

# GRAYSCALE DECENTRALIZED FINANCE (DEFI) FUND LLC

A Cayman Islands Limited Liability Company

*Managed by*

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Primary Standard Industrial Code: 6221

## QUARTERLY REPORT

For the quarterly period ended March 31, 2026

Shares Representing Common Units of Fractional Undivided Beneficial Interest  
No Par Value Per Share  
Unlimited Shares Authorized  
238,960 Shares Issued and Outstanding as of March 31, 2026

**OTCQB: DEFG**

**Grayscale Investments Sponsors, LLC (the “Manager”), on behalf of Grayscale Decentralized Finance (DeFi) Fund LLC (the “Fund”), is responsible for the content of this quarterly report for the quarter ended March 31, 2026 (the “Quarterly Report”), which has been prepared to fulfill the disclosure requirements of the OTCQX U.S. marketplace. 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 Fund,” “the Manager,” “the Issuer,” “Grayscale Decentralized Finance (DeFi) Fund,” “we,” “us” or “our” refers to the Fund or the Manager, as the context indicates. The Fund is a passive entity with no operations, and where the context requires, we provide disclosure with respect to the Manager, which administers the Fund.

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the 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

Dated as of May 14, 2026

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### **Cautionary Note Regarding Forward-Looking Statements**

This Quarterly Report contains “forward-looking statements” with respect to the Fund’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 Fund’s operations, the plans of Grayscale Investments Sponsors, LLC (the “Manager”), and references to the Fund’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 Manager 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 Manager’s expectations and predictions, however, is subject to a number of risks and uncertainties, including:

- the risk factors discussed in this Quarterly Report, including the particular risks associated with new technologies such as digital assets, including Uniswap, Aave, Ondo, Lido DAO, Curve, and Ethena, and blockchain technology;
- the Fund’s inability to redeem Shares;
- the inability of the Fund to meet its investment objective;
- economic conditions in the digital asset industry and market;
- general economic, market and business conditions;
- global or regional political, economic or financial conditions, events and situations;
- the use of technology by us and our vendors, including the Custodian, in conducting our business, including disruptions in our computer systems and data centers and our transition to, and quality of, new technology platforms;
- 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; and
- other world economic and political developments.

Consequently, all of 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 Manager 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 Fund’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 Manager’s beliefs, estimates and opinions on the date the statements are made and neither the Fund nor the Manager 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 Fund, the Manager, 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. There have not been any material changes from the risk factors previously described in our Annual Report, except for as provided in “Item 7. Other Information.”

## Glossary

In this Quarterly Report, each of the following quoted terms has the meanings set forth after such term:

“Aave” or “AAVE”—A type of digital asset based on an open-source cryptographic protocol existing on the Ethereum network and used on the Aave platform.

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

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

“Aerodrome Finance” or “AERO”—A type of digital asset based on an open-source cryptographic protocol existing on the Ethereum network and used on the Aerodrome protocol.

“Annual Report”—The Fund’s Annual Report for the year ended June 30, 2025.

“Authorized Participant”—Certain eligible financial institutions that have entered into an agreement with the Fund and the Manager concerning the creation of Shares. Each Authorized Participant (i) is a registered broker-dealer, (ii) has entered into a Participant Agreement with the Manager and (iii) owns a digital wallet address that is known to the Custodian as belonging to the Authorized Participant, or a Liquidity Provider.

“Basket”—A block of 100 Shares.

“Basket Amount”—The sum of (x) the Fund Component Basket Amounts for all Fund Components, (y) the Forked Asset Portion and (z) the Cash Portion, in each case, as of such trade date.

“Blockchain” or “blockchain”—The public transaction ledger of a Digital Asset Network on which miners or validators solve algorithmic equations allowing them to add records of recent transactions (called “blocks”) to the chain of transactions in exchange for an award of digital assets from a Digital Asset Network and the payment of transaction fees, if any, from users whose transactions are recorded in the block being added.

“Board”—Board of Managers of the Manager, which, as of May 4, 2026, manages and directs the affairs of the Manager, through authority delegated from the board of directors of Grayscale Investments. Prior to January 1, 2025, any references to the “Board” refer to the board of directors of Grayscale Investments, LLC, the former Manager of the Fund. From January 1, 2025 to, but not including, October 22, 2025, any references to the “Board” refer to the board of directors of GSOIH. From October 22, 2025 to May 4, 2026, any references to the “Board” refer to the board of directors of Grayscale Investments. From and after May 4, 2026, any references to the “Board” refer to the board of managers of the Manager, unless the context otherwise requires.

“Cash Portion”—For any trade date, the amount of U.S. dollars determined by dividing (x) the amount of U.S. dollars or other fiat currency (as converted into U.S. dollars at the applicable exchange rate as of 4:00 p.m., New York time) held by the Fund at 4:00 p.m., New York time, on such trade date by (y) the number of Shares outstanding at such time (with the quotient so obtained calculated to one one-hundred-millionth), and multiplying such quotient by 100.

“CDI”—CoinDesk Indices, Inc., with its affiliates, including CC Data Limited.

“Coinbase”—Coinbase, Inc.

“Creation Basket”—Basket of Shares issued by the Fund upon the deposit of the Basket Amount required for each such Creation Basket.

“Curve” or “CRV”—A type of digital asset based on an open-source cryptographic protocol existing on the Ethereum network and used on the Curve platform.

“Custodial Services”—The Custodian’s services that (i) allow digital assets to be deposited from a public blockchain address to the Fund’s digital asset accounts and (ii) allow the Fund and the Manager to withdraw digital assets from the Fund’s digital asset accounts to a public blockchain address the Fund or the Manager controls pursuant to instructions the Fund or Manager provides to the Custodian.

“Custodian”—Coinbase Custody Trust Company, LLC.

“Custodian Agreement”—The Amended and Restated Custodial Services Agreement, dated as of June 29, 2022, by and between the Fund, Manager and Custodian that governs the Fund’s and Manager’s use of the Custodial Services provided by the Custodian as a fiduciary with respect to the Fund’s assets.

“Custodian Fee”—Fee payable to the Custodian for services it provides to the Fund, which the Manager shall pay to the Custodian as a Manager-paid Expense.

“DCG”—Digital Currency Group, Inc.

“DFX”—The CoinDesk DeFi Select Index.

“DFX Methodology”—The criteria that a digital asset must meet to be eligible for inclusion in the DFX, as determined from time to time by the Index Provider.

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

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

“Digital Asset Reference Rate”—With respect to any Fund Component (and, if possible, each Forked Asset) as of any business day, the price in U.S. dollars of such Fund Component (and, if possible, each Forked Asset), as determined by reference to an Indicative Price reported by CoinDesk Indices, Inc. for such Fund Component (and, if possible, each Forked Asset) as of 4:00 p.m., New York time, on any business day. Any references to the “Index Prices” prior to April 1, 2026, are to the Digital Asset Reference Rates in effect pursuant to the former DFX Methodology.

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

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

“Ethena Protocol”—A set of smart contracts deployed on a decentralized public transaction ledger known as the blockchain. The Ethena Protocol leverages the cryptographic and algorithmic protocols of an underlying blockchain to govern its application.

“Ethena” or “ENA”—ENA Tokens, which are a type of digital asset existing on the Ethena Protocol

“Forked Asset”—Any asset other than cash that is held by the Fund at any time other than a Fund Component, including (i) any right, arising from a fork, airdrop or similar occurrence, to acquire (or otherwise establish dominion and control over) any digital asset or other asset or right and (ii) any digital asset or other asset or right acquired by the Fund through the exercise of a right described in the preceding clause (i), in each case, until such time as the Manager designates such asset as a Fund Component.

“Forked Asset Portion”—For any Trade Date, the amount of U.S. dollars determined by dividing (x) the aggregate value in U.S. dollars of the Fund’s Forked Assets at 4:00 p.m., New York time, on such Trade Date (calculated, to the extent possible, by reference to Index Prices) by (y) the number of Shares outstanding at such time (with the quotient so obtained calculated to one one-hundred-millionth), and multiplying such quotient by 100.

“Fund”—Grayscale Decentralized Finance (DeFi) Fund LLC, a Cayman Islands LLC, formed on June 10, 2021 under the LLC Act and pursuant to the LLC Agreement.

“Fund Component”—A digital asset designated as such by the Manager in accordance with the policies and procedures set forth in our Annual Report.

“Fund Component Aggregate Liability Amount”—For any Fund Component and any trade date, an amount of tokens of such Fund Component equal to the sum of (x) all accrued but unpaid Fund Component Fee Amounts for such Fund Component as of 4:00 p.m., New York time, on such trade date and (y) the Fund Component Expense Amount as of 4:00 p.m., New York time, on such trade date.

“Fund Component Basket Amount”—As of any trade date, the amount of tokens of such Fund Component required to be delivered in connection with each Creation Basket, as determined by dividing the amount of tokens of such Fund Component held by the Fund at 4:00 p.m., New York time, on such trade date, after deducting the applicable Fund Component Aggregate Liability Amount, by the number of Shares outstanding at such time (the quotient so obtained calculated to one one-hundred-millionth (*i.e.*, carried to the eighth decimal place)) and multiplying the quotient so obtained for the Fund Component by 100.

“Fund Component Expense Amount”—For any Fund Component on any trade date, (x) the product of (1) the aggregate unpaid Additional Fund Expenses as of 4:00 p.m., New York time, on such trade date and (2) the Weighting of such Fund Component for such trade date, divided by (y) the Index Price for such Fund Component as of 4:00 p.m., New York time, on such trade date.

“Fund Component Fee Amount”—For any day, the amount of tokens of each Fund Component payable as the Manager’s Fee.

“Fund Rebalancing Period”—Any period during which the Manager reviews for rebalancing the Fund’s portfolio in accordance with the policies and procedures set forth in our Annual Report.

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

“Grayscale Securities”—Grayscale Securities, LLC, a consolidated subsidiary of GSO.

“GSI”—Grayscale Investments, LLC, the Manager of the Fund until December 31, 2024.

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

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

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

“Index Components”—The digital assets that make up the DFX.

“Index License Agreement”—The license agreement, dated as of February 1, 2022, between the Index Provider and the Manager governing the Manager’s use of data collected from the Digital Asset Trading Platforms trading digital assets selected by the Index Provider for calculation of the Index Prices, as amended from time to time.

“Index Price”—The U.S. dollar value of a Fund Component derived from the Digital Asset Trading Platforms that are reflected in each respective Fund Components’ CoinDesk Benchmark Rate, calculated at 4:00 p.m., New York time, on each business day. Prior to April 1, 2026, “Index Price” refers to the Digital Asset Reference Rate.

“Index Provider”—CoinDesk Indices, Inc., a Delaware corporation that publishes the DFX and the Index Prices of the underlying Fund Components, as applicable.

“Index Rebalancing Period”—Any period during which the Index Provider reviews for rebalancing the DFX in accordance with the policies and procedures set forth in our Annual Report.

“Index Universe”—The digital assets that make up the CoinDesk 100 Index comprises the combined 100 digital asset constituents of CoinDesk 20 and CoinDesk 80 Indices, weighted by market capitalization. To be eligible to be included in the Index Universe: (i) the digital asset must be ranked in the top 250 by market capitalization, excluding stablecoins; (ii) the digital asset must be able to support an applicable reference rate by nature of its inclusion on a sufficient amount of digital asset trading platforms and volume metrics, as determined by the Index Provider; and (iii) the digital asset must not be a “wrapped token,” “pegged token,” or “liquid-staked asset,” a “gas-only token,” each as defined by the Index Provider, or an asset that meets the definition of an unregistered security as determined by the Index Provider and (iv) the digital asset must be (a) listed as a USD and/or USDC and/or USDT pair on a minimum of three trading platforms that contribute to the applicable Index Price with (b) 30 consecutive days of non-zero volume on all three trading platforms described above.

“Indicative Price”—A volume-weighted average price in U.S. dollars for a Fund Component as of 4:00 p.m., New York time, for the immediately preceding 60-minute period derived from data collected from Digital Asset Trading Platforms trading such Fund Component selected by the Index Provider. Prior to July 1, 2025, all of the Digital Asset Reference Rates had been Indicative Prices.

“Lido DAO” or “LDO”—A type of digital asset based on an open-source cryptographic protocol existing on the Ethereum network.

“Liquidity Provider”—A service provider that facilitates the purchase of digital assets in connection with the creation of Baskets.

“LLC Act”—Limited Liability Companies Law (As Revised) of the Cayman Islands (as amended or any successor statute thereto).

“LLC Agreement”—The Amended and Restated Limited Liability Company Agreement, dated as of June 30, 2021, establishing and governing the operations of the Fund, as amended by Amendment No. 1 thereto, and as the same may be amended further from time to time.

“Maker” or “MKR”—A type of digital asset based on an open-source cryptographic protocol existing on the Ethereum network.

