GALAXY INVESTMENT BANKING

Digital Asset Quarterly Update

Q3-23
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1. Galaxy Overview
Galaxy is a digital asset and blockchain leader providing institutions, startups, and qualified individuals access to the crypto economy.

- **5+ Year**
  Operating track record

- **$3.9B**
  Assets Under Management\(^{(1)}\)

- **990+**
  Institutional trading counterparties, with 290+ active trading counterparties\(^{(2)}\)

- **215+**
  Category-defining portfolio companies\(^{(2)}\) spanning the crypto economy

- **415+**
  Employees across three continents\(^{(3)}\)

Diversified offerings across three main business verticals:

- **Global Markets**
  Institutional-grade expertise and access to the digital asset ecosystem, including trading, derivatives, structured products, and full-suite Investment Banking and Advisory services.

- **Asset Management**
  A global asset management platform offering a suite of institutional-grade investment vehicles that span active, passive, and venture strategies.

- **Digital Infrastructure Solutions**
  We are an industry leader in proprietary bitcoin mining and hosting services, critical network validator services, and the development of enterprise-grade custodial technology.

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\(^{(1)}\) As of September 30, 2023. All figures are unaudited. AUM is inclusive of a sub-advised fund, committed capital in a closed-end vehicle, and seed investments by affiliates. Changes in AUM are generally the result of performance, contributions, and withdrawals.

\(^{(2)}\) As of June 30, 2023.

\(^{(3)}\) Inclusive of Helios and GK8 headcount.
Differentiated and Specialized Investment Banking Services

- Fully-service platform across all elements of the institutional ecosystem
- Complementary capabilities allow Galaxy to support partners throughout their growth journey
- Results in deep connectivity and Galaxy holding “partner of choice” status

- Advice across the full capital structure, including equity, debt, and convertibles, in both transactional and non-transactional contexts
- Acts as an independent financial adviser alongside underwriting banks to ensure best execution
- Reviews of equity story and capital allocation

- Galaxy is the leading financial services firm focused exclusively on digital assets, Web3, and blockchain technologies
- Galaxy has “skin in the game” and is fully dedicated to helping clients and partners to navigate ongoing market evolution

- Sell-side: Strong track record of maximizing value
- Buy-side: Thoughtful evaluation of targets with the ability to effect introductions and advise on structuring
- Mergers: Experienced in advising on complex mergers

- Deep Capital Markets and Structuring Expertise
- Highly Experienced M&A Advisers
- Unparalleled Knowledge and Connectivity in the Sector
Galaxy offers traditional institutional experience combined with deep sector knowledge to deliver a full suite of financial products and services.

Senior Leadership

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Investment Banking Team
Leader in Facilitating Digital Assets Transactions

Galaxy Investment Banking ("GIB") has developed a leading role in capital raises and M&A in the digital assets industry, successfully completing transactions with companies and investors across all sub-industries on a variety of engagements.

Recent Notable Transaction

- **Aug 2023**: Onramp Invest has acquired Securitize for $1.25bn. GIB served as Exclusive Buy-side Financial Advisor.

- **December 2022**: galaxy has acquired argo Helios Bitcoin Mining Facility for $80mm. GIB served as Exclusive Financial Advisor & Sole Placement Agent.

- **March 2023**: Onramp Invest has acquired CoreWeave for $100mm. GIB served as Exclusive Financial Advisor & Sole Placement Agent.

Other Relevant Transactions

- **August 2023**: SECURITIZE has acquired GAMERCRAFT Pre-Series A Financing for $5mm. GIB served as Exclusive Financial Advisor & Sole Placement Agent.

- **October 2022**: SEPIOR has acquired a minority stake from Helios Bitcoin Mining Facility for $80mm. GIB served as Exclusive Financial Advisor to Blockdaemon.

- **February 2023**: Qredo Series A Financing has agreed to merge with Coincheck for $125bn. GIB served as Exclusive Financial Advisor to Blockdaemon.

Investment Banking Team Role:
- Conducted comprehensive operational and financial due diligence to identify any potential risks associated with the acquisition.
- Collaborated with counsel to ensure optimal deal structure and prepare transaction documents.
- Assisted in providing optimal incentive structures for management and employee retention to ensure a smooth and fair transition.

Source: Public filings and press releases.
Select M&A and Capital Raise Transactions

August 2023

**SECURITIZE**

- **Onramp**

- Exclusive Financial Advisor to Securitize

July 2023

**GAMECRAFT**

- **Alienware**

- $5,000,000

- Exclusive Financial Advisor & Sole Placement Agent

March 2023

**Ripple**

- **Pantera**

- **Bitstamp**

- has acquired

- Sole Placement Agent

December 2022

**Galaxy**

- **Argo**

- Helios Bitcoin Mining Facility

- Financial Advisor to Galaxy

February 2022

**ComputeNorth**

- **Mercury**

- **Generate**

- $85,000,000

- Initial Series C Financing led by

October 2022

**Amberdata**

- **SV**

- Exclusive Financial Advisor to Genesis Volatility

July 2022

**Blockdaemon**

- **About**

- **Seior**

- has acquired

- Exclusive Financial Advisor to Blockdaemon

February 2022

**Qredo**

- **10T**

- $80,000,000

- Series A Financing led by

November 2021

**Coinbase**

- **BRD**

- has acquired

- Sell-Side Advisor

November 2021

**Blockdaemon**

- **ANY**

- **Blockfi**

- has acquired

- Exclusive Financial Advisor to Blockdaemon

November 2021

**Iris Energy**

- **Ioby**

- **Bridge**

- $231,538,468

- Initial Public Offering

November 2021

**CoreWeave**

- **Magnetar Capital**

- $50,000,000

- Growth Financing provided by

October 2023

**Galaxy**

- **Blockfolio**

- **FTX**

- has acquired

- Sell-Side Advisor to Blockfolio

November 2020

**Galaxy**

- **Dynamo**

- **Drawbridge**

- Financial Advisor

November 2020

**Galaxy**

- **BlockFi**

- **DST**

- $350,000,000

- Series D Financing led by

May 2021

**Galaxy**

- **Vision Hill Group**

- $50,000,000

- Financial Advisor

March 2021

**BlockFi**

- **Binance Capital**

- **DST**

- Co-Placement Agent

February 2022

**Blockdaemon**

- **Gem**

- $100,000,000

- Financial Advisor & Sole Placement Agent to CoreWeave

November 2021

**Blockdaemon**

- **Gem**

- $1,250,000,000

- Financial Advisor to TBC IV

October 2021

**Blockdaemon**

- **Gem**

- $150,000,000

- Financial Advisor

November 2021

**Blockdaemon**

- **Gem**

- $5,000,000

- Financial Advisor

July 2022

**Blockdaemon**

- **Gem**

- $85,000,000

- Financial Advisor to Securitize

November 2021

**Blockdaemon**

- **Gem**

- $250,000,000

- Financial Advisor & Sole Placement Agent to CoreWeave

May 2021

**Blockdaemon**

- **Gem**

- $5,000,000

- Financial Advisor
2. Digital Assets Market Update
Q3 Macro Market Conditions Summary

**S&P 500 QoQ Performance**
- Equities rose at the start of the quarter before retracing gains in the final innings
- Tech stocks led the decline as valuations normalized, while energy stocks gained on higher crude oil
- The BofA Fund Managers’ survey reflected renewed optimism in US equities towards the end of Q3

**BTC Price QoQ Performance**
- BTC experienced its worst quarterly performance since Q4 2022, after topping a yearly high of $31,500 in July
- In August, the DC Circuit Court of Appeals ruled in favor of Grayscale in its ongoing SEC lawsuit
- The move sent prices higher intraday, though volumes remain at multiyear lows amid increasing uncertainty

**Gold QoQ Performance**
- Gold prices declined on the quarter, after rising more than 4% in July. The surge in treasury yields along with a strong dollar have been the main contributors
- Spot ETFs experienced quarterly net outflows
- Tightening capital controls in countries like China have contributed to a surge in private market gold demand

**Crude QoQ Performance**
- Crude prices soured in Q3, supported by signs of tightening global supply and rising demand through the rest of this year
- Livestock offset weakness amongst industrial metals such Copper, who function as a signal for global demand
  - Ongoing slowdowns in China and Europe continue to drive prices

**CPI Print for Sep 2023**
- Sep-23 saw 0.4% MoM and 3.7% YoY inflation growth
  - Shelter costs the main contributor
  - LTM core CPI up 4.1%, compared to 4.3% in August
  - The 0.6% MoM reading in August reigned the Fed’s data-dependent narrative as energy, labor, and shelter, sent inflation higher

**VIX as of 9/29/2023**
- Equity market volatility began the quarter near multi-year lows as stocks rallied
- The index tested 19 in August and then again in September as looming government shutdown talks add to uncertain environment
  - Investors are increasingly paying to hedge as both stocks and bonds traded lower in Q3

**10-year Treasury Rate**
- U.S. 10-year treasury yields rose sharply in August before touching 16-year highs in September
  - The Fed lifted hiked 25bp in July followed by a hold in September
  - A combination of heavy upcoming treasury supply and a reset in 2024 policy rate expectations add additional selling pressure

**DXY as of 9/29/2023**
- The dollar trended higher through the quarter amid a bleak global macro backdrop and rising policy rates
- Weakness in the EU and China contrast with record unemployment still seen in the US, and gold weakness
  - The ICE Dollar Index crossed its 50d and 200d moving averages in the final week of the quarter

Source: FactSet and Fed.
Note: Market data as of Sep 30, 2023.
(1) Reflects NYMEX Gold Continuous Futures Contract.
(2) Reflects Bloomberg Commodities Index.
Digital Assets Gain Regulatory Momentum Both Domestically and Abroad

**BTC Total Market Cap Return vs. Broader Crypto Market in Q3 2023 (July 1 – September 30)**

- **Bearish for Crypto**
  - 7/13: Federal judge rules that XRP represents a security token when sold to institutional investors, but not in other cases.
  - 7/20: House Republicans introduce digital assets bill that aims to bring regulatory clarity to crypto, granting authority to the SEC and CFTC.
  - 7/21: House Financial Services Committee approves holistic crypto legislation giving certain powers to the SEC.
  - 7/31: Federal judge rejects the legal basis of the Ripple case in denying Terraform Labs’ motion to dismiss SEC lawsuit.
  - 8/7: Federal Reserve issues guidance on novel activities, including bank-fintech partnerships and stablecoin activities.
  - 8/14: Coinbase receives approval to operate a Futures Commission Merchant from the National Futures Association.
  - 8/21: Chinese authorities deny Terraform Labs’ motion to dismiss SEC lawsuit. SEC announces settlement for Grayscale Investments in court case involving compliance.
  - 8/22: SEC announces settled enforcement case over NFTs, requiring cryptoasset businesses to comply.
  - 8/28: LA media company Impact Theory LLC settles first SEC enforcement case over NFTs, agrees to pay $6.1 million for conducting unregistered sales of NFTs.
  - 9/7: SEC announces settled charges against Linus Financial Services, LLC settling first SEC enforcement case over NFTs, requires cryptoasset businesses to comply.
  - 9/14: SEC announces new General Framework for Greenlisted Coins and issues public comment updates to DFS guidance regarding listing of virtual currencies.

