



Payments Experts. Powerful Data.
THE STRAWHECKER GROUP

TransactionWatch

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

Week of:

December 13th – December 17th

This report is based upon information considered reliable by The Strawhecker Group® (TSG), but the accuracy and completeness of such information is not guaranteed or warranted to be error-free. Information provided is as reasonably available, not to be deemed all inclusive. TSG assumes no obligation to update the content hereof. This report is subject to the terms and conditions of a separate license with recipient, is further protected by copyright under U.S. Copyright laws and is the property of TSG. Recipient may not copy, reproduce, distribute, publish, display, modify, create derivative works, transmit, exploit, or otherwise disseminate any part of this report except as expressly permitted under recipient's license with TSG. The Strawhecker Group (TSG) is not endorsed, sponsored by, or in any other way affiliated with any companies identified in this presentation. The trademarks of third parties displayed herein are the property of such parties, and, are provided merely for identification purposes. TSG claims no rights therein. This document has not been prepared, approved or licensed by any entity identified in this report.

© Copyright 2021. The Strawhecker Group®. All Rights Reserved.



Deal Activity Summary

December 13th – December 17th

This Week's M&A Overview

Table of Contents

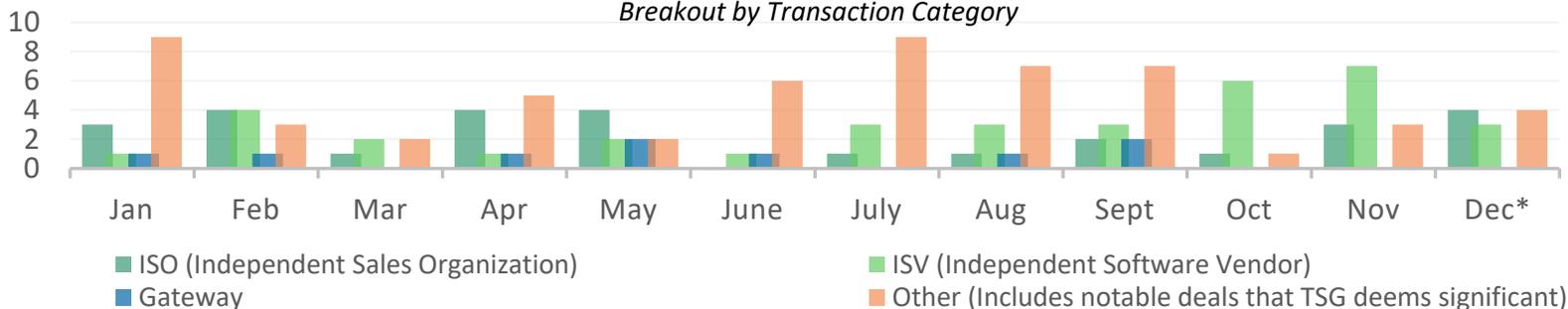
-  [Deal Activity Summary](#)
-  [B2B Payment Network](#)
-  [Historical M&A Tracker](#)
-  [Headline News](#)
-  [Partnership Activity](#)
-  [Management Changes](#)
-  [TSG Payments Index](#)
-  [TSG Buy/Sell Services](#)

As we near the end of 2021, payment entities are continuing to seek additional avenues of growth through M&A transactions. This week continued the trend of pushing to finalize deals by year-end with a number of industry announcements. To kick things off, Celero Commerce announced their acquisition of Everest Payment Solutions, an ISO based in Florida. With this acquisition, Celero will now serve over 45,000 merchants that represent an annual card volume of more than \$18 billion. Separately, EVO Payments announced yesterday (Dec. 16th) their strategic alliance with the National Bank of Greece (“NBG”) to form a merchant acquiring joint venture, in which EVO Payments will acquire a 51% stake in the unit and pay approximately \$180 million for its ownership interest. This deal will largely accelerate EVO Payment’s growth across Greece and neighboring countries as NBG currently reigns as the second largest merchant acquirer in Greece with 165,000 merchants generating more than \$11 billion in annual payment volume.

In other M&A news, Flywire announced their deal to acquire WPM, a leading ISV serving the education sector across the U.K. With this deal, Flywire is seeking to integrate WPM’s capabilities into their platform, which will allow them to be better positioned in the growing education market vertical. Lastly, the online eCommerce platform, Mercado Libre, announced their deal to acquire Redelcom, an ISO and POS provider based in Chile. Redelcom will complement Mercado Libre’s subsidiary unit, Mercado Pago, and bring additional products and services to their ecosystem.

