



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:  
February 7<sup>th</sup> – February 11<sup>th</sup>*

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# Deal Activity Summary

February 7<sup>th</sup> – February 11<sup>th</sup>

## This Week's M&A Overview

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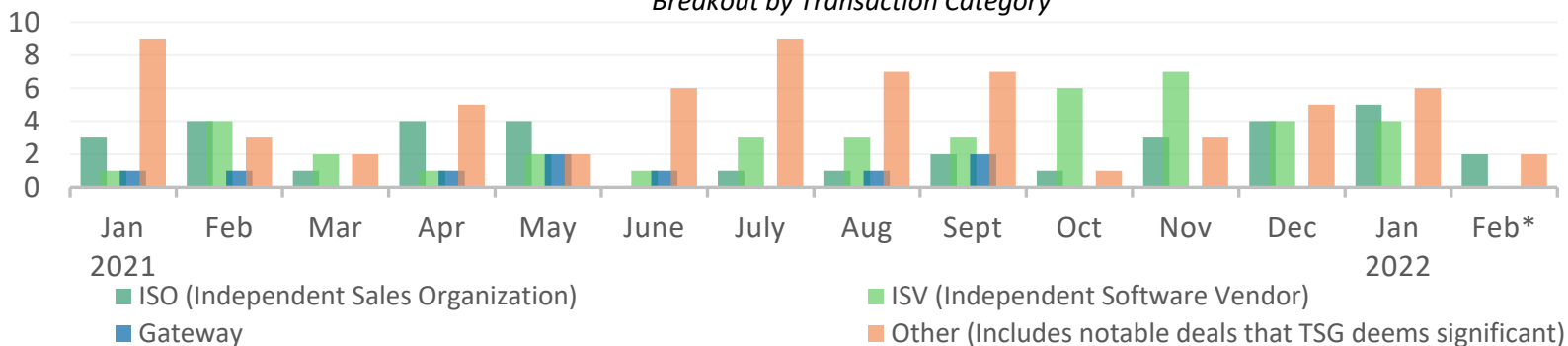
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Traction continues to make headway this week as M&A announcements within the payments industry endures. To kick things off, DNA Payments has announced their second acquisition of the month with their agreement to acquire Card Cutters for an undisclosed sum. Headquartered in the U.K., Card Cutters is a merchant services provider that serves over 12,000 merchants and specializes in reselling a range of card terminals. This acquisition strengthens DNA Payments' positioning in the U.K. and E.U. as it expands their market reach as well as their range of supported hardware devices for their merchant base. This deal comes on the heels of the company's recent acquisition of Kwalitas announced just last week and proves that DNA Payments is committed to utilizing their approximate \$136 million in funding raised last year towards strategic growth initiatives.

In other M&A news, Fiserv has signed a definitive agreement to acquire Finxact, a developer of cloud-based banking solutions. This acquisition falls more inline with the company's banking technology segments as opposed to merchant acquiring; however, this deal further advances financial institutions' ability to access and embed payment solutions through Fiserv's product suite. Fiserv was an early investor in Finxact and will acquire the remaining ownership for approximately \$650 million.

### 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: November 2021 – January 2022

## 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	DNA Payments	Card Cutters	-	2/9/2022
Other	Fiserv	Finxact	\$650	2/7/2022
ISO	Payliance	Secure Payment Systems	-	2/2/2022
Other	DNA Payments	Kwalitas	-	2/1/2022
ISV	Trust Payments	WonderLane	-	1/31/2022
ISO	Till Payments	ZIPS	-	1/27/2022
ISO	Paystone	Canadian Payment Services	-	1/26/2022
Other	JP Morgan	Viva Wallet	- (49% stake)	1/25/2022
Other	Stripe	BBPOS	-	1/21/2022
Other	Plaid	Cognito	\$250	1/20/2022
Other	Paya	VelocIT	-	1/19/2022