- **Bullish for Crypto**
  - 7/12: OpenSea employee sentenced to three months in prison for NFT insider trading.
  - 7/13: DOJ announces indictment for defrauding on the Solana blockchain.
  - 7/14: Russia readies digital rouble pilot as war squeezes economy and inflation soars.
  - 7/15: Russian senators approve legislation on digital ruble, Russia readies digital rouble pilot as war squeezes economy and inflation soars.
  - 7/16: Ukrainian president signs law requiring crypto exchanges to register with the central bank.
  - 7/17: Indian Prime Minister Modi announces creation of national crypto hub to promote blockchain and related technologies.
  - 7/18: The British Museum launches new virtual platform, offering access to historical artifacts.
  - 7/19: Kenya’s Interior Ministry orders Worldcoin to halt all activity in the country while it investigates potential risks to the public.
  - 7/20: RBI announces crackdown on virtual currencies, warning against digital yuan.
  - 7/21: Google announces support for new stablecoin, the USDC stablecoin.
  - 7/23: SEC announces new General Framework for Greenlisted Coins and issues public comment updates to DFS guidance regarding listing of virtual currencies.

**Select Institutional Milestones**

- **The British Museum**
  - Announced plans to establish an interactive space within the Ethereum-based world, as well as to offer up NFT collectibles.

- **PayPal**
  - Announced new virtual playground, McNuggets Land, to be launched in The Sandbox.

- **Aptos**
  - Announced plans to leverage Microsoft’s infrastructure to deploy offerings that combine AI and blockchain tech.

- **Visa**
  - Successfully completed a test that enables users to pay Ethereum gas fees using their Visa credit or debit cards.

- **Ledger**
  - Announced partnership to allow users to buy crypto in the Ledger Live app through their PayPal accounts using fiat currency and deposit tokens.

- **Citibank**
  - Announced collaboration and piloting of Citi Token Services for cash management and trade finance to deliver digital asset solutions to institutional clients.

- **Grayscale**
  - Filed paperwork with the SEC under the Securities Act of 1933 for a new ETF tracking the performance of future others.

- **Nomura**
  - Launched The Bitcoin Adoption Fund, which will have long-term exposure to Bitcoin and will be available to institutional investors.

- **CoinShares**
  - Announced the launch of a hedge fund for qualified investors in the United States.

**Source:** DLA Piper’s Blockchain and Digital Assets News and Trends, FactSet, and Galaxy research. Data as of September 30, 2023.
BTC and ETH Lagged TradFi Markets Amid Higher U.S. Treasury Yields

Q3 2023 Performance: Bitcoin, Ethereum, DJIA, S&P 500, Nasdaq, Gold

Source: CoinMarketCap and FactSet.
Note: Market data as of September 30 2023.

Reference Index Performance since 2023

- S&P 500: 12%
- Dow Jones: 1%
- Nasdaq: 26%
- Gold: 1%
- Bitcoin: 62%
- Ethereum: 39%

7/26/2023: 25bp Rate Hike Announced
8/10/2023: July CPI Data (+3.2% YoY)
9/13/2023: Aug CPI Data (+3.7% YoY)
9/20/2023: Rate Hike Pause Announced

7/26/2023: July CPI Data (+3.2% YoY)
8/10/2023: 25bp Rate Hike Announced
9/13/2023: Aug CPI Data (+3.7% YoY)
9/20/2023: Rate Hike Pause Announced

Source: CoinMarketCap and FactSet.
Note: Market data as of September 30 2023.
Digital Assets Trading Performance Over Time

**Price Performance (2022 – Present)**

Reference Index Performance since 2022
- S&P 500 (10%)
- Nasdaq (31%)
- Russell 2000 (20%)

Source: FactSet.

Note: Market data as of September 30, 2023. Indices weighted by market capitalization.

3. “Exchanges & Crypto Apps” relies on Coinbase as the sole proxy.
5. “Mining OEMs” includes Canaan and Ebang.
Digital Assets Trading Performance Over Time (cont’d)

Trading Multiples (2022 - Present)

Enterprise Value / NTM Revenue

Enterprise Value / NTM EBITDA

Source: FactSet.

Note: Market data as of September 30, 2023. Indices weighted by market capitalization.

(2) “Payments / FinTech Crypto Apps” includes Mastercard, PayPal, Block, and Visa.
(3) “Exchanges & Crypto Apps” relies on Coinbase as the sole proxy.
(4) “Digital Asset Mining” includes Argo Blockchain, Bitfarms, Core Scientific, Cipher Mining, Hive Blockchain, Overweight Generation, Hut 8, Iris Energy, Marathon Digital, Riot Blockchain, Stronghold Digital, and TeraWulf.
(5) “Mining OEMs” includes Canaan and Ebang. NTM EBITDA data unavailable beyond July 26th.

Gaps reflect unrepresentative multiples in Exchanges & Crypto Apps and Digital Asset Mining driven by significant multiple expansion due to material downward revisions to forward EBITDA estimates.
Digital Assets Trading Performance Over Time (cont’d)

Trading Multiples (LTM High / Low)

**EV / NTM Revenue**

- **Balance Sheet HODLers**
  - Low: 4.8x (12/27/2022)
  - High: 17.6x (8/1/2023)

- **Payments / Fintech Crypto**
  - Low: 10.1x (10/12/2022)
  - High: 17.7x (9/11/2023)

- **Exchanges & Crypto Apps**
  - Low: 1.7x (12/28/2022)
  - High: 7.9x (7/19/2023)

- **Digital Asset Mining**
  - Low: 0.7x (12/28/2022)
  - High: 6.9x (7/19/2023)

- **Mining OEMs**
  - Low: 0.1x (12/28/2022)
  - High: 0.9x (9/5/2023)

**EV / NTM EBITDA**

- **Balance Sheet HODLers**
  - Low: 21.1x (3/10/2023)
  - High: 69.5x (8/1/2023)

- **Payments / Fintech Crypto**
  - Low: 17.4x (10/11/2022)
  - High: 22.9x (8/4/2022)

- **Exchanges & Crypto Apps**
  - Low: 16.8x (6/12/2023)
  - High: 215.7x (7/20/2022)

- **Digital Asset Mining**
  - Low: 1.5x (7/1/2022)
  - High: 205.4x (1/24/2023)

- **Mining OEMs**
  - Low: 0.2x (12/28/2022)
  - High: 4.6x (7/13/2023)

Source: FactSet.

Note: Market data as of September 30, 2023. Indices weighted by market capitalization.

(2) “Payments / Fintech Crypto Apps” includes Mastercard, PayPal, Block, and Visa.
(3) “Exchanges & Crypto Apps” relies on Coinbase as the sole proxy.
(4) “Digital Asset Mining” includes Argo Blockchain, Bitfarms, Core Scientific, Cipher Mining, Hive Blockchain, Greenidge Generation, Hut 8, Iris Energy, Marathon Digital, Riot Blockchain, Stronghold Digital, and TeraWulf.
(5) “Mining OEMs” includes Canaan and Ebang.
(6) Negative multiples and multiples >250x excluded from consideration.
3. Digital Assets Capital Markets Transactions
Private Capital Markets Activity Overview

Fundraising Activity by Round (Q2’22-Present)

- **Series A & Earlier**: $1,583 (Q2’22), $1,486 (Q3’22), $3,055 (Q4’22), $2,956 (Q1’23), $1,536 (Q2’23), $356 (Q3’23)
- **Series B**: $5,246 (Q2’22), $3,527 (Q3’22), $2,527 (Q4’22), $2,528 (Q1’23), $2,054 (Q2’23), $1,275 (Q3’23)
- **Series C & Later**: $1,187 (Q2’22), $1,030 (Q3’22), $995 (Q4’22), $996 (Q1’23), $975 (Q2’23), $775 (Q3’23)
- **Other**: $635 (Q2’22), $60 (Q3’22), $50 (Q4’22), $48 (Q1’23), $60 (Q2’23), $48 (Q3’23)
- **Deal Count**: 499 (Q2’22), 247 (Q3’22), 200 (Q4’22), 260 (Q1’23), 184 (Q2’23), 167 (Q3’23)

Quarterly Deal Count by Size (2)

- **$0 - $10**: $48 (Q1’23), $10 (Q2’23), $5 (Q3’23)
- **$10 - $25**: $60 (Q1’23), $10 (Q2’23), $6 (Q3’23)
- **$25 - $50**: $395 (Q1’23), $301 (Q2’23), $30 (Q3’23)
- **$50 - $150**: $327 (Q1’23), $30 (Q2’23), $30 (Q3’23)

Quarterly Activity by Region

- **North America**: Total Capital Raised $670, Deal Count 66
- **Asia & Oceania**: Total Capital Raised 206, Deal Count 39
- **UK & EMEA**: Total Capital Raised 303, Deal Count 36
- **Unknown**: Total Capital Raised 95, Deal Count 26
- **South America**: Total Capital Raised --, Deal Count --

Total: Total Capital Raised $1,275, Deal Count 167

Key Themes & Trends

- **Companies in the digital asset space** raised ~$1.3bn across an estimated 167 transactions in Q3’23, a ~38% and ~9% QoQ decrease in financing volume and deal activity, respectively, as capital markets remain largely constrained by continued macroeconomic uncertainty and sustained risk-off sentiments

  - The slowdown in private fundraising by digital asset companies continued to produce steep YoY declines in financing volume (~76%), deal activity (~52%), and average deal size (~49%) in Q3’23
  - Series A and earlier companies continued to receive the lion’s share of new capital deployed into the digital assets space, as more mature companies deprioritized fundraising in favor of more conservative treasury management and later-stage capital providers remained increasingly discerning and price sensitive

