

# TransactionWatch

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

*Week of:*

*February 21<sup>st</sup> – February 25<sup>th</sup>*

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# Deal Activity Summary

February 21<sup>st</sup> – February 25<sup>th</sup>

## This Week's M&A Overview

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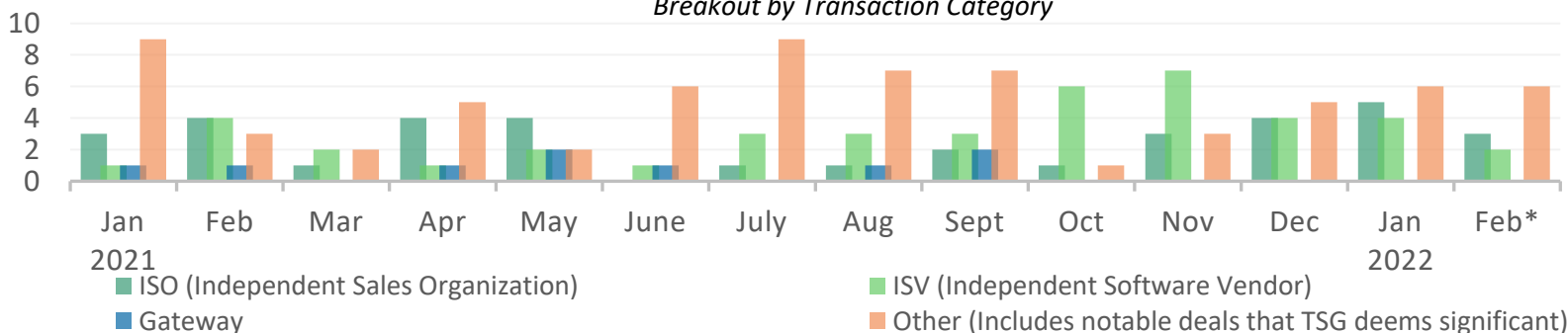
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International and travel payment deals make their way this week with new acquisition announcements. To kick things off, Evertec has disclosed their agreement to acquire 100% of the outstanding shares of BBR SpA ("BBR"), a Chilean based payment technology company. This acquisition complements Evertec's existing product suite within the region and allows the firm to enter the Peruvian market to grow their foothold across Latin America. As part of this deal, Evertec will purchase all of BBR's shares, totaling approximately USD \$60 million in value. This transaction is subject to customary closing conditions and is pending U.S. federal bank regulatory approval. Separately, TreviPay has announced their deal to acquire Baton Financial Services, a B2B invoice payments network, for an undisclosed sum. This acquisition supports TreviPay's global expansion efforts and further enhances the company's trade credit solutions.

In other M&A news, Worldline has confirmed they are in exclusivity talks with the private equity firm Apollo Global Management to sell off their terminal business line for approximately \$2.6 billion. Negotiations are still underway; however, it appears that the deal will go through and close sometime in the second half of the year. Following the transaction, Worldline will retain a five-year partnership with the terminal business.

### 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
<i>Other</i>	<b>Evertec</b>	<b>BBR</b>	\$60	2/24/2022
<i>Other</i>	<b>TreviPay</b>	<b>Baton Financial Services</b>	-	2/23/2022
<i>ISV</i>	<b>Chargebee</b>	<b>Numberz</b>	-	2/23/2022
<i>ISO</i>	<b>DNA Payments</b>	<b>First Payment Merchant Services</b>	-	2/15/2022
<i>ISV</i>	<b>BillTrust</b>	<b>Order2Cash</b>	-	2/15/2022
<i>Other</i>	<b>Madison Dearborn Partners</b>	<b>MoneyGram</b>	\$1,800	2/15/2022
<i>Other</i>	<b>FIS</b>	<b>Payrix</b>	-	2/14/2022
<i>ISO</i>	<b>DNA Payments</b>	<b>Card Cutters</b>	-	2/9/2022
<i>Other</i>	<b>Fiserv</b>	<b>Finxact</b>	\$650	2/7/2022
<i>ISO</i>	<b>Paylance</b>	<b>Secure Payment Systems</b>	-	2/2/2022
<i>Other</i>	<b>DNA Payments</b>	<b>Kwalitas</b>	-	2/1/2022



