



# **Interim report and unaudited financial statements**

iShares Digital Assets AG

For the financial period from 1 January 2026 to 30 June 2026

iSHARES DIGITAL ASSETS AG

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# iSHARES DIGITAL ASSETS AG

## GENERAL INFORMATION

### Board of Directors <sup>1</sup>

Nikoletta Dancs (Hungarian)  
Robert Majewski (Swiss) <sup>2</sup>  
Dylan McGrath (Swiss)

<sup>1</sup> Non-executive Director

<sup>2</sup> Employee of the BlackRock Group

### Registered office

Militärstrasse 36  
8004 Zurich  
Switzerland

### Arranger

BlackRock International Limited  
Dundas House  
20 Brandon Street  
Edinburgh, EH3 5PP  
United Kingdom

### Independent Auditor

PricewaterhouseCoopers AG  
Birchstrasse 160  
Postfach, 8050 Zürich  
Switzerland

### Administrator and Transfer Agent

The Bank of New York Mellon (International) Limited  
Queen Victoria Street  
London, EC4V 4LA  
United Kingdom

### Legal Advisers

*In England*  
Clifford Chance LLP  
10 Upper Bank Street  
London, E14 5JJ  
United Kingdom

### Registrar

The Bank of New York Mellon SA/NV, Dublin Branch  
The Shipping Office  
20-26 Sir John Rogerson's Quay  
Dublin 2, D02 Y049  
Ireland

*In Germany*  
Clifford Chance PartmbB  
Junghofstraße 14  
60311 Frankfurt am Main  
Germany

### Paying Agent

The Bank of New York Mellon, London Branch  
Queen Victoria Street  
London, EC4V 4LA  
United Kingdom

*In Switzerland*  
Advestra AG  
Uraniastrasse 9  
8001 Zürich  
Switzerland

### Trustee

Apex Corporate Trustees (UK) Ltd  
6th Floor, 125 London Wall  
London, EC2Y 5AS  
United Kingdom

### Prime Execution Agent

Coinbase Luxembourg S.A.  
5 Place de la Gare, L-1616  
Luxembourg

### Custodian

Coinbase Luxembourg S.A.  
5 Place de la Gare, L-1616  
Luxembourg

Coinbase Ireland Limited  
45 Mespil Road  
D04 W2F1  
Ireland

# iSHARES DIGITAL ASSETS AG

## MANAGEMENT REPORT

### 1. General information about the Entity

iShares Digital Assets AG (the "Entity") was incorporated in Switzerland on 5 August 2024 and is a stock corporation (Aktiengesellschaft) organised and existing under the laws of Switzerland having its registered office at Militärstrasse 36, 8004 Zurich, Switzerland and registered with the Commercial Register of the Canton of Zürich, Switzerland under the company register number CHE-267.176.567.

The Entity was established as a special purpose vehicle to act as a Swiss issuer to launch a secured crypto asset linked securities programme (the "Programme"). Under the Programme, the Entity intends to issue multiple series of secured, limited-recourse debt securities ("Securities") backed by a crypto asset underlying each series. It is expected that this Programme will include several exchange-traded products ("ETPs"), each offering exposure to a specific crypto asset, each a series. Each ETP's legal framework will consist of a series of Securities issued by the Entity.

BlackRock International Limited (the "Arranger") has been appointed by the Directors as the Arranger for the Entity. The Arranger has the authority and obligation to buy or arrange the purchase or, sell or arrange the sale of, as well as determine and give necessary instructions regarding the delivery of cryptoassets on behalf of the Entity.

The sole shareholder of the Entity is Apex TSI Limited, a limited company incorporated in Ireland.

The term "BlackRock" and "Arranger" are used to represent BlackRock International Limited as appropriate. The term "Directors" means the directors of the Entity.

As at 30 June 2026, the Entity has issued one series of Securities ("iShares Bitcoin ETP Series") backed by Bitcoin digital assets. Currently, this product is listed on the following exchanges: Frankfurt Stock Exchange, Euronext Amsterdam, Euronext Paris, SIX Swiss Exchange in Switzerland and Borsa Italiana ETFplus market.

The Entity's digital assets are listed and admitted to trading on regulated markets pursuant to an approved securities prospectus. The European Union securities prospectus has been approved by the German Federal Financial Supervisory Authority ("BaFin") as competent authority in accordance with Article 8(1) of Regulation (EU) 2017/1129. In addition, the Entity's base prospectus has been approved by the United Kingdom Financial Conduct Authority (the "FCA"), which is the United Kingdom competent authority under the UK Prospectus Regulation.

The Entity had no employees during the financial period.

### 2. Economic and financial report

#### 2.1 Market commentary on cryptoassets and the performance

Bitcoin experienced a challenging first half of 2026, following the strong performance recorded over the preceding three years. After gaining approximately 157% in 2023, over 120% in 2024 and reaching a new all-time high of approximately USD 126,000 in October 2025, bitcoin entered 2026 against a backdrop of increased macroeconomic uncertainty and weaker risk sentiment.

During the first half of the year, bitcoin declined by approximately 32%, ending June at approximately USD 59,500. The weakness was not attributable to a single event but rather reflected a combination of macroeconomic developments and market-specific dynamics.

Throughout the period, investor sentiment was influenced by heightened geopolitical uncertainty, and a reassessment of U.S. monetary policy expectations. A more hawkish Federal Reserve, together with higher U.S. real yields, weighed on risk assets more broadly and has historically influenced demand for alternative assets such as bitcoin.

