

OSPREY BONK TRUST

A Delaware Statutory Trust

Sponsored by

Osprey Funds, LLC
777 Brickell Avenue, Suite 500
Miami, FL 33131
Telephone: (914) 214-4697
www.ospreyfund.io

Primary Standard Industrial Code: 6221

QUARTERLY REPORT

For the period ending September 30, 2025
(the “Reporting Period”)

Shares Representing Common Shares of Fractional Undivided Beneficial Interest

No Par Value Per Share

10,971,047 Shares Issued and Outstanding as of September 30, 2025

9,903,675 Shares Issued and Outstanding as of June 30, 2025

Osprey Funds, LLC (the “Sponsor”), on behalf of Osprey Bonk Trust (the “Trust”), is responsible for the content of this quarterly report for the quarter ended September 30, 2025 (the “Quarterly Report”), which has been prepared to fulfill the disclosure requirements of the OTCQX U.S. market. The information contained in this Quarterly Report has not been filed with, or approved by, the U.S. Securities and Exchange Commission (the “SEC”) or any state securities commission. Any representation to the contrary is a criminal offense.

All references to “the Trust,” “the Sponsor,” “the Issuer,” “Osprey Bonk Trust,” “we,” “us” or “our” refers to the Trust or the Sponsor, as the context indicates. The Trust is a passive entity with no operations, and where the context requires, we provide disclosure with respect to the Sponsor, which administers the Trust.

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 (“Securities Act”) and Rule 12b-2 of the Securities Exchange Act of 1934).
Yes ☐ No ☒

Indicate by check mark whether the company’s shell status has changed since the previous reporting period. Yes ☐ No ☒

Indicate by check mark whether a change in control of the company has occurred over this reporting period. Yes ☐ No ☒

This Quarterly Report reflects financial results through September 30, 2025. It was prepared as of November 11, 2025.

Capitalized terms used and not defined herein shall have the meanings ascribed to them in the Amended and Restated Declaration of Trust and Trust Agreement of Osprey BONK Trust, dated as May 19, 2025, (“Trust Agreement”) as may be amended from time to time or the Confidential Private Placement Memorandum Offering Shares in Osprey BONK Trust (“PPM”), dated as of May 20, 2025.

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Exhibit 1: Unaudited financial statements as of September 30, 2025, and for the three and nine months ended September 30, 2025.

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report contains “forward-looking statements” with respect to the Trust’s financial conditions, results of operations, plans, objectives, future performance and business. 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 Sponsor’s plans 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. You should specifically consider the numerous risks outlined under “Risk Factors” in our Annual Report. 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:

- the inability to redeem Shares;
- the economic conditions in the BONK industry and market;
- general economic, market and business conditions;
- the use of technology by us and our vendors, including Copper Technologies, LLC, and BitGo Trust Company, Inc., the Trust’s Custodians (each, a “Custodian”), in conducting our business, including disruptions in our computer systems and data centers and our transition to, and quality of, new technology platforms;
- possible loss of BONK resulting from the Trust’s participation in the BONK rewards pool (“BONK rewards Pool”);
- changes in laws or regulations, including those concerning taxes, made by governmental authorities or regulatory bodies;
- the costs and effect of any litigation or regulatory investigations;
- our ability to maintain a positive reputation;
- the risk that any organized trading market that seeks to provide liquidity for the sale of Shares in the future will not provide sufficient liquidity for Shareholders (as defined below) seeking to sell their Shares or otherwise does not operate efficiently; and
- other world economic and political developments.

Consequently, all the forward-looking statements made in this Quarterly Report are qualified by these cautionary statements, and there can be no assurance that the actual results or developments the Sponsor anticipates will be realized or, even if substantially realized, that they will result in the

expected consequences to, or have the expected effects on, the Trust's operations or the value of the Shares. Should one or more of the risks discussed under "Risk Factors" in our Annual Report or other uncertainties materialize, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those described in forward-looking statements. 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. Moreover, neither the Trust, the Sponsor, nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. Investors are therefore cautioned against relying on forward-looking statements.

The risk factors included in our Annual Report continue to apply to us and describe risks and uncertainties that could cause actual results to differ materially from the results expressed or implied by the forward-looking statements contained in this Quarterly Report.

Item 1. The exact name of the issuer and the address of its principal executive offices.

The name of the Trust is Osprey Bonk Trust.

The address of the Sponsor is: Osprey Funds, LLC
777 Brickell Avenue, Suite 500
Miami, FL 33131

The Sponsor's telephone number is: (914) 214-4697

The Sponsor's website: The Sponsor maintains a corporate website, www.ospreyfund.io, which contains general information about the Trust and the Sponsor. The reference to our website is an interactive textual reference only, and the information contained on our website shall not be deemed incorporated by reference herein.

Investor relations contact: Osprey Funds, LLC
777 Brickell Avenue, Suite 500
Miami, FL 33131
Telephone: (914) 214-4697
Email: IR@ospreyfund.io

Item 2. Shares outstanding.