“Manager” or “Co-Manager”—The manager of the Fund. Grayscale Investments, LLC was the manager of the Fund before January 1, 2025, Grayscale Operating, LLC was a co-manager of the Fund from January 1, 2025 to May 3, 2025, and Grayscale Investments Sponsors, LLC was a co-manager of the Fund from January 1, 2025 to May 3, 2025 and became the sole remaining manager thereafter.

“Manager-paid Expenses”—The fees and expenses incurred by the Fund in the ordinary course of its affairs, excluding taxes, that the Manager is obligated to assume and pay, including: (i) the Marketing Fee, (ii) the Administrator Fee, (iii) fees for the Custodian and any other security vendor engaged by the Fund (iv) the Transfer Agent Fee, (v) the fees and expenses related to the listing, quotation or trading of the Shares on any Secondary Market (including customary legal, marketing and audit fees and expenses) in an amount up to \$600,000 in any given Fiscal Year, (vi) ordinary course legal fees and expenses, (vii) audit fees, (viii) regulatory fees, including, if applicable, any fees relating to the registration of the Shares under the Securities Act or the Exchange Act and fees relating to registration and any other regulatory requirements in the Cayman Islands, (ix) printing and mailing costs, (x) costs of maintaining the Fund’s website and (xi) applicable license fees with respect to the Fund.

“Manager’s Fee”—A fee that accrues daily in U.S. dollars at an annual rate of 2.5% of the Fund’s NAV Fee Basis Amount as of 4:00 p.m., New York time, and will generally be paid in the Fund Components then held by the Fund in proportion to such Fund Components’ respective Weightings. For any day that is not a business day or in a Fund Rebalancing Period, the Manager’s Fee will accrue in U.S. dollars at a rate of 2.5% of the most recently calculated NAV Fee Basis Amount of the Fund. The Manager’s Fee is payable to the Manager monthly in arrears.

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

“NAV”—The aggregate value, expressed in U.S. dollars, of the Fund’s assets, less the U.S. dollar value of its liabilities and expenses, a non-GAAP metric, calculated in the manner set forth under “Valuation of Digital Assets and Determination of NAV” in our Annual Report for a description of how the Fund’s NAV and NAV per Share are calculated. See also “Management’s Discussion and Analysis—Critical Accounting Policies—Principal Market and Fair Value Determination” in our Annual Report for a description of the Fund’s NAV, as calculated in accordance with U.S. GAAP. For purposes of the LLC Agreement, the term Digital Asset Holdings shall mean the NAV as defined herein.

“NAV Fee Basis Amount”—The U.S. dollar value on which the Manager’s Fee accrues, as calculated in the manner set forth under “Grayscale Decentralized Finance (DeFi) Fund LLC—Description of the Fund—Valuation of Digital Assets and Determination of NAV” in our Annual Report. For purposes of the LLC Agreement, the term Digital Asset Holdings Fee Basis Amount shall mean the NAV Fee Basis Amount as defined herein.

“Ondo” or “ONDO”—A type of digital asset based on an open-source cryptographic protocol existing on the Ethereum network and used on the Ondo protocol.

“OTC Markets”—The OTCQX, OTCQB and OTCID tiers of OTC Markets Group Inc.

“OTCQB”—The OTCQB U.S. Market of OTC Markets Group Inc.

“Participant Agreement”—An agreement entered into by an Authorized Participant with the Manager that provides the procedures for the creation of Baskets and for the delivery of digital assets required for Creation Baskets.

“Principal Market NAV”—The net asset value of the Fund determined on a U.S. GAAP basis.

“Quarterly Report”—This Quarterly Report for the three and nine months ended March 31, 2026.

“Reverse Share Split”—A 1-for-10 reverse Share split of the Fund’s issued and outstanding Shares, which was effective on June 23, 2022, to shareholders of record as of the close of business on June 22, 2022.

“Rule 144”—Rule 144 under the Securities Act.

“Secondary Market”—Any marketplace or other alternative trading system, as determined by the Manager, on which the Shares may then be listed, quoted or traded, including but not limited to, OTC Markets.

“Shares”—Equal, fractional, undivided interests in the profits, losses, distributions, capital and assets of, and ownership of, the Fund with such relative rights and terms as set out in the LLC Agreement.

“Staking”—Means (i) using, or permitting to be used, in any manner, directly or indirectly, through an agent or otherwise (including, for the avoidance of doubt, through a delegation of rights to any third party with respect to any portion of the Fund Property, by making any portion of the Fund Property available to any third party or by entering into any similar arrangement with a third party), any portion of the Fund Property in a PoS validation protocol and (ii) accepting any Staking Consideration. For the avoidance of doubt, staking activities do not include the mere act of transferring units of virtual currency on a peer-to-peer virtual currency network that utilizes a PoS validation protocol.

“Staking Consideration”—Any consideration of any kind whatsoever, including, but not limited to, any staking reward paid in fiat currency or paid in kind, in exchange for using, or permitting to be used, any portion of the Fund Property as described in clause (i) of the definition of “Staking.”

“Synthetix” or “SNX”—A type of digital asset based on an open-source cryptographic protocol existing on the Ethereum network.

“Total Basket Amount”—The Basket Amount multiplied by the number of Baskets being created or redeemed.

“Transfer Agent”—Continental Stock Transfer & Trust Company, a Delaware corporation.

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

“Uniswap” or “UNI”—A type of digital asset based on an open-source cryptographic protocol existing on the Ethereum network.

“Weighting”—For any Fund Component, the percentage of the total U.S. dollar value of the aggregate Fund Components at any time that is represented by tokens of such Fund Component.

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

The name of the Fund is Grayscale Decentralized Finance (DeFi) Fund LLC.

The address of the Manager is: Grayscale Investments Sponsors, LLC  
290 Harbor Drive, 4<sup>th</sup> Floor  
Stamford, CT 06902

The Manager’s telephone number is: (212) 668-1427

The Manager’s facsimile number is: (212) 937-3645

The Manager’s website: The Manager maintains a corporate website, [www.grayscale.com](http://www.grayscale.com), which contains general information about the Fund and the Manager. 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.

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**Item 2. Shares outstanding.**

The only class of securities outstanding is equal, fractional, undivided interests in the profits, losses, distributions, capital and assets of, and ownership of, the Fund with such relative rights and terms as set out in the LLC Agreement (“Shares”), which represent ownership in the Fund. The Fund’s trading symbol on the OTCQB U.S. Market (“OTCQB”) of OTC Markets Group Inc. is “DEFG” and the CUSIP number for the Fund’s Shares is G4070G104.

The following table shows the number of the Shares outstanding:

	<b>As of March 31, 2026</b>	<b>As of June 30, 2025</b>
<b>(i) Number of Shares authorized</b>	Unlimited	Unlimited
<b>(ii) Number of Shares outstanding</b>	238,960	237,560
<b>(iii) Number of Shares freely tradable (public float)<sup>(1)</sup></b>	207,994	202,051
<b>(iv) Number of beneficial holders owning at least 100 Shares<sup>(2)</sup></b>	14	16
<b>(v) Number of holders of record<sup>(2)</sup></b>	14	17

(1) Public float means the total number of unrestricted Shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10% of the total Shares outstanding, or anyone who controls, is controlled by or is under common control with such person, or any immediate family members of officers, directors and control persons. Freely tradable Shares inclusive of holders with more than 10% of total Shares outstanding was 209,351 and 202,999 as of March 31, 2026 and June 30, 2025, respectively.

(2) Includes Cede & Co. nominee for DTC for the Shares traded on OTC Markets, but not its direct participants. Therefore, this number does not include the individual holders who have bought/sold Shares on OTC Markets or transferred their eligible Shares to their brokerage accounts.

From July 14, 2021 (the inception of the Fund’s operations) to March 31, 2026, the Fund has offered the Shares pursuant to Rule 506 of the Regulation D under the Securities Act. The Shares offered by the Fund have not been registered under the Securities Act, or any state or other securities laws, and were offered and sold only to “accredited investors” within the meaning of Rule 501(a) of Regulation D under the Securities Act, and in compliance with any applicable state or other securities laws.

The table below describes the Shares offered, the Shares sold and the average and range of prices at which the Shares were offered and sold by the Fund. All Shares initially offered and sold by the Fund are restricted securities pursuant to Rule 144 under the Securities Act. Until the Shares sold by the Fund become unrestricted in accordance with Rule 144, the certificates or other documents evidencing the Shares will contain legends stating that the Shares have not been registered under the Securities Act and referring to the restrictions on transferability and sale of the Shares under the Securities Act. Such legends are removed upon Shares becoming unrestricted in accordance with Rule 144 and after they have been presented to outside counsel, who may instruct the Transfer Agent to remove such legends. From July 14, 2021 (the inception of the Fund’s operations) to March 31, 2026, no Shares, other securities of the Fund, or options to acquire such other securities were issued in exchange for services provided by any person or entity.

<u>Period</u>	<u>Shares Offered</u>	<u>Shares Sold</u>	<u>No. of Purchasers</u>	<u>Avg.<sup>(1)</sup></u>	<u>High<sup>(1)</sup></u>	<u>Date</u>	<u>Low<sup>(1)</sup></u>	<u>Date</u>
Twelve months ended June 30, 2024	Unlimited	-	-	\$ 17.34	\$ 30.49	3/6/2024	\$ 10.40	9/11/2023
Twelve months ended June 30, 2025	Unlimited	3,600	2	\$ 18.42	\$ 34.88	12/12/2024	\$ 11.23	4/8/2025
July 1, 2025 to March 31, 2026	Unlimited	1,400	2	\$ 15.17	\$ 26.33	8/13/2025	\$ 6.80	2/5/2026

(1) The prices reflected represent the Index Prices (non-GAAP methodology).

### **Item 3. Unaudited interim financial statements.**

The Fund’s unaudited interim financial statements as of and for the three and nine months ended March 31, 2026 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 Fund’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 unaudited financial statements and related notes attached as an exhibit to this Quarterly Report, which have been prepared in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”). The following discussion may contain forward-looking statements based on assumptions we believe to be reasonable. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those set forth under “Risk Factors” or in other sections of our Annual Report, and under “Cautionary Note Regarding Forward-Looking Statements.”*

### **Fund Overview**

The Fund is a passive entity that is managed and administered by the Manager and does not have any officers, directors or employees. The Fund holds Fund Components and, from time to time on a periodic basis, issues Creation Baskets in exchange for deposits of Fund Components. As a passive investment vehicle, the Fund’s investment objective is for the value of the Shares (based on the Fund Components per Share) to reflect the value of the Fund Components held by the Fund, determined by reference to the Index Prices, less the Fund’s expenses and other liabilities. While an investment in the Shares is not a direct investment in the Fund Components, the Shares are designed to provide investors with a cost-effective and convenient way to gain investment exposure to the Fund Components. To date, the Fund has not met its investment objective and the Shares quoted on OTC Markets have not reflected the value of the Fund Components held by the Fund, less the Fund’s expenses and other liabilities, but instead have traded at both premiums and discounts to such value, which at times have been substantial. The Fund is not managed like a business corporation or an active investment vehicle. The Fund will not utilize leverage, derivatives or any similar arrangements in seeking to meet its investment objective.

Prior to April 1, 2026, the Fund valued the Fund Components held by the Fund for operational purposes by reference to Digital Asset Reference Rates. Effective April 1, 2026, the Fund will value each Fund Component it holds for operational purposes by reference to an Index Price, which are used to calculate the Fund's NAV and NAV per Share. The "Index Price" of each Fund Component is the U.S. dollar value of each Fund Component derived from the Constituent Trading Platforms that are reflected in each Fund Component's CoinDesk Benchmark Rate, calculated at 4:00 p.m., New York time, on each business day. Prior to April 1, 2026, references to each "Index Price" in the Fund's filings, including this Quarterly Report, refer to the CoinDesk Reference Rates. From and after April 1, 2026, references to each "Index Price" in the Trust's filings are to the CoinDesk Benchmark Rates.

## **Critical Accounting Policies**

### *Investment Transactions and Revenue Recognition*

The Fund considers investment transactions to be the receipt of Fund Components by the Fund in connection with Share creations and the delivery of Fund Components by the Fund in connection with Share redemptions or for payment of expenses in Fund Components. At this time, the Fund is not accepting redemption requests from shareholders. The Fund records its investment transactions on a trade date basis and changes in fair value are reflected as net change in unrealized appreciation or depreciation on investments. Realized gains and losses are calculated using the specific identification method. Realized gains and losses are recognized in connection with transactions including settling obligations for the Manager's Fee in the Fund Components.

