

galaxy

Galaxy Announces Second Quarter 2024 Financial Results

Equity capital was \$2.1 billion as of June 30, 2024

Net loss of \$177 million for the second quarter, driven primarily by net losses on digital assets and investments as a result of a decline in digital asset markets

Net income of \$245 million for the six months ended June 30, 2024, driven by strong operating performance and positive digital asset markets

Assets Under Stake of \$3.3 billion as of July 18, 2024, up from \$486 million at the end of March 2024

NEW YORK, August 1, 2024 - [Galaxy Digital Holdings Ltd.](#) (TSX: GLXY) (the "Company" or "GDH Ltd.") today released financial results for the three months and six months ended June 30, 2024, 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.

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. On July 26, 2024, Galaxy filed an amendment to its registration statement responding to SEC comments, which is under review.

CryptoManufaktur Acquisition: On July 19, 2024, Galaxy announced that it acquired the assets of CryptoManufaktur ("CMF"), a blockchain node operator that provides trusted, secure services to decentralized protocols across the digital asset ecosystem. The addition of CMF brings approximately \$1 billion in Ether assets under stake ("AUS"), raising the Company's total AUS to \$3.3 billion as of July 18, 2024. As part of the transaction, CMF's seasoned three-person engineering team, led by founder Thorsten Behrens, joined Galaxy's Blockchain Infrastructure team, which provides staking and validator services to investors, protocols, and digital asset platforms.

Select GDH LP Financial Metrics	Q2 2024	Q1 2024	Q/Q % Change
Equity Capital	\$2,129M	\$2,192M	(3)%
Liquidity	\$1,328M	\$1,499M	(11)%
Cash & Net Stablecoins ¹	\$409M	\$163M	150 %
Net Digital Assets Excluding Stablecoins ²	\$501M	\$821M	(39)%
Spot Bitcoin ETFs	\$418M	\$515M	(19)%
Net Income (loss)	(\$177M)	\$422M	N.M. ³
Book Value Per Share in CAD ⁴	\$8.45 CAD	\$9.11 CAD	(7)%

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) Includes Cash Equivalents.

(2) Refer to page 15 of this release for a breakout of our net digital assets position.

(3) Abbreviation for "Not Meaningful".

(4) 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, financing, capital markets and M&A advisory services to a diversified client base. GGM operates in two discrete business units – Trading and Investment Banking.

Trading

Trading reported counterparty trading revenue of \$24 million in the second quarter. The decrease was primarily driven by lower trading volumes, which decreased by 19% quarter-over-quarter ("QoQ"), and unfavorable asset price movements. Despite the QoQ decrease, our counterparty trading business generated approximately \$90 million in revenue year-to-date through June, a nearly 80% increase relative to the first half of 2023. Galaxy's average loan book size expanded to \$699 million, driven by increased borrowing demand from both new and existing counterparties. Galaxy continues to onboard new counterparties, including large traditional institutions, and ended the second quarter with 1,212 total trading counterparties.

\$699M

Loan Book Size (Average)

Key Performance Indicators	Q2 2024	Q1 2024	Q/Q % Change
Counterparty Trading Revenue	\$24M	\$66M	(64)%
Loan Book Size (Average)	\$699M	\$664M	5 %
Total Trading Counterparties	1,212	1,161	4 %
Active Trading Counterparties	294	281	5 %

Investment Banking

Investment Banking successfully closed two deals in the second quarter, serving as the exclusive financial advisor to Toposware in its sale to Polygon and to another client on its strategic financing. In the quarter, Galaxy also served as the exclusive financial advisor to Bitstamp in its pending sale to Robinhood, which is expected to close in the first half of 2025 at which time Galaxy expects to recognize the revenue associated with this deal. Galaxy is executing against a pipeline of mandates representing \$2.1 billion in potential deal value.

\$2.1B

Deal Value of Pipeline for Investment Banking

Key Performance Indicators	Q2 2024	Q1 2024	Q/Q % Change
Deals Closed	2	1	100 %
Pipeline	19	20	(5)%
Deal Value of Pipeline	\$2.1B	\$2.2B	(5)%

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.

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

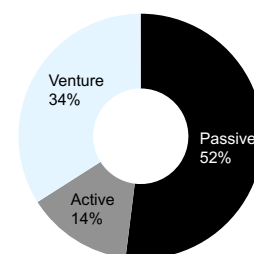
Pipeline: the number of open engagements and transactions the Investment Banking team has in market.

