

April 28th - May 4th

PERSPECTIVES by Eric F. Risley

Despite potentially worrisome economic trends, crypto M&A remains strong, echoing the record-setting pace that started in Q4 2024.






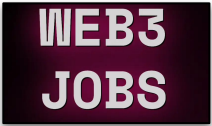






The week's largest disclosed transaction shows how M&A can solve problems: Riot Platforms acquired all the tangible assets of Rhodium Encore to resolve an unprofitable hosting contract that Riot had inherited when it bought Whinstone from Northern Data in May 2021. The US \$185 million transaction (a mix of cash, equity, and the return of a power-security deposit) includes 125 MW of hosting capacity, hosting operations, and ASIC mining infrastructure controlled by Rhodium.

Also notable, Zodia Custody expanded its regulated-custody footprint through the acquisition of Tungsten Custody Solutions, a UAE-based provider regulated by ADGM and VARA. Zodia illustrates traditional financial institutions' recognition of the importance of emerging crypto and digital-asset markets. Founded to offer global "bank-grade" custody, Zodia is backed by Standard Chartered, SBI, Northern Trust, Emirates, National Australia Bank, and Investcorp. The Tungsten deal further extends its global licensing and therefore its market coverage.

Security breaches and fraud remain an unacceptably large issue for the industry. We continue to see significant innovation and M&A activity to address these challenges. This week, Crystal announced the acquisition of Scam-alert.io. Scam-alert is a crowd-sourced alert system: victims can report scams anonymously, and Scam-alert organizes the data alongside similar reports. With Crystal's analytics, links between separate incidents and broader fraudulent schemes can be identified. This proactive approach not only enables law-enforcement agencies to react more quickly but also provides important warnings to users and virtual asset service providers (VASPs), potentially facilitating fund recovery.

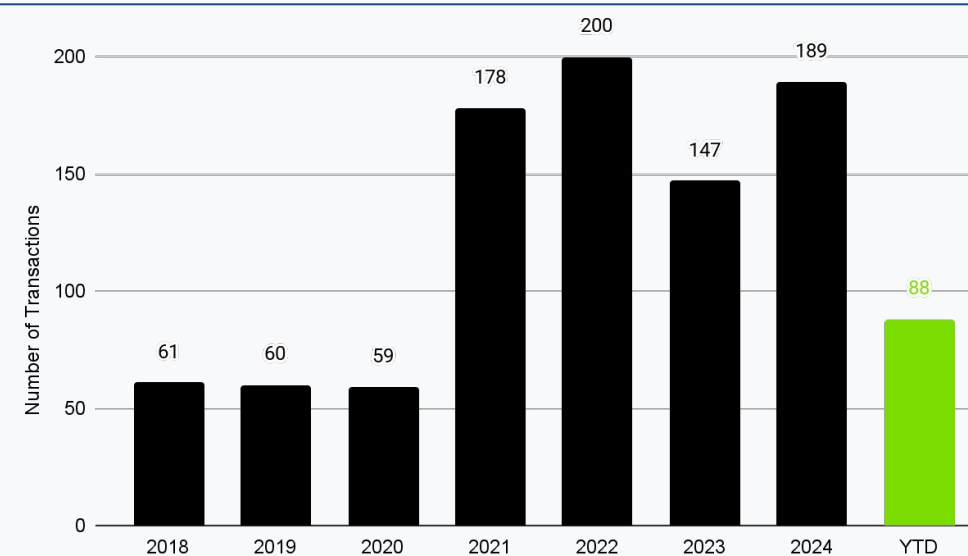
Architect Partners will be at Consensus Toronto and Stablecon in NYC. Please contact ryan@architectpartners.com to schedule a meeting.

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

Target	Acquirer	Transaction Summary	M&A Alert
 RHODIUM	 RIOT	Transaction Value: \$185M Rationale: Terminate unprofitable contracts and reclaim power capacity for Riot's own mining operations Sector: Mining & Staking Target Description: Hosted Bitcoin mining service with 125 MW of power capacity and ASIC hardware	○
 BUILDERFAX	 LUMBER	Transaction Value: ND Rationale: Tackle skilled-labor shortages through workforce credential transparency Sector: Enterprise Solutions Target Description: Digital credentialing platform for construction industry	○
Scam-alert.io	 Crystal	Transaction Value: ND Rationale: Enhance victim support and fraud detection Sector: Data & Data Analytics Target Description: Public crypto scam reporting platform	○
 WEB3 JOBS	 bondex™	Transaction Value: ND Rationale: Web3 talent marketplace scale and reputation integration Sector: Consulting & Services Target Description: Web3 hiring platform with 1.7M visits & 100K+ profiles	○
Loop Space	 NOIZ GROUP 聲揚集團	Transaction Value: ND Rationale: Expand AI-driven social engagement and decentralized finance Sector: DApp: Consumer, Media Target Description: AI-driven Web3 social & gifting platform	○
 TUNGSTEN	 zodia CUSTODY	Transaction Value: ND Rationale: Middle East regulatory footprint expansion and operational scale Sector: Investing & Trading Infrastructure Target Description: Licensed UAE crypto custodian with custody, tokenization & liquidity services	○
 FacultyGroup	 GHAF CAPITAL PARTNERS	Transaction Value: ND Rationale: Enhance delivery capabilities by uniting execution expertise with strategic capital networks Sector: Consulting & Services Target Description: Full-stack Web3 execution & advisory platform	○

OVERALL CRYPTO M&A ACTIVITY LEVELS

Past Eight Years



Past 52 Weeks

