

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

**FORM 10-Q**

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended March 31, 2025.

or

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission file number: 001-42141

**VanEck Ethereum ETF**  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

86-6752793  
(I.R.S. Employer  
Identification No.)

c/o VanEck Digital Assets, LLC  
Jonathan R. Simon, Esq.  
Matthew A. Babinsky, Esq.  
666 Third Avenue, 9<sup>th</sup> Floor  
New York, New York 10017  
(Address of principal executive offices) (Zip Code)

(212) 293-2000  
(Registrant's telephone number, including area code)

Not Applicable  
(Former name, former address and former fiscal year, if changed since last report)  
Securities registered or to be registered pursuant to Section 12(b) of the Act.

| Title of each class | Trading Symbol(s) | Name of each exchange<br>on which registered |
|---------------------|-------------------|--|
| Shares              | ETHV              | Cboe BZX Exchange, Inc.                      |

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

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

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

|                         |                                     |                           |                                     |
|-------------------------|-------------------------------------|---------------------------|-------------------------------------|
| Large Accelerated Filer | <input type="checkbox"/>            | Accelerated Filer         | <input type="checkbox"/>            |
| Non-Accelerated Filer   | <input checked="" type="checkbox"/> | Smaller Reporting Company | <input checked="" type="checkbox"/> |
| Emerging Growth Company | <input checked="" type="checkbox"/> |                           |                                     |

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

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

The registrant had 3,050,000 outstanding shares as of April 30, 2025.

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**Part I. FINANCIAL INFORMATION.**

**Item 1. Unaudited Financial Statements.**

**VANECK ETHEREUM ETF**  
Statement of Assets and Liabilities

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|   | <b>March 31, 2025</b><br><b>(Unaudited)</b> | <b>December 31,</b><br><b>2024</b> |
|---|---|------------------------------------|
| <b>Assets</b>   |   |                                    |
| Investment in ether, at fair value (cost \$142,791,446 and \$136,234,086, respectively) | \$ 84,668,819                               | \$ 146,428,902                     |
| Total assets  | <u>84,668,819</u>                           | <u>146,428,902</u>                 |
| <b>Liabilities</b>  |   |                                    |
| Total liabilities   | <u>—</u>                                    | <u>—</u>                           |
| <b>Net assets</b>   |   |                                    |
|   | <u>\$ 84,668,819</u>                        | <u>\$ 146,428,902</u>              |
| Shares issued and outstanding (no par value, unlimited amount authorized)               | 3,150,000                                   | 3,000,000                          |
| Net Asset Value per Share   | \$ 26.88                                    | \$ 48.81                           |

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

|   | <b>Three Months<br/>Ended<br/>March 31,<br/>2025<sup>(a)</sup></b> |
|---|--|
| <b>Expenses</b>   |  |
| Sponsor fee, related party  | \$ 60,908  |
| Total expenses  | 60,908   |
| Sponsor fee waiver, related party   | (60,908)   |
| Net expenses  | —  |
| Net investment loss   | —  |
| <b>Net realized loss and change in unrealized appreciation (depreciation)</b> |  |
| Net realized loss on:   |  |
| Ether sold for redemption of shares   | (1,192,767)  |
| Net realized loss from investment in ether                                    | (1,192,767)  |
| Net change in unrealized appreciation (depreciation) from investment in ether | (68,317,443)   |
| Net realized loss and change in unrealized appreciation (depreciation)        | (69,510,210)   |
| <b>Net decrease in net assets resulting from operations</b>                   | <b>\$ (69,510,210)</b>   |

(a) No comparative financial statements have been provided as the Trust did not have any operations as of March 31, 2024.

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

|  | <b>Three Months<br/>Ended<br/>March 31,<br/>2025<sup>(a)</sup></b> |
|--|--|
| <b>Net decrease from operations</b>  |  |
| Net investment loss  | \$ —   |
| Net realized loss from investment in ether                                     | (1,192,767)  |
| Change in net unrealized appreciation (depreciation) from investments in ether | (68,317,443)   |
| <b>Net decrease in net assets resulting from operations</b>                    | <b>(69,510,210)</b>  |
| <b>Capital Share transactions</b>  |  |
| Contributions for shares issued  | 9,957,156  |
| Withdrawals for shares redeemed  | (2,207,029)  |
| <b>Total capital share transactions</b>  | <b>7,750,127</b>   |
| <b>Net decrease in net assets</b>  | <b>(61,760,083)</b>  |
| <b>Net assets:</b>   |  |
| Beginning of period  | 146,428,902  |
| <b>End of period</b>   | <b>\$ 84,668,819</b>   |

(a) No comparative financial statements have been provided as the Trust did not have any operations as of March 31, 2024.