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: September 2021 – November 2021

Transaction Categories:



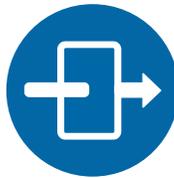
ISO

Independent
Sales Organization



ISV

Independent
Software Vendor



Gateway



Other

Includes notable deals that TSG
deems significant

| Transaction Category | Buyer | Seller | Purchase Amount (\$ million) | Date |
|----------------------|-----------------------------|--|---------------------------------|------------|
| ISO | EVO Payments | National Bank of Greece <i>(51% stake in Merchant Acquiring Unit)</i> | \$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 |
| Other | Fortis | VIP Integrated Payments | - | 12/8/2021 |
| Other | Rapyd | Neat | - | 12/8/2021 |
| ISO | Worldline | Eurobank <i>(80% stake in Merchant Acquiring unit)</i> | \$290 | 12/7/2021 |
| Other | Paymentology | Tutuka | - | 12/6/2021 |
| ISV | Stripe | OpenChannel | - | 12/6/2021 |
| Other | Payroc | SnapCheck | - | 12/2/2021 |



Historical M&A Tracker

Transaction History: September 2021 – November 2021

| Transaction Category | Buyer | Seller | Purchase Amount (\$ million) | Date |
|----------------------|-------------------------------|-----------------------------|------------------------------|------------|
| 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 |
| 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 |



Historical M&A Tracker

Transaction History: September 2021 – November 2021

| Transaction Category | Buyer | Seller | Purchase Amount (\$ million) | Date |
|----------------------|-----------------|----------------------|------------------------------|------------|
| 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 |
| 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 |



Headline News

December 13th – December 17th



EVO Payments Acquires Majority Interest in National Bank of Greece Merchant Acquiring Business

[BusinessWire](#) | [December 16th, 2021](#)

EVO Payments, Inc., a leading global provider of payment technology integrations and acquiring solutions, announced today that it has entered into a long-term strategic marketing alliance with the National Bank of Greece (“NBG” or “the Bank”) to provide merchant acquiring and payment processing services. Under the terms of the agreements, EVO and NBG will form a merchant acquiring joint venture. The Bank will spin off its merchant acquiring business into a new entity, and EVO will acquire a 51% interest in the new entity.



U.S. Senators Urge CFPB to Take Action to Ensure Transparency & Oversight of Buy Now Pay Later Products & Providers

[U.S. Senate Committee Press Release](#) | [December 15th, 2021](#)

As more Americans do their holiday shopping online and more online retailers offer consumers a financial technology twist on old-fashioned installment loans that could pose risks to consumers, six U.S. Senators are urging regulators to strengthen oversight and keep up with the growth of these “buy now, pay later” (BNPL) products and providers.



BLOCK

H&R Block sues Block, formerly Square, over new name

[Reuters](#) | [December 16th, 2021](#)

Tax preparation company H&R Block Inc on Thursday (Dec. 16th) sued payment company Block Inc, previously called Square Inc, saying the new name infringed its trademarks. Block's chief executive, Twitter Inc(TWTR.N) co-founder Jack Dorsey, announced the name change earlier this month as the company looked to expand beyond its payment service into new areas, including blockchain. In a complaint filed in Kansas City, Missouri, federal court, however, H&R Block accused the company of "stealing Block's name in order to co-opt the reputation and goodwill that Block has earned through decades of hard work."



Partnership Activity

December 13th – December 17th

nuvei

Payment Technology Partner

Nuvei and Visa Join Forces to Launch Crypto-Friendly Debit Cards

[GlobeNewswire](#) | December 13th, 2021

Nuvei Corporation, through its subsidiary Simplex, is rolling out branded Visa debit cards to its partners across the European Economic Area and United Kingdom, following a partnership with Visa. Having already provided crypto-friendly debit cards to blockchain finance ecosystem COTI in recent months, Nuvei via its Simplex brand, continues to make use of its Visa Principal Membership and EMI license to provide partner firms with an easy way to spend crypto anywhere Visa is accepted.

Paysafe:

Paysafe partners with OSG to enable cash payments for online billing

[Paysafe Press Release](#) | December 15th, 2021

Paysafe, a leading specialized payments platform, today (Dec. 15th) announced a partnership with Output Services Group (OSG), a global provider of customer engagement and payment solutions. OSG, which provides online billing and payment solutions to many industries serving U.S. consumers, will now offer the Paysafecash™ online cash solution as an alternative payment method to their platform, further promoting financial inclusion for unbanked and cash-focused consumers to pay their bills online.

Other Notable Partnerships:

- **Klarna** has partnered with **GoCardless** to support their expansion into the U.S.
- **Worldline** and **Bexs Pay** team up on cross-border remittance for online payment in Brazil.
- **JCB** extends partnership with **Planet** to support their presence and growth across Europe.
- **Wells Fargo** and **HSBC** announced their partnership to process cross-border payments among the two banks on a shared blockchain.
- **ACI Worldwide** and **KyckGlobal** team up on offering more disbursement options for businesses.
- **Simply Payments** partners with **Gala Technology** to support card-not-present payments.