In parallel, the deleveraging that began following the fourth quarter correction in 2025 continued to work through cryptoasset derivatives markets, contributing to periods of elevated volatility and weaker sentiment across digital asset markets during the first half of 2026. The removal of excess leverage helped reset market positioning, while price levels around key psychological thresholds prompted profit-taking and portfolio rebalancing among certain investors, adding further downward pressure on prices.

A further contributing factor was the continued repricing of digital asset treasury companies. Earlier in the cycle, strong investor demand had driven many of these companies to trade at significant premiums to the value of their underlying digital asset holdings, supporting additional capital inflows and, indirectly, demand for bitcoin. During the first half of 2026, these premiums compressed materially, with a number of companies trading closer to, or below, net asset value. This reduced an incremental source of demand for bitcoin and increased the possibility of balance sheet adjustments by certain issuers, contributing to weaker market sentiment.

More broadly, investor attention remained focused on opportunities within the artificial intelligence ("AI") theme, which continued to attract significant capital and dominate equity market performance, while sentiment towards cryptoassets remained comparatively subdued.

While short-term price movements remain difficult to predict, the longer-term drivers of bitcoin continue to provide support for the asset class. Increasing institutional participation, continued development of regulatory frameworks and growing macroeconomic uncertainty, including concerns around sovereign debt levels and geopolitical fragmentation, continue to support bitcoin's role within the broader investment landscape. While volatility is expected to remain a defining feature, the asset class continues to evolve as it becomes more integrated into traditional financial markets.

# ISHARES DIGITAL ASSETS AG

## MANAGEMENT REPORT (continued)

### 2. Economic and financial report (continued)

#### 2.2 Business performance

As of 30 June 2026, the Entity had digital assets of USD 919,067,000. For the period ended 30 June 2026, the Entity reported a profit of USD 33,000.

##### 2.2.1 Earnings position

In the first half of 2026, the Entity was successful and generated Securities gain of USD 356,738,000 which is mainly generated from the market movement of the value of Bitcoin. The gain generated was reduced by operating expenses of USD 590,000 and change in market value of digital assets of USD 356,148,000. As of 30 June 2026, the return of capital is 0.004%.

##### 2.2.2 Financial reporting process and controls

The Entity's financial reporting process and controls are designed to ensure accurate, complete and compliant presentation and disclosure of its financial position and performance. Financial information is based on underlying accounting and operational data maintained in its accounting and operation systems, with close coordination amongst internal finance and investment management functions, and outsourced service providers. The Entity has outsourced certain functions to The Bank of New York Mellon (International) Limited, who performs the fund accounting and administration functions for the Securities. The Entity maintains a monthly closing process, and prepares annual financial statements in accordance with the Swiss Code of Obligations and regulatory requirements.

Daily reconciliations are in place to ensure proper recording of assets, liabilities, revenue, product costs, and operating expenses in accordance with contractual terms and with supporting documentation.

We have established effective risk management, governance and internal controls to support the reliability and integrity of financial reporting, and to ensure that the Entity's Management Report and 2025 financial statements comply with applicable accounting and reporting standards.

##### 2.2.3 Financial position

As at 30 June 2026, the Entity had cash and cash equivalents in bank accounts in the amount of USD 241,000 which are held with HSBC Bank plc, London, Zurich Branch (the "Bank"). The Entity's equity amounted to USD 214,000, consisting of share capital of USD 117,000 and profit for the period of USD 97,000.

The Entity issued a series of secured debt securities amounting to USD 919,000,000 as at 30 June 2026 which is backed by the corresponding digital assets. Each Security is fully backed by digital assets held in cold storage with custodians. Cold storage is the storing of private keys completely offline away from internet connected devices. This means that the Securities issued under the Programme will always be secured solely by the cryptoassets allocated to the relevant Series. Investors have the right to redeem their Securities, limited to the relevant Cryptoasset Entitlement underlying the Series.

Accrued expenses amount to USD 78,000 representing management fees payable. Other short-term liabilities amount to USD 16,000 representing tax payable.

Liquidity is analysed in a cash flow statement. Cash flow from operating activities amounted to USD 83,000 in the first half of 2026 financial year. This payment by the shareholder into the capital reserve allowed the Entity to meet its liquidity requirements at all times during the reporting period.

Overall, the Entity's earnings, financial and asset situation in the first half of 2026 financial year is assessed as stable. The Entity was always in a position to meet its payment obligations. There were no liquidity bottlenecks, off-balance sheet obligations or long-term rental agreements at any time.

##### 2.2.4 Overall statement on the economic situation

Based on the Board of Directors' assessment, the Entity's financial situation remains positive. Profit and other income was characterised by strong growth due to favorable market and regulatory developments, additional product offerings and continued investor interest in exchange-traded products ("ETPs").

### 3. Risk report

Investment in the Securities will involve a significant degree of risk. The risk factors are presented in a limited number of categories depending on their nature. The Entity assesses the materiality of the risk factors based on the probability of their occurrence and the expected magnitude of their negative impact.

#### 3.1 Operational risk

The operational risks are those arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of the transaction parties, failed or inadequate processes and technology or systems failures.

To mitigate the Entity's operational risk, the Arranger seeks to reduce these operational risks through controls and procedures and through its general oversight of transaction parties. The Arranger also seeks to ensure that such transaction parties take appropriate precautions to avoid and mitigate risks that could lead to disruptions and operating errors.