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

VANECK ETHEREUM ETF  
Schedule of Investment

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| <u>March 31, 2025 (Unaudited)</u> | <u>Quantity of Ether</u> | <u>Cost</u>   | <u>Fair Value</u>   | <u>% of Net Assets</u> |
|-----------------------------------|--------------------------|---------------|---------------------|------------------------|
| Investment in ether               | 46,132.62                | \$142,791,446 | \$84,668,819        | 100.00%                |
| <b>Net Assets</b>                 |                          |               | <b>\$84,668,819</b> | <b>100.00%</b>         |

  

| <u>December 31, 2024</u> | <u>Quantity of Ether</u> | <u>Cost</u>   | <u>Fair Value</u>    | <u>% of Net Assets</u> |
|--------------------------|--------------------------|---------------|----------------------|------------------------|
| Investment in ether      | 43,935.83                | \$136,234,086 | \$146,428,902        | 100.00%                |
| <b>Net Assets</b>        |                          |               | <b>\$146,428,902</b> | <b>100.00%</b>         |

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

**Note 1. Organization:**

The VanEck Ethereum ETF (the “Trust”), a Delaware statutory trust, is an exchange-traded fund that issues common shares of beneficial interest in an ownership of the Trust (the “Shares”). The Shares are traded on the Cboe BZX Exchange, Inc. (the “Exchange”). The Trust’s investment objective is to reflect the performance of the price of ether (“ETH”) less the net operating expenses of the Trust. The Trust is managed and controlled by VanEck Digital Assets, LLC (the “Sponsor”), a wholly-owned subsidiary of Van Eck Associates Corporation (“VanEck”). The CSC Delaware Trust Company is the “Trustee” of the Trust.

**Note 2. Significant Accounting Policies:**

A. *Basis of Preparation and Use of Estimates*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

The Trust qualifies as an investment company solely for accounting purposes and not for any other purpose and follows accounting and reporting requirements of Accounting Standards Codification (“ASC”) Topic 946 Financial Services—Investment Companies (“ASC Topic 946”), but is not registered, and is not required to be registered, as an investment company under the Investment Company Act of 1940, as amended.

B. *Cash*

Cash, if any, represents cash deposits held at a major financial institution and is subject to credit risk to the extent its balance exceeds the federally insured limits. As of December 31, 2024 and March 31, 2025, the Trust did not hold cash.

C. *Investment Valuation*

The Trust values its investment in ETH and other assets and liabilities at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date.

The Trust identifies and determines the ETH principal market (or in the absence of a principal market, the most advantageous market) for GAAP financial statement purposes consistent with the application of fair value measurement framework in Financial Accounting Standards Board (“FASB”) ASC 820 at 11:59 p.m. EST. Under ASC 820, a principal market is the market with the greatest volume and activity level for the asset or liability. The Sponsor on behalf of the Trust will determine in its sole discretion the valuation sources and policies used to prepare the Trust’s financial statements in accordance with GAAP.

Various inputs are used in determining the fair value of assets and liabilities. Inputs may be based on independent market data (observable inputs) or they may be internally developed (unobservable inputs). These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial reporting purposes. The three levels of the fair value hierarchy are as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not considered to be active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means; and

Level 3 – Unobservable inputs where there are little or no market activity for the asset or liability, including the Trust’s assumptions used in determining the fair value of investments.