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 reported assets under management ("AUM") of approximately \$4.6 billion and management and performance fees of \$14.5 million in the second quarter, down 42% and 19% QoQ respectively, primarily driven by the continued successful liquidation of assets associated with an ongoing opportunistic mandate to unwind portfolios on behalf of the FTX estate and market depreciation. In the quarter, GAM announced a collaboration with State Street Global Advisors to develop a suite of manager-directed digital asset ETFs that will offer investors exposure to companies in the digital asset space, going beyond crypto and bitcoin. Subsequent to quarter-end, GAM, in partnership with Invesco, announced the launch of the Invesco Galaxy Ethereum ETF (ticker: QETH). GAM conducted a \$113 million initial close for Galaxy Ventures Fund I LP at the end of June, a venture capital fund focused on investing in early-stage companies across crypto protocols, software infrastructure, and financialized applications.



Assets Under Management

Key Performance Indicators	Q2 2024	Q1 2024	Q/Q % Change
Management and Performance Fees	\$14.5M	\$17.8M	(19)%
Total AUM ¹	\$4,563M	\$7,818M	(42)%
Passive AUM	\$2,392M	\$2,730M	(12)%
Active AUM ²	\$632M	\$3,584M	(82)%
Venture AUM	\$1,539M	\$1,504M	2 %

(1) In Galaxy's monthly AUM disclosures, the "funds" line item consists of AUM held in GAM's Passive, Active, and Venture funds, excluding opportunistic assets. Total AUM for Q1 2024 was updated from what was previously reported as AUM for quarterly close vehicles are reported as of the most recent information available for the applicable period.

(2) Includes opportunistic AUM. "Opportunistic" AUM are near-term or mid-term engagements to unwind portfolios managed by GAM. Opportunistic AUM was \$520M as of June 30, 2024 and \$3,440M as of March 31, 2024.

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 Fund and the management of certain opportunistic mandates.

Venture Strategies: organized around two investment themes: Interactive Ventures and Crypto Ventures. Galaxy Interactive invests at the intersection of content, technology, and social commerce, managing client capital across three funds. GAM's Crypto Ventures sleeve includes Galaxy's inaugural crypto venture fund, which is focused on investing in early-stage companies across crypto protocols, software infrastructure, and financialized applications, as well as two global, multi-manager venture funds and 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 blockchain infrastructure.

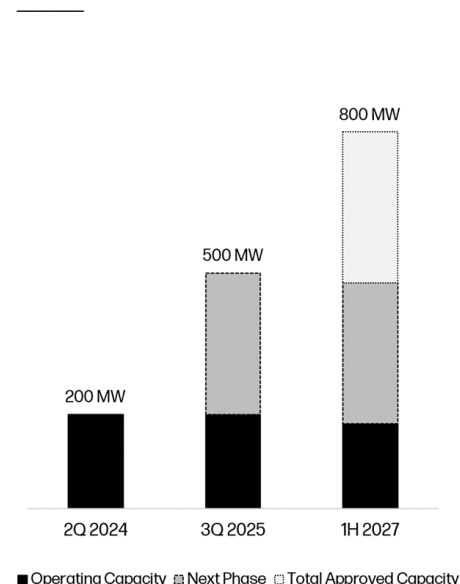
Mining

Mining revenue was \$24.0 million for the second quarter, relative to power purchase costs and external hosting expenses, net of curtailment credits, of \$10.5 million, resulting in a 56% direct mining profit margin. The QoQ decrease in revenue was primarily driven by the Bitcoin halving in April. Currently, Galaxy has 200 megawatts of energized mining capacity and is bringing on an additional 300 megawatts of high-voltage capacity in the third quarter of 2025. Galaxy has firm capacity approval from both the Electric Reliability Council of Texas and the Wind Energy Transmission of Texas to scale up to 800 megawatts of power from the existing interconnect. In the first quarter, we expanded our campus by purchasing an additional 160 acres adjacent to Helios. We now have a total of 320 acres of contiguous land and have submitted additional load studies and a new interconnection request that are pending approval.

