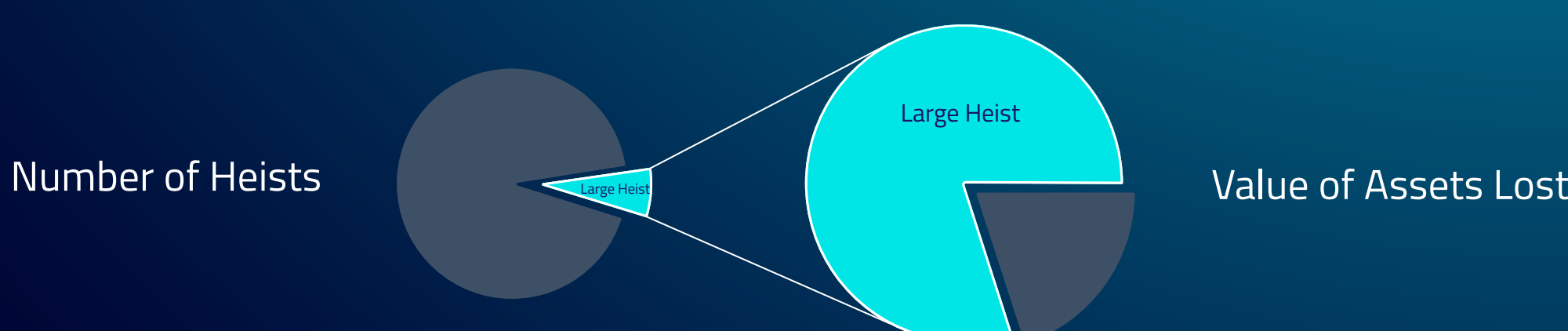


History of Crypto Heists

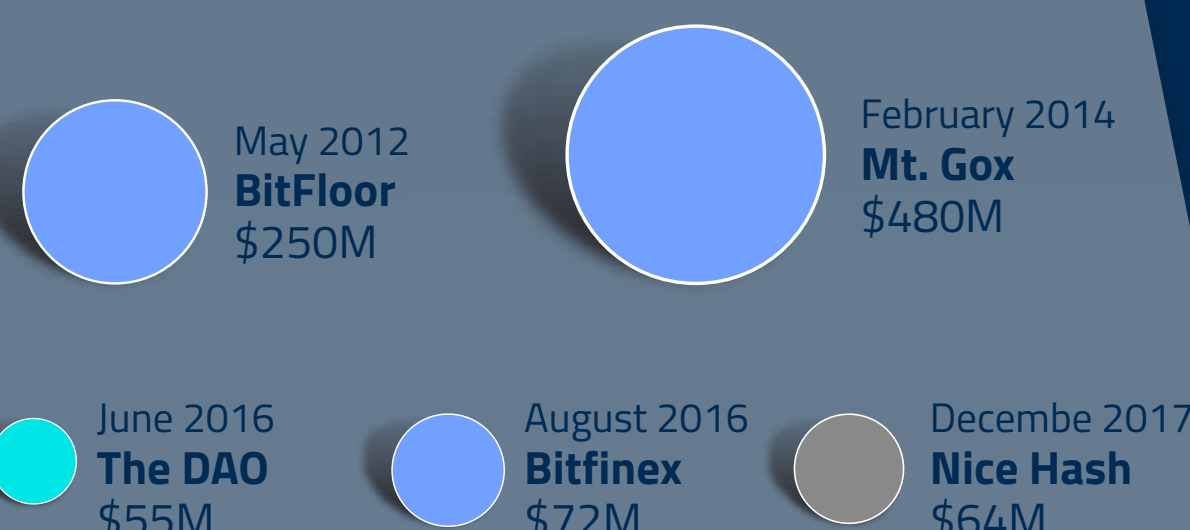
Crypto heists have become an all too familiar occurrence in the fast-paced world of digital assets, where anonymity and decentralization can be both a blessing and a curse. From the latest DeFi hacks to the infamous Mt. Gox, crypto is a growing target for cyber-criminals. Since crypto's inception, nearly 600 hacks have been recorded, accounting for nearly \$10B in stolen assets.

