

September 25th - October 1st

PERSPECTIVES by Peter B. Stoneberg

The biggest M&A news of the week is that Ripple, the international payments company and creator of XRP has canceled its acquisition of Fortress Trust, a Nevada-licensed custody provider, just 20 days after the initial announcement. The decision comes in the wake of a security incident at Fortress Trust which caused the company to lose between \$12 million and \$15 million although Ripple has stated that the cancellation of the acquisition is unrelated to that security incident.













Crypto exchange Binance has sold its Russian business to CommEX, a newly launched exchange. Binance’s sale of its Russian business is a significant move, given that Russia is one of the exchange’s biggest markets. The sale is likely due to a combination of factors, including the ongoing war in Ukraine and the increasing regulatory scrutiny of cryptocurrency exchanges in Russia. CommEX is a brand new exchange with limited information available about its founders or background. According to CZ, “A few ex-Binance CIS team members may join their team, or have already done so”. Plus their website design and APIs are also very similar to Binance, leading one to believe that there has been a very close affiliation between the two companies. Terms were not disclosed, but CZ said that Binance is fully exiting Russia and that there will not be any ongoing revenue split or share buyback option.

Fireblocks has acquired BlockFold, an Australian smart contract development and consulting firm specializing in tokenization projects for financial institutions. Terms were not disclosed, but industry sources say the price was about \$10M. The acquisition will expand Fireblocks’ existing tokenization and distribution capabilities. Tokenization is the process of converting traditional assets into digital tokens that can be traded on the blockchain. It is a rapidly growing market, with Boston Consulting Group projecting that it will reach \$16 trillion by 2030. The BlockFold team is integrating into Fireblocks, with the engineering team joining the Web3 engineering staff and the business consulting team joining the Financial Markets group.

Alchemy, a web3 developer infrastructure firm, has acquired blockchain indexing platform company Satsuma for an undisclosed amount. Blockchains can house a massive amount of raw data and Satsuma’s Subgraphs eliminate the need for developers to build their own blockchain data pipeline from scratch. Satsuma’s subgraphs will be folded into Alchemy’s existing product suite with the aim of making it easier and more efficient for developers to build Web3 applications.

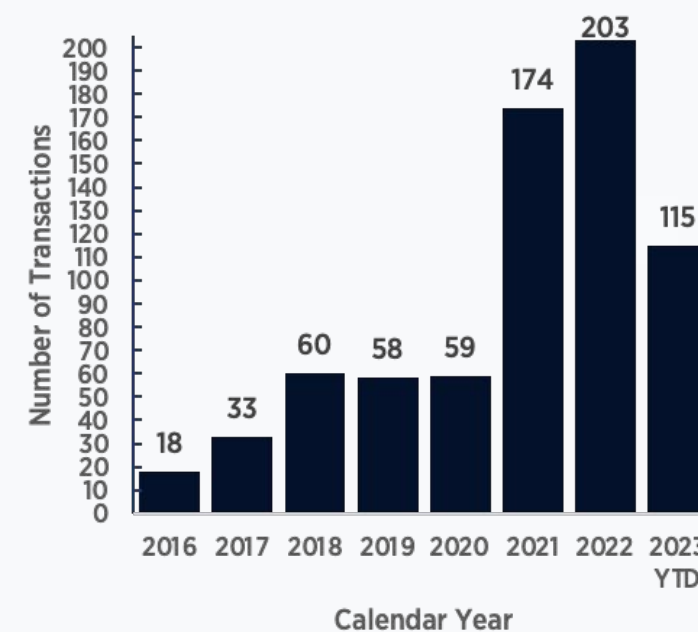
MoonPay, a Web3 infrastructure provider, has acquired ethpass, a company providing applications to generate, manage and update event passes, loyalty cards and discount coupons for Apple and Google Wallet. Terms were not disclosed.

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

Target	Acquirer	Transaction Summary	AP M&A Alert
		Transaction Value: Not Disclosed Rationale: Lack of fit within Russian compliance Sector: Brokers & Exchanges Target Description: Russian business of the Binance enterprise.	
		Transaction Value: \$10M Rationale: Increased tokenization capabilities & servicing Sector: Investing & Trading Infrastructure Target Description: Stablecoin, tokenization, and smart contract development firm servicing financial institutions and enterprises.	
		Transaction Value: Not Disclosed Rationale: Expansion of product set Sector: Data & Data Analytics Target Description: A sub-graph platform enabling developers to avoid building data pipelines.	
		Transaction Value: Not Disclosed Rationale: Ability to connect entire ecosystem of products Sector: Investing & Trading Infrastructure Target Description: NFT verification tool enabling data collection and integration with Apple & Google Pay through an API.	

OVERALL CRYPTO M&A ACTIVITY LEVELS

Past Five Years



Past 52 Weeks

