AMPLIFY ETFs™

The BLOK-Chain Monthly

Staying Up-to-Date with Rapidly Evolving Blockchain and Cryptocurrency Trends

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October Correction Does Not Reflect Adoption Progress

We believe a perfect storm of sharply higher interest rates, the midterm outcome, and the Binance hack drove the selloff. None of these events, even when adding in the whirlwind of questions around Nvidia, change our long-term outlook, and if anything, we expect a sharp reversal in 2027. Why?

1. Higher rates and labor costs have caused cost overruns and funding challenges, but the bubble argument ignores the efficiencies that AI delivers, which arguably will also be deflationary.

2. Data center demand far outstrips what can come online in 2027 and 2028, which is lifting near-term compute rates. Politicians pushing moratoriums want a better lifestyle for constituents, and we believe that will come through taxation on the future profits from data centers. AI is a bipartisan mission, and America cannot afford to fall behind in the technology revolution.

3. The midterms went against Republicans, but accelerating adoption and tokenization-driven efficiencies should let bipartisan benefits outweigh political friction. Democrats have two years to show progress, and we may be entering a world where support comes through compromise.

4. The $6.3 billion Binance hack came just as the asset class looked ready to leave its bear market. Using Bitcoin as the proxy, most are watching $73,000 (the 200-day average) first, with a possible low near $60,000 for added technical support. Downside tests are never fun, but they build credibility for the asset class. Also, on a risk/reward basis, while the asset class now looks like it is experiencing a correction, the risk/reward looks quite compelling.

Binance: The Largest Hack on Record

On October 29, an attacker moved about $6.3 billion out of Binance wallets across ten blockchains, mostly within 20 minutes. TRM Labs attributed the attack to North Korea's TraderTraitor unit, the group behind the 2025 Bybit theft, and Chainalysis said it appeared to be the same group's work. Binance said about $3 billion was frozen onchain almost at once with help from partners, including Circle, Tether, and Ripple, and that it set aside more than $6.3 billion of company funds to cover losses.

Two takeaways:

First, this was an attack on keys and infrastructure, not smart-contract code.

Second, issuer-level freezes showed that regulated stablecoin rails can contain damage in ways bearer assets cannot, and the episode strengthens the case for regulated custody, transfer agents, and permissioned settlement.

DTCC and NYSE Move Tokenization Forward

On October 28, the Depository Trust Company went live with the DTCC (Depository Trust & Clearing Corporation) Tokenization Service. Eligible participants can mint tokenized entitlements to select DTC-held securities, move them to registered digital wallets, and convert them back. The tokens keep the ownership rights, investor protections, and economic entitlements of the underlying securities. DTC is not a startup testing a parallel record; it is a core market utility with more than $114 trillion in assets under custody.

Twenty DTC participants had signed access agreements at launch, including Bank of America, Citi, Fidelity, JPMorgan, Morgan Stanley, and UBS, and more than 150 firms contributed through an industry working group. The initial universe includes selected Russell 1000 equities, major index ETFs, and U.S. Treasuries, on networks including Canton and Hyperledger Besu. This is measurable adoption and evidence that the system is finally being upgraded; how business develops around it remains to be seen.

The key feature for investors is convertibility between traditional and tokenized forms, which preserves the existing legal and custody framework while allowing faster movement, trading outside banking hours, and use as collateral in new workflows. The economics likely sit across custody, transfer agency, collateral management, lending, trading, shareholder relations, data, and compliance.

The NYSE post-month-end developments add another layer of progress. On November 2, NYSE named Broadridge (BR), Computershare, Equiniti, and Superstate as transfer agent partners for its planned tokenized securities venue, joining Securitize (SECZ) and zero (38% owned by NXH). It remains an announced platform, like Nasdaq, subject to regulatory approval, not live volume, but the progress is visible. Nasdaq, not to be outdone, also has its own competing tokenization strategy.

We, of course, would expect tokenization to have a meaningful impact on companies like Coinbase, Robinhood, and Circle, but for now, the revenue growth for these companies is very much tied specifically to traditional trading volumes.