The only class of securities outstanding is common shares of fractional undivided beneficial interest ("Shares"), which represent ownership in the Trust. The Trust's trading symbol on the over-the-counter ("OTC") market of the OTC Markets Group Inc. is "OBNK and the CUSIP number for its Shares is 68839W103.

The Trust has unlimited shares authorized. The following table shows the number of the Shares outstanding:

	September 30, 2025	December 31, 2024
Number of Shares outstanding	10,971,047	9,817,503
Unrestricted Shares	1,101,643	0
Number of beneficial Shareholders owning at least 100 Shares	52	10
Total number of Shareholders of record	52	10

Item 3. Interim financial statements.

The Trust's unaudited interim financial statements as of September 30, 2025, and for the three and nine months ended September 30, 2025, are attached as Exhibit 1 to this Quarterly Report. The historical results presented herein and therein are not necessarily indicative of financial results to be achieved in future periods. The Trust's unaudited financial statements attached as Exhibit 1 to this Quarterly Report are incorporated herein by reference and are considered as part of this Quarterly Report.

Item 4. Management's discussion and analysis.

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 audited financial statements and related notes included elsewhere in this Quarterly Report, which have been prepared in accordance with GAAP. The following discussion may contain forward-looking statements based on current expectations that involve risks and uncertainties. Our actual results could differ materially from those discussed in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors and Potential Conflicts of Interest," "Cautionary Note Regarding Forward-Looking Statements" or in other sections of this Quarterly Report.

Trust Overview

The investment objective of the Trust is solely for the Shares to realize long-term capital appreciation by tracking the price of BONK tokens, non-native tokens that are compatible with the Solana Network, on each business day, less liabilities and expenses of the Trust. The Shares are designed as a method for investors to gain investment exposure to BONK without making a direct investment in BONK.

The Trust will not be actively managed. It will not engage in any activities designed to obtain a profit from, or to ameliorate losses caused by, changes in the market prices of BONK.

Proceeds received by the Trust from the issuance and sale of Shares consist of BONK deposits, or their respective U.S. dollar cash equivalents. Such BONK will in all cases be (1) owned by the Trust and held by the Custodian or locked and entered into the BONK rewards Pool, (2) disbursed (after conversion to U.S. dollars, as applicable) to pay the Trust's expenses, (3) distributed (either in kind or after conversion to U.S. dollars, as applicable) to holders of the Trust's Shares ("Shareholders") in connection with the redemption of Shares, if and when redemptions of Shares are ever permitted, (4) distributed (either in kind or after conversion to U.S. dollars, as applicable), to Shareholders as dividends, if and when dividends are ever paid (though the Trust does not currently intend to pay dividends), or (5) liquidated in the event that the Trust is terminated or as otherwise required by law or regulation.

At this time, the Trust is not operating a redemption program for Shares and therefore Shares are not redeemable by the Trust. In addition, the Trust may halt issuances of Shares for extended periods of time. As a result, the value of the Shares of the Trust may not approximate,

and when traded on any secondary market, the Shares may trade at a substantial premium over, or discount to, the value of the BONK held by the Trust, less the Trust's expenses and other liabilities.

Trust Expenses

The Trust and the Sponsor will each bear certain expenses of the Trust. The Trust will be responsible for the Management Fee, the fees and expenses of the Custodian and the Administrator, compliance fees (such as for services ensuring proper sources of in-kind BONK subscriptions), audit, tax preparation, and index license fees and expenses, initial offering expenses including legal and other charges, aggregate legal fees and expenses in excess of \$50,000 per annum, and expenses related to public trading on OTCQX and/or OTCQB ("Trust Expenses"), and Trust Expenses shall also include indemnification expenses, government charges and fees including filing fees, taxes, and any extraordinary or non-routine expenses as determined by the Sponsor in good faith ("Extraordinary Expenses"). The Sponsor will bear the other administrative and operating expenses of the Trust ("Assumed Expenses").

Rewards

The Sponsor is committed to supporting the BONK community and ecosystem. To this end, the Sponsor will endeavor to ensure at its discretion that BONK held by the Trust will be locked and entered into the BONK rewards Pool ("staked") for purposes of receiving rewards and participating in community governance programs, should they be available, and if not, they will be held by the Trust. BONK locked in the BONK rewards Pool receives distributions in the form of BONK. Such rewards ("Rewards") are variable and will accrue to the benefit of the Sponsor only (i.e., paid entirely, promptly by the Trust to the Sponsor as received), and will be used, in part, to cover expenses related to operating the Trust.

Once the Trust's BONK is transferred to the BONK rewards Pool, it is locked and entered into a smart contract such that only the original wallet that locked the BONK has the authority to withdraw BONK from the smart contract after the lockup period expires. The current staked BONK was locked in the smart contract for a one-year period starting on October 16, 2024, and, therefore, cannot be immediately withdrawn. On October 14, 2025 the majority of BONK held by the Trust was re-locked for another one-year period.