  - Series A and earlier companies accounted for 61% of total financing volume in 3Q23, a significant boost compared to 3Q22 in which only 2% of total financial volume was contributed by Series A and earlier companies

- **The North America region continues to be largest region that saw the most fundraising activity in Q3’23, despite the region facing and anticipating sustained regulatory headwinds, particularly in the U.S.**

  - As a percentage of total financing volume, capital raised by UK and EMEA-based companies grew ~1% YoY, compared to a ~6% YoY decrease in capital raised by North American companies. As a percentage of total deals announced in Q3’23, ~22% of deals announced were from companies based in the UK and broader EMEA region, and ~40% were announced from companies based in North America
Private Capital Markets Activity Overview (Cont’d)

Fundraising Activity by Sub-Vertical (Q2’22-Present)

<table>
<thead>
<tr>
<th>Sub-Vertical</th>
<th>Total Capital Raised ($mm)</th>
<th>Deal Count</th>
<th>Avg. Deal Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blockchain Network Layers</td>
<td>270</td>
<td>31</td>
<td>$9</td>
</tr>
<tr>
<td>NFT &amp; Creator Economy</td>
<td>432</td>
<td>47</td>
<td>9</td>
</tr>
<tr>
<td>Trading &amp; Exchanges</td>
<td>37</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Diversified Financial</td>
<td>90</td>
<td>15</td>
<td>6</td>
</tr>
<tr>
<td>Custody, Wallets &amp; Wealth</td>
<td>111</td>
<td>5</td>
<td>22</td>
</tr>
<tr>
<td>Decentralized Finance</td>
<td>88</td>
<td>35</td>
<td>3</td>
</tr>
<tr>
<td>Payments &amp; Commerce</td>
<td>54</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Mining, Staking &amp; Compute</td>
<td>23</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Other</td>
<td>110</td>
<td>8</td>
<td>14</td>
</tr>
<tr>
<td>Analytics</td>
<td>61</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,275</strong></td>
<td><strong>167</strong></td>
<td><strong>8</strong></td>
</tr>
</tbody>
</table>

Key Themes & Trends (Cont’d)

**NFT & Creator Economy** took the most capital among digital asset sub-verticals, accounting for ~34% of total financing volume in Q3’23

- This overtook Blockchain Network Layers, which has remained the strongest sub-vertical in terms of capital raised since Q4’22. Total capital raised in Blockchain Network Layers experienced a ~79% decrease from Q3’22 to Q3’23.
- Strong fundraising performance by NFT & Creator Economy companies signaled continued investor interest in Web3 and the potential for blockchain technology to revolutionize digital storytelling.

Investors are most interested in companies where real-world use cases meet digital assets, working to solve current problems in the marketplace—particularly through payments and remittances.

- Investors are especially interested in companies operating in the emerging markets, notably SE Asia and LatAm.
- Investors continue to express interest in infrastructure—mainly companies building on and off ramps to make digital assets more accessible and companies focused on providing valued added high-tech services in tax, security and compliance.
## Q3’23 Private Placement Spotlight

($) in millions, sorted by capital raised

<table>
<thead>
<tr>
<th>Company</th>
<th>Business Description</th>
<th>Date</th>
<th>Capital Raised</th>
<th>Valuation(1)</th>
<th>Key Investors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Series A &amp; Earlier</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ZYBER 365</strong></td>
<td>Web3 cybersecurity firm with a decentralized operating system and focus on environmental sustainability</td>
<td>Jul-25-2023</td>
<td>$100</td>
<td>$1,200</td>
<td>networks, Solomos, and Ripple</td>
</tr>
<tr>
<td><strong>Futureverse</strong></td>
<td>Metaverse platform that offers a blockchain network optimized for applications and experiences</td>
<td>Jul-18-2023</td>
<td>$54</td>
<td>Undisclosed</td>
<td>networks, Solomos, and Ripple</td>
</tr>
<tr>
<td><strong>R0</strong></td>
<td>Decentralized technology designed to bring generalized purpose computing to the zero-knowledge ecosystem</td>
<td>Jul-19-2023</td>
<td>$40</td>
<td>Undisclosed</td>
<td>galaxy, 10T, Bensusin, Aglae, Maventi, Figment, and Alchemy</td>
</tr>
<tr>
<td><strong>ProofofPlay</strong></td>
<td>Developer of next generation games built on blockchain and offers a fully on-chain infrastructure suite</td>
<td>Sep-21-2023</td>
<td>$33</td>
<td>Undisclosed</td>
<td>networks, Solomos, and Ripple</td>
</tr>
<tr>
<td><strong>COSMIC WIRE</strong></td>
<td>Web3 platform offering turnkey networks to monetize and expand the value of physical assets through blockchain</td>
<td>Jul-18-2023</td>
<td>$30</td>
<td>Undisclosed</td>
<td>networks, Solomos, and Ripple</td>
</tr>
<tr>
<td><strong>BASTION</strong></td>
<td>Enterprise-focused Web3 platform that allows companies to pay, play, and connect while gathering proprietary data</td>
<td>Sep-18-2023</td>
<td>$25</td>
<td>Undisclosed</td>
<td>networks, Solomos, and Ripple</td>
</tr>
<tr>
<td><strong>P0X LABS</strong></td>
<td>Developer of a decentralized exchange platform that protects against activity tracking to preserve user privacy</td>
<td>Jul-19-2023</td>
<td>$25</td>
<td>$500</td>
<td>POLYCHAIN CAPITAL, QIMING CAPITAL, APTESLASER, and Alchemy</td>
</tr>
<tr>
<td><strong>MESH GROUP</strong></td>
<td>Strategic investment platform intended to allow users to trade stocks or transfer crypto on multiple platforms</td>
<td>Sep-21-2023</td>
<td>$22</td>
<td>Undisclosed</td>
<td>networks, Solomos, and Ripple</td>
</tr>
<tr>
<td><strong>sound.xyz</strong></td>
<td>Music platform designed to allow emerging artists to better monetize their work through Web3 technology</td>
<td>Jul-12-2023</td>
<td>$20</td>
<td>Undisclosed</td>
<td>networks, Solomos, and Ripple</td>
</tr>
<tr>
<td><strong>IYK</strong></td>
<td>Tokenization platform that is designed to put physical assets onto the blockchain</td>
<td>Sep-28-2023</td>
<td>$17</td>
<td>Undisclosed</td>
<td>networks, Solomos, and Ripple</td>
</tr>
</tbody>
</table>

Source: Messari, PitchBook, company filings, and press releases.
Note: Data as of September 30, 2023

(1) Post-money valuation.
## Q3’23 Private Placement Spotlight (Cont’d)
($ in millions, sorted by capital raised)

<table>
<thead>
<tr>
<th>Company</th>
<th>Business Description</th>
<th>Date</th>
<th>Capital Raised</th>
<th>Valuation(1)</th>
<th>Key Investors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Flashbots</strong></td>
<td>Operator of a blockchain research and development company that searches for efficient and transparent MEV extraction</td>
<td>Jul-25-2023</td>
<td>$60</td>
<td>Undisclosed</td>
<td>Paradigm</td>
</tr>
<tr>
<td><strong>BitGo</strong></td>
<td>Digital asset custody platform that protects cryptocurrencies from theft and loss and offers an enterprise suite of services</td>
<td>Aug-16-2023</td>
<td>$100</td>
<td>$1,750</td>
<td>Undisclosed</td>
</tr>
<tr>
<td><strong>hashport</strong></td>
<td>Provider of blockchain consulting services, focusing on wallet services, NFT platforms, and cryptocurrency handling / related services</td>
<td>Jul-28-2023</td>
<td>$9</td>
<td>Undisclosed</td>
<td>SMBC, UTEC</td>
</tr>
</tbody>
</table>

Source: Messari, Pitchbook, company filings, and press releases.
Note: Data as of September 30, 2023.
(1) Post-money valuation.
## Q3’23 Private Placement Spotlight (Cont’d)

($ in millions, sorted by capital raised)

<table>
<thead>
<tr>
<th>Company</th>
<th>Business Description</th>
<th>Date</th>
<th>Capital Raised</th>
<th>Valuation(1)</th>
<th>Key Investors</th>
</tr>
</thead>
<tbody>
<tr>
<td>STORY PROTOCOL</td>
<td>Web3 technology platform that offers a way to create, govern, and license on-chain property</td>
<td>Sep-6-2023</td>
<td>$54</td>
<td>Undisclosed</td>
<td></td>
</tr>
<tr>
<td>hi</td>
<td>Web3 neobank that allows users to easily manage their digital assets and NFTs and provides credit card access</td>
<td>Jul-27-2023</td>
<td>$30</td>
<td>Undisclosed</td>
<td></td>
</tr>
<tr>
<td>zetachain</td>
<td>Decentralized blockchain platform designed to support native smart contracts and allows multi-chain functionality</td>
<td>Aug-16-2023</td>
<td>$27</td>
<td>Undisclosed</td>
<td></td>
</tr>
<tr>
<td>ZEEBU</td>
<td>Blockchain-based settlement platform for the telecom carrier industry</td>
<td>Sep-7-2023</td>
<td>$25</td>
<td>Undisclosed</td>
<td>Bankai Ventures</td>
</tr>
<tr>
<td>JADA</td>
<td>Blockchain-based AI platform built to aid organizations in decision-making and scaling their operations</td>
<td>Aug-17-2023</td>
<td>$25</td>
<td>Undisclosed</td>
<td>LDA CAPITAL</td>
</tr>
<tr>
<td>MOCAVERSE</td>
<td>Proprietary metaverse developed by Animoca Brands based on original IP</td>
<td>Sep-11-2023</td>
<td>$20</td>
<td>Undisclosed</td>
<td></td>
</tr>
<tr>
<td>anytype</td>
<td>File storage software for the Web3 ecosystem designed to secure digital assets</td>
<td>Aug-23-2023</td>
<td>$13</td>
<td>Undisclosed</td>
<td>Inflection</td>
</tr>
<tr>
<td>JIRI</td>
<td>Decentralized protocol designed to augment smart contracts with off-chain computers</td>
<td>Sep-19-2023</td>
<td>$10</td>
<td>Undisclosed</td>
<td></td>
</tr>
<tr>
<td>OrangeX</td>
<td>Cryptocurrency trading platform designed to offer high liquidity</td>
<td>Sep-16-2023</td>
<td>$10</td>
<td>Undisclosed</td>
<td></td>
</tr>
<tr>
<td>Seedify</td>
<td>Web3 incubator and launch pad intended to give innovators access to funding, community building, and marketing</td>
<td>Sep-8-2023</td>
<td>$10</td>
<td>Undisclosed</td>
<td>LDA CAPITAL</td>
</tr>
</tbody>
</table>

Source: Messari, PitchBook, company filings, and press releases.