### *Principal Market and Fair Value Determination*

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

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

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

- First, the Fund reviews a list of each Digital Asset Market that maintain practices and policies designed to comply with anti-money laundering ("AML") and know-your-customer ("KYC") regulations, and non-Digital Asset Trading Platform Markets that the Fund reasonably believes are operating in compliance with applicable law, including federal and state licensing requirements, based upon information and assurances provided to it by each market.
- Second, the Fund sorts these Digital Asset Markets from high to low by market-based volume and level of activity of each Fund Component traded on each Digital Asset Market in the trailing twelve months.
- Third, the Fund then reviews pricing fluctuations and the degree of variances in price on Digital Asset Markets to identify any material notable variances that may impact the volume or price information of a particular Digital Asset Market.

- Fourth, the Fund then selects a Digital Asset Market as its principal market for such Fund Component based on the highest market-based volume, level of activity and price stability in comparison to the other Digital Asset Markets on the list. Based on information reasonably available to the Fund, Trading Platform Markets have the greatest volume and level of activity for the Fund Components. The Fund therefore looks to accessible Trading Platform Markets as opposed to the Brokered Market, Dealer Market and Principal-to-Principal Markets to determine its principal market for each Fund Component. As a result of the aforementioned analysis, a Trading Platform Market has been selected as the Fund's principal market for each Fund Component.

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

### *Investment Company Considerations*

The Fund is an investment company for U.S. GAAP purposes and follows accounting and reporting guidance in accordance with the FASB ASC Topic 946, *Financial Services—Investment Companies*. The Fund uses fair value as its method of accounting for digital assets in accordance with its classification as an investment company for accounting purposes. The Fund is not a registered investment company under the Investment Company Act of 1940. U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates and these differences could be material.

### **Review of Financial Results (unaudited)**

#### *Financial Highlights for the Three and Nine Months Ended March 31, 2026 and 2025*

**(All amounts in the following table and the subsequent paragraphs, except Share, each Fund Component and price of each Fund Component amounts, are in thousands)**

	<b>Three Months Ended</b>		<b>Nine Months Ended March 31,</b>	
	<b>March 31,</b>			
	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
Net realized and unrealized loss on investments in digital assets	<u>\$ (888)</u>	<u>\$ (3,131)</u>	<u>\$ (2,664)</u>	<u>\$ (1,268)</u>
Net decrease in net assets resulting from operations	<u>\$ (901)</u>	<u>\$ (3,161)</u>	<u>\$ (2,731)</u>	<u>\$ (1,353)</u>
Net assets <sup>(1)</sup>	<u>\$ 1,699</u>	<u>\$ 3,221</u>	<u>\$ 1,699</u>	<u>\$ 3,221</u>

(1) Net assets in the above table and subsequent paragraphs are calculated in accordance with U.S. GAAP based on the Digital Asset Market price of each Fund Component on the Digital Asset Trading Platforms that the Fund considered each Fund Component's principal market, as of 4:00 p.m., New York time, on the valuation date.

Net realized and unrealized loss on investments in digital assets for the three months ended March 31, 2026 was (\$888), which includes a realized loss of (\$27) on the transfer of digital assets to pay the Manager's Fee, a realized loss of (\$90) as a result of the quarterly rebalance of digital assets, and net change in unrealized appreciation/depreciation on investment in digital assets of (\$771). Net decrease in net assets resulting from operations was (\$901) for the three months ended March 31, 2026, which consisted of the net realized and unrealized loss on investments in digital assets, plus the Manager's Fee of \$13. Net assets decreased to \$1,699 at March 31, 2026, a 35% decrease for the three-month period. The decrease in net assets resulted from the price depreciation of Fund Components during the period, the quarterly rebalance of the digital assets and the withdrawal of approximately 1,296 UNI, 28 AAVE, 5,755 ONDO, 2,652 CRV, 1,653 AERO, and 1,548 LDO to pay the foregoing Manager's Fee.

Net realized and unrealized loss on investment in digital assets for the three months ended March 31, 2025 was (\$3,131), which includes a realized loss of (\$11) on the transfer of digital assets to pay the Manager's Fee, a realized loss of (\$26) as a result of the quarterly rebalance of digital assets, and net change in unrealized appreciation/depreciation on investment in digital assets of (\$3,094). Net decrease in net assets resulting from operations was (\$3,161) for the three months ended March 31, 2025, which consisted of the net realized and unrealized loss on investment in digital assets, plus the Manager's Fee of \$30. Net assets decreased to \$3,221 at March 31, 2025, a 49% decrease for the three-month period. The decrease in net assets resulted from the price depreciation of Fund Components during the period and the withdrawal of approximately 1,379 UNI, 35 AAVE, 2 MKR, 2,087 LDO, 2,816 CRV and 23 SNX to pay the foregoing Manager's Fee, partially offset by the contribution of approximately 1,327 UNI, 34 AAVE, 2 MKR, 2,026 LDO and 2,819 CRV with a total value of \$20 to the Fund in connection with Share creations during the period.

Net realized and unrealized loss on investment in digital assets for the nine months ended March 31, 2026 was (\$2,664), which includes a realized loss of (\$52) on the transfer of digital assets to pay the Manager's Fee, a realized loss of (\$421) as a result of the quarterly rebalance of digital assets, and net change in unrealized appreciation/depreciation on investment in digital assets of (\$2,191). Net decrease in net assets resulting from operations was (\$2,731) for the nine months ended March 31, 2026, which consisted of the net realized and unrealized loss on investment in digital assets, plus the Manager's Fee of \$67. Net assets decreased to \$1,699 at March 31, 2026, a 61% decrease for the nine-month period. The decrease in net assets resulted from the price depreciation of Fund Components during the period, the quarterly rebalance of the digital assets and the withdrawal of approximately 3,779 UNI, 89 AAVE, 18,295 ONDO, 8,222 CRV, 3,389 AERO, 5,160 LDO, and 1 MKR to pay the foregoing Manager's Fee, partially offset by the contribution of approximately 1,143 UNI, 28 AAVE, 1,661 LDO, 5,843 ONDO, 1,655 AERO and 2,600 CRV with a total value of \$22 to the Fund in connection with Share creations during the period.

Net realized and unrealized loss on investment in digital assets for the nine months ended March 31, 2025 was (\$1,268), which includes a realized loss of (\$42) on the transfer of digital assets to pay the Manager's Fee, a realized loss of (\$36) as a result of the quarterly rebalance of digital assets, and net change in unrealized appreciation/depreciation on investment in digital assets of (\$1,190). Net decrease in net assets resulting from operations was (\$1,353) for the nine months ended March 31, 2025, which consisted of the net realized and unrealized loss on investment in digital assets, plus the Manager's Fee of \$85. Net assets decreased to \$3,221 at March 31, 2025, a 29% decrease for the nine-month period. The decrease in net assets resulted from the price depreciation of Fund Components during the period and the withdrawal of approximately 4,688 UNI, 100 AAVE, 6 MKR, 5,960 LDO, 2,816 CRV, and 1,443 SNX to pay the foregoing Manager's Fee, partially offset by the contribution of approximately 1,327 UNI, 34 AAVE, 2 MKR, 2,026 LDO and 2,819 CRV with a total value of \$20 to the Fund in connection with Share creations during the period.

#### *Cash Resources and Liquidity*

The Fund has not had a cash balance at any time since inception. When selling Fund Components and/or Forked Assets to pay Additional Fund Expenses on behalf of the Fund, the Manager endeavors to sell the exact amount of Fund Components and/or Forked Assets needed to pay expenses in order to minimize the Fund's holdings of assets other than the Fund Components. As a consequence, the Manager expects that the Fund will not record any cash flow from its operations and that its cash balance will be zero at the end of each reporting period. Furthermore, the Fund is not a party to any off-balance sheet arrangements.

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

#### **Quantitative and Qualitative Disclosures about Market Risk**

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

## Selected Operating Data (Unaudited)

	As of March 31,	
	2026	2025
Prices of digital assets on principal market:		
UNI	\$ 3.53	\$ 5.98
AAVE	\$ 97.96	\$ 159.44
ONDO	\$ 0.27	N/A
CRV	\$ 0.22	\$ 0.50
AERO	\$ 0.33	N/A
LDO	\$ 0.33	\$ 0.87
MKR	N/A	\$ 1,328.17
Principal Market NAV per Share <sup>(1)</sup>	\$ 7.11	\$ 13.69
Principal Market NAV <sup>(1)</sup>	\$ 1,699,430	\$ 3,221,293
Digital Asset Reference Rates:		
UNI	\$ 3.54	\$ 5.99
AAVE	\$ 97.85	\$ 160.83
ONDO	\$ 0.27	N/A
CRV	\$ 0.22	\$ 0.50
AERO	\$ 0.33	N/A
LDO	\$ 0.33	\$ 0.87
MKR	N/A	\$ 1,335.84
NAV per Share <sup>(2)</sup>	\$ 7.11	\$ 13.75
NAV <sup>(2)</sup>	\$ 1,699,118	\$ 3,236,875

(1) The Principal Market NAV and Principal Market NAV per Share are calculated using the fair value of each Fund Component based on the price provided by the Digital Asset Trading Platform that the Fund considered each Fund Components' principal market, as of 4:00 p.m., New York time, on the valuation date, in accordance with U.S. GAAP.

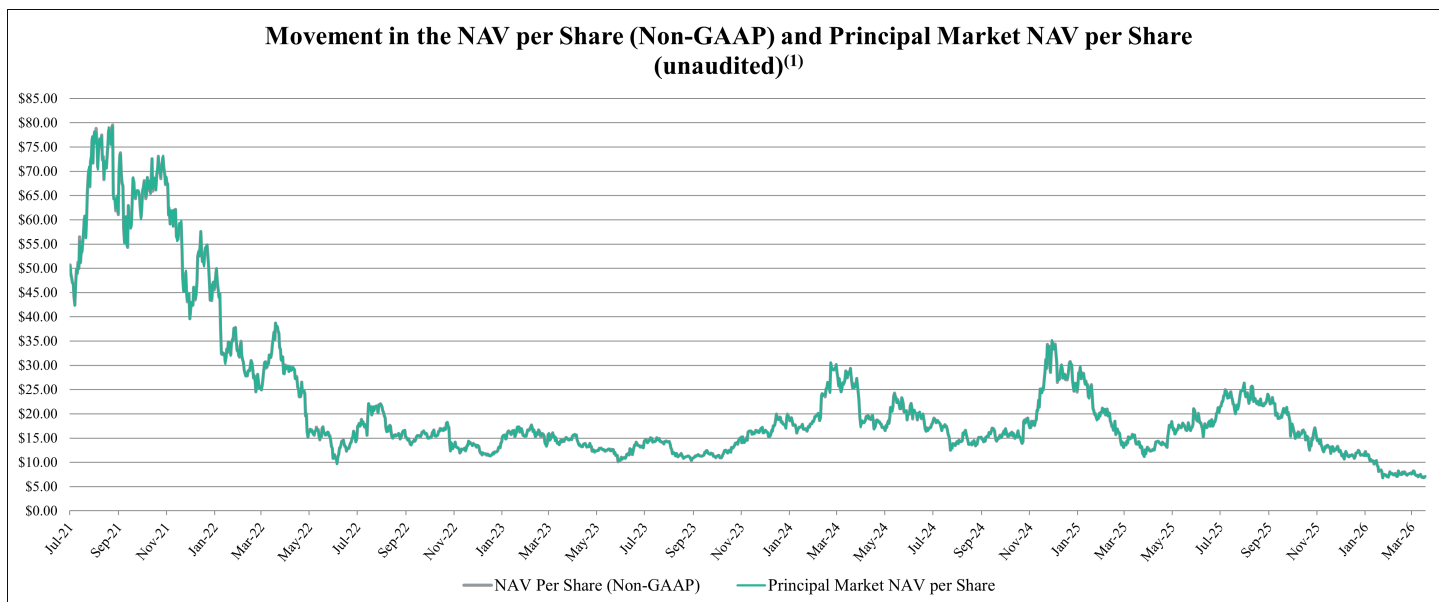
(2) Prior to April 1, 2026, the NAV and NAV per Share were calculated based on the Digital Asset Reference Rates of the Fund Components held by the Fund. From and after April 1, 2026, the NAV per Share is calculated based on the Index Prices of the Fund Components held by the Fund.

For accounting purposes, the Fund reflects creations and the Fund Components receivable with respect to such creations on the date of receipt of a notification of a creation but does not issue Shares until the requisite amount of Fund Components is received. At this time, the Fund is not accepting redemption requests from shareholders. Subject to receipt of regulatory approval from the SEC and approval by the Manager in its sole discretion, the Fund may in the future operate a redemption program. The Fund currently has no intention of seeking regulatory approval to operate an ongoing redemption program.

## Historical NAV and Fund Component Prices

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

The following chart illustrates the movement in the Fund’s NAV per Share (as adjusted for the Reverse Share Split effective June 23, 2022) versus the Fund’s Principal Market NAV per Share (as adjusted for the Reverse Share Split effective June 23, 2022) from July 14, 2021 (the inception of the Fund’s operations) to March 31, 2026. For more information on the determination of the Trust’s NAV, see “Grayscale Decentralized Finance (DeFi) Fund LLC—Description of the Fund—Valuation of Digital Assets and Determination of the Fund’s NAV” in our Annual Report.