Rewards are earned by the Trust in BONK when rewards from the BONK rewards Pool are allocated to the Trust's wallet through the smart contract run by the rewards platform. Rewards earned in BONK are converted to U.S. dollars using the fair value of BONK as of the date the BONK is earned. The BONK is concurrently recognized as an expense equal to the amount of revenue recorded and a payable to the Sponsor. The liability is paid to the Sponsor on a date determined by the Sponsor at its discretion.

Review of Financial Results

Unaudited financial statements as of September 30, 2025, and for the three and nine months ended September 30, 2025, are attached as Exhibit 1 to this Quarterly Report.

Item 5. Legal proceedings.

There are no current, past, pending or, to the Trust's knowledge, threatened legal proceedings or administrative actions either by or against the Trust or the Sponsor that could have a material effect on the Trust's or the Sponsor's business, financial condition, or operations.

Item 6. Defaults upon senior securities.

None.

Item 7. Other information.

None.

Item 8. Exhibits.

Exhibit 1: Unaudited financial statements as of September 30, 2025, and for the three and nine months ended September 30, 2025.

Item 9. Issuer's certifications.

Certification

I, Gregory D. King, certify that:

1. I have reviewed this quarterly disclosure statement, exhibits, and all notes thereto of Osprey Bonk Trust;
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: November 11, 2025

/s/ Gregory D. King

By: Gregory D. King

Title: Chief Executive Officer of
Osprey Funds, LLC

Certification

I, Robert J. Rokose, certify that:

1. I have reviewed this quarterly disclosure statement, exhibits, and all notes thereto of Osprey Bonk Trust;
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Dated: November 11, 2025

/s/ Robert J. Rokose

By: Robert J. Rokose

Title: Chief Financial Officer of
Osprey Funds, LLC

Exhibit 1

Unaudited financial statements as of September 30, 2025, and for the three and nine months ended September 30, 2025.



Osprey BONK Trust
Financial Statements

September 30, 2025

Osprey BONK Trust

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Osprey BONK Trust
Statements of Assets and Liabilities
September 30, 2025 (unaudited) and December 31, 2024

(Amounts in U.S. dollars, except shares issued and outstanding)

	September 30, 2025	December 31, 2024
	Unaudited	
Assets		
Investment in BONK, at fair value (cost \$56,226,249 and \$49,093,721, respectively), including \$38,760,000 and \$62,318,813 staked BONK, respectively	\$ 44,518,935	\$ 65,631,558
Cash	520	840
Other assets	8,307	-
Total assets	<u>\$ 44,527,762</u>	<u>\$ 65,632,398</u>
Liabilities		
Management Fee payable	\$ 91,347	\$ 138,922
Staking rewards payable to Sponsor	13,263	88,014
Due to Sponsor	520	840
Other payable	24,223	30,263
Total liabilities	<u>129,353</u>	<u>258,039</u>
Net assets	<u>\$ 44,398,409</u>	<u>\$ 65,374,359</u>
Net assets		
Paid-in capital	\$ 57,530,429	\$ 49,171,357
Accumulated net investment loss	(1,375,732)	(426,636)
Accumulated net realized (loss) gain on investment in BONK	(62,304)	63,752
Accumulated net change in unrealized (depreciation) appreciation on investment in BONK	(11,693,984)	16,565,886
	<u>\$ 44,398,409</u>	<u>\$ 65,374,359</u>
Shares issued and outstanding, no par value (unlimited Shares authorized)	10,971,047	9,817,503
Net asset value per Share	<u>\$ 4.05</u>	<u>\$ 6.66</u>

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

Osprey BONK Trust
Schedules of Investment
September 30, 2025 (unaudited) and December 31, 2024

(Amounts in U.S. dollars, except units)

September 30, 2025 (Unaudited)

	Units	Fair Value	Percentage of Net Assets
Investment in BONK* (cost \$56,226,249)	<u>2,318,694,548,490</u>	<u>44,518,935</u>	<u>100 %</u>
Liabilities, less cash and other assets		<u>\$ (120,526)</u>	<u>(0) %</u>
Net assets		<u>\$ 44,398,409</u>	<u>100 %</u>

* amount includes \$38,760,000 of staked BONK as discussed in Note 2 and Note 3

December 31, 2024

	Units	Fair Value	Percentage of Net Assets
Investment in BONK* (cost \$49,093,721)	<u>2,126,062,773,565</u>	<u>\$ 65,631,558</u>	<u>100 %</u>
Liabilities, less cash		<u>\$ (257,199)</u>	<u>(0) %</u>
Net assets		<u>\$ 65,374,359</u>	<u>100 %</u>

* amount includes \$62,318,813 of staked BONK as discussed in Note 2 and Note 3

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

Osprey BONK Trust
Statement of Operations (unaudited)
For the three months and nine months ended September 30, 2025

(Amounts in U.S. dollars)

