



galaxy

Galaxy Announces Fourth Quarter, Full Year 2022 Financial Results and Preliminary Results for the First Quarter to Date

Net loss of \$288 million for the Fourth Quarter 2022

The Company ended 2022 with Partners' Capital of \$1.4 billion and maintains a strong liquidity position of \$957 million as of year end

Preliminary First Quarter 2023 Income before tax of \$150 million¹

Focus for 2023: Organic platform build through market downturn, in addition to integrating and scaling recent strategic acquisitions

NEW YORK, March 28, 2023- [Galaxy Digital Holdings Ltd.](#) (TSX: GLXY) ("Galaxy", the "Company" or "GDH Ltd.") today released financial results for the year ended December 31, 2022 for both itself and Galaxy Digital Holdings LP (the "Partnership" or "GDH LP").

"2022 was a formative year for Galaxy, and while we and our industry faced unprecedented macroeconomic events, we succeeded in staying the course and were able to opportunistically take advantage of strategic opportunities to build our operating businesses for the future. I have never been more confident in our go-forward strategy, businesses, and team," said Michael Novogratz, Founder and CEO of Galaxy.

"The Company continues to lead from a position of strength, remaining open for business for our clients and counterparties. And as the market has improved year to date, we have generated approximately \$150 million¹ of Income before tax while retaining a strong liquidity position through March 24, 2023."

Preliminary Quarter-to-Date Financial Highlights, through Friday, March 24th 2023¹

- Income before tax was approximately \$150 million¹ through Friday, March 24, 2023.
- Partners' Capital was over \$1.5 billion¹ through the same period.
- Our liquidity position remains intact, after recent dislocations in the commercial banking sector. Galaxy had established multiple redundant banking and brokerage relationships prior to the disruption which allowed us to be nimble, and quickly and successfully migrate cash balances. At this time, we're confident in our diversified U.S. banking relationships.
- Galaxy expects to record net profits¹ for the First Quarter of 2023 in its operating businesses and positive gains from its balance sheet holdings of liquid coins and investments.
- Our trading operating business benefited from heightened market volatility and increased volumes from existing counterparties.
- Galaxy Mining has doubled its capacity from the beginning of the year, as we continue to integrate the Helios site acquired at the end of last year. By the end of 2023, GM expects to have a targeted over 4 EH/s of Hashrate Under Management ("HUM"), approximately 50% of which will come from self-mining.

¹ This preliminary, unaudited year-to-date financial information is as of March 24, 2023. Financial results exclude impacts from non-cash equity based compensation and completion of the full quarterly valuation process of our investment portfolio. This data is subject to change as management completes its quarterly close procedures.

Select Financial Highlights for the Fourth Quarter and Full Year 2022

- **Net loss** was \$287.8 million for the fourth quarter, compared to net income of \$521.3 million in the prior year period. For the year ended December 31, 2022, net loss was \$1.0 billion, compared to net income of \$1.7 billion for the year ended December 31, 2021.
 - The loss was primarily attributable to unrealized marks to market on investments in our Principal Investments portfolio, driven by depressed market conditions.
 - As one of the primary observable benchmarks for valuation in the space, prices for digital assets declined significantly during the year. Bitcoin declined by 64%, from approximately \$46,500 to \$16,500 per coin and Ethereum declined by 67%, from approximately \$3,700 to \$1,200 per coin.²
- **Partners' Capital ("Equity")** was \$1.4 billion at the end of the year, down 45% from \$2.6 billion as of the prior year end. The Company maintained a strong liquidity position of \$957 million as of December 31, 2022.
 - Liquidity included \$542.1 million in cash and a net digital assets² position of \$415 million. Net digital assets included \$281 million of non-algorithmic stablecoins, predominantly USD Coin ("USDC").
 - The net digital assets balance of \$415 million at December 31, 2022 was flat to the prior quarter, but lower than the \$1.2 billion at the end of the prior year. The decrease in net digital assets balance during the year was a result of strategic sales of liquid positions and a decrease in digital asset prices.

