

# AETH

# Bitwise Ethereum Strategy ETF

## Why Invest in AETH?

**Ethereum-Linked Exposure in an ETF Wrapper:** AETH provides Ethereum-linked exposure in a traditional, regulated ETF, available to all investors through traditional brokerage accounts. The fund achieves its exposure by investing in CME Ether Futures Contracts.

**The Heart of Crypto Innovation:** Bitwise CIO Matt Hougan calls Ethereum “the world’s most exciting crypto asset.” Today, a majority of the most popular crypto applications—from Decentralized Finance (DeFi) to stablecoins to nonfungible tokens (NFTs)—are built on Ethereum. These apps support millions of users and billions of annual transactions.

**A Revenue-Driven Asset:** Ethereum is unlike many crypto assets in that its value is driven by the use of the Ethereum blockchain. Every time someone uses an application built on Ethereum they have to pay a fee using the Ethereum asset. This fee directly benefits investors in a manner that is similar to stock buybacks and dividends.

## Growth of \$10,000 Since Inception



The line graph represents the cumulative performance of a hypothetical \$10,000 investment. The returns are net of the ETF’s expenses but do not reflect the payment of any brokerage commissions or brokerage costs incurred as a result of buying or selling fund shares and do not reflect the deduction of taxes to which an investor would be subject as a result of owning or selling shares of the fund. If they did, the returns would be lower than those shown. Fund inception date was September 29, 2023.

## Fund Performance

— As of June 30, 2024

	ANNUALIZED						SINCE INCEPTION <sup>(1)</sup>
	1MO	3MO	YTD	1YR	3YR	5YR	
AETH (NAV)	-11.33%	-7.69%	36.32%	—	—	—	87.54%
AETH (MARKET PRICE)	-11.33%	-7.70%	36.32%	—	—	—	87.55%
S&P 500 INDEX <sup>(2)</sup>	3.59%	4.28%	15.29%	24.56%	10.06%	15.07%	28.77%

(1) Bitwise Ethereum Strategy ETF inception date: September 29, 2023.

(2) Index returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. S&P 500 is represented by the S&P 500 Total Return Index.

Performance of one year or less is not annualized. NAV and Index performance are calculated based on the official closing values as of 4:00 p.m. ET. Market Price performance reflects the midpoint of the bid-ask spread as of 4:00 p.m. ET, and does not represent the returns an investor would receive if shares were traded at other times. Fund returns are calculated net of expenses. Shares are subject to a 0.85% Expense Ratio that includes the management fee, custody charges for holding the fund’s assets charged by the custodian, and customary fees and expenses of the fund administrator and auditor.

The performance quoted represents past performance and does not guarantee future results. Short-term performance, in particular, is not a good indication of the fund’s future performance, and an investment should not be made based solely on returns. Investment return and principal value of an investment will fluctuate so that an investor’s shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-866-880-7228.

## Fund Details

— As of June 30, 2024

TICKER	AETH
CUSIP	091748301
EXCHANGE	NYSE Arca
INCEPTION DATE	September 29, 2023
NET EXPENSE RATIO <sup>(3)</sup>	0.85%
GROSS EXPENSE RATIO <sup>(4)</sup>	0.92%
AUM <sup>(5)</sup>	\$13.19 million
ADVISOR	Bitwise Investment Manager, LLC
ASSET CLASS	Ether futures
DISTRIBUTIONS	Annually

- The Expense Ratio includes the management fee, custody charges for holding the fund’s assets charged by the custodian, and customary fees and expenses of the fund administrator and auditor.
- The total annual fund operating expenses are 0.92%. The Fund’s investment adviser has contractually agreed to waive its advisory fees and/or assume as its own expense certain expenses otherwise payable by the Fund to the extent necessary to ensure that total annual fund operating expenses do not exceed 0.85% of average net daily assets until October 2, 2025.
- Assets Under Management (AUM) reflect non-GAAP, non-audited estimates by Bitwise Investment Manager, LLC. Please refer to important disclosures at the end of this document.

## Holdings

— As of June 30, 2024

NAME	NOTIONAL VALUE	MARKET VALUE	FUTURES EXPOSURE WEIGHT(%)
CME ETHER FUTURE JUL 24	\$13,016,850.00	—	100.00%
TREASURY BILL JULY 30, 2024	—	\$7,128,796.08	—
CASH	—	\$6,624,659.25	—

Holdings are subject to change. Current and future holdings are subject to risk.

## Investment Strategy

The Fund provides actively managed exposure to regulated Ether Futures Contracts and investments in short-term debt securities. The fund will typically invest in the “front-month” Ether Futures Contracts, meaning the contract with the shortest time to expiration, and will “roll” its exposure into new contracts prior to expiration. **The Fund does not invest directly in Ethereum.**

## Fund Characteristics

BETA	2.02 <sup>6</sup>
SEC YIELD	2.99% <sup>7</sup>
STANDARD DEVIATION	N/A <sup>8</sup>

<sup>6</sup> Measured relative to the S&P 500 Index.

<sup>7</sup> Data as of previous month-end.

<sup>8</sup> Not enough history is currently available to calculate standard deviation.

## Glossary

**Beta** measures the volatility of the Fund price relative to the volatility in the market index; can also be defined as the percent change in the price of the Fund given a 1% change in the market index.

**The Bloomberg U.S. Aggregate Bond Index** is designed to measure the performance of publicly issued U.S. dollar denominated investment-grade debt.

**Correlation** measures the degree to which a pair of variables are linearly related.

**Gold** is represented by the spot gold price with data from Bloomberg.

**The S&P 500 TR Index**, or Standard & Poor's 500 Total Return Index, is a market-capitalization-weighted index of 500 leading publicly traded companies in the U.S.