(1) Prior to April 1, 2026, the NAV and NAV per Share were calculated based on the Digital Asset Reference Rates of the Fund Components held by the Fund. From and after April 1, 2026, the NAV per Share is calculated based on the Index Prices of the Fund Components held by the Fund.

### Uniswap

The following table illustrates the movements in the Digital Asset Market price of UNI, as reported on the Fund’s principal market for UNI, from July 14, 2021 (the inception of the Fund’s operations) to March 31, 2026.

Period	Average	High		Low		End of period	Last business day
		Digital Asset Market Price	Date	Digital Asset Market Price	Date		
Twelve months ended March 31, 2025	\$9.12	\$18.35	12/8/2024	\$5.28	8/5/2024	\$5.98	\$5.98
Twelve months ended March 31, 2026	\$6.55	\$12.04	8/13/2025	\$3.16	2/12/2026	\$3.53	\$3.53
July 14, 2021 (the inception of the Fund’s operations) to March 31, 2026	\$8.89	\$30.63	9/1/2021	\$3.16	2/12/2026	\$3.53	\$3.53

### Aave

The following table illustrates the movements in the Digital Asset Market price of AAVE, as reported on the Fund's principal market for AAVE, from July 14, 2021 (the inception of the Fund's operations) to March 31, 2026.

Period	Average	High		Low		End of period	Last business day
		Digital Asset Market Price	Date	Digital Asset Market Price	Date		
Twelve months ended March 31, 2025	\$ 168.38	\$ 394.48	12/16/2024	\$ 79.74	7/5/2024	\$ 159.44	\$ 159.44
Twelve months ended March 31, 2026	\$ 211.70	\$ 355.06	8/23/2025	\$ 95.06	3/29/2026	\$ 97.96	\$ 97.96
July 14, 2021 (the inception of the Fund's operations) to March 31, 2026	\$ 155.41	\$ 424.21	8/16/2021	\$ 47.34	6/18/2022	\$ 97.96	\$ 97.96

### Ondo

The following table illustrates the movements in the Digital Asset Market price of ONDO, as reported on the Fund's principal market for ONDO, from July 3, 2025 (when ONDO was added to the Fund) to March 31, 2026.

Period	Average	High		Low		End of period	Last business day
		Digital Asset Market Price	Date	Digital Asset Market Price	Date		
July 3, 2025 to March 31, 2026	\$ 0.62	\$ 1.11	9/12/2025	\$ 0.23	2/5/2026	\$ 0.27	\$ 0.27

### Curve

The following table illustrates the movements in the Digital Asset Market price of CRV, as reported on the Fund's principal market for CRV from July 14, 2021 (the inception of the Fund's operations) to January 3, 2024 and for the period from January 4, 2025 (when CRV was re-added to the Fund) to March 31, 2026.

Period	Average	High		Low		End of period	Last business day
		Digital Asset Market Price	Date	Digital Asset Market Price	Date		
January 4, 2025 to March 31, 2025	\$ 0.61	\$ 1.12	1/3/2025	\$ 0.37	3/10/2025	\$ 0.50	\$ 0.50
Twelve months ended March 31, 2026	\$ 0.55	\$ 1.08	7/26/2025	\$ 0.21	3/29/2026	\$ 0.22	\$ 0.22
July 14, 2021 (the inception of the Fund's operations) to January 3, 2024 and January 4, 2025 to March 31, 2026	\$ 1.23	\$ 6.24	1/3/2022	\$ 0.21	3/29/2026	\$ 0.22	\$ 0.22

### Aerodrome

The following table illustrates the movements in the Digital Asset Market price of AERO, as reported on the Fund's principal market for AERO from October 3, 2025 (when AERO was added to the Fund) to March 31, 2026.

Period	Average	High		Low		End of period	Last business day
		Digital Asset Market Price	Date	Digital Asset Market Price	Date		
October 3, 2025 to March 31, 2026	\$ 0.58	\$ 1.19	10/6/2025	\$ 0.28	2/11/2026	\$ 0.33	\$ 0.33

## Lido DAO

The following table illustrates the movements in the Digital Asset Market price of LDO, as reported on the Fund's principal market for LDO from July 6, 2023 (when LDO was added to the Fund) to March 31, 2026.

Period	Average	High		Low		End of period	Last business day
		Digital Asset Market Price	Date	Digital Asset Market Price	Date		
Twelve months ended March 31, 2025	\$ 1.60	\$ 2.96	4/8/2024	\$ 0.87	3/31/2025	\$ 0.87	\$ 0.87
Twelve months ended March 31, 2026	\$ 0.78	\$ 1.57	8/12/2025	\$ 0.28	3/22/2026	\$ 0.33	\$ 0.33
July 6, 2023 to March 31, 2026	\$ 1.50	\$ 3.84	1/10/2024	\$ 0.28	3/22/2026	\$ 0.33	\$ 0.33

### Item 5. Legal proceedings.

There have been no material changes to the Legal Proceedings last reported under "Item 8. The nature of the issuer's business" of our Annual Report for the year ended June 30, 2025 (our "Annual Report").

### Item 6. Defaults upon senior securities.

None.

### Item 7. Other information.

*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. In addition to such risk factors, investors should consider carefully the risks described in our Annual Report before making an investment decision, as well as the risk factors included below.*

#### Risk Factors Related to the Digital Asset Markets

***Index Prices have a limited history and a failure of an Index Price could adversely affect the value of the Shares.***

Each Index Price has a limited history and is an average reference rate calculated using volume-weighted trading price data from various Digital Asset Trading Platforms chosen by the Index Provider. The Digital Asset Trading Platforms chosen by the Index Provider have also changed over time. Although each Index Price is designed to accurately capture the market price of the digital asset it tracks, third parties may be able to purchase and sell such digital assets on public or private markets not included among the constituent Digital Asset Trading Platforms of such Index Price, and such transactions may take place at prices materially higher or lower than the Index Price. Moreover, there have been variances in the prices of digital assets on the various Digital Asset Trading Platforms, including as a result of differences in fee structures or administrative procedures on different Digital Asset Trading Platforms, in the past. See "Management's Discussion and Analysis—Historical Fund Component Prices."

For example, based on data provided by the Index Provider, on any given day during the twelve months ended June 30, 2025, the maximum differential between the 4:00 p.m., New York time, spot price of UNI on any single Digital Asset Trading Platform included in the Index Price was 2.22% and the average of the maximum differentials of the 4:00 p.m., New York time, spot price of each Digital Asset Trading Platform included in the Index Price was 3.60%. During this same period, the average differential between the 4:00 p.m., New York time, spot prices of all the Digital Asset Trading Platforms included in the Index Price was 0.004%. Further, on any given day during the twelve months ended June 30, 2025, the maximum differential between the 4:00 p.m., New York time, spot price of AAVE on any single Digital Asset Trading Platform included in the Index Price was 2.59% and the average of the maximum differentials of the 4:00 p.m., New York time, spot price of each Digital Asset Trading Platform included in the Index Price was 3.41%. During this same period, the average differential between the 4:00 p.m., New York time, spot prices of all the Digital Asset Trading Platforms included in the Index Price was 0.03%. All Digital Asset Trading Platforms that were included in the relevant Index Price throughout the period were considered in this analysis. To the extent such prices differ materially from the Index Prices, investors may lose confidence in the Shares' ability to track the market price of such digital asset, which could adversely affect the value of the Fund.

***The Index Price used to calculate the value of a Fund Component may be volatile, and purchasing activity in the Digital Asset Markets associated with Basket creations or selling activity following Basket redemptions, if permitted, may affect the relevant Index Price and Share trading prices, adversely affecting the value of the Shares.***

The prices of digital assets on public Digital Asset Trading Platforms have a very limited history, and during this history, digital asset prices on the Digital Asset Markets more generally, and on Digital Asset Trading Platforms individually, have been volatile and subject to influence by many factors, including operational interruptions. While each Index Price is designed to limit exposure to the interruption of individual Digital Asset Trading Platforms, each Index Price, and the price of digital assets generally, remains subject to volatility experienced by Digital Asset Trading Platforms, and such volatility can adversely affect the value of the Shares.

Furthermore, because the number of Digital Asset Trading Platforms is limited, each Index Price will necessarily be calculated by reference to a limited number of Digital Asset Trading Platforms. If a Digital Asset Trading Platform were subjected to regulatory, volatility or other pricing issues, the Index Provider would have limited ability to remove such Digital Asset Trading Platform from the group of trading venues used by it to calculate the relevant Index Price, which could skew the price of the digital asset as represented by such Index Price. Trading on a limited number of Digital Asset Trading Platforms may result in less favorable prices and decreased liquidity of one or more digital assets and, therefore, could have an adverse effect on the value of the Shares.

Purchasing activity associated with acquiring digital assets required for the creation of Baskets may increase the market price of digital assets on the Digital Asset Markets, which will result in higher prices for the Shares. Increases in the market price of digital assets may also occur as a result of the purchasing activity of other market participants. Other market participants may attempt to benefit from an increase in the market price of any particular digital asset that may result from increased purchasing activity of such digital asset connected with the issuance of Baskets. Consequently, the market price of any particular digital asset may decline immediately after Baskets are created. Decreases in the market price of digital assets may also occur as a result of sales in Secondary Markets by other market participants. If any of the Index Prices decline, the value of the Shares will generally also decline.

#### **Risk Factors Related to the Fund and the Shares**

***The Fund tracks the DFX, which may lead the Fund's portfolio to be underrepresented with respect to digital assets that are increasing in value and/or overrepresented with respect to digital assets that are declining in value.***

Although the Fund will generally hold the Fund Components in proportion to their market capitalization, the Fund will not invest in digital assets that do not meet the DFX Methodology. In addition, the Manager may exclude a digital asset from the Fund's portfolio even if it meets the DFX Methodology because, among other reasons, (i) none or few of the Authorized Participants or service providers has the ability to trade or otherwise support the digital asset; (ii) use or trading of the digital asset raises or potentially raises significant governmental, policy or regulatory concerns or is subject or likely subject to a specialized regulatory regime, such as the U.S. federal securities or commodities laws or similar laws in other significant jurisdictions; (iii) the underlying code contains, or may contain, significant flaws or vulnerabilities; (iv) there is limited or no reliable information regarding, or concerns over the intentions of, the core developers of the digital asset; or (v) for any other reason, in each case as determined by the Manager in its sole discretion. As a result, the Fund's portfolio may be underrepresented with respect to digital assets that are increasing in value and/or overrepresented with respect to digital assets that are declining in value. Should this be the case, the Fund may underperform relative to other investment options that do invest in such digital assets and do not follow similar investment policies.

Moreover, the DFX, and therefore the Fund, is reviewed for rebalancing during a period that occurs on a quarterly basis and in accordance with specific criteria set forth under "Fund Objective—Rebalancing." Because the Fund will not actively manage the portfolio in between Fund Rebalancing Periods, the Fund may hold digital assets during periods in which their prices are flat or declining and may not be holding digital assets during periods in which such prices are rising if such price activity occurs between Fund Rebalancing Periods. For example, if any of the Fund Components are declining in value, the Fund will not sell such Fund Components except during Fund Rebalancing Periods in accordance with its investment policies or, if redemptions are then permitted, in order to meet redemptions. Any decrease in value of the Fund Components will result in a decrease in the Fund's net asset value which will negatively impact the value of the Shares. The Fund will not sell the Fund Components to attempt to avoid losses.

Moreover, there may be costs associated with a rebalancing of the Fund’s portfolio, including transaction costs associated with the sale or purchase of digital assets and any tax on gains recognized by the Fund upon sales of digital assets, which could impact the Fund’s performance.

### **Board of Managers**

As previously disclosed, on October 22, 2025, GSOIH consummated an internal corporate reorganization (the “Management Reorganization”). As a result of the Management Reorganization, as of October 22, 2025, (i) Grayscale Investments, Inc. (“Grayscale Investments”) is the sole managing member of GSO, the sole member of the Manager and (ii) the Board of Directors of Grayscale Investments became responsible for managing and directing the affairs of the Manager, and consists of Barry Silbert, Mark Shifke, Simon Koster, Peter Mintzberg and Edward McGee.

On May 4, 2026, a Board of Managers of Grayscale Investments Sponsors, LLC was created to manage and direct the affairs of the Manager, under authority delegated by the board of Grayscale Investments. While the board of Grayscale Investments retains overall oversight of Grayscale Investments and its subsidiaries as a whole, including the Manager, the Board of Managers of the Manager consists of Peter Mintzberg, Edward McGee, and Craig Salm. Mr. Mintzberg, Mr. McGee, and Mr. Salm are granted authority to manage the day-to-day affairs of the Manager under the amended and restated limited liability company agreement of the Manager.