The following is a summary of the fair value hierarchy as of March 31, 2025, and December 31, 2024:

| March 31, 2025           | Level 1        | Level 2        | Level 3        | Total          |
|--------------------------|----------------|----------------|----------------|----------------|
| <b>Assets</b>            |                |                |                |                |
| Investment in ETH        | \$ 84,668,819  | \$ —           | \$ —           | \$ 84,668,819  |
| <b>December 31, 2024</b> | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b>   |
| <b>Assets</b>            |                |                |                |                |
| Investment in ETH        | \$ 146,428,902 | \$ —           | \$ —           | \$ 146,428,902 |

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

|   | ETH        | Fair Value     |
|---|------------|----------------|
| <b>Beginning balance as of January 1, 2025</b>                              | 43,935.83  | \$ 146,428,902 |
| ETH contributed   | 3,295.19   | 9,957,156      |
| ETH withdrawn   | (1,098.40) | (2,207,029)    |
| Net change in unrealized appreciation (depreciation) from investment in ETH | —          | (68,317,443)   |
| Net realized loss on investment in ETH                                      | —          | (1,192,767)    |
| <b>Ending balance as of March 31, 2025</b>                                  | 46,132.62  | \$ 84,668,819  |
|   | ETH        | Fair Value     |
| <b>Beginning balance as of May 20, 2024<sup>(a)</sup></b>                   | —          | \$ —           |
| ETH contributed   | 49,793.94  | 154,052,853    |
| ETH withdrawn   | (5,858.11) | (16,251,349)   |
| Net unrealized appreciation (depreciation) from investment in ETH           | —          | 10,194,816     |
| Net realized loss on investment in ETH                                      | —          | (1,567,418)    |
| <b>Ending balance as of December 31, 2024</b>                               | 43,935.83  | \$ 146,428,902 |

(a) Commencement of Operations, the Trust did not hold any ETH as of May 20, 2024.

D. *Ether*

ETH transactions are accounted for on trade date. Realized gains and losses on the sale of ETH are determined based on the average cost method. Under ASC Topic 946, the average cost method is an accepted method to determine realized gains and losses on the sale of ETH. Proceeds received by the Trust from the issuance of baskets consist of ETH. Deposits of ETH are held by Gemini Trust Company, LLC (the “ETH Custodian”) and are also held at Coinbase Custody Trust Company, LLC (the “Additional ETH Custodian”, and collectively the “ETH Custodians”), on behalf of the Trust until (i) delivered out in connection with redemptions of baskets or cash or (ii) sold by the Sponsor, which may be facilitated by the ETH Custodians, to pay fees due to the Sponsor and Trust expenses and liabilities not assumed by the Sponsor.

E. *Calculation of Net Asset Value*

The Trust’s net asset value (“NAV”) is calculated based on the Trust’s net asset holdings as reconciled to the ETH Custodians’ accounts on a market approach, determined on a daily basis in accordance with the MarketVector™ Ethereum Benchmark Rate price at 4:00 pm EST. The Trust’s NAV per Share is calculated by taking the current market value of its total assets, subtracting any liabilities, and then dividing that total by the total number of outstanding Shares. The Trust Agreement gives the Sponsor the exclusive authority to determine the Trust’s NAV and the Trust’s NAV per Share, which it has delegated to the Administrator.

F. *Federal Income Taxes*

The Trust is treated as a grantor trust for federal income tax purposes and, therefore, no provision for federal income taxes is required. Any interest, expenses, gains and losses are passed through to the holders of Shares of the Trust. The Sponsor has reviewed the tax positions for the period presented and has determined that no provision for income tax is required in the Trust's financial statements.

G. *Segment Reporting*

The Sponsor acts as the Trust's chief operating decision maker ("CODM"), assessing performance and making decisions about resource allocation. The CODM has determined that the Trust has a single operating segment based on the fact that the Trust's long-term strategic asset allocation is pre-determined in accordance with the terms of its prospectus, with a defined investment strategy which is executed by the Sponsor.

H. *Interim financial statements*

The financial statements included herein were prepared without audit according to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP may be omitted pursuant to such rules and regulations. The financial statements reflect, in the opinion of management, all adjustments necessary that were of a normal and recurring nature and adequate disclosures to present fairly the financial position and results of operations as of and for the periods indicated. The results of operations for the three months ended March 31, 2025 and 2024, are not necessarily indicative of the results to be expected for the full year or for any other period.

These financial statements should be read in conjunction with the audited financial statements and the notes thereto included in the Form 10-K previously filed with the SEC.