#### 3.2 Liquidity risk

Liquidity risk is the risk that the Entity will encounter difficulty in meeting obligations associated with liabilities. The Entity's principal liquidity risks arise from the ability to have sufficient liquidity to meet its liabilities when due.

The Securities are repayable subject to certain conditions as set out in the relevant documentation for each Series. There is minimal exposure from the Securities as the digital assets are held as collateral in similar amounts.

# ISHARES DIGITAL ASSETS AG

## MANAGEMENT REPORT (continued)

### 3. Risk report (continued)

#### 3.2 Liquidity risk (continued)

Liquidity risk is minimised by holding sufficient liquid investments which can be readily realised to meet liquidity demands. Asset disposals may also be required to meet redemption requests. However, timely sale of trading positions can be impaired by many factors including trading volume and increased price volatility. As a result, the Entity may experience difficulties in disposing of assets to satisfy liquidity demands.

The Entity's liquidity risk is managed by management in accordance with established policies and procedures in place. The Entity's approach to managing this risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions.

The Entity, or the Arranger on its behalf, may postpone or suspend the issuance and/or buy-back and/or redemption of Securities and/or the settlement of any issuance, buy-back or redemption at any time after the occurrence and during the continuation of a disruption event by giving a suspension notice. Disruption events includes cryptoasset trading disruption, custodian bankruptcy and other events.

A suspension notice may cover a single day or a period over which the disruption event continues and may relate to one or more series of securities or to specific issuance(s), redemption(s), order(s) or holder(s), as specified in the suspension notice. If the suspension notice is for a period of time, the suspension period will end when the Entity notifies the relevant parties that it shall recommence the issue, buy-back, redemption or settlement of Securities, as applicable. During a suspension period, the Entity is entitled (subject to the terms of the suspension notice):

- i) not to accept subscription orders and/or buy-back orders, generally or with respect to particular orders;
- ii) to postpone or cancel the settlement of existing subscription orders and buy-back orders, generally or with respect to particular orders; and
- iii) to postpone any early redemption trade date and/or payment or delivery of the early redemption amount.

#### 3.3 Counterparty credit risk

Counterparty credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Entity is exposed to counterparty credit risk from the parties with which it trades and will bear the risk of settlement default. The carrying value of assets best represents the Entity's maximum exposure to counterparty credit risk at the reporting date. Cash is held with counterparties that are regulated entities subject to prudential supervision, or with high credit ratings assigned by international credit rating agencies. As at 30 June 2026, all of the cash is held with Bank. On the other hand, the digital assets are held with Coinbase Luxembourg S.A. ("Custodian").

To mitigate the Entity's counterparty credit risk to the Bank and Custodian, management employs specific procedures to ensure that the Bank and Custodian are a reputable institution and that the associated counterparty credit risk is acceptable to the Entity. The Entity only transacts with banks and custodian that are regulated entities, subject to prudential supervision or with "high credit ratings" assigned by international credit rating agencies. As at 30 June 2026, the long-term credit rating of the parent company of the Bank, HSBC Bank plc, is A+ and the parent of the Custodian, Coinbase Global Inc., is BB- (Standard & Poor's rating).

#### 3.4 Market risk

Market risk arises mainly from uncertainty about future values of the digital assets influenced by market volatility. It represents the potential loss the Entity may suffer through holding market positions in the face of market movements.

Bitcoin's volatility — meaning its tendency to have big swings both up and down — as well as its frequent and prolonged drawdowns present risks and challenges to many investors. Since 2014, Bitcoin has experienced four drawdowns in excess of 50%. While one of these was followed by a quick, six-month recovery, the three largest drawdowns averaged an approximately 80% decline.<sup>1</sup>

Extreme volatility in the future price of the relevant cryptoassets, including further declines in the trading prices of Bitcoin, are likely to have a material adverse effect on the value of the related Securities and such Securities could lose all or substantially all of their value. Because of the continually evolving nature of cryptoassets, it is not possible to predict potential future developments that may arise. Such uncertainty may negatively impact the public perception of cryptoassets and so their rate of adoption and growth, and the use cases for each cryptoasset. Such circumstances could result in a reduction in the value of Bitcoin and consequently the value of the Securities.

The performance of the Entity's digital assets is monitored on a regular basis by the Arranger.

#### 3.5 Legal and regulatory risk

Bitcoin only came online 16 years ago. Such nascency breeds price volatility as market participants speculate about the role Bitcoin may play in the global economy and in portfolios. This is similar to how a newly formed company is typically perceived as a riskier investment than a firmly established one.<sup>1</sup>

Numerous financial supervisory authorities are actively regulating the industry by creating frameworks, legal certainty, clear standards on transparency, consumer protection and operational resilience on the growing investor interest in digital assets. These are continuously evolving as digital assets remain volatile and ever changing.

To mitigate the risk, the Entity continuously monitors the regulatory developments on the digital assets.

<sup>1</sup> Source: <https://www.ishares.com/us/insights/bitcoin-volatility-trends>

# ISHARES DIGITAL ASSETS AG

## MANAGEMENT REPORT (continued)

### 3. Risk report (continued)

#### 3.6 Business risk

Business risks arise from external or internal factors that could impair the Entity's operations. These factors include restrictions on the activities as a special purpose vehicle, structured to be insolvency-remote but not necessarily insolvent-proof, newly incorporated and is lacking comprehensive track record, data breaches and market disruptions that could negatively impact the business.

To mitigate potential business interruptions, the Entity has implemented appropriate control processes and maintains a broad partner and infrastructure base.