Peter Mintzberg and Edward McGee are members of the Board of Directors of Grayscale Investments and we hereby incorporate by reference into this Quarterly Report each of their biographies in the section, “Item 11. Company insiders (Officers, Directors, and Control Persons)” in our Annual Report for the year ended June 30, 2025.

**Craig Salm** has been the Chief Legal Officer of Grayscale since 2022. Before serving as Chief Legal Officer, Mr. Salm was Director, Legal since January 2020 and Associate, Legal since January 2018. Prior to joining Grayscale, Mr. Salm was a corporate associate at Paul Weiss and a member of its Capital Markets & Securities Group—primarily focused on representing issuers, private equity sponsors, investment banks, hedge funds and other stakeholders in corporate finance transactions, as well as advising on securities law and corporate governance matters. Mr. Salm earned his Bachelor of Science from the University of Michigan and his Juris Doctor from the Benjamin N. Cardozo School of Law. Mr. Salm serves as a member of the Blockchain Association and a member of the Crypto Ratings Council (CRC).

### **Item 8. Exhibits.**

Exhibit 1 Unaudited Interim Financial Statements - March 31, 2026.

**Item 9. Issuer's Certifications.**

**Certification**

I, Peter Mintzberg, certify that:

1. I have reviewed the Quarterly Report, exhibits, and all notes thereto of Grayscale Decentralized Finance (DeFi) Fund LLC;
2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this Quarterly Report, 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 Quarterly Report.

Dated: May 14, 2026

/s/ Peter Mintzberg

By: Peter Mintzberg

Title: Chief Executive Officer

(Principal Executive Officer) of

Grayscale Investments Sponsors, LLC\*

\* Signing in their capacity as an officer of Grayscale Investments Sponsors, LLC.

## Certification

I, Edward McGee, certify that:

1. I have reviewed the Quarterly Report, exhibits, and all notes thereto of Grayscale Decentralized Finance (DeFi) Fund LLC;
2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this Quarterly Report, 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 Quarterly Report.

Dated: May 14, 2026

/s/ Edward McGee

By: Edward McGee

Title: Chief Financial Officer

(Principal Financial and Accounting Officer)  
of Grayscale Investments Sponsors, LLC\*

\* Signing in their capacity as an officer of Grayscale Investments Sponsors, LLC.

**Exhibit 1**

Unaudited Interim Financial Statements - March 31, 2026

**INTERIM FINANCIAL STATEMENTS**

**Grayscale Decentralized Finance (DeFi) Fund LLC**  
**March 31, 2026**  
**(Unaudited)**

A decorative graphic consisting of several overlapping triangles in shades of orange, brown, and purple, arranged in a cluster on the left side of the dark blue banner.

**Grayscale DeFi Fund**

**Grayscale Decentralized Finance (DeFi) Fund LLC**  
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**Grayscale Decentralized Finance (DeFi) Fund LLC**  
**Statements of Assets and Liabilities**  
**(Unaudited)**

	<u>March 31, 2026</u>	<u>June 30, 2025</u>
(Amounts in U.S. dollars, except Share amounts)		
<b>Assets:</b>		
Investments in digital assets, at fair value (cost \$6,164,522 and \$6,681,784 as of March 31, 2026 and June 30, 2025, respectively)	\$ 1,699,430	\$ 4,407,775
<b>Total assets</b>	<u>\$ 1,699,430</u>	<u>\$ 4,407,775</u>
<b>Liabilities:</b>		
Manager's Fee payable, related party	\$ -	\$ -
<b>Total liabilities</b>	<u>-</u>	<u>-</u>
<b>Net assets</b>	<u>\$ 1,699,430</u>	<u>\$ 4,407,775</u>
Shares issued and outstanding, no par value (unlimited Shares authorized)	<u>238,960</u>	<u>237,560</u>
Principal Market NAV per Share	<u>\$ 7.11</u>	<u>\$ 18.55</u>

*See accompanying notes to the unaudited financial statements.*

**Grayscale Decentralized Finance (DeFi) Fund LLC**  
**Schedules of Investments**  
**(Unaudited)**

**March 31, 2026**

	<u>Quantity</u>	<u>Cost</u>	<u>Fair Value</u>	<u>% of Net Assets</u>
Investment in UNI	210,653.32786048	\$ 3,147,536	\$ 744,028	43.78%
Investment in AAVE	4,493.76302070	\$ 995,890	\$ 440,210	25.90%
Investment in ONDO	927,317.48433541	\$ 743,238	\$ 251,572	14.80%
Investment in CRV	428,204.63469176	\$ 462,553	\$ 93,563	5.51%
Investment in AERO	266,659.60895460	\$ 319,375	\$ 88,053	5.18%
Investment in LDO	248,499.02026593	\$ 495,930	\$ 82,004	4.83%
Total Investments		<u>\$ 6,164,522</u>	<u>\$ 1,699,430</u>	<u>100.00%</u>
Net assets			<u>\$ 1,699,430</u>	<u>100.00%</u>

**June 30, 2025**

	<u>Quantity</u>	<u>Cost</u>	<u>Fair Value</u>	<u>% of Net Assets</u>
Investment in UNI	230,116.42060115	\$ 3,640,620	\$ 1,672,945	37.96%
Investment in AAVE	5,643.16185514	\$ 1,250,505	\$ 1,596,846	36.23%
Investment in MKR	316.98914101	\$ 588,295	\$ 626,535	14.21%
Investment in CRV	488,463.08243337	\$ 530,216	\$ 256,639	5.82%
Investment in LDO	335,718.31339721	\$ 672,148	\$ 254,810	5.78%
Total Investments		<u>\$ 6,681,784</u>	<u>\$ 4,407,775</u>	<u>100.00%</u>
Net assets			<u>\$ 4,407,775</u>	<u>100.00%</u>

*See accompanying notes to the unaudited financial statements.*

**Grayscale Decentralized Finance (DeFi) Fund LLC**  
**Statements of Operations**  
**(Unaudited)**

	<u>Three Months Ended</u> <u>March 31,</u>		<u>Nine Months Ended March</u> <u>31,</u>	
	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
(Amounts in U.S. dollars)				
<b>Investment income:</b>				
Investment income	\$ -	\$ -	\$ -	\$ -
<b>Expenses:</b>				
Manager's Fee, related party	12,852	29,753	67,783	84,627
<b>Net investment loss</b>	<u>(12,852)</u>	<u>(29,753)</u>	<u>(67,783)</u>	<u>(84,627)</u>
<b>Net realized and unrealized loss on investments in digital assets:</b>				
Net realized loss on investments in digital assets	(115,890)	(36,977)	(471,453)	(77,782)
Net change in unrealized appreciation/depreciation on investments in digital assets	<u>(771,697)</u>	<u>(3,093,684)</u>	<u>(2,191,083)</u>	<u>(1,190,025)</u>
<b>Net realized and unrealized loss on investments</b>	<u>(887,587)</u>	<u>(3,130,661)</u>	<u>(2,662,536)</u>	<u>(1,267,807)</u>
<b>Net decrease in net assets resulting from operations</b>	<u>\$ (900,439)</u>	<u>\$ (3,160,414)</u>	<u>\$ (2,730,319)</u>	<u>\$ (1,352,434)</u>

*See accompanying notes to the unaudited financial statements.*

**Grayscale Decentralized Finance (DeFi) Fund LLC**  
**Statements of Changes in Net Assets**  
**(Unaudited)**

	<b>Three Months Ended</b>		<b>Nine Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>	<b>2026</b>	<b>2025</b>
(Amounts in U.S. dollars, except change in Shares outstanding)				
<b>Decrease in net assets from operations:</b>				
Net investment loss	\$ (12,852)	\$ (29,753)	\$ (67,783)	\$ (84,627)
Net realized loss on investments in digital assets	(115,890)	(36,977)	(471,453)	(77,782)
Net change in unrealized appreciation/depreciation on investments in digital assets	(771,697)	(3,093,684)	(2,191,083)	(1,190,025)
Net decrease in net assets resulting from operations	<u>(900,439)</u>	<u>(3,160,414)</u>	<u>(2,730,319)</u>	<u>(1,352,434)</u>
<b>Increase in net assets from capital share transactions:</b>				
Shares issued	-	19,702	21,974	19,702
Net increase in net assets resulting from capital share transactions	<u>-</u>	<u>19,702</u>	<u>21,974</u>	<u>19,702</u>
Total decrease in net assets from operations and capital share transactions	<u>(900,439)</u>	<u>(3,140,712)</u>	<u>(2,708,345)</u>	<u>(1,332,732)</u>
<b>Net assets:</b>				
Beginning of period	2,599,869	6,362,005	4,407,775	4,554,025
End of period	<u>\$ 1,699,430</u>	<u>\$ 3,221,293</u>	<u>\$ 1,699,430</u>	<u>\$ 3,221,293</u>
<b>Change in Shares outstanding:</b>				
Shares outstanding at beginning of period	<u>238,960</u>	<u>233,960</u>	<u>237,560</u>	<u>233,960</u>
Shares issued	-	1,400	1,400	1,400
Net increase in Shares	<u>-</u>	<u>1,400</u>	<u>1,400</u>	<u>1,400</u>
Shares outstanding at end of period	<u>238,960</u>	<u>235,360</u>	<u>238,960</u>	<u>235,360</u>

*See accompanying notes to the unaudited financial statements.*

## **Grayscale Decentralized Finance (DeFi) Fund LLC**

### **Notes to Unaudited Financial Statements**

#### **1. Organization**

Grayscale Decentralized Finance (DeFi) Fund LLC (the “Fund”) was constituted as a Cayman Islands limited liability company on June 10, 2021 (the inception of the Fund) and commenced operations on July 14, 2021. In general, the Fund will hold digital assets. Digital assets eligible for inclusion in the Fund’s portfolio consist of digital assets that comprise the CoinDesk DeFi Select Index (the “DFX”), as rebalanced from time to time, subject to the Manager’s discretion to exclude individual digital assets in certain cases. The DFX is designed and managed by CoinDesk Indices, Inc. (the “Index Provider”), as discussed in Note 4. As of March 31, 2026, the digital assets included in the Fund’s portfolio were: Uniswap (“UNI”), Aave (“AAVE”), Ondo (“ONDO”), Curve (“CRV”), Aerodrome (“AERO”), and Lido DAO (“LDO”) (collectively, the “Fund Components”). On a quarterly basis during a period beginning 30 days before the last business day of each January, April, July, and October (each such period, an “Index Rebalancing Period”), the Manager performs an analysis and may rebalance the Fund’s portfolio based on these results in accordance with policies and procedures as set forth in the Fund’s Limited Liability Company Agreement (the “LLC Agreement”). The Fund is authorized under the LLC Agreement to create and issue an unlimited number of equal, fractional, undivided interests in the profits, losses, distributions, capital and assets of, and ownership of, the Fund (“Shares”) (in minimum baskets of 100 Shares, referred to as “Baskets”) in connection with creations. The redemption of Shares is not currently contemplated and the Fund does not currently operate a redemption program. The Fund currently has no intention of seeking regulatory approval to operate an ongoing redemption program. The Fund’s investment objective is to hold the digital assets that make up the DFX and for the value of the Shares to reflect the value of such Fund Components at any given time, less the Fund’s expenses and other liabilities.

From time to time, the Fund may hold cash in U.S. dollars and positions in digital assets as a result of a fork, airdrop or similar event through which the Fund becomes entitled to another digital asset or other property by virtue of its ownership of one or more of the digital assets it then holds (each such new asset, a “Forked Asset”).

Grayscale Investments, LLC (“GSI”) was the manager of the Fund before January 1, 2025, Grayscale Operating, LLC (“GSO”) was the co-manager of the Fund from January 1, 2025 to May 3, 2025, and Grayscale Investments Sponsors, LLC (“GSIS” or the “Manager”) was the co-manager of the Fund from January 1, 2025 to May 3, 2025 and is the sole remaining manager thereafter. GSI was, and each of GSO and GSIS are, a consolidated subsidiary of Digital Currency Group, Inc. (“DCG”). The Manager is responsible for the day-to-day administration of the Fund pursuant to the provisions of the LLC Agreement. The Manager is responsible for preparing and providing annual and quarterly reports on behalf of the Fund to investors and is also responsible for selecting and monitoring the Fund’s service providers. As partial consideration for the Manager’s services, the Fund pays the Manager a Manager’s Fee as discussed in Note 7. The Manager also acts as the sponsor and manager of other single-asset and diversified investment products, each of which is an affiliate of the Fund. Information related to the affiliated investment products can be found on the Manager’s website at [www.grayscale.com/resources/regulatory-filings](http://www.grayscale.com/resources/regulatory-filings). Any information contained on or linked from such website is not part of nor incorporated by reference into these unaudited financial statements.