**Note 3. Trust Expenses and Other Agreements**

The Trust pays the Sponsor a unified fee (the "Sponsor Fee") of 0.20% of net assets that accrues daily and pays monthly. Effective for the period from July 23, 2024 through July 22, 2025, the Sponsor has agreed to waive the entire Sponsor Fee for the first \$1.5 billion of the Trust's net assets. If the Trust's net assets exceed \$1.5 billion prior to July 22, 2025, the Sponsor Fee charged on net assets over \$1.5 billion will be 0.20% of average daily net assets. All investors will incur the same Sponsor Fee which is the weighted average of those fee rates. After July 22, 2025, the Sponsor Fee will be 0.20% of average daily net assets. The Sponsor has agreed to pay all operating expenses (except for litigation expenses and other extraordinary expenses) from the Sponsor Fee. The Sponsor from time to time will sell ETH, which may be facilitated by one or more liquidity providers and/or the ETH Custodians, in such quantity as is necessary to permit payment of the Sponsor Fee and Trust expenses and liabilities not assumed by the Sponsor.

The Trustee fee is paid by the Sponsor and is not an expense of the Trust.

The Trust holds its ETH at the ETH Custodian and at the Additional ETH Custodian, both of which are regulated third-party custodians that carry insurance (in the case of the Additional ETH Custodian, such insurance is carried by its parent, Coinbase Inc., and is intended to cover the loss of client assets held by Coinbase Inc. and its subsidiaries, including the Additional ETH Custodian) and are responsible for safekeeping of ETH owned by the Trust and holding private keys that provide access to the ETH in the Trust's ETH account.

State Street Bank and Trust Company serves as the Trust's administrator, transfer agent and cash custodian.

**Note 4. Related Parties**

The Sponsor is considered to be a related party to the Trust.

MarketVector Indexes GmbH is the index sponsor and index administrator for the MarketVector Ethereum Benchmark Rate, which is used by the Trust to determine its NAV. MarketVector Indexes GmbH is an indirectly wholly-owned subsidiary of VanEck.

Van Eck Securities Corporation, a marketing agent to the Trust, is a wholly-owned subsidiary of VanEck.

VanEck was the initial seed investor (“Seed Capital Investor”) on May 20, 2024. On June 25, 2024, the 2,000 Shares held by the Seed Capital Investor were redeemed for cash and the Seed Capital Investor purchased the “Seed Creation Baskets,” comprising of 200,000 Shares at a per-Share price of \$50.00. Total proceeds to the Trust from the sale of the Seed Creation Baskets were \$10,000,000 which resulted in the Trust receiving 2,929.06 ETH. As of December 31, 2024 and March 31, 2025, the Seed Capital Investor’s ownership in the Trust represents approximately 13% of net assets.

VanEck is a minority interest holder in the parent company of the ETH Custodian, representing less than 1% of its equity.

#### Note 5. Capital Share Transactions

Investors can buy and sell Shares of the Trust in secondary market transactions through brokers. Shares trade on the Exchange under the ticker symbol ETHV. Shares are bought and sold throughout the trading day like other publicly traded securities.

The Trust continuously offers the Trust Shares in baskets consisting of 25,000 Shares to authorized participants. Authorized participants pay a transaction fee for each order they place to create or redeem one or more baskets. The Administrator calculates the cost to purchase (or sell in the case of a redemption order) the amount of ETH represented by the baskets being created (or redeemed); the amount of ETH represented is equal to the combined NAV of the number of Shares included in the baskets being created (or redeemed).

The Trust creates and redeems Shares, but only in one or more baskets. Baskets are only made in exchange for delivery to the Trust or the distribution by the Trust of the amount of ETH represented by the baskets being created or redeemed, the amount of which is equal to the combined NAV of the number of Shares included in the baskets being created or redeemed determined as of 4:00 p.m. EST on the day the order to create or redeem baskets is properly received. For an order to create baskets, an authorized participant will deliver cash to the Trust’s account at the cash custodian, which the Sponsor will then use to purchase ETH from a liquidity provider chosen by the Sponsor. For an order to redeem baskets, the Sponsor will arrange for the ETH represented by the basket to be sold to a liquidity provider chosen by the Sponsor and the cash proceeds distributed from the Trust’s account at the cash custodian to the authorized participant in exchange for their Shares. Only authorized participants may place orders to create and redeem baskets through the transfer agent. The transfer agent will coordinate with the Trust’s ETH Custodians to facilitate settlement of the Shares and ETH.