Amplify Blockchain Technology ETF: BLOK

BLOK declined 16.13% on net asset value in October, reversing the Fund's third quarter gains and leaving the Fund down 9.76% year-to-date for the first ten months of 2026. The drawdown reflected broad weakness across the digital asset class rather than a single company event. View standardized performance.

The operating evidence moved the other way. DTCC, which holds more than $114 trillion in assets, launched a production tokenization service. Robinhood (HOOD), Coinbase Global (COIN) and Circle Internet Group (CRCL) showed measurable blockchain activity and revenue. Applied Digital (APLD), Core Scientific (CORZ) and Hut 8 (HUT) showed meaningful infrastructure revenue ramp. Portfolio companies in the data center category announced deals worth well over $100 billion between hyperscale's. This also includes announcements worth $19 billion Google backstop agreement with TeraWulf and a $28 billion deal between Riot Platforms (RIOT) and Anthropic.

Data Center Results Improve While Balance Sheet Risk Remains

BLOK's data center holdings, which total eight, produced strong operating evidence as power is just beginning to come online. The common focus currently across our diversified holdings in the space is investment grade leases and/or backstops that ultimately support valuations that are exponentially higher than their current values. Power will remain a scarce resource, in our judgement, through 2028. As examples, here are four tidbits.

- **Core Scientific (CORZ)** delivered the most advanced high-performance computing (HPC) ramp, reporting Q3 total revenue of $232.9M with colocation revenue, (which is leasing of data center space, power, cooling, or infrastructure), of $215.4M, up 58% sequentially and 14.4x year-over-year, as billed power capacity grew by 90 megawatts (MW) in the quarter to 485 MW, representing more than $700M of annualized colocation revenue. Core Scientific's total contracted capacity stood at approximately 1.1 (gigawatts) GW across CoreWeave and AMD, forecast to generate more than $24 billion in revenue over the contract terms.
- **Applied Digital (APLD)** reported the largest absolute revenue figure in the category, fiscal Q1 2027 revenue of $341.9M, up 322% year-over-year, with live HPC capacity at Polaris Forge 1 reaching 250 MW on October 1 after the second 75 MW phase came online, and total contracted capacity of approximately 1.41 GW across five campuses representing ~$36B of contracted revenue.
- **Tera Wulf (WULF)** reported Q3 revenue of $76.2M, with HPC lease revenue of $63.0M representing 83% of total revenue and growing 8.7x year-over-year, as 102 MW of critical IT capacity at Lake Mariner generated rent at quarter-end.
- **Galaxy Digital (GLXY)** reported Q3 data center leasing revenue of $79.1M, its first full quarter of Helios Phase I contribution from 133 MW in operation, with data center adjusted EBITDA of approximately $70M at a 78.4% margin, up from $11.5M and a 44.3% margin in Q2. Management guided to an annualized leasing revenue run rate of $800–$850M exiting 2027 as 600 MW of incremental capacity across Helios Phases II and III comes online.

Attribution

The data center group averaged a **-31% return** for the month, with dispersion ranging from **CIFR (-53.93%)** at the worst to **CORZ (-17.08%)** at the mildest. The selloff was broad and correlated, but that does not mean that there are no significant differences between these companies. Geography, selected tenants, power strategy, and capital structure are key differences. We have tracked these stocks for nearly a decade and have had a great deal of dialogue with management. **CIFR** was the standout detractor, detracting 1.92% from the Fund, despite being only the 7th-largest position by weight, reflecting the extreme beta of pure-play Bitcoin miners to spot price moves. **GLXY** (-1.08%) and **HUT** (-1.10%) were the next-largest drags, given their combination of meaningful weight and high drawdowns.

FIGR (-25.20%) was a notable individual detractor at -1.00%, the position averaged 3.77% weighting throughout the month. Robinhood (HOOD) subtracted -1.07% after reporting declining profit that missed Wall Street expectations, with its cryptocurrency business described as mired in a yearlong slump.

