

DEFG

Grayscale Decentralized Finance (DeFi) Fund¹

| Returns (as of 03/28/2024) | NAV | Market Price |
|----------------------------|---------|--------------|
| 1 Month | 13.21% | 57.89% |
| 3 Months | 49.89% | 114.29% |
| YTD | 49.89% | 114.29% |
| 12 Months | 95.08% | 479.90% |
| Since Inception | -18.73% | 49.85% |

Investments in the Products are speculative investments that involve high degrees of risk, including a partial or total loss of invested funds. Grayscale Products are not suitable for any investor that cannot afford loss of the entire investment. Past performance is not indicative of future returns. Performance reflects the closing price of the Product's shares at 4pm, New York time, on OTC Markets. NAV was first calculated on 07/14/2021 and Market Price was first calculated on 12/22/2022.

Investment Objective & Approach²

Grayscale Decentralized Finance (DeFi) Fund is among the first securities solely invested in, and deriving value from, a basket of decentralized finance applications in the form of a security while avoiding the challenges of buying, storing, and safekeeping DeFi directly. The Fund aims for the value of the Shares, (based on NAV per Share), to reflect the value of the Fund Components as determined by reference to their respective Digital Asset Reference Rates and Fund Weightings, less the Fund's expenses and other liabilities. The Fund Components consist of the digital assets that make up the DFX Index ("DFX") as rebalanced from time to time, subject to Grayscale Investments (the "Manager") discretion to exclude individual digital assets in certain cases. The DFX is designed and managed by the Index Provider.

To date, the Product has not met its investment objective and the Shares of the Product quoted on OTC Markets Group has not reflected the value of digital assets held by the Product, less the Product's expenses and other liabilities, but instead have traded at both premiums and discounts to such value, with variations that have at times been substantial.

About Grayscale Investments

Grayscale enables investors to access the digital economy through a family of secure, regulated, and future-forward investment products. Founded in 2013, Grayscale has a proven track record and deep expertise as the world's largest crypto asset manager*. Investors, advisors, and allocators turn to Grayscale's private placements, public quotations, and ETFs for single asset, diversified, and thematic exposure. Grayscale products are distributed by Grayscale Securities, LLC (Member [FINRA/SIPC](#)) or Foreside Fund Services, LLC.

* based on AUM as of 03/31/2024

| Fund Composition (03/28/2024) | | Weight |
|-------------------------------|------|--------|
| Uniswap | UNI | 51.37% |
| Maker | MKR | 17.39% |
| Lido DAO | LDO | 13.62% |
| Aave | AAVE | 9.82% |
| Synthetix | SNX | 7.80% |

Why invest in Grayscale Decentralized Finance (DeFi) Fund?

Titled, auditable ownership through an investment vehicle
Shares are securities titled in the investor's name, providing a familiar structure for financial and tax advisors and easy transferability to beneficiaries under estate laws.

Eligible for tax-advantaged accounts

Shares are eligible to be held in certain IRA, Roth IRA, and other brokerage and investor accounts.

Publicly quoted³

Eligible Shares are quoted on OTC Markets under the Symbol DEFG, making it possible to buy or sell Shares continuously through the trading day at prices established by the market.

Robust security and storage

The Fund's constituents are stored in offline or "cold" storage with Coinbase Custody Trust Company, a fiduciary under §100 of the New York Banking Law and a qualified custodian for purposes of Rule 206(4)-2(d)(6) under the Investment Advisers Act of 1940.

Supported by a network of trusted, best-in-class service providers

Davis Polk & Wardwell LLP serves as legal counsel to the Sponsor of Grayscale Decentralized Finance (DeFi) Fund. Financial statements for Grayscale Decentralized Finance (DeFi) Fund are audited annually by Marcum LLP.

Grayscale Decentralized Finance (DeFi) Fund

March 2024

Investment Terms

As of March 28, 2024

| | |
|----------------------------------|---|
| Objective ⁴ | Shares are intended to reflect the value of the Fund Components as determined by reference to their respective Digital Asset Reference Rates and Fund Weightings, less fees and expenses. |
| Rebalance Review Frequency | Quarterly, beginning on the second business day of January, April, July, and October of each year. |
| Benchmark Index ⁵ | CoinDesk DeFi Select Index (DFX) |
| CUSIP | G4070G104 |
| Inception Date | 07/14/2021 |
| Public Quotation | 12/22/2022 |
| Assets Under Management | \$6.68 million |
| Management Fee | 2.50% Annually |
| Performance Fee | 0.00% |
| Extraordinary Expenses | The Fund may from time to time incur certain extraordinary expenses, which are payable by the Fund. |
| Digital Asset NAV per Share (\$) | Calculated and published on business days at 4:00pm ET time |
| Redemptions | Redemptions of shares are not currently authorized. |
| Shares Outstanding ⁶ | 233,960 |
| Fund Registration | Cayman LLC |
| Bloomberg Ticker | DEFG US |
| OTC Symbol | DEFG |

1. Grayscale Products issue shares on a continuous basis or periodic basis. Investments in the Products are speculative investments that involve high degrees of risk, including a partial or total loss of invested funds. Grayscale Products are not suitable for any investor that cannot afford loss of the entire investment. The information herein is only provided with respect to shares quoted on OTC Markets, and prospective investors are not to construe the contents of this document as a recommendation to purchase shares directly from the Product.

2. The shares of each Product are intended to reflect the price of the digital asset(s) held by such Product (based on digital asset(s) per share), less such Product's expenses and other liabilities. Because each Product does not currently operate a redemption program, there can be no assurance that the value of such Product's shares will reflect the value of the assets held by such Product, less such Product's expenses and other liabilities, and the shares of such Product, if traded on any secondary market, may trade at a substantial premium over, or a substantial discount to, the value of the assets held by such Product, less such Product's expenses and other liabilities, and such Product may be unable to meet its investment objective.

