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Target: **NINJATRADER** Buyer: 

### Kraken Acquires NinjaTrader for \$1.5B: The Largest Ever Bridge Deal

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#### Transaction Overview

On March 20<sup>th</sup>, 2025, Kraken, a major cryptocurrency exchange, announced its acquisition of NinjaTrader, a U.S. based retail futures trading platform, for \$1.5B. The deal is expected to close in Q2 2025.

#### Target: NinjaTrader

NinjaTrader is financial trading software and brokerage for futures and forex trading, while also providing market analytics, trade simulation, advanced charting. They primarily serve roughly two million retail futures traders. In addition, NinjaTrader is a National Futures Association-registered introducing broker (and thus subject to CFTC oversight), and partners with Future Commission Merchants for its clearing and trade execution capabilities.

NinjaTrader was founded in 2003 by Raymond Deux, is headquartered in Chicago, Illinois, and employs approximately 400 team members. In 2019, the company was bought-out by Long Ridge Equity Partners, DRW Venture Capital, and Capital Southwest. The company then went on to raise \$86M in debt. Part of this debt was utilized to acquire Tradovate, a cloud-based futures trading platform, which was estimated to be worth \$115M in enterprise value.

#### Buyer: Kraken

Kraken is a global cryptocurrency exchange that enables users to buy, sell, and trade cryptocurrencies. The platform offers advanced trading features—including margin trading, futures, and staking—tailored to both businesses and individual users. It

also has market share within the stable-to-fiat onramp market - with over 40% of global market share among the major CEX companies.

Notably Kraken is coming off of a strong 2024, where its revenues grew 123% YoY and at a 28% 2-year CAGR to \$1.5B. This comes alongside an ARPU (Average-revenue-per-user) of \$2,023. Kraken also had an Adjusted EBITDA of \$380M. Operationally, the business recently reported over \$42.8B assets on the platform, 2.5M funded accounts and a total trade volume of \$665B, which is a 148% YoY increase and a 46% 2-year CAGR.

Kraken was founded in 2011 by Jesse Powell and Thanh Luu, the company is headquartered in Cheyenne, Wyoming, and employs over 2,600 team members across 12 countries. The company was last valued at \$10.8 billion following an acquisition financing round led by 2B Global, Novos Capital and The K Fund in February 2022, right at the peak of the crypto market. Investors include Tribe Capital, SBI Investments, Nelstone Ventures, Electric Capital, Blockchain Coinvestors, in addition to 166 more investors.

#### Transaction Parameters

Kraken acquired NinjaTrader for \$1.5B, with the form of consideration (cash or stock or a combination) being undisclosed. For the foreseeable future, NinjaTrader will act as an independent platform.

Comparable transactions include Kraken | CryptoFacilities for \$100M, BitStamp | Robinhood for \$200M, Satang Crypto Exchange | Kasikornban for \$102.8M, Orama | BTG Pactual for \$97M, Coinsquare & Coinsmart | WonderFi for \$70M, LedgerX | MIAX for \$50M.

#### Strategic Rationale

This acquisition allows Kraken to expand its product offering to include U.S. futures for both crypto and traditional markets, which aligns with Kraken's broader multi-asset-class strategy and ultimate entry into equities trading and payments.



The press release lays out 4 clear areas of synergy: 1) Kraken acquires NinjaTraders CFTC-registered FCM license allowing for crypto futures and derivatives in the U.S., 2) Kraken's U.K. and E.U. MiFID and Australian securities licenses accelerates NinjaTrader's global expansion, 3) both customer bases can now trade crypto, futures and traditional financial products, and 4) Kraken clients get access to NinjaTrader's analytics, execution engines and liquidity, while Kraken provides crypto-liquidity and trading UI.

### **Architect Partners' Observations**

Large crypto native firms are turning attention to inorganic growth once again. A very strong Q4 has helped increase the capital to use and firms are increasingly eager to deploy.

For Kraken, this is a product growth driven acquisition. As they've previously expressed interest in expanding capabilities beyond crypto, adding complementary futures trading is an easy step, allowing not only crypto futures access directly but expanding to other asset classes.

Kraken's strategy diverges from their main US competitor, Coinbase, in that Coinbase seems focused on all things crypto while Kraken is leveraging its crypto foundation to expand into the wider financial services world. With a wider product focus, there are more opportunities for inorganic growth.

We see this transaction as a good sign for capital market activity. We always love "bridge transactions" where traditional financial services firms acquire a crypto native. This shows a longer term optimism that the industry can be part of the larger ecosystem. A reverse bridge deal, like Kraken's deal here, is also a good sign with similar positive signals.

Additionally, sizable deals generally force competitors to pay attention and see if they need to act. We know several players that have moved their acquisition interest from the passive "we'll take a look" to a more active posture of "let's see what's out there". As bankers, we love to see it.

### **Sources**

[PitchBook](#), [NinjaTrader Press Release](#), [Kraken Press Release](#), [The Block](#)