Architect Partners

Crypto M&A Snapshot

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May 12th - May 18th

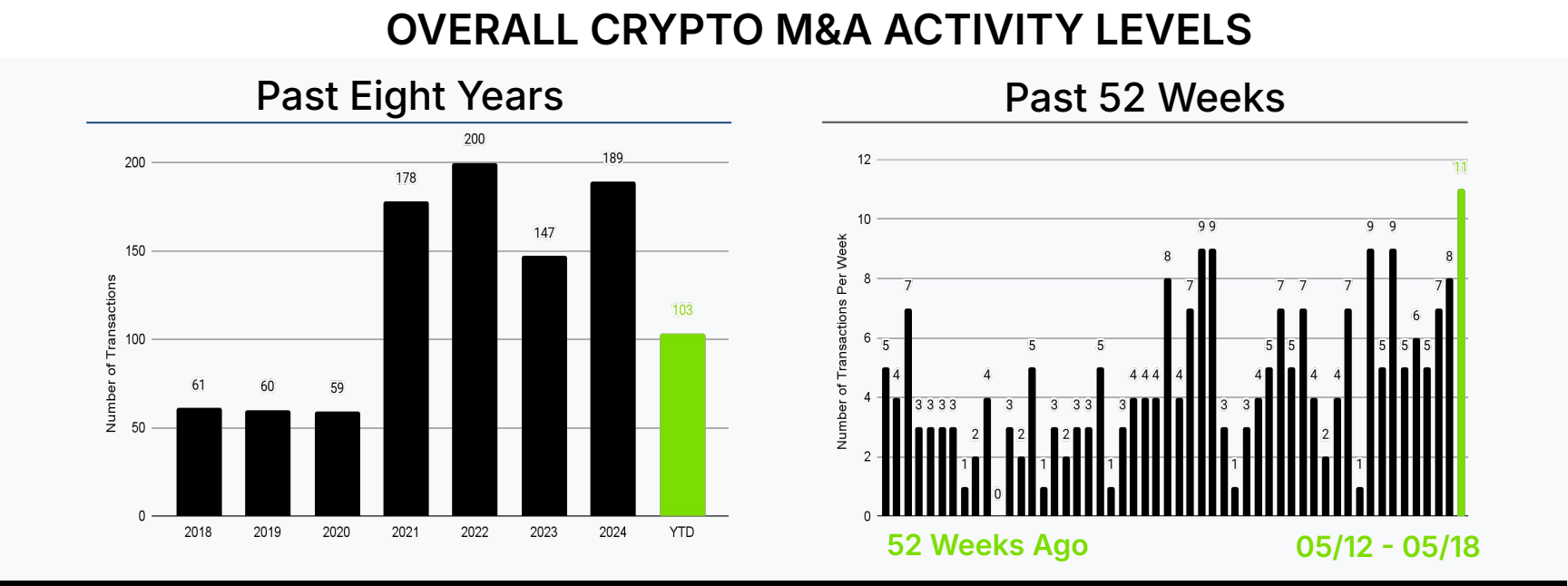## PERSPECTIVES by Eric F. Risley

Another week, another record falls.

This past week featured 11 announced crypto M&A transactions, an all-time record number. While the number of transactions is promising, we tend to focus on strategic significance and size. This week, three themes emerged.

First, the theme of "bridge" M&A refers to traditional financial-services firms acquiring or building their crypto businesses. This week, Robinhood continued its commitment to building its crypto business through the acquisition of Canadian crypto brokerage WonderFi. This is the second crypto-brokerage acquisition by Robinhood after it acquired Bitstamp in mid-2024. In contrast to the premium valuations we have been seeing recently, this transaction was a far more modest 4.0x 2024 actual revenue. More in our M&A Alert **here**.

