

# TransactionWatch

*Weekly Newsletter For Payments Executives That Covers The Most Important  
And Relevant Merchant Acquiring Deals And Activity*

*Week of:  
January 3<sup>rd</sup> – January 7<sup>th</sup>*

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# Deal Activity Summary

January 3<sup>rd</sup> – January 7<sup>th</sup>

## This Week's M&A Overview

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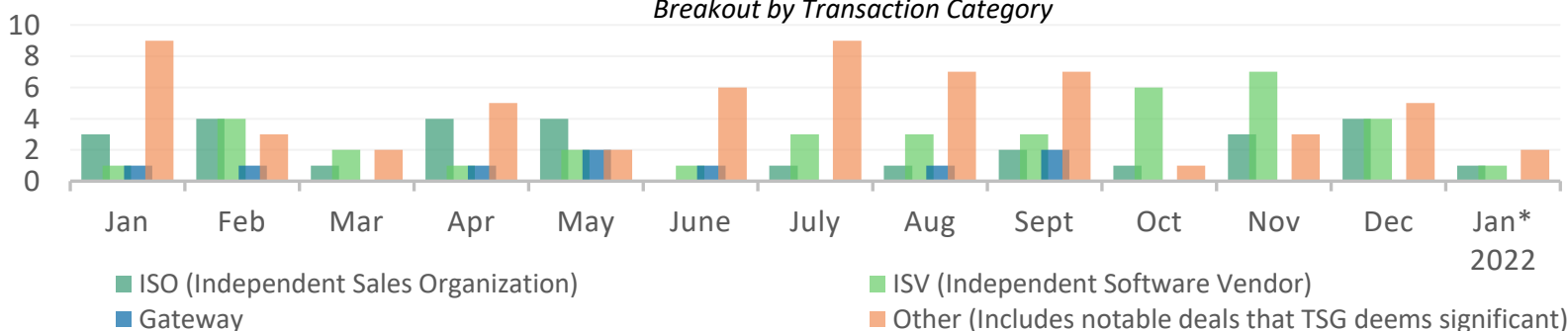
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The new year is ringing in with a hefty amount of new M&A transactions for the payments industry. To kick things off, REPAY announced this week of their acquisition of Payix, a payment technology provider geared towards lenders and loan servicers. For this deal, REPAY will pay \$95 million at closing, with up to an additional \$20 million through a potential earnout depending on Payix's 2022 performance. Based on Payix's 2022 expected revenue of \$15 million, REPAY is purchasing at a multiple of approximately 6.3x at closing. The addition of Payix ultimately enhances REPAY's market positioning in the growing automotive vertical.

In other M&A news, I3 Verticals announced that they have acquired an undisclosed business that provides solutions for court system data management in the southeast and mid-Atlantic. This deal will essentially help strengthen i3 Vertical's position in the Public Sector, and will be further disclosed during the company's upcoming earnings call in February. Separately, VeriCheck has announced their acquisition of Applied Payments (dba ACHWorks) for an undisclosed sum. This deal compliments VeriCheck's existing initiatives in expanding into ACH payment processing, which the company has been developing using Microsoft Azure over the past year. Following this deal, VeriCheck will incorporate ACHWorks' team and technologies in their existing payment offerings.

### 2021 – 2022 YTD M&A Activity

Breakout by Transaction Category



\*As of publication.

Note: TSG's selected M&A activity monitors specific markets relating to the acquiring industry and the general payments market.



# B2B Payment Network

## Navigating Through The B2B Payment Network

The B2B Payment Network has evolved significantly. Are you up to speed on the market opportunities currently available? TSG has proven results of helping clients [navigate the emerging B2B space](#). Whether starting new or improving the program you already have, there are critical questions you must ask.

### LOOKING TO START A NEW AP PROGRAM?

- Do you know there is a simple way to start this program at **no cost to you**?
- Do you know how much **additional revenue** you could potentially be generating?
- Are you aware that you could **be reducing manual processes and costs**?
- Are you looking for a way to **improve reconciliation processes** for yourself and your suppliers?

### DO YOU ALREADY HAVE AN AP PROGRAM?

- How **old** is your AP program?
- Are you **optimizing your returns**? Do you know you could potentially be leaving money on the table?
- The competition among AP Automation companies is aggressive when bidding for new business, **do you know how your program compares** against the industry?
- Are you looking to **exceed supplier acceptance targets**?