Key Performance Indicators	Q2 2024	Q1 2024	Q/Q % Change
Mining Revenue	\$24.0M	\$31.5M	(24)%
Proprietary Mining Revenue	\$16.3M	\$20.1M	(19)%
Hosted and Other Mining Revenue ¹	\$7.7M	\$11.4M	(32)%
Total Hashrate Under Management	5.6 EH/s	5.7 EH/s	(3)%
Proprietary Mining Hashrate	2.9 EH/s	3.1 EH/s	(5)%
Hosted Mining Hashrate	2.6 EH/s	2.6 EH/s	(1)%
Number of Proprietary BTC Mined	242	373	(35)%
Average Marginal Cost to Mine	<\$22.5K	<\$19.5K	N.M.

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

Helios Megawatt (MW) Growth Timeline



Blockchain Infrastructure and GK8

Blockchain Infrastructure and GK8 continue to build and invest in the technology that powers the digital assets ecosystem. Blockchain Infrastructure expanded its Assets Under Stake by 341% QoQ to \$2.1 billion as of June 30th, with Galaxy growing to become one of the largest validators globally on the Solana network. As of July 18, 2024, AUS grew to \$3.3 billion with the addition of approximately \$1 billion in Ether AUS from the acquisition of CMF. GK8 continues to execute against its pipeline of enterprise clients.

Key Performance Indicators	Q2 2024	Q1 2024	Q/Q % Change
Assets Under Stake	\$2,144M	\$486M	341 %
GK8 Total Client Count	22	21	5 %

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 machines.

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

Assets Under Stake: all figures are unaudited. AUS reflects 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, Galaxy affiliate assets, and third party assets.

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

Summary of Operating Expenses

Operating expenses	Q2 2024	Q1 2024	Q/Q % Change
Compensation and compensation related	\$43M	\$42M	1 %
Equity based compensation	\$12M	\$18M	(36)%
General and administrative	\$45M	\$48M	(6)%
Mining costs	\$10M	\$15M	(31)%
Trading and commission expense	\$4M	\$6M	(35)%
Technology	\$7M	\$6M	13 %
Depreciation and amortization	\$14M	\$11M	18 %
Impairment reversal	\$0M	\$0M	N.M.
Other	\$9M	\$8M	13 %
Professional fees	\$14M	\$13M	2 %
Staking costs	\$32M	\$1M	N.M.
Interest	\$21M	\$20M	5 %
Notes interest expense	\$7M	\$7M	1 %

Note: Quarter-over-quarter percentage change calculations are based on unrounded results.

Overview of Second Quarter Operating Expenses:

- Compensation and compensation related expenses of \$43 million were roughly flat QoQ.
- Equity based compensation decreased by approximately \$6 million QoQ, primarily driven by fully vested high-priced equity grants issued in 2021, partially offset by new grants issued in 2022, 2023 and 2024 at lower share prices.
- General and administrative expenses declined by approximately \$3 million from the first quarter of 2024, driven by lower mining costs and trading and commission expenses, partially offset by higher depreciation and amortization costs.
 - Mining costs decreased by approximately \$5 million QoQ; reflecting our actively managed power strategy, leading to a reduction in electricity costs.
 - Trading commission expenses decreased by approximately \$2 million QoQ, on account of lower trading volumes in the quarter.
 - Depreciation and amortization expenses increased by over \$2 million QoQ, reflecting the additional depreciation from new mining machines and electrical infrastructure that were energized during the prior quarter.
- Professional fees of \$14 million were slightly up QoQ.
- Staking costs was a new line item this quarter, and reflected the staking rewards that Galaxy generates from its AUS, which were paid to the delegators. This amount offsets the staking rewards received, which were included in the Lending and Staking revenue.
- Interest expense of \$21 million was up approximately \$1 million QoQ, reflecting our ability to source non-dilutive wholesale financing to help fund our Trading and Lending businesses and consistent with our risk management principles of sound Asset and Liability Management and maintaining substantial liquidity buffers.

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. The net comprehensive income (loss) of GDH Ltd. was \$(49.4) million for the three months ended June 30, 2024 and \$60.6 million for the six months ended June 30, 2024.

Earnings Conference Call

An investor conference call will be held today, August 1, 2024, 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 1-800-274-8461, or 1-203-518-9814 (outside the U.S. and Canada) using the Conference ID: GALAXY. 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 September 1, 2024, 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: 11156334.

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.

