

September 15th - September 21th

PERSPECTIVES by Eric F. Risley

Traditional financial services continue to embrace crypto globally.

This week, UK-based IG Group **acquired** Independent Reserve for an implied total enterprise value of \$117M as the headline. However, in M&A transactions, structure matters, which we'll get to below.


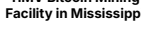





IG Group offers active, retail trader-focused online equity, options, and futures trading products under the Tastytrade brand and, more recently, via the Freetrade brand through an acquisition earlier this year. IG Group began bolstering its nascent crypto-trading offering in May 2025 through a partnership with Uphold's crypto-as-a-service product. The acquisition of Independent Reserve substantially augments IG Group's crypto business with 129,000 funded accounts, \$23M in last-twelve-months revenue, and clients in Australia and Singapore.

While headlines are great, the details matter more. In this case, IG Group is acquiring only 70% of Independent Reserve, and a portion of the closing consideration is being held back and is contingent upon performance in the fiscal year ending June 30, 2026. IG Group has the option to acquire the remaining 30% stake in the future, with the purchase price dependent on financial performance in fiscal years 2027 and 2028.

Bottom line: the actual consideration at closing is \$72M for control of a business that generated \$23M in revenue over the past twelve months, a modest 3.1x revenue multiple. Yes, the structure allows for future payments, the amount of which will depend on future performance. This may result in a higher valuation multiple in retrospect.

Why this structure? Almost certainly to bridge a gap between the valuation expectations of the acquirer and the seller. In M&A, there are many ways to create structures that can be win-win if certain future events unfold. In this case, IG Group can acquire the remaining 30% ownership stake at pre-negotiated values that vary with financial performance over the next three years. The shareholders of Independent Reserve are effectively putting that future consideration at risk because they believe they can perform well and "earn" an even better outcome. The nuances here are only partially disclosed, so it's impossible for an outsider to assess the specifics. However, these types of structures, and the required leap of faith, can be an effective mechanism to align buyer and seller needs.

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

Target	Acquirer	Transaction Summary	M&A Alert
 Independent Reserve	 IG Group	Transaction Value: \$116.6M Rationale: To enter into the Asia-Pacific crypto market and further broaden its digital assets offering Sector: Brokers & Exchanges Target Description: Australian regulated crypto exchange platform	
 Turing Capital	 Keyrock	Transaction Value: \$27.8M Rationale: To strengthen its crypto capital markets involvement Sector: Investing & Trading Infrastructure Target Description: Crypto-related alternative investment fund	
 XCURE CORP	 VESTAND	Transaction Value: \$6.4M Rationale: Expanding beyond a crypto strategy by entering Korean investment market and acquiring an operating business Sector: Payments Infrastructure Target Description: Crypto wallet, smart card and mobile security provider	
 intergiro	 valuno	Transaction Value: \$5.3M Rationale: To constitute its strategy to establish as a Payment-as-a-Service provider Sector: Payments Infrastructure Target Description: Crypto card-issuing and payments API provider	
 11MV Bitcoin Mining Facility in Mississippi	 LMFUNDING	Transaction Value: Not disclosed Rationale: To strengthen its mining capabilities Sector: Mining & Staking Target Description: 11MV Bitcoin Mining Facility located in Mississippi, United States	
 STRIVE	 STRIVE	Transaction Value: Not disclosed Rationale: To attain crypto information distribution channel Sector: Consulting & Services Target Description: Bitcoin-focused crypto media and podcast provider	
 MikoSea	 Asterio	Transaction Value: Not disclosed Rationale: To step into blockchain and strengthen its portfolio mapping in no-code developing Sector: Developer Tools & Infrastructure Target Description: NFT crowdfunding and no-code developing tools developer	
 FINBOLD	 Dubai-based Media Group	Transaction Value: Not disclosed Rationale: To consolidate fintech and crypto media reach Sector: Consulting & Services Target Description: Fintech & crypto news provider	
 AMB CRYPTO	 Dubai-based Investment Group	Transaction Value: Not disclosed Rationale: Expand investment portfolio to crypto-related media Sector: Consulting & Services Target Description: Consumer-facing crypto news publisher	
 Meso	 MoonPay	Transaction Value: Not disclosed Rationale: To expand its global payments network prospects through addition of MTLs, BitLicenses and MCA approvals Sector: Payments Infrastructure Target Description: Bank-to-crypto payments rails for Web3 Apps	
 Nucleus	 PAXOS Labs	Transaction Value: Not disclosed Rationale: Establishes Paxos Labs, which aims to offer compliant on-chain yield Sector: Developer Tools & Infrastructure Target Description: Default-yield provider for rollups and appchains	

OVERALL CRYPTO M&A ACTIVITY LEVELS