# Historical M&A Tracker

Transaction History: November 2021 – January 2022

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
ISO	Celero Commerce	OMEGA Technology	-	1/18/2022
ISV	NMI	IRIS CRM	-	1/18/2022
ISO	Payroc	East Commerce	-	1/13/2022
ISV	Foodics	POSRocket	-	1/10/2022
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
Other	Fortis	VIP Integrated Payments	-	12/8/2021
Other	Rapyd	Neat	-	12/8/2021



# Historical M&A Tracker

Transaction History: November 2021 – January 2022

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
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
Other	Klarna	PriceRunner	\$124	11/2/2021
ISV	Cross River Bank	Betterfin	-	11/2/2021



## Headline News

February 7<sup>th</sup> – February 11<sup>th</sup>

### GOCARDLESS

#### ***GoCardless Joins Tech Unicorns as It Secures USD312 Million to Accelerate Growth in Open Banking***

[BusinessWire](#) | [February 8<sup>th</sup>, 2022](#)

GoCardless, a leading fintech in direct bank payment solutions, today (Feb. 8<sup>th</sup>) announced that it has secured a Series G funding round of USD312 million, making it the latest European and UK tech unicorn at a valuation of USD2.1 billion.



#### ***Apple empowers businesses to accept contactless payments through Tap to Pay on iPhone***

[Apple Press Release](#) | [February 8<sup>th</sup>, 2022](#)

Apple today (Feb. 8<sup>th</sup>) announced plans to introduce Tap to Pay on iPhone. The new capability will empower millions of merchants across the US, from small businesses to large retailers, to use their iPhone to seamlessly and securely accept Apple Pay, contactless credit and debit cards, and other digital wallets through a simple tap to their iPhone — no additional hardware or payment terminal needed. Tap to Pay on iPhone will be available for payment platforms and app developers to integrate into their iOS apps and offer as a payment option to their business customers.

### globalpayments

#### ***Global Payments puts Netspend on sales block***

[Payments Dive](#) | [February 11<sup>th</sup>, 2022](#)

Payments processor Global Payments said Thursday (Feb. 10<sup>th</sup>) it's putting its Netspend unit back on the sales block, reprising an effort reportedly made in 2020 when it put a \$2 billion-plus price tag on the prepaid debit card business. The Atlanta-based company aims to sell the consumer side of the Netspend business, and plans to keep the business-to-business assets as it refocuses on corporate clients, the company said in a Thursday press release that also announced fourth-quarter earnings.



## Partnership Activity

February 7<sup>th</sup> – February 11<sup>th</sup>



### Crypto.com Partners With Industry-Leading Blockchain Validator and Merchant Acquirer Worldpay From FIS to Support Global Expansion

[BusinessWire](#) | February 8<sup>th</sup>, 2022

Financial technology leader Worldpay from FIS has partnered with Crypto.com, the world's fastest growing cryptocurrency platform, to be a global validator and operator for the Crypto.org Chain. The Crypto.org Chain is a public blockchain which enables transactions worldwide between people and businesses. As part of the partnership, Worldpay will also provide global merchant acquiring services to support Crypto.com's continued growth and global expansion.



### Stripe and Celonis Adopt Each Other's Technology

[BusinessWire](#) | February 9<sup>th</sup>, 2022

Celonis, the global leader in execution management and creator of process mining, and Stripe, the financial infrastructure-as-a-service for businesses of all sizes, today (Feb. 9<sup>th</sup>) announced an agreement to deploy each other's technology with the aim to drive simplification and value for their customers.

### Other Notable Partnerships:

- **DNA Payments** teams up with **Verifone** to expand their Trinity POS terminals to the UK market.
- **Visa** and **Ascenda** partner to launch a customer engagement program for cross-border payments in China.
- **Mastercard** and **Kashat** sign a five-year partnership agreement to expand financial services to the unbanked and underbanked in the MENA region.
- **Fiserv** expands their partnership with **UnionPay International** to support their growth in new markets.
- **SumUp** partners with **FIS Worldpay** to support their growth of merchant services globally.
- **Duffel** teams up with **Stripe** to launch their own payment solution, Duffel Payments.
- **Chargezoom** partners with **Fiserv** to support CardConnect on their platform.





