



Galaxy Announces Fourth Quarter and Full Year 2023 Financial Results

March 26, 2024

Equity capital was \$1.8 billion as of December 31, 2023, and \$2.1 billion as of February 29, 2024¹

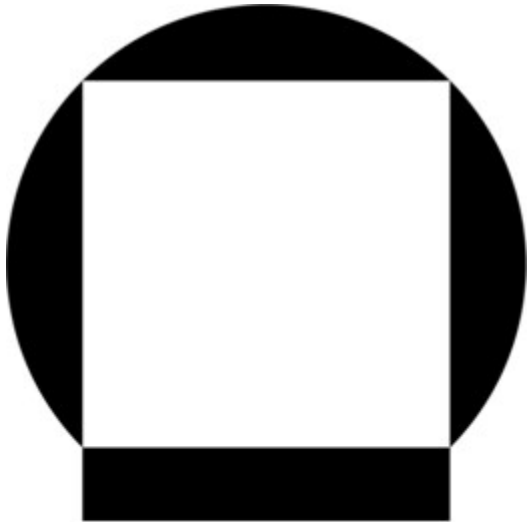
Net income of \$296 million for the full year 2023

Income before tax of approximately \$300 million year-to-date through February 2024¹

Assets Under Management ("AUM") increased to \$10.1 billion as of February 29, 2024²

GalaxyOne client platform is now servicing approximately 75 institutional clients with more than \$1 billion in assets as of March 25, 2024

NEW YORK, March 26, 2024 /PRNewswire/ -- Galaxy Digital Holdings Ltd. (TSX: GLXY) (the "Company" or "GDH Ltd.") today released financial results for the three and twelve months ended December 31, 2023, for both itself and Galaxy Digital Holdings LP (the "Partnership" or "GDH LP"). In this press release, a reference to "Galaxy", "we", "our" and similar words refer to GDH Ltd., its subsidiaries and affiliates including GDH LP, or any one of them, as the context requires.



galaxy

Preliminary Financial Highlights Through February 29, 2024¹

Since the end of the fourth quarter 2023, digital asset prices materially changed and our business has benefited from heightened market volatility and increased trading volumes. For the year-to-date period ending February 29, 2024, Galaxy Digital Holdings LP's income before tax is estimated to be approximately \$300 million, driven primarily by the appreciation of digital asset prices and growth in our operating businesses. Galaxy Digital Holdings LP's equity capital increased to approximately \$2.1 billion over the same period.

Corporate Updates

US Listing and Reorganization: Galaxy continues to work on completing its proposed reorganization and domestication to become a Delaware-incorporated company and subsequently list on the Nasdaq, upon completion of ongoing SEC review and subject to stock exchange, shareholder and applicable regulatory approvals of such transactions.

Share Buyback Program: As announced on May 26, 2023, the Company commenced a new normal course issuer bid on May 31, 2023, and is eligible to purchase up to 10.1 million ordinary shares. For the period between July 1, 2023, and December 31,

2023, Galaxy repurchased approximately 1.2 million shares at an average price of CAD \$4.69.

Select GDH LP Financial Metrics	Q4 2023	Q3 2023	Q/Q % Change	FY 2023
Equity Capital	\$1,790M	\$1,466M	22 %	\$1,790M
Liquidity	\$910M	\$749M	21 %	\$910M
Cash & Net Stablecoins ³	\$201M	\$395M	(49) %	\$201M
Net Digital Assets Excluding Stablecoins ⁴	\$709M	\$354M	100 %	\$709M
Net Income (loss)	\$302M	(\$94M)	421 %	\$296M
Book Value Per Share in CAD ⁵	\$7.28	\$6.12	19 %	\$7.28

Note: Throughout this document, totals may not sum due to rounding. Quarter-over-quarter and year-over-year percentage change calculations are based on unrounded results.

- (1) This preliminary, unaudited quarter-to-date financial information is as of February 29, 2024. Financial results include impacts of non-cash equity based compensation but exclude completion of the full quarterly valuation process of our investment portfolio. This data is subject to change as management completes its quarterly close procedures.
- (2) Refer to Key Terms on page 3 of this release for details on AUM.
- (3) Includes Cash Equivalents.
- (4) Refer to page 16 of this release for a breakout of our net digital assets position.
- (5) Calculated as equity capital divided by outstanding Class A and Class B Units multiplied by the end of period foreign exchange rate.

Galaxy Global Markets

Galaxy Global Markets ("GGM") offers institutional-grade expertise and access to a broad range of digital asset products, including digital asset spot and derivatives trading, structured products, financing, as well as capital markets and M&A advisory services for corporate clients. GGM operates in two discrete business units – Trading and Investment Banking.

Trading

Trading reported counterparty trading revenue of \$115 million for the full year 2023 and \$44 million in the fourth quarter. Counterparty trading revenue increased 210% quarter-over-quarter ("QoQ"), primarily driven by increased revenue from derivatives and favorable asset price movements. Counterparty trading volumes increased 3% versus the third quarter, and our average loan book size expanded to \$635 million. Galaxy continues to onboard new counterparties and ended 2023 with 1,052 total trading counterparties.

