

J&A Sell-Side M&A Report

Alternative Asset Trading Information Platforms M&A Transactions and Valuations

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AUTHORS



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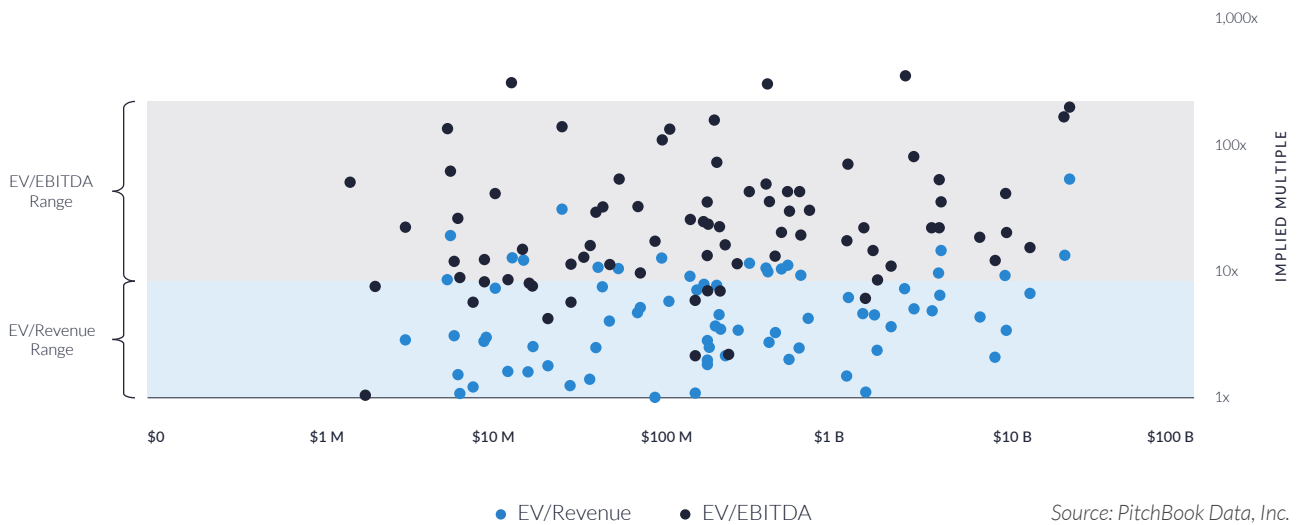
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The alternative asset trading information platforms sector grew significantly from Q1 2020 to Q4 2024 due to the adoption of digital transformation across financial markets. Alternative assets, such as commodities, real estate, collectibles, and increasingly digital entities like cryptocurrencies and digital tokens, offer diversification, high return potential, and access to new and emerging markets beyond traditional investments.

This report examines digital assets and currencies, two key components of the alternative assets spectrum. These digital entities have transformed investment strategies and market dynamics through their distinct characteristics and blockchain technology foundations. The report analyzes M&A transactions, valuation metrics, and regional trends during the period, offering a detailed evaluation of the strategic drivers behind mergers and acquisitions. By showcasing notable transactions and valuation patterns, the report highlights how strategic M&A improves scalability, drives sustainable growth, and reshapes competition within digital currencies and assets.

Transaction Valuation Multiples in the Alternative Asset Trading Information Platforms Sector Analysis (Q1 2020 – Q4 2024)



*The X- and Y-axes have been converted to a logarithmic scale to better visually represent the data.

EV / REVENUE			
MEAN 3 X	MEDIAN 2 X	MINIMUM 2 X	MAXIMUM 57 X
EV / EBITDA			
MEAN 9 X	MEDIAN 13 X	MINIMUM 18 X	MAXIMUM 377 X

- Valuation multiples are based on a sample set of private and public M&A transactions in the alternative asset trading information platforms sector, using data collected on January 20, 2025.
- Larger enterprises, particularly those with an enterprise value exceeding \$1 billion,

typically record lower valuation multiples, mostly ranging between 1x and 10x for both EV/revenue and EV/EBITDA. This shows the market views these companies as lower-risk investments due to their stable revenue streams, predictable profitability, and strong market presence, all of which justify lower growth premiums.