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This press release should be read in conjunction with (i) GDH LP's Management Discussion and Analysis and Consolidated Financial Statements for the three and six months ended June 30, 2024 and (ii) GDH Ltd.'s Management Discussion and Analysis and Consolidated Financial Statements for the three and six months ended June 30, 2024 (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 is not an offer to buy or sell, nor is it a solicitation of an offer to buy or sell, interests in the fund or any advisory services or any other security or to participate in any advisory services or trading strategy. If any offer and sale of securities is made, it will be pursuant to the confidential offering memorandum of the fund (the Offering Memorandum or fund prospectus ("Prospectus")). Any decision to make an investment in the fund should be made after reviewing such Offering Memorandum or Prospectus, conducting such investigations as the investor deems necessary and consulting the investor's own investment, legal, accounting and tax advisors in order to make an independent determination of the suitability and consequences of an investment.

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 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 business pipelines for banking and Gk8, mining goals, 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) liquidity or economic conditions impacting our business (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 August 1, 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 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)	June 30, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalent	\$ 314,033	\$ 316,610
Digital assets	1,954,398	1,078,587
Receivable for digital asset trades	26,907	41,339
Digital assets loans receivable, net of allowance	177,230	104,504
Digital assets receivables	44,576	14,686
Investments (includes \$45.1 million and \$0 of equity method investments, respectively)	508,380	—
Assets posted as collateral	203,942	318,195
Receivables	25,840	15,983
Derivative assets	153,470	173,209
Prepaid expenses and other assets	27,780	37,910
Loans receivable, net of allowance	404,991	377,105
Due from related party	31,891	5,007
Total current assets	3,873,438	2,483,135
Digital assets receivables	3,854	6,174
Investments (includes \$394.8 million and \$290.4 million of equity method investments, respectively)	800,315	735,103
Restricted digital assets	15,863	41,356
Digital asset loans receivable, non-current	12,881	—
Loans receivable, non-current	—	10,259
Property and equipment	267,431	259,965
Other non-current assets	107,284	95,000
Goodwill	44,257	44,257
Total non-current assets	1,251,885	1,192,114
Total assets	\$ 5,125,323	\$ 3,675,249
Liabilities and equity		
Current liabilities		
Investments sold short	115,240	25,295
Derivative liabilities	118,770	160,642
Accounts payable and accrued liabilities	73,118	69,212
Payable to customers	94,816	3,503
Taxes payable	12,636	25,936
Payable for digital asset trades	34,751	4,176
Digital assets loans payable	950,178	398,277
Loans payable	211,384	93,069
Collateral payable	811,656	581,362
Due to related party	87,403	67,953
Lease liability	3,960	3,860
Total current liabilities	2,513,912	1,433,285
Notes payable	427,679	408,053
Deferred tax liability	46,734	33,894
Lease liability	8,271	10,236
Total non-current liabilities	482,684	452,183
Total liabilities	2,996,596	1,885,468
Equity		
Partners' capital	2,128,727	1,789,781
Total equity	2,128,727	1,789,781
Total liabilities and equity	\$ 5,125,323	\$ 3,675,249

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

(in thousands)	Three months ended		Six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Income				
Fee revenue	\$ 26,483	\$ 11,097	\$ 54,611	\$ 25,526
Net realized gain (loss) on digital assets	(161,738)	20,179	108,660	86,298
Net realized gain (loss) on investments	12,826	48,334	(160,008)	46,356
Lending and staking revenue	54,371	10,809	84,309	21,318
Net derivative gain	105,322	9,641	188,962	64,725
Revenue from proprietary mining	16,312	8,563	36,440	10,980
Other income	140	43	475	206
	53,716	108,666	313,449	255,409
Operating expenses				
Compensation and compensation related	42,921	34,632	85,397	65,252
Equity based compensation	11,601	15,655	29,590	38,925
General and administrative	44,721	14,742	92,777	29,647
Mining costs	10,452	(130)	25,638	5,830
Trading and commission expense	4,112	2,341	10,434	3,285
Technology	7,356	4,599	13,852	8,994
Depreciation and amortization	13,505	7,318	24,932	11,765
Impairment reversal	—	(5,932)	—	(11,914)
Other	9,296	6,546	17,921	11,687
Professional fees	13,704	8,785	27,077	18,603
Staking costs	32,034	308	32,696	539
Interest	20,927	4,334	40,775	9,873
Notes interest expense	7,040	6,790	14,016	13,521
	(172,948)	(85,246)	(322,328)	(176,360)
Other				
Net unrealized gain (loss) on digital assets	42,900	(4,774)	139,713	(1,745)
Net unrealized gain (loss) on investments	(114,314)	(65,850)	121,538	16,863
Net loss on notes payable - derivative	(2,573)	(799)	(12,286)	(2,104)
Foreign currency gain (loss)	1,474	63	1,353	(75)
	(72,513)	(71,360)	250,318	12,939
Income before income taxes	(191,745)	(47,940)	241,439	91,988
Income taxes expense (benefit)	(14,736)	(1,900)	(3,216)	3,826
Net income for the period	\$ (177,009)	\$ (46,040)	\$ 244,655	\$ 88,162
Other comprehensive income				
Foreign currency translation adjustment	1,724	\$ 39	1,089	(416)
Comprehensive income for the period	\$ (175,285)	\$ (46,001)	\$ 245,744	\$ 87,746

