

TransactionWatch

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

Week of:

December 13th – December 17th

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Deal Activity Summary

December 13th – December 17th

This Week's M&A Overview

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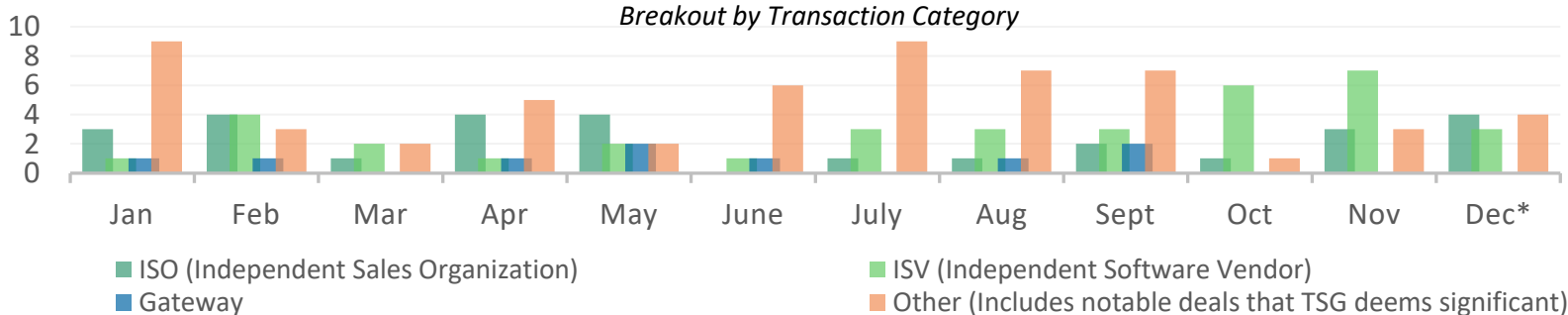
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As we near the end of 2021, payment entities are continuing to seek additional avenues of growth through M&A transactions. This week continued the trend of pushing to finalize deals by year-end with a number of industry announcements. To kick things 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 (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
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



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



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

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.

