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Target: **HiddenRoad** Buyer:  **ripple**

### Ripple Acquiring HiddenRoad for \$1.25B

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#### Transaction Overview

On April 8<sup>th</sup>, 2025, Ripple, a crypto-payments infrastructure business, announced the acquisition of HiddenRoad, a multi-digital asset prime broker, for \$1.25B.

#### Target: HiddenRoad

HiddenRoad, founded in 2018 and headquartered in New York, NY, is a technology-driven prime brokerage firm that offers 300+ institutional clients comprehensive services in clearing, financing, and execution across both traditional and digital asset markets. Their offerings include: 1) Prime Brokerage services in foreign exchange (FX), precious metals, digital assets, and over-the-counter (OTC) swaps across various asset classes, 2) clearing solutions for derivatives, including futures and options, as well as sponsored access and direct market access and 3) margin financing for derivatives and digital assets.

Relevant investors include Greycroft, which holds a board seat, Foresight Ventures, IMC Strategic Investments, Castle Island Ventures, Citadel, Coinbase Ventures, Corner Capital, Fasanara Capital, Global Founders Capital, Humla Ventures, Optiver, Profluent Trading, SLN Capital, Uncorrelated Ventures and Wintermute Ventures.

#### Buyer: Ripple

Ripple, founded in 2012 and headquartered in San Francisco, CA, is a blockchain-based payments infrastructure company focused on enabling money transfers using its native digital asset XRP and the XRP Ledger (XRPL). It primarily works with financial

institutions, providing them with tools to settle international transactions efficiently through its RippleNet network

In December 2024, Ripple launched its Ripple USD stablecoin, focused on institutions. The coin would use XRP to help add liquidity. Furthermore, in 2025, the first-ever spot XRP ETF was launched in the U.S. which can further boost institutional interest.

Ripple was last valued at \$11.3 billion following a \$285M share buy-back in January 2024. Notable investors include RRE Ventures, Core Innovation Capital, IDG Capital, and Vast Ventures who are board members and 107 other investors including Pantera Capital, Lightspeed, IDG, GV, and Fidelity International Strategic Ventures

#### Transaction Parameters

Ripple announced the acquisition for \$1.25B. Greycroft announced in their discussion on the investment that HiddenRoad had \$100M in revenue in 2024, which makes the EV / Revenue multiple 12.5x.

Notable similar transactions in the last twelve months include Arbelos Markets | FalconX ([M&A Alert](#)) NinjaTrader | Kraken for \$1.5B ([M&A Alert](#)), Stillman Digital | DeFi Technologies, Flovtec | STS Digital, CTF Capital | Borderless.

#### Strategic Rationale

This transaction allows Ripple to implement its stablecoin, RLUSD, to use across HiddenRoad's prime brokerage services, thus greatly proliferating its presence. HiddenRoads clears up to \$3 Trillion annually for over 300+ financial institutions. Furthermore, this unlocks growth opportunities for HiddenRoads as the business was previously "constrained" due to balance sheet limitations, which Ripple addresses. Finally, it establishes Ripple as the first crypto firm to own and operate a global, multi-asset prime brokerage firm.



## Architect Partners' Observations

We consider this a quasi-reverse bridge transaction (where a crypto native buys a traditional financial services (TradFi) firm), which we love although it's a bit nuanced. Hidden Road has feet in both worlds, but we see the bigger strategy in the TradFi world.

Traditional prime brokers are usually in large banks. They can't offer crypto services due to regulatory uncertainty. We know when it is clear, they will, but non-bank prime brokers have a window to grow and build. Hidden Road is one of the handful larger players in this space.

For Hidden Road, it gives the needed capital to grow particularly in the lending space. For Ripple, there are immediate and longer term plays.

Ripple launched its stablecoin, but Tether & Circle are firmly entrenched, dominant players. Any financial product lives or dies by distribution. So Ripple using this as a distribution wedge makes sense not only for its stablecoin, but also for its ledger. If Hidden Road is captive to both, then their 300+ clients will also start to use it. It may help grow crypto market share, but it also opens the TradFi world where there are no entrenched players since the entire use case is nascent. TradFi products are what gets tokenized. So laying the groundwork to become the infrastructure behind it will be a fight. This acquisition helps get Ripple in the ring.

For deal terms, the strategic value is what drives this deal and pricing, recognizing both firms will have benefits.

For the larger M&A impact, we feel this will move other parties to move a bit more aggressively. We have seen a pick up not only in deals, but in general interest during our conversations with the entire ecosystem. More and more firms who were on the sidelines are now engaged. Engagement then leads to activity which we expect to grow over the next few quarters (with the caveat if the global economy craters, it will temper activity).

## Sources

[PitchBook](#), [CNBC](#), [CoinTelegraph](#), [Greycroft](#), [Reuters](#), [X](#)