### 4. Forecast

#### 4.1 Opportunities and risks

##### Growth of the digital asset market and investor demand

Despite a more challenging market environment during the first half of 2026, the digital asset market continued to mature, with increasing investor awareness, growing institutional engagement and the continued expansion of regulated investment solutions supporting broader participation in the asset class.

Over the first half of 2026, the Entity continued to grow the Programme, supported by consistent net inflows into the Securities. Importantly, the Entity attracted positive net inflows in every month during the reporting period despite elevated market volatility and declining bitcoin prices, demonstrating continued investor demand for regulated bitcoin exposure across EMEA. During the first half of 2026, the Entity gathered more than USD 0.5 billion of net inflows while continuing to broaden its client base across retail informed, institutional and professional investors.

This trend reflects a broader structural shift towards institutionalisation of the asset class, with investors increasingly accessing bitcoin through regulated wrappers that provide transparency, operational robustness and ease of access. The Entity continues to build on this momentum through active engagement with distribution partners, ongoing onboarding of new clients and continued expansion across EMEA.

Looking ahead, the Directors continue to expect this trajectory to persist. Supported by further client onboarding, expanding distribution channels and increasing familiarity with digital asset investment solutions, the Entity is well positioned to capture continued demand and further strengthen its presence within the European bitcoin ETP market.

##### Regulatory developments and market structure

The regulatory environment for digital assets in Europe continued to evolve during the first half of 2026 following the implementation of the Markets in Crypto-Assets Regulation ("MiCA"). As market participants continue to adapt to the new framework, MiCA is expected to support greater transparency, strengthen investor confidence and facilitate the continued development of regulated cryptoasset investment products.

The Directors believe that a more harmonised regulatory framework continues to support the institutionalisation of the asset class by providing greater clarity and consistency for investors, issuers and other market participants. At the same time, the regulatory landscape remains dynamic, with further supervisory guidance and market practice expected to continue to develop as the framework matures.

##### Market environment and portfolio allocation trends

The macroeconomic backdrop remains characterised by uncertainty, including geopolitical developments, inflation dynamics and evolving U.S. monetary policy expectations.

Despite the market volatility experienced during the first half of 2026, investor interest in portfolio diversification has remained resilient. Bitcoin continues to be considered by a growing segment of investors as part of a diversified allocation, reflecting its distinct characteristics relative to traditional asset classes.

The Directors continue to expect these allocation trends to support long-term demand for bitcoin exposure through pooled vehicles, while recognising that investor allocations will remain influenced by macroeconomic conditions, monetary policy expectations and overall market sentiment.

##### Product growth and distribution

Since launch, the Entity has continued to strengthen its position within the European bitcoin ETP market, expanding its distribution footprint across EMEA and broadening its client base across retail informed, institutional and professional investors.

During the first half of 2026, the Entity maintained positive net inflows in every month despite elevated market volatility, reflecting continued client demand for regulated bitcoin exposure and the effectiveness of its distribution strategy.

Looking ahead, the Entity expects to continue scaling the Programme through:

- ongoing onboarding of retail informed, institutional and professional clients;
- deepening relationships with key distribution partners; and
- expansion into additional geographies, subject to regulatory frameworks.

These initiatives are expected to support continued inflows and sustained growth. Through this expansion, the Entity aims to further strengthen its position within the European bitcoin ETP market and establish itself as a leading provider of regulated bitcoin investment solutions.

# iSHARES DIGITAL ASSETS AG

## MANAGEMENT REPORT (continued)

### 4. Forecast (continued)

#### 4.2 Outlook

##### Market development and business outlook

For the remainder of 2026, the Directors expect the digital asset market to continue to develop, supported by growing institutional participation, regulatory development and the increasing integration of digital assets into traditional financial markets.

Despite the challenging market environment during the first half of 2026, investor demand for regulated bitcoin exposure remained resilient. Against this backdrop, the Entity is well positioned to benefit from these structural trends through the Programme. While short-term performance will remain influenced by market volatility and macroeconomic conditions, the longer-term outlook continues to be supported by increasing adoption and integration into traditional investment portfolios.

##### Outlook for key performance indicators

The Entity's key performance indicators are primarily driven by the amount of bitcoin held and the associated revenue generation linked to the product structure.

The amount of bitcoin held remains the core driver of the Entity's scale, reflecting both investor demand through net inflows and changes in the market value of bitcoin. In parallel, revenues are directly linked to the amount of bitcoin through the fee structure embedded within the Securities, resulting in a highly scalable model.

Building on the positive net inflows observed during the first half of 2026 despite declining bitcoin prices and elevated market volatility, the Directors expect sustained growth in the amount of bitcoin held over the remainder of the year, supported by continued client onboarding and distribution expansion.

As a result, revenues are expected to increase alongside growth in the amount of bitcoin held. Overall, the Entity expects to continue strengthening its position as a leading provider of regulated bitcoin investment solutions.

**Zurich, 10 September 2026**

##### The Board of Directors

Dylan Mcgrath



**Directors**

Nikoletta Dancs



**Directors**

Robert Majewski



**Directors**

iSHARES DIGITAL ASSETS AG

COMPLIANCE STATEMENT (BALANCE SHEET OATH) PURSUANT TO SECTIONS 264 (2) SENTENCE 3 AND 289 (1) SENTENCE 5 OF THE HANDELSGESETZBUCH ("HGB")

The Board of Directors of iShares Digital Assets AG (the "Entity") is responsible for preparing interim financial statements and Management Report of the Entity.