	Three months ended		Six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
GDH LP Net income (loss) per unit:				
Basic	\$ (0.52)	\$ (0.14)	\$ 0.74	\$ 0.28
Diluted	(0.52)	(0.14)	0.70	0.27
Weighted average units:				
Basic	338,212,221	321,392,562	331,685,773	320,391,466
Diluted	338,212,221	321,392,562	350,414,148	327,417,371

Reportable segments (unaudited)

Income and expenses by each reportable segment of GDH LP for the three months ended June 30, 2024 are as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure Solutions	Corporate and Other	Totals
Income (loss)					
Fee revenue ⁽¹⁾					
Mining hosting fees	\$ —	\$ —	\$ 7,775	\$ —	\$ 7,775
Licensing fees	—	—	612	(120)	492
Management and performance fees	3,694	14,535	—	(734)	17,495
Advisory fees	721	—	—	—	721
Total fee revenue	4,415	14,535	8,387	(854)	26,483
Lending and staking revenue					
Lending income	16,012	—	—	8	16,020
Blockchain rewards	578	3,808	37,497	(3,532)	38,351
Total lending and staking revenue	16,590	3,808	37,497	(3,524)	54,371
Net realized gain on digital assets	(178,808)	16,274	796	—	(161,738)
Net realized gain (loss) on investments	10,206	2,620	—	—	12,826
Net derivative gain	105,550	—	(228)	—	105,322
Revenue from proprietary mining	—	—	16,312	—	16,312
Other income	(4)	33	111	—	140
Total revenues and gain (loss) from operations	(42,051)	37,270	62,875	(4,378)	53,716
Operating expenses	68,604	13,781	69,230	21,333	172,948
Net unrealized gain on digital assets	136,323	(86,685)	(6,738)	—	42,900
Net unrealized gain (loss) on investments	(81,230)	(34,369)	1,285	—	(114,314)
Net loss on notes payable - derivative	—	—	—	(2,573)	(2,573)
Foreign currency loss	1,474	—	—	—	1,474
	56,567	(121,054)	(5,453)	(2,573)	(72,513)
Income (loss) before income taxes	\$ (54,088)	\$ (97,565)	\$ (11,808)	\$ (28,284)	\$ (191,745)
Income tax expense	—	—	—	(14,736)	(14,736)
Net income (loss)	\$ (54,088)	\$ (97,565)	\$ (11,808)	\$ (13,548)	\$ (177,009)
Foreign currency translation adjustment	—	—	—	1,724	1,724
Comprehensive income (loss)	\$ (54,088)	\$ (97,565)	\$ (11,808)	\$ (11,824)	\$ (175,285)

⁽¹⁾Asset Management fee revenue includes management fees generated off the Partnership's balance sheet venture investments. Licensing fees are attributable to GK8, and include license fees paid by the Partnership for the use of GK8's technology. All intercompany transactions are eliminated in the Corporate & Other segment.