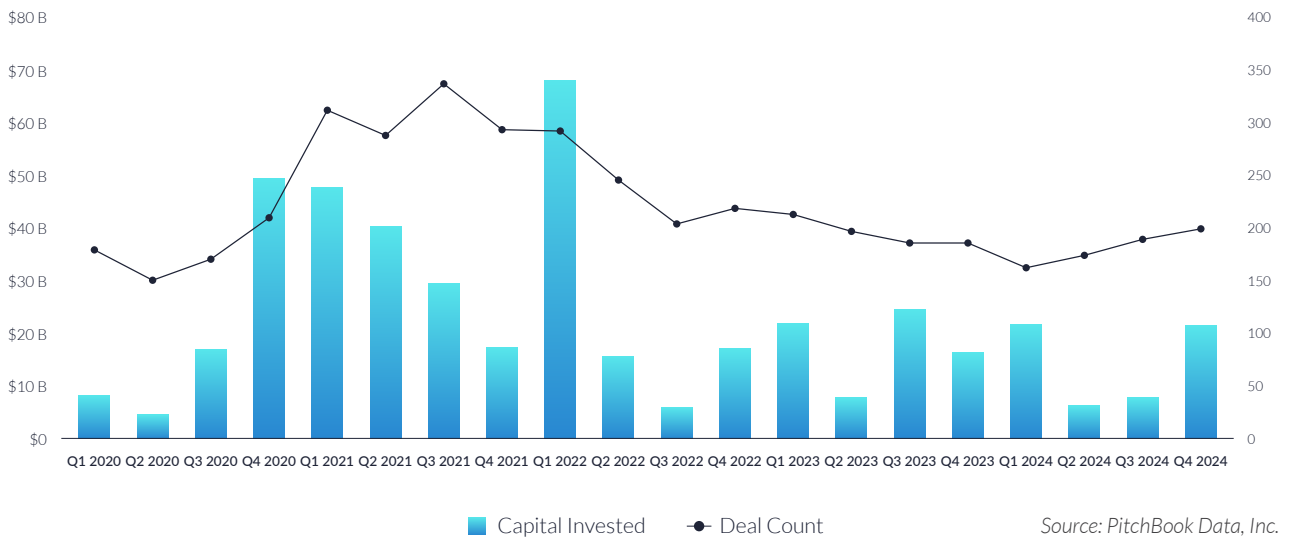
- Companies with an enterprise value under \$100 million in the specified sector exhibit a significant spread in their valuation multiples, often soaring as high as 10x to 100x, especially for EV/revenue. This spread reflects the market's readiness to pay a premium for potentially high growth rates and the speculative nature of investments in these smaller firms, which, despite their less established business models, present substantial upside potential.
- Across the dataset, EV/EBITDA multiples generally exceed EV/revenue multiples, emphasizing the importance of profitability and operational efficiency in the valuation process. This distinction becomes particularly evident in companies with higher enterprise values, where EBITDA more accurately reflects the operational success and cash-generating capability crucial for sustaining growth on a scale.



CAPITAL MARKETS ACTIVITIES

The data highlights transaction trends, valuation metrics, and regional dynamics in the alternative asset trading information platforms sector. The rise of digital assets, blockchain-based technologies, and real-time analytics has driven M&A activity and influenced valuations. Investors are utilizing innovative deal structures and targeting key geographic markets to capitalize on the growing demand for scalable, efficient platforms. These strategies are reshaping M&A dynamics, fostering innovation, and redefining the competitive landscape in this rapidly evolving sector.