Whether you're looking to start a new program or improve your current accounts payable system, The Strawhecker Group is fully equipped to guide you through this initiative. TSG can help you partner with the right issuer to derive the most benefit from your program and maximize your ROI.

For more information, please email [Info@thestrwegroup.com](mailto:Info@thestrwegroup.com)





# Historical M&A Tracker

Transaction History: October 2021 – December 2021

## Transaction Categories:



**ISO**

Independent  
Sales Organization



**ISV**

Independent  
Software Vendor



**Gateway**



**Other**

Includes notable deals that TSG  
deems significant

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
ISV	PayFacto	iShopFood	-	1/6/2022
Other	VeriCheck	ACHWorks	-	1/6/2022
ISO	Corsair	Aurora Payments	- (Majority Stake)	1/4/2022
Other	REPAY	Payix	\$115	1/3/2022
ISV	Mastercard	Dynamic Yield	-	12/21/2021
Other	Thoma Bravo	Bottomline Technologies	\$2,600	12/17/2021
ISO	EVO Payments	National Bank of Greece (51% stake in Merchant Acquiring Unit)	\$180	12/16/2021
ISV	Flywire	WPM Education	-	12/15/2021
ISO	Celero Commerce	Everest Payment Solutions	-	12/14/2021
ISO	Mercado Libre	Redelcom	-	12/13/2021
ISV	North Mountain Merger Corp.	Corcentric	\$1,200	12/10/2021



# Historical M&A Tracker

Transaction History: October 2021 – December 2021

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
Other	Fortis	VIP Integrated Payments	-	12/8/2021
Other	Rapyd	Neat	-	12/8/2021
ISO	Worldline	Eurobank (80% stake in Merchant Acquiring unit)	\$290	12/7/2021
Other	Paymentology	Tutuka	-	12/6/2021
ISV	Stripe	OpenChannel	-	12/6/2021
Other	Payroc	SnapCheck	-	12/2/2021
ISO	Stax	CardX	-	11/30/2021
Other	Mastercard	Arcus FI	-	11/24/2021
ISV	KeyBank	XUP Payments	-	11/22/2021
Other	Sift	Keyless	-	11/18/2021
ISV	U.S. Bank	TravelBank	-	11/16/2021
ISV	Cart.com	180Commerce	-	11/15/2021
ISV	SpotOn	Dolce Software	-	11/15/2021
ISV	Ventoux CCM Acquisition Corp.	Presto	\$1,000	11/10/2021
ISV	Flutterwave	Disha	-	11/10/2021
ISO	Bottomline	Bora Payment Systems	\$15	11/9/2021
ISO	Tidal Commerce	Merchant Bancard Processing	-	11/4/2021



# Historical M&A Tracker

Transaction History: October 2021 – December 2021

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
Other	Klarna	PriceRunner	\$124	11/2/2021
ISV	Cross River Bank	Betterfin	-	11/2/2021
Other	Stripe	Recko	-	10/20/2021
ISV	Fiserv	BentoBox	-	10/18/2021
ISO	MiCamp Solutions	Express Payment Solutions	-	10/18/2021
ISV	SumUp	Fivestars	\$317	10/14/2021
ISV	Paystone	NiceJob	-	10/13/2021
ISV	Mindbody	ClassPass	-	10/13/2021
ISV	BillTrust	iController	\$58	10/12/2021
ISV	FreshBooks	FastBill	-	10/7/2021
ISV	Epicor	CBC Computer Systems	-	9/30/2021
Gateway	Mint Payments	IPG Group	-	9/30/2021
Other	Entrust	Antelop Solutions	-	9/22/2021
Gateway	Deutsche Bank	Better Payment	-	9/20/2021
ISO	FortisPay	OmniFund	-	9/14/2021
ISV	Intuit	Mailchimp	\$12,000	9/13/2021
ISV	SpotOn	Appetize	-	9/13/2021





## Headline News

January 3<sup>rd</sup> – January 7<sup>th</sup>



### **Adyen launches Android POS terminals**

[Adyen Press Release](#) | January 4<sup>th</sup>, 2022

Adyen, the global payments platform of choice for many of the world's leading companies, today (Jan. 4<sup>th</sup>) announced the launch of mobile Android point of sale (POS) terminals in the EU, UK, and the United States. The devices represent a fundamental change in the role of the payment terminal, functioning as an all-in-one solution, eliminating the need for separate cash registers, barcode scanners, and customer facing displays.