	Three months ended September 30, 2025 Unaudited	Nine months ended September 30, 2025 Unaudited
Investment income		
Income		
Staking rewards revenue	\$ 914,337	\$ 2,351,445
Other income	10	99
Total income	<u>914,347</u>	<u>2,351,544</u>
Expenses		
Staking rewards owed to the Sponsor	914,337	2,351,445
Management fee	346,580	816,090
Professional fees	6,872	20,391
Custodian fees	9,274	28,148
Other	33,051	84,566
Total expenses	<u>1,310,114</u>	<u>3,300,640</u>
Net investment loss	<u>(395,767)</u>	<u>(949,096)</u>
Net realized loss and net change in unrealized appreciation (depreciation) on investment in BONK		
Net realized loss on investment in BONK	(8,728)	(126,056)
Net change in unrealized appreciation (depreciation) on investment in BONK	<u>5,769,435</u>	<u>(28,259,870)</u>
Total net realized loss and net change in unrealized appreciation (depreciation) on investment in BONK	<u>5,760,707</u>	<u>(28,385,926)</u>
Net increase (decrease) in net assets resulting from operations	<u>\$ 5,364,940</u>	<u>\$ (29,335,022)</u>

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

Osprey BONK Trust
Statements of Changes in Net Assets (unaudited)
For the three months and nine months ended September 30, 2025

(Amounts in U.S. dollars, except shares issued and outstanding)

	Three months ended September 30, Unaudited	Nine months ended September 30, Unaudited
Increase (decrease) in net assets from operations		
Net investment loss	\$ (395,767)	\$ (949,096)
Net realized loss on investment in BONK	(8,728)	(126,056)
Net change in unrealized appreciation (depreciation) on investment in BONK	5,769,435	(28,259,870)
Net increase (decrease) in net assets resulting from operations	<u>5,364,940</u>	<u>(29,335,022)</u>
Increase in net assets from capital transactions		
Subscriptions	<u>7,980,948</u>	<u>8,359,072</u>
Net increase (decrease) in net assets	<u>13,345,888</u>	<u>(20,975,950)</u>
Net assets at the beginning of the period	31,052,521	65,374,359
Net assets at the end of the period	<u>\$ 44,398,409</u>	<u>\$ 44,398,409</u>
Change in shares issued and outstanding		
Shares issued and outstanding at the beginning of the period	9,903,675	9,817,503
Subscriptions	<u>1,067,372</u>	<u>1,153,544</u>
Shares issued and outstanding at the end of the period	<u>10,971,047</u>	<u>10,971,047</u>

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

Osprey BONK Trust

Notes to the Financial Statements (unaudited)

As of September 30, 2025

1. Organization

Osprey BONK Trust (the “Trust” or “Fund”) is a Delaware trust that was formed on September 3, 2024, and commenced operations on October 14, 2024, and is governed by the Amended and Restated Declaration of Trust and Trust Agreement (the “Trust Agreement”) dated May 19, 2025. In general, the Trust holds the cryptocurrency BONK (“BONK”) and, from time to time, issues common shares of fractional undivided beneficial interest (“Shares”) in exchange for BONK. The investment objective of the Trust is solely for the Shares to realize long-term capital appreciation by tracking the price of BONK tokens, non-native tokens that are compatible with the Solana Network, on each business day, less liabilities and expenses of the Trust. The Shares are designed as a method for investors to gain investment exposure to BONK, without making a direct investment in BONK.

Osprey Funds, LLC (the “Sponsor”) acts as the sponsor of the Trust. Other funds under the Osprey name are also managed by the Sponsor. 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 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 assigns staking rewards to the Sponsor and expects to pay the Sponsor a management fee (collectively, “Sponsor’s Fee”) as discussed in Notes 2 and 5. Pursuant to agreements between REX Services, LLC (“REX Services”) and the Sponsor, REX Services provides legal, compliance, general administrative, operational, and marketing support to the Sponsor. REX Financial, Inc. is the parent company of REX Services and REX Financial, LLC is the parent of REX Financial, Inc.

BitGo Trust Company, Inc. (“BitGo”) and Copper Technologies (UK) Ltd. (“Copper”), the custodians of the Trust (each, a “Custodians”), are each responsible for safeguarding the BONK held by the Trust. The Custodians (directly, or through an affiliate) are also responsible for administering the coordination, execution, and reward management associated with locking the Trust’s BONK in the BONK rewards pool (the “BONK rewards Pool”).

CSC Delaware Trust Company serves as the trustee (the “Trustee”) of the Trust. The Trustee is unaffiliated with the Sponsor.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements are expressed in U.S. dollars and have been prepared in accordance with generally accepted accounting principles in the United States (“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 is not registered with the U.S. Securities and Exchange Commission (“SEC”) under the Investment Company Act of 1940.

Osprey BONK Trust

Notes to the Financial Statements (unaudited)

As of September 30, 2025

Segment Reporting

The Trust is deemed to be an individual reporting segment and the Chief Executive Officer and Chief Financial Officer of the Sponsor act as the Trust's chief operating decision maker ("CODM"). The CODM monitors the operating results of the Trust as a whole and the Trust's investment objective is pre-determined in accordance with the terms of the Trust Agreement. The financial information provided to and reviewed by the CODM is consistent with that presented in the Trust's financial statements.