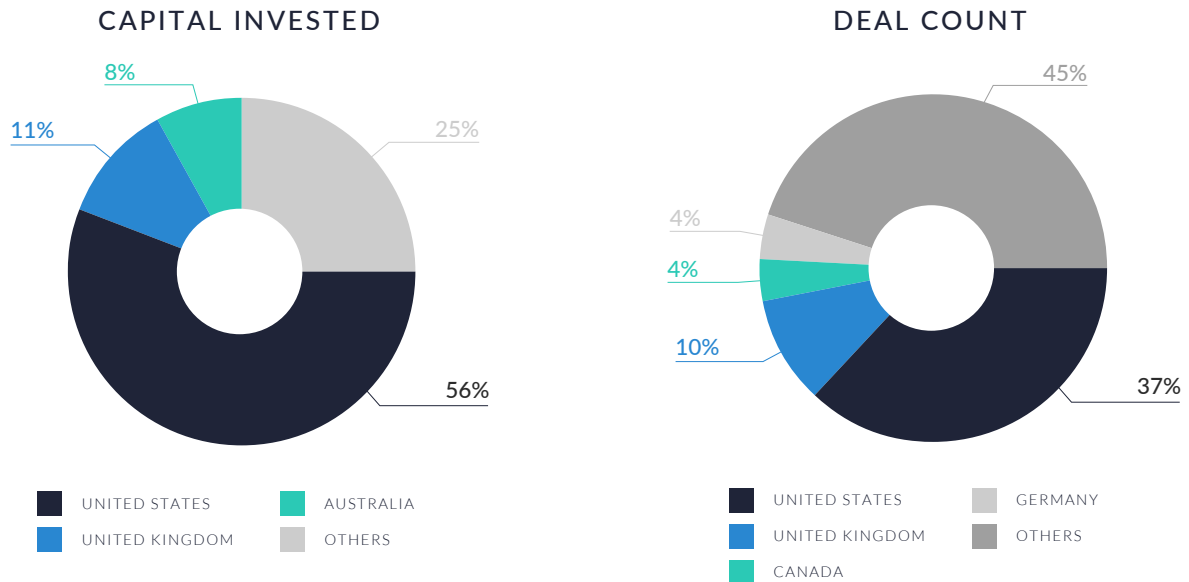
Announced M&A Transactions in the Alternative Asset Trading Information Platforms Sector (Q1 2020 – Q4 2024)



- Investors committed \$449 billion to the sector between Q1 2020 and Q4 2024, completing 4,415 deals with an average deal size of approximately \$102 million. This extensive activity underscores investor interest and dynamic market movements within the sector over this five-year period, reflecting strategic investments and market expansion initiatives.
- Capital investment reached its peak at \$68 billion in Q1 2022, with 293 deals, representing the highest investment within the observed period. This peak period of investment underscores a significant surge in investor confidence and strategic acquisitions, likely spurred by emerging opportunities or technological advancements that promised high returns.
- After peaking in Q1 2022, both capital investment and deal count displayed variability but generally followed a downward trend, concluding with 200 deals by Q4 2024. This trend reflects a transition toward market stabilization and investor prudence, emphasizing strategic, high-value investments as the market matures and less speculative opportunities become more prevalent.
- Despite a decrease in capital investment to \$22 billion in Q4 2024, the overall investment trends across the quarters show a gradual adaptation to evolving economic and sector-specific challenges. This stabilization illustrates continued investor commitment to fostering sustainable growth and strategic consolidation within the sector, directing capital towards impactful and innovative ventures.

The graphs below present the geographic distribution of transactions, providing additional detail on regional trends and investment dynamics.

Breakdown of Announced M&A Transactions in the Alternative Asset Trading Information Platforms Sector by Country (Q1 2020 – Q4 2024)



Source: PitchBook Data, Inc.