On the positive side, IBM gained 0.39% after reporting Q3 revenue of $17.10B against a $16.83B estimate, with software growing +8.3% year-over-year, and reaffirming full-year constant-currency revenue growth of +4% to +5%. Customers Bancorp (CUBI) added 0.27% after beating Q3 EPS ($2.27 vs. $2.14 estimate). Visa (V, +15.10%) and Mastercard (MA, +15.86%) each contributed positively, benefiting from rotation into traditional financial names away from crypto and AI-exposed tech.

Transaction and Repositioning

We came into the month with some strategic cash in reserve, which is consistent historically with how we manage through turbulent times. As an active Fund, we tend to make more changes to the portfolio during these times, as we see both price as an opportunity and consider how we see the leadership in the space coming out of a down cycle. Sources of cash sometimes also come from non-core positions that are strategically positioned for defense.

In the month of October, we trimmed back IBM, AMD, and BlackRock as sources of funds. We also trimmed international exposure in SBI Holdings (8473 JT) and NU Bank (NU). We also sold out of Sharplink (SBET) completely. In total, we made six sells. Conversely, our buys were in CLSK, CIFR, CORZ, GLXY, RIOT, FIGR, CRCL, BULL, ETH, NHX, and PURR. Bullish (BLSH) was added as a new position, and, like all these moves we made changes incrementally in the range of 0.25%-0.75%. In drawdowns, over the years, we have learned that getting the price right sometimes takes patience, so we move intentionally. All these changes did not materially affect our cash position, and we expect to continue to be targeted in our repositioning, because we aim to capture the rebound.

Top 10 Holdings *(as of 10/31/2026)*

TICKER	COMPANY	% WT.
FIGR	Figure Technology Solutions Inc	4.03%
HOOD	Robinhood Markets Inc	3.96%
GLXY	Galaxy Digital Inc	3.77%
AMD	Advanced Micro Devices Inc	3.27%
WULF	Terawulf Inc	3.16%
DELL	Dell Technologies Inc	3.04%
HUT	HUT 8 CORP	3.02%
OPRA	OPERA LTD	3.00%
BLK	BlackRock Inc	2.92%
COIN	Coinbase Global Inc	2.88%

Holdings and allocations are subject to change at any time and should not be considered a recommendation to buy or sell a security.

BLOK Performance

	CUMULATIVE (%)					ANNUALIZED (%)			
MONTH END AS OF 10/31/26	**1 MO.**	**3 MO.**	**6 MO.**	**YTD**	**SINCE INCEPTION**	**1 YR.**	**3 YR.**	**5 YR.**	**SINCE INCEPTION**
Fund NAV	-16.13%	-13.49%	-13.50%	-9.76%	233.53%	-25.18%	39.12%	2.72%	14.69%
Closing Price	-16.30%	-13.52%	-13.71%	-9.80%	233.44%	-25.37%	39.05%	2.69%	14.69%
QUARTER END AS OF 9/30/26	**1 MO.**	**3 MO.**	**6 MO.**	**YTD**	**SINCE INCEPTION**	**1 YR.**	**3 YR.**	**5 YR.**	**SINCE INCEPTION**
Fund NAV	-2.14%	-2.50%	23.21%	7.59%	297.66%	-8.00%	49.10%	10.99%	17.19%
Closing Price	-2.05%	-2.24%	23.08%	7.77%	298.38%	-7.89%	49.21%	11.14%	17.21%

Fund Inception Date: 1/16/2018. BLOK's total expense ratio is 0.70%. ***The performance data quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. For most recent month-end performance, visit AmplifyETFs.com/BLOK.*** *Brokerage commissions will reduce returns. NAV is the sum of all its assets less any liabilities, divided by the number of shares outstanding. The closing price is the last price at which the fund traded.*

Short-term performance is not indicative of future performance. Investments shouldn't be made based solely on returns. Extraordinary performance is attributable in part to unusually favorable market conditions and may not be repeated or consistently achieved in the future.

Summary

October was a sharp reminder that blockchain equities remain volatile and correlated in risk-off periods, but it also produced the strongest institutional infrastructure evidence of 2026: DTCC moved to production, the SEC described an operating path for tokenized stock venues, and NYSE assembled partners for a regulated platform. The most durable opportunity may not be a single token, but the migration of custody, transfer agency, trading, collateral, payments, and settlement onto programmable infrastructure.

