

Pando Virtual Assets ETF Series OFC
(An umbrella open-ended fund company established under the
laws of Hong Kong)

Pando Bitcoin ETF (Stock code: 2818)

Unaudited Semi-Annual Report
For the period ended 30 September 2025

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Report of the Manager to the shareholders

Pando Bitcoin ETF

a sub-fund of Pando Virtual Assets ETF Series OFC

Introduction

Pando Bitcoin ETF (the “Sub-Fund”) is a sub-fund of Pando Virtual Assets ETF Series OFC (the “Company”), which is a public umbrella open-ended fund company established under Hong Kong law with variable capital with limited liability and segregated liability between sub-funds. The Sub-Fund is a passively managed exchange traded fund authorised under Chapter 8.6 of the Code on Unit Trusts and Mutual Funds. The shares of the Sub-Fund (the “Shares”) are listed on The Stock Exchange of Hong Kong Limited (the “SEHK”) under the stock code 2818. These Shares were traded on the SEHK on 18 July 2025.

The Sub-Fund’s investment objective is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the price of bitcoin as reflected by the CME CF Bitcoin Reference Rate - Asia Pacific Variant (the “Index”) so as to provide exposure to the value of bitcoin. In seeking to achieve the Sub-Fund’s investment objective, the Sub-Fund is passively managed by directly investing up to 100% of its Net Asset Value in bitcoin through SFC-licensed virtual asset trading platform(s). Transaction and acquisition of bitcoin by the Sub-Fund will be conducted through SFC-licensed virtual asset trading platform(s). The Sub-Fund will not acquire other types of investments except that the Sub-Fund may retain a small amount of cash (up to a maximum of 3% of its Net Asset Value) to pay ongoing fees and expenses and meet redemption requests. All of the Sub-Fund’s bitcoin will be held by the Sub-Custodian.

Performance of the Sub-Fund

The Sub-Fund is a passively managed exchange traded fund. There is no assurance that the Sub-Fund will achieve its investment objective.

The returns are calculated on a NAV-to-NAV basis and in USD. As the Sub-Fund is newly established, there is insufficient data to provide a meaningful past performance indicator for investors.

Activities of the Sub-Fund

For the Statement of Assets and Liabilities as at 30 September 2025, net asset value per unit of the Sub-Fund was USD 0.9535 (HKD 7.4185), and there were 36.3 million units outstanding. The net asset value was USD 34,613,379 (HKD 269,302,473).

Statement of Assets and Liabilities

as at 30 September 2025 (unaudited)

(Expressed in United States dollars)

*Pando Virtual
Assets ETF
Series OFC ⁽¹⁾*
As at
30 September
2025
USD

Assets

Financial assets at fair value through profit or loss	-
Dividends receivable	-
Amount due from brokers	-
Prepayment and other receivables	-
Cash and cash equivalents	-

Total assets

-

Liabilities

Amount due to brokers	-
Management fees payable	-
Custodian fee payable	-
Preliminary expense payable	-
Other payable	-

Total liabilities (excluding net assets attributable to shareholders)

-

Net assets attributable to shareholders

-

⁽¹⁾ The date of incorporation for Pando Virtual Assets ETF Series OFC was 3 July 2025.

Statement of Assets and Liabilities as at 30 September 2025 (unaudited) (continued) *(Expressed in United States dollars)*

	<i>Pando Bitcoin ETF ⁽²⁾</i>
	As at
	30 September
	2025
	USD
Assets	
Financial assets at fair value through profit or loss	34,885,696
Other receivables	973
Cash and cash equivalents	20,169
Total assets	<u>34,906,838</u>
Liabilities	
Management fees payable	28,238
Custodian fee payable	19,760
Preliminary expense payable	216,041
Other payable	29,420
Total liabilities (excluding net assets attributable to shareholders)	<u>293,459</u>
Net assets attributable to shareholders	<u>34,613,379</u>

⁽²⁾ The date of establishment for Pando Bitcoin ETF was 17 July 2025. This sub-fund was launched on 18 July 2025, and there was no transaction before the launch date.

