

January 6th - January 12th

PERSPECTIVES by Eric F. Risley




The first week after the holidays was predictably slow in pace, albeit with some very serious intrigue.

On Tuesday, January 7, 2025, two FTX alumni—founders of the crypto wallet and exchange Backpack—announced they had acquired FTX EU’s business operations for \$32.7 million. The following day, the FTX bankruptcy estate released a statement titled *FTX Clarifies Certain Statements by Backpack Regarding Backpack's Purported Acquisition of FTX EU* ([link](#)), calling into question Backpack’s representations about the acquisition, including its assertion that the transaction was not authorized by the actual owners of FTX EU.

Needless to say, this is not normal. In fact, we cannot recall a single instance in which such a fundamental question has been raised following the announced completion of an M&A transaction.

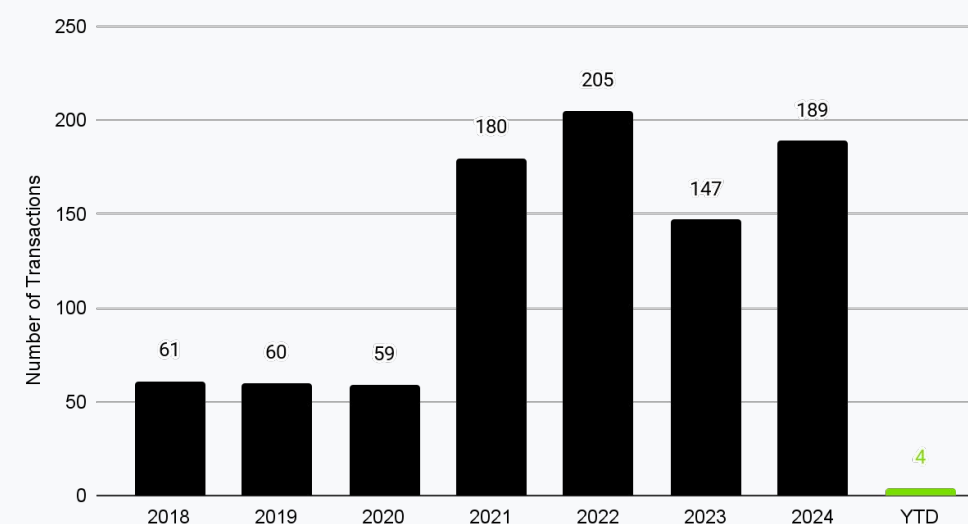
Is this an example of sloppy due diligence and poor attention to critical detail? Is it something more nefarious? We have no idea, but it is certainly the last thing the crypto industry needs: another self-inflicted wound.

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

Target	Acquirer	Transaction Summary	M&A Alert
		<p>Transaction Value: \$32.7M Rationale: Ensuring regulatory compliance for crypto derivatives business Sector: Brokers & Exchanges Target Description: European arm of FTX, which holds a MiFID II license under the Cyprus Securities and Exchange Commission (CySEC)</p>	
<p><i>(Validity in Question)</i></p>			

OVERALL CRYPTO M&A ACTIVITY LEVELS

Past Eight Years



Past 52 Weeks

