



Fidelity Advantage Ether ETF™

**Annual Management
Report of Fund
Performance**
March 31, 2024

Caution Regarding Forward-looking Statements

Certain portions of this report, including, but not limited to, “Results of Operations” and “Recent Developments”, may contain forward-looking statements about the Fund, including its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” and similar forward-looking expressions or negative versions thereof.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

It should be stressed that the above-mentioned list of important factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

Annual Management Report of Fund Performance as at March 31, 2024

Fidelity Advantage Ether ETF™

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements for the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-800-263-4077, by writing to us at Fidelity Investments, 483 Bay St. Suite 300, Toronto ON M5G 2N7 or by visiting our website at www.fidelity.ca or SEDAR+ at www.sedarplus.ca.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure relating to the investment fund.

Management Discussion of Fund Performance

Investment Objective and Strategies

Investment Objective: Fidelity Advantage Ether ETF™ (Fund) aims to invest in ether.

Strategies: In order to achieve its investment objective, the Fund invests primarily in ether.

The direct long-term holdings of ether are purchased or received by the Fund only from acceptable ether sources. An acceptable ether source means a trading platform or venue or over-the-counter counterparty that (i) is registered or exempt from registration as a dealer or a marketplace in Canada or (ii) is regulated as a trust company or a broker-dealer under the laws of a state of the United States and, in each case, is required under such registration or by its regulator, as the case may be, to comply with applicable know-your-client requirements and AML regulation. Each acceptable ether source is a spot market where ether can be exchanged for U.S. or, in some cases, Canadian dollars. The portfolio management team of the Fund conducts due diligence on each proposed acceptable ether source in order to confirm its reputation and stability. This due diligence includes conducting research on the executive officers and significant shareholders and confirming that each acceptable ether source maintains appropriate know-your-client policies and procedures and complies with AML regulation.

In addition to receiving or purchasing ether directly, the Fund may, from time to time, purchase or enter into derivatives that provide economic exposure to ether, but any use of derivatives will be incidental to the Fund's primary investment strategy of investing directly in ether. Currently, it is expected that the Fund will purchase only ether futures. Any use of derivative instruments by the Fund must be in compliance with the requirements in NI 81-102 that apply to alternative mutual funds and any exemptive relief obtained by the Fund from the requirements of NI 81-102. The Fund will not use derivatives to leverage the investment portfolio of the Fund.

The Fund does not speculate with regard to short-term changes in ether prices. The Fund does not and will not hedge any U.S. dollar currency exposure back to the Canadian dollar. In addition, no currency hedging is entered into by the Fund in respect of the USD Units. Purchasing USD Units does not hedge – or protect – against losses caused by changes in the exchange rate between the Canadian and U.S. dollar. From time to time, the Fund may receive or hold surplus cash.

Risk

The risks associated with investing in this Fund remain as discussed in the prospectus. Any changes to the Fund over the period have not affected the overall level of risk of the Fund.

The Fund is suitable for long-term investors who want to gain exposure to ether and who can handle the volatility of returns generally associated with ether investments. To invest in the Fund, investors should be willing to accept a high level of risk. The suitability of the investment has not changed from what has been disclosed in the prospectus.

Results of Operations

Fidelity Advantage Ether ETF returned 93.4%, after fees and expenses, for the one-year period ended March 31, 2024. As a single-asset portfolio, the Fund's performance was driven solely by the performance of the ether cryptocurrency. Over the period under review, ether outperformed major stock and bond indexes.

The strong performance of ether was primarily driven by speculation over the Securities Exchange Commission (SEC)'s approval for spot bitcoin and ether ETFs, investors preference for risk-assets amid expectations of a looser monetary policy, network enhancements and increased usage in the Ethereum network.

During the year, ether faced headwinds due to the SEC's lawsuits against key crypto exchanges Coinbase and Binance. However, the fears over legal scrutiny proved to be short lived, as ether's price momentum continued throughout much of 2023. In Q1 2024, ether had strong performance amid expectations that ether would follow bitcoin's lead with a spot ETF approval in the U.S. Further, The Ethereum network underwent crucial updates to enhance functionality, security and the scalability issues facing the network. These also allowed for more opportunities on the Ethereum network which would allow for wider adoption by users, developers, and investors, and further drove outperformance.

Fidelity Advantage Ether ETF™

Management Discussion of Fund Performance – continued

Another key catalyst for the outperformance was the collapse of Silicon Valley Bank (SVB) in March 2023, which served to weaken investor sentiment in the centralized and regulated financial system. Investor preference for decentralized currencies rose as they vied for a more secure outlet than traditional fiat currencies.

Portfolio changes:

During the period, the Fund's position in ether was increased in line with share creations, and also trimmed in line with share redemptions.

Recent Developments

The Fund's portfolio managers, Edward Lui and Reetu Kumra, continue to invest in line with the strategy set out in the Fund's investment objective.

