

September 30<sup>th</sup> - October 6<sup>th</sup>

## PERSPECTIVES by Eric F. Risley

What's up with NFTs?

This week, two of the five announced transactions related to non-fungible tokens (NFTs) representing digital assets like music and art. Aptos is acquiring HashPalette, a Japan-based platform that enables the mining, sale, management, and trading of entertainment-related NFTs. For context, this transaction involves a token exchange (PLT for APT), suggesting a value of \$10.5M based on the current price of APT tokens.

Vinyl Group, an Australian ASX-listed company, is acquiring Serenade, a music NFT marketplace with broad participation from record labels and artists. However, the transaction value of \$800,000 - \$2.3M highlights the continuing challenges in this market.

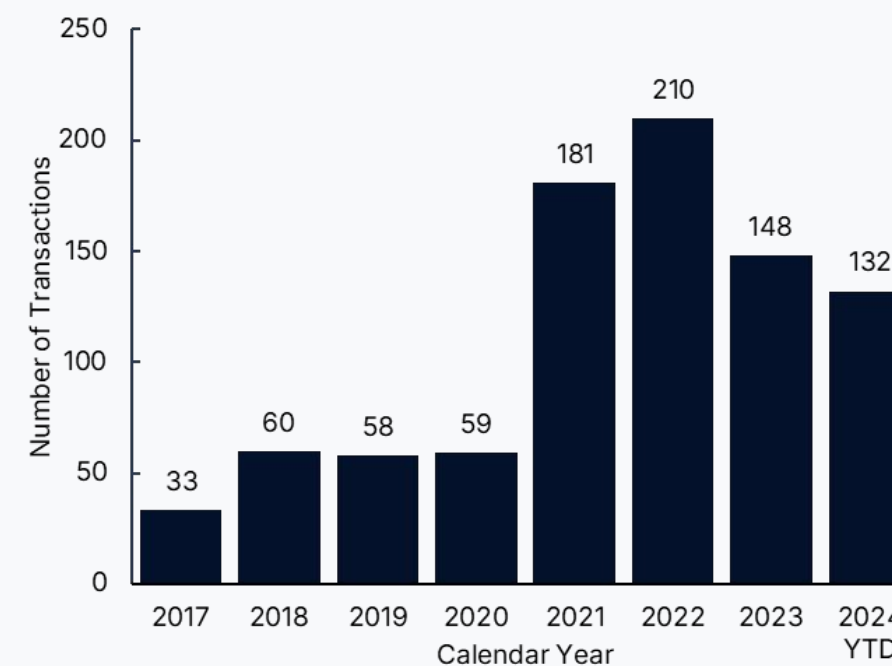
Returning to the question above, it's often after the hype fades that foundational progress is made. It's fair to say that NFTs have not yet found product-market fit at scale, particularly those representing digital assets like music, art, and game assets. However, The Block reports that between \$70M - \$95M of trades occur weekly, and thousands of newly minted NFTs are distributed daily. While these levels of activity are only a small fraction of the heyday, experimentation continues, and the NFT dream remains a work in progress.

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

Target	Acquirer	Transaction Summary	AP M&A Alert
HashPalette	APTOS	<b>Transaction Value:</b> estimated \$10.5M token exchange contemplated <b>Rationale:</b> Geographic Market Expansion <b>Sector:</b> Blockchain & Protocols <b>Target Description:</b> Offer "palettes" to mint, manage and trade digital content and also provides entertainment content updates such as manga, sports and music.	○
Atrust	Cabinet Cabinet for all web3 nation-builders	<b>Transaction Value:</b> Not Disclosed <b>Rationale:</b> Product Enhancement <b>Sector:</b> Blockchain for Enterprise <b>Target Description:</b> Provides certification services on the blockchain, invisible rights information and intellectual property rights and monetization methods for IP holders	○
WITHSOUL	glooi	<b>Transaction Value:</b> Not Disclosed <b>Rationale:</b> Capability Expansion <b>Sector:</b> DApp: Consumer, Media <b>Target Description:</b> Adds metadata for precise discoverability to guide consumers to relevant solutions, expands content reach across diverse applications, and harnesses blockchain and micro-transactions to maximize revenue potential	○
CRYPTO FINANCE	matrixport	<b>Transaction Value:</b> Not Disclosed <b>Rationale:</b> Geographic Market Expansion <b>Sector:</b> Brokers & Exchanges <b>Target Description:</b> Regulated 24/7 crypto execution trading, custody digital assets, custodial staking services, clearing & settlement trusted efficient processes, product issuance, customized crypto products, tokenization, blockchain technology solutions	○
SERENADE Home of the Digital Pressing	VINYL GROUP	<b>Transaction Value:</b> \$800k - \$2.3M <b>Rationale:</b> Geographic Market Expansion <b>Sector:</b> DApp: Consumer, Media <b>Target Description:</b> Developer of music NFT collectibles designed to buy, sell, collect, and showcase digital pressings	○

## OVERALL CRYPTO M&A ACTIVITY LEVELS

Past Eight Years



Past 52 Weeks