Use of Estimates

GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. The most significant estimate in the financial statements is the fair value of investments. Actual results could differ from those estimates, and these differences could be material.

Cash

Cash is received by the Trust and held for investment in BONK. At times, bank deposits may be in excess of federally insured limits. Pursuant to the Statement of Cash Flows Topic of the ASC, the Trust qualifies for an exemption from the requirement to provide a statement of cash flows and has elected not to provide a statement of cash flows.

Subscriptions and Redemptions of Shares

Proceeds received by the Trust from the issuance and sale of Shares consist of BONK deposits, or their respective U.S. dollar cash equivalents. Such BONK will in all cases be (1) owned by the Trust and held by the Custodian or locked and entered into the BONK rewards Pool, (2) disbursed (after conversion to U.S. dollars, as applicable) to pay the Trust's expenses, (3) distributed (either in kind or after conversion to U.S. dollars, as applicable) to holders of the Trust's Shares ("Shareholders") in connection with the redemption of Shares, if and when redemptions of Shares are ever permitted, (4) distributed (either in kind or after conversion to U.S. dollars, as applicable), to Shareholders as dividends, if and when dividends are ever paid (though the Trust does not currently intend to pay dividends), or (5) liquidated in the event that the Trust is terminated or as otherwise required by law or regulation.

During October 2024, the Trust began a continuous offering of an unlimited number of Shares with no par value, pursuant to Rule 506 of Regulation D under Section 4(a)(2) of the Securities Act of 1933. All the Shares issued pursuant to this offering are "restricted securities", they may not be sold, transferred, hypothecated, or otherwise disposed of in the absence of an effective registration statement or an exemption from the registration requirements of the Securities Act and pursuant to prior approval by the Sponsor.

In January 2025, the Trust offered the Shares registered in Connecticut and qualified in New York, pursuant to Rule 504 of Regulation D under the Securities Act of 1933 (the "Rule 504 Offering"), to accredited investors for up to \$10,000,000 in each offering.

Osprey BONK Trust

Notes to the Financial Statements (unaudited)

As of September 30, 2025

As of September 30, 2025, there were 10,971,047 Shares issued and outstanding. Of these Shares, 9,869,404 are restricted securities that may not be resold and 1,101,643 are unrestricted securities.

The Trust conducts its transactions in BONK, including receiving BONK for the creation of Shares, and delivering BONK in connection with the redemption of Shares (if a redemption program were to be established), and for the payment of the Sponsor's Fee. The Trust does not buy or sell BONK for the purpose of seeking trading profits.

The Trust is currently unable to redeem Shares. The Trust may seek approval from the SEC in the future to operate an ongoing redemption program, though there can be no assurance that the Trust will seek or receive such approval.

Investment Transactions and Revenue Recognition

The Trust identifies BONK as an "other investment" in accordance with ASC 946. The Trust records investment transactions on a trade date basis and changes in fair value are reflected in the net change in unrealized appreciation or depreciation on investment. Realized gains and losses are calculated using a specific identification method. Realized gains and losses are recognized in connection with transactions, including settling obligations for the Sponsor's Fee and other expenses in BONK.

Management Fees

In consideration of the management services provided to the Trust, the Sponsor receives from the Trust a management fee (the "Management Fee"). The Management Fee accrues daily at an annual rate of 2.50% of the net asset value of the Trust and is payable to the Sponsor monthly in arrears.

Staked BONK and Staking Rewards

The Sponsor is committed to supporting the BONK community and ecosystem. To this end, the Sponsor will endeavor to ensure at its discretion that BONK held by the Trust will be locked and entered into the BONK rewards Pool ("staked") for purposes of receiving rewards and participating in community governance programs, should they be available, and if not, they will be held by the Trust. BONK locked in the BONK rewards Pool receives distributions in the form of BONK. Such rewards ("Staking Rewards") are variable and will accrue to the benefit of the Sponsor only (i.e., paid entirely, promptly by the Trust to the Sponsor as received), and will be used, in part, to cover expenses related to operating the Trust.

Once the Trust's BONK is transferred to the BONK rewards Pool, it is locked and entered into a smart contract such that only the original wallet that locked the BONK has the authority to withdraw BONK from the smart contract after the lockup period expires. The current staked BONK was locked in the smart contract for a one-year period starting on October 16, 2024, and, therefore, cannot be immediately withdrawn.

Staking Rewards are earned by the Trust in BONK when rewards from the BONK rewards Pool are allocated to the Trust's wallet through the smart contract run by the rewards platform. Rewards earned

Osprey BONK Trust

Notes to the Financial Statements (unaudited)

As of September 30, 2025

in BONK are converted to U.S. dollars using the fair value of BONK as of the date the BONK is earned. The BONK is concurrently recognized as an expense equal to the amount of revenue recorded and payable to the Sponsor. The liability is paid to the Sponsor on a date determined by the Sponsor at its discretion.

