

Galaxy Digital Provides Updated Capital and Liquidity Position

5/13/2022

NEW YORK, May 13, 2022 /CNW/ - **Galaxy Digital Holdings Ltd.** (TSX: GLXY) ("Galaxy Digital" or "the Company"), a financial services and investment management innovator in the digital asset, cryptocurrency, and blockchain technology sectors is providing a preliminary quarter-to-date company update, in light of recent market conditions.

The Company believes that the current digital asset and broader market conditions warrant providing shareholders, counterparties, and clients intra-quarter visibility regarding its capital and liquidity position, as well as its operating resilience. The Company's treasury does not utilize algorithmic stablecoins.

The Company remains in a strong capital and liquidity position and is well-positioned for long-term growth. The Company will continue to manage the pace of investment to consider the macroeconomic backdrop as it has throughout its history, and our experienced management team continues to believe there are significant opportunities for Galaxy Digital as we navigate current market conditions.

Quarter-to-date Company and Market Updates for Second Quarter 2022, through Wednesday, May 11, 2022

- The company has a liquidity position of approximately \$1.6 billion, including \$800 million in cash and over \$800 million in net digital assets, with the majority of net digital assets in non-algorithmic stablecoins.
- Quarter-to-date Net comprehensive income is expected to be a loss of approximately \$300 million, bringing Partners' Capital to \$2.2 billion, a decline of 12% versus March 31, 2022.
- In comparison, since March 31, 2022, total cryptocurrency market capitalization has decreased approximately 40% to \$1.2 trillion.
- The Company will continue to invest in our long-term growth strategy while considering the current

macroeconomic backdrop, including:

- Launching new Asset Management funds;
 - Scaling proprietary bitcoin mining and the ability to serve as a key advisor to ecosystem players;
 - Expanding our lending portfolio and meeting the rapidly-growing trading liquidity demand;
 - Adding engineering and other headcount to support growth plans in a scaled manner; and;
 - Investing in technology and product acquisitions.
- The Company reconfirms **the previously-stated commentary** that Galaxy Digital Trading ("GDT") experienced no operational or execution-related disruptions. GDT counterparty loan and yield portfolio has continued to experience zero defaults, credit degradations or liquidations. Moreover, average collateralization levels remain well-over 100%

¹Net digital assets include all digital assets categorized as assets, less all digital assets categorized as liabilities on the statement of financial position, less noncontrolling interests liabilities.

²Note: This preliminary, unaudited quarter-to-date financial data is as of May 11, 2022 and excludes impacts from the quarterly valuation process of our investment portfolio. This data is subject to change as management completes its quarterly close procedures.

³Represents [coinmarketcap.com](https://www.coinmarketcap.com) total cryptocurrency market capitalization quoted price.

About Galaxy Digital

Galaxy Digital (TSX: GLXY) is a technology-driven financial services and investment management firm that provides institutions and direct clients with a full suite of financial solutions spanning the digital assets ecosystem. Galaxy Digital operates in the following businesses: Trading, Asset Management, Investment Banking, Mining and Principal Investments. Galaxy Digital's CEO and Founder is Mike Novogratz. The Company is headquartered in New York City, with offices in Chicago, Jersey City, London, Amsterdam, Tokyo, Hong Kong, and the Cayman Islands (registered office).

Additional information about the Company's businesses and products is available on www.galaxydigital.io.

Disclaimers

The TSX has not approved or disapproved of the information contained herein.

This press release contains certain pre-released second quarter 2022 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 the Company's management. The Company'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 end accounting procedures and adjustments and auditor review. 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.

CAUTION ABOUT FORWARD-LOOKING STATEMENTS

Certain information in this press release, including, but not limited to, statements regarding the pre-released financial information and the Company's long-term growth strategy, may constitute forward looking information (collectively, forward-looking statements), which can be identified by the use of terms such as "may," "will," "should," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe" (or the negatives) or other similar variations. Because of various risks and uncertainties, including those referenced below, actual events or results may differ materially from those reflected or contemplated in such forward-looking statements. Factors that could cause actual outcomes related to the pre-released financial information and the Company's long-term growth strategy to differ materially from those described in such forward-looking statements include, but are not limited to, a change in the digital asset market or general economic conditions. 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: the risk that the pre-released financial information is revised as a result of the completion of normal quarter end accounting procedures and adjustments and auditor review; the global economy, industry or the Company's businesses and investments do not perform as anticipated, that revenue or expense estimates may not be met or may be materially less or more than those anticipated; changes in applicable laws or regulations; the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; changes or events that impact the cryptocurrency industry, including potential regulation, that are out of our control; the risk that our business will not grow in line with our expectations or continue on its current trajectory; the possibility that our addressable market is smaller than we have anticipated and/or that we may not gain share of it; and 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. In connection with the forward-looking statements contained in this press release, the Company has made assumptions that no significant events occur outside of the Company's normal course of business. Forward-looking statements are not guarantees of future performance, accordingly, you should not put undue reliance on forward-looking statements. The forward-looking statements in this press release are applicable only as of the date of this release or as of the date specified in the relevant forward-looking statement and Galaxy Digital undertakes no obligation to update any forward-looking statement to reflect events or circumstances after that date or to reflect the occurrence of

unanticipated events.

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