

# OpenVoiceNews Pakistan

Transparent. Unbiased. Yours.

## Crypto Treasury Growth Slows as Leaders Take Hold

August 6, 2025

– Categories: Crypto



The wave of companies adding cryptocurrencies to their corporate balance sheets appears to be slowing down, according to Michael Novogratz, founder and CEO of Galaxy Digital (Toronto Stock Exchange: GLXY). Speaking during the firm's second-quarter earnings call, Novogratz suggested the trend of launching new crypto treasury firms has likely peaked, and the focus has now shifted to which existing players will rise to the top.

*"We've probably gone through peak treasury company issuance," Novogratz stated. "The question now is which of the existing companies will become monsters."* His remarks point

to a turning point in the industry, where simply entering the market is no longer enough; growth and scale will separate the serious contenders from the rest.

He cited **Ethereum (ETH)**, the world's second-largest cryptocurrency after **Bitcoin (BTC)**, as a key digital asset held by major treasury companies. Two firms in particular, **BitMine**, founded by market analyst Tom Lee, and **SharpLink**, established by Ethereum co-founder Joe Lubin, were noted as leading players. Novogratz believes these companies are well-positioned to grow further in a maturing and increasingly competitive space.

However, he warned that the environment is becoming tougher for newcomers. “*New entrants may have a harder time getting oxygen,*” he said, referring to the growing dominance of early movers and the narrowing space for fresh players.

Galaxy Digital currently manages cryptocurrency holdings for over 20 treasury investment firms, earning steady management fees from these partnerships. So far, these relationships have brought approximately \$2 billion in assets under Galaxy's management, creating what Novogratz called “*recurring income that will go on and on.*”

Crypto treasury firms typically raise capital through public markets and invest a portion of their corporate reserves into cryptocurrencies like BTC and ETH. Many of these firms have benefited from the improving regulatory outlook in the United States, where clearer guidance on digital asset investment has encouraged institutional involvement.

Unlike traditional businesses that hold most of their cash in fiat currency, crypto treasury firms treat digital assets as long-term strategic holdings. These companies often view cryptocurrencies as a store of value, hedge against inflation, or bet on the future of decentralized finance.

While the sector has seen explosive growth over the past two years, Novogratz's comments suggest the market is transitioning from a period of rapid expansion to one of consolidation and performance-based competition. The companies that survive and thrive are likely to be those with strong leadership, solid strategies, and the ability to scale.

As the digital asset space continues to evolve, the question is no longer who's entering the market, but who can lead it.