

Galaxy Digital UK Limited

MIFIDPRU 8 Public Disclosure

For the year ended 30 December 2025

Company Registration No. 11500330 (England and Wales)

Scope and basis of disclosure

This document has been prepared by Galaxy Digital UK Limited ("GDUK" or the "Firm") to meet the public disclosure requirements in MIFIDPRU 8. It covers the year ended 30 December 2025 and should be read in conjunction with the Firm's annual financial statements for that year.

The disclosures are made in respect of GDUK on an individual basis. Unless otherwise stated, figures are presented in £'000.

This is the Firm's first disclosure under MIFIDPRU 8, so no comparison with a previous disclosure period is provided.

Business model overview

The Firm is authorised and regulated by the Financial Conduct Authority (FCA) under FRN 1007925, and operates as a MIFIDPRU non-SNI investment firm. Its primary function within the Galaxy group is to provide FCA-regulated investment services to institutional clients, and to act as the employing entity for Galaxy's UK-based personnel.

The Firm's FCA permissions enable it to carry on the following regulated activities:

- Dealing in investments as agent
- Dealing in investments as principal
- Advising on investments
- Arranging deals in investments
- Making arrangements with a view to transactions in investments
- Arranging safeguarding and administration of assets
- Safeguarding and administering investments

During the year ended 30 December 2025, the Firm operated primarily as an arranger and agent for Galaxy group transactions in spot cryptoassets and crypto-derivative instruments.

The Firm's revenues are determined by reference to its cost base under intra-group transfer pricing arrangements.

Risk management objectives and policies

The Firm's risk management framework is designed to identify, measure, monitor and manage material risks of harm to clients, markets and the Firm.

The Firm's business strategy, as an arranger and agent operating on a cost-plus transfer pricing model, gives rise to limited direct financial risks. The principal potential for harm to clients, markets and the Firm arises from operational failures and conduct or regulatory shortcomings. The Firm does not take proprietary market positions, does not hold client assets or client money and does not extend credit to counterparties in the ordinary course of business.

The Firm's risk management framework integrates business planning, risk management, capital and liquidity forecasting, recovery planning and wind-down analysis.

The Firm demonstrates compliance with the Overall Financial Adequacy Rule by showing that it holds sufficient resources to remain viable through the economic cycle, withstand severe but plausible stresses and execute an orderly solvent wind-down.

The table below summarises the principal categories of risk facing the Firm, together with the key strategies and processes used to manage each risk.

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Risk	Mitigation
Market Risk	As an arranger and agent, the Firm does not take on direct market risk in the course of its activities.
Credit / Counterparty Risk	Cash held with high-quality institutions, with counterparty assessments conducted per Galaxy group credit policy. The largest credit exposure is an intra-group receivable, mitigated by the financial support of the Galaxy group.
Liquidity Risk	Cash balances are monitored against the Firm's basic liquid assets requirement and the liquid assets threshold requirement set through the ICARA process, supported by parental funding where required.
Operational Risk	Managed via Galaxy group IT resilience, business continuity, and internal control frameworks.
Conduct / Regulatory Risk	Dedicated UK compliance function; AML, MAR and SMCR frameworks in place.
Business / Strategic Risk	The Firm's revenues are determined by reference to its cost base under intra-group transfer pricing arrangements; the Board ensures the capital base remains sufficient to support the Firm's obligations.
Group / Contagion Risk	The Firm maintains capital resources in excess of MIFIDPRU requirements and benefits from the financial support of the Galaxy group.
Concentration Risk	The Firm's largest exposure is an intra-group receivable, and substantially all revenue arises under intra-group transfer pricing arrangements. Monitored by the Board. The Firm does not take proprietary positions or lending exposures, so no additional own funds requirement arises.

Governance arrangements

The Firm's governance arrangements are designed to be proportionate to the nature, scale and complexity of the business and the risks inherent in its activities.

The Board has overall responsibility for leadership of the Firm and setting its culture, values and standards, and approves the Firm's objectives, strategy and annual budgets.

The Board is accountable for the Firm's governance arrangements, which provide for the segregation of duties between its revenue-generating, control and support functions, and for the identification and management of conflicts of interest, so that the Firm is managed effectively and prudently in a manner that promotes the integrity of the market and the interests of clients.

The Firm does not have a dedicated risk committee as it is not required to establish a risk committee under MIFIDPRU 7.3.1R. Risk oversight is exercised by the Board as a whole, with support from the Firm's Risk, Compliance and Finance functions.