Authorized Participants of the Fund are the only entities who may place orders to create or, if permitted, redeem Baskets. Grayscale Securities, LLC (“Grayscale Securities” or, in such capacity, an “Authorized Participant”), a registered broker-dealer and affiliate of the Manager, is the only Authorized Participant, and is party to a participant agreement with the Manager and the Fund. Additional Authorized Participants may be added at any time, subject to the discretion of the Manager. Liquidity Providers who are unaffiliated with the Fund may be engaged from time to time and at any time.

The custodian of the Fund is Coinbase Custody Trust Company, LLC (the “Custodian”), a third-party service provider. The Custodian is responsible for safeguarding the Fund Components and Forked Assets held by the Fund, and holding the private key(s) that provide access to the Fund’s digital wallets and vaults.

The transfer agent for the Fund (the “Transfer Agent”) is Continental Stock Transfer & Trust Company. The responsibilities of the Transfer Agent are to maintain creations, redemptions, transfers, and distributions of the Fund’s Shares which are primarily held in book-entry form.

On July 14, 2021, the Fund registered with the Cayman Islands Monetary Authority (reference number: 1894701). The Fund is registered and regulated as a private fund under the Private Funds Act (As Revised) of the Cayman Islands (the “Private Funds Act”).

**Grayscale Decentralized Finance (DeFi) Fund LLC**  
**Notes to Unaudited Financial Statements**

The Fund's Shares have traded on OTC Markets since December 22, 2022. The Fund's trading symbol on OTCQB is "DEFG" and the CUSIP number for its Shares is G4070G104.

## **2. Summary of Significant Accounting Policies**

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

The financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). The Fund 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 Fund uses fair value as its method of accounting for digital assets in accordance with its classification as an investment company for accounting purposes. The Fund is not a registered investment company under the Investment Company Act of 1940, as amended (the "Investment Company Act"). U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates and these differences could be material.

The Fund conducts its transactions in Fund Components, including receiving Fund Components for the creation of Shares and delivering Fund Components for the redemption of Shares and for the payment of the Manager's Fee. At this time, the Fund is not accepting redemption requests from shareholders. Since its inception, the Fund has not held cash or cash equivalents. The Manager will determine the Fund's net asset value ("NAV") on each business day as of 4:00 p.m., New York time, or as soon thereafter as practicable.

### **Principal Market and Fair Value Determination**

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

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

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

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

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

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

**Grayscale Decentralized Finance (DeFi) Fund LLC**  
**Notes to Unaudited Financial Statements**

Fourth, the Fund then selects a Digital Asset Market as its principal market based on the highest market-based volume, level of activity and price stability in comparison to the other Digital Asset Markets on the list. Based on information reasonably available to the Fund, Trading Platform Markets have the greatest volume and level of activity for the Fund Components. The Fund therefore looks to accessible Trading Platform Markets as opposed to the Brokered Market, Dealer Market and Principal-to-Principal Markets to determine its principal market for each Fund Component. As a result of the aforementioned analysis, a Trading Platform Market has been selected as the Fund's principal market for each Fund Component.

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

### **Investment Transactions and Revenue Recognition**

The Fund considers investment transactions to be the receipt of Fund Components for Share creations and the delivery of Fund Components for Share redemptions, or for the payment of expenses in Fund Components or the sale of Fund Components when the Manager rebalances the Fund's portfolio. At this time, the Fund is not accepting redemption requests from shareholders. The Fund records its investment transactions on a trade date basis and changes in fair value are reflected as net change in unrealized appreciation or depreciation on investments. Realized gains and losses are calculated using the specific identification method. Realized gains and losses are recognized in connection with transactions including settling obligations for the Manager's Fee and selling Fund Component(s) when the Manager rebalances the Fund's portfolio.

### **Fair Value Measurement**

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

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

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

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

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

**Grayscale Decentralized Finance (DeFi) Fund LLC**  
**Notes to Unaudited Financial Statements**

	<u>Amount at Fair Value</u>	<u>Fair Value Measurement Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>March 31, 2026</b>				
<b>Assets</b>				
Investment in UNI	\$ 744,028	\$ 744,028	\$ -	\$ -
Investment in AAVE	440,210	440,210	-	-
Investment in ONDO	251,572	251,572	-	-
Investment in CRV	93,563	93,563	-	-
Investment in AERO	88,053	88,053	-	-
Investment in LDO	82,004	82,004	-	-
	<u>\$ 1,699,430</u>	<u>\$ 1,699,430</u>	<u>\$ -</u>	<u>\$ -</u>

	<u>Amount at Fair Value</u>	<u>Fair Value Measurement Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>June 30, 2025</b>				
<b>Assets</b>				
Investment in UNI	\$ 1,672,945	\$ 1,672,945	\$ -	\$ -
Investment in AAVE	1,596,846	1,596,846	-	-
Investment in MKR	626,535	626,535	-	-
Investment in CRV	256,639	256,639	-	-
Investment in LDO	254,810	254,810	-	-
	<u>\$ 4,407,775</u>	<u>\$ 4,407,775</u>	<u>\$ -</u>	<u>\$ -</u>

**Segment Reporting**

The Chief Executive Officer and Chief Financial Officer of the Manager act as the Fund’s chief operating decision maker (“CODM”). The Fund represents a single operating segment, as the CODM monitors the operating results of the Fund as a whole and the Fund’s passive investment objective is pre-determined in accordance with the terms of the LLC Agreement. The financial information in the form of the Fund’s total returns, expense ratios and changes in net assets (i.e., changes in net assets resulting from operations and capital share transactions), which are used by the CODM to assess the segment’s performance, are consistent with that presented within the Fund’s financial statements. Segment assets are reflected on the accompanying Statements of Assets and Liabilities as Total assets and the only significant segment expense, the Manager’s Fee, related party, is included in the accompanying Statements of Operations.

**Grayscale Decentralized Finance (DeFi) Fund LLC**  
**Notes to Unaudited Financial Statements**

**3. Fair Value of Investments in Digital Assets**

The Fund Components are held by the Custodian on behalf of the Fund and are carried at fair value. The following table represents the fair value of each Fund Component using the price provided at 4:00 p.m., New York time, by the relevant Digital Asset Trading Platform Market considered to be its principal market, as determined by the Fund:

Fund Component	Principal Market	March 31, 2026	June 30, 2025
UNI	Coinbase	\$ 3.53	\$ 7.27
AAVE	Coinbase	\$ 97.96	\$ 282.97
ONDO <sup>(1)</sup>	Coinbase	\$ 0.27	N/A
CRV	Coinbase	\$ 0.22	\$ 0.53
AERO <sup>(2)</sup>	Coinbase	\$ 0.33	N/A
LDO	Coinbase	\$ 0.33	\$ 0.76
MKR <sup>(2)</sup>	Coinbase	N/A	\$ 1,976.52

(1) Effective July 3, 2025, the Manager adjusted the Fund's portfolio by selling the existing Fund Components in proportion to their respective weightings and using the cash proceeds to purchase ONDO in accordance with the DFX Methodology. See Note 5. Portfolio Rebalancing for a description of the portfolio rebalancing.

(2) Effective October 3, 2025, the Manager removed MKR from the Fund's portfolio and used the cash proceeds to purchase AERO and adjusted the existing Fund Components in proportion to their respective weightings and in accordance with the DLCS Methodology. See Note 5. Portfolio Rebalancing for a description of the portfolio rebalancing.

The following represents the changes in quantity of each Fund Component and their respective fair values:

	Quantity	Fair Value
<b>UNI balance at June 30, 2024</b>	264,608.68520123	\$ 2,431,754
UNI contributed	1,327.33750002	8,349
Net UNI distributed from portfolio rebalancing	(38,317.53359115)	(588,501)
UNI distributed for Manager's Fee, related party	(4,687.97222481)	(42,727)
Net change in unrealized appreciation/depreciation on investments in UNI	-	(393,110)
Net realized loss on investment in UNI	-	(82,641)
<b>UNI balance at March 31, 2025</b>	222,930.51688529	\$ 1,333,124
	<b>Quantity</b>	<b>Fair Value</b>
<b>UNI balance at June 30, 2025</b>	230,116.42060115	\$ 1,672,945
UNI contributed	1,142.74787018	7,200
Net UNI distributed from portfolio rebalancing	(16,826.40356410)	(154,050)
UNI distributed for Manager's Fee, related party	(3,779.43704675)	(25,074)
Net change in unrealized appreciation/depreciation on investments in UNI	-	(435,836)
Net realized loss on investment in UNI	-	(321,157)
<b>UNI balance at March 31, 2026</b>	210,653.32786048	\$ 744,028

**Grayscale Decentralized Finance (DeFi) Fund LLC**  
**Notes to Unaudited Financial Statements**

	<b>Quantity</b>	<b>Fair Value</b>
<b>AAVE balance at June 30, 2024</b>	5,125.18895292	\$ 488,584
AAVE contributed	33.94551412	5,757
Net AAVE contributed from portfolio rebalancing	641.72372793	207,293
AAVE distributed for Manager’s Fee, related party	(99.60210968)	(19,392)
Net change in unrealized appreciation/depreciation on investment in AAVE	-	229,375
Net realized loss on investment in AAVE	-	(2,610)
<b>AAVE balance at March 31, 2025</b>	5,701.25608529	\$ 909,007
	<b>Quantity</b>	<b>Fair Value</b>
<b>AAVE balance at June 30, 2025</b>	5,643.16185514	\$ 1,596,846
AAVE contributed	28.17846514	6,337
Net AAVE distributed from portfolio rebalancing	(1,088.54349835)	(276,219)
AAVE distributed for Manager’s Fee, related party	(89.03380123)	(18,997)
Net change in unrealized appreciation/depreciation on investment in AAVE	-	(902,018)
Net realized gain on investment in AAVE	-	34,261
<b>AAVE balance at March 31, 2026</b>	4,493.76302070	\$ 440,210
	<b>Quantity</b>	<b>Fair Value</b>
<b>ONDO balance at June 30, 2025</b>	-	\$ -
ONDO contributed	5,843.24997592	4,229
Net ONDO contributed from portfolio rebalancing	939,768.89358324	765,869
ONDO distributed for Manager’s Fee, related party	(18,294.65922375)	(11,481)
Net change in unrealized appreciation/depreciation on investment in ONDO	-	(491,666)
Net realized loss on investment in ONDO	-	(15,379)
<b>ONDO balance at March 31, 2026</b>	927,317.48433541	\$ 251,572

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	<u>Quantity</u>	<u>Fair Value</u>
<b>CRV balance at June 30, 2024</b>	-	\$ -
CRV contributed	2,819.31835934	1,247
Net CRV contributed from portfolio rebalancing	473,510.09596010	522,163
CRV distributed for Manager's Fee, related party	(2,816.00941786)	(1,693)
Net change in unrealized appreciation/depreciation on investments in CRV	-	(288,005)
Net realized gain on investment in CRV	-	2,002
<b>CRV balance at March 31, 2025</b>	<u>473,513.40490158</u>	<u>\$ 235,714</u>

	<u>Quantity</u>	<u>Fair Value</u>
<b>CRV balance at June 30, 2025</b>	488,463.08243337	\$ 256,639
CRV contributed	2,599.79624086	1,372
Net CRV distributed from portfolio rebalancing	(54,637.01436834)	(27,336)
CRV distributed for Manager's Fee, related party	(8,221.22961413)	(4,340)
Net change in unrealized appreciation/depreciation on investments in CRV	-	(95,412)
Net realized loss on investment in CRV	-	(37,360)
<b>CRV balance at March 31, 2026</b>	<u>428,204.63469176</u>	<u>\$ 93,563</u>

	<u>Quantity</u>	<u>Fair Value</u>
<b>AERO balance at June 30, 2025</b>	-	\$ -
AERO contributed	1,654.67192464	1,332
Net AERO contributed from portfolio rebalancing	268,394.05025446	330,208
AERO distributed for Manager's Fee, related party	(3,389.11322450)	(1,997)
Net change in unrealized appreciation/depreciation on investment in AERO	-	(231,322)
Net realized loss on investment in AERO	-	(10,168)
<b>AERO balance at March 31, 2026</b>	<u>266,659.60895460</u>	<u>\$ 88,053</u>