Note: Data as of September 30, 2023

(1) Post-money valuation.
4. Digital Assets M&A Transactions
Mergers & Acquisitions Activity Highlights

**Mergers & Acquisitions Activity**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Number of Transactions</th>
<th>Total Transactions with Disclosed Deal Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019A</td>
<td>75 / 17</td>
<td>$2,422 / $77 / $15</td>
</tr>
<tr>
<td>2020A</td>
<td>74 / 16</td>
<td>$2,329 / $425 / $925</td>
</tr>
<tr>
<td>2021A</td>
<td>143 / 47</td>
<td>$6,307 / $1,824 / $106</td>
</tr>
<tr>
<td>2022A</td>
<td>235 / 48</td>
<td>$5,666 / $3,797 / $50</td>
</tr>
<tr>
<td>YTD 2023</td>
<td></td>
<td>$2,386 / $0 / $2</td>
</tr>
</tbody>
</table>

**Geographic Distribution of M&A Activity by Target Locale (Q3’23)**

<table>
<thead>
<tr>
<th>Target Headquarters</th>
<th>Deal Count</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>15</td>
<td>44%</td>
</tr>
<tr>
<td>Europe, Middle East, Africa</td>
<td>9</td>
<td>26%</td>
</tr>
<tr>
<td>Asia &amp; Oceania</td>
<td>5</td>
<td>15%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>3</td>
<td>9%</td>
</tr>
<tr>
<td>South America</td>
<td>2</td>
<td>6%</td>
</tr>
</tbody>
</table>

**Memo: Cross-Border Transactions**

- **Total Number of Cross-Border Transactions**: 8
- **% of Total**: 24%

---

**Key Themes & Trends**

**M&A activity remained low, slipping slightly from last quarter and reaching 3 quarters of consecutive decline**

- Total deal count in Q3’23 (34) was directly in line with Q2’23 (34), signaling sustained headwinds for M&A transactions (e.g., heightened diligence, high internal hurdles such as roadmap relevance, less attractive financial profiles in market)
  - Q3’23 continued to mark the lowest level of M&A activity by deal count since Q1’22
- Disclosed deal value totaled $685mm, a 59% increase vs. Q2’23 ($431mm), but was majorly contributed by Ayre’s acquisition of nChain ($570mm)
- Cross-border transaction deal count in Q3’23 (8) was also in line with Q2’23 (7)
- Blockchain-to-Blockchain deals have remained the great majority of deal count (~72%) and disclosed deal value (~98%) in YTD 2023
  - In comparison, 2022 showed greater industry diversification, where the Blockchain-to-Blockchain deals represented ~59% of deal count and ~22% of deal value
- Despite continued depressed activity, Q3’23 still represented about a quarter of both deal count and value for YTD 2023
  - In fact, the Q3’23 M&A activity profile bears remarkable similarities to last quarter’s, potentially pointing to a leveling out of the downward trend
- Pressure points that require relief before higher levels of M&A activity return globally include regulatory clarity in the U.S. (e.g., Bitcoin spot ETF approval), a more encouraging private market and investments environment, and further institutional adoption of blockchain offerings

**Geographic distribution remains heavily concentrated in North America, but with surviving themes of international expansion**

- North American counterparties remain a bulk of transaction deal count, staying close to half of all targets for the past 5 quarters since Q3’22
- With cross-border transactions representing almost a quarter of all deal count, a significant portion of deal activity continued to be motivated by geographic diversification
  - Notably, half of these deals were transacted by North American-based companies as the acquirer into all regions, except for South America
- South American deals resurfaced this quarter after being absent in the prior, with one internal transaction and one cross-border expanding into the EMEA region
- Largely, the geographic split is a close mirror image of Q2’23, implying that crypto and blockchain M&A activity has seen similar headwinds globally despite different regulatory landscapes
Mergers & Acquisitions Activity by Sub-Vertical

Quarterly M&A Activity by Sub-Vertical of Target (Deal Count)(1)

- **Analytics**
  - Custody, Wallets & Wealth
  - Diversified Financial
  - NFT & Creator Economy
  - Trading & Exchanges

- **Blockchain Network Layers**
  - Decentralized Finance
  - Mining, Staking & Compute
  - Payments & Commerce
  - Other

---

Key Themes & Trends

**C** M&A activity in Trading & Exchanges eclipsed that in NFT & Creator Economy companies for the first quarter since Q1’22

- This reflects a continuation of consolidation for trading platforms looking for further market penetration and service / product capabilities
- NFT-related M&A activity remained strong, representing over 20% of Q3’23 deal count, and seeing participation from high profile names such as Moonpay and Yuga Labs

**D** Elsewhere, (1) tokenization emerged as a recurring theme, (2) major blockbuster deals have largely disappeared, and (3) household crypto names remain quiet

- In Q3’23, 4 deals (over 10% of deal count) included tokenization as key acquisition rationale, mostly for institutional investors, showing a move to evolve trading and asset management industries with the advantages of blockchain for traditional and real-world assets
- Ayre’s $570mm acquisition of nChain was the largest deal this quarter, which was less than 60% of YTD 2023’s largest transaction (US Bitcoin Corp and Hut 8’s $990mm merger)
- Although we saw notable industry names like Alchemy, Fireblocks, and Moonpay transact, none did so in large transactions; established crypto institutions have greatly focused on internal roadmap development and highly related M&A, resulting in smaller acquisitions and acquihires
## M&A Spotlight: High-Profile Transactions

Q3’23 M&A activity mostly stayed within geographic borders, with continued disposition for selective, highly strategic acquisitions which furthered product roadmaps or scale.

<table>
<thead>
<tr>
<th>Acquiror</th>
<th>Target</th>
<th>Industry</th>
<th>Type</th>
<th>Ann. Date</th>
<th>Acquisition Rationale</th>
<th>Consideration Mix</th>
<th>Acquisition Structure &amp; Additional Key Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fireblocks</td>
<td>BlockFold</td>
<td>Decentralized Finance</td>
<td>Blockchain-to-Blockchain</td>
<td>8/29/2023</td>
<td>Fireblocks has acquired tokenization firm BlockFold. Fireblocks is an Australian provider of blockchain services intended to rebuild the global financial system on secure, open and transparent standards.</td>
<td>Undisclosed</td>
<td>The acquisition will expand Fireblocks’ capabilities in tokenization - allowing traditional assets to be traded on the blockchain - including token customization, orchestration, distribution and advisory.</td>
</tr>
<tr>
<td>BIGG Digital Assets Inc. (BIGG)</td>
<td>TerraZero</td>
<td>NFT &amp; Creator Economy</td>
<td>Blockchain-to-Blockchain</td>
<td>8/27/2023</td>
<td>BIGG Digital Assets Inc. (BIGG) is a Canadian company that invests in products and companies that support crypto. TerraZero is a metaverse development group and Web3 technology company that developed Web3 projects for Fortune 500 brands such as PwC, Miller Lite, and Atlantic Records.</td>
<td>Stock</td>
<td>Upon closing, TerraZero will become a wholly-owned subsidiary of BIGG. TerraZero shares will be exchanged for ~169 BIGG Shares for a total of ~62mm BIGG Shares.</td>
</tr>
<tr>
<td>SEcuritize</td>
<td>OnRamp Invest</td>
<td>Diversified Financial</td>
<td>Blockchain-to-Blockchain</td>
<td>8/17/2023</td>
<td>SEcuritize is a provider of tokenized alternative assets based out of New York which has acquired OnRamp Invest, a digital asset wealth platform. OnRamp Invest, a U.S.-based asset management platform, offers diversified model portfolios with qualified custodians, advisor workflow, automated portfolio rebalancing, and optimization.</td>
<td>Undisclosed</td>
<td>The acquisition will give investment advisors access to a wider range of alternative assets, including private equity, private credit, real estate and sales of private stock. OnRamp is expected to operate as a subsidiary of SEcuritize.</td>
</tr>
<tr>
<td>Deutsche Börse</td>
<td>FundsDLT</td>
<td>Payments &amp; Commerce</td>
<td>Traditional-to-Blockchain</td>
<td>8/4/2023</td>
<td>Deutsche Börse is an international financial exchange company headquartered in Frankfurt, Germany that primarily generates revenue through its derivatives and custody offerings. FundsDLT is a Luxembourg-based developer of a blockchain-based platform designed to connect transfer agent activities, payment systems and investors.</td>
<td>Undisclosed</td>
<td>The acquisition of all outstanding shares of FundsDLT by Deutsche Börse’s corporate venture capital arm DB1 Ventures will make FundsDLT technology and services an integral part of Clearstream’s fund service offering.</td>
</tr>
<tr>
<td>Ayre Group</td>
<td>nChain</td>
<td>Diversified Financial</td>
<td>Blockchain-to-Blockchain</td>
<td>8/2/2023</td>
<td>Ayre Group is a venture capital firm investment fund based in Antigua that has acquired nChain. nChain owns an extensive portfolio of nearly 800 technology patents, and offers software solutions, consulting services, and IP licensing for clients across industries looking to leverage blockchain.</td>
<td>Alternative Mix</td>
<td>The deal demonstrates Ayre’s commitment to accelerate nChain’s development and promote commercial adoption of its IP library, and includes an equity investment, an IP licensing deal for Ayre portcos and a line of credit.</td>
</tr>
<tr>
<td>Wellfield Technologies</td>
<td>Brane Trust</td>
<td>Custody, Wallets, and Wealth</td>
<td>Blockchain-to-Blockchain</td>
<td>7/26/2023</td>
<td>Wellfield Technologies is the Canadian operator of a fiat-to-crypto on-ramp solution, Brane Trust is a regulated digital asset custodian focused on institutional clients that is based out of Canada.</td>
<td>Cash &amp; Debt</td>
<td>The consideration comprises of $9.8mm in convertible debentures and a cash payment of $2.2mm. Under Wellfield’s ownership, Brane Trust will continue the process to become a qualified custodian.</td>
</tr>
</tbody>
</table>

Source: CB Insights, Galaxy research, PitchBook, company filings, and press releases.
Note: Data as of September 30, 2023.
(1) Acquiror-to-target industry.
(2) Announcement date.