Trust Expenses

The Trust and the Sponsor will each bear certain expenses of the Trust. The Trust will be responsible for the Management Fee, the fees and expenses of the Custodian and the Administrator, compliance fees (such as for services ensuring proper sources of in-kind BONK subscriptions), audit, tax preparation, and index license fees and expenses, initial offering expenses including legal and other charges, aggregate legal fees and expenses in excess of \$50,000 per annum, and expenses related to public trading on OTCQX and/or OTCQB ("Trust Expenses"), and Trust Expenses shall also include indemnification expenses, government charges and fees including filing fees, taxes, and any extraordinary or non-routine expenses as determined by the Sponsor in good faith ("Extraordinary Expenses"). The Sponsor will bear the other administrative and operating expenses of the Trust ("Assumed Expenses").

Fair Value Measurements

The Trust's investment in BONK is stated at fair value in accordance with ASC 820-10 "Fair Value Measurements", which outlines the application of fair value accounting. 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. ASC 820-10 requires the Trust to assume that BONK is sold in its principal market to market participants or, in the absence of a principal market, the most advantageous market. A principal market is the market with the greatest volume and level of activity for BONK, and the most advantageous market is defined as the market that maximizes the amount that would be received to sell the asset or minimizes the amount that would be paid to transfer the liability, after taking into account transaction costs. The principal market is generally selected based on the most liquid and reliable exchange (including consideration of the ability for the Trust to access the specific market, either directly or through an intermediary, at the end of each period).

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 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

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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 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.

Definition of Net Asset Value

The net asset value (“NAV”) of the Trust is used by the Trust in its day-to-day operations to measure the net value of the Trust’s assets. NAV is calculated on each business day and is equal to the aggregate value of the Trust’s assets less its liabilities (which include accrued but unpaid fees and expenses, both estimated and finally determined), based on the BONK market price. In calculating the value of the BONK held by the Trust on any business day, the Trust will use the market price as of 4:00 p.m. New York time. The Trust will also calculate the NAV per Share of the Trust daily, which equals the NAV of the Trust divided by the number of outstanding Shares (the “NAV per Share”).

3. Fair Value of BONK

The investment measured at fair value on a recurring basis and categorized using the three levels of fair value hierarchy consisted of the following as of September 30, 2025, and December 31, 2024:

September 30, 2025	Number of BONK	Per BONK Fair Value	Amount at Fair Value	Fair Value Measurement Category		
				Level 1	Level 2	Level 3
Investment in BONK	2,318,694,548,490	\$ 0.000019	\$ 44,518,935	\$ 44,518,935	\$ -	\$ -
December 31, 2024	Number of BONK	Per BONK Fair Value	Amount at Fair Value	Fair Value Measurement Category		
				Level 1	Level 2	Level 3
Investment in BONK	2,126,062,773,565	\$ 0.000031	\$ 65,631,558	\$ 65,631,558	\$ -	\$ -

The Trust determined the fair value per BONK using the price provided at 4:00 p.m., New York time, by the principal market.

As of September 30, 2025, approximately 2,018,750,000,000 of BONK was staked and valued at \$38,760,000. As of December 31, 2024, approximately 2,018,750,000,000 BONK was staked and valued at \$62,318,813.

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Staking Rewards and Management Fee payables are recorded in BONK and converted into U.S. dollars using the fair value of BONK as of the reporting date. The fluctuations arising from the effect of changes in liability denominated in BONK are included with the net realized or unrealized appreciation or depreciation on investment in BONK in the statements of operations.

The following represents the changes in quantity and the respective fair value of BONK for the period from January 1, 2025, to September 30, 2025:

	BONK	Fair Value
Balance at January 1, 2025	2,126,062,773,565	\$ 65,631,558
BONK purchases - Subscriptions	244,645,058,468	8,358,684
BONK received for Staking Rewards	113,920,499,921	2,351,444
BONK distributed for Management fee, related party	(40,167,649,791)	(779,989)
BONK distributed for Staking Rewards, related party	(116,080,841,756)	(2,398,725)
BONK distributed for other fees	(9,685,291,917)	(147,514)
Net realized loss on investment in BONK	-	(251,373)
Net change in unrealized depreciation on investment in BONK	-	(28,245,150)
Balance at September 30, 2025	2,318,694,548,490	\$ 44,518,935

Net realized loss on the transfer of BONK to pay expenses for the nine months ended September 30, 2025, was \$126,056, which includes \$251,373 net realized loss on investment in BONK, and \$125,317 net realized gain resulting from the changes in liabilities denominated in BONK. Net change in unrealized depreciation on investment in BONK for the nine months ended September 30, 2025, was \$28,259,870, which includes net change in unrealized depreciation on investment in BONK of \$28,245,150, and \$14,720 net unrealized depreciation due to changes in value of liabilities denominated in BONK.