Key Performance Indicators

	Q4 2023	Q3 2023	Q/Q % Change	FY 2023
Loan Book Size (Average)	\$635M	\$580M	9 %	\$542M
Counterparty Loan Originations	\$269M	\$117M	129 %	\$661M
Counterparty Trading Volumes QoQ Change	3 %	70 %	N.M. ¹	-
Total Trading Counterparties	1,052	1,027	2 %	1,052
Active Trading Counterparties	272	284	(4) %	272

(1) Abbreviation for "Not Meaningful".

Investment Banking

Investment Banking successfully closed five deals in 2023, despite the backdrop for deal execution remaining challenging. In the fourth quarter, the team completed a restructuring mandate with Prime Trust. Galaxy also realized revenue associated with both advising online gaming platform, Gamercraft, on its seed financing round, and for serving as the exclusive financial advisor to Securitize on its acquisition of Onramp Invest. Galaxy is executing against a pipeline of mandates representing \$2.2 billion in potential deal value.

Key Performance Indicators

	Q4 2023	Q3 2023	Q/Q % Change	FY 2023
Deals Closed	1	2	(50) %	5
Pipeline	23	24	(4) %	23
Deal Value of Pipeline	\$2.2B	\$2.2B	— %	\$2.2B

KEY TERMS

Counterparty Trading Revenue: revenue from counterparty-facing activities from our Derivatives, Credit, Over-the-Counter Trading, and Quantitative Trading businesses, net of associated funding charges.

Loan Book Size (Average): average market value of all open loans, un-funded arrangements to finance delayed trading/settlement (for example over weekends), and uncommitted credit facilities in the period.

Counterparty Loan Originations: market values of all loans, credit facility draws, and credit facilities originated to external counterparties in the period. Does not include rolled loans as new originations; rolled loans can be generally defined as loans where the maturity was extended but no other material terms were changed.

Active Trading Counterparties: counterparties with whom we have traded within the past 12 months and who are still onboarded with Galaxy's trading business.

Pipeline: the number of open engagements and transactions the Investment Banking team has in market.

Deal Value of Pipeline: the theoretical aggregate deal value associated with the Investment Banking pipeline.

Galaxy Asset Management

Galaxy Asset Management ("GAM") provides investors access to the digital asset ecosystem via a diverse suite of institutional-grade investment vehicles that span passive, active, and venture strategies.

GAM management fees were \$22.2 million for the full year 2023 and \$8.4 million in the fourth quarter. GAM reported Assets Under Management of approximately \$5.2 billion as of December 31, 2023, a 203% increase year-over-year ("YoY"), driven primarily by net inflows from newly managed opportunistic mandates. Subsequent to quarter-end, GAM reported a record preliminary AUM of \$10.1 billion as of February 29, 2024, as a result of market appreciation and net inflows from newly managed opportunistic assets. On January 11, 2024, GAM, in partnership with Invesco, announced the launch of the Invesco Galaxy Bitcoin ETF (ticker: BTCO).

Key Performance Indicators	Q4 2023	Q3 2023	Q/Q % Change	FY 2023
Management and Performance Fees	\$8.4M	\$4.7M	79 %	\$22.2M
Total AUM	\$5,179M	\$3,917M	32 %	\$5,179M
Passive AUM	\$1,589M	\$768M	107 %	\$1,589M
Active AUM ¹	\$2,169M	\$1,704M	27 %	\$2,169M
Venture AUM	\$1,421M	\$1,445M	(2) %	\$1,421M

Note: In Galaxy's monthly AUM disclosures, the "funds" line item consists of AUM held in GAM's Passive, Active, and Venture funds, but excludes opportunistic assets.

(1) Includes opportunistic AUM. "Opportunistic" AUM are near-term or mid-term engagements to unwind portfolios managed by GAM. Opportunistic AUM was \$2,078M as of December 31, 2023, and \$1,612M as of September 30, 2023.

KEY TERMS

Assets Under Management: all figures are unaudited. AUM is inclusive of sub-advised funds, committed capital closed-end vehicles, seed investments by affiliates, affiliated and unaffiliated separately managed accounts, engagements to unwind portfolios, and fund of fund products. Changes in AUM are generally the result of performance, contributions, withdrawals, liquidations and opportunistic mandate wins.

- AUM for committed capital closed-end vehicles that have completed their investment period is reported as NAV (Net Asset Value) plus unfunded commitment.
- AUM for quarterly close vehicles is reported as of the most recent quarter available for the applicable period.
- AUM for affiliated separately managed accounts is reported as NAV as of the most recently available estimate for the applicable period.

Passive Strategies: single- and multi-asset private funds, as well as a suite of regulated spot digital asset exchange-traded funds offered through partnerships with asset managers globally.

Active Strategies: Galaxy's Liquid Crypto (formally "Liquid Alpha") strategy and the management of certain opportunistic mandates.

