



Galaxy Digital Announces Pricing of \$500 Million Exchangeable Senior Notes Offering

November 29, 2021

NEW YORK, Nov. 29, 2021 /CNW/ - Galaxy Digital Holdings Ltd. (TSX: GLXY) ("GDH Ltd." or the "Company") is pleased to announce that Galaxy Digital Holdings LP (the "Issuer" and together with GDH Ltd., "Galaxy Digital") has agreed to issue and sell \$500 million aggregate principal amount of 3.00% Exchangeable Senior Notes due 2026 (the "Notes") to certain purchasers, including affiliates of Arca, NZ Funds, Senator Investment Group and XN (the "Noteholders"), in a private placement under the Securities Act of 1933, as amended (the "Securities Act").



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Galaxy Digital intends to use the proceeds from the Notes offering to accelerate growth initiatives across its business lines and for general corporate purposes.

As previously announced, the Company's board of directors has approved a proposed corporate reorganization (the "Reorganization") whereby Galaxy Digital intends to consummate a series of related transactions in connection with its re-domiciliation to the United States, as a result of which the ordinary shares of GDH Ltd. (the "Ordinary Shares") outstanding immediately prior to such transactions will automatically convert into shares of Class A common stock (the "Class A Shares") of Galaxy Digital Inc., a newly formed Delaware holding company (the "Successor Company"). Subject to the satisfaction of certain conditions and during certain periods, holders of the Notes may opt to exchange such Notes (i) prior to the Reorganization, for Ordinary Shares, and (ii) following the Reorganization, for Class A Shares, or in each case, at the Issuer's election, cash or a combination thereof. The exchange rate will initially be 7,498.2210 Ordinary Shares per \$250,000

principal amount of Notes, equivalent to an initial exchange price of approximately USD \$33.3412 (CAD \$42.6467 equivalent based on the November 26, 2021 exchange rate) per Ordinary Share.

The exchange rate applicable to the Notes is subject to adjustment if certain events occur. Further, following certain corporate events that occur prior to the maturity date, in certain circumstances the exchange rate will increase for the Notes of a holder who elects to exchange its Notes in connection with such an occurrence.

In addition, if GDH Ltd. or the Successor Company, as applicable, undergoes a "fundamental change", subject to certain conditions, holders of Notes may require the Issuer to repurchase for cash all or any portion of their Notes in principal amounts of \$250,000 or an integral multiple thereof. The fundamental change repurchase price will be equal to 100% of the principal amount of the Notes to be repurchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change repurchase date.

The Notes will mature on December 15, 2026 unless earlier exchanged, redeemed or repurchased. Interest on the Notes will be payable on June 15 and December 15 of each year, beginning on June 15, 2022. The Notes will be general senior unsecured obligations of the Issuer.

The Issuer may not redeem the Notes prior to December 15, 2024. The Issuer may redeem for cash all or part of the Notes, at its option, from time to time on or after December 15, 2024 if the last reported sale price per Ordinary Share or Class A Share, as applicable, has been at least 130% of the exchange price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which the Issuer provides notice of redemption, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

The private placement is expected to close in early December 2021, subject to customary closing conditions including approval of the Toronto Stock Exchange ("TSX").

The Notes will only be offered and sold to persons who are both "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) and "qualified purchasers" for purposes of Section 3(c)(7) of the Investment Company Act of 1940, as amended ("QIB/QPs"), on a private placement basis pursuant to Section 4(a)(2) of the Securities Act, and may only be held by QIB/QPs for the life of the Notes. Neither the Notes nor any Ordinary Shares or Class A Shares issuable upon exchange of the Notes have been, and the Notes will not be, registered under the Securities Act or the securities laws of any other jurisdiction, or qualified by a prospectus in Canada, and unless so registered, may not be offered or sold in the United States absent registration or pursuant to an applicable exemption from registration requirements. Following the Reorganization and subject to certain conditions,

Noteholders will have the right to require the Successor Company to register the resale of any Class A Shares issuable upon exchange of the Notes on a shelf registration statement. Offers and sales in Canada will be made only pursuant to exemptions from the prospectus requirements of applicable Canadian securities laws.

This press release does not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

Cautionary Statement Concerning Forward-Looking Statements

Certain statements contained in this press release constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of Canadian securities laws (collectively, "forward-looking statements"), including statements regarding the proposed offerings and use of proceeds thereof. These forward-looking statements include, among others, statements relating to the offering of the Notes, the consummation of the Reorganization, the terms of the Notes, the size of the offering, the timing of the proposed closing of the offering and the issuance of Shares upon the exchange of the Notes. These forward-looking statements represent the Company's expectations or beliefs concerning future events, and it is possible that the results described in this press release will not be achieved. These forward-looking statements are subject to risks, uncertainties and other factors, including without limitation, risks relating to the conditions to closing the offerings referred to herein, the use of proceeds thereof, the need to satisfy regulatory and legal requirements with respect to the offering and those risks identified in the Company's Annual Information Form dated March 29, 2021 filed on SEDAR at www.sedar.com, many of which are outside of the Company's control, which could cause actual results to differ materially from the results discussed in the forward-looking statements.

Forward-looking statements are based on the expectations and opinions of management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise. Any forward-looking statement speaks only as of the date on which it is made, and, except as required by law, the Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. New factors emerge from time to time, and it is not possible for the Company to predict all such factors. For the reasons set forth above, prospective investors should not place undue reliance on forward-looking statements.

Other Disclaimers

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

SOURCE Galaxy Digital Holdings Ltd.