# Historical M&A Tracker

Transaction History: November 2021 – January 2022

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
ISV	Trust Payments	WonderLane	-	1/31/2022
ISO	Till Payments	ZIP5	-	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
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



# Historical M&A Tracker

Transaction History: November 2021 – January 2022

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
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





## Headline News

February 21<sup>st</sup> – February 25<sup>th</sup>



### **Italian bank BPER gets offer from NEXI for merchant payment arm**

[Reuters](#) | [February 23<sup>rd</sup>, 2022](#)

Italian bank BPER Banca said it had received a non-binding offer for its merchant payment business from fast-growing payments giant NEXI, which one source earlier said could be worth around 350 million euros (\$397 million). BPER, Italy's fifth-largest bank, said it had given NEXI two months exclusively to submit a binding offer. Italy's NEXI already runs BPER's shop payments services through a commercial partnership.



### **Worldline Confirms Exclusive Talks to Sell Terminal Business to Apollo**

[MarketWatch](#) | [February 21<sup>st</sup>, 2022](#)

Apollo Global Management Inc. and Worldline have entered into exclusive talks for the New York-based buyout company to acquire Worldline's terminal business for 2.3 billion euros (\$2.60 billion). The European payments company said Monday (Feb. 21<sup>st</sup>) that the binding offer it received includes an upfront payment of EUR1.7 billion, and preferred shares that could reach up to EUR900 million in value depending on the future value creation of the terminal business. Still, the total consideration amounts to EUR2.3 billion based on the current valuation of the preferred shares.



## BLOCK

### **How Block's Afterpay Deal Could Energize Its Seller And Cash App Businesses At the Same Time**

[Digital Transactions](#) | [February 24<sup>th</sup>, 2022](#)

With the close of Block Inc.'s \$29-billion acquisition of buy now, pay later platform Afterpay Ltd at the end of January, the payments company installed a key component in a plan to more tightly integrate its seller and consumer businesses, Square and Cash App, according to Block's top executives.



## Partnership Activity

February 21<sup>st</sup> – February 25<sup>th</sup>



### U.S. Bank Partners With Microsoft to Accelerate the Future of Banking With Cloud Computing

[BusinessWire](#) | February 22<sup>nd</sup>, 2022

U.S. Bank today (Feb. 22<sup>nd</sup>) announced a substantial investment in modernizing its technology foundation through the selection of Microsoft Azure as its primary cloud provider for U.S. Bank applications. Powering the majority of its infrastructure and application portfolio with cloud computing will allow U.S. Bank to modernize how it works in an increasingly digital world – including the ability to rapidly access and analyze data, expediting time to market while more quickly scaling innovative products to customers and partners, and empowering its increasingly agile workforce.



### Billtrust Announces Coupa as a Referral Partner and Business Payments Network (BPN) Provider

[BusinessWire](#) | February 23<sup>rd</sup>, 2022

Billtrust, a B2B accounts receivable automation and integrated payments leader, announced today (Feb. 23<sup>rd</sup>) that Coupa Software, a leader in business spend management, has joined Billtrust's Business Payments Network (BPN) as a provider and the Billtrust Partner Program where Coupa can refer businesses to Billtrust's complete order-to-cash solution. With BPN, Coupa will enable customers to accelerate and automate electronic payments to Billtrust's network of suppliers, distributors and vendors while scaling virtual credit card adoption.

### Other Notable Partnerships:

- **Mastercard** partners with **SBI Payments** to support digital payments in India.
- **Paysafe** partners with **Bally's** to further grow in the online sports better and iGaming verticals.
- **The United Soccer League** has selected **Shift4** as their official payment solutions partner.
- **Epos Now** teams up with **Prelim** to enhance their platform's digital customer experience.