These interim financial statements for 2026 were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (collectively "IFRS").

We have established effective internal control in order to ensure that the Entity's Management report and 2026 interim financial statements comply with applicable accounting rules and to ensure proper corporate reporting.

To the best of our knowledge, and in accordance with the applicable reporting rules, we assure the financial statements of the Entity give a true and fair view of the net assets, financial position and results of operations of the Entity, and the Management Report of the Entity includes a fair review of the development and performance of the business as well as position of the Entity, together with a description of the principal opportunities and risks associated with the expected development of the Entity and its business.

iShares Digital Assets AG

Zurich, Switzerland, 10 September 2026

The Board of Directors



Dylan Mcgrath

Director

10 September 2026



Robert Majewski

Director

10 September 2026

## iSHARES DIGITAL ASSETS AG

### STATEMENT OF COMPREHENSIVE INCOME

For the financial period from 1 January 2026 to 30 June 2026

|                                                         | Note | 30 June 2026<br>USD '000 | 30 June 2025<br>USD '000 |
|---------------------------------------------------------|------|--------------------------|--------------------------|
| Realised gain on digital assets                         | 5    | 33                       | -                        |
| Change in fair value of digital assets                  | 5    | (356,148)                | -                        |
| Change in fair value of issued securities               | 6    | 356,738                  | (47,753)                 |
| Operating expenses                                      | 7    | (590)                    | (93)                     |
| <b>Operating profit/(loss)</b>                          |      | <b>33</b>                | <b>(47,846)</b>          |
| <b>Finance costs</b>                                    |      |                          |                          |
| Net gains/(losses) on foreign exchange                  |      | -                        | 9                        |
| <b>Total finance costs</b>                              |      | <b>-</b>                 | <b>9</b>                 |
| <b>Profit/(loss) for the period</b>                     |      | <b>33</b>                | <b>(47,837)</b>          |
| Other comprehensive income/(loss)                       |      | -                        | 47,846                   |
| <b>Total comprehensive income/(loss) for the period</b> |      | <b>33</b>                | <b>9</b>                 |

The accompanying notes form an integral part of these financial statements.

## iSHARES DIGITAL ASSETS AG

### STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

|                                     | Note | 30 June 2026<br>USD '000 | 31 December 2025<br>USD '000 |
|-------------------------------------|------|--------------------------|------------------------------|
| <b>CURRENT ASSETS</b>               |      |                          |                              |
| Digital assets                      | 5    | 919,067                  | 749,147                      |
| Cash and cash equivalents           |      | 241                      | 158                          |
| <b>Total assets</b>                 |      | <b>919,308</b>           | <b>749,305</b>               |
| <b>EQUITY</b>                       |      |                          |                              |
| Share capital                       | 8    | 117                      | 117                          |
| Retained earnings                   |      | 97                       | 64                           |
| <b>Total equity</b>                 |      | <b>214</b>               | <b>181</b>                   |
| <b>CURRENT LIABILITIES</b>          |      |                          |                              |
| Securities                          | 6    | 919,000                  | 749,050                      |
| Tax payable                         |      | 16                       | 16                           |
| Other payables                      |      | 78                       | 58                           |
| <b>Total liabilities</b>            |      | <b>919,094</b>           | <b>749,124</b>               |
| <b>Total equity and liabilities</b> |      | <b>919,308</b>           | <b>749,305</b>               |

The accompanying notes form an integral part of these financial statements.

## iSHARES DIGITAL ASSETS AG

### STATEMENT OF CHANGES IN EQUITY

For the financial period from 1 January 2026 to 30 June 2026

|                                                                      | Note | 30 June 2026<br>USD '000 | 30 June 2025<br>USD '000 |
|----------------------------------------------------------------------|------|--------------------------|--------------------------|
| <b>Share capital</b>                                                 |      |                          |                          |
| Balance at beginning of the financial period                         |      | 117                      | -                        |
| Share capital issued                                                 | 8    | -                        | 117                      |
| <b>Balance at end of the financial period</b>                        |      | <b>117</b>               | <b>117</b>               |
| <b>Retained earnings</b>                                             |      |                          |                          |
| Balance at beginning of the financial period                         |      | 64                       | -                        |
| Profit/(loss) for the period                                         |      | 33                       | 9                        |
| Revaluation reserve                                                  |      | -                        | -                        |
| <b>Balance at end of the financial period</b>                        |      | <b>97</b>                | <b>9</b>                 |
| <b>Total shareholder's equity at the end of the financial period</b> |      | <b>214</b>               | <b>126</b>               |

The accompanying notes form an integral part of these financial statements.