Statement of comprehensive income for the period from 3 July 2025 (date of incorporation) to 30 September 2025 (unaudited) *(Expressed in United States dollars)*

*Pando Virtual
Assets ETF
Series OFC ⁽¹⁾*
30 September 2025

	USD
Income	
Interest income	-
Dividend income	-
Other income	-
Net gain from financial assets at fair value through profit or loss	-
Total investment income	-
Expenses	
Custodian fee	
Management fees	-
Auditor's remuneration	
Bank charges	-
Establishment cost	
Transaction cost	-
Broker commissions	
Net foreign exchange loss	-
Other operating expenses	-
Total operating expenses	-
Net profits from operations and before taxation	
Taxation (including withholding tax)	-
Increase in net assets attributable to shareholders and total comprehensive income for the period	-

⁽¹⁾ The date of incorporation for Pando Virtual Assets ETF Series OFC was 3 July 2025.

Statement of comprehensive income

for the period from 3 July 2025 (date of incorporation) to 30 September 2025 (unaudited) (continued)

(Expressed in United States dollars)

	<i>Pando Bitcoin ETF ⁽²⁾</i>
	30 September 2025
	USD
Income	
Interest income	4
Other income	8,989
Total income	8,993
Expenses	
Net loss from financial assets	
at fair value through profit or loss	(1,344,269)
Custodian fee	(21,361)
Management fees	(68,754)
Auditor's remuneration	(6,128)
Bank charges	(450)
Establishment cost	(221,041)
Registrar fee	(1,233)
Net foreign exchange loss	(37)
Other operating expenses	(24,491)
Total operating expenses	(1,687,764)
Net losses from operations and before taxation	(1,678,771)
Taxation (including withholding tax)	-
Decrease in net assets attributable to shareholders and total comprehensive income for the period	(1,678,771)

⁽²⁾ The date of establishment for Pando Bitcoin ETF was 17 July 2025. This sub-fund was launched on 18 July 2025, and there was no transaction before the launch date.

Statement of changes in net assets attributable to shareholders for the period from 3 July 2025 (date of incorporation) to 30 September 2025 (unaudited) *(Expressed in United States dollars)*

	<i>Pando Virtual Assets ETF Series OFC ⁽¹⁾</i> 30 September 2025 USD
Balance at the beginning of the period	----- -
Increase in net assets attributable to shareholders and total comprehensive income for the period	----- -
Subscriptions and redemptions by shareholders	
Subscriptions of shares	-
Redemptions of shares	-
Net subscriptions by shareholders	----- -
Balance at the end of the period	===== -

⁽¹⁾ The date of incorporation for Pando Virtual Assets ETF Series OFC was 3 July 2025.

Statement of changes in net assets attributable to shareholders for the period from 3 July 2025 (date of incorporation) to 30 September 2025 (unaudited) (continued)

(Expressed in United States dollars)

	<i>Pando Bitcoin ETF ⁽²⁾</i>
	30 September 2025
	USD
Balance at the beginning of the period	----- -
Decrease in net assets attributable to shareholders and total comprehensive income for the period	(1,678,771) -----
Subscriptions and redemptions by shareholders	
Subscriptions of shares	36,292,150
Redemptions of shares	----- -
Net subscriptions by shareholders	36,292,150 -----
Balance at the end of the period	34,613,379 =====

⁽²⁾ The date of establishment for Pando Bitcoin ETF was 17 July 2025. This sub-fund was launched on 18 July 2025, and there was no transaction before the launch date.

Statement of changes in net assets attributable to shareholders for the period from 3 July 2025 (date of incorporation) to 30 September 2025 (unaudited) (continued) (Expressed in shares)

	<i>Pando Virtual Assets ETF Series OFC ⁽¹⁾</i> 30 September 2025
Number of shares at the beginning of the period	-
Number of shares subscribed during the period	-
Number of shares redeemed during the period	-
Number of shares at the end of the period	-
Net asset value per share at the end of the period ⁽³⁾	-
	 <i>Pando Bitcoin ETF ⁽²⁾</i> 30 September 2025
Number of shares at the beginning of the period	-
Number of shares subscribed during the period	36,300,000
Number of shares at the end of the period	36,300,000
Net asset value per share at the end of the period ⁽³⁾	USD 0.9535

- (1) The date of incorporation for Pando Virtual Assets ETF Series OFC was 3 July 2025.
(2) The date of establishment for Pando Bitcoin ETF was 17 July 2025. This sub-fund was launched on 18 July 2025, and there was no transaction before the launch date.
(3) The net asset value per unit is rounded down to 4 decimal places in accordance with the Prospectus.