Income and expenses by each reportable segment of GDH LP for the six months ended June 30, 2024 are as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure Solutions	Corporate and Other ⁽¹⁾	Totals
Income (loss)					
Fee revenue ⁽¹⁾					
Mining hosting fees	\$ —	\$ —	\$ 17,916	\$ —	17,916
Licensing fees	1	—	1,419	(240)	1,180
Management and performance fees	3,694	32,372	—	(1,481)	34,585
Advisory fees	930	—	—	—	930
Total fee revenue	4,625	32,372	19,335	(1,721)	54,611
Lending and staking revenue					
Lending income	32,756	5	2	12	32,775
Blockchain rewards	5,660	11,046	43,575	(8,747)	51,534
Total lending and staking revenue	38,416	11,051	43,577	(8,735)	84,309
Net realized gain on digital assets	91,497	16,367	796	—	108,660
Net realized gain (loss) on investments	(173,323)	13,315	—	—	(160,008)
Net derivative gain	188,095	—	867	—	188,962
Revenue from proprietary mining	—	—	36,440	—	36,440
Other income	153	33	289	—	475
	149,463	73,138	101,304	(10,456)	313,449
Operating expenses	133,033	29,585	110,110	49,600	322,328
Net unrealized gain on digital assets	184,582	(41,358)	(3,511)	—	139,713
Net unrealized gain (loss) on investments	98,480	23,108	(50)	—	121,538
Net loss on notes payable - derivative	—	—	—	(12,286)	(12,286)
Foreign currency loss	1,353	—	—	—	1,353
	284,415	(18,250)	(3,561)	(12,286)	250,318
Income (loss) before income taxes	\$ 300,845	\$ 25,303	\$ (12,367)	\$ (72,342)	\$ 241,439
Income tax expense	—	—	—	(3,216)	(3,216)
Net income (loss)	\$ 300,845	\$ 25,303	\$ (12,367)	\$ (69,126)	\$ 244,655
Foreign currency translation adjustment	—	—	—	1,089	1,089
Comprehensive income (loss)	\$ 300,845	\$ 25,303	\$ (12,367)	\$ (68,037)	\$ 245,744

⁽¹⁾Asset Management fee revenue includes management fees generated off the Partnership's balance sheet venture investments. Licensing fees are attributable to GK8, and include license fees paid by the Partnership for the use of GK8's technology. All intercompany transactions are eliminated in the Corporate & Other segment.

Income and expenses by each reportable segment of GDH LP for the three months ended June 30, 2023 are as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure Solutions	Corporate and Other	Totals
Income (loss)					
Fee revenue ⁽¹⁾					
Mining hosting fees	—	—	6,548	—	\$ 6,548
Licensing fees	—	—	610	—	610
Management and performance fees	—	4,216	—	(762)	3,454
Advisory fees	57	—	—	—	57
Other fee revenues	—	—	428	—	428
Total fee revenue	57	4,216	7,586	(762)	11,097
Lending and staking revenue					
Lending income	9,990	9	—	—	9,999
Blockchain rewards	(706)	1,516	—	—	810
Total lending and staking revenue	9,284	1,525	—	—	10,809
Net realized gain on digital assets	17,601	2,578	—	—	20,179
Net realized gain (loss) on investments	23,725	24,609	—	—	48,334
Net derivative gain	8,769	1,008	(136)	—	9,641
Revenue from proprietary mining	—	—	8,563	—	8,563
Other income (expense)	96	(96)	11	32	43
Total revenues and gain (loss) from operations	59,532	33,840	16,024	(730)	108,666
Operating expenses	40,894	13,790	7,748	22,814	85,246
Net unrealized gain (loss) on digital assets	(1,067)	(3,707)	—	—	(4,774)
Net unrealized gain on investments	(23,726)	(45,532)	3,408	—	(65,850)
Net loss on notes payable - derivative	—	—	—	(799)	(799)
Foreign currency loss	63	—	—	—	63
	(24,730)	(49,239)	3,408	(799)	(71,360)
Income (loss) before income taxes	\$ (6,092)	\$ (29,189)	\$ 11,684	\$ (24,343)	\$ (47,940)
Income tax expense	—	—	—	(1,900)	(1,900)
Net income (loss)	\$ (6,092)	\$ (29,189)	\$ 11,684	\$ (22,443)	\$ (46,040)
Foreign currency translation adjustment	—	—	—	39	39
Comprehensive income (loss)	\$ (6,092)	\$ (29,189)	\$ 11,684	\$ (22,404)	\$ (46,001)