40+ of the Largest Heists Account for 80% of Assets Lost*



The Biggest Crypto Heists of All Time

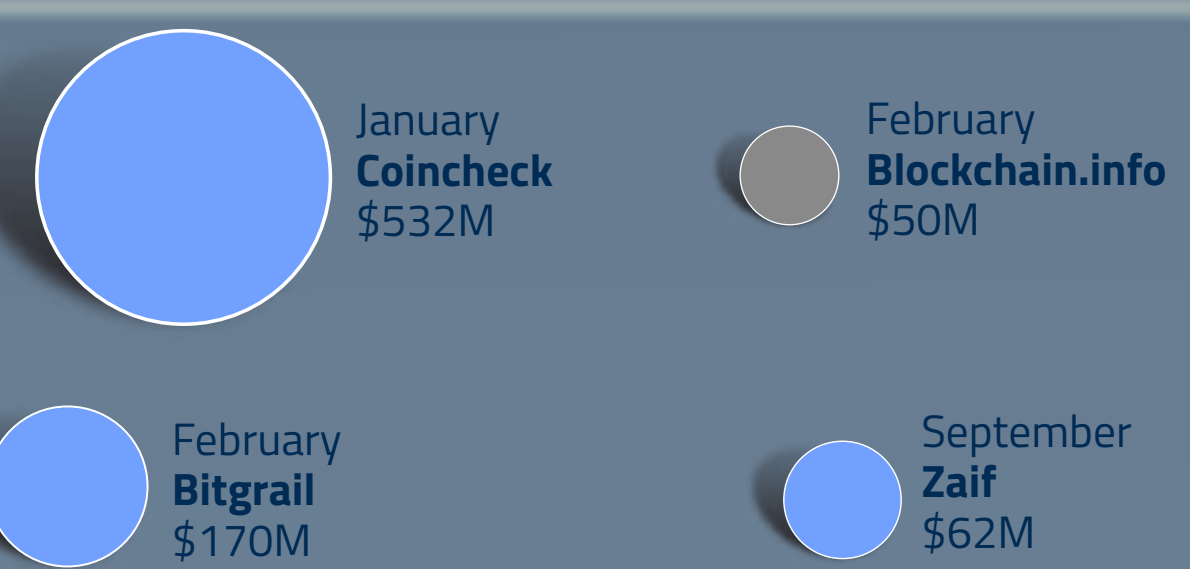
2017 & Before



- Legend:**
- Smart Contract
 - Flash Loan
 - Scam
 - Key Compromise
 - Other

Size of the circle is indicative of amount of assets lost.