Share and capital activity is as follows:

|                     | Three Months Ended March 31,<br>2025 <sup>(a)</sup> |                       |
|---------------------|---|-----------------------|
|                     | Shares  | Amount                |
| Beginning of period | 3,000,000   | \$ 137,801,504        |
| Shares issued       | 225,000   | 9,957,156             |
| Shares redeemed     | (75,000)  | (2,207,029)           |
| End of period       | <u>3,150,000</u>                                    | <u>\$ 145,551,631</u> |

(a) No comparative share activity have been provided as the Trust did not have any operations as of March 31, 2024.

#### Note 6. Commitments and Contingent Liabilities

In the normal course of business, the Trust enters into contracts that contain a variety of general indemnifications. The Trust’s maximum exposure under these agreements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. However, the Sponsor believes the risk of loss under these arrangements to be remote.

## Note 7. Concentration Risk

Substantially all of the Trust's assets are holdings of ETH, which creates a concentration risk associated with fluctuations in the value of ETH due to a number of factors. Accordingly, a decline in the value of ETH will have an adverse effect on the value of the Shares of the Trust. Factors that may have the effect of causing a decline in the value of ETH include high volatility, which could have a negative impact on the performance of the Trust. ETH platforms are relatively new and may be unregulated or may be subject to regulation in a relevant jurisdiction, but may not be complying, and therefore, may be more exposed to fraud and security breaches than established, regulated exchanges for other financial assets or instruments, which could have a negative impact on the performance of the Trust. The value of the Shares depends on the development and acceptance of the ethereum network. The slowing or stopping of the development or acceptance of the ethereum network may adversely affect an investment in the Trust. The price of ETH on the ETH market has exhibited periods of extreme volatility. Digital assets such as ETH were only introduced within the past decade, and the medium-to-long term value of the Shares is subject to a number of factors relating to the capabilities and development of block-chain technologies and to the fundamental investment characteristics of digital assets that are uncertain and difficult to evaluate. The Trust is subject to risks due to its concentration of investments in a single asset class. Possible illiquid markets may exacerbate losses or increase the variability between the Trust's NAV and its market price. The amount of ETH represented by the Shares may decline over time. ETH with a fair value of \$146,428,902 and \$84,668,819 were held by the ETH Custodians at December 31, 2024 and March 31, 2025, respectively.

Future and current regulations by a United States or foreign government or quasi-governmental agency could have an adverse effect on an investment in the Trust. Shareholders do not have the protections associated with ownership of Shares in an investment company registered under the 1940 Act or the protections afforded by the Commodity Exchange Act. Future legal or regulatory developments may negatively affect the value of ETH or require the Trust or the Sponsor to become registered with the SEC or CFTC, which may cause the Trust to liquidate.

The Exchange on which the Shares are listed may halt trading in the Trust's Shares, which would adversely impact a Shareholder's ability to sell Shares. The market infrastructure of the ETH spot market could result in the absence of active authorized participants able to support the trading activity of the Trust.

Shareholders that are not authorized participants may only purchase or sell their Shares in secondary trading markets, and the conditions associated with trading in secondary markets may adversely affect Shareholders' investment in the Shares.

**Note 8. Financial Highlights<sup>(a)</sup>**

The financial highlights summarize certain per share operating information and financial ratios of net investment income (loss) and expenses, to daily average net assets for the three months ended March 31, 2025. An individual investor's return and ratios may vary based on the timing of capital transactions:

|  | <b>Three Months<br/>Ended<br/>March 31, 2025</b> |
|--|--|
| Net asset value per share, beginning of period   | \$ 48.81   |
| From investment operations:  |  |
| Net investment loss <sup>(b)</sup>   | —  |
| Net realized gain (loss) and change in unrealized appreciation/depreciation from investments in ether <sup>(c)</sup> | (21.93)  |
| Net decrease resulting from operations   | (21.93)  |
| Net asset value per share, end of period <sup>(d)</sup>  | \$ 26.88   |
| Total return (%) <sup>(e)</sup>  | (44.93)%   |
| Ratios to average net assets <sup>(f)</sup>  |  |
| Expenses before fee waiver   | 0.20%  |
| Expenses after fee waiver  | 0.00%  |
| Net investment loss  | 0.00%  |
| Portfolio turnover rate <sup>(e)</sup>   | 1.82%  |