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	<b>Quantity</b>	<b>Fair Value</b>
<b>LDO balance at June 30, 2024</b>	308,969.80810615	\$ 602,491
LDO contributed	2,026.10243346	1,876
Net LDO contributed from portfolio rebalancing	35,254.41524237	69,128
LDO distributed for Manager’s Fee, related party	(5,960.03582709)	(8,496)
Net change in unrealized appreciation/depreciation on investment in LDO	-	(366,904)
Net realized loss on investment in LDO	-	(3,744)
<b>LDO balance at March 31, 2025</b>	340,290.28995489	\$ 294,351
	<b>Quantity</b>	<b>Fair Value</b>
<b>LDO balance at June 30, 2025</b>	335,718.31339721	\$ 254,810
LDO contributed	1,660.53951000	1,504
Net LDO distributed from portfolio rebalancing	(83,721.30303861)	(64,320)
LDO distributed for Manager’s Fee, related party	(5,158.52960267)	(4,065)
Net change in unrealized appreciation/depreciation on investment in LDO	-	3,411
Net realized loss on investment in LDO	-	(109,336)
<b>LDO balance at March 31, 2026</b>	248,499.02026593	\$ 82,004
	<b>Quantity</b>	<b>Fair Value</b>
<b>MKR balance at June 30, 2024</b>	320.87176591	\$ 808,083
MKR contributed	2.01324648	2,473
Net MKR contributed from portfolio rebalancing	21.25046229	37,089
MKR distributed for Manager’s Fee, related party	(6.00438724)	(9,810)
Net change in unrealized appreciation/depreciation on investment in MKR	-	(381,118)
Net realized loss on investment in MKR	-	(7,620)
<b>MKR balance at March 31, 2025</b>	338.13108744	\$ 449,097
	<b>Quantity</b>	<b>Fair Value</b>
<b>MKR balance at June 30, 2025</b>	316.98914101	\$ 626,535
MKR contributed	-	-
Net MKR distributed from portfolio rebalancing	(315.98641949)	(574,152)
MKR distributed for Manager’s Fee, related party	(1.00272152)	(1,829)
Net change in unrealized appreciation/depreciation on investment in MKR	-	(38,240)
Net realized loss on investment in MKR	-	(12,314)
<b>MKR balance at March 31, 2026</b>	-	\$ -

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#### **4. Portfolio Rebalancing**

The Fund Components consist of the digital assets that make up the DFX, as rebalanced from time to time, subject to the Manager's discretion to exclude individual digital assets in certain cases. The DFX is designed and managed by the Index Provider. The process followed by the Index Provider to determine the digital assets included in the DFX and their respective weightings in the DFX is referred to as the "DFX Methodology."

The Index Provider reviews the DFX for rebalancing according to the DFX Methodology quarterly during a period beginning 14 days before the second business day of each January, April, July, and October (each such period, an "Index Rebalancing Period"). At the start of each Index Rebalancing Period, the Index Provider applies the DFX Methodology to determine any changes to the Index Components and the respective weightings of the Index Components within DFX, as determined by the Index Provider based on market capitalization criteria (the "Index Weightings"), after which the Manager rebalances the Fund's portfolio accordingly, subject to application of the Exclusion Criteria. In order to rebalance the Fund's portfolio, the Manager will (i) determine whether any Fund Components have been removed from the DFX and should therefore be removed as Fund Components, (ii) determine whether any new digital assets have been added to the DFX and should therefore be included as Fund Components, and (iii) determine how much cash and Forked Assets the Fund holds. If a Fund Component is no longer included in the DFX, the Manager will adjust the Fund's portfolio by selling such Fund Component in the Digital Asset Markets in proportion to their respective weightings in the Fund ("Weightings") and using the cash proceeds to purchase additional tokens of the remaining Fund Components and, if applicable, any new Fund Component in proportion to their respective Weightings. The Weightings of each Fund Component are generally expected to be the same as the weighting of each digital asset in the DFX except when the Manager exercises its limited discretion to exclude one or more digital assets included in the DFX from the Fund Components in certain rules-based circumstances, in which case the Weightings are generally expected to be calculated proportionally to the respective Index Weightings for the remaining Index Components. If a digital asset not then included in the Fund's portfolio is newly eligible for inclusion in the Fund's portfolio because it was added to the DFX and not excluded through the Exclusion Criteria, the Manager will adjust the Fund's portfolio by selling tokens of the then-current Fund Components in the Digital Asset Markets in proportion to their respective Weightings and using the cash proceeds to purchase tokens of the newly eligible digital assets.

The Manager rebalances the Fund's portfolio quarterly during a period beginning on the second business day of each January, April, July and October (each such period, a "Fund Rebalancing Period"). From and after April 1, 2026, the Manager will rebalance the Fund's portfolio quarterly during a period beginning on the last business day of each January, April, July and October. The Manager expects each Fund Rebalancing Period to last between one and five business days. The DFX, and therefore the Fund, may also be rebalanced mid-quarter, prior to the Index Rebalancing Period under extraordinary circumstances, if, for example, a digital asset is removed from the Index.

On July 3, 2024, the Index Provider completed the quarterly rebalancing of the DFX and determined that UNI, LDO, MKR, AAVE, and SNX met the inclusion criteria of the DFX Index. On July 3, 2024, following the rebalancing of the Index, the Manager completed its quarterly review of the Fund's portfolio and initiated the process of rebalancing the Fund. The Manager adjusted the Fund's portfolio by purchasing and selling the existing Fund Components in proportion to their respective weightings. As a result of the rebalancing, no new tokens were added or removed from the Fund. On July 3, 2024, following the rebalancing, the Fund recognized a realized gain of \$3,922 in connection with the sale of 527.14358767 UNI and 477.71540857 SNX to purchase 21.30162095 AAVE, 724.77697225 LDO, and 0.91069714 MKR.

On October 3, 2024, the Index Provider completed the quarterly rebalancing of the DFX and determined that UNI, LDO, MKR, AAVE, and SNX met the inclusion criteria of the DFX Index. On October 3, 2024, following the rebalancing of the Index, the Manager completed its quarterly review of the Fund's portfolio and initiated the process of rebalancing the Fund. The Manager adjusted the Fund's portfolio by purchasing and selling the existing Fund Components in proportion to their respective weightings. As a result of the rebalancing, no new tokens were added or removed from the Fund. On October 3, 2024, following the rebalancing, the Fund recognized a realized gain of \$10,240 in connection with the sale of 14.32966029 MKR to purchase 59.21583974 AAVE, 862.55823284 LDO, 1,601.16726784 UNI, and 688.00101713 SNX.

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On January 4, 2025, the Index Provider completed the quarterly rebalancing of the DFX and determined that UNI, LDO, MKR, AAVE, and CRV met the inclusion criteria of the DFX Index. On January 4, 2025, following the rebalancing of the Index, the Manager completed its quarterly review of the Fund's portfolio and initiated the process of rebalancing the Fund. The Manager adjusted the Fund's portfolio by selling SNX and existing Fund Components in proportion to their respective weightings, and using the cash proceeds to purchase CRV and the existing Fund Components in proportion to their respective weightings. As a result of the rebalancing, SNX was removed from the Fund and CRV was added to the Fund. On January 4, 2025, following the rebalancing, the Fund recognized a realized gain of \$20,631 in connection with the sale of 112,600.01819046 SNX and 39,391.55727132 UNI to purchase 561.20626724 AAVE, 33,667.08003728 LDO, 34.66942544 MKR, and 473,510.09596010 CRV.

On April 3, 2025, the Index Provider completed the quarterly rebalancing of the DFX and determined that UNI, LDO, MKR, AAVE, and CRV met the inclusion criteria of the DFX Index. On April 3, 2025, following the rebalancing of the Index, the Manager completed its quarterly review of the Fund's portfolio and initiated the process of rebalancing the Fund. The Manager adjusted the Fund's portfolio by purchasing and selling the existing Fund Components in proportion to their respective weightings. As a result of the rebalancing, no new tokens were added or removed from the Fund. On April 3, 2025, following the rebalancing, the Fund recognized a net realized gain of \$21,402 in connection with the sale of 22.11085849 MKR, 5,600.57728762 LDO and 75.38677204 AAVE to purchase 13,450.12606135 CRV and 6,479.44093109 UNI.

On July 3, 2025, the Index Provider completed the quarterly rebalancing of the DFX and determined that UNI, LDO, MKR, AAVE, CRV, and ONDO met the inclusion criteria of the DFX Index. On July 3, 2025, following the rebalancing of the Index, the Manager completed its quarterly review of the Fund's portfolio and initiated the process of rebalancing the Fund. The Manager adjusted the Fund's portfolio by selling the existing Fund Components in proportion to their respective weightings and using the cash proceeds to purchase ONDO. As a result of the rebalancing, ONDO was added to the Fund. No existing tokens were removed from the Fund. On July 3, 2025, following the rebalancing, the Fund recognized a net realized loss of (\$276,422) in connection with the sale of 30,677.27202007 UNI, 735.82430286 AAVE, 164.23406837 MKR, 46,565.13611908 CRV and 45,471.74306908 LDO to purchase 1,020,457.8427046 ONDO.

On October 3, 2025, the Index Provider completed the quarterly rebalancing of the DFX and determined that UNI, LDO, AAVE, CRV, ONDO, and AERO met the inclusion criteria of the DFX Index. On October 3, 2025, following the rebalancing of the Index, the Manager completed its quarterly review of the Fund's portfolio and initiated the process of rebalancing the Fund. The Manager adjusted the Fund's portfolio by selling MKR and the existing Fund Components in proportion to their respective weightings and using the cash proceeds to purchase AERO. As a result of the rebalancing, AERO was added and MKR was removed from the Fund. On October 3, 2025, following the rebalancing, the Fund recognized a net realized loss of (\$54,061) in connection with the sale of 3,981.18643904 UNI, 87.70493894 AAVE, 151.75235112 MKR, 6,221.51244320 LDO, and 21,172.29448393 ONDO to purchase 281,159.08637044 AERO and 2,697.4757965300 CRV.

On January 6, 2026, the Index Provider completed the quarterly rebalancing of the DFX and determined that UNI, LDO, AAVE, CRV, ONDO, and AERO met the inclusion criteria of the DFX Index. On January 6, 2026, following the rebalancing of the Index, the Manager completed its quarterly review of the Fund's portfolio and initiated the process of rebalancing the Fund. The Manager adjusted the Fund's portfolio by selling the existing Fund Components in proportion to their respective weightings and using the cash proceeds to purchase UNI. As a result of the rebalancing, no new tokens were added or removed from the Fund. On October 3, 2025, following the rebalancing, the Fund recognized a net realized loss of (\$90,648) in connection with the sale of 265,01425655 AAVE, 59,516.65463743 ONDO, 10,769.35404579 CRV, 32,028.04752633 LDO, and 12,765.03611598 AERO, to purchase 17,832.05489501 UNI.

## **5. Creations and Redemptions of Shares**

The Fund creates (and, should the Fund commence a redemption program, redeems) Shares from time to time, but only in one or more Baskets issued to the Authorized Participant in exchange for the delivery of tokens of each Fund Component to the Fund, or the distribution of tokens of each Fund Component by the Fund, plus cash representing the Forked Asset portion, if any, and the U.S. Dollar portion, if any.

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The amount of tokens of each Fund Component required for each Creation Basket or redemption Basket is determined by dividing (x) the total amount of tokens of such Fund Component held by the Fund at 4:00 p.m., New York time, on such trade date of a creation or redemption order, after deducting the amount of tokens of each Fund Component payable as the Manager's Fee and the amount of tokens of such Fund Component payable as a portion of Additional Fund Expenses (as defined in Note 7), by (y) the number of Shares outstanding at such time and multiplying the quotient obtained by 100. Each Share represented approximately 0.8815 UNI, 0.0188 AAVE, 3.8806 ONDO, 1.7920 CRV, 1.1159 AERO, and 1.0399 LDO at March 31, 2026. Each Share represented approximately 0.9687 UNI, 0.0238 AAVE, 0.0013 MKR, 2.0562 CRV, and 1.4132 LDO at June 30, 2025. The decrease in the amount of Fund Components represented by each Share is primarily a result of the periodic withdrawal of Fund Components to pay the Manager's Fee.

At this time, the Fund is not operating a redemption program and is not accepting redemption requests. Subject to receipt of regulatory approval and approval by the Manager in its sole discretion, the Fund may in the future operate a redemption program. The Fund currently has no intention of seeking regulatory approval to operate an ongoing redemption program. Further, the Fund is registered and regulated as a private fund under the Private Funds Act. The Cayman Islands Monetary Authority has supervisory and enforcement powers to ensure the Fund's compliance with the Private Funds Act. Before the Fund is able to effect open redemptions as an open-ended Fund, it will be required to meet the requirements of, and register with, the Cayman Islands Monetary Authority and be regulated as a mutual fund under the Mutual Funds Act (As Revised) of the Cayman Islands.

## **6. Income Taxes**

The Government of the Cayman Islands does not, and will not, under existing Cayman law, impose any income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax upon the Fund or the shareholders. Interest, dividends and gains payable to the Fund and all distributions by the Fund to shareholders will be received free of any Cayman Islands income or withholding taxes.