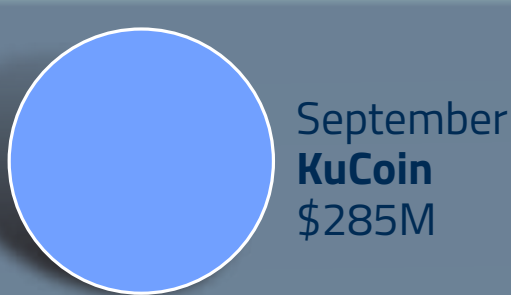
2018



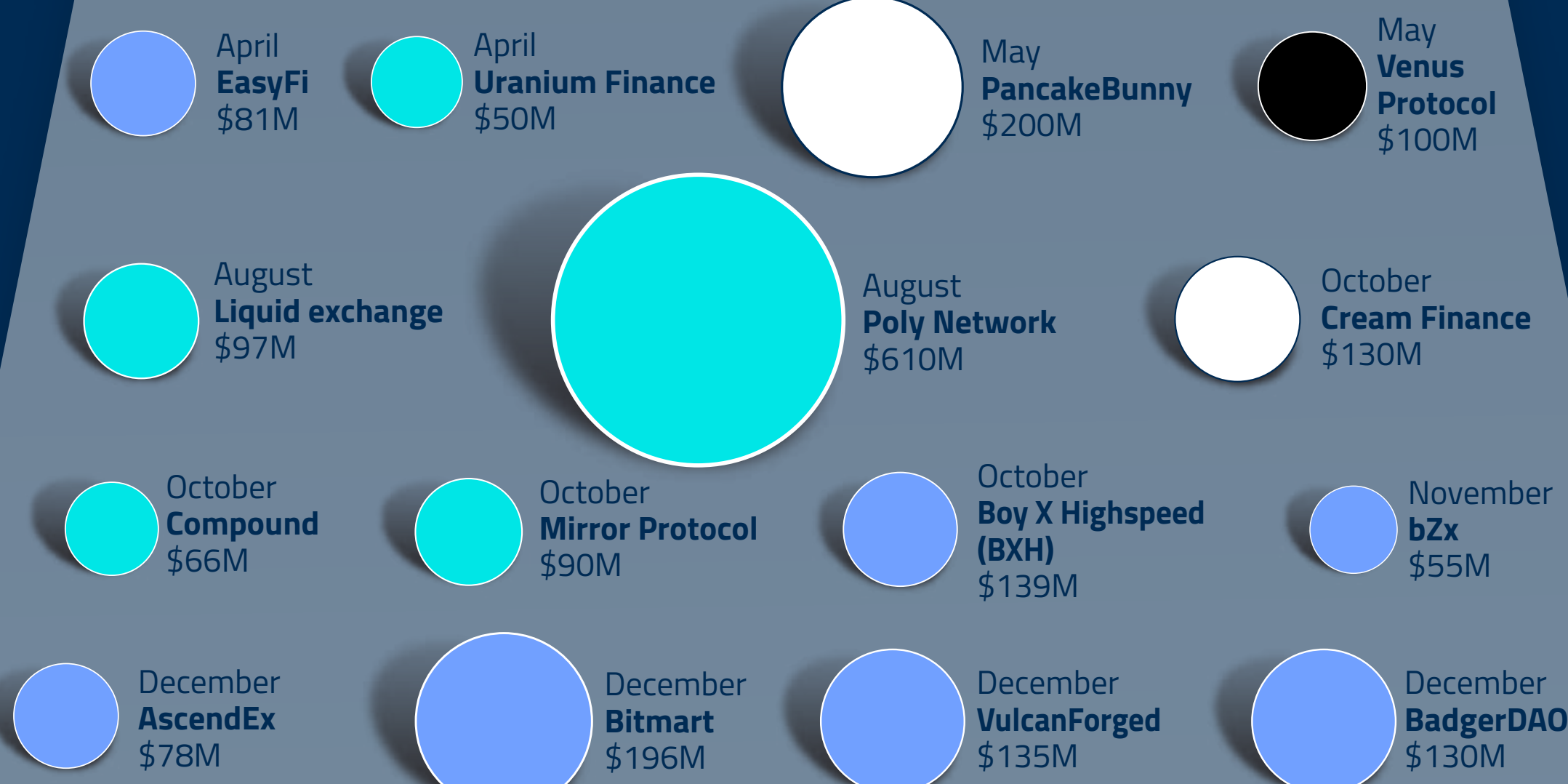
2019



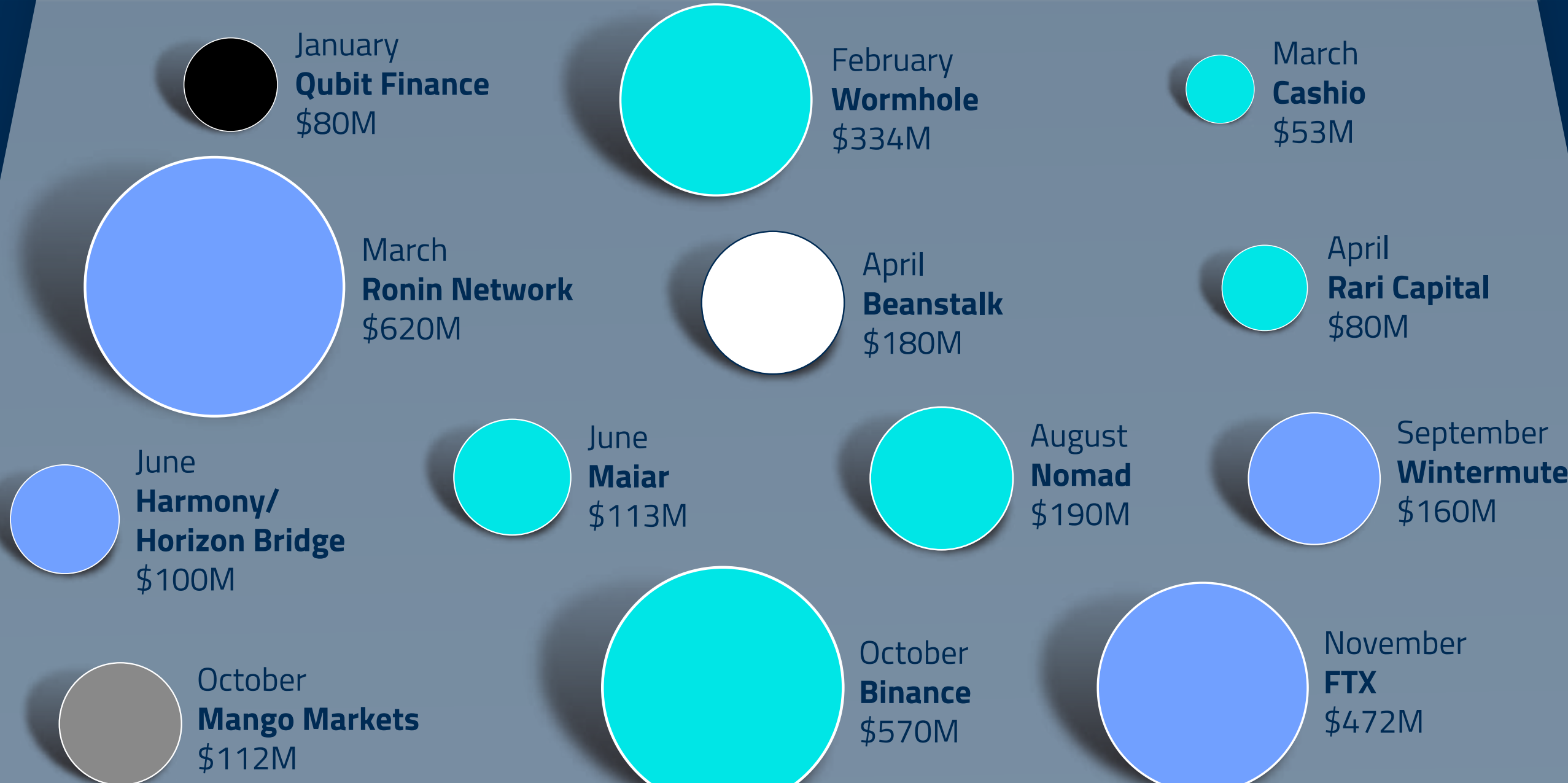
2020



2021



2022



2023



Some high profile hacks:

FTX - Jan 2023
Collapsed exchange FTX announced that around \$415 million of crypto had been stolen by hackers. The missing crypto could be connected to a hack of the company's systems that was uncovered shortly after the company collapsed in November. There are some indications that this hack may have been an inside job.

Liquid - Aug 2021
Japanese cryptocurrency exchange Liquid said it had been hit by a cyberattack that saw hackers make off with a reported \$97 million worth of digital coins.