- (a) No prior year comparative financial statements have been provided as the Trust did not have any operations as of March 31, 2024.  
(b) Net investment income (loss) per share has been calculated based upon an average of daily shares outstanding.  
(c) The amount shown for a share outstanding throughout the year may not agree with the change in the aggregate gains and losses for the year because of the timing of sales and repurchases of the Trust's shares in relation to fluctuating market values for the Trust.  
(d) Returns are not annualized and include adjustments required by GAAP. Returns for financial statements purposes may differ from net asset values and performance reported elsewhere by the Trust.  
(e) Non-annualized.  
(f) Annualized.

**Note 9. Subsequent Event Review**

The Trust has evaluated subsequent events and transactions for potential recognition or disclosure through the date the financial statements were issued and has determined that there are no material events that would require disclosure.

## **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.**

*This information should be read in conjunction with the financial statements and notes to financial statements included with this report. The discussion and analysis that follows may contain statements that relate to future events or future performance. In some cases, such forward-looking statements can be identified by terminology such as “may,” “will,” “should,” “could,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or the negative of these terms or other comparable terminology. All statements (other than statements of historical fact) included in this report that address activities, events or developments that may occur in the future, including such matters as changes in commodity prices and market conditions (for ETH and the Shares), the operations of the Trust, the plans of the Sponsor and references to the Trust’s future success and other similar matters are forward-looking statements. These statements are only predictions. Actual events or results may differ materially. These statements are based upon certain assumptions and analyses made by the Sponsor on the basis of its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. Whether or not actual results and developments will conform to the Sponsor’s expectations and predictions is subject to a number of risks and uncertainties, including the special considerations discussed in this report, general economic, market and business conditions, changes in laws or regulations, including those concerning taxes, made by governmental authorities or regulatory bodies, and other world economic and political developments. Consequently, all the forward-looking statements made in this report are qualified by these cautionary statements, and there can be no assurance that the actual results or developments the Sponsor anticipates will be realized or, even if substantially realized, will result in the expected consequences to, or have the expected effects on, the Trust’s operations or the value of the Shares issued by the Trust. Moreover, neither the Sponsor nor any other person assumes responsibility for the accuracy or completeness of the forward-looking statements. Neither the Trust nor the Sponsor undertakes an obligation to publicly update or conform to actual results any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.*

### **Introduction**

The Trust is a Delaware statutory trust. The Trust does not have directors, officers or employees. The creation and operation of the Trust has been arranged by the Sponsor. The Trust is administered by the Trust Agreement, among the Sponsor, the Trustee and the Delaware Trustee. The Trust is managed and controlled by the Sponsor, a wholly-owned subsidiary of VanEck. The Sponsor is not governed by a board of directors.

The Trust’s investment objective is to reflect the performance of the price of ETH less the operating expenses of the Trust. The Trust is a passive investment vehicle that does not seek to pursue any investment strategy beyond tracking the price of ETH. The Trust does not engage in any activities designed to obtain a profit from, or ameliorate losses caused by, changes in the price of ETH.

The Trust issues and redeems Shares only in aggregations of 25,000 Shares, a Basket, or integral multiples thereof, and only in transactions with authorized participants.

Shares of the Trust trade on the Exchange under the ticker symbol “ETHV.”

### **Computation of Net Asset Value**

The Trust’s NAV is calculated based on the Trust’s net asset holdings as reconciled to the ETH Custodians’ accounts on a market approach, determined on a daily basis in accordance with the MarketVector<sup>TM</sup> Ethereum Benchmark Rate price at 4:00 p.m. EST. The Trust’s NAV per Share is calculated by taking the current market value of its total assets, subtracting any liabilities, and then dividing that total by the total number of outstanding Shares. The Trust Agreement gives the Sponsor the exclusive authority to determine the Trust’s NAV and the Trust’s NAV per Share, which it has delegated to the Administrator.