Directors

During the year the Board comprised Jason Urban and Konrad Laesser, together with Leon Marshall until his resignation on 3 September 2025. One member of the Board held one directorship requiring disclosure. The others held none. Directorships of other Galaxy group entities and positions in organisations that are not run for commercial purposes are out of scope of the disclosure. No regulatory permission to hold additional directorships has been sought or granted.

Diversity policy

Appointments to the Board are made by the Firm's parent, which applies the Galaxy Group diversity policy in making such appointments. The policy requires candidates to be assessed on their merits against objective criteria relevant to the role, such as aptitude and skills, and prohibits discrimination on the grounds of any protected characteristic. No numerical diversity targets are set for the Board, which comprises two directors. No appointments to the Board were made during the year.

Capital adequacy

The Firm determines its own funds requirements under MIFIDPRU as the maximum of its Permanent Minimum Requirement (PMR), Fixed Overheads Requirement (FOR) and K-Factor Requirement (KFR). In addition, it sets an Own Funds Threshold Requirement (OFTR) for the purpose of assessing compliance with the Overall Financial Adequacy Rule. The Board monitors CET1 capital as a percentage of OFTR, and maintained the Firm's capital resources substantially in excess of its MIFIDPRU requirements throughout the year.

Own funds

Own funds comprise the firm's Common Equity Tier 1 (CET1) capital only. The Firm does not have any Additional Tier 1 or Tier 2 capital instruments.

Reconciliation of own funds to balance sheet

Accounting equity is reconciled to regulatory own funds with reference to the audited statutory balance sheet as at 30 December 2025. The principal regulatory adjustment is the exclusion of the profit for the year of £8,215k, which had not been verified as at the reference date and was therefore not eligible for inclusion in common equity tier 1 capital at that date. The profit was subsequently verified on completion of the external audit. The Firm holds no intangible assets. A deferred tax asset of £83k is deducted.

Balance sheet item (30 Dec 2025)	£'000
Share capital	10,000
Other reserves	115
Retained earnings	8,870
Current year earnings	8,215
Total accounting equity	27,200
Regulatory adjustments/deductions	(8,299)
Total CET1 / Total own funds	18,901

Main features of capital instruments

The Firm's CET1 capital consists of ordinary shares issued under English law. As at 30 December 2025, the Firm had 10,000,001 ordinary shares of £1 nominal value, fully paid and non-redeemable.

Instrument	Ordinary shares
Issuer	Galaxy Digital UK Limited
Governing law	England and Wales
Instrument type	Ordinary share capital (CET1)
Paid in / fully subscribed	Yes
Nominal value	£1
Maturity	Perpetual
Redeemable	No
Call option	No
Fully discretionary distributions	Yes (dividends at Board discretion)
Subordination	Most subordinated

Own funds requirements

The Firm calculates its minimum own funds requirement as the maximum of PMR, FOR and KFR, as shown in the table below. In addition, the Firm, through its ICARA process, projects these metrics in various stress scenarios which in conjunction with its wind-down planning, are used to calibrate its OFTR. This ensures compliance with the Overall Financial Adequacy Rule (OFAR).

Requirement	£'000 Source / basis
Permanent Minimum Requirement (PMR)	750 MIFIDPRU 4.4.1 - dealing on own account
Fixed Overheads Requirement (FOR)	3,491 Baseline projection (2025)
K-Factor Requirement (KFR)	0 (a) $K\text{-AUM} + K\text{-CMH} + K\text{-ASA} = 0$; (b) $K\text{-COH}^1 + K\text{-DTF} = 0$; (c) $K\text{-NPR} + K\text{-CMG} + K\text{-TCD} + K\text{-CON} = 0$.
Minimum own funds requirement (max of above)	3,491 Binding driver: FOR (baseline 2025)

¹ The Firm's K-factor requirement at the reporting date was £306, arising from client orders handled in derivatives. This rounds to nil when expressed in £'000.

Remuneration

The Firm's remuneration framework promotes sound risk management, aligns with its business strategy and long-term interests, and does not incentivise risk-taking beyond the Firm's tolerance. The objectives of the Firm's financial incentives are to attract and retain staff of appropriate calibre, reward sustainable performance, and ensure alignment between individual and firm-level outcomes.

Remuneration decisions are governed at group level. Individual awards are reviewed and approved by the Compensation, Corporate Governance and Nominating Committee of the Board of Directors of Galaxy Digital Inc. The GDUK Board oversees implementation and ensures variable remuneration does not compromise the Firm's capital base. No separate remuneration committee operates at GDUK level.