Active management means owning companies that control distribution, provide regulated infrastructure, and convert usage into future cash flow, while also knowing how to pivot when opportunities change. Volatility can be difficult to avoid, but over the long term, we believe our approach has facilitated participated in market rebounds.

Arguably, this proves the value of staying true to our mandate.

The next phase is about conversion. We will be watching whether tokenized assets are used repeatedly, whether payment and collateral volume becomes recurring, whether companies disclose fees and margins, and whether data center contracts become funded construction and cash flow.

Education

For readers who want to learn more about blockchain and stablecoins:

Podcast
Tokenized. ***160 Episodes on stablecoins, tokenization, and real-world assets.*** *November 2026.*

Whitepaper
Hyperliquid Strategies Inc. ***Introduction to Hyperliquid.*** *November 2026.*

Whitepaper
Nakamoto, Satoshi. ***Bitcoin: A Peer to Peer Electronic Cash System.*** *October 31, 2008.*

BLOK

Amplify Blockchain Technology ETF

First & Largest Actively Managed Blockchain Technology ETF

Learn more: BLOKETF.com

Embrace the Future of Finance: The blockchain and crypto transformation is here, and BLOK is designed to help capture opportunities in this rapidly evolving market.

Dynamic and Forward-Thinking: Unlike passive funds, BLOK uses active portfolio management to dynamically adjust holdings based on industry trends, regulatory changes, and emerging technologies.

Proven Strategy Since 2018: BLOK identifies and dynamically invests in leading blockchain innovators, crypto infrastructure companies, and digital assets like bitcoin ETPs—positioning investors for long-term growth potential.

Carefully consider the Fund's investment objectives, risks, charges and expenses before investing. This and other information can be found in the Fund's statutory and summary prospectus, which may be obtained at AmplifyETFs.com. Read the prospectus carefully before investing.

*Click **HERE** for BLOK's top 10 holdings.*

*Click **HERE** for BLOK's prospectus.*

Investing involves risk, including the possible loss of principal. Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the Fund.

The Fund is subject to management risk because it is actively managed. Narrowly focused investments typically exhibit higher volatility. A portfolio concentrated in a single industry, such as companies actively engaged in blockchain technology, makes it vulnerable to factors affecting the companies. The Fund may face more risks than if it were diversified broadly over numerous industries or sectors. Blockchain technology may never develop optimized transactional processes that lead to realized economic returns for any company in which the Fund invests.

The Fund invests at least 80% of the Fund's net assets in equity securities of companies actively involved in the development and utilization of blockchain technologies. Such investments may be subject to the following risks: the technology is new and many of its uses may be untested; theft, loss or destruction; competing platforms and technologies; cybersecurity incidents; developmental risk; lack of liquid markets; possible manipulation of blockchain-based assets; lack of regulation; third party product defects or vulnerabilities; reliance on the Internet; and line of business risk. The investable universe may include companies that partner with or invest in other companies that are engaged in transformational data sharing or companies that participate in blockchain industry consortiums. The Fund will invest in the securities of foreign companies. Securities issued by foreign companies present risks beyond those of securities of U.S. issuers.

The views and opinions expressed in this commentary are those of the portfolio managers and are subject to change without notice. They do not constitute investment advice or a recommendation. There is no guarantee that any forecasts or forward-looking statements will come to fruition.

The Fund may have exposure to cryptocurrencies, such as bitcoin, indirectly through investment funds. The Fund does not invest directly in bitcoin. Holding a privately offered investment vehicle in its portfolio may cause the Fund to trade at a premium or discount to NAV. Many significant aspects of the U.S. federal income tax treatment of investments in cryptocurrencies are uncertain and such investments, even indirectly, may produce non-qualifying income for purposes of the favorable U.S. federal income tax treatment generally accorded to regulated investment companies.

Amplify Investments LLC is the Investment Adviser to the Fund, and Tidal Investments, LLC serves as the Investment Sub-Adviser. Amplify ETFs are distributed by Foreside Fund Services, LLC.

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