### **Worldline completes the acquisition of Axepta Italy**

[GlobalNewswire](#) | January 4<sup>th</sup>, 2022

Worldline, a leader in the payments industry, today (Jan. 4<sup>th</sup>) announces the completion of its acquisition of Axepta Italy, as part of its European consolidation strategy. The acquisition of 80% of Axepta Italy, a significant bank acquirer in the country, and the set-up of a strategic partnership with BNL in Merchant Services in Italy are part of Worldline's strategy to expand its presence across Europe through partnerships with leading financial institutions. It follows the acquisition of Handelsbanken's card-acquiring activities in the Nordics, the acquisition of Cardlink and the agreement for the acquisition of Eurobank Merchant Acquiring activities in Greece.



### **Corsair Acquires Majority Stake in Aurora Payments**

[BusinessWire](#) | January 4<sup>th</sup>, 2022

Corsair, a leading private equity firm targeting services, software, and payments investments in the financial services market, today (Jan. 4<sup>th</sup>) announced that it has acquired a majority stake in Aurora Payments, a full-service payment solutions provider for small and medium sized businesses (SMBs) across a variety of industries. Founded in 2005, Aurora offers a one-stop-shop solution for partners and merchants seeking to accept and receive electronic payments.



## Partnership Activity

January 3<sup>rd</sup> – January 7<sup>th</sup>

**Finicity**



### **Fintech Automation (FTA) Signs Agreement With Finicity, A Mastercard Company, To Utilize Open Banking Data And Enhance Its Infrastructure-as-a-service Platform**

[Finicity Press Release](#) | January 4<sup>th</sup>, 2022

FTA partners with Finicity to add secure account verification and automated personal financial management capabilities to IaaS. The agreement with Finicity provides FTA's customers access to consumer-permissioned account data for secure account validation and ownership when opening new accounts. This allows consumers to connect their primary account to deposit funds into a new investment account.

**payspan**

### **VBA and Payspan Announce Partnership to Simplify Benefits Selection and Payment**

[BusinessWire](#) | January 4<sup>th</sup>, 2022

VBA, a leading-edge healthcare software company, and Payspan, an industry leader in payment automation services, announced their partnership to help facilitate benefits selection and premium payments for health plan members. Shop and Enroll offers members a simple way to navigate benefits selection and a flexible premium payment system within a secure, trusted environment. VBA and Payspan will offer Shop and Enroll within the member-focused VBAGateway and VBA Total Enrollment solutions, providing a way for members to select their benefits, opt in to recurring payments, and securely make premium payments.

#### **Other Notable Partnerships:**

- **Judopay** partners with **Mastercard** to offer its SCA 'click to pay' solution to its customers.
- **Virgin Money** teams up with **Expend** to add expense management services to its business banking offering.
- **11Oneze** partners with **Mastercard** to launch a series of innovative payment services in the coming year.
- **ECI Software Solutions** partners with **Paymerang** for cloud-based invoice and payment automation.
- **Visa** teams up with **Azerbaijani banks** in providing financial services to underserved SMBs.





# Management Changes

January 3<sup>rd</sup> – January 7<sup>th</sup>



**Lisa Banks**



**JiNa Han**



**Mark Brodahl**



## SpotOn Expands Their Leadership Team With Three New Hires

SpotOn announced this week the appointments of three new individuals to their leadership team following their year of triple-digit growth. The new appointees include Lisa Banks as Chief Financial Officer, JiNa Han as Chief People Officer, and Mark Brodahl as Chief Revenue Officer.

