



Galaxy Completes Acquisition of Leading Institutional Custody Platform GK8

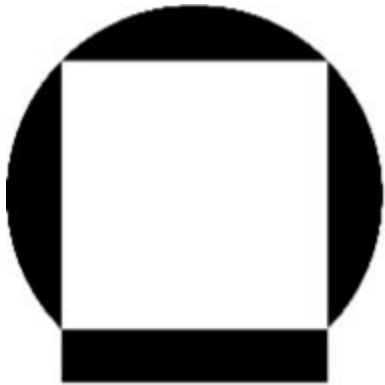
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Asset Purchase Brings GK8's Team and Operations Under Galaxy's Ownership

Acquisition Bolsters Galaxy's Commitment to Providing Leading Infrastructure and Prime Services to Institutions

GK8 will Continue to Provide Innovative, Client-Driven Custody Solutions

NEW YORK, Feb. 23, 2023 /CNW/ - [Galaxy Digital Holdings Ltd.](#) (TSX: GLXY) ("Galaxy" or "the Company"), a financial services and investment management innovator in the digital asset, cryptocurrency, and blockchain technology sectors, has completed its previously announced acquisition of substantially all of the assets of GK8, a secure institutional digital asset custody platform, for approximately \$44 million.



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By acquiring GK8's suite of innovative custody technology and services, Galaxy aims to enhance how clients interact with and store digital assets. GK8's patented technology puts custody of digital assets into the hands of the institutions that manage them. GK8's technology also broadens ecosystem access by enabling staking, decentralized finance networks (DeFi), tokenization, NFT support, and trading services. GK8 provides these services through its [patented Cold and MPC vaults](#) allowing institutions to securely manage their digital assets. The Cold vault enables the execution of blockchain transactions without connecting to the internet, while the proprietary multi-party computation (MPC) vault enables automated transactions.

"Investor demand for innovative and secure custody services continues to grow, and the acquisition of GK8 enhances our efforts to offer clients best-in-class cold storage solutions along with cutting-edge wallet technology," said Mike Novogratz, Founder and CEO of Galaxy. "In addition to continuing to offer highly valuable custody technology to clients, the GK8 team will play a pivotal role in our evolution to offer a full-service financial platform for digital assets."

With the backing of Galaxy, GK8 will continue to develop and offer its digital asset custody solutions for institutions, including banks, trust companies, broker-dealers, and trading platforms. Galaxy also plans to incorporate GK8's custodial technology into GalaxyOne, the Company's [previously announced](#) prime brokerage platform. Once launched, GalaxyOne will provide the full suite of digital asset financial services to institutions, including trading, lending, derivatives, cross-portfolio margining, and several custodial options, including GK8's custody solutions.

Additional benefits of the transaction for Galaxy include adding an office in Tel Aviv, expanding the company's geographic reach, and bringing on a team of nearly 40 people, including cryptographers and blockchain engineers. The founders of GK8, CEO Lior Lamesh and CTO Shahar Shamai, have also joined to lead Galaxy's custodial technologies offering.

"The closing of this transaction represents an exciting new chapter for GK8, our employees, and the institutions that rely on our best-in-class custody infrastructure and services," said Lamesh. "Galaxy has built an impressive reputation as one of the most trusted and client-focused companies across the digital asset space, and we are thrilled to join the Galaxy team to help them deliver an unparalleled suite of offerings to institutional clients."

About Galaxy Digital

Galaxy (TSX: GLXY) is a digital asset and blockchain leader providing institutions, startups, and qualified individuals access to the crypto economy. Our full suite of financial services is custom-made for a digitally native ecosystem, spanning multiple synergistic business lines: Trading, Asset Management, Investment Banking, Mining, and Ventures.

Galaxy's CEO and Founder Michael Novogratz leads a team of crypto enthusiasts and institutional veterans working together on a mission to engineer a new economic paradigm. 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.

For more information on GK8, visit www.gk8.io.

Disclaimers

The TSX has neither approved nor disapproved the contents of this press release.

CAUTION ABOUT FORWARD-LOOKING STATEMENTS

The information in this communication may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and 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, including some statements about GK8 and GalaxyOne. 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. Forward-looking statements in this press release may include, for example, statements about our expectations around the performance of the Company, GalaxyOne and GK8's business. The forward-looking statements contained in this release 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) changes in applicable laws or regulations; (2) the possibility that the combined company may be adversely affected by other economic, business, and/or competitive factors; (3) changes or events that impact the cryptocurrency industry, including potential regulation, that are out of our control; (4) the risk that our business will not grow in line with our expectations or continue on its current trajectory; (5) the possibility that our addressable market is smaller than we have anticipated and/or that we may not gain share of it; (6) those other risks contained in the Annual Information Form for the year ended December 31, 2021 available on the Company's profile at www.sedar.com and (7) other risks and uncertainties to be indicated from time to time in filings made on SEDAR. Factors that could cause actual results of the Company 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 and corresponding impacts to our business, including the rollout of GalaxyOne and integration of GK8. 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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