Operating Highlights for the Fourth Quarter 2022

- **Galaxy Trading ("GT")** reported continued growth of counterparty count and strong GT Operational Net Revenue³ contributions. GT remains invested in the build out of our GalaxyOne integrated institutional prime brokerage platform.
 - Cumulative counterparty-facing GT Operational Net Revenue³ within the quarter was approximately \$18 million, with approximately 40% derived from our Quantitative Trading businesses, and the remaining contribution approximately equally split between our Derivatives, Over-The-Counter Trading and Credit businesses.
 - GT ended the year with more than 930 total counterparties after onboarding over 20 new counterparties to our trading platform during the fourth quarter. We continue to provide liquidity in over 100 cryptocurrencies.
 - Counterparty trading volumes increased by approximately 19% over the prior quarter while decreasing by just over 65% year over year.
 - The Company's cumulative gross counterparty loan originations were approximately \$370 million within the quarter. The value of GT's counterparty loan and yield portfolio decreased approximately 8% quarter over quarter.
 - The Company is focused on the strategic build out of GalaxyOne -- our unified, client-centric prime-brokerage platform for digital assets. A beta version of the trading component of the platform will be released to select customers in the second quarter of 2023.
- **Galaxy Asset Management ("GAM")** reported preliminary assets under management ("AUM")⁴ of approximately \$1.7 billion⁵ as of December 31, 2022, a 14% decrease from September 30, 2022. This decrease was primarily driven by the markdown of assets within Galaxy Interactive based on the quarterly assessment of NAV, partially offset by inflows into our Liquid Alpha fund during the period.
 - AUM consisted of almost \$740 million in GAM's Galaxy Fund Management products and approximately \$965 million in the Galaxy Interactive venture franchise.
 - GAM strategically focused on scaling active strategies within our Galaxy Fund Management and Interactive products, and as a result, GAM saw positive net flows this year.
 - Within the quarter, Galaxy Asset Management announced a strategic partnership with Itaú Asset Management to develop a comprehensive suite of Brazilian-listed, physically backed, digital asset exchange-traded funds and launched the first ETF of the new partnership, the IT Now Bloomberg Galaxy Bitcoin ETF.
- **Galaxy Investment Banking ("GIB")** had a robust quarter of deal activity with a number of existing mandates expected to close in the first half of 2023.
 - GIB remains engaged in the markets' prominent shift toward consolidation and M&A activity, while also supporting clients with innovative financing solutions amid a challenging capital markets backdrop.
 - GIB continues to execute against an active pipeline of mandates representing over \$1 billion in potential transaction value.

² Represents coinmarketcap.com quoted price as of 23:59 UTC for Bitcoin and Ether.

³ GT Operational Net Revenue is an internal metric that includes revenue from counterparty-facing activities from our Derivatives, Credit, Over-the-Counter Trading, and Quantitative Trading businesses, net of funding charges.

⁴ AUM is an internal estimate 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.

⁵ AUM for committed capital closed-end vehicles that have completed their investment period is reported as NAV (Net Asset Value). Quarterly AUM for close-end vehicles is reported as of the most recent quarter available for the applicable period.

- Within the quarter, GIB advised Genesis Volatility, a digital assets data and analytics provider, on its sale to Amberdata and advised CoreWeave, a specialized cloud computing provider, on its strategic investment from Magnetar Capital.
- GIB also served as financial advisor to the Mining business on its acquisition of the Helios bitcoin mining facility and related operations from Argo Blockchain ("Argo").
- **Galaxy Mining ("GM")**, following the acquisition of Helios, ended 2022 with over 1.5 EH/s in Hashrate Under Management ("HUM"), inclusive of both self-mining and hosting services. GM has approximately doubled that capacity from the beginning of the year, with approximately 30% from self-mining operations.
 - In December 2022, Galaxy acquired the Helios bitcoin mining facility and its related operations from Argo. The facility is currently able to operate up to 180 megawatts ("MW") of mining capacity, with significant room for expansion. We expect to energize approximately 200 MW of mining capacity at Helios alone by year end 2023, with a mix of capacity dedicated to hosting and proprietary mining.
 - The Helios transaction will continue to accelerate the expansion of GM's bitcoin mining operations and services, provide access to tax-efficient mining infrastructure, and reduce reliance on third-party hosting providers.
 - Subsequent to year end, Galaxy hedged a majority of Helios' power obligations with a 24x7 fixed price block of power, which protects from rising power prices, improves site uptime, and allows Galaxy to achieve a lower effective cost of power. Galaxy will layer on additional blocks of power as the site is expanded and wholesale pricing becomes favorable.
 - As announced during Galaxy's third quarter earnings call, Galaxy has also begun energization of our first proprietary mining site in Diboll, Texas, with over half the site expected to be energized in April 2023 and the full 16 MW expected to be energized by end of the second quarter 2023.
 - On a proprietary basis, GM continues to mine at well-under the fair market value of bitcoin.
 - By the end of 2023 GM expects to have a targeted over 4 EH/s of HUM, approximately 50% of which will come from self-mining.
 - GM remains committed to its goal to reach an 80% sustainable energy mix⁶ and is actively pursuing multiple long-term solutions to achieve this target.
- **Principal Investments ("GPI")**: The Company holds 145 investments across 104 portfolio companies as of December 31, 2022. Within the fourth quarter 2022, GPI made an investment in verification platform Veridise, which provides thorough security audits for DeFi applications, and continues to explore additional compelling opportunities in the investing space.