Venture Strategies: organized around two investment themes: Interactive Ventures and Crypto Ventures. Galaxy Interactive is GAM's sector-focused venture arm, managing client capital across three funds. GAM's Crypto Ventures sleeve invests client capital across two global, multi-manager venture funds and manages a subset of Galaxy's balance sheet venture investments.

Galaxy Digital Infrastructure Solutions

Galaxy Digital Infrastructure Solutions ("GDIS") consists of proprietary and hosted bitcoin mining services, GK8 self-custody technology solutions, and validator services.

Mining

Mining revenue was \$58.5M for the full year 2023 and \$18.7 million in the fourth quarter. We reached 4.1 exahash per second

("EH/s") of Hashrate Under Management ("HUM") across our proprietary and hosted footprint, exceeding our 2023 year-end target HUM. As of February 29, 2024, we reached 5.4 EH/s in HUM. As anticipated, our average marginal cost to mine in the fourth quarter increased relative to prior quarters due to fewer opportunities to economically curtail our mining operations and a higher network hashrate. For the full year 2023, Galaxy mined 1,077 bitcoin from our proprietary mining operations at an average marginal cost to mine of less than \$8,000.

Key Performance Indicators	Q4 2023	Q3 2023	Q/Q % Change	FY 2023
Mining Revenue	\$18.7M	\$14.3M	31 %	\$58.5M
Proprietary Mining Revenue	\$12.4M	\$8.8M	41 %	\$33.1M
Hosted and Other Mining Revenue ¹	\$6.2M	\$5.5M	13 %	\$25.4M
Total Hashrate Under Management	4.1 EH/s	3.9 EH/s	3 %	4.1 EH/s
Proprietary Mining Hashrate	1.9 EH/s	1.8 EH/s	3 %	1.9 EH/s
Hosted Mining Hashrate	2.2 EH/s	2.1 EH/s	3 %	2.2 EH/s
Number of Proprietary BTC Mined	333	309	8 %	1,077
Average Marginal Cost to Mine	<\$15.5K	<\$0	N.M.	<\$8K

(1) Includes revenue from hosting clients, leasing agreements and other mining related activities.

Self-Custody and Validator Solutions

Self-Custody and Validator Solutions are focus areas in our continued commitment to the future of decentralized networks. This includes supporting the integrity of protocols and ecosystem projects by operating validator nodes to secure blockchains, and by offering self-custody technology solutions to institutions through GK8.

Key Performance Indicators	Q4 2023	Q3 2023	Q/Q % Change	FY 2023
GK8 Total Client Count	21	16	31 %	21
Assets Under Stake	\$243M	\$120M	102 %	\$243M

KEY TERMS

Hashrate Under Management: the total combined hashrate of active proprietary and hosted mining capacity managed by Galaxy.

Proprietary Mining Hashrate: the hashrate attributed to Galaxy owned and operated mining rigs.

Hosted Mining Hashrate: the hashrate attributed to third-party machines operated by Galaxy for a client.

Number of Proprietary BTC Mined: the total amount of bitcoin mined from proprietary mining operations.

Average Marginal Cost to Mine: the marginal cost of production for each bitcoin generated during the period. The calculation excludes depreciation, mark-to-market on power contracts, and corporate overhead.

GK8 Total Client Count: the total number of clients contracted to use GK8's technology solutions.

Assets Under Stake: the total notional value of assets bonded to Galaxy validators, based on prices as of the end of the specified period. This includes certain Galaxy balance sheet assets and third party assets.

GDH Ltd.'s Financial Highlights

As the only significant asset of GDH Ltd. is its minority interest in GDH LP, its results are driven by the results of GDH LP. GDH Ltd. accounts for its investment in this associate (GDH LP) using the equity method. The investment, initially recorded at cost, is increased or decreased to recognize GDH Ltd.'s share of the earnings and losses of GDH LP. As of December 31, 2023, a reversal of a previously recognized impairment assessment was required under International Financial Reporting Standards and GDH Ltd.'s minority interest in GDH LP was marked up based on the TSX year-end closing share price. An impairment expense reversal of \$307.7 million and \$390.9 million was recognized during the three and twelve months ended December 31, 2023, respectively.

The net comprehensive income (loss) of GDH Ltd. was \$371.6 million and \$454.8 million for the three and twelve months ended December 31, 2023, respectively.

Important U.S. Tax Information - Action Required by U.S. Shareholders

Galaxy shareholders who are U.S. taxpayers should be aware that there may be significant and adverse U.S. federal income tax consequences relating to Galaxy's PFIC status for 2023 and prior years and in connection with Galaxy's domestication from

Cayman to Delaware unless they make certain elections on their originally filed U.S. federal income tax returns for 2023, which are generally due on April 18, 2024 (subject to allowable extensions). These consequences and, therefore, the need to take action apply to both direct and indirect holdings of Galaxy shares. These elections are described in the notice posted by Galaxy in March 2024 on its website at <https://investor.galaxy.com/financials/annual-reports/default.aspx>. Before filing their U.S. federal income tax returns for 2023, direct and indirect Galaxy shareholders who are, or who have investors who are, U.S. taxpayers are urged to review the notice and to consult their tax advisors regarding the advisability of making these elections on their U.S. federal income tax returns for 2023.