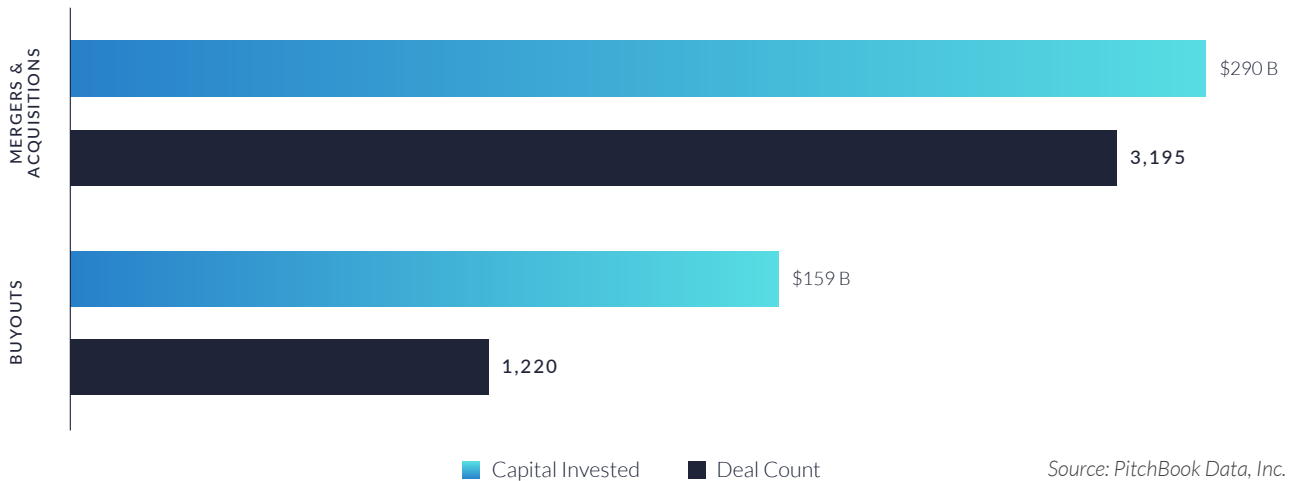
- The United States serves as the leading source and destination for capital, representing 56% of investments and 37% of the deals. This dominance stems from its robust financial markets, diverse investment opportunities, and advanced financial infrastructure. The US has established itself as a hub for alternative asset trading information platforms, supported by a strong investor base and early adoption of digital asset technologies. Transactions in the US typically involve higher average capital per deal compared to other regions, reflecting its focus on large-scale, high-value investments.
- The United Kingdom and Australia also hold significant positions in the investment landscape. The UK captures 11% of the capital and 10% of the deals, while Australia accounts for 7% of the capital. The UK plays

a critical role in this sector, driven by its status as a global financial center, while Australia leverages its growing fintech ecosystem and increasing focus on blockchain-based platforms to attract investments.

- Regional markets outside the US account for 25% of the capital and 45% of the deal count, underscoring the global scope of investment activities. These markets play a vital role in expanding the reach of alternative asset trading information platforms by providing access to emerging economies and addressing the growing demand for digital asset trading and analytics solutions. They often represent smaller or less capitalized markets, offering unique opportunities for diversification and growth in less saturated regions.

The deal-type dynamics below set the stage for understanding how capital flows and strategic priorities shape the alternative asset trading information platforms sector's growth and landscape.

Breakdown of Announced M&A Transactions in the Alternative Asset Trading Information Platforms Sector Deal Type (Q1 2020 – Q4 2024)



- Mergers and acquisitions in the alternative asset trading information platforms sector accounted for \$290 billion across 3,195 deals, representing approximately 65% of the total capital invested and 72% of the total deal count. This demonstrates a strong preference for pursuing growth through acquisitions to scale operations and enhance market influence.
- Buyouts, though less frequent than M&A, still played a significant role in the sector, with \$159 billion deployed across 1,220 deals. These transactions focus on acquiring control of companies to streamline operations, expand into new markets, and integrate technology-driven efficiencies.
- The substantial investment in both M&A and buyouts highlights a dynamic and competitive environment in the alternative asset trading information platforms sector. Businesses in this space actively pursue strategies to strengthen their market positions and improve operational performance. The high volume of M&A activity aligns with industry trends toward consolidation, as companies aim to leverage scale, integrate advanced technologies, and enhance shareholder value in the sector.