# Management Changes

February 21<sup>st</sup> – February 25<sup>th</sup>



## Lightspeed Appoints Crystal Caligiuri To Executive Vice President of Customers

Lightspeed announced this week the appointment of Crystal Caligiuri to serve as the company's Executive Vice President of Customers. In this role, Caligiuri will manage Lightspeed's customer onboarding and engagement processes. Caligiuri joins Lightspeed from ShopKeep, where she served as Chief Customer Officer.

Date Announced	Company	Personnel	New Position	Previous Position
2/22/2022	Lightspeed	<b>Crystal Caligiuri</b>	<i>Executive Vice President of Customers</i>	Chief Customer Officer at ShopKeep
2/22/2022	Circle Financial	<b>Nikhil Chandhok</b>	<i>Chief Product Officer</i>	Product Lead AR Glasses at Meta
2/23/2022	Fiserv	<b>Dylan Haggart</b>	<i>Board of Directors Member</i>	Partner at ValueAct Capital



# TSG Payments Index

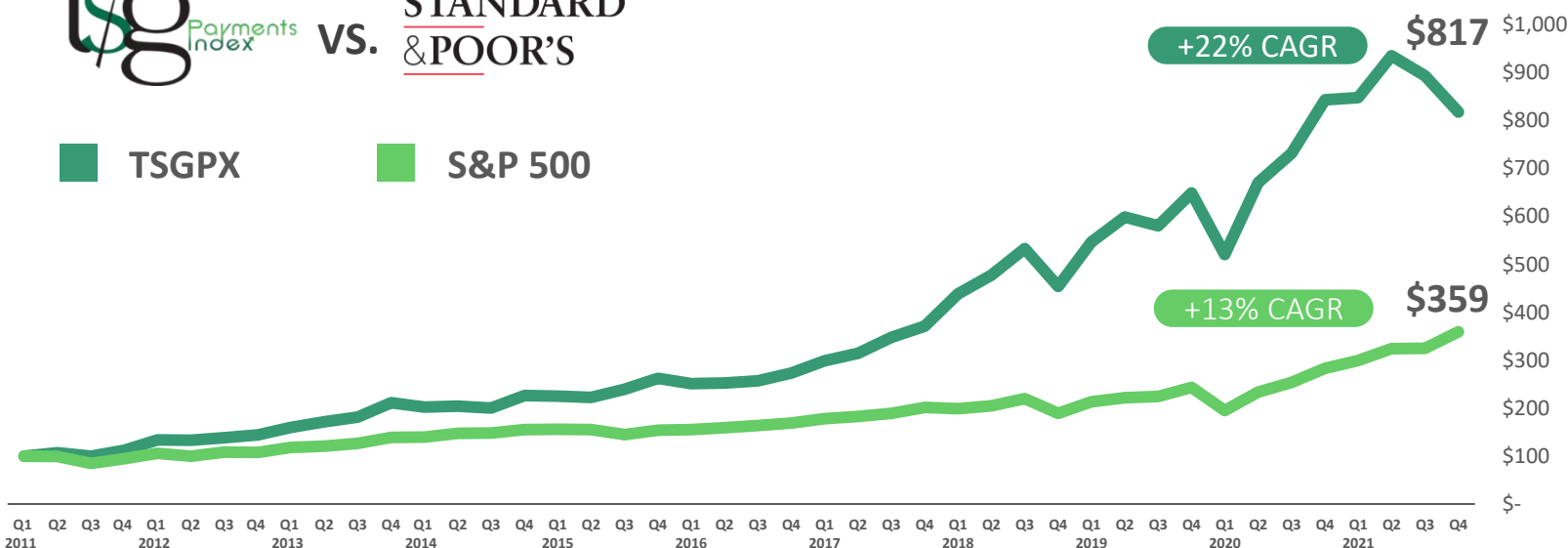
Q1 2011 – Q4 2021

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 \$817 in Q4 2021, as compared to \$359, if invested in the S&P 500.**

On average, payments companies grow at a compounded rate that is **9% 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.