Corporate Updates

- **Senior Leadership Update**: As previously disclosed, early in the first quarter of 2023 Damien Vanderwilt stepped down from his role as Co-President at the Company, was named a Senior Advisor to Galaxy and joined the Company's Board of Directors.
- **US Listing**: As previously announced, the Company intends to complete its proposed reorganization and domestication to become a Delaware-incorporated company and subsequently list on the Nasdaq, upon completion of ongoing SEC review and subject to stock exchange approval of such listing. On February 9th, 2023 Galaxy filed an amendment to its registration statement responding to SEC comments, which is under review.
- **Share Repurchase Program**: As announced on May 16, 2022, the Company entered into a [Share Repurchase Program](#) and as of October 24, 2022, had purchased all 10,596,720 ordinary shares allowable at an average price of \$6.65 CAD.
 - Additionally the Company has purchased and cancelled \$55 million worth of the [3.00% Exchangeable Senior Notes due 2026 \(the "Notes"\) that were announced on December 9, 2021](#) at a discount, for approximately \$30 million, including accrued interest.
 - The Company will continue to use all available methods to manage its share capital when it believes that the current market price of its shares does not reflect their intrinsic value and if doing so is consistent with the objective of creating long term shareholder value.
- **Helios Acquisition**: On December 28, 2022, the Partnership acquired the Helios mining facility from Argo.
 - Helios is a large-scale bitcoin mining facility located in Dickens County, Texas, that has the ability to operate up to 180 megawatts (MW) of mining capacity, utilizing immersion cooling technology.
 - Upon receipt of certain approvals and incremental investments, Helios could be expanded to provide Galaxy with as much as 800 MW of capacity, enabling the Company to grow its proprietary and hosted bitcoin mining infrastructure.
 - The purchase price was approximately \$77 million, including transaction costs.
- **GK8 Acquisition**: Subsequent to year end on February 21, 2023, the Company acquired the assets of GK8, a digital asset self-custody platform for approximately \$44 million.

⁶ "Sustainable Energy Mix" is defined by the Bitcoin Mining Council (BMC) as energy sourced from hydro, wind, solar, nuclear and geothermal energy sources. The BMC's "Sustainable Energy" definition is based on the principles brought forward by the U.S. Energy Information Administration (EIA) Net Zero by 2050 Report. The definition was updated in the fourth quarter to exclude carbon-based energy with net carbon credits.

- We believe the market opportunity for GK8's custodial technology services continues to expand rapidly, particularly as institutional demand in the asset class grows. As such, our primary focus is to invest in GK8's sales footprint and existing product roadmap to begin capturing market share this year.
- Furthermore, the Company will use GK8's custody solution in the ongoing development of GalaxyOne, our own unified, client-centric prime-brokerage platform for clients to engage with digital assets.
- Additional benefits of the transaction include expansion of the Company's geographic reach, adding an office in Tel Aviv, and onboarding an experienced team of nearly 40 individuals, including cryptographers and blockchain engineers.
- The founders of GK8, CEO Lior Lamesh and CTO Shahar Shamai, will lead Galaxy's custodial technologies offering.