3. At this time, this Product is not operating a redemption program and therefore Shares are not redeemable by the Trust. Shares may trade in the Secondary market, such as OTCQX, OTCQB or OTC Pink (or on another Secondary market in the future) at prices that are lower or higher than the NAV per Share. Historically, the Shares have traded at both premiums and discounts to the NAV per Share, which at times have been substantial. If the Shares trade at a premium, investors who purchase Shares on the secondary market will pay more for their Shares than investors who purchase Shares directly from authorized participants. In contrast, if the Shares trade on the secondary market at a discount, investors who purchase Shares directly from authorized participants will pay more for their Shares than investors who purchase Shares on the secondary market.

4. Each Product uses the applicable digital asset(s)'s CoinDesk Price Index to calculate its Digital Asset Holdings, which is the aggregate U.S. Dollar value of the applicable digital asset(s) in the Product, calculated using the Index Price, less the U.S. Dollar value of its liabilities and expenses. Digital Asset Holdings is calculated using non-GAAP methodology. Digital Asset NAV per Share is calculated by dividing Digital Asset Holdings by the number of shares currently outstanding.

5. The CoinDesk DeFi Select Index (DFX) is designed to measure the market capitalization weighted performance of some of the largest and most liquid digital assets classified in the Decentralized Finance ("DeFi") Sector that meet certain trading and custody requirements.

6. The Product will not generate any income and regularly sells/distributes digital assets to pay for its ongoing expenses. Therefore, the amount of digital assets represented by each share will gradually decline over time.

Grayscale Decentralized Finance (DeFi) Fund

March 2024

Service Providers

| | |
|----------------------------------|---|
| Manager | Grayscale Investments, LLC |
| Index Provider | CoinDesk Indices, Inc. |
| Auditor | Marcum LLP |
| Legal Counsel to Sponsor | Davis Polk & Wardwell LLP |
| Custodian ⁷ | Coinbase Custody Trust Company, LLC |
| Cayman Counsel | Maples and Calder |
| Transfer Agent | Continental Stock Transfer & Trust Company |
| Distribution and Marketing Agent | Grayscale Securities, LLC |
| Authorized Participant | Grayscale Securities, LLC |
| OTC Advisor | Gunderson Dettmer Stough Villeneuve Franklin & Hachigian, LLP |

7. The Sponsor does not store, hold, or maintain custody or control of the Products' digital assets but instead has entered into the Custodian Agreement with a third party to facilitate the security of the Products' digital assets. The Custodian controls and secures the Products' digital asset accounts, a segregated custody account to store private keys, which allow for the transfer of ownership or control of the digital asset, on the Products' behalf. If the Custodian resigns or is removed by the Sponsor or otherwise, without replacement, it could trigger early termination of the Product.

Risk Disclosures

Extreme volatility of trading prices that many digital assets, including Bitcoin, have experienced in recent periods and may continue to experience, could have a material adverse effect on the value of the Product and the shares of each Product could lose all or substantially all of their value.

Digital assets represent a new and rapidly evolving industry. The value of the Product shares depends on the acceptance of the digital assets, the capabilities and development of blockchain technologies and the fundamental investment characteristics of the digital asset.

Digital asset networks are developed by a diverse set of contributors and the perception that certain high-profile contributors will no longer contribute to the network could have an adverse effect on the market price of the related digital asset.

Digital assets may have concentrated ownership and large sales or distributions by holders of such digital assets could have an adverse effect on the market price of such digital assets.

The value of the Product shares relates directly to the value of the underlying digital asset, the value of which may be highly volatile and subject to fluctuations due to a number of factors.

A substantial direct investment in digital assets may require expensive and sometimes complicated arrangements in connection with the acquisition, security and safekeeping of the digital asset and may involve the payment of substantial acquisition fees from third party facilitators through cash payments of U.S. dollars. Because the value of the Shares is correlated with the value of digital asset(s) held by the Product, it is important to understand the investment attributes of, and the market for, the underlying digital asset. Please consult with your financial professional.

Carefully consider each Product's investment objectives, risk factors, fees and expenses before investing. This and other information can be found in each Product's private placement memorandum, which may be obtained from Grayscale and, for each Product registered with the SEC and/or quoted on the OTC Markets, such Product's annual report or information statement, which may be obtained by visiting the SEC's website for Products that are SEC reporting companies or the OTC Markets website for Products that report under the Alternative Reporting Standards of OTC Markets Group. Reports on OTC Markets are not prepared in accordance with SEC requirements and may not contain all information that is useful for an informed investment decision. Read these documents carefully before investing.

This information should not be relied upon as research, investment advice, or a recommendation regarding any products, strategies, or any security in particular. This material is strictly for illustrative, educational, or informational purposes and is subject to change.

The shares of each Product are not registered under the Securities Act of 1933 (the "Securities Act"), the Securities Exchange Act of 1934 (except for the Products that are SEC reporting companies), the Investment Company Act of 1940, or any state securities laws. The Products are offered in private placements pursuant to the exemption from registration provided by Rule 506(c) under Regulation D of the Securities Act and are only available to accredited investors. As a result, the shares of each Product are restricted and subject to significant limitations on resales and transfers. Potential investors in any Product should carefully consider the long-term nature of an investment in that Product prior to making an investment decision. The shares of certain Products are also publicly quoted on OTC Markets and shares that have become unrestricted in accordance with the rules and regulations of the SEC may be bought and sold throughout the day through any brokerage account.

The Products are distributed by Grayscale Securities, LLC (Member FINRA/SIPC). SIPC coverage does not apply to crypto asset products or services discussed on the website.

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