The cryptocurrency market continues to evolve. Though regulatory challenges remain, the recent launch of spot bitcoin ETFs in the United States serves as a pivotal point in the crypto space, with 11 approved applications on January 10th, 2024. Additionally, in January 2024, the Canadian Securities Administrators (CSA) published proposed amendments to the regulations for public investment funds holding crypto assets. The proposed amendments are part of the second phase of the wider project aimed at amending regulations for public funds with exposure to crypto assets.

Effective September 19, 2023, Anne Bell of Mississauga, Ontario, became a member of the Independent Review Committee (IRC).

Related Party Transactions

Manager and Portfolio Adviser

The Fund is managed by Fidelity Investments Canada ULC (Fidelity). Fidelity is part of a broader group of companies collectively known as Fidelity Investments.

Fidelity provides or arranges for the provision of all general management and administrative services required by the Fund in its day-to-day operations, bookkeeping, record-keeping and other administrative services for the Fund.

Fidelity is the portfolio adviser to the Fund and it provides investment advisory services to the Fund. Fidelity provides investment advice with respect to the Fund's investment portfolio and arranges for the acquisition and disposition of portfolio investments, including all necessary brokerage arrangements.

The Fund pays Fidelity a monthly management and advisory fee for their services, based on the net asset value of each Series, calculated daily and payable monthly. The Fund paid Fidelity management and advisory fees of \$22,000 for the period ended March 31, 2024.

Independent Review Committee, Cross-Trading and *In specie* Transactions

Independent Review Committee

Fidelity has established an independent review committee (IRC) that acts as an impartial and independent committee to review and provide recommendations or, if appropriate, approvals respecting conflict of interest matters referred to it by Fidelity. The IRC prepares, at least annually, a report of its activities for securityholders of the Fund. The report is available at www.fidelity.ca or at the securityholder's request at no cost by contacting Fidelity, using the contact information available on the final page of this document.

Cross-Trading and *In specie* Transactions

The Fund received the approval and standing instructions from the IRC in order to:

- (i) engage in cross-trading, which is a form of interfund trading. A cross-trade occurs when the Fund purchases or sells portfolio securities from or to another Fund, a U.S. fund or a separately managed account, through a broker;
- (ii) permit the Fund, in certain circumstances, to purchase and redeem Fund securities in consideration for securities rather than cash of another Fund, investment fund or a separately managed account, managed by Fidelity.

For each of the transactions in (i) and (ii) above, the IRC's standing instructions require Fidelity to act in accordance with its associated policies and procedures and applicable law, and comply with the conditions in each of the exemptive relief orders received, which, in the case of cross-trading, requires additional periodic reporting to the Ontario Securities Commission. The standing instructions also require that

Fidelity Advantage Ether ETF™

Management Discussion of Fund Performance – continued

investment decisions in respect of these transactions (a) are free from any influence by an entity related to Fidelity and without taking into account any consideration relevant to an entity related to Fidelity; (b) represent the business judgment of Fidelity uninfluenced by considerations other than the best interests of the Fund; (c) comply with the applicable policies and procedures of Fidelity; and (d) achieve a fair and reasonable result for the Fund.

Brokerage Commissions

The Fund may place a portion of its portfolio transactions with brokerage firms which are affiliates of Fidelity Investments, including National Financial Services LLC, provided it determines that these affiliates' trade execution abilities and costs are comparable to those of non-affiliated, qualified brokerage firms, on an execution-only basis. Commissions paid to brokerage firms that are affiliates of Fidelity Investments were \$0 for the period ended March 31, 2024. Fidelity receives standing instructions from the IRC in respect of policies and procedures governing best execution of transactions with affiliates, which includes brokers affiliated to Fidelity Investments, at least once per year.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the period end of the years shown. This information is derived from the Fund's audited annual and/or unaudited semi-annual financial statements. Please see the front page for information about how you can obtain the Fund's annual or semi-annual financial statements.

Fidelity Advantage Ether ETF™ Series L		
	Period ended March 31, 2024	Period ended March 31, 2023 ^A
The Series' Net Assets per Security^B		
Net Assets, beginning of the period ^C	\$ 33.61	\$ 25.00
Increase (decrease) from operations:		
Total revenue	—	—
Total expenses (excluding distributions)	(.40)	(.13)
Realized gains (losses)	.07	—
Unrealized gains (losses)	49.72	8.74
Total Increase (decrease) from operations^C	49.39	8.61
Distributions:		
From net investment income (excluding dividends)	—	—
From dividends	—	—
From capital gains	(.04)	—
Return of capital	—	—
Total Distributions^{C, D}	(.04)	—
Net Assets, end of the period^C	\$ 64.98	\$ 33.61
Ratios and Supplemental Data		
Net asset value (000s) ^E	\$ 18,409	\$ 3,361
Securities outstanding ^E	280	100
Management expense ratio ^F	.95%	.95%
Management expense ratio before waivers or absorptions ^F	5.91%	14.59%
Trading expense ratio ^G	—%	—%
Portfolio turnover rate ^H	0.91%	0.39%
Net asset value per security, end of period	\$64.9793	\$33.6086

^A For the period August 25, 2022 (inception date) to March 31, 2023.

