

TransactionWatch

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

Week of:

November 8th – November 12th

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Deal Activity Summary

November 8th – November 12th

This Week's M&A Overview

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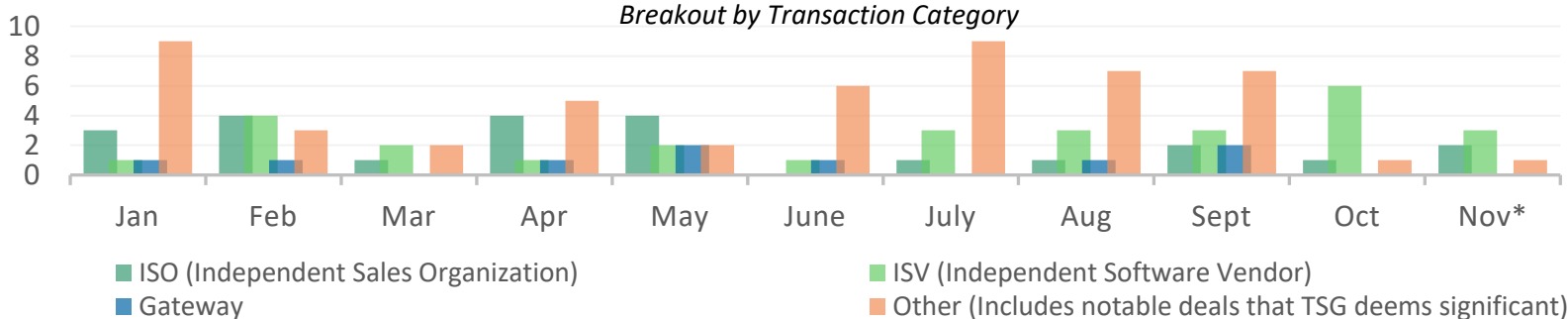
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M&A activity continues to roll ahead this week with a couple notable deals as well as a SPAC merger announcement. To start, Bottomline announced this week their acquisition of Bora Payments Systems for \$15 million in cash. This deal is positioned around Bottomline's Paymode-X offering, which will now enable vendors to take advantage of straight through processing for virtual card acceptance. In addition, this acquisition also brings new bank channel connections to Paymode-X and their subsequent vendors. Separately, Flutterwave, a leading African fintech provider, announced their deal to acquire Disha for an undisclosed sum. This deal marks Flutterwave's first public acquisition announcement since their launch in 2016. Disha, which is ultimately an online marketplace, will continue to be an independent product and operation; however, Flutterwave will likely integrate their payment processing services into the platform to help accelerate their growth across Africa.

In other M&A news, the restaurant point-of-sale (POS) vendor, Presto, announced their merger with Ventoux CCM Acquisition Corp. as a means to become publicly traded on the Nasdaq. As a result of this merger, the combined company has an estimated value of approximately \$1 billion. This deal is subject to shareholder approval and regulatory review; however, it is expected to close in the first half of 2022.

2021 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



Historical M&A Tracker

Transaction History: July 2021 – October 2021

Transaction Categories:



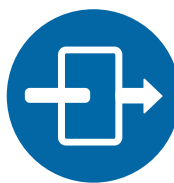
ISO

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	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
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



Historical M&A Tracker

Transaction History: July 2021 – October 2021

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
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
Other	Mastercard	CipherTrace	-	9/9/2021
Other	Global Payments	MineralTree	\$500	9/8/2021
ISO	Nuvei	Paymentez	-	9/7/2021
Other	PayPal	Paidy	\$2,700	9/7/2021
Other	Mastercard	Aiia	-	9/7/2021
Other	Zilch	NepFin	-	9/2/2021
Other	Zip	Payflex	-	9/1/2021



Historical M&A Tracker

Transaction History: July 2021 – October 2021

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
ISO	PayU	BillDesk	\$4,700	8/31/2021
Other	LexisNexis	TruNarrative	-	8/25/2021
ISV	NCR	Foremost Business Systems	-	8/23/2021
Other	Paysafe	Viafintech	-	8/22/2021
Other	Paysafe	SafetyPay	\$441	8/16/2021
ISV	U.S. Bank	Bento Technologies	-	8/12/2021
Other	Paymentus	Payveris	\$152.2	8/10/2021
Gateway	EVO Payments	Anderson Zaks	-	8/2/2021
Other	Paysafe	PagoEfectivo	-	8/2/2021
ISV	NCR	LibertyX	-	8/2/2021
Other	Fleetcor	ALE Solutions	-	8/2/2021
Other	Square	Afterpay	\$29,000	8/1/2021
ISV	Klarna	APPRL	-	7/27/2021
Other	Klarna	Stocard	\$133	7/22/2021
Other	Visa	Currencycloud	\$963	7/22/2021
ISO	GreenBox POS	Transact Europe	\$35	7/19/2021
Other	Bill.com	Invoice2go	\$625	7/19/2021



Headline News

November 8th – November 12th



Restaurants Have a New Affordable and Flexible Delivery Option with Launch of Clover Online Ordering with Delivery

[Fiserv Newsroom](#) | November 10th, 2021

Addressing the growing needs of restaurants for cost-effective delivery options, Fiserv, Inc., a leading global provider of payments and financial services technology solutions, introduces Clover® Online Ordering with Delivery, which provides flexible food delivery services with direct menu management, order and payment processing and reporting through the Clover platform.