Earnings Conference Call

An investor conference call will be held today, March 26, 2023, at 8:30 AM Eastern Time. A live webcast with the ability to ask questions will be available at: <https://investor.galaxy.com/>. The conference call can also be accessed by investors in the United States or Canada by dialing 1-844-746-0741, or 1-412-317-5107 (outside the U.S. and Canada). A replay of the webcast will be available and can be accessed in the same manner as the live webcast on the Company's Investor Relations website. Through April 26, 2023, the recording will also be available by dialing 1-844-512-2921, or 1-412-317-6671 (outside the U.S. and Canada) and using the passcode: 10186798.

About Galaxy Digital Holdings Ltd. (TSX: GLXY) ("GDH Ltd.") and Galaxy Digital Holdings LP ("GDH LP")

Galaxy (TSX: GLXY) is a digital asset and blockchain leader providing access to the growing digital economy. We serve a diversified client base, including institutions, startups, and qualified individuals. Since 2018, Galaxy has been building a holistic financial platform spanning three complementary operating businesses: Global Markets, Asset Management, and Digital Infrastructure Solutions. Our offerings include, amongst others, trading, lending, strategic advisory services, institutional-grade investment solutions, proprietary bitcoin mining and hosting services, network validator services, and the development of enterprise self-custodial technology. The company is headquartered in New York City, with global offices across North America, Europe, and Asia. Additional information about Galaxy's businesses and products is available on www.galaxy.com.

This press release should be read in conjunction with (i) GDH LP's Management Discussion and Analysis and Consolidated Financial Statements for the year ended December 31, 2023 and (ii) GDH Ltd.'s Management Discussion and Analysis and Consolidated Financial Statements for the year ended December 31, 2023 (together, the "Consolidated Financial Statements" and "MD&As"), which have been filed on SEDAR at www.sedarplus.ca.

Disclaimers and Additional Information

The TSX has not approved or disapproved of the information contained herein. The Ontario Securities Commission has not passed upon the merits of the disclosure record of Galaxy.

This press release contains certain pre-released first quarter 2024 financial information (the "pre-released financial information"). The pre-released financial information contained in this press release is preliminary and represents the most current information available to management. The Partnership's actual consolidated financial statements for such period may result in material changes to the pre-released financial information summarized in this press release (including by any one financial metric, or all of the financial metrics) as a result of the completion of normal quarter accounting procedures and adjustments or due to other risks contained in the Annual Information Form for the year ended December 31, 2023. Although the Company believes the expectations reflected in this press release are based upon reasonable assumptions, the Company can give no assurance that actual results will not differ materially from these expectations.

No Offer or Solicitation

As previously announced, the Company intends to complete its proposed reorganization and domestication to become a Delaware-based company, and subsequently list on the Nasdaq, upon completion of the SEC's ongoing review and subject to stock exchange approval of such listing. The proposed reorganization and domestication is subject to approval by shareholders the Company and applicable regulatory authorities, including the Toronto Stock Exchange. In connection with the proposed reorganization and domestication, the Company has filed a registration statement, including a management information circular/prospectus, with the SEC, which has not yet become effective. SHAREHOLDERS ARE ADVISED TO READ THE FINAL VERSIONS OF SUCH DOCUMENTS, WHEN AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Shareholders may obtain a free copy of the registration statement (including the management information circular/prospectus) and any other relevant documents from the SEC's website at <http://www.sec.gov>. Copies of the final versions of such documents can also be obtained, when available, without charge, via Galaxy's investor relations website: <https://investor.galaxy.com/>. The Company anticipates holding a shareholder meeting to seek approval following the effectiveness of the registration statement, and further details will be included in the management information circular to be mailed to shareholders and posted on the Company's SEDAR profile at www.sedarplus.ca.

This document shall not constitute a solicitation of a proxy, consent or authorization with respect to any securities or in respect of the domestication or any of the other proposed reorganization transactions. This document does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote of approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the

securities laws of any such jurisdiction.