Indicates Galaxy-advised transaction.
## M&A Spotlight: Select Recent Deals

<table>
<thead>
<tr>
<th>Target Acquiror</th>
<th>Target Sub-Vertical</th>
<th>Date Announced</th>
<th>Target Description / Strategic Rationale</th>
<th>Transaction Value ($mm)</th>
<th>Consideration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CommEX</strong> Russia</td>
<td>Trading &amp; Exchanges</td>
<td>9/29/2023</td>
<td>Russian cryptocurrency exchange CommEX agreed to acquire Binance Russia as Binance looks to exit the Russian market.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td><strong>Fireblocks</strong> BlockFold</td>
<td>Decentralized Finance</td>
<td>9/29/2023</td>
<td>U.S. crypto custody tech company Fireblocks has acquired Australian tokenization firm BlockFold to expand Fireblocks' capabilities in tokenization – allowing traditional assets to be traded on the blockchain.</td>
<td>$10.0</td>
<td>Undisclosed</td>
</tr>
<tr>
<td><strong>Alchemy</strong></td>
<td>Analytics</td>
<td>9/26/2023</td>
<td>Alchemy is a U.S.-based developer of blockchain development software. By acquiring U.S.-based sub-graph platform Satsuma, Alchemy will gain the ability to transport data across blockchains more easily.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td><strong>Moonpay</strong> ethpass</td>
<td>NFT &amp; Creator Economy</td>
<td>9/22/2023</td>
<td>Moopay is a U.S.-based payment platform intended to facilitate cryptocurrency transactions. The company acquired American NFT verification platform ethpass to facilitate integration with Point of Sale (POS) systems, scanners, and loyalty providers.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td><strong>M2Bio Sciences</strong> JDAX</td>
<td>Trading &amp; Exchanges</td>
<td>9/21/2023</td>
<td>M2Bio Sciences is an American biotechnology company that acquired the crypto exchange JDAX (Johannesburg Digital Assets Exchange) to leverage its blockchain technology for crowd-funding and tokenizing research projects.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td><strong>CiND!E</strong></td>
<td>NFT &amp; Creator Economy</td>
<td>9/19/2023</td>
<td>CiND!E is a VOD platform for LatAm-based independent content that has acquired Paus in order to add value through tokenized digital products such as NFTs. Paus is a media company based out of the UK that combines media entertainment with Web3.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td><strong>Bitwave</strong></td>
<td>Payments &amp; Commerce</td>
<td>9/14/2023</td>
<td>Bitwave is a software development company based out of San Francisco. The company's acquisition of Gilded Finance will help it develop its Web3 payments offering. Gilded is a U.S. provider of Web3-focused payments, accounting, and financial reporting tools.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td><strong>Hawksford</strong></td>
<td>Other Names</td>
<td>9/12/2023</td>
<td>Global corporate, private client, and fund services provider Hawksford has announced its acquisition of Healy Consultants. The acquisition bolsters Hawksford’s existing capability in Singapore, where Healy is headquartered.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td><strong>Atomic Hub</strong> Spielworks</td>
<td>NFT &amp; Creator Economy</td>
<td>9/11/2023</td>
<td>Spielworks is a German blockchain-based gaming platform that has acquired German NFT marketplace Atomic Hub. This acquisition will allow Spielworks to enrich its NFT-related offerings and bring more of its users onto other networks.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td><strong>VettaFi</strong></td>
<td>Trading &amp; Exchanges</td>
<td>9/11/2023</td>
<td>VettaFi is a NY-based data analytics company that has acquired U.S.-based EQM Indexes. VettaFi's family of indexes now powers ~$18bn in ETFs and other investment vehicles, including direct indexing solutions, an area where EQM has strong capabilities.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
</tbody>
</table>

Source: CB Insights, Galaxy research, PitchBook, company filings, and press releases.
Note: Data as of September 30, 2023.
## M&A Spotlight: Select Recent Deals (cont’d)

<table>
<thead>
<tr>
<th>Target Description / Strategic Rationale</th>
<th>Transaction Value ($mm)</th>
<th>Consideration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peruvian legal firm, Damma Legal Advisors, provides legal counsel on topics such as tax, labor, transactional, corporate, project, and infrastructure issues. The company has agreed to merge with Sumara Hub Legal, a new law firm based out of Peru.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>Btrust, a nonprofit organization based out of Africa, provides grants to support Bitcoin development in the region. The company has acquired Qala, an organization dedicated to training Bitcoin and Lightning Network engineers in Africa.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>London-based global payments provider Clear Junction has acquired UK-based crypto asset management firm Altalix. The acquisition will give Clear Junction access to Altalix’s fiat-to-crypto gateway solutions.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>Indian media house, GMO Media Inc. announced that it had acquired Blockchain Game Info from PLAYTHINK, Inc. Blockchain Game Info is a Japanese news source for NFT projects and blockchain-based games.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>BIGG Digital Assets Inc. (BIGG) is a Canadian holding company that invests in products and companies that support crypto. The company has agreed to acquire TerraZero Technologies Inc., a U.S. metaverse company, to expand its presence in the Web3 market.</td>
<td>$20.0</td>
<td>Stock</td>
</tr>
<tr>
<td>B2CC2 is a London-based crypto liquidity provider that has acquired Woorton in order to expand into the European market and offer its institutional clients a wider range of services. Woorton is a European market maker and over-the-counter (OTC) trading firm.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>BitAlquiler is a short-term rental platform based out of El Salvador. The company has merged with ZapRent, another South American rental platform, to strengthen its presence in existing markets while exploring new growth opportunities worldwide.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>OANDA is a New York-based online trading group that has acquired Coinpass, a UK-based trading platform. This acquisition will complement OANDA’s existing strengths in offering a wide range of CFD instruments.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>Securitize is a provider of tokenized alternative assets based out of New York. The company has acquired Onramp Invest, a U.S. digital asset wealth platform. The acquisition will allow GSTechnologies to provide a financial service hub to all of its B2B customers.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
</tbody>
</table>

**Source:** CB Insights, Galaxy research, PitchBook, company filings, and press releases.

**Note:** Data as of September 30, 2023.

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*Indicates Galaxy-advised transaction.*
# M&A Spotlight: Select Recent Deals (cont’d)

<table>
<thead>
<tr>
<th>Target</th>
<th>Acquirer</th>
<th>Target Sub-Vertical</th>
<th>Date Announced</th>
<th>Target Description / Strategic Rationale</th>
<th>Transaction Value ($mm)</th>
<th>Consideration</th>
</tr>
</thead>
<tbody>
<tr>
<td>StableHouse</td>
<td>XBTO</td>
<td>Custody, Wallets &amp; Wealth</td>
<td>8/10/2023</td>
<td>XBTO is a Bermuda-based trading platform that has acquired Stablehouse, a digital asset custody infrastructure provider based out of Bermuda. The acquisition is expected to accelerate XBTO’s ability to offer institutional investors a custody solution.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>CAPBRIDGE</td>
<td>FOMO</td>
<td>Trading &amp; Exchanges</td>
<td>8/7/2023</td>
<td>FOMO, a Singapore-based payments startup, acquired tokenized securities platform CapBridge Partners. This deal bolsters FOMO Group’s position as a fully-integrated, regulated, and licensed digital payment and digital asset solution provider in Asia.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>FundsDLT</td>
<td>Deutsche Börse</td>
<td>Payments &amp; Commerce</td>
<td>8/4/2023</td>
<td>Deutsche Börse is a financial exchange company headquartered in Frankfurt, Germany that acquired FundsDLT, a Luxembourg-based developer of a blockchain-based platform. FundsDLT will be integrated into Deutsche Börse’s post trade infrastructure.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>nChain</td>
<td>Ayre</td>
<td>Diversified Financial</td>
<td>8/2/2023</td>
<td>Ayre Group is a venture capital investment firm based in Antigua. This acquisition is expected to accelerate nChain’s commercial adoption of its IP library, which includes ~800 patents. nChain offers software solutions, consulting services, and IP licensing.</td>
<td>$570.0</td>
<td>Traditional Mix</td>
</tr>
<tr>
<td>ROAR</td>
<td>Yuga Labs</td>
<td>NFT &amp; Creator Economy</td>
<td>7/31/2023</td>
<td>Yuga Labs is the U.S.-based developer of a series of NFTs designed for auction. The company has acquired Roar Labs, a U.S.-based metaverse platform, to further develop its Otherside metaverse.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>nxyz</td>
<td>Snowflake</td>
<td>Analytics</td>
<td>7/26/2023</td>
<td>Snowflake is a data management company based out of the U.S. that has acquired nxyz, a California-based provider of a multi-chain API. This acquisition will allow it to leverage the team’s distributed systems expertise to build the future of the data cloud.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>BRANE</td>
<td>Wellfield</td>
<td>Custody, Wallets &amp; Wealth</td>
<td>7/26/2023</td>
<td>Wellfield Technologies, the Canada-based operator of a crypto on-ramp solution, has acquired Brane Trust, a regulated Canadian digital asset custodian. The acquisition will allow Wellfield to offer an on-ramp and custody solution for institutional and retail clients.</td>
<td>$10.0</td>
<td>Traditional Mix</td>
</tr>
<tr>
<td>paper</td>
<td>Thirdweb</td>
<td>NFT &amp; Creator Economy</td>
<td>7/19/2023</td>
<td>San Francisco-based Web3 app developer Thirdweb has acquired U.S. payment software designer Paper in order to offer additional capabilities to developers, such as providing the tools necessary to create wallets and accept payments.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>bitsure</td>
<td>Evertrust</td>
<td>Diversified Financial</td>
<td>7/19/2023</td>
<td>Evertrust is a U.S. compliance firm that offers diversified solutions for the crypto market with complete face-value security. The company is acquiring U.S.-based Bitsure to leverage its expertise in mining and mining risks.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td>Atlas Technologies</td>
<td>IMC</td>
<td>Trading &amp; Exchanges</td>
<td>7/25/2023</td>
<td>Atlas is a tech-driven trading firm based in the Netherlands with machine learning and portfolio management applications for crypto trading. IMC is an Amsterdam-based market maker, which intends to scale Atlas’ capabilities and supported asset classes.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
</tbody>
</table>

Source: CB Insights, Galaxy research, PitchBook, company filings, and press releases.