Cash flow statement

for the period from 3 July 2025 (date of incorporation) to 30 September 2025 (unaudited)

(Expressed in United States dollars)

Pando Bitcoin
ETF ⁽²⁾
 30 September 2025
 USD

Operating activities

Decrease in net assets attributable to shareholders and total comprehensive income for the period	(1,678,771)
Adjustments for:	
Interest income on bank deposit	(4)
Net loss from financial assets at fair value through profit or loss	1,344,269
Operating losses before changes in working capital	(334,506)
Net payments for purchase of investments against proceeds from sale of investments	(36,229,965)
Increase in other receivables	(973)
Increase in management fees payable	28,238
Increase in custodian fee payable	19,760
Increase in preliminary expense payable	216,041
Increase in other payables	29,420
Net cash used in operations	(36,271,985)
Interest received	4
Net cash used in operating activities	(36,271,981)

Cash flow statement

for the period from 3 July 2025 (date of incorporation) to 30 September 2025 (unaudited) (continued)

(Expressed in United States dollars)

Pando Bitcoin
ETF ⁽²⁾
 30 September 2025
 USD

Financing activities

Proceeds from subscription of shares against	36,292,150
--	------------

Net cash generated from financing activities	36,292,150
--	------------

Net increase in cash and cash equivalents	20,169
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Cash and cash equivalents at the beginning of the period	-
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Cash and cash equivalents at the end of the period	20,169
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Condensed Notes to the financial statements

(Expressed in United States dollar unless otherwise indicated)

1 General Information

Pando Virtual Assets ETF Series OFC (the “Company”) is a public umbrella open-ended fund company with variable capital and limited liability regulated under the Hong Kong Securities and Futures Ordinance (“SFO”). The Company is established with an umbrella structure and the sub-funds of the Company have segregated liability. The Company was incorporated pursuant to an Instrument of Incorporation filed to the Companies Registry of Hong Kong dated 25 June 2025 (the “Instrument”), with registration number 78399611.

There was one sub-fund (collectively the “Sub-fund”) created under the Company as at 30 September 2025. The Sub-fund was launched on the date set out below:

<i>Name of Sub-fund</i>	<i>Launch date</i>
Pando Bitcoin ETF	18 July 2025

The investment objective of Pando Bitcoin ETF is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the price of bitcoin as reflected by the CME CF Bitcoin Reference Rate - Asia Pacific Variant (the “Index”) so as to provide exposure to the value of bitcoin.

The Sub-fund is governed by the relevant provisions of the Code on Open Ended Fund Companies (the “OFC Code”) issued by the SFC.

Pando Finance Limited (the “Manager”) is licensed to carry on Types 1 (Dealing in Securities), 4 (Advising on Securities), and 9 (Asset Management) Regulated Activities under Part V of the SFO.

The Company has appointed the Investment Manager to manage the assets of the Company and the sub-funds (i.e. to carry out investment management functions), pursuant to the Investment Management Agreement.

The Company has appointed BOCI-Prudential Trustee Limited (the “Custodian”), as the custodian for the Sub-funds.

The Custodian shall act as custodian of the assets of the Sub-funds in respect of which it has been so appointed, pursuant to the Custody Agreement. The Custodian is responsible for the safekeeping of all the investments, cash and other assets forming part of the assets of the Sub-funds, and such assets will be dealt with pursuant to the terms in the Custody Agreement. The Custodian must take reasonable care, skill and diligence to ensure the safekeeping of the relevant Sub-funds’ property entrusted to it.

2 Material accounting policies

(a) Statement of compliance

The financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations issued by International Accounting Standards Board (“IASB”), the relevant disclosure provisions of the Company’s instrument of incorporation, Part 7 of the OFC Rules and the relevant disclosure provisions of the OFC Code and the UT Code issued by the SFC.

The International Accounting Standards Board (“IASB”) has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Sub-funds. The Company and its Sub-funds have not applied any new standard or interpretation that is not yet effective for current accounting period.

