Shares of the Trust utilizing a structure that allows the Trust to create and redeem Shares via in-kind transactions with Authorized Participants or their AP Designees in exchange for Ether. In common with other spot digital asset exchange-traded products, the Trust is not at this time able to create and redeem shares via in-kind transactions with Authorized Participants, and there has yet to be definitive regulatory guidance on whether and how registered broker-dealers can hold and deal in Ether in compliance with the federal securities laws. To the extent further regulatory clarity emerges, the Sponsor expects NYSE Arca to seek the necessary regulatory approval to amend its listing rules to permit the Trust to create and redeem Shares through In-Kind Orders. There can be no assurance as to when such regulatory clarity will emerge, or when NYSE Arca will seek or obtain such regulatory approval, if at all.

“Investment Company Act”—Investment Company Act of 1940, as amended.

“IR Virtual Currency”—Any virtual currency tokens, or other asset or right, acquired by the Trust through the exercise (subject to the applicable provisions of the Trust Agreement) of any Incidental Right.

“KYC”—Know-your-customer.

“Liquidity Engager”—Until December 31, 2024, GSI, and on or after January 1, 2025, GSIS, in each case acting other than in its capacity as Sponsor, and in its capacity to engage one or more Liquidity Providers.

“Liquidity Provider”—One or more eligible companies that facilitate the purchase and sale of Ether in connection with creations or redemptions pursuant to Cash Orders. The Liquidity Providers with which GSIS, acting in its capacity as the Liquidity Engager, will engage in Ether transactions are third parties that are not affiliated with the Sponsor or the Trust and are not acting as agents of the Trust, the Sponsor, or any Authorized Participant, and all transactions will be done on an arm’s-length basis. Except for the contractual relationships between each Liquidity Provider and GSIS in its capacity as the Liquidity Engager, there is no contractual relationship between each Liquidity Provider and the Trust, the Sponsor, or any Authorized Participant.

“Management Reorganization”—An internal corporate reorganization consummated on October 22, 2025. As a result of the Management Reorganization, Grayscale Investments is now the sole managing member of GSO, the sole member of the Sponsor, and the Board of Grayscale Investments is responsible for managing and directing the affairs of the Sponsor.

“Marketing Agent”—Foreside Fund Services, LLC.

“Marketing Agent Agreement”—An agreement entered into by the Sponsor, on behalf of the Trust, dated May 14, 2024, with Foreside Fund Services, LLC.

“Marketing Fee”—Fee payable to the marketer for services it provides to the Trust, which the Sponsor will pay to the marketer as a Sponsor-paid Expense.

“Merger”—The merger of GSI with and into GSO, with GSO continuing as the surviving company.

“NAV”—The aggregate value, expressed in U.S. dollars, of the Trust’s assets (other than U.S. dollars or other fiat currency), less its liabilities (which include estimated accrued but unpaid fees and expenses), a non-GAAP metric, calculated in the manner set forth under “Item 1. Business—Valuation of Ether and Determination of NAV” in our Annual Report. See also “Item 1. Business—Investment Objective” in our Annual Report for a description of the Trust’s Principal Market NAV, as calculated in accordance with U.S. GAAP. Prior to February 23, 2024, NAV was referred to as Digital Asset Holdings. For purposes of the Trust Agreement, the term Ether Holdings shall mean the NAV as defined herein.

“NAV Fee Basis Amount”—The amount on which the Sponsor’s Fee for the Trust is based, as calculated in the manner set forth under “Item 1. Business—Valuation of Ether and Determination of NAV” in our Annual Report. For purposes of the Trust Agreement, the term Ether Holdings Fee Basis Amount shall mean the NAV Fee Basis Amount as defined herein.

“NYSE Arca”—NYSE Arca, Inc.

“OTCQX”—The OTCQX Best Market® of OTC Markets Group Inc.

“Participant Agreement”—An agreement entered into by an Authorized Participant with the Sponsor and the Transfer Agent that provides the procedures for the creation and redemption of Baskets via a Liquidity Provider.