Fixed remuneration comprises base salary. Variable remuneration is discretionary and performance-based; it may comprise a cash bonus, equity awards (RSUs, stock options or SARs under the Galaxy Digital Inc. Long Term Incentive Plan) and carried interest where applicable. Performance is assessed against financial criteria (including revenue, margins, cost control and individual contribution) and non-financial criteria (including governance, compliance, conduct and client outcomes) at firm, business unit and individual level. Variable remuneration is subject to ex-ante risk adjustment, including reduction to nil where the Firm's capital base does not support an award, and to ex-post recovery via malus and clawback triggered by conduct breaches, risk management failures, fitness and propriety failures or fraud. Clawback applies for three years from payment, or for longer where an award vests over a longer period. Up to 100% of variable remuneration may be reduced or recovered.

Guaranteed variable remuneration may be awarded to new hires only, in their first year of service, and only where the Firm has a strong capital base. Severance payments reflect performance over time and do not reward failure or misconduct.

During the financial year, four members of staff held Senior Manager Functions under SMCR, all of whom were identified as MRTs, following application of the criteria in SYSC 19G.5.3R.

Quantitative remuneration disclosure

Remuneration awarded for FY2025

£000s	SMF / MRT	Other staff	Total
Fixed remuneration	827	6,736	7,563
Variable remuneration	4,187	3,013	7,200
Total remuneration	5,014	9,749	14,763
Number of beneficiaries	4	67	71

No severance payments were awarded to SMFs/MRTs during the financial year, and no SMFs/MRTs received guaranteed variable remuneration.

Appendix A – Template OF1 – Composition of Regulatory Own Funds

No.	Item	Amount (£'000) ²	Source / balance sheet reference
1	OWN FUNDS	18,901	Total equity less prudential deductions
2	TIER 1 CAPITAL	18,901	
3	COMMON EQUITY TIER 1 CAPITAL	18,901	Total equity
4	Fully paid up capital instruments	10,000	Appendix B, shareholders' equity row 1
5	Share premium	–	
6	Retained earnings	17,085	Appendix B, shareholders' equity row 4
7	Accumulated other comprehensive income	–	n/a
8	Other reserves	115	Appendix B, shareholders' equity rows 2 and 3 (capital contribution less distributions)
9	Adjustments to CET1 due to prudential filters	–	n/a
10	Other funds	–	n/a
11	(-) Total deductions from CET1	(83)	Appendix B, assets row 2 (deferred tax asset within debtors)
19	CET1: Other capital elements, deductions and adjustments	(8,215)	Unverified current year profit
20	ADDITIONAL TIER 1 CAPITAL	–	n/a
21	Fully paid up, directly issued capital instruments (AT1)	–	n/a
22	Share premium (AT1)	–	n/a
23	(-) Total deductions from AT1	–	n/a
24	AT1: Other capital elements, deductions and adjustments	–	n/a

No.	Item	Amount (£'000)²	Source / balance sheet reference
25	TIER 2 CAPITAL	–	n/a
26	Fully paid up, directly issued capital instruments (Tier 2)	–	n/a
27	Share premium (Tier 2)	–	n/a
28	(-) Total deductions from Tier 2	–	n/a
29	Tier 2: Other capital elements, deductions and adjustments	–	n/a

Appendix B – Template OF2 – Reconciliation of Regulatory Own Funds to Balance Sheet

The table below reconciles the balance sheet in the published, audited financial statements as at 30 December 2025 to the regulatory own funds set out in template OF1. Column (b) of the template (balance sheet under the regulatory scope of consolidation) is omitted because the accounting and regulatory scopes of consolidation are the same. The figures are those reported in the audited financial statements, reshaped into the assets, liabilities and shareholders' equity structure the template requires, using the line names in the financial statements. Total assets less total liabilities is £27,200k, which agrees to total shareholders' equity and to the statement of financial position.

No.	Item	Amount (£'000) ²	Cross- reference to template OF1
Assets			
1	Tangible assets	333	
2	Debtors	27,484	11
3	Cash at bank and in hand	7,904	
	Total assets	35,721	
Liabilities			
1	Creditors: amounts falling due within one year	8,521	
	Total liabilities	8,521	
Shareholders' equity			
1	Called up share capital	10,000	4
2	Distributions	(125,933)	8
3	Capital contribution	126,047	8
4	Profit and loss reserves	17,085	6
	Total shareholders' equity	27,200	

² Figures are presented in £'000 and are rounded, and totals and subtotals are calculated on unrounded amounts, so components may not sum exactly. For example, row 8 of the composition template in Appendix A is £115k, being the net of distributions and capital contribution calculated on unrounded amounts.