CAUTION ABOUT FORWARD-LOOKING STATEMENTS

The information in this document may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and "forward-looking information" under Canadian securities laws (collectively, "forward-looking statements"). Our forward-looking statements include, but are not limited to, statements regarding our or our management team's expectations, hopes, beliefs, intentions or strategies regarding the future. Statements that are not historical facts, including statements about Galaxy's pre-released financial information, business pipelines for banking and Gk8, mining goals, plans for share repurchases, focus on self custody and validator solutions and our commitment to the future of decentralized networks and the pending domestication and the related transactions (the "transactions"), and the parties, perspectives and expectations, are forward-looking statements. In addition, any statements that refer to estimates, projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. The forward-looking statements contained in this document are based on our current expectations and beliefs concerning future developments and their potential effects on us taking into account information currently available to us. There can be no assurance that future developments affecting us will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks include, but are not limited to: (1) the inability to complete the proposed domestication and reorganization transactions, due to the failure to obtain shareholder and stock exchange approvals, or otherwise; (2) changes to the proposed structure of the transactions that may be required or appropriate as a result of applicable laws or regulations or as a condition to obtaining shareholder or stock exchange approval of the transactions; (3) the ability to meet and maintain listing standards following the consummation of the transactions; (4) the risk that the transactions disrupt current plans and operations; (5) costs related to the transactions, operations and strategy; (6) changes in applicable laws or regulations; (7) the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; (8) changes or events that impact the cryptocurrency industry, including potential regulation, that are out of our control; (9) the risk that our business will not grow in line with our expectations or continue on its current trajectory; (10) the possibility that our addressable market is smaller than we have anticipated and/or that we may not gain share of it; and (11) the possibility that there is a disruption in mining impacting our ability to achieve expected results or change in power dynamics impacting our results, (12) any delay or failure to consummate the business mandates or achieve its pipeline goals in banking and Gk8, (13) price and trading volume volatility with respect to the Company's shares and its impact on share repurchases and the cost of such repurchases, (14) regulatory concerns, technological challenges, cyber incidents or exploits on decentralized networks (15) those other risks contained in the Annual Information Form for the year ended December 31, 2023 available on the Company's profile at www.sedarplus.ca and its Management's Discussion and Analysis, filed on March 26, 2024. Factors that could cause actual results to differ materially from those described in such forward-looking statements include, but are not limited to, a decline in the digital asset market or general economic conditions; the possibility that our addressable market is smaller than we have anticipated and/or that we may not gain share of the stated addressable market; the failure or delay in the adoption of digital assets and the blockchain ecosystem; a delay or failure in developing infrastructure for our business or our businesses achieving our banking and Gk8 mandates; delays or other challenges in the mining business related to hosting, power or our mining infrastructure; any challenges faced with respect to decentralized networks, considerations with respect to liquidity and capital planning and its impact on share repurchases and changes in applicable law or regulation and adverse regulatory developments. Should one or more of these risks or uncertainties materialize, they could cause our actual results to differ materially from the forward-looking statements. We are not undertaking any obligation to update or revise any forward looking statements whether as a result of new information, future events or otherwise. You should not take any statement regarding past trends or activities as a representation that the trends or activities will continue in the future. Accordingly, you should not put undue reliance on these statements.

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Galaxy Digital Holdings LP's Consolidated Statements of Financial Position (unaudited)

(in thousands)	December 31, 2023	December 31, 2022
Assets		
Current assets		
Cash and cash equivalent	\$ 316,610	\$ 542,101
Digital assets	1,078,587	566,690
Receivable for digital asset trades	41,339	9,063
Digital assets loans receivable, net of allowance	104,504	49,971
Digital assets receivables	14,686	12,423
Assets posted as collateral	318,195	25,138
Receivables	15,983	10,887

Derivative assets	173,209	17,719
Prepaid expenses and other assets	37,910	32,818
Loans receivable	377,105	62,611
Due from related party	5,007	13,857
Total current assets	2,483,135	1,343,278
Digital assets receivables	6,174	5,154
Investments (includes \$290.4 and \$235.4 million of equity method investments, respectively)	735,103	595,122
Restricted digital assets	41,356	—
Loans receivable, non-current	10,259	100,977
Property and equipment	259,965	208,538
Other non-current assets	95,000	68,429
Goodwill	44,257	24,645
Total non-current assets	1,192,114	1,002,865
Total assets	\$ 3,675,249	\$ 2,346,143
Liabilities and equity		
Current liabilities		
Investments sold short	25,295	91
Derivative liabilities	160,642	16,568
Accounts payable and accrued liabilities	69,212	67,081
Payable to customers	3,503	9,591
Taxes payable	25,936	22,717
Payable for digital asset trades	4,176	2,557
Digital assets loans payable	398,277	170,566
Loans payable	93,069	—
Collateral payable	581,362	131,506
Due to related party	67,953	53,984
Lease liability	3,860	4,467
Total current liabilities	1,433,285	479,128
Notes payable	408,053	384,515
Deferred tax liability	33,894	31,302
Lease liability	10,236	12,406
Total non-current liabilities	452,183	428,223
Total liabilities	1,885,468	907,351
Equity		
Partners' capital	1,789,781	1,438,792
Total equity	1,789,781	1,438,792
Total liabilities and equity	\$ 3,675,249	\$ 2,346,143

Galaxy Digital Holdings LP's Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) (unaudited)

(in thousands)	Year ended	
	December 31, 2023	December 31, 2022
Income		
Fee revenue	\$ 51,342	\$ 35,576
Net realized gain on digital assets	311,830	55,138
Net realized gain on investments	13,412	42,022
Lending and staking revenue	52,216	36,762
Net derivative gain	151,583	191,520
Revenue from proprietary mining	33,121	29,911
Other income	357	28,533
	613,861	419,462