The following represents the changes in quantity and the respective fair value of BONK for the period from October 14, 2024 (commencement of operations) to December 31, 2024:

	BONK	Fair Value
Balance at October 14, 2024	-	\$ -
BONK purchases - Subscriptions	2,130,530,098,633	49,171,408
BONK received for Staking Rewards	41,471,610,840	1,391,964
BONK distributed for Management fee, related party	(6,832,421,817)	(230,772)
BONK distributed for Staking Rewards, related party	(38,620,496,300)	(1,305,980)
BONK distributed for other fees	(486,017,791)	(18,249)
Net realized gain on investment in BONK	-	85,351
Net change in unrealized appreciation on investment in BONK	-	16,537,836
Balance at December 31, 2024	2,126,062,773,565	\$ 65,631,558

Net realized gain on the transfer of BONK to pay expenses for the period from October 14, 2024 (commencement of operations) to December 31, 2024, was \$63,752, which includes \$85,351 net realized gain on investment in BONK, and \$21,599 net realized loss resulting from the changes in liabilities denominated in BONK. Net change in unrealized appreciation on investment in BONK for the

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period from October 14, 2024 (commencement of operations) to December 31, 2024, was \$16,565,886, which includes net change in unrealized appreciation on investment in BONK of \$16,537,836, and \$28,050 net unrealized appreciation due to changes in value of liabilities denominated in BONK.

4. Income Taxes

The Trust is a grantor trust for U.S. federal income tax purposes. Accordingly, the Trust will not be subject to U.S. federal income tax. Rather, 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, gain, losses, and deductions will "flow through" to each beneficial owner of Shares.

In accordance with GAAP, the Trust has defined the threshold for recognizing the benefits of tax return 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. As of September 30, 2025, and December 31, 2024, the Trust did not have a liability for any unrecognized tax amounts for uncertain tax positions related to federal, state, and local income taxes.

However, the conclusions concerning the 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 on-going analyses of and changes to tax laws, regulations, and interpretations thereof.

The Sponsor of the Trust has evaluated whether 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, and December 31, 2024. The tax year 2024 is subject to examination by taxing authorities.

5. Related Parties

The Sponsor pays certain expenses on behalf of, and is reimbursed by, the Trust. For the three months ended September 30, 2025, the Trust reimbursed the Sponsor the expenses in the amount of \$38,500. For the nine months ended September 30, 2025, the Trust reimbursed the Sponsor the expenses in the amount of \$147,514. As of September 30, 2025, and December 31, 2024, \$520 and \$840 of expenses remain payable to the Sponsor, respectively, which is recorded as due to the Sponsor in the accompanying statements of assets and liabilities.

For the three months ended September 30, 2025, the Trust incurred Management Fees of \$346,580. For the nine months ended September 30, 2025, the Trust incurred Management Fees of \$816,090. As of September 30, 2025, and December 31, 2024, there were unpaid Management Fees of \$91,347 and \$138,922, respectively, which are recorded as management fee payable in the accompanying statements of assets and liabilities.

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For the three months ended September 30, 2025, the Trust received Staking Rewards in the amount of 37,641,020,181 BONK; and distributed 38,163,267,516 BONK to the Sponsor. For the nine months ended September 30, 2025, the Trust received Staking Rewards in the amount of 113,920,499,921 BONK; and distributed 116,080,841,756 BONK to the Sponsor. As of September 30, 2025, and December 31, 2024, 690,772,706 BONK and 2,851,114,540 BONK remains payable, respectively, and is valued at \$13,263 and \$88,014 in the statement of assets and liabilities, respectively.

Certain Shareholders are related parties of the Trust. The aggregate number of Shares owned by related parties is 3,517, valued at \$14,233 and 2,363, valued at \$15,735 at September 30, 2025, and December 31, 2024, respectively.

6. Risks and Uncertainties

Investment in BONK

The Trust is subject to various risks including market risk, liquidity risk, and other risks related to its concentration in a single asset, BONK. Investments in BONK are currently unregulated, highly speculative, and subject to volatility.

The net asset value of the Trust relates primarily to the value of BONK held by the Trust and fluctuations in the price of BONK could materially and adversely affect the value of the Shares of the Trust. The price of BONK has a limited history. During such history, BONK prices have been volatile and subject to influence by many factors including the levels of liquidity. Further, BONK is a non-native, digital “novelty token” compatible with the Solana Network. A novelty token is a type of alternative token (“altcoin”) that may not have an inherently practical purpose but that is a globally transferrable, scarce, digital novelty item. “Memecoins” are a category of altcoins usually named after internet memes or pop culture references.

If BONK exchanges continue to experience significant price fluctuations, the Trust may experience losses. Several factors may affect the price of BONK, including, but not limited to, global BONK supply and demand, theft of BONK from global exchanges or vaults, and competition from other forms of digital currency or payment services.

At any given time, it is likely that a portion, and perhaps a significant portion of the BONK held by the Trust, will be locked in the BONK rewards Pool for purposes of securing Rewards. Participation in the BONK rewards Pool has a low but inherent risk of permanent loss of BONK held by the Trust which would have a negative impact on the value of the Shares. Loss can occur due to a failure in the smart contract software. Loss can also occur due to the theft or mismanagement of the BONK while in the smart contract and not in the possession or control of the custodian.

