

## Crypto M&A Snapshot

## May 5<sup>th</sup> - May 11<sup>th</sup> PERSPECTIVES by Eric F. Risley

Beware of pre-announcements; they may not be all they seem.

Back in January, Bloomberg reported that Deribit was in active M&A discussions and could be valued between \$4 billion and \$5 billion. This week, four months later, the acquisition of Deribit was officially announced for what appears, on the surface at least, to be a relatively modest \$2.9 billion in consideration.

Architect Partners estimates Deribit generated \$300 million in revenue in 2024. That implies a  $9.7 \times$  revenue multiple, certainly healthy, but well below the  $13 \times 17 \times$  revenue range rumored earlier, and below the  $12.5 \times$  revenue multiple Ripple reportedly paid for Hidden Road in their recently announced combination.

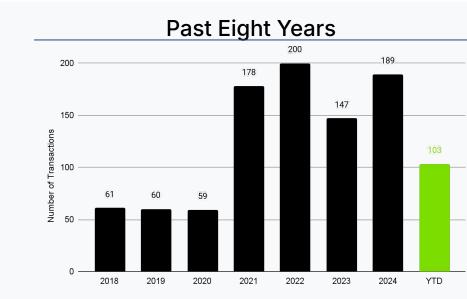
Regardless, this is once again the largest M&A transaction in crypto history and solidifies Coinbase as a leader in crypto-derivatives trading, a particularly lucrative segment. Coinbase entered the derivatives market with its acquisition of FairX (an Architect Partners client) a few years ago. More details are available in our M&A Alert.

The crypto M&A environment is robust, and we expect activity levels to rise further. Large, \$1 billion-plus transactions will become relatively commonplace, driven by ongoing consolidation and a soon-to-emerge cohort of acquirers drawn from traditional financial institutions. This momentum will be reinforced by the coming wave of crypto IPOs.

Trading and trading infrastructure are likely to remain the most prominent M&A themes. Two other segments are also noteworthy and increasingly active: a) the rapidly growing crypto-payments sector, and b) security and fraud-prevention solutions.

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

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

uirer	Transaction Summary	M&A Alert
oinbase	<b>Transaction Value:</b> \$2.9B <b>Rationale:</b> Derivatives offering expansion and market leadership <b>Sector:</b> Brokers & Exchanges <b>Target Description</b> : Global crypto options leader with \$30B in open interest	•
Sentora <sup>®</sup>	<b>Transaction Value:</b> \$25M <b>Rationale:</b> Unified institutional DeFi gateway <b>Sector:</b> DApp: Investing & Trading <b>Target Description:</b> Institutional DeFi gateway for yield, liquidity, and risk	Ο
ΝΥΞΝΙΛΜ	Transaction Value: \$2.3M Rationale: Enhance secure, verifiable data operations and Al-ready infrastructure Sector: Enterprise Solutions Target Description: Immutable ledger–based secure data sharing & delivery	Ο
C autobooks	<b>Transaction Value:</b> ND <b>Rationale:</b> Expand payables capabilities to complete small business finance platform <b>Sector:</b> Payments Infrastructure <b>Target Description:</b> Business & consumer bill pay infrastructure provider	Ο
BEYOND™	<b>Transaction Value:</b> ND <b>Rationale:</b> Expand tokenized-asset discovery and XRPL ecosystem capabilities <b>Sector:</b> Data & Data Analytics <b>Target Description:</b> Web3 analytics & discovery platform for XRPL	Ο
	<b>Transaction Value:</b> ND <b>Rationale:</b> Expand community-driven engagement and monetization <b>Sector:</b> DApp: Consumer, Gaming <b>Target Description:</b> Blockchain social questing platform for gamified engagement	Ο
BioSig technologies	<b>Transaction Value:</b> ND <b>Rationale:</b> Expand on-chain commodity finance capabilities and secure Nasdaq listing <b>Sector:</b> Investing & Trading Infrastructure <b>Target Description:</b> Commodity RWA issuance & exchange infrastructure	Ο
<b>CNIC</b> MARKETS	<b>Transaction Value:</b> ND <b>Rationale:</b> Expand tokenization and self-custody capabilities <b>Sector:</b> Investing & Trading Infrastructure <b>Target Description:</b> Tokenization & self-custody blockchain solutions	Ο