GDH Ltd.'s Financial Highlights

- As the only significant asset of GDH Ltd. is its minority interest in GDH LP, its results are driven by the results of GDH LP. GDH Ltd. accounts for its investment in this associate (GDH LP) using the equity method. The investment, initially recorded at cost, is increased or decreased to recognize GDH Ltd.'s share of the earnings and losses of GDH LP. As of December 31, 2022, an impairment assessment was required under International Financial Reporting Standards and GDH Ltd.'s minority interest in GDH LP was marked down based on the TSX year-end closing share price. An impairment expense of \$109.0 million was recognized for the quarter and \$252.5 million for the year ended December 31, 2022. The net comprehensive loss of GDH Ltd. was \$522.7 million for the year ended December 31, 2022.

Important U.S. Tax Information - Action Required by U.S. Shareholders

Galaxy shareholders who are U.S. taxpayers should be aware that there may be significant and adverse U.S. federal income tax consequences relating to Galaxy's PFIC status for 2022 and prior years and in connection with Galaxy's domestication from Cayman to Delaware unless they make certain elections on their originally filed U.S. federal income tax returns for 2022, which are generally due on April 18, 2023 (subject to allowable extensions). These consequences and, therefore, the need to take action apply to both direct and indirect holdings of Galaxy shares. These elections are described in the notice posted by Galaxy in March 2023 on its website at <https://investor.galaxy.com/financials/annual-reports/default.aspx>. Before filing their U.S. federal income tax returns for 2022, direct and indirect Galaxy shareholders who are, or who have investors who are, U.S. taxpayers are urged to review the notice and to consult their tax advisors regarding the advisability of making these elections on their U.S. federal income tax returns for 2022.

Earnings Conference Call

An investor conference call will be held today, March 28, 2023 at 8:30 AM Eastern Time. A live webcast with the ability to ask questions will be available at: <https://investor.galaxy.com/>. The conference call can also be accessed by investors in the United States or Canada by dialing 1-877-300-8521, or 1-412-317-6026 (outside the U.S. and Canada). A replay of the webcast will be available and can be accessed in the same manner as the live webcast on the Company's Investor Relations website. Through April 18, 2023, the recording will also be available by dialing 1-844-512-2921, or 1-412-317-6671 (outside the U.S. and Canada) passcode: 10176337.

About Galaxy Digital Holdings Ltd. (TSX: GLXY) ("GDH Ltd.") and Galaxy Digital Holdings LP ("GDH LP")

Galaxy (TSX: GLXY) is a digital asset and blockchain leader providing institutions, startups, and qualified individuals access to the crypto economy. Our full suite of financial services is custom-made for a digitally native ecosystem, spanning multiple synergistic business lines: Trading, Asset Management, Investment Banking, Mining, and Ventures.

Galaxy's CEO and Founder Michael Novogratz leads a team of crypto enthusiasts and institutional veterans working together on a mission to engineer a new economic paradigm. The Company is headquartered in New York City, with global offices across North America, Europe, and Asia.

Additional information about Galaxy's businesses and products is available on www.galaxy.com

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This press release should be read in conjunction with (i) GDH LP's Management Discussion and Analysis and Consolidated Financial Statements for the year ended December 31, 2022 and (ii) GDH Ltd.'s Management Discussion and Analysis and Consolidated Financial Statements for the year ended December 31, 2022 (together, the "Consolidated Financial Statements" and "MD&As"), which have been filed on SEDAR at www.sedar.com.

Disclaimers and Additional Information

The TSX has not approved or disapproved of the information contained herein. The Ontario Securities Commission has not passed upon the merits of the disclosure record of Galaxy.

This press release contains certain pre-released first quarter 2023 financial information (the "pre-released financial information"). The pre-released financial information contained in this press release is preliminary and represents the most current information available to management. The Partnership's actual consolidated financial statements for such period may result in material changes to the pre-released financial information summarized in this press release (including by any one financial metric, or all of the financial metrics) as a result of the completion of normal quarter and year end accounting procedures and adjustments and annual independent audit or due to other risks contained in the Annual Information Form for the year ended December 31, 2022. Although the Company believes the expectations reflected in this press release are based upon reasonable assumptions, the Company can give no assurance that actual results will not differ materially from these expectations.