(b) Basis of preparation of the financial statements

The financial statements have been presented in United States dollars (“USD”) and rounded to the nearest dollar.

The measurement basis used in the preparation of these financial statements is the historical cost basis except that financial instruments classified as designated at fair value through profit or loss are stated at their fair value as explained in the accounting policies set out below.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(c) Income and expenses

Interest income is recognised as it accrues using effective interest method. Interest on bank deposits is separately disclosed on the face of profit or loss. Interest income on debt securities is included in net gain from financial assets at fair value through profit or loss. All other income and expenses are accounted for on an accrual basis.

2 Material accounting policies (continued)

(d) Investments

(i) Classification of financial assets

On initial recognition, the Sub-funds classify financial assets as measured at amortised cost or fair value through profit or loss ("FVTPL").

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI").

All other financial assets of the Sub-funds are measured at FVTPL.

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Sub-funds consider all of the relevant information about how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Sub-funds' management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the investment manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Sub-funds' continuing recognition of the assets.

2 Material accounting policies (continued)

(d) Investments (continued)

(i) Classification of financial assets (continued)

The Sub-funds have determined that it has two business models.

- Held-to-collect business model: this includes amounts due from brokers, dividends and other receivables, and cash and cash equivalents. These financial assets are held to collect contractual cash flow.
- Other business model: these financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

Assessment whether contractual cash flows are SPPI

For the purposes of this assessment, “principal” is defined as the fair value of the financial asset on initial recognition. “Interest” is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Sub-funds consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Sub-funds consider:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Sub-funds’ claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration for of the time value of money (e.g. periodical reset of interest rates).

The Sub-funds classify their investments based on the business model and contractual cash flows assessment. Accordingly, the Sub-funds classify all their investments into financial assets and liabilities at FVTPL category. Financial assets measured at amortised cost include amount due from brokers, cash and cash equivalents, dividends receivable, and other receivables.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition unless the Company were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

2 Material accounting policies (continued)

(d) Investments (continued)

(ii) Classification of financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as at FVTPL if it is a derivative. Financial liabilities at FVTPL are measured at fair value and net gains and losses are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Foreign exchange gains and losses are recognised in profit or loss.

Any gain or loss on derecognition is also recognised in profit or loss.

Accordingly, financial liabilities measured at amortised cost include amount due to brokers, dividends payable, management fee payable, custodian fee payable, and other payables.

(iii) Recognition

The Sub-funds recognise financial assets and financial liabilities on the date they become a party to the contractual provisions of the instruments.

A regular way purchase or sale of financial assets or financial liabilities at fair value through profit or loss is recognised on a trade date basis. From this date, any gains or losses arising from changes in fair value of the financial assets or financial liabilities at fair value through profit or loss are recorded.

Financial liabilities are not recognised unless one of the parties has performed their obligations under the contract or the contract is a derivative contract not exempted from the scope of HKFRS 9.

(iv) Measurement

Financial instruments are measured initially at fair value (transaction price). Transaction costs on financial assets and liabilities at fair value through profit or loss are expensed immediately.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair values recognised in profit or loss.

Financial assets classified as loans and receivables are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate method.

2 Material accounting policies (continued)

(d) Investments (continued)

(v) Fair value measurement principles

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 at the measurement date in the principal or, in its absence, the most advantageous market to which the Sub-funds have access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Sub-funds measure the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Sub-funds use valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Sub-funds recognise transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

Net gains or losses on investments are included in profit or loss. Realised gains or losses on investments and unrealised gains or losses on investments arising from a change in fair value. Net realised gains or losses from financial instruments at fair value through profit or loss is calculated using the average cost method.

(vi) Amortised cost measurement

The “amortised cost” of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

(vii) Impairment

The Sub-funds recognise loss allowances for expected credit losses (“ECLs”) on financial assets measured at amortised cost.

The Sub-funds measure loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

2 Material accounting policies (continued)

(d) Investments (continued)

(vii) Impairment (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Sub-funds consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Sub-funds' historical experience and informed credit assessment and including forward-looking information.