⁽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 six months ended June 30, 2023 are as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure Solutions	Corporate and Other	Totals
Income (loss)					
Fee revenue ⁽¹⁾					
Mining hosting fees	\$ —	\$ —	\$ 12,816	\$ —	\$ 12,816
Licensing fees	—	—	790	—	790
Management and performance fees	—	9,148	—	(1,382)	7,766
Advisory fees	2,265	—	—	—	2,265
Other fee revenues	(54)	—	1,943	—	1,889
Total fee revenue	2,211	9,148	15,549	(1,382)	25,526
Lending and staking revenue					
Lending income	19,078	17	—	—	19,095
Blockchain rewards	707	1,516	—	—	2,223
Total lending and staking revenue	19,785	1,533	—	—	21,318
Net realized gain on digital assets	82,633	3,665	—	—	86,298
Net realized gain (loss) on investments	24,099	22,257	—	—	46,356
Net derivative gain	63,319	1,542	(136)	—	64,725
Revenue from proprietary mining	—	—	10,980	—	10,980
Other income (expense)	134	(163)	55	180	206
Total revenues and gain (loss) from operations	192,181	37,982	26,448	(1,202)	255,409
Operating expenses	83,103	29,978	17,062	46,217	176,360
Net unrealized gain (loss) on digital assets	(1,744)	(1)	—	—	(1,745)
Net unrealized gain on investments	16,647	(6,435)	6,651	—	16,863
Net loss on notes payable - derivative	—	—	—	(2,104)	(2,104)
Foreign currency loss	(75)	—	—	—	(75)
	14,828	(6,436)	6,651	(2,104)	12,939
Income (loss) before income taxes	\$ 123,906	\$ 1,568	\$ 16,037	\$ (49,523)	\$ 91,988
Income tax expense	—	—	—	3,826	3,826
Net income (loss)	\$ 123,906	\$ 1,568	\$ 16,037	\$ (53,349)	\$ 88,162
Foreign currency translation adjustment	—	—	—	(416)	(416)
Comprehensive income (loss)	\$ 123,906	\$ 1,568	\$ 16,037	\$ (53,765)	\$ 87,746

⁽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.

Assets and liabilities by reportable segment of GDH LP as of June 30, 2024 are as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure Solutions	Corporate and Other	Totals
Total assets	\$ 3,972,284	\$ 643,731	\$ 351,145	\$ 158,163	\$ 5,125,323
Total liabilities	\$ 2,356,282	\$ 1,250	\$ 10,055	\$ 629,009	\$ 2,996,596

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

Select statement of financial position information

Select assets by reporting segment of GDH LP as of June 30, 2024 is as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure Solutions	Corporate and Other	Totals
Digital assets	\$ 1,925,574	\$ 44,687	\$ —	\$ —	\$ 1,970,261
Digital assets receivables	12,241	35,253	936	—	48,430
Assets posted as collateral	203,942	—	—	—	203,942
Loans receivable	595,102	—	—	—	595,102
Investments	764,285	532,084	12,326	—	1,308,695
Property and equipment	—	—	260,258	7,173	267,431
	\$ 3,501,144	\$ 612,024	\$ 273,520	\$ 7,173	\$ 4,393,861

Select assets by reporting segment of GDH LP as of December 31, 2023 is as follows:

(in thousands)	Global Markets	Asset Management	Digital Infrastructure Solutions	Corporate and Other	Totals
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

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 June 30, 2024 and December 31, 2023 is as follows:

<i>(in thousands)</i>	BTC ⁽³⁾		ETH ⁽⁴⁾		Stablecoin		Other ⁽⁵⁾		As of June 30, 2024	
Assets										
Digital assets	\$	1,202,920	\$	344,110	\$	236,122	\$	171,246	\$	1,954,398
Digital asset loans receivable, net of allowance		16,656		28,612		118,733		26,110		190,111
Digital assets receivable, current		—		—		—		44,576		44,576
Digital assets receivable, non-current		—		—		—		3,854		3,854
Assets posted as collateral - Digital assets ⁽¹⁾		163,950		28,594				1,429		193,973
Restricted digital assets, non-current ⁽²⁾		—		—		—		15,863		15,863
		1,383,526		401,316		354,855		263,078		2,402,775
Liabilities										
Digital asset loans payable		620,602		57,089		242,529		29,958		950,178
Collateral payable ⁽¹⁾		584,957		145,166		17,807		14,621		762,551
Payables to customers		94,586		—		—		—		94,586
		1,300,145		202,255		260,336		44,579		1,807,315
Digital assets, net	\$	83,381	\$	199,061	\$	94,519	\$	218,499		595,460
Stablecoins, net	\$	—	\$	—	\$	94,519	\$	—		94,519
Digital assets, net excl. stablecoins	\$	83,381	\$	199,061	\$	—	\$	218,499	\$	500,941
Bitcoin spot ETFs included in Investments		418,068		—		—		—		418,068

⁽¹⁾ Excludes cash portion of balance on the Partnership's statement of financial position.