Note: Data as of September 30, 2023.
## M&A Spotlight: Select Recent Deals (cont’d)

<table>
<thead>
<tr>
<th>Target</th>
<th>Acquiror</th>
<th>Target Sub-Vertical</th>
<th>Date Announced</th>
<th>Target Description / Strategic Rationale</th>
<th>Transaction Value ($mm)</th>
<th>Consideration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>wealthly</strong></td>
<td><strong>Passiv</strong></td>
<td>Analytics</td>
<td>7/19/2023</td>
<td>Passiv is the Canadian operator of the fintech API technology services provider SnapTrade. The company acquired U.S.-based social investing application Wealthy to acquire IP and add technical expertise to further develop its SnapTrade product.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td><strong>GMT Markets</strong></td>
<td><strong>FPG</strong></td>
<td>Trading &amp; Exchanges</td>
<td>7/13/2023</td>
<td>Fortune Prime Global, headquartered in Sydney, is a financial services organization that has acquired Australian forex &amp; CFD trading services provider GMT Markets. This acquisition allows the company to expand its presence in the Australia.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
<tr>
<td><strong>bevel</strong></td>
<td><strong>Avenue Z</strong></td>
<td>Other</td>
<td>7/6/2023</td>
<td>Avenue Z Network, based out of the U.S., is a strategic communications &amp; digital media company that aims to leverage U.S.-based Bevel’s digital media and data capabilities to drive brand visibility and build stakeholder engagement.</td>
<td>$75.0</td>
<td>Traditional Mix</td>
</tr>
<tr>
<td><strong>Rakuten Securities Australia</strong></td>
<td><strong>ATFX</strong></td>
<td>Trading &amp; Exchanges</td>
<td>7/5/2023</td>
<td>UK-based ATFX is an online forex broker that aims to strengthen its position in the Australian market and expand its global footprint through the acquisition of Rakuten Securities Australia, a subsidiary of the Japanese investment bank.</td>
<td>Undisclosed</td>
<td>Undisclosed</td>
</tr>
</tbody>
</table>

Source: CB Insights, Galaxy research, PitchBook, company filings, and press releases.

Note: Data as of September 30, 2023.
Appendix

A Mergers and Acquisitions
Galaxy Investment Banking Advises Securitize on Acquisition of Onramp Invest

Galaxy Investment Banking ("GIB") served as exclusive financial advisor to Securitize.

**Transaction Overview & Highlights**

- **August 2023**
  - Securitize has acquired Onramp Invest
  - Served as Buy-Side Financial Advisor

**GIB’s Key Transaction Value- Adds**

- Conducted comprehensive financial analyses of the target company
  - Thorough operational and financial due diligence processes to identify any potential expenses and risks associated with the acquisition
- Helped facilitate and structure the strategic acquisition process
  - Worked with legal teams to properly prepare the transaction terms and materials
  - Identified strategic objectives to make sure the deal structure was beneficial for both parties
- Assisted in planning a smooth integration post acquisition
  - Assisted in ensuring proper management and employees were retained and incentivized to transition into Securitize

**Company Overview**

- **Business Overview**
  - Founded in 2020, Onramp Invest is a digital asset management platform that provides financial infrastructure, allowing investors and financial professionals to invest, transfer, and build multi-asset portfolios.
  - Integrates into existing tech stacks, including Orion, Advyzon, Wealthbox, AssetBook, and more.
  - RIAs across the US can onboard clients to the digital asset investing ecosystem in minutes.

- **Key Products & Services**
  - All-in-one platform for financial advisors to onboard clients, open discretionary accounts, and invest in digital assets.
  - Opens up clients to a network of partners, providing access to indices, models, and trading strategies.
  - Consists of asset management experts who oversee management of client AUM.
  - Onramp Academy offers educational resources, real-time data, and tools for the digital asset space.

**Notable Deal Quotes**

"Our acquisition of Onramp is another big step forward in expanding investor access to top-performing alternative assets and in democratizing private capital markets. Onramp already offered RIAs easy access to digital assets, so it is a very natural extension to offer them tokenized alternative assets to complement their portfolios."

– Carlos Domingo, Securitize CEO

"More advisors would choose alternatives for their clients because the benefits are clear, but challenges like illiquidity and restricted access were previously significant problems to overcome. Securitize solves for this through offering lower minimums, lower fees, and potential for exit liquidity through secondary markets."

– Eric Ervin, Onramp Invest CEO

Source: Press releases and Securitize / Onramp Invest websites.
Note: Data as of August 17, 2023.
Galaxy Investment Banking Advises GIB on its Sale to amberdata

Galaxy Investment Banking ("GIB") served as exclusive financial advisor to Genesis Volatility ("GVol").

Transaction Overview & Highlights

- Transaction enables Amberdata to pull forward and execute upon its strategic roadmap, including:
  - Accelerating growth by taking advantage of the heightened institutional interest in crypto derivatives and options products
  - Enhancing existing DeFi datasets, adding extensive coverage and high-value analytics for the DeFi options landscape
  - Establishing a foundation for a market intelligence and risk analytics product, leveraging GVol’s deep data science and markets/trading expertise
  - Driving ancillary revenue/product cross-sell opportunities by combining complementary datasets and unlocking broader data distribution capabilities for the GVol platform

Company Overview

Business Overview
- GVol is a data & analytics provider primarily supporting the CeFi and DeFi crypto options market
- GVol’s offerings enable trading decisions, relating to opportunity assessment, execution, and risk management
- Supports BTC-, ETH-, & SOL-based contracts, including options and vanilla & perp. futures
- Recurring revenue-based financial model
- ~10 full-time employees
- Founded in 2020; primarily based in Chicago

Products & Capabilities Summary
- Advanced models: Block Sniffer, fitted curves, & portfolio analyzer
- Proprietary crypto volatility indices
- Historical data and analytics for trade, quote, and volatility data
- DeFi analytics for trade data, on-chain liquidity and volume
- Hundreds of unique endpoints, allowing users real-time access to GVol’s data lake
- On-chain data delivery

GVol’s Key Transaction Value-Adds

- Efficiently manage a strategic sale process, quickly identifying a complementary buyer:
  - Coordinated a highly targeted outreach strategy, preserving seller confidentiality
- Lead commercial negotiations and transaction structuring on behalf of GVol
  - Leveraged Galaxy’s crypto and TradFi M&A expertise to properly structure a transaction that was equally beneficial to both the seller and buyer
- Helped craft and position the GVol story appropriately with potential strategic buyers
  - Worked closely with management to develop marketing materials, an operating model, and the Company’s financial forecast
  - Spearheaded a comprehensive due diligence process, allowing management to effectively balance the transaction’s obligations while maintaining focus on daily operations

Notable Deal Quotes

"There are tremendous synergies in our approaches and institutional focus. We’re thrilled to have Genesis Volatility join Amberdata to accelerate our strategic product and research initiatives [and extend] our market leadership in digital asset data and insights."

--- Shawn Douglass, Amberdata CEO

"Combining our platforms will allow us to provide [a] comprehensive digital asset datasets, analytics applications, and research to accelerate institutional adoption of digital assets."

--- Greg Magadini, GVol CEO

Source: Press releases and GVol / Amberdata websites.
Note: Data as of October 24, 2022.
Galaxy Investment Banking Advises Blockdaemon on its Acquisition of Sepior

Galaxy Investment Banking served as exclusive financial advisor to Blockdaemon.

Transaction Overview & Highlights

- Blockdaemon’s acquisition of Sepior was on the heels of a rapid consolidation wave in the MPC market, noting the target was one of the remaining reputable providers in terms of size and quality.
- This deal enhances Blockdaemon’s customer value proposition and bolsters their strategic roadmap outlook:
  - Adds complementary capabilities like integrated key management that enables auto re-staking and re-bonding
  - Establishes entry into the custody space, offering new institutional-grade custodial and non-custodial solutions
  - Creates cross-sell opportunities from high customer overlap
  - Diversifies top-line performance, given Sepior’s subscription model is well-insulated from crypto market dynamics
  - Deepens core principles of risk management and security, offering a complete security-as-a-service product suite
- This transaction marks Blockdaemon’s third successful acquisition, stemming from their engagement with Galaxy

Company Overview

- Sepior is a digital asset infrastructure platform, offering institutional-grade, multi-asset wallets and custody solutions
- Subscription- and license-based business model, generating highly contracted revenue streams
- 15+ employees comprised of industry-leading cryptographers, who pioneered the modern field of cryptography
- Founded in 2014 and based in Aarhus, Denmark

Notable Deal Quotes

“...the ability to properly secure private keys is a cornerstone of the multi-billion dollar institutional crypto finance industry. With this acquisition we are now able to foster the distribution of trust, identity, and privacy of keys at scale”

— Konstantin Richter, Blockdaemon CEO

“This move allows [Sepior] to accelerate on-boarding ... while continuing to invest in our roadmap ... Integrating advanced MPC into Blockdaemon’s portfolio opens up new use cases for our technology that will allow us to serve our customers with even better digital asset security solutions.”

— Ahmet Tuncay, Sepior CEO
Galaxy Investment Banking Advises Algorand and Hivemind on their Acquisition of Napster.

Galaxy Investment Banking served as financial advisor to an investor consortium led by Algorand and Hivemind in their acquisition of Napster.

**Transaction Overview & Highlights**
- The Napster acquisition supports a broader Web3 / music strategy pursued by Algorand and Hivemind.
- This acquisition follows former Web1 music platform LimeWire’s launch of an Algorand-based NFT marketplace, and Hivemind’s investment in LimeWire’s token sale.
- Algorand and Hivemind were supported by an “investor consortium” that includes ATC Management, BH Digital, and G20 Ventures.
- Galaxy leveraged its unique Web3 expertise and traditional investment banking experience to perform financial and commercial diligence on behalf of Algorand and Hivemind.

**Gib’s Key Transaction Value-Adds**
- Galaxy conducted an extensive due diligence on behalf of Algorand and Hivemind, analyzing the financial, operational, and commercial viability of Napster and the transaction.
- Galaxy leveraged its unique, intersectional experience across Web3 and traditional investment banking to provide expert contextual analysis of a cross blockchain-to-traditional acquisition.
- Galaxy supported Algorand management throughout the negotiation and structuring processes of the acquisition, assisting across multiple facets of deal execution.