Date Announced	Company	Personnel	New Position	Previous Position
1/4/2022	PCI Pal	<b>Tim Watts</b>	<i>VP of Sales for Canada</i>	Sales Director for Uniphore
1/4/2022	KodyPay	<b>Sophie Haagensen</b>	<i>COO</i>	Head of Strategy and Planning at Atom Bank
1/5/2022	SpotOn	<b>Lisa Banks</b>	<i>Chief Financial Officer</i>	Senior VP of Finance at ServiceNow
1/5/2022	SpotOn	<b>JiNa Han</b>	<i>Chief People Officer</i>	VP of People Experience at Dialpad
1/5/2022	SpotOn	<b>Mark Brodahl</b>	<i>Chief Revenue Officer</i>	VP of North America, Sales and Sales Operations
1/6/2022	BlueSnap	<b>Chris McNulty</b>	<i>Head of Global Sales</i>	Chief Revenue Officer at BillingTree
1/6/2022	BlueSnap	<b>Brent Godfrey</b>	<i>VP Partnership Sales</i>	Head of Sales at TRUSTID



# TSG Payments Index

Q1 2011 – Q3 2021

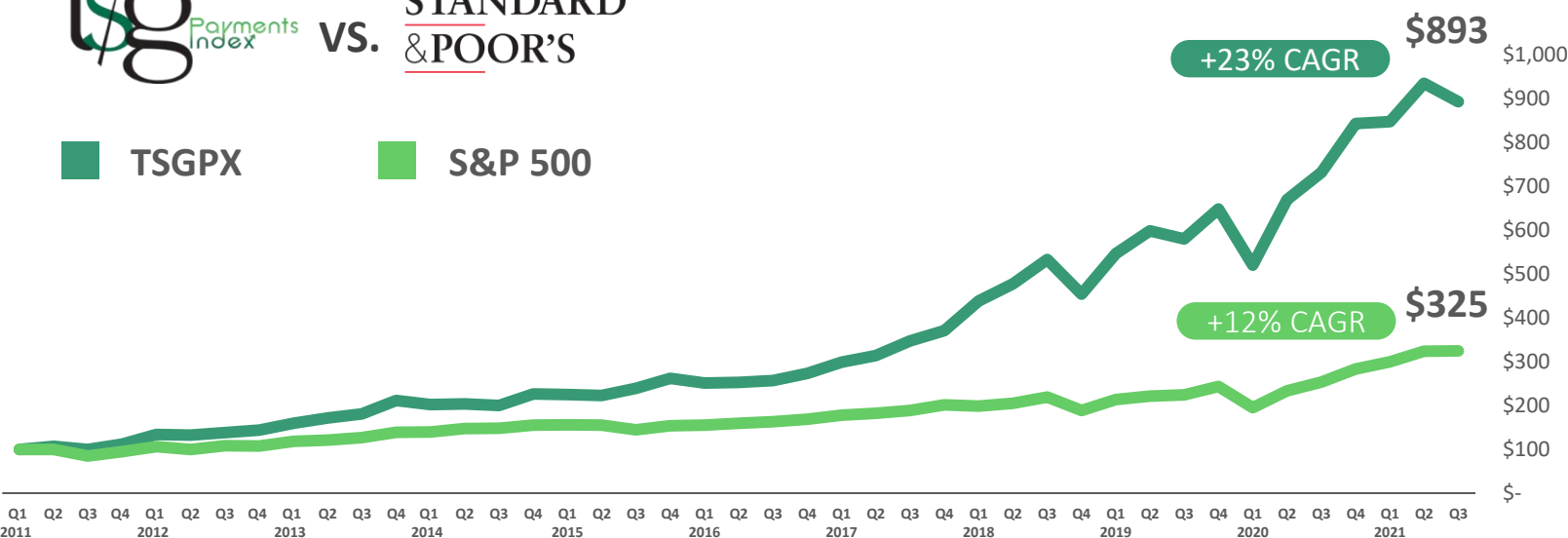
tsg  
Payments  
Index

VS.

STANDARD  
& POOR'S

TSGPX

S&P 500



Payments companies have been thriving in recent years and are becoming more valuable and profitable for the company and its investors. With strong earnings year after year, many payments companies are rapidly increasing their market capitalization and gaining the attention of additional stakeholders.

The chart displays the performance of a \$100 investment in an index of selected payments companies which represent the "TSG Payments Index" – this index is calculated on a value weighted basis using market capitalization and is compared to the S&P 500 which is also calculated using the same methodology. **A \$100 investment in the TSGPX in Q1 2011 would be valued at approximately \$893 in Q3 2021, as compared to \$325, if invested in the S&P 500.**

On average, payments companies grow at a compounded rate that is **11% higher** than that of the industry average. This growth rate is more than double of the industry average and represents the attractiveness of the payments market. The Payments Index is depicted to portray the growing nature of the payments market and hints at where this market is headed in the coming years.