"We are sorry to announce that #LiquidGlobal warm wallets were compromised, we are moving assets into the cold wallet". - Liquid Global Official on Twitter

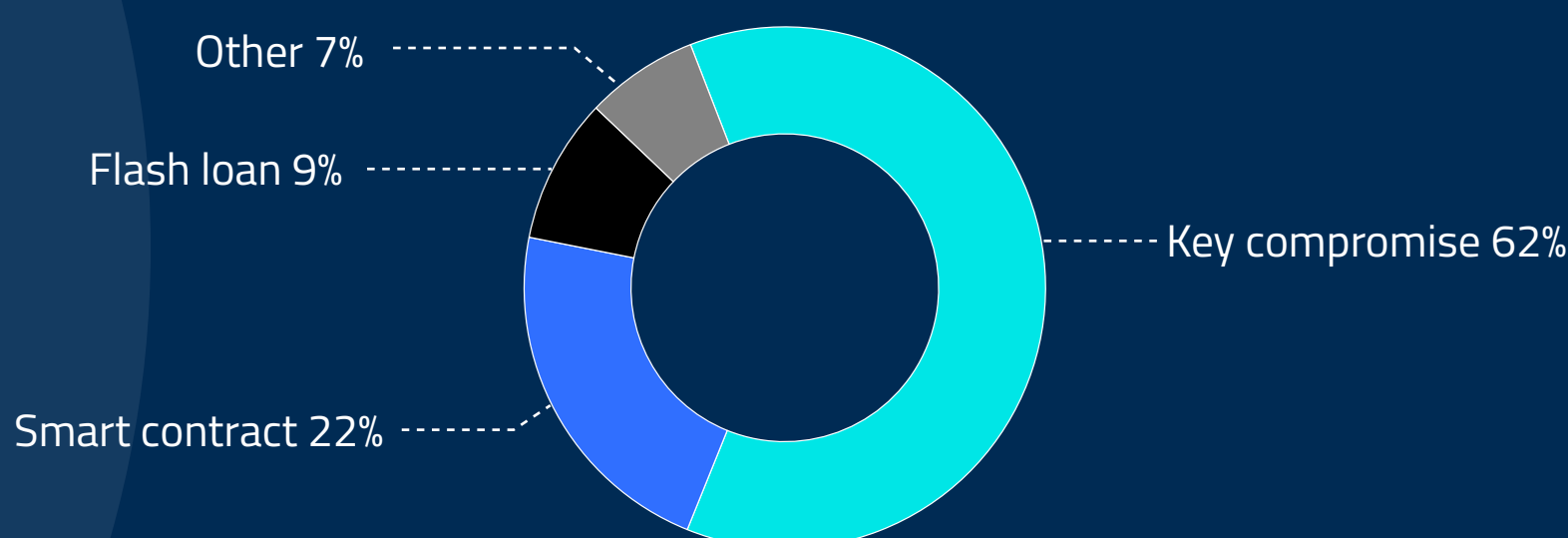
StakeHound - Jun 2021
A Switzerland based staking services firm, accused its institutional crypto services provider, Fireblocks, of negligence resulting in the loss of \$75 million worth of ether. StakeHound claimed Fireblocks failed to backup half of a key it was holding on behalf of the company needed to access 38,178 staked ether (the native token of Ethereum) as part of a program that creates BLS signatures. Fireblocks denied the claim.

