

December 2<sup>nd</sup> - December 8<sup>th</sup>

## PERSPECTIVES by Eric F. Risley

Let's celebrate even the small wins.

This week was the most active week for announced crypto M&A transactions in history, and we've built what we believe is the most complete database covering every transaction since the inception of the crypto industry over the past 10 years.

Now, let's be honest—numbers aren't really what matters. We focus on "premium-value" transactions, which represent important strategic initiatives in action. None of this week's activity falls into that category. However, anything involving headline names like SBI Holdings and Yuga Labs deserves some level of attention. Both executed small transactions this week: SBI acquired customer accounts from a Japanese exchange, and Yuga Labs completed a team and technology acquisition. Neither falls into the "important" category.

From a broader strategic trend perspective, our team is focusing current attention on a number of important themes. You will see more from us on these topics in the coming weeks, but a "sneak" preview includes:

### Mergers & Acquisitions

- It's Time For Urgency
- Brokers & Exchanges M&A Is Stuck in a Valuation Tug of War

### Value Creation

- Crypto Has Delivered Exceptional Investor Returns Overall
- Crypto Continues to Outpace Internet Value Creation Pace
















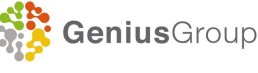
### Capital Markets

- Early Stage Crypto Venture Funding Is Thriving
- Growth Stage Crypto Funding Continues to Struggle
- Crypto IPOs Are Coming
- Leverage Is Quickly Returning

### Beyond Speculation

- Stablecoins Have Proven Real-World Use

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

Target	Acquirer	Transaction Summary	M&A Alert
	<b>WSCG Company</b>	<b>Transaction Value:</b> \$20.0M <b>Rationale:</b> Ensures survival of technology assets and expands scale in Brazil and Latin America <b>Sector:</b> Investing & Trading Infrastructure <b>Target Description:</b> offers core product lines such as the HUMBL Wallet and HUMBL.com, as well as white-label commercial services in areas such as government wallets, ticketing and more	○
		<b>Transaction Value:</b> \$4.8M <b>Rationale:</b> Mining rig acquisition <b>Sector:</b> Mining & Staking <b>Target Description:</b> Acquisition of 5 IceRiver KS3 Kaspa mining units	○
		<b>Transaction Value:</b> \$1.5M <b>Rationale:</b> Expands avenues for revenue growth through expanded offerings <b>Sector:</b> Investing & Trading infrastructure <b>Target Description:</b> Offers custodian services for digital assets through traditional trust and custody accounts, money transfer, currency conversion, investment and lending products and retirement account services	○
		<b>Transaction Value:</b> \$0.5M <b>Rationale:</b> Revenue stream diversification through end market expansion <b>Sector:</b> Consulting & Services <b>Target Description:</b> Development tools and services across blockchain, AI, Web2 and more	○
		<b>Transaction Value:</b> ND <b>Rationale:</b> Sale of customer accounts as business is shutting down <b>Sector:</b> Brokers & Exchanges <b>Target Description:</b> Japanese cryptocurrency exchange platform	○
	<b>Dai Lo</b>	<b>Transaction Value:</b> ND <b>Rationale:</b> Reigniting / rebooting Fractal network under new management <b>Sector:</b> Blockchains & Protocols <b>Target Description:</b> multi-layer network committed to applying zero-knowledge cryptography at every level of the Web3 stack	○
		<b>Transaction Value:</b> ND <b>Rationale:</b> Streamlining access to soil carbon projects for farmers and removing guesswork out of agricultural practice changes <b>Sector:</b> Enterprise Solutions <b>Target Description:</b> Distributed data layer and smart contract library that helps to integrate sustainability activities, enabling farmers and agribusiness digital infrastructure to trace, trade, and finance global agri-supply chains	○
		<b>Transaction Value:</b> ND <b>Rationale:</b> Enhance NFT capabilities through acquisition of talent and technology <b>Sector:</b> Dapp; Consumer, Media <b>Target Description:</b> Platform designed to securely verify NFT ownership without requiring users to connect their wallets	○
		<b>Transaction Value:</b> ND <b>Rationale:</b> Acquisition of XD Academy's talent <b>Sector:</b> Consulting & Services <b>Target Description:</b> Cryptocurrency / blockchain education platform	○

## OVERALL CRYPTO M&A ACTIVITY LEVELS