## TSG Buy/Sell Consulting Services

### Buy-Side

- Buyers use TSG's due-diligence subject matter experts for support on a variety of key decision criteria can affect the value of the property. TSG assists buyers by acting as their advisor as they evaluate the financial value, benchmarking key performance metrics, determine risk, and evaluate the value of any technology assets.

### Sell-Side

- The key factor in a successful asset sale is understanding the true value of your enterprise. Value is defined as the "amount a buyer is willing to pay." TSG has a pulse of the market and performs an extensive evaluation of value drivers to ensure potential "sellers" understand the value of their company in the marketplace – prior to starting the sales process. In addition, buyers can use the data to assess offers that have been received for an accurate and fact-based assessment of the offer.

### Private Equity

- TSG can help private equity firms understand the landscape before investing and can build a market analysis to determine which investment is the best fit to create the highest ROI. TSG provides investors and financial institutions with the documented valuation information needed to support funding events.

### Restructuring & Re-Capitalization

- TSG can facilitate strategic exercises to help forge a new path ahead and can help with implementation of a new structure to ultimately maximize the value and performance of the entity.

30+  
ACQUISITIONS  
AND INVESTMENT  
TRANSACTIONS



250+  
COMPLETED  
PAYMENTS CO.  
VALUATIONS



8 of 12  
OF THE LARGEST  
PAYMENTS TRANS  
IN THE LAST YEAR



\$10-100M  
TYPICAL DEAL  
RANGE







## TSG Buy/Sell Consulting Services

TSG Has Advised For Many Leading Companies in the Payments Industry

GI PARTNERS

on its  
investment in

**Rectangle**  
HEALTH

**WesBanco**

In a debit card  
sponsorship  
portfolio sale to

**PB&T BANK**  
Local People Making Local Decisions Since 1889

**payroc**  
STABILITY IN  
PAYMENTS

In the  
acquisition of

 **Integrity**

**CLARUS**  
MERCHANT SERVICES

In the  
acquisition of

 **NAMS**

**PARthenON**  
CAPITAL PARTNERS

In the  
acquisition of

**NXGEN**  
& **pay**scape®

 **POS PROS**  
POINT OF SALE ADVISORS

In its  
sale to

**Paysafe:**

**Goldman  
Sachs**

On their funding  
event with

**Newtek**  
"The Small Business Authority"

**Goldman  
Sachs**

On their funding  
event with

 **Bluefin**  
Payment Systems

 **PIVOTAL**  
PAYMENTS

In the  
acquisition of

 **CAPITAL**  
PROCESSING NETWORK

 **Bregal**Sagemount

In due diligence support  
of its investment into

 **YAPSTONE**  
POWERING PAYMENTS

**Terrapin**  
Financial Services, LLC

In its  
sale to

 **BluePay**

**sage**

In a merchant portfolio  
purchase from

 **Heartland**  
PAYMENT SYSTEMS®

 **PRIORITY**  
PAYMENT SYSTEMS

In its  
merger with

 **cynergydata**

**Mutual of Omaha Bank**

On the organization of  
its joint venture with

 **First Data.**

 **SIG**  
SUSQUEHANNA  
GROWTH EQUITY, LLC

On their  
investment in

**PaySimple**®

**CAYAN**

In the  
acquisition of

**CPS**  
CARD PAYMENT SERVICES

 **Shift4**  
PAYMENTS

In its  
sale to

 **LIGHTHOUSE**  
NETWORK

**talus**  
pay

In acquisition of the  
operation assets of

 **PROLIFIC**  
BUSINESS SOLUTIONS

 **BluePay**

In the  
acquisition of

**Primax**  
Defining Card Processing

**KeyBank**

On their joint  
venture with

 **Elavon**



Payments Experts. Powerful Data.  
THE STRAWHECKER GROUP®

## ANALYTICS + CONSULTING

The Strawhecker Group (TSG) is a fast-growing analytics and consulting firm. The company serves the entire payments ecosystem, from fintech startups to Fortune 500 companies. The firm provides its clients with advisory services, research and analytics to help them plan and execute their strategic initiatives. Based in Omaha, a recognized payments industry hub, TSG is an established leader in this high-growth, ever-evolving space.