To the extent consistent with each Shareholder’s Subscription Agreement, the Trust’s Shareholders have no specific rights to any specific BONK held by the Trust. In the event of the insolvency of the Trust, its assets may be inadequate to satisfy a claim by its Shareholders.

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There is currently no clearing house for BONK, nor is there a central or major depository for the custody of BONK. There is a risk that some or all of the Trust's BONK could be lost or stolen, which could adversely impact Shareholders of the Trust. Further, BONK transactions are irrevocable. The Trust does not have insurance protection on its BONK which exposes the Trust and its Shareholders to the risk of loss of the Trust's BONK. The Custodian may maintain, at its sole expense, commercially reasonable insurance coverage for the custody services it provides to the Trust.

Stolen or incorrectly transferred BONK may be irretrievable. As a result, any incorrectly executed BONK transactions could adversely affect an investment in the Trust.

Cryptocurrencies such as BONK use private keys to authorize transactions and prove ownership of the asset. To the extent private keys for BONK addresses are lost, destroyed, or otherwise compromised and no backup of the private keys are accessible, the Trust may be unable to access the BONK held in the associated addresses and the private keys will not be capable of being restored. The processes by which BONK transactions are settled are dependent on the BONK peer-to-peer network, and as such, the Trust is subject to operational risk. Unknown technical vulnerabilities, unanticipated disruptions to the Trust's operations or the operations of its service providers, and cybersecurity events may also adversely affect the value of BONK.

As digital assets like BONK have grown in popularity and market size, various countries and jurisdictions have begun to develop regulations governing the digital assets industry. Regulators are concerned such a large unregulated person-to-person global economy could be exploited by bad actors and used to evade taxes or launder money. To the extent future regulatory actions or policies limit the ability to exchange BONK or utilize BONK for payments, the demand for BONK could be reduced. Furthermore, regulatory actions may limit the ability of end-users to convert BONK into fiat currency or use BONK to pay for goods and services. Such regulatory actions or policies could result in a reduction of demand, and in turn, a decline in the underlying unit price of BONK. The effect of any future regulatory change on the Trust or BONK in general is not possible to predict, but such change could be substantial and adverse to the Trust and the value of the Trust's investments in BONK.

The Custodians

Each Custodian has been engaged to establish and maintain custody accounts for the digital assets in accordance with the Custodian Agreement entered into between the Sponsor, on behalf of the Trust, and the applicable Custodian. Each Custodian is independent from the Sponsor.

The digital assets owned by the Trust are controlled by the Custodians and segregated from the property of the Custodians and the assets of other customers of the Custodians. The segregated custody account allows for the transfer of ownership or control of the Trust's digital assets, on the Trust's behalf, including the withdrawal of digital assets to pay the Trust's expenses. The Sponsor maintains security and control of the keys and security codes for the custodial account. Custodians apply industry standards, such as CryptoCurrency Security Standard (CCSS) and SOC1 and SOC2.

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7. Indemnifications

In the normal course of business, the Trust enters into contracts with service providers that contain a variety of representations and warranties, and which provide general indemnifications. It is not possible to determine the maximum potential exposure or amount under these agreements due to the Trust having no prior claims. Based on experience, the Trust expects the risk of loss to be remote. The Trust also indemnifies the Sponsor and its affiliates for any actions in connection with the Trust in the absence of fraud, gross negligence, bad faith, willful misconduct, or a material breach of the Trust Agreement.

8. Financial Highlights

	Three months ended September 30, 2025	Nine months ended September 30, 2025
Per Share Performance		
(for a share outstanding throughout the period)		
Net asset value per share at beginning of period	\$ 3.14	\$ 6.66
<i>Net increase (decrease) in net assets resulting from operations</i>		
Net investment loss	(0.03)	(0.10)
Net change in unrealized appreciation (depreciation) on investment	0.94	(2.51)
Net increase (decrease) in net assets resulting from operations	0.91	(2.61)
Net asset value per share at end of period	\$ 4.05	\$ 4.05
 Total return ⁽¹⁾	 <u>28.98 %</u>	 <u>(39.19) %</u>
Supplemental Data		
Ratios to average net asset value		
Expenses ⁽²⁾	<u>10.56 %</u>	<u>9.88 %</u>
Net investment loss ⁽²⁾	<u>(3.19) %</u>	<u>(2.84) %</u>

⁽¹⁾ Not annualized

⁽²⁾ Annualized

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An individual Shareholder's return, ratios, and per Share performance may vary from those presented above based on the timing of Share transactions.

Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period and assuming redemption on the last day of the period.

9. Subsequent Events

On October 1, 2025, the Trust's Shares began trading on the OTCQX U.S. market, operated by OTC Markets Group, Inc., under the ticker symbol "OBNK".

There are no other events that have occurred through November 11, 2025 the date the financial statements were available to be issued that require disclosure other than that which has already been disclosed in these notes to the financial statements.