# ISHARES DIGITAL ASSETS AG

## STATEMENT OF CASH FLOWS

For the financial period from 1 January 2026 to 30 June 2026

|                                                                 | 30 June 2026<br>USD '000 | 30 June 2025<br>USD '000 |
|-----------------------------------------------------------------|--------------------------|--------------------------|
| <b>Cash flows from operating activities</b>                     |                          |                          |
| Profit/(loss) for the period                                    | 33                       | (47,837)                 |
| <b>Adjustments for:</b>                                         |                          |                          |
| <i>(Increase)/decrease in operating assets:</i>                 |                          |                          |
| Purchase of digital assets                                      | (564,041)                | (314,348)                |
| Disposal of digital assets                                      | 38,006                   | 18,439                   |
| <i>Increase/(decrease) in operating liabilities:</i>            |                          |                          |
| Increase/(decrease) in other payables                           | 20                       | 41                       |
| Proceeds from subscriptions of Securities                       | 563,453                  | 314,348                  |
| Repayment of redemptions of Securities                          | (36,765)                 | (18,387)                 |
| <i>Other adjustments:</i>                                       |                          |                          |
| - Realised gain on digital assets                               | (33)                     | -                        |
| - Change in fair value of digital assets                        | 356,148                  | -                        |
| - Change in fair value of issued securities                     | (356,738)                | 47,753                   |
| - Net (gains)/losses on foreign exchange                        | -                        | (9)                      |
| <b>Net cash (used in)/provided by operating activities</b>      | <b>83</b>                | <b>-</b>                 |
| <b>Cash flows (used in)/provided by financing activities</b>    |                          |                          |
| Proceeds from the issue of shares                               | -                        | 117                      |
| <b>Net cash (used in)/provided by financing activities</b>      | <b>-</b>                 | <b>117</b>               |
| <b>Net increase/(decrease) in cash and cash equivalents</b>     | <b>83</b>                | <b>117</b>               |
| Cash and cash equivalents at beginning of the financial period  | 158                      | -                        |
| Effect of exchange rate changes on cash and cash equivalents    | -                        | 9                        |
| <b>Cash and cash equivalents at end of the financial period</b> | <b>241</b>               | <b>126</b>               |

The accompanying notes form an integral part of these financial statements.

# ISHARES DIGITAL ASSETS AG

## NOTES TO THE FINANCIAL STATEMENTS

### 1. General information

The Entity is a stock corporation (Aktiengesellschaft) organised and existing under the laws of Switzerland having its registered office at Militärstrasse 36, 8004 Zurich and registered with the Commercial Register of the Canton of Zürich, Switzerland under the company register number CHE-267.176.567.

The Entity was established as a special purpose vehicle to act as a Swiss issuer to launch a secured cryptoasset linked securities programme (the "Programme"). Under the Programme, the Entity intends to issue debt securities (the "Securities") linked to and collateralised with Bitcoin as a cryptoasset. Securities constitute secured, undated, limited recourse obligations of the Entity and will be issued in Series. The Securities do not have a fixed maturity date. As at 30 June 2026, the Entity has issued one series of Securities ("iShares Bitcoin ETP Series").

### 2. Material accounting policies

#### 2.1 Basis of preparation

These financial statements have been prepared in accordance with, and comply with, IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB). The principal accounting policies and estimation techniques are consistent with those applied to the previous annual financial statements.

The financial statements are prepared on a going concern basis under the historical cost convention as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

### 3. Financial risks

The Entity's activity as a special purpose vehicle for the purpose of issuing debt securities exposes it to general financial risks which are associated with the financial instruments and markets in which it invests. The risks are substantially consistent with those disclosed in the previous annual financial statements.

### 4. Fair value hierarchy

The Entity classifies assets and liabilities measured at fair value using a fair value hierarchy. The fair value hierarchy has the following categories:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the Entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly. This category includes instruments valued using quoted prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability. This category includes all instruments where the valuation techniques used include inputs not based on market data and these inputs could have a significant impact on the instrument's valuation. This category also includes instruments that are valued based on quoted prices for similar instruments where significant entity determined adjustments or assumptions are required to reflect differences between the instruments and instruments for which there is no active market.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the level 3 asset or liability including an assessment of the relevant risks including but not limited to credit risk, market risk, liquidity risk, business risk and sustainability risk.

The determination of what constitutes 'observable' inputs requires significant judgement and these risks are adequately captured in the assumptions and inputs used in measurement of Level 3 asset or liability. The Directors consider observable inputs to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

#### 4.1 Valuation techniques

##### Digital assets – bitcoin

Digital assets are deemed to be classified as level 1, as they are valued using a listed price. The fair value of bitcoin as at the reporting date is determined by reference to prices published by the Chicago Mercantile Exchange ("CME") Group.

##### Securities

Securities issued by the Entity in relation to each series are classified within level 2. The fair value of the Securities issued is determined by reference to the exchange quoted value of the underlying crypto asset and adjusted for the TER payable to the Arranger. This valuation technique represents the price of the Securities at which security holders subscribe and request buy-backs of Securities directly with the Entity. There are no significant unobservable inputs to this valuation technique.

# ISHARES DIGITAL ASSETS AG

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 4. Fair value hierarchy (continued)

#### 4.2 Fair value hierarchy – Assets and liabilities measured at fair value

The following tables provide an analysis of the Entity's assets and liabilities measured at fair value as at 30 June 2026 and 31 December 2025:

| 30 June 2026                                                    | Level 1<br>USD '000 | Level 2<br>USD '000 | Level 3<br>USD '000 | Total<br>USD '000 |
|-----------------------------------------------------------------|---------------------|---------------------|---------------------|-------------------|
| <b>Assets at fair value through other comprehensive income:</b> |                     |                     |                     |                   |
| - Digital assets                                                | 919,067             | -                   | -                   | 919,067           |
| <b>Total</b>                                                    | <b>919,067</b>      | <b>-</b>            | <b>-</b>            | <b>919,067</b>    |

| 30 June 2026                                             | Level 1<br>USD '000 | Level 2<br>USD '000 | Level 3<br>USD '000 | Total<br>USD '000 |
|----------------------------------------------------------|---------------------|---------------------|---------------------|-------------------|
| <b>Liabilities at fair value through profit or loss:</b> |                     |                     |                     |                   |
| - Securities                                             | -                   | (919,000)           | -                   | (919,000)         |
| <b>Total</b>                                             | <b>-</b>            | <b>(919,000)</b>    | <b>-</b>            | <b>(919,000)</b>  |