Second is the "get public" theme. In this case, a reverse public-company merger of Nakamoto and KindlyMD, together with a concurrent 710 million-dollar financing, aims to build "the first global network of Bitcoin treasury companies". As described in the press release, "We (Nakamoto) believe a future is coming where every balance sheet, public or private, holds Bitcoin. Nakamoto seeks to be the first publicly traded conglomerate designed to accelerate that". We will see what that means with time.

Third is the rising importance of stablecoins. Anchorage acquired the team, technology, and licenses of Mountain Protocol, an issuer of the USDM stablecoin. Anchorage will use this expertise and these capabilities to support other stablecoins in the future, winding down the USDM stablecoin in an orderly manner.

OVERALL CRYPTO M&A ACTIVITY LEVELS

Past Eight Years

Year	Number of Transactions
2018	61
2019	60
2020	59
2021	178
2022	200
2023	147
2024	189
YTD	103

Past 52 Weeks

(bar chart of Number of Transactions Per Week, from 52 Weeks Ago to 05/12 - 05/18, with final bar at 11)

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

Target	Acquirer	Transaction Summary	M&A Alert
WonderFi	Robinhood	**Transaction Value:** $179m **Rationale:** Accelerate Canadian crypto market expansion **Sector:** Brokers & Exchanges **Target Description:** Canadian crypto exchange duo with C$2.1 B assets under custody	🟢
NAKAMOTO	KindlyMD	**Transaction Value:** 710m **Rationale:** Transform a public vehicle into a leading, compliant Bitcoin treasury platform **Sector:** Investing & Trading Infrastructure **Target Description:** Bitcoin treasury holding company	⭕
CryptoPunks	NODE	**Transaction Value:** $20m **Rationale:** Preserve and steward a foundational digital art legacy **Sector:** DApp: Consumer, Media **Target Description:** Iconic 10K Ethereum NFT pixel avatar collection	⭕
HQ Headquarters	Gnosis	**Transaction Value:** $15M **Rationale:** Accelerate on-chain business payments and global stablecoin adoption **Sector:** Payments Infrastructure **Target Description:** Self-custodial stablecoin business account & payments platform	⭕
AMERICAN BTC	GRYPHON DIGITAL MINING	**Transaction Value:** ND **Rationale:** Scale public Bitcoin mining and strategic reserve accumulation **Sector:** Mining & Staking **Target Description:** Bitcoin mining & accumulation platform	⭕
POW.re Computation Commodified	BLOCK GREEN	**Transaction Value:** ND **Rationale:** Broaden beyond mining with integrated financial services and liquidity solutions **Sector:** Mining & Staking **Target Description:** Swiss Bitcoin liquidity & financial services protocol	⭕
CHIBI CLASH	SCRYPTED	**Transaction Value:** ND **Rationale:** Accelerate AI-agent gaming and enrich player experiences **Sector:** DApp: Consumer. Gaming **Target Description:** Web3 gaming ecosystem with on-chain assets	⭕
FLOOD	0x protocol	**Transaction Value:** ND **Rationale:** Strengthen DEX aggregation infrastructure and execution quality **Sector:** DApp: Investing & Trading **Target Description:** Ethereum focused DEX aggregator with optimized routing & execution	⭕
KROMA	ZKCANDY	**Transaction Value:** ND **Rationale:** Unify Layer 2 ecosystems to supercharge AI-powered gaming and developer tooling **Sector:** Blockchains & Protocols **Target Description:** AI-gaming optimized zkEVM Layer 2 chain	⭕
Mountain Protocol	anchorage digital	**Transaction Value:** ND **Rationale:** Expand institutional stablecoin issuance capabilities **Sector:** Payments Infrastructure **Target Description:** U.S. Treasury-backed multi-chain stablecoin issuer	⭕
DYNAMITE BLOCKCHAIN	Kaspa	**Transaction Value:** ND **Rationale:** Strengthen security and streamline onboarding in the Kaspa ecosystem **Sector:** Enterprise Solutions **Target Description:** Kaspa biometric auth & compliance solution	⭕