“Prime Broker”—Coinbase, Inc.

“Prime Broker Agreement”—The Prime Broker Agreement, dated as of October 3, 2025, by and among the Trust, the Sponsor and the Prime Broker, on behalf of itself, the Custodian and Coinbase Credit, that governs the Trust’s and the Sponsor’s use of the Custodial and Prime Broker Services provided by the Custodian and the Prime Broker.

“Principal Market NAV”—The net asset value of the Trust determined on a U.S. GAAP basis. Prior to February 23, 2024, Principal Market NAV was referred to as NAV.

“Record Date”—July 18, 2024, the record date for the Initial Distribution.

“Redemption Basket”—Basket of Shares redeemed by the Trust upon distribution or disposition of the Basket Amount required for each such Redemption Basket.

“Reorganization”—The internal corporate reorganization of GSI consummated on January 1, 2025.

“SEC”—The U.S. Securities and Exchange Commission.

“Secondary Market”—Any marketplace or other alternative trading system, as determined by the Sponsor, on which the Shares may then be listed, quoted or traded, including but not limited to, NYSE Arca and the OTCQX Best Market® of the OTC Markets Group Inc.

“Securities Act”—The Securities Act of 1933, as amended.

“Settlement Balance”—An account controlled and maintained by the Custodian to which cash and digital assets of the Trust are credited on the Trust’s behalf.

“Shares”—Common units of fractional undivided beneficial interest in, and ownership of, the Trust.

“Share Split”—A 9-for-1 Share split of the Trust’s issued and outstanding Shares, which was effected on December 17, 2020 to shareholders of record as of the close of business on December 14, 2020.

“Sponsor” or “Co-Sponsor”—The sponsor of the Trust. GSO was a co-sponsor of the Trust from January 1, 2025 to May 3, 2025, and GSIS was a co-sponsor of the Trust from January 1, 2025 to May 3, 2025 and is the sole remaining sponsor thereafter.

“Sponsor Contracts”—Certain contracts assigned by GSO pertaining to its role as Sponsor (as such term is defined in the Trust Agreement) of the Trust to GSIS in connection with the Reorganization.

“Sponsor-paid Expenses”—The fees and expenses incurred by the Trust in the ordinary course of its affairs that the Sponsor is obligated to assume and pay, excluding taxes, but including: (i) the Marketing Fee, (ii) the Administrator Fee, (iii) the Custodian Fee and fees for any other security vendor engaged by the Trust, (iv) the Transfer Agent Fee, (v) the Trustee fee, (vi) the fees and expenses related to the listing, quotation or trading of the Shares on any Secondary Market (including customary legal, marketing and audit fees and expenses) in an amount up to \$600,000 in any given fiscal year, (vii) ordinary course, legal fees and expenses, (viii) audit fees, (ix) regulatory fees, including, if applicable, any fees relating to the registration of the Shares under the Securities Act or the Exchange Act, (x) printing and mailing costs, (xi) costs of maintaining the Trust’s website and (xii) applicable license fees, provided that any expense that qualifies as an Additional Trust Expense will be deemed to be an Additional Trust Expense and not a Sponsor-paid Expense.

“Sponsor’s Fee”—A fee, payable in Ether, which accrues daily in U.S. dollars at an annual rate of 2.5% of the NAV Fee Basis Amount of the Trust as of 4:00 p.m., New York time, on each day; *provided* that for a day that is not a business day, the calculation of the Sponsor’s Fee will be based on the NAV Fee Basis Amount from the most recent business day, reduced by the accrued and unpaid Sponsor’s Fee for such most recent business day and for each day after such most recent business day and prior to the relevant calculation date.

“Transfer Agent”—The Bank of New York Mellon, a New York corporation authorized to conduct banking business.

“Transfer Agent Fee”—Fee payable to the Transfer Agent for services it provides to the Trust, which the Sponsor will pay to the Transfer Agent as a Sponsor-paid Expense.