| 31 December 2025                                                | Level 1<br>USD '000 | Level 2<br>USD '000 | Level 3<br>USD '000 | Total<br>USD '000 |
|-----------------------------------------------------------------|---------------------|---------------------|---------------------|-------------------|
| <b>Assets at fair value through other comprehensive income:</b> |                     |                     |                     |                   |
| - Digital assets                                                | 749,147             | -                   | -                   | 749,147           |
| <b>Total</b>                                                    | <b>749,147</b>      | <b>-</b>            | <b>-</b>            | <b>749,147</b>    |

| 31 December 2025                                         | Level 1<br>USD '000 | Level 2<br>USD '000 | Level 3<br>USD '000 | Total<br>USD '000 |
|----------------------------------------------------------|---------------------|---------------------|---------------------|-------------------|
| <b>Liabilities at fair value through profit or loss:</b> |                     |                     |                     |                   |
| - Securities                                             | -                   | (749,050)           | -                   | (749,050)         |
| <b>Total</b>                                             | <b>-</b>            | <b>(749,050)</b>    | <b>-</b>            | <b>(749,050)</b>  |

#### 4.3 Financial instruments not measured at fair value

All assets and liabilities not measured at fair value are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

### 5. Digital assets

Digital assets held by the Entity include Bitcoin, a cryptocurrency asset and worldwide payment system, released as an open-source software in 2009.

The Entity holds Bitcoin solely for the purpose of backing the Securities issued. The Entity does not hold Bitcoin for trading, speculative, or operational purposes. These digital assets are linked and used as collateral for the Securities issued by the Entity and its performance, including the effect of the Total Expense Ratio ("TER"), are linked to the valuation of the Securities. See note 7 for the nature of TER fees.

Bitcoin is received by the Entity from authorised participants upon the subscription of Securities and is kept by the Custodian. Bitcoin is delivered by the Entity upon buy-back of Securities. The quantity of Bitcoin held by the Entity at any point in time is directly determined by the number of outstanding Securities and their respective cryptoasset entitlement ("Cryptoasset Entitlement"), plus any accrued but unextracted TER. See note 6 for the nature of Cryptoasset Entitlement.

Bitcoin has no expiry, does not degrade, and is not amortised. The digital assets are assessed to have an indefinite useful life because there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Entity.

The Entity classifies its digital assets as current intangible assets as it is in the ordinary course of the business. The Entity applies the revaluation model for measurement. Changes in their fair value are recorded either in profit and loss or in other comprehensive income.

# ISHARES DIGITAL ASSETS AG

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 5. Digital assets (continued)

The table below provides details on the Entity's digital assets held as at 30 June 2026 and 31 December 2025:

| Digital assets | 30 June 2026  |                | 31 December 2025 |                |
|----------------|---------------|----------------|------------------|----------------|
|                | Units         | USD '000       | Units            | USD '000       |
| - Bitcoin      | 15,642        | 919,067        | 8,516            | 749,147        |
| <b>Total</b>   | <b>15,642</b> | <b>919,067</b> | <b>8,516</b>     | <b>749,147</b> |

The table below provides movement on the Entity's digital assets during the financial period:

|                                                                            | 30 June 2026   | 31 December 2025 |
|----------------------------------------------------------------------------|----------------|------------------|
|                                                                            | USD '000       | USD '000         |
| Opening balance                                                            | 749,147        | -                |
| <b>Cash flows:</b>                                                         |                |                  |
| Purchase of digital assets                                                 | 564,041        | 916,186          |
| Disposal of digital assets                                                 | (38,006)       | (63,919)         |
| <b>Non-cash changes:</b>                                                   |                |                  |
| Realised gain/(loss) on digital assets through profit or loss              | 33             | 32               |
| Fair value gain/(loss) on digital assets through profit or loss            | (356,148)      | (103,152)        |
| Fair value gain/(loss) on digital assets through revaluation surplus (OCI) | -              | -                |
| <b>Closing balance</b>                                                     | <b>919,067</b> | <b>749,147</b>   |

As at 30 June 2026, the realised gain on digital assets through profit or loss amounting to USD33,000 (30 June 2025: USDNil) pertains to the dust sale of Bitcoin.

As at 30 June 2026, there is no revaluation surplus recognised during the period (30 June 2025: USDNil).

### 6. Securities

The Securities are issued in the form of debt securities. The Securities represent indebtedness of the Entity. Securities will be issued in series ("Series"). Each Series will provide exposure to the underlying crypto asset. Each Series may comprise a number of different tranches issued on identical terms other than the issue date. The Securities of each tranche of a Series shall be interchangeable with all other Securities of that Series.

All Series of Securities are denominated in US Dollars, unless otherwise specified in the final terms. The Securities are secured, limited recourse debt obligations of the Entity, at all times ranking *pari passu* and without any preference among themselves, secured in the manner described in the terms and conditions of the Securities set out in the base prospectus.

The fair value of the Securities is dependent on the crypto asset entitlement. Each Security of each Series will have a Cryptoasset Entitlement. The Cryptoasset Entitlement on a particular day shall be an amount per Security determined by the Administrator as described in the terms and conditions of the Securities set out in the base prospectus.