⁽²⁾ Represents TIA and SOL tokens that are subject to a sale restriction of greater than one year.

⁽³⁾ Includes associated tokens such as wBTC. The Partnership also held interests in investment vehicles designed to hold BTC, including Galaxy sponsored BTC funds and Mt. Gox Investment Fund LP, valued at \$129.1 million as of June 30, 2024 reflected in the investments balance in addition to the digital assets noted above. The Partnership also held bitcoin derivative positions not reflected above in addition to the noted bitcoin investment vehicles.

⁽⁴⁾ Includes associated tokens such as wETH and stETH. The Partnership also held interests in investment vehicles designed to hold ETH, including Galaxy sponsored ETH funds, valued at \$42.3 million as of June 30, 2024 reflected in the investments balance in addition to the digital assets noted above. The Partnership also held Ether derivative positions not reflected above in addition to the noted Ether investment vehicles.

⁽⁵⁾ Includes \$43.6 million net SOL and \$45.3 million net TIA. The Partnership also held an interest in investment vehicles designed to hold SOL, the Galaxy sponsored Galaxy Digital Crypto Vol Fund LLC valued at \$91.4 million as of June 30, 2024 reflected in the investments balance in addition to the digital assets noted above, and the Partnership held digital asset derivative positions not reflected above in addition to the noted investment vehicle.

(in thousands)	BTC ⁽⁴⁾		ETH ⁽⁵⁾		Stablecoin		Other ⁽⁵⁾		As of December 31, 2023
Assets									
Digital assets	\$	589,011	\$	174,978	\$	179,222	\$	135,376	\$ 1,078,587
Digital asset loans receivable, net of allowance		3,044		87,252		12,000		2,208	104,504
Digital assets receivable, current		—		—		—		14,686	14,686
Digital assets receivable, non-current		—		—		—		6,174	6,174
Assets posted as collateral - Digital assets ⁽¹⁾		197,092		119,012		—		—	316,104
Restricted digital assets, non-current ⁽²⁾		—		—		—		41,356	41,356
		789,147		381,242		191,222		199,800	1,561,411
Liabilities									
Digital asset loans payable		48,202		14,603		297,762		37,710	398,277
Collateral payable ⁽¹⁾		437,889		116,723		9,457		5,926	569,995
		486,091		131,326		307,219		43,636	968,272
Digital assets, net	\$	303,056	\$	249,916	\$	(115,997)	\$	156,164	593,139
Stablecoins, net ⁽³⁾	\$	—	\$	—	\$	(115,997)	\$	—	(115,997)
Digital assets, net excl. stablecoins	\$	303,056	\$	249,916	\$	—	\$	156,164	709,136
Bitcoin spot ETFs included in Investments									
	\$	—	\$	—	\$	—	\$	—	—

⁽¹⁾ Excludes cash portion of balance on the Partnership's statement of financial position.

⁽²⁾ Represents TIA tokens that are subject to a sale restriction of greater than one year.

⁽³⁾ As of December 31, 2023, stablecoin liabilities were greater than stablecoin assets.

⁽⁴⁾ Includes associated tokens such as wBTC. The Partnership also held interests in investment vehicles designed to hold BTC, including ProShares Bitcoin Strategy ETF, Galaxy sponsored BTC funds, and Mt. Gox Investment Fund LP, valued at \$123.1 as of December 31, 2023 reflected in the investments balance in addition to the digital assets noted above. The Partnership also held bitcoin derivative positions not reflected above in addition to the noted bitcoin investment vehicles.

⁽⁵⁾ Includes associated tokens such as wETH and stETH. The Partnership also held interests in investment vehicles designed to hold ETH, including Galaxy sponsored ETH funds, valued at \$22.1 million as of December 31, 2023 reflected in the investments balance in addition to the digital assets noted above. The Partnership also held Ethereum derivative positions not reflected above in addition to the noted Ethereum investment vehicles.

⁽⁶⁾ Includes \$12.0 million net SOL and \$68.5 million net TIA. The Partnership also held digital asset derivative positions not reflected above.