Operating expenses		
Compensation and compensation related	138,401	127,909
Equity based compensation	72,275	100,849
General and administrative	76,723	163,955
Professional fees	37,062	28,223
Interest	24,653	38,896
Notes interest expense	27,285	37,029
	<u>(376,399)</u>	<u>(496,861)</u>

Other		
Net unrealized gain (loss) on digital assets	1,950	(659,169)
Net unrealized gain (loss) on investments	84,415	(496,184)
Net gain (loss) on notes payable - derivative	(9,603)	57,998
Net gain on warrant liability	—	20,322
Foreign currency loss	(493)	(316)
Loss attributable to non-controlling interests liability	—	97,219
	<u>76,269</u>	<u>(980,130)</u>

Income (loss) before income taxes	313,731	(1,057,529)
Income taxes expense (benefit)	17,833	(35,952)
Net income (loss) for the period	\$ 295,898	\$ (1,021,577)

Other comprehensive income (loss)		
Foreign currency translation adjustment	\$ 88	\$ (1,726)

Comprehensive income (loss) for the period	\$ 295,986	\$ (1,023,303)
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(in thousands)	Three months ended December 31, 2023	Three months ended December 31, 2022
Income		
Fee revenue	\$ 17,135	\$ 7,681
Net realized gain on digital assets	293,149	(73,420)
Net realized gain on investments	(55,299)	(22,131)
Lending and staking revenue	16,893	5,676
Net derivative gain	71,121	11,699
Revenue from proprietary mining	12,449	8,581
Other income	24	24,381
	<u>355,472</u>	<u>(37,533)</u>

Operating expenses		
Compensation and compensation related	42,154	15,462
Equity based compensation	14,581	19,215
General and administrative	15,789	62,566
Professional fees	10,548	12,952
Interest	8,983	5,479
Notes interest expense	6,913	14,916
	<u>(98,968)</u>	<u>(130,590)</u>

Other		
Net unrealized gain (loss) on digital assets	(22,501)	5,037
Net unrealized gain (loss) on investments	92,932	(123,866)
Net gain (loss) on notes payable - derivative	(8,581)	1,442
Net gain on warrant liability	—	317
Foreign currency loss	350	(3,609)
Loss attributable to non-controlling interests liability	—	(7,941)

	<u>62,200</u>	<u>(128,620)</u>
Income (loss) before income taxes	<u>318,704</u>	<u>(296,743)</u>
Income taxes expense (benefit)	17,247	(8,968)
Net income (loss) for the period	<u>\$ 301,457</u>	<u>\$ (287,775)</u>
Other comprehensive income (loss)		
Foreign currency translation adjustment	\$ 85	\$ (1,016)
Comprehensive income (loss) for the period	<u>\$ 301,542</u>	<u>\$ (288,791)</u>

	<u>Year ended December 31, 2023</u>	<u>Year ended December 31, 2022</u>
GDH LP Net income (loss) per unit:		
Basic	\$ 0.92	\$ (3.13)
Diluted	0.90	(3.13)
Weighted average units:		
Basic	321,599,100	326,024,679
Diluted	329,613,940	326,024,679

Reportable segments (unaudited)

Income and expenses by each reportable segment of GDH LP for the three months ended December 31, 2023 are as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure Solutions	Corporate and Other	Totals
Income (loss)					
Fee revenue ⁽¹⁾	2,615	8,370	7,159	(1,009)	17,135
Net realized gain on digital assets	292,796	353	—	—	293,149
Net realized loss on investments	(55,036)	(263)	—	—	(55,299)
Lending and staking revenue	16,063	1,533	272	(975)	16,893
Net derivative gain (loss)	71,730	(468)	(141)	—	71,121
Revenue from proprietary mining	—	—	12,449	—	12,449
Other income (expense)	(35)	4	—	55	24
	<u>328,133</u>	<u>9,529</u>	<u>19,739</u>	<u>(1,929)</u>	<u>355,472</u>
Operating expenses	<u>60,047</u>	<u>14,540</u>	<u>7,611</u>	<u>16,770</u>	<u>98,968</u>
Other					
Net unrealized gain (loss) on digital assets	(98,968)	75,248	1,219	—	(22,501)
Net unrealized gain on investments	65,922	25,675	1,335	—	92,932
Net (loss) on notes payable - derivative	—	—	—	(8,581)	(8,581)
Foreign currency gain	350	—	—	—	350
	<u>(32,696)</u>	<u>100,923</u>	<u>2,554</u>	<u>(8,581)</u>	<u>62,200</u>
Income (loss) before income taxes	<u>\$ 235,390</u>	<u>\$ 95,912</u>	<u>\$ 14,682</u>	<u>\$ (27,280)</u>	<u>\$ 318,704</u>
Income tax expense	—	—	—	17,247	17,247
Net income (loss) for the period	<u>\$ 235,390</u>	<u>\$ 95,912</u>	<u>\$ 14,682</u>	<u>\$ (44,527)</u>	<u>\$ 301,457</u>
Foreign currency translation adjustment	—	—	—	85	85
Comprehensive income (loss) for the period	<u>\$ 235,390</u>	<u>\$ 95,912</u>	<u>\$ 14,682</u>	<u>\$ (44,442)</u>	<u>\$ 301,542</u>

(1) Asset Management fee revenue includes management fees generated off the Partnership's balance sheet venture investments which are eliminated in the Corporate & Other segment.