No Offer or Solicitation

As previously announced, the Company intends to complete its proposed reorganization and domestication to become a Delaware-based company, and subsequently list on the Nasdaq, upon completion of the SEC's ongoing review and subject to stock exchange approval of such listing. The proposed reorganization and domestication is subject to approval by shareholders the Company and applicable regulatory authorities, including the Toronto Stock Exchange. In connection with the proposed reorganization and domestication, the Company has filed a registration statement, including a management information circular/prospectus, with the SEC, which has not yet become effective. SHAREHOLDERS ARE ADVISED TO READ THE FINAL VERSIONS OF SUCH DOCUMENTS, WHEN AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Shareholders may obtain a free copy of the registration statement (including the management information circular/prospectus) and any other relevant documents from the SEC's website at <http://www.sec.gov>. Copies of the final versions of such documents can also be obtained, when available, without charge, via Galaxy's investor relations website: <https://investor.galaxy.com/>. The Company anticipates holding a shareholder meeting to seek approval following the effectiveness of the registration statement, and further details will be included in the management information circular to be mailed to shareholders and posted on the Company's SEDAR profile at www.sedar.com.

This document shall not constitute a solicitation of a proxy, consent or authorization with respect to any securities or in respect of the domestication or any of the other proposed reorganization transactions. This document does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote of approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.

CAUTION ABOUT FORWARD-LOOKING STATEMENTS

The information in this document may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and "forward-looking information" under Canadian securities laws (collectively, "forward-looking statements"). Our forward-looking statements include, but are not limited to, statements regarding our or our management team's expectations, hopes, beliefs, intentions or strategies regarding the future. Statements that are not historical facts, including statements about First Quarter 2023 results, the market opportunity and expansion for GK8, the amount of bitcoin expected to be mined and hashrate under management, GalaxyOne Prime, the closing of certain investment banking mandates and the pending domestication and the related transactions (the "transactions"), and the parties, perspectives and expectations, are forward-looking statements. In addition, any statements that refer to estimates, projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this document may include, for example, statements about our businesses and their go-forward strategies and our ability to complete the proposed domestication and reorganization transactions. The forward-looking statements contained in this document are based on our current expectations and beliefs concerning future developments and their potential effects on us taking into account information currently available to us. There can be no assurance that future developments affecting us will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks include, but are not limited to: (1) the inability to complete the proposed domestication and reorganization transactions, due to the failure to obtain shareholder and stock exchange approvals, or otherwise; (2) changes to the proposed structure of the transactions that may be required or appropriate as a result of applicable laws or regulations or as a condition to obtaining shareholder or stock exchange approval of the transactions; (3) the ability to meet and maintain listing standards following the consummation of the transactions; (4) the risk that the transactions disrupt current plans and operations;

(5) costs related to the transactions, operations and strategy; (6) changes in applicable laws or regulations; (7) the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; (8) changes or events that impact the cryptocurrency industry, including potential regulation, that are out of our control; (9) the risk that our business will not grow in line with our expectations or continue on its current trajectory; (10) the possibility that our addressable market is smaller than we have anticipated and/or that we may not gain share of it; and (11) the possibility that there is a disruption in mining impacting our ability to achieve expected results, (12) any delay or failure to consummate the banking mandates and (13) those other risks contained in the Annual Information Form for the year ended December 31, 2022 available on the Company's profile at www.sedar.com and its Management's Discussion and Analysis, filed on March 28, 2023. Factors that could cause actual results to differ materially from those described in such forward-looking statements include, but are not limited to, a decline in the digital asset market or general economic conditions; the possibility that our addressable market is smaller than we have anticipated and/or that we may not gain share of the stated addressable market; the failure or delay in the adoption of digital assets and the blockchain ecosystem; a delay or failure in developing infrastructure for our business or our businesses achieving mandates; delays or other challenges in the mining business related to hosting or power; and changes in applicable law or regulation and adverse regulatory developments. Should one or more of these risks or uncertainties materialize, they could cause our actual results to differ materially from the forward-looking statements. We are not undertaking any obligation to update or revise any forward looking statements whether as a result of new information, future events or otherwise. You should not take any statement regarding past trends or activities as a representation that the trends or activities will continue in the future. Accordingly, you should not put undue reliance on these statements.