**Algorand and HiveMind Company Overviews**
- Algorand provides blockchain infrastructure services for a variety of dApps and services, including DeFi, generative NFTs, and now Web3 music platforms.
- Hivemind is a New York-based, blockchain and digital asset-focused investment group dedicated to institutional crypto investment.
- As part of its launch, Hivemind selected Algorand as a strategic partner to provide technology capability and network ecosystem infrastructure.
- **Joint Web3 Music Initiatives**: both Companies have now acquired, supported, or invested in both LimeWire and Napster.

**Napster Company Overview**
- Napster began as one of the original Web1 music file sharing platforms, rising to prominence in the early 2000’s and igniting a revolution in digital music.
- The Company has traded hands multiple times over the past two decades, having been acquired by Best Buy, merged with music streaming platform Rhapsody, and ultimately acquired by MelodyVR before their sale to Algorand and Hivemind.
- Prior to the acquisition and regearing for Web3, Napster was publicly listed in the UK, providing enterprise streaming services and a music platform.

“Music x Web3 is one of the most exciting spaces we’ve come across, and we are thrilled to work with Emmy Lovell [Napster] and many talents to unlock value for the entire ecosystem and revolutionize how artists and fans enjoy music.”

- Matt Zhang, Hivemind Founder

Galaxy Investment Banking Advises on Merger with Coincheck

Galaxy Investment Banking served as financial advisor to Thunder Bridge Capital Partners IV’s (“TBC”) planned merger with Coincheck.

**Transaction Overview & Highlights**

- **March 2022**
  - Galaxy served as Financial Advisor to Thunder Bridge Capital Partners IV on its definitive merger agreement with Coincheck for total consideration of $1,250,000,000
  - Provides public market access for Coincheck, supporting the funding of continued growth and product expansion
  - Ability to enhance hiring / retention via equity compensation
  - Positions the company for international expansion with Netherlands-based HoldCo
  - HoldCo structure establishes Coincheck as a competitive global digital asset exchange, while reinforcing its market-leading position in Japan
  - Structure also enables launch of independent subsidiaries focused on an array of different digital asset-adjacent new business opportunities
  - Supports growth organically within operating subsidiaries, as well as inorganically via acquisition of new businesses under the HoldCo
  - Galaxy leveraged its unique digital asset experience to successfully advise TBC on the transaction, while also identifying future growth opportunities (both organically and inorganically) for HoldCo post-merger

**Company Overview**

- Established in 2012, Coincheck is one of the largest cryptocurrency marketplaces and digital asset exchanges in Japan
- Uniquely positioned to benefit from increasing cryptocurrency adoption within the world’s 3rd largest economy
  - Only 4% of Japanese population owns crypto (versus 16% of U.S. population), reflecting the nascent nature of the Japanese market
  - With 15 million verified customers, Coincheck captures ~30% of Japan’s market share (by number of accounts)
- Strong competitive advantage driven by regulation, language, and culture
- Continued innovation in Japan’s highly regulated market designed around protecting consumers
  - Launched Japan’s first initial exchange offering (“IEO”) Hashpalette in 2021
  - Launched first regulated Japanese exchange dedicated to NFTs in 2021

**Snapshot of Thunder Bridge Capital Partners IV**

- **Thunder Bridge Capital Partners IV** (NASDAQ: THCP) is a special purpose acquisition company (“SPAC”) which consummated a $237mm initial public offering of 23.7mm units in June 2021
- Gary Simanson, President and CEO, has 30+ years of experience in executing strategic corporate and capital markets transactions with a strong track record of delivering long-term shareholder value in the public markets
- The TBC team is well known for its knowledge and experience in the financial services industry, having closed two previous SPAC acquisitions of Indie Semiconductor (NASDAQ: INDI) and Repay Holdings (NASDAQ: RPAY)
- TBC’s advisors and directors have served on the boards of numerous regulated financial services business, including:

**Key Metrics**

- 1.5M+ Accounts
- $3.8B Customer Assets
- 17 Supported Tokens
- $4.4B Trading Volume
- 446% Revenue Growth
- 68% EBITDA Margin

- Dedicated crypto exchange for retail customers
- Trading platform for professional traders (OTC / marketplace)
- NFT marketplace
- Robust spread-based business model with high incremental profitability
- Thorough yet seamless KYC and AML procedures and onboarding

Source: Public filings and press releases.

- [1] Existing shareholders may receive an earn-out consideration of ~$500mm contingent on Coincheck’s future stock price.
- [4] Q2’22 YTD.
Galaxy Investment Banking Advises on Acquisition of Gem and Anyblock Analytics

Galaxy Investment Banking served as exclusive financial advisor to Blockdaemon.

### Gem Acquisition Highlights

**February 2022**

- The deal strengthens Blockdaemon's engineering and product teams, adding complementary API solutions to the Blockdaemon existing product suite
  - Adds fiat-to-crypto on-ramp offering, solidifying Blockdaemon's status as an infrastructure provider
  - Integrates a team of seasoned engineers and product experts
  - Provides Blockdaemon with a KYC Passport solution, augmenting its existing compliance offering
- **Transaction-based Revenues**: Expands Blockdaemon's topline with diversified infrastructure revenue streams

### Anyblock Analytics Acquisition Highlights

**February 2022**

- The transaction further accelerates Blockdaemon's growth and strengthens their existing suite of services and offerings
  - Expands Blockdaemon's Ubiquity data API tooling and capabilities
  - Adds strong technical leadership and team to Blockdaemon
  - Expands geographic reach into Europe by establishing local presence in Germany
  - Demonstrated M&A execution capabilities
- **NFT Potential**: Expands tooling that deepens Blockdaemon's infrastructure support for the NFT space, helping power transactions behind the NFT ecosystem

### Blockdaemon’s Valuation Over Time

**Post-Money Valuation ($ in millions)**

<table>
<thead>
<tr>
<th>Series</th>
<th>Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$300</td>
</tr>
<tr>
<td>B</td>
<td>$1,255</td>
</tr>
<tr>
<td>C</td>
<td>$3,255</td>
</tr>
<tr>
<td>Future</td>
<td>?</td>
</tr>
</tbody>
</table>

*Fueling valuation through inorganic growth strategies via partnership with Galaxy*

**Advised by Galaxy**

### Key Select Investors

- Goldman Sachs
- SoftBank
- J.P. Morgan
- SAPPHIRE VENTURES
- TIGER GLOBAL
- Kraken
- Voyager
- BlockFi

*Source: Company management*

*Note: Series A valuation estimated based on publicly available data as of February 2022.*
Galaxy Investment Banking Advises **BRD** on Sale to **coinbase**

Galaxy Investment Banking served as exclusive financial advisor to BRD, navigating a cross-border and public float token structure.

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**Transaction Overview & Highlights**

- The transaction further accelerates Coinbase’s capabilities, resources, and expertise within their Coinbase Wallet business
  - Certain key employees of BRD to transition to Coinbase
  - Brings deep developer & engineering expertise in self-custody wallets
  - BRD wallet users will have the opportunity to migrate their assets to Coinbase Wallet
  - Exemplifies Coinbase’s dedication to self custody and Web 3.0

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**Company Overviews**

**coinbase**
- A publicly-traded digital asset platform (NASDAQ: COIN)
- 73+ million verified users, ~$255bn in assets on platform, and 2,700+ employees
- Founded in 2012 with presence across 100+ countries

**BRD**
- Operates a non-custodial wallet and an enterprise blockchain solution, serving both retail customers and large institutions
- 10+ million users with approximately $20bn of assets under protection across 170+ countries
- Founded in 2014 and headquartered in Zurich, Switzerland

---

**Galaxy’s Key Transaction Value-Adds**

- Leveraged Galaxy’s deep relationship network to facilitate introductions to prospective acquirors
  - Opened up Galaxy’s rolodex of deep long-standing relationships to discuss a potential acquisition
  - Introduced the management team directly to C-level executives and corporate development teams across the digital asset ecosystem
- Efficiently managed the sale process and lead acquiror outreach, achieving a successful outcome for all stakeholders
  - Coordinated a highly targeted and confidential outreach strategy that resulted in serious acquisition interest from multiple parties
  - Facilitated initial conversations to gauge feedback and M&A appetite before occupying management time
- Lead commercial negotiations and transaction structuring on behalf of BRD
  - Leveraged M&A expertise and insights to properly structure a transaction with both buyer and seller expectations in mind
  - Navigated extremely complex structuring components involving a cross-border deal with a public float token
- Prepared the company and tailored its story for sale process
  - Worked with the management team to create a compelling investment thesis reflected in newly created marketing materials
  - Assisted BRD through a comprehensive yet efficient due diligence process, ensuring accelerated timing milestones without occupying management’s time away from day-to-day operations

Source: Company management. Data as of November 2021.
Galaxy Investment Banking Advises **Blockfolio** on Sale to **FTX**

Galaxy Investment Banking served as sell-side advisor to Blockfolio.

### Transaction Overview & Highlights

**October 2020**

**FTX** has acquired **Blockfolio** for total consideration of $150,000,000

Galaxy served as sell-side advisor.

- **Transaction creates one of the most complete and differentiated trading platforms for both institutional & retail traders**
  - Complementary deal that combines FTX’s institutional expertise and exchange capabilities with Blockfolio’s leading, top-of-funnel retail customer acquisition platform
  - Deal unlocks new channels for FTX’s diverse product offerings through a mobile-first retail platform
  - Blockfolio’s retail users now have seamless synced access to institutional grade order execution powered by FTX
- Represented the 5th largest M&A transaction ever in the digital asset space
- Galaxy assisted Blockfolio in navigating a complex, cross-border transaction structure involving buyer tokens, stock, and cash
- **Prepared the company and tailored its story for sale process**
  - Worked with founders to create a compelling investment thesis that was reflected in newly created marketing materials for buyers
  - Materials preempted questions which we flagged as being potential discussion topics
  - Built and populated a comprehensive data room for Blockfolio that was utilized by prospective buyers to conduct diligence
- **Led buyer outreach to find the right strategic partner**
  - Built and directed a highly targeted and confidential outreach strategy that resulted in serious acquisition interest from multiple parties
  - Handled all initial conversations to gauge initial feedback before occupying founder time
- **Managed and maintained process momentum**
  - Committed significant resources to ensure a smooth and efficient transaction process, which led to the transaction closing in approximately five months
- **Drove negotiations and played peacekeeper**
  - Galaxy was a key figure during negotiations, advocating on behalf of Blockfolio to achieve a highly attractive outcome
  - Ran interference between FTX and Blockfolio to ensure a smooth integration and working relationship post-closing
- **Leveraged M&A expertise to properly structure the deal**
  - Led key stakeholders in creating a unique acquisition structure to solve for international tax and regulatory issues as well as multiple forms of seller consideration (i.e. tokens, cash, etc.)