Income and expenses by each reportable segment of GDH LP for the three months ended December 31, 2022 are as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure Solutions	Corporate and Other	Totals
Income (loss)					
Fee revenue	\$ 3,137	\$ 5,105	\$ 439	\$ (1,000)	\$ 7,681
Net realized gain (loss) on digital assets	(127,889)	54,469	—	—	\$ (73,420)
Net realized gain (loss) on investments	(22,997)	866	—	—	\$ (22,131)
Lending and staking revenue	5,549	127	—	—	\$ 5,676
Net derivative gain (loss)	11,760	(61)	—	—	\$ 11,699
Revenue from proprietary mining	—	—	8,581	—	\$ 8,581
Other income (expense)	135	(156)	540	23,862	\$ 24,381
	(130,305)	60,350	9,560	22,862	(37,533)
Operating expenses	66,834	8,673	15,429	39,654	130,590
Other					
Net unrealized gain (loss) on digital assets	(33,922)	38,959	—	—	5,037
Net unrealized loss on investments	(220)	(116,862)	(6,784)	—	(123,866)
Net gain on notes payable - derivative	—	—	—	1,442	1,442
Net gain on warrant liability	—	—	—	317	317
Foreign currency loss	(3,609)	—	—	—	(3,609)
Gain attributable to non-controlling interests liability	—	(7,941)	—	—	(7,941)
	(37,751)	(85,844)	(6,784)	1,759	(128,620)
Income (loss) before income taxes	\$ (234,890)	\$ (34,167)	\$ (12,653)	\$ (15,033)	\$ (296,743)
Income tax benefit	—	—	—	(8,968)	(8,968)
Net income (loss) for the period	\$ (234,890)	\$ (34,167)	\$ (12,653)	\$ (6,065)	\$ (287,775)
Foreign currency translation adjustment	—	—	—	(1,016)	(1,016)
Comprehensive income (loss) for the period	\$ (234,890)	\$ (34,167)	\$ (12,653)	\$ (7,081)	\$ (288,791)

Income and expenses by each reportable segment of GDH LP for the year ended December 31, 2023 are as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure Solutions	Corporate and Other	Totals
Income (loss)					
Fee revenue ⁽¹⁾	\$ 4,877	\$ 22,203	\$ 27,482	\$ (3,220)	\$ 51,342
Net realized gain on digital assets	307,057	4,773	—	—	311,830
Net realized gain (loss) on investments	(8,936)	22,348	—	—	13,412
Lending and staking revenue	49,916	3,003	272	(975)	52,216
Net derivative gain (loss)	150,715	1,074	(206)	—	151,583
Revenue from proprietary mining	—	—	33,121	—	33,121
Other income (expense)	175	(127)	254	55	357
	503,804	53,274	60,923	(4,140)	613,861
Operating expenses	186,660	56,649	46,606	86,484	376,399
Net unrealized gain (loss) on digital assets	(73,492)	74,223	1,219	—	1,950
Net unrealized gain (loss) on investments	79,001	(2,193)	7,607	—	84,415
Net loss on notes payable - derivative	—	—	—	(9,603)	(9,603)
Foreign currency loss	(493)	—	—	—	(493)
	5,016	72,030	8,826	(9,603)	76,269
Income (loss) before income taxes	\$ 322,160	\$ 68,655	\$ 23,143	\$ (100,227)	\$ 313,731
Income tax expense	—	—	—	17,833	17,833
Net income (loss)	\$ 322,160	\$ 68,655	\$ 23,143	\$ (118,060)	\$ 295,898

Foreign currency translation adjustment	—	—	—	88	88
Comprehensive income (loss)	\$ 322,160	\$ 68,655	\$ 23,143	\$ (117,972)	\$ 295,986

(1) Asset Management fee revenue includes management fees generated off the Partnership's balance sheet venture investments which are eliminated in the Corporate & Other segment.