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Galaxy Digital Holdings LP's Consolidated Statements of Financial Position (unaudited)

(in thousands)

	December 31, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalent	\$ 542,101	\$ 840,776
Digital assets	566,690	2,420,777
Receivable for digital asset trades	9,063	8,332
Digital assets loans receivable, net of allowance	49,971	192,684
Digital assets receivables	12,423	52,998
Assets posted as collateral	25,138	71,400
Receivables	10,887	26,665
Derivative assets	17,719	45,669
Prepaid expenses and other assets	32,818	25,768
Loans receivable	62,611	190,087
Due from related party	13,857	25,023
Total current assets	1,343,278	3,900,179
Digital assets receivables	5,154	18,659
Investments (includes \$235.4 and \$350.6 million of equity method investments)	595,122	1,069,776
Loans receivable, non-current	100,977	—
Right of use assets	13,735	11,746
Property and equipment	208,538	58,187
Deferred tax asset	47,746	10,259
Intangible assets	6,948	3,087
Goodwill	24,645	24,645
Total non-current assets	1,002,865	1,196,359
Total assets	\$ 2,346,143	\$ 5,096,538
Liabilities and equity		
Current liabilities		
Investments sold short	91	11,630
Derivative liabilities	16,568	25,567
Warrant liability	—	20,488
Accounts payable and accrued liabilities	67,081	146,243
Payable to customers	9,591	142,441
Taxes payable	22,717	42,341
Payable for digital asset trades	2,557	13,216
Digital assets loans payable	170,566	905,013
Loans payable	—	33,289
Collateral payable	131,506	480,088
Due to related party	53,984	—
Lease liability	4,467	2,164
Non-controlling interest liability	—	161,536
Total current liabilities	479,128	1,984,016
Notes payable	384,515	475,330
Deferred tax liability	31,302	25,608
Lease liability	12,406	13,233
Total non-current liabilities	428,223	514,171
Total liabilities	907,351	2,498,187
Equity		
Partners' capital	1,438,792	2,598,351
Total equity	1,438,792	2,598,351
Total liabilities and equity	\$ 2,346,143	\$ 5,096,538

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

(in thousands)	Year ended December 31, 2022	Year ended December 31, 2021
Income		
Advisory and management fees	\$ 29,952	\$ 15,736
Net realized gain on digital assets	55,138	1,014,260
Net realized gain on investments	42,022	231,388
Income from lending	36,762	73,051
Net derivative gain	191,520	10,761
Income from mining	35,384	14,703
Other income	28,684	5,682
	419,462	1,365,581
Operating expenses		
Compensation and compensation related	127,909	114,426
Equity based compensation	100,849	70,891
General and administrative	163,955	37,430
Professional fees	28,223	53,329
Profit share arrangement expense	—	16,568
Interest	38,896	70,155
Notes interest expense	37,029	1,769
	(496,861)	(364,568)
Other		
Net unrealized gain (loss) on digital assets	(659,169)	451,465
Net unrealized gain (loss) on investments	(496,184)	546,997
Net gain on notes payable - derivative	57,998	12,132
Net gain (loss) on warrant liability	20,322	(45,644)
Foreign currency gain (loss)	(316)	2,590
Loss (gain) attributable to non-controlling interests liability	97,219	(197,376)
	(980,130)	770,164
Income (loss) before income taxes	(1,057,529)	1,771,177
Income taxes	(35,952)	56,900
Net income (loss) for the period	\$ (1,021,577)	\$ 1,714,277
Other comprehensive income (loss)		
Foreign currency translation adjustment	\$ (1,726)	\$ 367
Net comprehensive income (loss) for the period	\$ (1,023,303)	\$ 1,714,644

	Year ended December 31, 2022	Year ended December 31, 2021
GDH LP Net income (loss) per unit:		
Basic	\$ (3.13)	\$ 5.38
Diluted	(3.13)	4.88
Weighted average units:		
Basic	326,024,679	318,659,926
Diluted	326,024,679	349,318,648

Reportable segments (unaudited)

Income and expenses by each reportable segment of GDH LP for the three months ended December 31, 2022 are as follows:

(in thousands)	Trading	Principal Investments	Asset Management	Investment Banking	Mining	Corporate and Other	Totals
Income (loss)							
Advisory and management fees	747	—	5,495	2,000	—	(1,000)	7,242
Net realized gain (loss) on digital assets	(75,840)	7,182	(4,762)	—	—	—	(73,420)
Net realized gain (loss) on investments	(3,540)	(18,591)	—	—	—	—	(22,131)
Income from lending	5,671	5	—	—	—	—	5,676
Net derivative gain	11,760	(61)	—	—	—	—	11,699
Income from mining	—	—	—	—	9,014	—	9,014
Other income	(1,872)	(29)	3	—	540	25,745	24,387
	(63,074)	(11,494)	736	2,000	9,554	24,745	(37,533)
Operating expenses	63,459	2,636	6,037	3,376	15,429	39,653	130,590
Other							
Net unrealized gain (loss) on digital assets	(67,556)	62,501	10,092	—	—	—	5,037
Net unrealized gain (loss) on investments	1,715	(126,695)	1,114	—	—	—	(123,866)
Net gain on notes payable - derivative	—	—	—	—	—	1,442	1,442
Net gain on warrant liability	—	—	—	—	—	317	317
Foreign currency gain	(3,591)	—	—	—	—	(18)	(3,609)
Loss attributable to non-controlling interests liability	—	—	(7,941)	—	—	—	(7,941)
	(69,432)	(64,194)	3,265	—	—	1,741	(128,620)
Income (loss) before income taxes	\$ (195,965)	\$ (78,324)	\$ (2,036)	\$ (1,376)	\$ (5,875)	\$ (13,167)	\$ (296,743)
Income tax benefit	—	—	—	—	—	(8,968)	(8,968)
Net income (loss) for the period	\$ (195,965)	\$ (78,324)	\$ (2,036)	\$ (1,376)	\$ (5,875)	\$ (4,199)	\$ (287,775)
Foreign currency translation adjustment	—	—	—	—	—	(1,016)	(1016)
Comprehensive income (loss) for the period	\$ (195,965)	\$ (78,324)	\$ (2,036)	\$ (1,376)	\$ (5,875)	\$ (5,215)	\$ (288,791)

Income and expenses by each reportable segment of GDH LP for the three months ended December 31, 2021 are as follows:

(in thousands)	Trading	Principal Investments	Asset Management	Investment Banking	Mining	Corporate and Other	Totals
Income (loss)							
Advisory and management fees	\$ 1	\$ —	\$ 3,762	\$ 4,092	\$ —	\$ —	7,855
Net realized gain (loss) on digital assets	305,021	3,223	7,384	—	—	—	315,628
Net realized gain (loss) on investments	—	6,391	(61)	—	—	—	6,330
Income from lending	33,279	377	—	—	—	—	33,656
Net derivative gain (loss)	(94,595)	—	—	—	—	—	(94,595)
Income from mining	—	—	—	—	8,383	—	8,383
Other income	443	—	3	58	15	—	519
	244,149	9,991	11,088	4,150	8,398	—	277,776
Operating expenses	14,143	677	9,676	611	3,458	5,286	33,851
Other							
Net unrealized gain (loss) on digital assets	157,441	45,578	26,578	—	(672)	—	228,925
Net unrealized gain (loss) on investments	2,050	129,919	13,799	—	—	—	145,768
Net gain on notes payable - derivative	—	—	—	—	—	12,132	12,132
Net gain (loss) on warrant liability	—	—	—	—	—	(20,842)	(20,842)
Foreign currency gain	950	—	—	—	—	(2)	948
(Gain) loss attributable to non-controlling interests liability	—	—	(32,646)	—	—	—	(32,646)
	160,441	175,497	7,731	—	(672)	(8,712)	334,285
Income (loss) before income taxes	\$ 390,447	\$ 184,811	\$ 9,143	\$ 3,539	\$ 4,268	\$ (13,998)	\$ 578,210
Income tax expense	—	—	—	—	—	(56,900)	(56,900)
Net income (loss) for the period	\$ 390,447	\$ 184,811	\$ 9,143	\$ 3,539	\$ 4,268	\$ (70,898)	\$ 521,310
Foreign currency translation adjustment	—	—	—	—	—	26	26
Comprehensive income (loss) for the period	\$ 390,447	\$ 184,811	\$ 9,143	\$ 3,539	\$ 4,268	\$ (70,872)	\$ 521,336