The Fund has elected to be treated as a corporation for U.S. federal income tax purposes. The Manager believes that the Fund will not be treated as engaged in a trade or business in the United States and thus will not derive income that is treated as "effectively connected" with the conduct of a trade or business in the United States ("effectively connected income") under the U.S. Internal Revenue Code of 1986, as amended (the "Code") and corresponding tax regulations (e.g., including under Sections 861 through 865). There can, however, be no complete assurance in this regard. If the Fund were treated as engaged in a trade or business in the United States, it would be subject to U.S. federal income tax, at the rates applicable to U.S. corporations (currently, at the rate of 21%), on its net effectively connected income. Any such income might also be subject to U.S. state and local income taxes. In addition, the Fund would be subject to a 30% U.S. branch profits tax in respect of its "dividend equivalent amount," as defined in Section 884 of the Code, attributable to its effectively connected income (generally, the after-tax amount of certain effectively connected income that is not treated as reinvested in the trade or business).

If the Fund were treated as engaged in a trade or business in the United States during any taxable year, it would be required to file a U.S. federal income tax return for that year, regardless of whether it recognized any effectively connected income. If the Fund did not file U.S. federal income tax returns and were later determined to have engaged in a U.S. trade or business, it would generally not be entitled to offset its effectively connected income and gains against its effectively connected losses and deductions (and, therefore, would be taxable on its gross, rather than net, effectively connected income). If the Fund recognizes any effectively connected income, the imposition of U.S. taxes on such income may have a substantial adverse effect on the return to shareholders.

Due to the new and evolving nature of digital assets and a general absence of clearly controlling authority with respect to digital assets, many significant aspects of the U.S. federal income tax treatment of digital assets (including with respect to the amount, timing, and character of income recognition) are uncertain. The Manager believes that, in general, gains and losses recognized by the Fund from the sale or other disposition of digital assets will be treated as capital gains or losses. However, it is possible that the IRS will not agree with the Fund's U.S. federal tax treatment of digital assets.

In accordance with U.S. GAAP, the Fund has defined the threshold for recognizing the benefits of tax positions in the financial statements as "more-likely-than-not" to be sustained by the applicable taxing authority and requires measurement of a tax position meeting the "more-likely-than-not" threshold, based on the largest benefit that is more than

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50% likely to be realized. Tax positions deemed to meet the “more-likely-than-not” threshold are recorded as a tax benefit in the current period. As of, and during the periods ended March 31, 2026 and June 30, 2025, the Fund did not have a liability for any unrecognized tax amounts. However, the Manager’s conclusions concerning its determination of “more-likely-than-not” tax positions may be subject to review and adjustment at a later date based on factors including, but not limited to, further implementation guidance, and ongoing analyses of and changes to tax laws, regulations and interpretations thereof.

The Manager of the Fund has evaluated whether or not there are uncertain tax positions that require financial statement recognition and has determined that no reserves for uncertain tax positions related to federal, state and local income taxes existed as of March 31, 2026 or June 30, 2025.

## **7. Related Parties**

The Fund considered the following entities, their directors, and certain employees to be related parties of the Fund as of March 31, 2026: DCG, GSO, GSIS, and Grayscale Securities. As of March 31, 2026 and June 30, 2025, 30,966 and 35,509 Shares of the Fund were held by related parties of the Fund, respectively.

In accordance with the LLC Agreement governing the Fund, the Fund pays a fee to the Manager, calculated as 2.5% of the aggregate value of the Fund’s digital asset holdings, less its liabilities (which include any accrued but unpaid expenses up to, but excluding, the date of calculation), as calculated and published by the Manager or its delegates (the “Manager’s Fee”). The Manager’s Fee accrues daily in U.S. dollars and is payable in Fund Components then held by the Fund in proportion to their respective Fund Component’s Weighting. The U.S. dollar amount of the Manager’s Fee will be converted into Fund Components on a daily basis by multiplying such U.S. dollar amount by the Weighting for each Fund Component and dividing the resulting product for each Fund Component by the U.S. dollar value for such Fund Component on such day. For purposes of these financial statements, the U.S. dollar value of Fund Components is determined by reference to the Digital Asset Trading Platform Market that the Fund considers its principal market as of 4:00 p.m., New York time, on each valuation date. No Forked Assets have been distributed in payment of the Manager’s Fee during the three and nine months ended March 31, 2026 and 2025.

As partial consideration for receipt of the Manager’s Fee, the Manager shall assume and pay all fees and other expenses incurred by the Fund in the ordinary course of its affairs, excluding taxes, but including marketing fees; the administrator fee, if any; custodian fees; transfer agent fees; the fees and expenses related to the listing, quotation or trading of the Shares on any secondary market (including customary legal, marketing and audit fees and expenses) in an amount up to \$600,000 in any given fiscal year; ordinary course legal fees and expenses; audit fees; regulatory fees, including, if applicable, any fees relating to the registration of the Shares under the Securities Act or the Exchange Act and fees relating to registration and any other regulatory requirements in the Cayman Islands; printing and mailing costs; the costs of maintaining the Fund’s website and applicable license fees (together, the “Manager-paid Expenses”).

The Fund may incur certain extraordinary, non-recurring expenses that are not Manager-paid Expenses, including, but not limited to, taxes and governmental charges, expenses and costs of any extraordinary services performed by the Manager (or any other service provider) on behalf of the Fund to protect the Fund or the interests of shareholders (including in connection with any Forked Assets), any indemnification of the Custodian or other agents, service providers or counterparties of the Fund, the fees and expenses related to the listing, quotation or trading of the Shares on any secondary market (including legal, marketing and audit fees and expenses) to the extent exceeding \$600,000 in any given fiscal year and extraordinary legal fees and expenses, including any legal fees and expenses incurred in connection with litigation, regulatory enforcement or investigation matters (collectively “Additional Fund Expenses”).

In such circumstances, the Manager or its delegate (i) will instruct the Custodian to withdraw from the digital asset accounts Fund Components in proportion to their respective Weightings at such time and in such quantity as may be necessary to permit payment of such Additional Fund Expenses and (ii) may either (x) cause the Fund (or its delegate) to convert such Fund Components into U.S. dollars or other fiat currencies at the price per single unit of such asset (determined net of any associated fees) at which the Fund is able to sell such asset or (y) when the Manager incurs such expenses on behalf of the Fund, cause the Fund (or its delegate) to deliver such Fund Components, and/or Forked Assets in kind to the Manager, in each case in such quantity as may be necessary to permit payment of such Additional Fund Expenses.

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For the three months ended March 31, 2026 and 2025, the Fund incurred Manager's Fees of \$12,852 and \$29,753, respectively. For the nine months ended March 31, 2026 and 2025, the Fund incurred Manager's Fees of \$67,783 and \$84,627, respectively. As of March 31, 2026 and June 30, 2025, there were no accrued and unpaid Manager's Fees. In addition, the Manager may pay Additional Fund Expenses on behalf of the Fund, which are reimbursable by the Fund to the Manager.

For the three and nine months ended March 31, 2026 and 2025, the Manager did not pay any Additional Fund Expenses on behalf of the Fund.

**8. Concentration Risk**

The Fund's investment portfolio is concentrated in the Fund Components, and its net asset value and results of operations are directly affected by the price of the Fund Components, which have historically been highly volatile. As a result, the Fund may experience significant fluctuations in net asset value, including periods of substantial losses. This concentration also exposes the Fund to risks specific to the Fund Components and their supporting infrastructures, including market liquidity constraints and operational or cybersecurity risks associated with the custody and transfer of the Fund Components.

**9. Financial Highlights Per Share Performance**

	<b>Three Months Ended</b>		<b>Nine Months Ended March 31,</b>	
	<b>March 31,</b>		<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>	<b>2026</b>	<b>2025</b>
<b>Per Share Data:</b>				
Principal Market NAV, beginning of period	\$ 10.88	\$ 27.19	\$ 18.55	\$ 19.46
Net decrease in net assets from investment operations				
Net investment loss	(0.05)	(0.13)	(0.28)	(0.36)
Net realized and unrealized loss	(3.72)	(13.37)	(11.16)	(5.41)
Net decrease in net assets resulting from operations	(3.77)	(13.50)	(11.44)	(5.77)
Principal Market NAV, end of period	<u>\$ 7.11</u>	<u>\$ 13.69</u>	<u>\$ 7.11</u>	<u>\$ 13.69</u>
Total return	<u>-34.65%</u>	<u>-49.65%</u>	<u>-61.67%</u>	<u>-29.65%</u>
<i>Ratios to average net assets:</i>				
Net investment loss	<u>-2.50%</u>	<u>-2.50%</u>	<u>-2.50%</u>	<u>-2.50%</u>
Expenses	<u>-2.50%</u>	<u>-2.50%</u>	<u>-2.50%</u>	<u>-2.50%</u>

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

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

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

**10. Indemnifications**

In the normal course of business, the Fund enters into certain contracts that provide a variety of indemnities, including contracts with the Manager and affiliates of the Manager, DCG and its officers, directors, employees, subsidiaries and affiliates, and the Custodian as well as others relating to services provided to the Fund. The Fund's maximum exposure

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under these and its other indemnities is unknown. However, no liabilities have arisen under these indemnities in the past and, while there can be no assurances in this regard, there is no expectation that any will occur in the future. Therefore, the Manager does not consider it necessary to record a liability in this regard.

## **11. Subsequent Events**

### **Quarterly Rebalance**

On April 30, 2026, the Index Provider completed the quarterly rebalancing of the DFX and determined that UNI, AAVE, ONDO, ENA, CRV, and LDO met the inclusion criteria of the DFX Index. On April 30, 2026, following the rebalancing of the Index, the Manager completed its quarterly review of the Fund's portfolio and initiated the process of rebalancing the Fund. The Manager adjusted the Fund's portfolio by purchasing and selling existing Fund Components in proportion to their respective weightings and using the cash proceeds to purchase ONDO and ENA. As a result of the rebalancing, AERO was removed from the Fund and ENA has been added to the Fund. As of May 1, 2026, following the rebalancing, the Fund Components consisted of 35.22% UNI, 21.36% AAVE, 19.83% ONDO, 13.59% ENA, 5.27% CRV, and 4.73% LDO and each of the Fund's Shares represented 0.7572 UNI, 0.0160 AAVE, 5.0631 ONDO, 9.0898 ENA, 1.5664 CRV, and 0.8835 LDO.

### **Ethena**

ENA is the primary digital asset of the Ethena Protocol, a decentralized protocol consisting of smart contracts deployed on a public blockchain that leverages cryptographic and algorithmic mechanisms to enable financial applications. No single entity owns or operates the Ethena protocol; rather, it is maintained by a distributed set of participants interacting with the protocol's underlying infrastructure.

The Ethena Protocol is designed to create a crypto-native alternative to traditional stablecoins by issuing dollar-denominated assets that do not rely on off-chain fiat reserves. Through products such as USDe, a delta-neutral synthetic stablecoin, the protocol is intended to use collateralized positions and derivative hedging strategies to maintain stablecoin price stability while generating yield. This structure is intended to provide a scalable, censorship-resistant and on-chain currency, while also addressing reliance on centralized stablecoin issuers and traditional banking infrastructure.

ENA tokens are native to the Ethena Protocol and function as its primary governance and utility asset. ENA holders may participate in protocol governance, including voting on key parameters such as risk frameworks, collateral composition, and protocol upgrades. In addition, ENA may be staked to receive a staked representation (sENA), which can provide enhanced governance participation and access to ecosystem incentives, including potential rewards, allocations, or other programmatic benefits within the protocol.

ENA was introduced in connection with the development and launch of the Ethena Protocol and its associated ecosystem, including the rollout of USDe and related products in 2024. Since launch, the protocol has experienced increased adoption, with USDe reaching significant market capitalization.

### **Board of Managers**

As previously disclosed, on October 22, 2025, GSOIH consummated an internal corporate reorganization (the "Management Reorganization"). As a result of the Management Reorganization, as of October 22, 2025, (i) Grayscale Investments, Inc. ("Grayscale Investments") is the sole managing member of GSO, the sole member of the Manager and (ii) the Board of Directors of Grayscale Investments became responsible for managing and directing the affairs of the Manager, and consists of Barry Silbert, Mark Shifke, Simon Koster, Peter Mintzberg and Edward McGee.

On May 4, 2026, a Board of Managers of Grayscale Investments Sponsors, LLC was created to manage and direct the affairs of the Manager, under authority delegated by the board of Grayscale Investments. While the board of Grayscale Investments retains overall oversight of Grayscale Investments and its subsidiaries as a whole, including the Manager, the Board of Managers of the Manager consists of Peter Mintzberg, Edward McGee, and Craig Salm. Mr. Mintzberg, Mr. McGee, and Mr. Salm are granted authority to manage the day-to-day affairs of the Manager under the amended and restated limited liability company agreement of the Manager.

The Manager has evaluated all subsequent events through the issuance of the financial statements and has noted no other events requiring adjustment or additional disclosure in the financial statements other than the item noted above.