Income and expenses by each reportable segment of GDH LP for the year ended December 31, 2022 are as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure Solutions	Corporate and Other	Totals
Income (loss)					
Fee revenue	\$ 14,704	\$ 16,248	\$ 5,624	\$ (1,000)	\$ 35,576
Net realized gain (loss) on digital assets	(192,830)	247,968	—	—	55,138
Net realized gain (loss) on investments	(34,405)	76,427	—	—	42,022
Lending and staking revenue	36,119	643	—	—	36,762
Net derivative gain (loss)	191,581	(61)	—	—	191,520
Revenue from proprietary mining	—	—	29,911	—	29,911
Other income	370	1,878	540	25,745	28,533
	15,539	343,103	36,075	24,745	419,462
Operating expenses	200,727	56,551	70,629	168,954	496,861
Net unrealized loss on digital assets	(216,043)	(443,126)	—	—	(659,169)
Net unrealized loss on investments	(102,747)	(360,978)	(32,459)	—	(496,184)
Net gain on notes payable - derivative	—	—	—	57,998	57,998
Net gain on warrant liability	—	—	—	20,322	20,322
Foreign currency loss	(316)	—	—	—	(316)
Loss attributable to non-controlling interests liability	—	97,219	—	—	97,219
	(319,106)	(706,885)	(32,459)	78,320	(980,130)
Income (loss) before income taxes	\$ (504,294)	\$ (420,333)	\$ (67,013)	\$ (65,889)	\$ (1,057,529)
Income tax benefit	—	—	—	(35,952)	(35,952)
Net income (loss)	\$ (504,294)	\$ (420,333)	\$ (67,013)	\$ (29,937)	\$ (1,021,577)
Foreign currency translation adjustment	—	—	—	(1,726)	(1,726)
Comprehensive income (loss)	\$ (504,294)	\$ (420,333)	\$ (67,013)	\$ (31,663)	\$ (1,023,303)

Assets and liabilities by reportable segment of GDH LP as of December 31, 2023 are as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure Solutions	Corporate and Other	Totals
Total assets	\$ 2,726,950	\$ 575,056	\$ 321,322	\$ 51,921	\$ 3,675,249
Total liabilities	\$ 1,289,792	\$ 10,968	\$ 9,817	\$ 574,891	\$ 1,885,468

Assets and liabilities by reportable segment of GDH LP as of December 31, 2022 are as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure Solutions	Corporate and Other	Totals
Total assets	\$ 1,476,489	\$ 536,061	\$ 251,624	\$ 81,969	\$ 2,346,143
Total liabilities	\$ 338,336	\$ 1,084	\$ 10,519	\$ 557,412	\$ 907,351

Select statement of financial position information

The fair value of select assets by reporting segment of GDH LP as of December 31, 2023 is as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure	Corporate and Other	Totals
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	Solutions				
Digital assets	\$ 1,052,013	\$ 67,930	\$ —	\$ —	\$ 1,119,943
Digital assets receivables	6,506	13,135	1,219	—	20,860
Assets posted as collateral	318,195	—	—	—	318,195
Loans receivable	491,868	—	—	—	491,868
Investments	244,807	476,262	14,034	—	735,103
Property and equipment	109	—	252,552	7,304	259,965
	\$ 2,113,498	\$ 557,327	\$ 267,805	\$ 7,304	\$ 2,945,934

The fair value of each asset class by reporting segment of GDH LP as of December 31, 2022 is as follows:

(in thousands)	Digital				Totals
	Global Markets	Asset Management	Infrastructure Solutions	Corporate and Other	
Digital assets	\$ 566,690	\$ —	\$ —	\$ —	\$ 566,690
Digital assets receivables	10,713	6,864	—	—	17,577
Assets posted as collateral	25,138	—	—	—	25,138
Loans receivable	213,559	—	—	—	213,559
Investments	124,668	464,027	6,427	—	595,122
Property and equipment	126	—	200,829	7,583	208,538
	\$ 940,894	\$ 470,891	\$ 207,256	\$ 7,583	\$ 1,626,624

Net Digital Assets Position

Net digital assets includes all digital assets categorized as assets, less all digital assets categorized as liabilities on the statement of financial position and is included in the Company's liquidity measure. Net digital assets as of December 31, 2023 is as follows:

(in thousands)	As of December 31, 2023	As of December 31, 2022
Assets		
Digital assets	\$ 1,078,587	\$ 566,690
Bitcoin ⁽¹⁾	589,011	222,229
Ether ⁽¹⁾	174,978	54,219
USDT	104,539	62,267
USDC	74,624	199,479
TIA	27,138	—
All other	108,297	28,496
Digital asset loans receivable, net of allowance	104,504	49,971
Digital assets receivable, current	14,686	12,423
Digital assets receivable, noncurrent	6,174	5,154
Assets posted as collateral - Digital assets ⁽²⁾	316,104	25,138
Restricted digital assets, noncurrent ⁽³⁾	41,356	—
	1,561,411	659,376
Liabilities		
Digital asset loans payable	398,277	170,566
Collateral payable ⁽²⁾	569,995	73,458
	968,272	244,024
Digital assets, net	\$ 593,139	\$ 415,352
Stablecoins, net ⁽⁴⁾	\$ (115,997)	\$ 281,048
Digital assets, net excl. stablecoins	\$ 709,136	\$ 134,304

(1) December 31, 2023 balances include associated tokens such as wBTC, wETH and stETH.

(2) Excludes cash portion of balance on the Partnership's balance sheet.

(3) As of December 31, 2023, this balance represents TIA tokens that are subject to a sale restriction of greater than one year.

(4) As of December 31, 2023, stablecoin liabilities were greater than stablecoin assets.