ACI Worldwide Introduces Real-Time, Omnichannel Payment Analytics to Improve Transaction Visibility and Maximize Merchant Profits

[BusinessWire](#) | November 9th, 2021

ACI Worldwide, a leading global provider of real-time digital payment software, today (Nov. 9th) announced the launch of Omni-Commerce Payment Analytics. Part of ACI Omni-Commerce, this new feature offers merchants the ability to surface payments data gathered through multiple channels within a merchant's payment ecosystem.



Mastercard Installments BNPL Program Gains Momentum

[BusinessWire](#) | November 10th, 2021

Mastercard today (Nov. 10th) announces further expansion of Mastercard Installments, its unique Buy Now Pay Later (BNPL) program that delivers greater choice of flexible, digital-first payment options at checkout, both in-store and online. In the U.S., American Airlines, CSI, Fiserv and TSYS, a global payments company, will work with Mastercard and the already diverse and dynamic array of participants in the program.



Partnership Activity

November 8th – November 12th



PayPal and Amazon to Enable Customers to Pay with Venmo at Checkout

[PayPal Newsroom](#) | November 8th, 2021

PayPal today (Nov. 8th) announced that we will team-up with Amazon to allow Venmo's more than 80 million users in the U.S. to pay with Venmo at checkout using funding methods that include their linked bank account and Venmo balance. Starting next year, customers will be able to make purchases on Amazon.com and the Amazon mobile shopping app in the U.S. using their Venmo accounts.



Affirm expands Amazon partnership as buy now, pay later surge lifts revenue

[Reuters](#) | November 10th, 2021

Affirm Holdings Inc. said on Wednesday (Nov. 10th) it had expanded its partnership with Amazon and reported quarterly revenue above Wall Street estimates, boosted by growth in active consumers and merchants on its buy now, pay later (BNPL) platform. Shares in Affirm, which had been falling for the past four sessions and were on course for their worst day since the company went public in January, jumped more than 27% in extended trading.

Other Notable Partnerships:

- **Mastercard** and **ACI Worldwide** announce a new partnership that offers Mastercard Direct Services through ACI's payment platforms.
- **Morgan Stanley** and **American Express** team up to offer the new Morgan Stanley Blue Cash Preferred American Express Card for clients.
- **Mode Global Holdings** partners with **PayEscape** to pilot a bitcoin payroll product in the U.K.



Management Changes

November 8th – November 12th



nets ::

Nets Appoints Former Wirecard Executive, Michael Santner, As Head of PSP DACH

Nets, which is part of the Nexi Group, announced this week the appointment of Michael Santner to serve as Head of PSP DACH. Under this new role, Michael will be responsible for eCommerce payments services across the DACH region, primarily surrounding the company's Easy solution which was introduced in Germany and Austria earlier this year.

Date Announced	Company	Personnel	New Position	Previous Position
11/11/2021	Nets	Michael Santner	Head of PSP DACH	Vice President of Enterprise Strategic Alliance at Wirecard
11/11/2021	Transact	Rasheed Behrooznia	VP for Campus ID Solutions	Global Head of Campus ID Solutions for Transact



TSG Payments Index

Q1 2011 – Q3 2021

tsg
Payments
Index

VS.

STANDARD
& POOR'S

TSGPX

S&P 500

+23% CAGR

\$893

+12% CAGR

\$325

\$1,000
\$900
\$800
\$700
\$600
\$500
\$400
\$300
\$200
\$100
\$-

Q1 2011 Q2 2011 Q3 2011 Q4 2011 Q1 2012 Q2 2012 Q3 2012 Q4 2012 Q1 2013 Q2 2013 Q3 2013 Q4 2013 Q1 2014 Q2 2014 Q3 2014 Q4 2014 Q1 2015 Q2 2015 Q3 2015 Q4 2015 Q1 2016 Q2 2016 Q3 2016 Q4 2016 Q1 2017 Q2 2017 Q3 2017 Q4 2017 Q1 2018 Q2 2018 Q3 2018 Q4 2018 Q1 2019 Q2 2019 Q3 2019 Q4 2019 Q1 2020 Q2 2020 Q3 2020 Q4 2020 Q1 2021 Q2 2021 Q3 2021

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
Payments
Index

Euronet
WORLDWIDE

EVERI

EVOPAYMENTS
INTERNATIONAL

FIS

ACI
UNIVERSAL
PAYMENTS.

AllianceData.

AMERICAN
EXPRESS

Diebold Nixdorf

mastercard

fiserv.

shopify

Square

DISCOVER

Paysafe:

jack henry
& ASSOCIATES INC.

usbank

globalpayments

paysign

toast

PayPal

VISA

WESTERN
UNION WU

green
dot

USIO

VERISIGN

NCR

wex

paya

lightspeed

evertec

Shift4
PAYMENTS



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



In its
sale to



In a debit card
sponsorship
portfolio sale to



In the
acquisition of



In the
acquisition of



In the
acquisition of
NXGEN
& **pay**scape®



In its
sale to



On their funding
event with



On their funding
event with



In the
acquisition of



In due diligence support
of its investment into



THE BEEKMAN GROUP LLC

In its
recapitalization of



In a merchant portfolio
purchase from



In its
merger with



On the organization of
its joint venture with



On their
investment in



In the
acquisition of



In its
sale to



In acquisition of the
operation assets of



In the
acquisition of



On their joint
venture with





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.

