

May 15th - May 21st

PERSPECTIVES by Ryan McCulloch

This week we saw the largest crypto deal of 2023 to date, Ripple acquiring Metaco for \$250M in half cash and half equity consideration. This marks Ripple’s first large acquisition, emphasizing the importance of custody technology to support their broad aspirations around payments and settlement. See our [M&A Alert](#) for details.

There have been a total of 25 acquisitions driven by the theme of digital asset custody. As with this acquisition, the majority were driven by the strategic requirement to own and control the underlying technology. These include Galaxy Digital | GK8 (\$44M, Dec 22), Bitpanda | Trustology (value not disclosed, Feb 22), and PayPal | Curv (~\$200M, Mar 21).

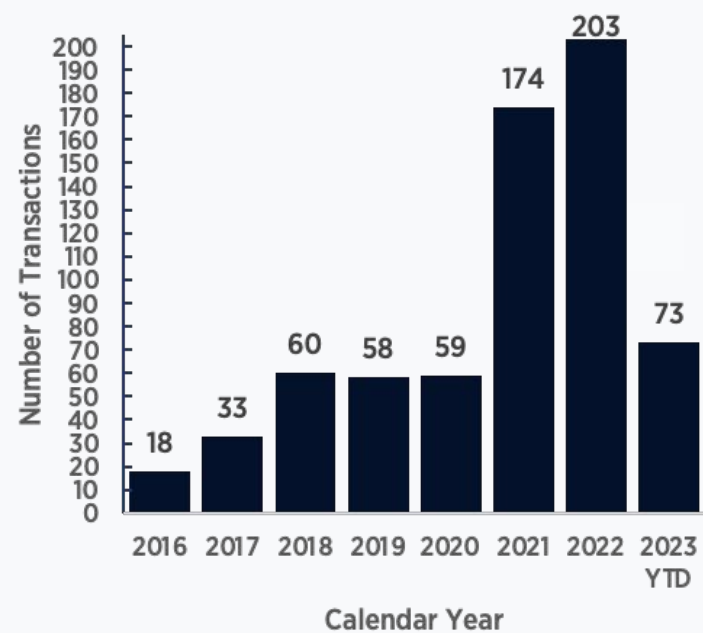
We anticipate custody will continue to be an active area of M&A, with additional technology-driven transactions. We also anticipate that regulatory requirements will begin to emerge as an important strategic rationale driving acquisitions generally, including for custody. Expect to hear far more about the coming [“safeguarding” rule](#) being promoted by the SEC in the US in the context of custody.

RECENT CRYPTO M&A TRANSACTIONS (click here for full AP M&A Tracker)

Target	Acquirer	Transaction Summary	AP M&A Alert
METACO		<p>Transaction Value: \$250M, 50% cash, 50% equity Rationale: Expand product set into safekeeping of assets Sector: Investing & Trading Infrastructure Target Description: Provider of digital asset custody infrastructure to global banks, fintechs, regulated exchanges, and large corporations.</p>	●
		<p>Transaction Value: Not disclosed Rationale: Launch of sports & entertainment division Sector: Investing & Trading Infrastructure Target Description: Online NFT social marketplace for athletes, allowing them to release content and merchandise to fans.</p>	○

OVERALL CRYPTO M&A ACTIVITY LEVELS

Past Five Years



Past 52 Weeks