M&A TRANSACTIONS CASE STUDIES

Three key M&A transactions in the alternative asset trading information platforms sector underscore strategic enhancements in market leadership, technological integration, and operational growth. These deals have catalyzed global expansion, operational synergies, and technological innovation, transforming the industry’s competitive landscape. Investors capitalized on these opportunities to scale operations, foster sustainable growth, and create lasting value. Each acquisition was strategically designed to improve services, expand market reach, and enhance user engagement, establishing new benchmarks in the market.



CASE STUDY 01 COINMARKETCAP



Company: CoinMarketCap (CMC) is a leading cryptocurrency information platform that provides detailed data on thousands of cryptocurrencies, including prices, market capitalizations, trading volumes, and supply details. It supports users with historical data, advanced charts, and a robust ranking system, along with insights into cryptocurrency exchanges and trading pairs. The platform also offers tools for decision-making, such as real-time price tracking and comprehensive market analytics, making it a vital resource for both novice and experienced investors to analyze cryptocurrency trends effectively.

TRANSACTION TYPE	DEAL DATE
M&A	MARCH 31, 2020
ACQUIRER	ENTERPRISE VALUE
BINANCE	\$400 MILLION

TRANSACTION STRUCTURE

The structure of Binance's acquisition of CMC, finalized for about \$400 million in March 2020, likely involved a mix of cash, Binance stock, and potentially cryptocurrency. Although not all details were disclosed, high-profile tech acquisitions like this typically include both upfront payments and performance-based earn-outs, aligning stakeholder interests by linking some payments to post-acquisition performance benchmarks.

MARKET AND CUSTOMER SEGMENTS COMBINATION

Binance's acquisition of CMC expanded its reach across various customer segments within the cryptocurrency market, from retail investors to financial analysts. This merger drove significant traffic to Binance's trading platforms, enhancing its market influence by integrating CMC's extensive data services, which are invaluable for users seeking comprehensive market insights and advanced trading capabilities.

ACQUISITION STRATEGIC RATIONALE

The acquisition strategically leveraged CMC's strong brand recognition and substantial user traffic to strengthen Binance's market position and enhance user engagement. This move was aimed at enriching the market data available to Binance's users, influencing trading behaviors, and increasing liquidity on its exchange. It also aligned with Binance's goals to diversify its offerings and solidify its global presence in the crypto ecosystem, enhancing trust and transparency by providing access to independent and comprehensive market information.

KEY INTANGIBLE ASSETS



Brand Value
and Recognition



User
Base



Proprietary Data
and Algorithms

TRANSACTION RATIONALE



Market
Expansion



Enhanced User Engagement
and Retention



Strategic
Synergies



CASE STUDY 02

BLOCKFOLIO

Blockfolio

Blockfolio is a premier mobile app for cryptocurrency enthusiasts, streamlining investment management and tracking. It offers a suite of monitoring tools that deliver real-time price updates, market trends, and portfolio analytics. The app integrates seamlessly with various cryptocurrency exchanges, automating trade tracking and providing detailed performance statistics. Its decision-support features, including advanced analytics and trend data, help users make informed investment choices based on the latest market insights.

TRANSACTION TYPE

M&A

ACQUIRER

FTX

DEAL DATE

AUGUST 26, 2020

ENTERPRISE VALUE

\$150 MILLION

TRANSACTION STRUCTURE

FTX acquired Blockfolio for \$150 million. The specifics of the payment structure—potentially involving cash, stock, cryptocurrency, or a combination—were not fully disclosed. Given the nature of the transaction and the entities involved, it is likely that the payment included a variety of methods to facilitate the deal and align the interests of both parties.

MARKET AND CUSTOMER SEGMENTS COMBINATION

FTX’s acquisition of Blockfolio combined its robust trading infrastructure with Blockfolio’s portfolio management tools, catering to a wide audience, from casual investors to cryptocurrency enthusiasts. This merger expanded FTX’s services by integrating trading and tracking functionalities, delivering a seamless experience for users within a single platform.

