

## Business

# Sale puts \$1bn price tag on cryptocurrency group

**Robert Miller**

The New York-based private equity investor JC Flowers has agreed to pay \$300 million for a 30 per cent stake in the London-based LMAX Group, acquiring a minority stake from the firm's management who will remain in place as majority owners.

The cryptocurrency and foreign exchange group has gained a valuation of \$1 billion through the deal, which saw David Mercer, its founder and chief executive, and other members of senior management sell a portion of their existing shares in the business for a total cash consideration of \$300 million.

Three years ago the business was valued at \$100 million.

LMAX Group, which was founded in 2010 as part of Betfair, the gambling group, before a management buyout in 2012, operates five exchanges globally, with matching infrastructure in London, New York and Tokyo and clients in more than 100 countries.

In 2018 the company launched

LMAX Digital, a spot cryptocurrency exchange that has grown to serve more than 500 institutional clients.

JC Flower, which has offices in London and New York, was founded in 2001 and has about \$6 billion of assets under management, which is invested across a range of finance industry sub-sectors including banking, insurance, market infrastructure and foreign exchange companies.

Mercer said: "This is a significant milestone in the evolution of LMAX Group that vindicates our industry-leading business model and the role we have to play in the foreign exchange and cryptocurrency markets of the future."

He added: "Not only have we identified a like-minded partner in JC Flowers, which understands global capital markets and brings valuable connectivity to strengthen LMAX Group's presence in North America and Asia, but it is also one that shares our vision of building the company into the pre-eminent global foreign and cryptocurrency exchange."