The Sub-funds assume that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Sub-funds consider a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Sub-funds in full, without recourse by the Sub-funds to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Sub-funds consider a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of 'investment grade'. The Sub-funds consider this to be Baa3 or higher per Moody's or BBB- or higher per Standard & Poor's.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Sub-funds are exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Sub-funds expect to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Sub-funds assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

2 Material accounting policies (continued)

(d) Investments (continued)

(vii) Impairment (continued)

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the statement of assets and liabilities

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Sub-funds have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

(viii) Derecognition

A financial asset is derecognised when the contractual rights to receive the cash flows from the financial asset expire, or where the financial asset together with substantially all the risks and rewards of ownership, have been transferred.

Assets held for trading that are sold are derecognised and corresponding receivables from brokers are recognised as of the date the Sub-funds commit to sell the assets.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

On derecognition of a financial asset, the difference between the carrying value of the asset and the consideration received is recognised in profit or loss.

(ix) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when the Sub-funds have a legally enforceable right to offset the recognised amounts and the transactions are intended to be settled on a net basis or simultaneously, e.g. through a market clearing mechanism.

2 Material accounting policies (continued)

(e) Translation of foreign currencies

Foreign currency transactions during the period are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities of the Sub-funds denominated in foreign currencies are translated into USD at the foreign exchange rates ruling at the end of the reporting period. Differences arising on foreign currency translation are recorded in the statement of comprehensive income.

(f) Related parties

- (a) A person, or a close member of that person's family, is related to the Company and its Sub-funds if that person:
 - (i) has control or joint control over the Sub-funds;
 - (ii) has significant influence over the Sub-funds; or
 - (iii) is a member of the key management personnel of the Sub-funds or the Sub-funds' parent.
- (b) An entity is related to the Sub-funds if any of the following conditions applies:
 - (i) The entity and the Sub-funds are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of an entity related to the Sub-funds.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group which it is a part, provides key management personnel services to the Sub-funds or to the Sub-funds' parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2 Material accounting policies (continued)

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(h) Taxation

Taxation for the period comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the statement of comprehensive income.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the end of the reporting period. Current tax also includes non-recoverable withholding taxes on investment income, capital gains and share dividends.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.

All deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable capital gains will be available against which the asset can be utilised, are recognised.

The amounts of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

(i) Shares in issue

The Company and its Sub-funds classify capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

A puttable financial instrument is classified as an equity instrument if it has all of the following features:

- It entitles the holder to a pro rata share of the Company's and its Sub-funds' net assets in the event of the Sub-funds' liquidation.
- The instrument is in the class of instruments that is subordinate to all other classes of instruments.
- All financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features.
- The instrument does not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro rata share of the Company's and the Sub-funds' net assets.

2 Material accounting policies (continued)

(i) Shares in issue (continued)

- The total expected cash flows attributable to the instrument over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Company and its Sub-funds over the life of the instrument.

In addition to the instrument having all the above features, the Company and the Sub-funds must have no other financial instrument or contract that has:

- Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-funds; and
- The effect of substantially restricting or fixing the residual return to the puttable instrument holders.

As the Company has more than one class of shares in issue, the shares are classified as financial liabilities.

(j) Investment transaction costs

Investment transaction costs are costs incurred to purchase or sale of investments at fair value through profit or loss. They include fees and commissions paid to agents, brokers and dealers. Transaction costs, when incurred, are immediately recognised in profit or loss as an expense.

3 Transactions with the Manager and Custodian

The following is a summary of significant related party transactions or transactions entered into during the year between the Company and the Sub-funds, the Manager and the Custodian.

All transactions during the period between the Company and the Sub-funds, the Manager and the Custodian were entered into in the ordinary course of business and under normal commercial terms. To the best of the knowledge of the Manager, the Company and the Sub-funds did not have any other transactions with the Manager and the Custodian except for those disclosed below. The relevant receivables and payables are unsecured, interest free and repayable on demand.

3 Transactions with the Manager and Custodian (continued)

(a) *Management fees, establishment costs and Manager's reimbursement*

Pando Finance Limited is the Manager of the Company and its Sub-funds. The Manager earns management fee at a rate of 1.00% of net asset value per annum for Pando Bitcoin ETF.