Management Changes

December 13th – December 17th



VizyPay Adds Four Additional Individuals To Their Leadership Team

VizyPay announced this week the additions of four new individuals to their leadership team. Their new team members include Outhay Lovan as Chief Strategy Officer, Mary Bakkie as Director of Banking Partnerships, Trinh Le-Coulter as Director of Client Success, and Jesse James as Director of Strategic Partnerships. The new additions will help VizyPay expand their growth and partnership channels to reach new SMBs.

| Date Announced | Company | Personnel | New Position | Previous Position |
|----------------|---------|-------------------------|---|--|
| 12/14/2021 | Trustly | Johan Tjarnberg | <i>CEO</i> | Chairman of Trustly |
| 12/14/2021 | VizyPay | Outhay Lovan | <i>Chief Strategy Officer</i> | VP of HR Operations at Avail Professional Services |
| 12/14/2021 | VizyPay | Mary Bakkie | <i>Director of Banking Partnerships</i> | Regional Sales Manager at CO-OP Financial Services |
| 12/14/2021 | VizyPay | Trinh Le-Coulter | <i>Director of Client Success</i> | VP of People Power at LenderClose |
| 12/14/2021 | VizyPay | Jesse James | <i>Director of Strategic Partnerships</i> | Chief Revenue Officer at FiQore |
| 12/15/2021 | PPRO | Bernie Miles | <i>Chief Technology Officer</i> | Head of Engineering for Europe at Wayfair |



TSG Payments Index

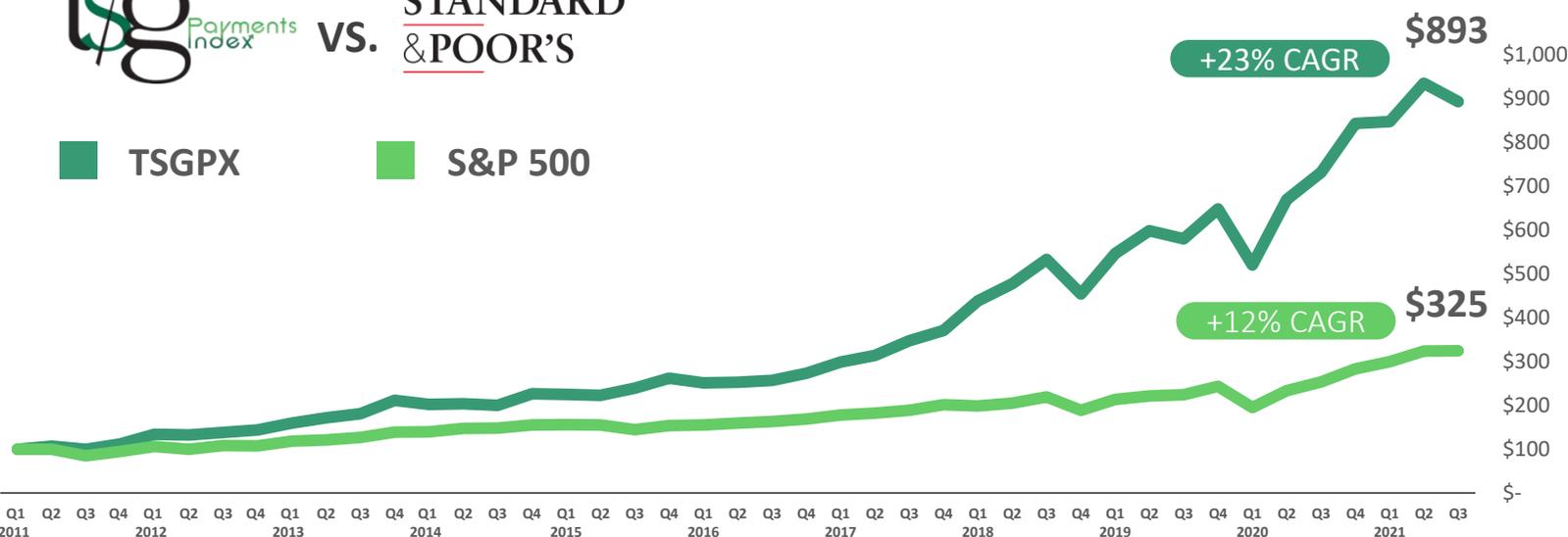
Q1 2011 – Q3 2021



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



In a debit card sponsorship portfolio sale to



In the acquisition of



In the acquisition of



In the acquisition of



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



In its sale to



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.