### **Liquidity**

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

## Significant Accounting Policies

In preparing financial statements in conformity with GAAP, management makes estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amount of revenue and expenses reported during the period. Actual results could differ from these estimates. A description of the valuation of ETH, a critical accounting policy that the Trust believes is important to understanding its results of operations and financial position, is provided in the section entitled "Computation of Net Asset Value" above. In addition, please refer to Note 2 to the Financial Statements included in this report for further discussion of the Trust's accounting policies.

## Results of Operations

### *The Quarter Ended March 31, 2024*

The Trust had no operations for the quarter ended March 31, 2024.

### *The Quarter Ended March 31, 2025*

The Trust's NAV decreased from \$146,428,902 at December 31, 2024 to \$84,668,819 at March 31, 2025, a 42.16% decrease. The decrease in the Trust's net asset value resulted primarily from a decrease in the price of ETH, which contracted 44.91% from \$3,333 at December 31, 2024 to \$1,836 at March 31, 2025. The number of shares outstanding increased from 3,000,000 Shares at December 31, 2024 to 3,150,000 Shares at March 31, 2025, a net result of 225,000 Shares (9 Baskets) being created and 75,000 Shares (3 Baskets) being redeemed during the period.

The 44.93% decrease in the NAV per Share from \$48.81 at December 31, 2024 to \$26.88 at March 31, 2025 is directly related to the 44.91% decrease in the price of ETH during this period.

The NAV per Share of \$54.06 on January 6, 2025, was the highest during the quarter, compared with a low during the quarter of \$26.88 on March 31, 2025.

Net decrease in net assets resulting from operations for the quarter ended March 31, 2025, was \$69,510,210 resulting from a net unrealized depreciation on investment in ether of \$68,317,443, a net realized loss of \$1,192,767 on ETH sold for the redemption of Shares and a net investment loss of \$0. The Trust had no expenses during the quarter as they were all waived by the Sponsor.

## Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

## Item 4. Controls and Procedures.

The duly authorized officers of the Sponsor performing functions equivalent to those a principal executive officer and principal financial officer of the Trust would perform if the Trust had any officers, with the participation of the Trustee, have evaluated the effectiveness of the Trust's disclosure controls and procedures, and have concluded that the disclosure controls and procedures of the Trust were effective as of the end of the period covered by this report to provide reasonable assurance that information required to be disclosed in the reports that the Trust files or submits under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported, within the time periods specified in the applicable rules and forms, and that it is accumulated and communicated to the duly authorized officers of the Sponsor performing functions equivalent to those a principal executive officer and principal financial officer of the Trust would perform if the Trust had any officers, as appropriate to allow timely decisions regarding required disclosure.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures.

There were no changes in the Trust's internal control over financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Trust's internal control over financial reporting.

**Part II. OTHER INFORMATION.**

**Item 1. Legal Proceedings.**

None.

**Item 1A. Risk Factors.**

There have been no material changes to the Risk Factors last reported under Part I, Item 1A of the registrant's Annual Report on Form 10-K for the period ended December 31, 2024, filed with the Securities and Exchange Commission on March 26, 2025.

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

a) None.

b) Not applicable.

c) 75,000 Shares (3 Baskets) were redeemed during the period ended March 31, 2025.

| <b>Period</b>        | <b>Total Number of Shares Redeemed</b> | <b>Average Per Share</b> |
|----------------------|--|--------------------------|
| 01/01/25 to 01/31/25 | -                                      | \$ -                     |
| 02/01/25 to 02/28/25 | -                                      | -                        |
| 03/01/25 to 03/31/25 | 75,000                                 | 29.43                    |
| Total                | <u>75,000</u>                          | <u>\$ 29.43</u>          |

**Item 3. Defaults Upon Senior Securities.**

None.

**Item 4. Mine Safety Disclosures.**

Not applicable.

**Item 5. Other Information.**

Not applicable.

**Item 6. Exhibits.**

See the Exhibit Index below, which is incorporated by reference herein.