# Management Changes

February 7<sup>th</sup> – February 11<sup>th</sup>



## FIS Appoints Stephanie Ferris To Serve As The Company's New President

FIS announced this week the promotion of Stephanie Ferris to serve as the company's new President. Ferris initially joined FIS in 2019 through the acquisition of Worldpay where she served as CFO. Following the closing of the acquisition she assumed the role as COO; however, her most recent role with the company has been as FIS's Chief Administrative Officer.

Date Announced	Company	Personnel	New Position	Previous Position
2/8/2022	Nets Group	<b>Karen Tiltman</b>	<i>COO of Merchant Services</i>	VP, Global Merchant Servicing at American Express
2/8/2022	BlueVine	<b>Yael Malek</b>	<i>Chief People Officer</i>	VP, People at Gainsight
2/8/2022	FIS	<b>Stephanie Ferris</b>	<i>President</i>	Chief Administrative Officer at FIS
2/9/2022	Marqeta	<b>Mike Milotich</b>	<i>CFO</i>	Senior VP of Investor Relations and Corporate Finance at Visa
2/9/2022	Visa	<b>Jennifer Como</b>	<i>Head of Investor Relations</i>	Senior VP of Investor Relations at Visa



# TSG Payments Index

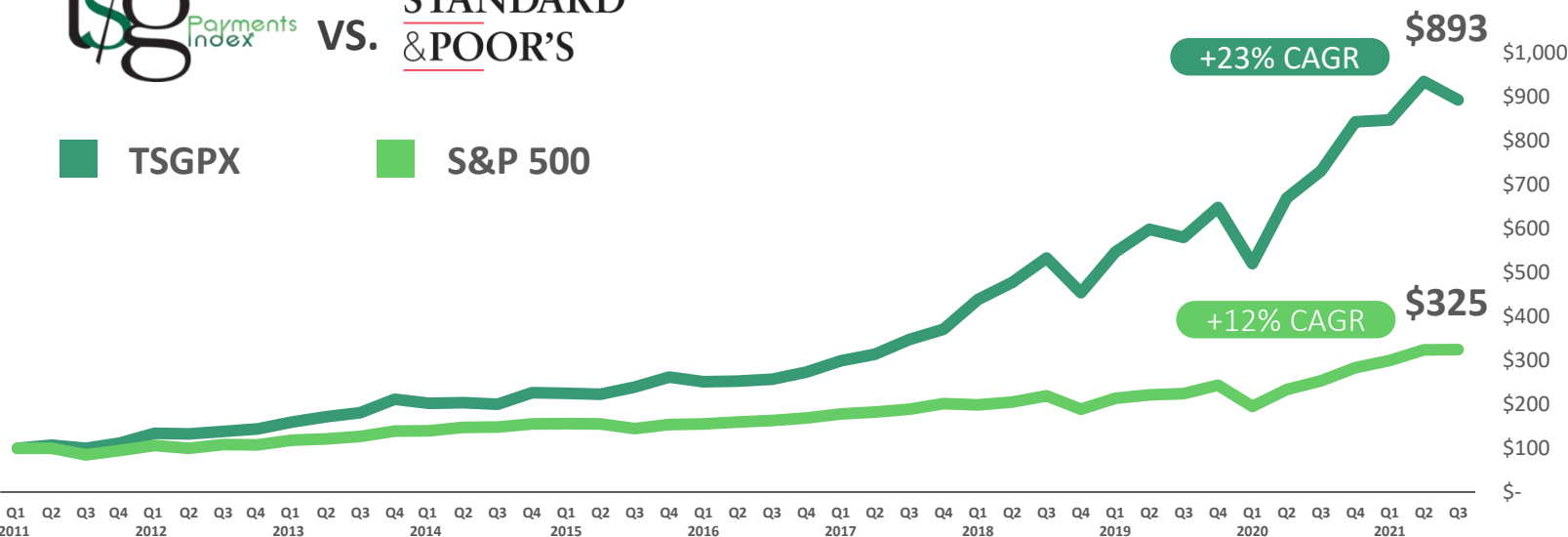
Q1 2011 – Q3 2021



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.

