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Target:  BITNOMIAL

Buyer: 

### Kraken's Parent Payward to Acquire Bitnomial for \$550M

Author: glenn@architectpartners.com  
dong@architectpartners.com

More Information: efr@architectpartners.com

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#### Transaction Overview

On April 17<sup>th</sup>, Payward, the parent company of crypto exchange Kraken, announced a definitive agreement to acquire Bitnomial, the first fully CFTC-licensed crypto-native derivatives exchange in the U.S., for up to \$550 million in cash and stock.

#### Target: Bitnomial

Founded in 2014 and based in Chicago, Bitnomial is a U.S. fully-regulated digital asset derivatives trading exchange. Bitnomial is the first and only crypto-native exchange company in the United States to hold all three CFTC-issued licenses (DCM, DCO, FCM) required to operate an end-to-end domestic crypto trading and derivatives business.

Bitnomial's key offerings include physically delivered Bitcoin futures and options, perpetual futures, leveraged spot trading, and prediction markets, all on a single unified exchange and clearinghouse with digital asset margin and settlement capabilities. The platform also supports crypto-native settlement, crypto collateral, and continuous 24/7 trading.

Bitnomial's regulatory journey spanned over a decade. The company received its DCM (Designated Contract Market) license in April 2020, enabling it to operate an exchange for margined and deliverable digital asset futures and options. In 2022, its subsidiary obtained FCM (Futures Commission Merchant), allowing it to accept customer orders and hold margin funds. In December 2023, the CFTC approved its clearinghouse (DCO) application, completing its full set of derivatives licenses.

Bitnomial has raised approximately \$49 million across multiple rounds. Notable investors include Ripple, Electric Capital, Franklin Templeton, Jump Trading, DV Chain, Consolidated Trading, RRE Ventures,

Coinbase Ventures, Belvedere Strategic Capital, Collab+Currency, Digital Currency Group, and O'Brien Investment Group.

Bitnomial has shown a strong growth in history. In the first half of 2024, Bitnomial Exchange traded over \$130 million in notional value, a 1,081% increase year over year. The platform currently lists derivatives across over 10 underlying digital assets, which Bitnomial describes as the broadest CFTC-regulated crypto derivatives coverage in the U.S. by number of assets.

Bitnomial's main competitors include Deribit | Coinbase, D2X, One Trading, as well as incumbent derivatives venues such as CME Group and Cboe, which have also expanded into crypto derivatives.

#### Buyer: Payward (Kraken)

Payward is the parent company of Kraken. Originally the legal entity behind Kraken, Payward was repositioned in February 2026 as a multi-brand holding platform. Payward currently encompasses Kraken, NinjaTrader, Breakout, Backed Finance, xStocks, and CF Benchmarks, as well as Payward Services, its B2B infrastructure arm.

Kraken, historically Payward's operating brand and the flagship brand now, is one of the world's largest cryptocurrency exchanges, founded in 2011 and headquartered in Cheyenne, Wyoming. The platform serves more than 15 million clients globally, providing trading across more than 300 digital assets and six national currencies, along with custody, staking, and institutional prime services.

Kraken has been aggressively expanding into derivatives and multi-asset trading through M&A. Its largest acquisition to date was the \$1.5 billion purchase of NinjaTrader in March 2025 ([M&A Alert](#)), a leading U.S. retail futures trading platform and CFTC-registered FCM, which marked the largest-ever transaction combining traditional finance and crypto. Kraken also acquired Crypto Facilities, a U.K. FCA-regulated crypto futures platform, the predecessor of Kraken Futures.

The company has also expanded beyond the crypto exchange. In 2025, Kraken introduced commission-free trading for over 11,000 U.S.-listed stocks and ETFs, stepping into equities and tokenized stocks. The same year, it launched Krak, a P2P payments app for cross-border transfers.

For the full year of 2025, Payward reported adjusted revenue of \$2.2 billion, a 33% increase year over year from \$1.5 billion in 2024. Platform transaction volume reached \$2 trillion, and the platform ended the year with \$48.2 billion in assets and 5.7 million funded accounts.



Trading-based revenue accounted for 47% of the total, with the remaining 53% from asset-based services, including custody, yield, payments, and financing.

In November 2025, Payward raised \$800 million in funding at a \$20 billion post-money valuation, with participation from Citadel Securities, Jane Street, and Apollo Global Management, and confidentially filed an S-1 with the SEC for a planned IPO. The IPO was paused in March 2026 due to market conditions, but was revived in April 2026 when co-CEO Arjun Sethi confirmed the filing remained active.

In the same week of the acquisition announcement, Deutsche Börse Group [announced](#) a \$200 million investment for a 1.5% fully diluted stake of Kraken, which implies Kraken at a \$13.3 billion valuation.

### Transaction Parameters

Payward will acquire 100% of the outstanding equity of Bitnomial for up to \$550 million, payable in cash and stock. Based on Bitnomial's last round post-money valuation of \$228 million in Jul 2024, the transaction represents a 2.4x of that valuation, or a 139% premium.

The specific breakdown of cash and equity was not disclosed.

Previous comparable transactions include: Coinbase | Deribit for \$2.9B ([M&A Alert](#)), NinjaTrader | Kraken for \$1.5B ([M&A Alert](#)), Hidden Road | Ripple for \$1.25B ([M&A Alert](#)), and FairX | Coinbase ([M&A Alert](#)).

### Strategic Rationale

Payward is acquiring Bitnomial to consolidate ownership of the domestic regulatory infrastructure required to offer U.S. clients a full suite of CFTC-compliant derivatives products, including spot margin - perpetual futures, and options - without reliance on third-party clearing or brokerage arrangements. Bitnomial's DCM, DCO, and FCM licensed platform, built natively for crypto over more than a decade, represents infrastructure that cannot be replicated through partnerships or retrofitted from TradFi systems. By bringing all three licenses in-house, Payward eliminates structural dependencies and gains direct control of the settlement and clearing rails that define how derivatives markets function.

The integration across Kraken, NinjaTrader, and Payward Services creates a vertically integrated U.S. derivatives platform that can serve retail traders, institutional clients, and B2B partners through a single, regulated operating stack. With a potential IPO in view and Deutsche Börse now on the cap table, Payward is building the kind of institutional credibility and product completeness that public markets and institutional counterparties require.

### Architect Partners' Observations

This transaction is one of the most consequential in the current wave of crypto M&A, not because of its size, but because of what it represents structurally. Regulatory licenses are the scarcest and most defensible asset in U.S. digital asset markets today. Bitnomial's CFTC trifecta took over a decade to build and reflects a category of asset that cannot be recreated quickly regardless of capital. Payward is not only buying revenue, but is more importantly buying a durable competitive position in the U.S. derivatives market at a moment when institutional demand for compliant crypto derivatives is accelerating rapidly.

The broader implication is that the race to own an end-to-end regulated derivatives operation in the U.S. is effectively over for Payward's nearest competitors. Firms that do not control their own clearing and settlement infrastructure will face growing structural disadvantages as the market matures while paying margin to intermediaries, accepting product constraints, and losing the ability to innovate at the infrastructure layer.

This deal also signals what a credible IPO candidate in the crypto exchange space looks like: multi-brand distribution, end-to-end regulated services, institutional backing, and a path to derivatives dominance. Payward is checking each of those boxes in rapid succession.

In light of this transaction, how Payward's competitors navigate their strategic path forward will be one of the more interesting storylines to watch in U.S. crypto market structure over the next 12 to 24 months.

### Sources

[PitchBook](#), [Press Release](#), [Payward](#), [Kraken](#), [Bitnomial](#)