## EXHIBIT INDEX

| <u>Exhibit No.</u> | <u>Exhibit Description</u>   |
|--------------------|--|
| 3.1                | <a href="#"><u>Certificate of Trust incorporated by reference to Exhibit 3.2 of the Registration Statement on Form S-1 filed by the Registrant on May 7, 2021</u></a>  |
| 3.2                | <a href="#"><u>Certificate of Amendment incorporated by reference to Exhibit 3.2 of the Registration Statement on Form S-1 filed by the Registrant on July 8, 2024</u></a>   |
| 4.1                | <a href="#"><u>Second Amended and Restated Declaration of Trust and Trust Agreement incorporated by reference to Exhibit 4.1 of the Registration Statement on Form S-1 filed by the Registrant on July 8, 2024</u></a> |
| 31.1*              | <a href="#"><u>Certification by Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u></a>  |
| 31.2*              | <a href="#"><u>Certification by Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u></a>  |
| 32.1*              | <a href="#"><u>Certification by Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u></a>   |
| 32.2*              | <a href="#"><u>Certification by Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u></a>   |
| 101.INS*           | Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document  |
| 101.SCH*           | Inline XBRL Taxonomy Extension Schema with Embedded Linkbase Documents   |
| 104*               | Cover Page Interactive Data File included as Exhibit 101 (embedded within the Inline XBRL document)  |

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\* Filed herewith.

**SIGNATURES**

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

VANECK DIGITAL ASSETS, LLC  
Sponsor of VanEck Ethereum ETF

By: /s/ Jan F. van Eck\*  
Jan F. van Eck  
President and Chief Executive Officer  
(Principal Executive Officer)

By: /s/ John J. Crimmins\*  
John J. Crimmins  
Vice President, Chief Financial Officer and Treasurer  
(Principal Financial Officer and Principal Accounting Officer)

Date: May 14, 2025

\* The Registrant is a trust and the persons are signing in their capacities as officers of VanEck Digital Assets, LLC., the Sponsor of the Registrant.

**Certification of Principal Executive Officer Pursuant to Rule 13a-14(a) and 15d- 14(a) Under the Securities Exchange Act Of 1934, as Amended**

I, Jan F. van Eck, certify that:

1. I have reviewed this report on Form 10-Q of VanEck Ethereum ETF (the “Trust”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (c) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 14, 2025

/s/ Jan F. van Eck

**Jan F. van Eck \***  
**President and Chief Executive Officer**  
**(Principal Executive Officer)**

\* The Registrant is a trust and the persons are signing in their capacities as officers of VanEck Digital Assets, LLC., the Sponsor of the Registrant.

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**Certification of Principal Executive Officer Pursuant to Rule 13a-14(a) and 15d-14(a) Under the Securities Exchange Act Of 1934, as Amended**

I, John J. Crimmins, certify that:

1. I have reviewed this report on Form 10-Q of VanEck Ethereum ETF (the “Trust”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (c) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 14, 2025

/s/ John J. Crimmins

**John J. Crimmins \***  
**Vice President, Chief Financial Officer and Treasurer**  
**(Principal Financial Officer and Principal Accounting Officer)**

\* The Registrant is a trust and the persons are signing in their capacities as officers of VanEck Digital Assets, LLC., the Sponsor of the Registrant.

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**Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of VanEck Ethereum ETF (the "Trust") on Form 10-Q for the quarter ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Trust.

Date: May 14, 2025

/s/ Jan F. van Eck

**Jan F. van Eck\***  
**President and Chief Executive Officer**  
**(Principal Executive Officer)**

\* The registrant is a trust and the persons are signing in their capacities as officers of VanEck Digital Assets, LLC, the Sponsor of the registrant.

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**Certification Pursuant to 18 U.S.C. Section 1350 As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of VanEck Ethereum ETF (the "Trust") on Form 10-Q for the quarter ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Trust.

Date: May 14, 2025

/s/ John J. Crimmins

**John J. Crimmins\***  
**Vice President, Chief Financial Officer and Treasurer**  
**(Principal Financial Officer and Principal Accounting Officer)**

\* The registrant is a trust and the persons are signing in their capacities as officers of VanEck Digital Assets, LLC, the Sponsor of the registrant.

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