Assets and liabilities by reportable segment of GDH LP as of December 31, 2022 are as follows:

(in thousands)	Trading	Principal Investments	Asset Management	Investment Banking	Mining	Corporate and Other	Totals
Total assets	\$ 1,333,985	\$ 634,121	\$ 32,749	\$ 24,797	\$ 241,743	\$ 78,748	2,346,143
Total liabilities	\$ 351,662	\$ 374	\$ 710	\$ 2,104	\$ 10,519	\$ 541,982	907,351

Assets and liabilities by reportable segment of GDH LP as of December 31, 2021 are as follows:

(in thousands)	Trading	Principal Investments	Asset Management	Investment Banking	Mining	Corporate and Other	Totals
Total assets	\$ 2,971,090	\$ 1,277,707	\$ 193,436	\$ 10,727	\$ 292,942	\$ 350,636	5,096,538
Total liabilities	\$ 1,666,488	\$ 174	\$ 171,784	\$ 122	\$ 3,202	\$ 656,417	2,498,187

Select statement of financial position information

The fair value of select assets by reporting segment of GDH LP as of December 31, 2022 is as follows:

(in thousands)	Trading	Principal Investments	Asset Management	Investment Banking	Mining	Corporate and Other	Totals
Digital assets	\$ 566,690	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 566,690
Digital assets receivables	12,980	4,597	—	—	—	—	17,577
Digital assets posted as collateral	25,138	—	—	—	—	—	25,138
Investments:							
Pre-network launch	—	5,500	—	—	—	—	5,500
Convertible Notes	—	12,649	—	—	—	—	12,649
Preferred Stock	250	256,111	—	—	2,100	—	258,461
Common Stock	121	61,146	—	381	—	—	61,648
LP/LLC Interests	—	255,799	—	—	—	—	255,799
Warrants/Trust Units/Trust Shares	—	1,065	—	—	—	—	1,065
	\$ 605,179	\$ 596,867	\$ —	\$ 381	\$ 2,100	\$ —	\$ 1,204,527

The fair value of each asset class by reporting segment of GDH LP as of December 31, 2021 is as follows:

(in thousands)	Trading	Principal Investments	Asset Management	Investment Banking	Mining	Corporate and Other	Totals
Digital assets	\$ 2,121,772	\$ 123,210	\$ 165,300	\$ —	\$ 10,495	\$ —	\$ 2,420,777
Digital assets receivables	—	71,657	—	—	—	—	71,657
Digital assets posted as collateral	71,400	—	—	—	—	—	71,400
Investments:							
Pre-network launch	—	6,393	—	—	—	—	6,393
Convertible Notes	—	9,768	—	—	—	—	9,768
Preferred Stock	—	382,182	—	—	—	—	382,182
Common Stock	34,991	236,303	—	—	—	—	271,294
LP/LLC Interests	—	383,279	—	—	—	—	383,279
Warrants/Trust Units	7,963	8,897	—	—	—	—	16,860
	\$ 2,236,126	\$ 1,221,689	\$ 165,300	\$ —	\$ 10,495	\$ —	\$ 3,633,610

Net Digital Assets Position

Net digital assets includes all digital assets categorized as assets, less all digital assets categorized as liabilities on the statement of financial position, less non-controlling interests liabilities, and is included in the Company's liquidity measure. Net digital assets as of December 31, 2022 is as follows:

<i>(in thousands)</i>	As of December 31, 2022		As of December 31, 2021	
Assets				
Digital assets	\$	566,690	\$	2,420,777
Digital asset loans receivable, net of allowance		49,971		192,684
Digital assets receivable, current		12,423		52,998
Digital assets receivable, noncurrent		5,154		18,659
Assets posted as collateral		25,138		71,400
		659,376		2,756,518
Liabilities				
Payables to customers ¹		—		18,565
Digital asset loans payable		170,566		905,013
Collateral payable ¹		73,458		458,949
Non-controlling interests liability		—		161,536
		244,024		1,544,063
Digital assets, net	\$	415,352	\$	1,212,455
Stablecoins, net	\$	281,048	\$	240,634
Digital assets, net excl. stablecoins	\$	134,304	\$	971,821

¹ Excludes cash portion of consolidated balance on the Partnership's balance sheet.