Bitfinex - Aug 2016
The Bitfinex cryptocurrency exchange, based in Hong Kong, announced it had suffered a security breach. Around 2,000 approved transactions were sent to a single wallet from users' segregated wallets. The hack occurred even though Bitfinex was securing the funds with BitGo, which uses multiple-signature security.

Overtime private key compromises were most pervasive

Over 60% of all large heists took advantage of compromised private keys, and in most cases this was the private key to an MPC or multi-sig wallet. While MPC has become the de facto market standard, the data attests to the fact that MPC and Multi-sig are still not secure enough to protect the assets of institutions that manage millions of dollars in AUM.

Percentage of value stolen over time by type of hack*



For more insights, [click here](#).

*Source: Comparitech.com and internal GK8 estimates

Legal Disclosure: This document, and the information contained herein, has been provided to you by Galaxy Digital Holdings LP and its affiliates including GK8 ("Galaxy Digital") solely for informational purposes. This document may not be reproduced or redistributed in whole or in part, in any format, without the express written approval of Galaxy Digital. Neither the information, nor any opinion contained in this document, constitutes an offer to buy or sell, or a solicitation of an offer to buy or sell, any advisory services, securities, futures, options or other financial instruments or to participate in any advisory services or trading strategy. Nothing contained in this document constitutes investment, legal or tax advice or an endorsement of any of the digital assets or companies mentioned herein. You should make your own investigations and evaluations of the information herein. Any decisions based on information contained in this document are the sole responsibility of the reader. Certain statements in this document reflect Galaxy Digital's views, estimates, opinions or predictions which may be based on proprietary models and assumptions, including, in particular, Galaxy Digital's views on the current and future market for certain digital assets, and there is no guarantee that these views, estimates, opinions or predictions are currently accurate or that they will be ultimately realized. To the extent these assumptions or models are not correct or circumstances change, the actual performance may vary substantially from, and be less than, the estimates included herein. None of Galaxy Digital nor any of its affiliates, shareholders, partners, members, directors, officers, management, employees or representatives makes any representation or warranty, express or implied, as to the accuracy or completeness of any of the information or any other information (whether communicated in written or oral form) transmitted or made available to you. Each of the aforementioned parties expressly disclaims any and all liability relating to or resulting from the use of this information. Certain information contained herein (including financial information) has been obtained from published and non-published sources. Such information has not been independently verified by Galaxy Digital and, Galaxy Digital, does not assume responsibility for the accuracy of such information. Affiliates of Galaxy Digital may have owned or may own investments in some of the digital assets and protocols discussed in this document. Except where otherwise indicated, the information in this document is based on matters as they exist as of the date of preparation and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available, or circumstances existing or changes occurring after the date hereof. This document provides links to other Websites that we think might be of interest to you. Please note that when you click on one of these links, you may be moving to a provider's website that is not associated with Galaxy Digital. These linked sites and their providers are not controlled by us, and we are not responsible for the contents or the proper operation of any linked site. The inclusion of any link does not imply our endorsement or our adoption of the statements therein. We encourage you to read the terms of use and privacy statements of these linked sites as their policies may differ from ours. The foregoing does not constitute a "research report" as defined by FINRA Rule 2241 or a "debt research report" as defined by FINRA Rule 2242 and was not prepared by Galaxy Digital Partners LLC. For all inquiries, please email contact@galaxydigital.io. ©Copyright Galaxy Digital Holdings LP 2023. All rights reserved.