

**Form 51-102F3**  
**Material Change Report**

**Item 1 Name and Address of Company**

Galaxy Digital Holdings Ltd. (the “**Company**”)  
PO Box 309, Ugland House, Grand Cayman  
KY1-1104, Cayman Islands

**Item 2 Date of Material Change**

November 29, 2021

December 9, 2021

**Item 3 News Release**

News releases announcing the material change referred to in this report were disseminated by the Company on November 29, 2021 and December 9, 2021 through CNW Group and a copy was subsequently filed on the System for Electronic Document Analysis and Retrieval (SEDAR).

**Item 4 Summary of Material Change**

On November 29, 2021, the Company announced that Galaxy Digital Holdings LP (the “**Issuer**” and together with the Company, “**Galaxy Digital**”) agreed to issue and sell US\$500 million aggregate principal amount of 3.00% Exchangeable Senior Notes due 2026 (the “**Notes**”).

On December 9, 2021, the Company announced the closing of the Issuer’s previously announced offering of Notes.

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 (as defined below), for Ordinary Shares (as defined below), and (ii) following the Reorganization, for Class A Shares (as defined below), 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 US\$250,000 principal amount of Notes, equivalent to an initial exchange price of approximately US\$33.3412 per Ordinary Share (CS\$42.6467 equivalent based on the November 26, 2021 exchange rate).

**Item 5 Full Description of Material Change**

**5.1 Full Description of Material Change**

On November 29, 2021, the Company announced that the Issuer agreed to issue and sell US\$500 million aggregate principal amount of Notes.

On December 9, 2021, the Company announced the closing of the Issuer’s previously announced offering of Notes.

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 the Company (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 US\$250,000 principal amount of Notes, equivalent to an initial exchange price of approximately US\$33.3412 per Ordinary Share (C\$42.6467 equivalent based on the November 26, 2021 exchange rate).

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 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 the Company, 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 US\$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 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 Notes were 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, holders of Notes 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.

## **5.2 Disclosure for Restructuring Transactions**

Not applicable.

**Item 6            Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

**Item 7            Omitted Information**

Not applicable.

**Item 8            Executive Officer**

For further information please contact:

Chris Ferraro

Co-President

(212) 390-9216

**Item 9            Date of Report**

December 9, 2021

**No Offer or Solicitation**

This report shall not constitute a solicitation of a proxy, consent or authorization with respect to any securities or in respect of any of the proposed transactions. This report is for informational purposes only and shall 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.

**Cautionary Statement Concerning Forward-Looking Statements**

Certain statements contained in this report 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"). 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 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 report 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 transactions referred to herein, the need to satisfy regulatory and legal requirements with respect to the transactions and those risks identified in the Company's Annual Information Form dated March 29, 2021 filed on SEDAR at [www.sedar.com](http://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.