ACQUISITION STRATEGIC RATIONALE

The acquisition enhanced FTX’s product offerings and user engagement by leveraging Blockfolio’s advanced technology and engaged user base. This move broadened FTX’s market presence, particularly among mobile users, and positioned it as a comprehensive financial platform. Additionally, the integration provided insights into user behavior and market trends, enabling FTX to tailor its services and implement targeted strategies to meet the evolving needs of its diverse customer base in the cryptocurrency sector.

KEY INTANGIBLE ASSETS



Proprietary Technology



Customer Base and Relationships



Brand Value and Recognition



Geographic Expansion



Synergistic Integration



Revenue and Growth Opportunities

TRANSACTION RATIONALE



CASE STUDY 03

COINIGY



Coinigy is a cloud-based cryptocurrency trading platform that enables users to manage trades across more than 45 cryptocurrency exchanges through a single interface. It offers advanced charting tools, real-time market data, and portfolio tracking, designed to support both novice and professional traders. With features such as customizable alerts and detailed market analytics, Coinigy simplifies the management of multiple exchange accounts and wallets, providing a secure and efficient trading solution.

TRANSACTION TYPE

BUYOUT

DEAL DATE

AUGUST 24, 2021

ACQUIRER

LIGHTSPEED TRADING

ENTERPRISE VALUE

UNDISCLOSED

TRANSACTION STRUCTURE

Lightspeed Trading, backed by Wedbush Securities, acquired Coinigy through a leveraged buyout, securing full ownership of the platform. The terms of the deal were not disclosed.

MARKET AND CUSTOMER SEGMENTS COMBINATION

The buyout enabled Lightspeed Trading to access Coinigy's broad customer base, ranging from casual investors to professional traders. Coinigy's comprehensive platform, which combines market analytics and a unified trading interface, aligns with Lightspeed's strategy to enhance its trading solutions and broaden access to financial markets.

ACQUISITION STRATEGIC RATIONALE

Lightspeed pursued the buyout to strengthen its technological capabilities and position in the cryptocurrency sector. Integrating Coinigy's tools and data improved Lightspeed's offerings, enhancing price transparency and trading control for users. The acquisition accelerated Lightspeed's growth in the cryptocurrency market and supported its goals of innovation and expansion within financial services.

KEY INTANGIBLE ASSETS



Customer
Base



Brand
Recognition



Advanced Technology
Platform



Technological
Synergy



Market
Expansion



Service
Diversification

TRANSACTION RATIONALE

The alternative asset trading information platforms sector has undergone significant changes, driven by advancements in digital technologies and the growing prominence of digital assets. M&A activity has played a key role in scaling operations, advancing technology, and broadening market reach. Transactions such as Binance’s acquisition of CoinMarketCap, FTX’s acquisition of Blockfolio, and Lightspeed Trading’s buyout of Coinigy highlight the sector’s emphasis on innovation and consolidation. As the sector continues to develop, M&A offers investors and stakeholders opportunities to address emerging challenges, capitalize on technological advancements, and sustain growth, reinforcing its impact on digital asset trading and information services.

SOURCES

COINMARKETCAP ACQUIRED BY BINANCE - CRUNCHBASE



‘THEY HAVE THE USERS’: BINANCE CEO EXPLAINS WHY HE BOUGHT COINMARKETCAP - YAHOO FINANCE



BINANCE BIDS \$400 MILLION TO ACQUIRE COINMARKETCAP - CRYPTONARY



CRYPTOCURRENCY EXCHANGE FTX ACQUIRES BLOCKFOLIO - FINTECH INTEL



FTX EXCHANGE’S \$150M DEAL FOR MOBILE-FIRST BLOCKFOLIO IS A RETAIL TRADING PLAY - COINDESK



LIGHTSPEED CRYPTO ACQUIRES COINIGY, ONE OF THE INDUSTRY’S LEADING CRYPTO TRADING PLATFORMS - COINIGY



PITCHBOOK DATA



JAHANI & ASSOCIATES

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