^B This information is derived from the Fund's audited annual and/or unaudited interim financial statements. The net assets attributable to securityholders per security presented in the financial statements may differ from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to financial statements.

^C Net assets and distributions are based on the actual number of securities outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of securities outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per security.

^D Distributions were paid in cash or reinvested in additional securities of the Fund, or both, and excludes any applicable distributions of management fee reduction to securityholders. Distributions are presented based on management's best estimate of the tax character.

^E This information is provided as at period end of the year shown.

^F Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset values during the period, including the Fund's pro-rata share of estimated expenses incurred in any underlying investment fund, if applicable.

^G The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period, including the Fund's pro-rata share of estimated trading costs incurred in any underlying investment fund, if applicable.

^H The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of the Fund. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities divided by the weighted average market value of the portfolio securities, excluding short-term securities. For periods greater than six months, but less than a full fiscal year, the portfolio turnover rate is annualized.

Fidelity Advantage Ether ETF™

Past Performance

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

Year-by-Year Returns

The following bar chart shows the Fund's annual performance for each of the years shown, and illustrates how the Fund's performance was changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



Commencement of Operations is September 26, 2022.

Annual Compound Returns

This table shows the Fund's historical annual compound total returns for the periods indicated, compared with the Fund's benchmark, the Fidelity Ethereum Index, as described below.

Average Annual Total Return	Past 1 year	Since Inception
Series L	93.4%	88.1%
Fidelity Ethereum Index	91.4%	88.1%

A discussion of the performance of the Fund can be found in the Results of Operations section of this report.

The Fidelity Ethereum Index is an index designed to reflect the performance of ether in U.S. dollars. It uses ether price data from eligible trading platforms and a volume weighted median price method based on the 5-minute window immediately prior to the 4:00 p.m. (ET) close. The Fidelity Ethereum Index price is calculated by ordering all individual transactions occurring over this 5-minute time frame on the eligible trading platforms and selecting the price associated with the 50th percentile of total volume. The Fidelity Index Committee reviews the Fidelity Ethereum Index semi-annually for possible updates as a result of the maturation of the digital assets industry. In addition, the Fidelity Index Committee and the Fidelity Digital Asset Services Advisory Committee evaluate semi-annually all U.S. digital asset trading platforms and/or regulated digital asset trading platforms and may change the eligible trading platforms at that time, or during market disruptions when a trading platform review is warranted. Each eligible trading platform used in the calculation of the Fidelity Ethereum Index maintains appropriate know-your-client policies and procedures and complies with AML Regulation.

Summary of Investment Portfolio as at March 31, 2024

Sector Mix

	% of Fund's Net Assets as at 3/31/24	% of Fund's Net Assets as at 3/31/23
Digital Assets	99.8	100.0
Cash and Cash Equivalents	0.2	0.0
Net Other Assets (Liabilities)	0.0	0.0

Comparative balances, as applicable, have been reclassified to align with current period presentation.

Where applicable, the information in the above tables includes the Fund's pro-rata share of the investment in any Fidelity managed underlying fund.

Comparative balances, as applicable, have been reclassified from country of incorporation to country of risk to align with current period presentation.

All tables within the Summary of Investment Portfolio section, except the Top Issuers table, contain audited information.

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. The most recent annual report, semi-annual report, quarterly report, ETF facts document or prospectus for the investment fund and/or underlying fund is available at no cost, by calling 1-800-263-4077, by writing to us at Fidelity Investments Canada ULC, 483 Bay St. Suite 300, Toronto ON M5G 2N7 or by visiting our web site at www.fidelity.ca or SEDAR+ at www.sedarplus.ca.

Top Issuers

	% of Fund's Net Assets
1. Ether	99.8
	<u>99.8</u>

Total Fund Net Assets \$18,409,000

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Fidelity Investments Canada ULC
483 Bay Street, Suite 300
Toronto, Ontario M5G 2N7

Manager

Fidelity Investments Canada ULC
483 Bay Street, Suite 300
Toronto, Ontario M5G 2N7

Custodian

Fidelity Clearing Canada ULC
Toronto, Ontario

Transfer Agent and Registrar

State Street Trust Company of Canada
Toronto, Ontario

Portfolio Adviser

Fidelity Investments Canada ULC
Toronto, Ontario

Visit us online at
www.fidelity.ca

or call Fidelity Client Services
at 1-800-263-4077

Fidelity's ETFs are sold by registered brokers and dealers. Each ETF has a prospectus, which contains important information on the ETF, including its investment objective and applicable fees. Please obtain a copy of the prospectus, read it carefully, and consult your registered broker or dealer before investing. As with any investment, there are risks to investing in ETFs. There is no assurance that any ETF will achieve its investment objective, and its net asset value, yield, and investment return will fluctuate from time to time with market conditions. Investors may experience a gain or loss when they sell their securities in any Fidelity ETF. Past performance is no assurance or indicator of future returns. The breakdown of ETF investments is presented to illustrate the way in which an ETF may invest, and may not be representative of an ETF's current or future investments. An ETF's investments may change at any time.

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