**SEC Yield:** The 30-day SEC yield reflects the dividends and interest earned during the previous month, after the deduction of the fund's expenses. This is also referred to as the "standardized yield."

**Standard Deviation** is a statistical measurement measuring return variability.

## Correlations

— As of June 30, 2024

	S&P 500	US AGG BOND	GOLD	BITCOIN	ETHEREUM
NEAR-MONTH ETHER FUTURES CONTRACT	0.21	0.06	0.07	0.79	0.99

Correlations exclude weekends and market holidays. Bitcoin is represented by the spot bitcoin price. Ethereum is represented by the spot Ethereum price. See glossary for index definitions.

The Bitwise Ethereum Strategy ETF does not invest directly in Ethereum. Past performance is no guarantee of future results.

## About Bitwise

Bitwise Asset Management is the largest crypto index fund manager in America. Thousands of financial advisors, family offices, and institutional investors partner with Bitwise to understand and access the opportunities in crypto. For six years, Bitwise has established a track record of excellence managing a broad suite of index and active solutions across ETFs, separately managed accounts, private funds, and hedge fund strategies. Bitwise is known for providing unparalleled client support through expert research and commentary, its nationwide client team of crypto specialists, and its deep access to the crypto ecosystem. The Bitwise team of more than 60 professionals combines expertise in technology and asset management with backgrounds including BlackRock, Millennium, ETF.com, Meta, Google, and the U.S. Attorney's Office. Bitwise is backed by leading institutional investors and has been profiled in Institutional Investor, Barron's, Bloomberg, and The Wall Street Journal. It has offices in San Francisco and New York. For more information, visit [www.bitwiseinvestments.com](http://www.bitwiseinvestments.com).

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## Risks and Important Information

**Carefully consider the investment objectives, risk factors, charges, and expenses of the Bitwise Ethereum Strategy ETF before investing. This and additional information can be found in the Fund's full or summary prospectus, which may be obtained by visiting <https://www.aethetf.com/materials>. Investors should read it carefully before investing.**

Investing involves risk, including the possible loss of principal. There is no guarantee or assurance that the Fund's methodology will result in the Fund achieving positive investment returns or outperforming other investment products.

**The Fund invests in Ether Futures Contracts. The Fund does not invest directly in or hold Ethereum.** As a result, the price of Ethereum Futures Contracts should be expected to differ from the current cash price of Ethereum, which is sometimes referred to as the "spot" price of Ethereum. Consequently, the performance of the Fund should be expected to perform differently from the spot price of Ethereum. These differences could be significant. Investors seeking direct exposure to the price of Ethereum should consider an investment other than the Fund.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns.

**Risk of Loss.** The prices of Ethereum and Ethereum Futures Contracts have historically been highly volatile. The value of the Fund's investments in Ethereum Futures Contracts—and therefore the value of an investment in the Fund—could decline significantly and without warning, including to zero, and you may lose the full value of your investment within a single day. If you are not prepared to accept significant and unexpected changes in the value of the Fund and the possibility that you could lose your entire investment in the Fund you should not invest in the Fund.

**Liquidity Risk.** The market for Bitcoin and Ether Futures Contracts is still developing and may be subject to periods of illiquidity. During such times it may be difficult or impossible to buy or sell a position at the desired price. Market disruptions or volatility can also make it difficult to find a counterparty willing to transact at a reasonable price and sufficient size.

**Cost of Futures Investment Risk.** Ethereum Futures Contracts have historically experienced extended periods of contango. Contango in the Ethereum Futures Contracts market may have a significant adverse impact on the performance of the Fund and may cause Ethereum Futures Contracts and the Fund to underperform the spot price of Ethereum.

**Ethereum Risk.** Ethereum is a relatively new innovation and the market for Ethereum is subject to rapid price swings, changes and uncertainty. Ethereum is not legal tender and generally operates without central authority (such as a bank) and is not backed by any government. The slowing, stopping or reversing of the development of the Ethereum Network or the acceptance of Ethereum may adversely affect the price of Ethereum.

**Borrowing Risk.** The Fund may borrow for investment purposes using reverse repurchase agreements. The cost of borrowing may reduce the Fund's return. Borrowing may cause a Fund to liquidate positions under adverse market conditions to satisfy its repayment obligations. Borrowing increases the risk of loss and may increase the volatility of the Fund.

**Frequent Trading Risk.** The Fund regularly purchases and subsequently sells (i.e., "rolls") individual futures contracts throughout the year so as to maintain a fully invested position. This frequent trading of contracts may increase the amount of commissions or markups to broker-dealers that the Fund pays when it buys and sells contracts, which may detract from the Fund's performance.

**Leverage Risk.** The Fund seeks to achieve and maintain the exposure to the spot price of Ethereum by using leverage inherent in futures contracts. Therefore, the Fund is subject to leverage risk. As a result, these investments may magnify losses to the Fund, and even a small market movement may result in significant losses to the Fund. Leverage may also cause a Fund to be more volatile because it may exaggerate the effect of any increase or decrease in the value of the Fund's portfolio securities.

**New Fund Risk.** The Fund is a recently organized investment company with a limited operating history. As a result, prospective investors have a limited track record or history on which to base their investment decision.

**Nondiversification Risk.** As a nondiversified fund, the Fund may hold a smaller number of portfolio securities than many other funds. The value of the Fund Shares may be more volatile than the values of shares of more diversified funds.

Bitwise Investment Manager, LLC serves as the investment advisor of the Fund. The Fund is distributed by Foreside Fund Services, which is not affiliated with Bitwise Investment Manager LLC, Bitwise, or any of its affiliates.