### Company Overviews

**FTX**

- Antigua and Barbuda-based digital asset derivatives exchange
- Built by traders with full institutional capabilities across a diverse set of derivatives products
- Average daily volumes between spot and derivatives markets exceeding $1.5bn per day

**Blockfolio**

- California-based retail, mobile-first platform offering portfolio tracking, token discovery & communications, and trading
- One of the largest global userbases in digital assets with a loyal and highly engaged base of 6+ million users

Source: Company Management, Pitchbook, Medium. Data as of November 2020.

(1) Based on M&A transactions with deal value information publicly available.
Appendix

B Capital Markets
Galaxy Investment Banking Advises on $5 Million Pre-Series A Financing

Galaxy Investment Banking served as exclusive financial advisor and strategic partner to Gamercraft.

### Transaction Overview & Highlights

- **Gamercraft**’s $5mm capital raise concluded a well-received financing round buoyed by investor excitement around the Company’s technical capabilities, user traction, and net revenue generation.
- Existing investors renewed their commitment to the Company with follow-up investments, showing continued confidence in the business’ growth plans and market-leading potential.
- The company plans to use the proceeds from the raise to expand engineering & platform capabilities, accelerate development of new game types in 2024, and expand growth marketing / business development efforts.
- **Selected Investors:**
  - July 2023
  - Pre-Series A Financing for a total consideration of $5,000,000

### Company Overview

- Founded in 2020, Gamercraft is a Miami-based gaming infrastructure company focused on converting player expertise into real economic value.
- Gamercraft’s proprietary AI-driven model delivers skill-based matching, anti-cheat detection, KYC, and player coaching solutions.
- The Company has become an established leader in skill-based competitive gaming, delivering new engagement and monetization opportunities for players of popular online games.
- Gamercraft’s proprietary AI-driven system analyzes 700+ data points per minute, ensuring unrivaled precision in tracking player performance.
- Key stats include 20%+ DAU / MAU, 30%+ effective take rate, and 60%+ 3-month retention.
- The company boasts ~300k users globally across the Americas (45%), UK / EU (25%), APAC (20%), and MENA (10%).

### Capabilities

1. Skill-Based Matchmaking
2. Anti-Cheat Detection
3. Gaming Identity & KYC
4. Player Improvement Tools

### Integrated Games

- **Chess (2024+)**
- **Auto-battler (2024)**

Galaxy Investment Banking Advises **Pantera** on the Sale of its Minority Position in **Bitstamp**

Galaxy Investment Banking served as sole placement agent to Pantera Capital in connection with the sale of its minority position in Bitstamp to Ripple.

**Transaction Overview & Highlights**
- **March 2023**
  - Ripple has acquired a minority stake from Pantera Capital in Bitstamp (“Company”), from Pantera Capital (“Pantera”)
  - Ripple is a global provider of enterprise blockchain and crypto solutions, supporting cross-border payments, central bank digital currencies (CBDCs), and market-making activities
  - The transaction enables Ripple to pull forward and expand its footprint in the European region as the business pursues international growth outside of the U.S., a key emphasis of its 2023 business strategy
  - Partnership with Ripple adds valuable strategic support to Bitstamp as the Company continues to develop and launch new products

**GB’s Key Transaction Value-Add**
- Negotiated a minority stake sale in a centralized exchange against a backdrop of significant market dislocation
- Conducted extensive outreach to both financial and strategic investors across the digital asset and exchange space to secure and facilitate high-quality conversations around the secondary placement
- Provided holistic analyses to address key areas of investor concern and further validate the case for investment, tempering investor uncertainty amidst challenging headwinds following the collapse of FTX
- Executed on transaction that solidifies the Company’s relationship with a major international player in the digital assets space who can add important value as a strategic partner

**Company Overview**
- Bitstamp is one of the world’s longest-running crypto exchanges and has built an industry-leading reputation for reliability and uptime
- The Company’s offerings include its core exchange platform, staking and lending products, a user-friendly mobile app, and API products focused on institutional clients
- The Company has obtained key regulatory licenses across various European and North American jurisdictions
- With a strong focus on security, Bitstamp has developed and adopted rigorous security procedures that provide institutional-grade protection for customer assets

**Simple Onboarding to Start Trading:**
- Register
- Fund
- Trade

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**Supported by Bitstamp’s Commitment to Users Since 2011**

- User-Friendly Platform
  - Intuitive interface
  - Instant deposit options
- Institutional-Grade Security
  - Offline asset storage
  - Highly encrypted personal data
- Proven Reliability
  - Live customer support
  - Industry-leading uptime

Galaxy Investment Banking Advises COMPUTENORTH on $85 Million Series C Financing

Galaxy Investment Banking served as sole placement agent to Compute North.

### Transaction Overview & Highlights

**February 2022**

- **Series C Financing co-led by** MERCURIA, GENERATE, and National Grid Partners for total consideration of $85,000,000
- **Served as Sole Placement Agent**

**Transaction represents the equity portion of a larger strategic growth funding raise totaling ~$385 million**
- The Company raised $85 million of an initial Series C equity, co-led by Mercuria and Generate Capital with additional investors including National Grid Partners
- ~$300 million in committed debt financing was provided by Generate Capital to fund new projects
- This round expanded the ecosystem of strategic investors to include stakeholders aligned around the company’s strategic vision in energy transition, sustainability, and innovation

### GIB’s Key Transaction Value-Adds

- Given the unique equity story, Galaxy targeted investors seeking a more passive way to play crypto, while also targeting parties with strategic interest in energy transition and HPC-related stories
- Galaxy educated both credit and equity investors on Bitcoin mining, as well as on the key demand and supply drivers for colocation service providers
- Facilitated investor dialogue and due diligence across different processes and stakeholders
- Developed marketing materials and supporting valuation for discussions regarding the investment opportunity and market positioning

**Source:** Company management and press releases. As of February 2022.

### Company Overview

- **Compute North** (or the “Company”) is a leader in sustainable, large-scale computing infrastructure
  - The Company provides efficient, highly scalable infrastructure for clients in the blockchain, cryptocurrency mining and the distributed computing space
  - Compute North brings a unique combination of data center, energy, and technology expertise to meet the growing demand for purpose-built infrastructure solutions for highly specialized computing needs
  - Investment seeks to cement Compute North as a premier leader in TIER 0™ computing infrastructure and will support the continued development of new U.S.-based data centers, expanding capacity and enabling further growth

Compute North is disrupting digital infrastructure at the intersection of three mega trends:

- **Energy Transition**
- **Digital Assets**
- **High-Performance Computing**

Renewable Power

Grid Management

Stranded / Congested Power

Blockchain

Cryptocurrency

Node and Network Support

Blockchain

Cryptocurrency

Image Rendering

Machine Learning

Genomic Sequencing
Galaxy Investment Banking Advises Qredo on $80 Million Series A Financing

Galaxy Investment Banking served as exclusive financial advisor and sole placement agent to Qredo.

Deal & Company Overview

- **February 2022**
  - **Qredo (the “Company”)** is a decentralized Layer 2 infrastructure for the custody and settlement of digital assets.
  - The Company’s Layer 2 protocol enables instant cross-chain swaps and settlement on supported blockchains – with none of the frictional costs associated with Layer 1 transactions.
    - Its decentralized MPC removes the vendor risk and single points of failure associated with centralized custody solutions and traditional private key management.
  - Following the seed round in May 2021 and the token sale in June 2021, the Series A brings total funds raised to ~$120 million in the last 12 months.

Deal Highlights & Key Takeaways

- Transaction represents one of the largest Series A raises in crypto to date.
  - Qredo raised ~$80mm at a $460mm post-money valuation, ~$60mm of which was primary capital and ~$20mm of secondary.
  - 10T, a leading alternative investment manager, brings institutional validation to Qredo as a long-term financial partner, along with several other traditional growth equity and institutional investors.
  - Strategic investments from Coinbase, Ava Labs, and Terra highlight the importance of cross-chain interoperability and decentralization for the future of transacting and storing digital assets in a secure manner.

GIB’s Key Transaction Value-Adds

- Galaxy’s presence and expertise across both crypto and traditional financial markets proved critical in developing a tailored, highly streamlined capital raising process.
- Facilitated a well-organized preparation stage, including the development of a financial model, management presentation and robust due diligence materials, enabling greater flexibility in the timeline.
- Successfully positioned and aligned the Qredo equity investment story with crypto and traditional growth equity investors.
  - Qredo’s unique corporate and operating structure enables value to accrete to both equity investors and token holders.
- Led investor outreach, identifying and introducing key investors to properly evaluate the opportunity.

Galaxy Investment Banking Advises CoreWeave on $50 Million Growth Financing

Galaxy Investment Banking served as exclusive financial advisor and sole placement agent to CoreWeave.

Transaction Overview & Highlights

- **October 2021**
  - **CoreWeave** received growth financing from Magnetar Capital for total consideration of $50,000,000
  - Served as Sole Placement Agent

GIB’s Key Transaction Value-Adds

- Created a unique and compelling investment story, successfully positioning and aligning the Company’s narrative for crypto and traditional investors alike
- Led investor outreach, identifying and introducing key investors to properly evaluate the opportunity
- Educated investors on the nuances of digital asset mining, showcasing CoreWeave’s unique hybrid business model
- Worked with CoreWeave’s management team to craft a bespoke financing solution that helped limit dilution while funding important, near-term capex requirements
- Led transaction execution, including deal structuring, negotiations, and confirmatory due diligence work

Company Overview

- CoreWeave is a cloud computing platform that provides access to scalable, on-demand computing resources for both proprietary and client use cases across the digital asset, machine learning and VFX rendering spaces
- The Company’s proprietary software enables high utilization of its GPU and CPU fleet (99.999% uptime) by shifting compute between digital asset mining and other high performance compute workloads
- When not leased to cloud customers, the Company’s compute power mines digital assets
- Founded in 2017 and headquartered in Springfield, NJ with 35+ employees across North America and Europe
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