The management fee is calculated and accrued on each valuation point and payable monthly in arrears. The management fees charged for the period for each Sub-fund are disclosed in the statement of comprehensive income. The management fees incurred during the period and management fees payable as at period end for the Sub-fund are as below:

	<i>Pando Bitcoin ETF 30 September 2025 USD</i>
Management fees for the period	68,754
Management fees payable at the period end	28,238
Establishment costs for the period	221,041
Preliminary expense payable at the period end	216,041
Manager's reimbursement for the period	973
Manager's reimbursement receivable at the period end	973

(b) *Information on transactions with the Custodian*

The Custodian of the Company is BOCI-Prudential Trustee Limited. The Custodian is entitled to receive custodian fees and transaction cost which is charged on each transaction. The custodian fee and transaction cost charged for the period for each Sub-fund are disclosed in the statement of comprehensive income.

Details of such fees incurred during the period and relevant payable at the period end date are as below:

	<i>Pando Bitcoin ETF 30 September 2025 USD</i>
Minimum Custodian fee from 18 July 2025	5,000
Custodian fee for the period	21,361
Custodian fee payable at the period end	19,760

3 Transactions with the Manager and Custodian (continued)

(c) *Cash and cash equivalents*

As at 30 September 2025, except cash and cash equivalents, there are no investments deposited with the Custodian's affiliate. BOCI-Prudential Trustee Limited is a joint venture founded by BOC Group Trustee Company Limited and Prudential Corporation Holdings Limited. BOC Group Trustee Company Limited is owned by Bank of China (Hong Kong) Limited and BOC International Holdings Limited, which are subsidiaries of Bank of China Limited. The Company utilises the services of Bank of China (Hong Kong) Limited in its depository of cash and paid bank charges to Bank of China (Hong Kong) Limited. Cash and cash equivalents deposited with the Custodian's affiliate, bank charges paid during the period and bank charges payable at the period end are summarised below:

	<i>Pando Bitcoin ETF 30 September 2025 USD</i>
Cash and cash equivalents	
- Cash at bank which is deposited at Bank of China (Hong Kong) Limited	20,169
Bank charges paid for the period	450
Bank charges payable at the period end	-

4 Soft dollar commission

As regards to the Sub-funds, the Manager has not entered into any soft dollar commission arrangements during the period ended 30 September 2025.

Portfolio statements as at 30 September 2025 (Unaudited)

Pando Bitcoin ETF

	<i>Holdings</i>	<i>Fair Value USD</i>	<i>% of Net Assets</i>
<u>Listed equities</u>			
Hong Kong			
OSL DIGITAL SECURITIES LIMITED - BITCOIN - BRRAP	306	34,885,696	100.79
Total investments		34,885,696	100.79
Other net assets		(272,317)	(0.79)
Net assets attributable to shareholders		34,613,379	100.00
Total cost of investments		36,224,409	

Statements of movements in portfolio holdings for the period ended 30 September 2025 (Unaudited)

Pando Bitcoin ETF

	Movement in holdings				
	As at 3 Jul 2025	Addition	Bonus/ Dividends	Disposal	As at 30 Sep 2025
<u>Listed equities</u>					
Hong Kong					
OSL DIGITAL SECURITIES LIMITED - BITCOIN - BRRAP	-	307	-	(1)	306

Performance record (Unaudited)

As the Sub-Fund is newly established, there is insufficient data to provide a meaningful past performance indicator for investors.

Administration

Manager

Pando Finance Limited
Suite 1408, 14/F, Two Exchange Square
8 Connaught Place, Central
Hong Kong

Directors of the Company

Li Xiaolai
Ren Junfei

Directors of the Manager

Li Xiaolai
Ren Junfei

Custodian, Administrator and Registrar

BOCI-Prudential Trustee Limited
1501-1507 & 1513-1516, 15/F
1111 King's Road
Taikoo Shing
Hong Kong

Auditor

KPMG
8th Floor, Prince's Building,
10 Chater Road, Central,
Hong Kong

Legal Adviser

Deacons
5th Floor, Floor, Alexandra House
18 Chater Road, Central
Hong Kong

Participating Dealers

Please refer to the Manager's website
<https://www.pandofinance.com.hk>, for the latest list of participating dealers