“Trust”—Grayscale Ethereum Trust ETF, a Delaware statutory trust, formed on December 13, 2017 under the DSTA and pursuant to the Trust Agreement.

“Trust Agreement”—The Third Amended and Restated Declaration of Trust and Trust Agreement, dated as of September 25, 2025, between the Trustee and the Sponsor establishing and governing the operations of the Trust, as amended from time to time.

“Trustee”—CSC Delaware Trust Company (formerly known as Delaware Trust Company), a Delaware trust company, is the Delaware trustee of the Trust.

“Uplisting Date”—July 23, 2024, the date on which the shares of Grayscale Ethereum Trust ETF began trading on NYSE Arca as shares of an exchange-traded product.

“U.S.”—United States.

“U.S. dollar” or “\$”—United States dollar or dollars.

“U.S. GAAP”—United States generally accepted accounting principles.

“Vault Balance”—A segregated custody account controlled and secured by the Custodian to store private keys, which allow for the transfer of ownership or control of the Trust’s Ether on the Trust’s behalf.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned in the capacities* indicated, thereunto duly authorized.

**Grayscale Investments Sponsors, LLC
as Sponsor of Grayscale Ethereum Trust ETF**

By: /s/ Peter Mintzberg _____

Name: Peter Mintzberg

Title: Chief Executive Officer (Principal
Executive Officer)*

By: /s/ Edward McGee _____

Name: Edward McGee

Title: Chief Financial Officer (Principal Financial
and Accounting Officer)*

Date: November 5, 2025

* The Registrant is a trust and the persons are signing in their capacities as officers of Grayscale Investments Sponsors, LLC, the Sponsor of the Registrant.

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO RULE 13a-14(a)
AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Peter Mintzberg, certify that:

1. I have reviewed this quarterly report of Grayscale Ethereum Trust ETF (the “Trust”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the Sponsor (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 5, 2025

/s/ Peter Mintzberg

Peter Mintzberg *
Chief Executive Officer (Principal Executive Officer)

* The Registrant is a trust and Mr. Mintzberg is signing in his capacity as Principal Executive Officer of Grayscale Investments Sponsors, LLC, the Sponsor of the Registrant.

**CERTIFICATION OF PRINCIPAL FINANCIAL AND ACCOUNTING OFFICER PURSUANT TO RULE 13a-14(a)
AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Edward McGee, certify that:

1. I have reviewed this quarterly report of Grayscale Ethereum Trust ETF (the “Trust”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the Sponsor (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 5, 2025

/s/ Edward McGee

Edward McGee *

Chief Financial Officer (Principal Financial and
Accounting Officer)

* The Registrant is a trust and Mr. McGee is signing in his capacity as Principal Financial and Accounting Officer of Grayscale Investments Sponsors, LLC, the Sponsor of the Registrant.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Grayscale Ethereum Trust ETF (the “Trust”) on Form 10-Q for the period ending September 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Peter Mintzberg, Principal Executive Officer of Grayscale Investments Sponsors, LLC, the Sponsor of the Trust, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Trust.

/s/ Peter Mintzberg

Peter Mintzberg *

Chief Executive Officer (Principal Executive Officer)

November 5, 2025

* The Registrant is a trust and Mr. Mintzberg is signing in his capacity as Principal Executive Officer of Grayscale Investments Sponsors, LLC, the Sponsor of the Registrant.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Grayscale Ethereum Trust ETF (the “Trust”) on Form 10-Q for the period ending September 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Edward McGee, Principal Financial and Accounting Officer of Grayscale Investments Sponsors, LLC, the Sponsor of the Trust, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Trust.

/s/ Edward McGee

Edward McGee *
Chief Financial Officer (Principal Financial and
Accounting Officer)
November 5, 2025

* The Registrant is a trust and Mr. McGee is signing in his capacity as Principal Financial and Accounting Officer of Grayscale Investments Sponsors, LLC, the Sponsor of the Registrant.