The following table presents the movement in Securities for the financial period ended 30 June 2026 and 31 December 2025:

|                                           | 30 June 2026     | 31 December 2025 |
|-------------------------------------------|------------------|------------------|
|                                           | USD '000         | USD '000         |
| Opening balance                           | (749,050)        | -                |
| <b>Cash flows:</b>                        |                  |                  |
| Subscriptions of Securities               | (563,453)        | (916,186)        |
| Redemptions of Securities                 | 36,765           | 63,466           |
| <b>Non-cash changes:</b>                  |                  |                  |
| Change in fair value of issued securities | 356,738          | 103,670          |
| <b>Closing balance</b>                    | <b>(919,000)</b> | <b>(749,050)</b> |

# ISHARES DIGITAL ASSETS AG

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 7. Operating expenses

|              | 30 June 2026<br>USD '000 | 30 June 2025<br>USD '000 |
|--------------|--------------------------|--------------------------|
| TER fees     | (590)                    | (93)                     |
| <b>Total</b> | <b>(590)</b>             | <b>(93)</b>              |

#### TER fees

The TER is the rate per annum at which the "all in one" operational fee which is payable to the Arranger in respect of each series of Securities is calculated. The TER is the percentage rate per annum specified in the relevant documentation for each Series and is applied to the Cryptoasset Entitlement on a daily basis to determine a daily deduction of an amount of the relevant cryptoasset from the Cryptoasset Entitlement.

The TER rate for the iShares Bitcoin ETP Series is 0.15% per annum.

#### Audit fees

Fees and expenses paid to the statutory auditor, PricewaterhouseCoopers AG, in respect of the financial period, entirely relate to the audit of the financial statements of the Entity. There were no fees and expenses paid in respect of other assurance, tax advisory or non-audit services provided by the auditor during the financial period ended 30 June 2026 and 30 June 2025.

### 8. Share capital

#### Authorised

The authorised share capital of the Entity is 100,000 ordinary shares of a par value of CHF 1 each.

#### Issued share capital

As at 30 June 2026, 100,000 (31 December 2025: 100,000) ordinary shares are currently in issue and fully paid up. The entire issued share capital of the Entity is held by the Share Trustee for charitable purposes in accordance with the terms of a declaration of trust.

|                                       | 30 June 2026<br>USD '000 | 31 December 2025<br>USD '000 |
|---------------------------------------|--------------------------|------------------------------|
| <b>Issued and fully paid up</b>       |                          |                              |
| 100,000 ordinary shares of CHF 1 each | 117                      | 117                          |

A reconciliation of the number of shares outstanding for the financial period ended 30 June 2026 and 31 December 2025 is provided in the table below.

|                                               | 30 June 2026   | 31 December 2025 |
|-----------------------------------------------|----------------|------------------|
| Balance at beginning of the financial period  | 100,000        | -                |
| Issue of shares                               | -              | 100,000          |
| <b>Balance at end of the financial period</b> | <b>100,000</b> | <b>100,000</b>   |

### 9. Exchange rates

The rates of exchange as at 30 June 2026 and 31 December 2025 were:

| Currency    | 30 June 2026 | 31 December 2025 |
|-------------|--------------|------------------|
| USD 1 = CHF | 0.8067       | 0.7923           |

### 10. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or is able to exercise significant influence over the other party, in making financial or operational decisions.

The sole shareholder of the Entity is the Share Trustee, who owns 100% of the issued share capital.

The Arranger is a wholly owned subsidiary of BlackRock, Inc. and related parties to the Entity.

As at 30 June 2026, Robert Majewski is an employee of the BlackRock Group. The Directors who are employees of the BlackRock Group are not entitled to receive Directors' fees.

As at 30 June 2026, Nikolettta Dancs and Dylan McGrath are employees of Apex Corporate Services (Schweiz) GmbH, an affiliate of the Share Trustee and the Trustee, Apex Corporate Trustees (UK) Ltd. The Directors who are employees of the Apex Group are not entitled to receive Directors' fees.

# ISHARES DIGITAL ASSETS AG

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 10. Related party transactions (continued)

Fees paid to the Arranger during the financial period, the nature of these transactions and the balances outstanding at the financial period end are disclosed in note 7.

No provisions have been recognised by the Entity at the financial period end date. No amounts have been written off during the financial period. No commitments secured or unsecured or guarantees have been entered into with related parties during the financial period.

There were no other loans, quasi loans, credit transactions or remuneration between the Entity and its key management personnel or Directors for the financial period ended 30 June 2026.

### 11. Commitments and contingent liabilities

There were no significant commitments or contingent liabilities as at 30 June 2026 and 31 December 2025 other than those already disclosed in the financial statements.

### 12. Segment reporting

For management purposes, the Entity is organised into one main segment which was established as a special purpose vehicle to act as a Swiss issuer to launch the Programme. The Entity has been listed on 6 different exchanges. The Entity acts as special purpose vehicle and all activities are inter-related, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Entity as one segment. The financial results from this segment are equivalent to the financial statements of the Entity.

### 13. Significant events

On 9 February 2026, the Entity's Securities were admitted to trading on the regulated market of Borsa Italiana.

On 16 February 2026, Boudewijn Korten resigned as a Director and Nikoletta Dancs was appointed as a Director.

On 13 March 2026, a supplement to the base prospectus was issued.

There were no other significant changes to the Entity during the financial period.

### 14. Subsequent events

There have been no events subsequent to the financial period end, which, in the opinion of the Directors, may have had an impact on the financial statements for the financial period ended 30 June 2026.

### 15. Approval date

The financial statements were approved by the Directors on 10 September 2026.

## Want to know more?

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