

# TransactionWatch

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

*Week of:  
March 7<sup>th</sup> – March 11<sup>th</sup>*

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# Deal Activity Summary

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

## This Week's M&A Overview

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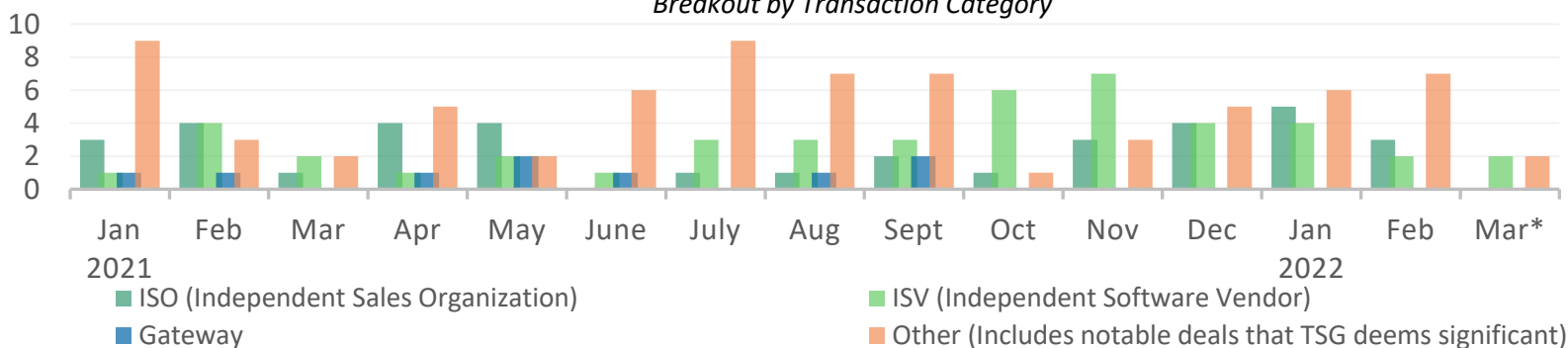
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M&A activity heats up around payment technology and infrastructure solutions this week with the announcements of several deals. To kick things off, PPRO has announced their acquisition of Alpha Fintech, a payments technology company geared towards portfolio analytics and merchant management for acquirers and ISOs. This acquisition enables PPRO to offer a more streamlined integration process for payment products and services as well as increase their presence across the APAC region. This deal is expected to close later this month. Separately, NCR announced this week their acquisition of the intellectual property for opening banking from Spoke Technologies. This deal largely accelerates NCR's digital banking technology while also adding additional integration capabilities to their underlining platform.

In other M&A news, Visa announced the completion of its acquisition of Tink, an open banking platform the provides connectivity to financial institutions, fintechs, and merchants. Tink has developed integrations with more than 3,400 banks and financial institutions across the European region. With the completion of this deal, Visa is seeking to expand Tink's connectivity to over 15,000 financial institutions globally. Visa initially announced this acquisition in June 2021 for a total consideration of approximately \$2.15 billion.

### 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: December 2021 – February 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
ISV	PPRO	Alpha Fintech	-	3/8/2022
ISV	Fleetcor	Levarti	-	3/3/2022
Other	Shift4	Finaro	\$575	3/1/2022
Other	Shift4	The Giving Block	\$300	3/1/2022
Other	Zip	Sezzle	\$356	2/27/2022
Other	Evertec	BBR	\$60	2/24/2022
Other	TreviPay	Baton Financial Services	-	2/23/2022
ISV	Chargebee	Numberz	-	2/23/2022
ISO	DNA Payments	First Payment Merchant Services	-	2/15/2022
ISV	BillTrust	Order2Cash	-	2/15/2022
Other	Madison Dearborn Partners	MoneyGram	\$1,800	2/15/2022



# Historical M&A Tracker

Transaction History: December 2021 – February 2022

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
Other	FIS	Payrix	-	2/14/2022
ISO	DNA Payments	Card Cutters	-	2/9/2022
Other	Fiserv	Finxact	\$650	2/7/2022
ISO	Paylance	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
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



# Historical M&A Tracker

Transaction History: December 2021 – February 2022

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





## Headline News

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



### **Visa Completes Acquisition of Tink**

[BusinessWire](#) | [March 10<sup>th</sup>, 2022](#)

Visa today (Mar. 10<sup>th</sup>) announced it has completed its acquisition of Tink – an open banking platform that enables financial institutions, fintechs and merchants to build financial products and services and move money. Through a single API, Tink enables its customers to move money, access aggregated financial data, and use smart financial services such as risk insights and account verification. Tink is integrated with more than 3,400 banks and financial institutions, reaching millions of bank customers across Europe.



### **Shift4 targets more acquisitions**

[Payments Dive](#) | [March 7<sup>th</sup>, 2022](#)

Payment processing company Shift4 has plans for more purchases this year following last week's acquisition announcements, CEO Jared Isaacman said. Allentown, Pennsylvania-based Shift4 announced last week it's buying cross-border payments company Finaro and cryptocurrency donations firm The Giving Block for a combined \$579 million. The former expands Shift4's bid for global commerce; the latter gives it an entrance into crypto and a leg up with nonprofits. "We're going into a climate now where we might find some opportunities that are great strategic fits, and we're fortunate that we have a fair amount of firepower to put to work when they come along," Isaacman said.



### **Fiserv Lays out a \$10-Billion 2025 Revenue Goal for Its Merchant-Acquiring Business**

[Digital Transactions](#) | [March 9<sup>th</sup>, 2022](#)

When Fiserv Inc. acquired First Data Corp. three years ago, the Brookfield, Wis.-based fintech took on an enormous commitment to the merchant-acquiring business. Late Tuesday, Fiserv's top management made clear just how big that commitment is, how fast it's growing, and how big it will get. "We see a clear path to accelerate growth to \$10 billion by 2025," said Frank Bisignano, Fiserv's chief executive, referring to the unit's revenue goal. Bisignano and chief financial officer Robert Hau spent nearly an hour spotlighting Fiserv's merchant-processing business in a special online presentation.



## Partnership Activity

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

# Paysafe:

### Paysafe Selects J.P. Morgan as Core Banking Provider

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

Leading specialised payments platform, Paysafe, announces the appointment of J.P. Morgan as its core banking provider. The global financial services firm's work for Paysafe will be led from its Payments business, which combines cash management, payment solutions and merchant services for corporate clients, financial institutions and governments. The work with J.P. Morgan began with Paysafe's Integrated and Ecommerce Solutions business, which provides global payment acceptance and processing services for merchants within the UK and Europe, with multi-currency settlements and multi-lingual checkouts.



### Zeta and Mastercard Partner to Power Next-gen Credit Processing for Banks and Fintechs

[BusinessWire](#) | [March 7<sup>th</sup>, 2022](#)

Zeta, a banking tech unicorn and provider of next-gen credit card processing to banks and fintechs, and Mastercard today announced a 5-year global partnership. As part of the agreement, the firms will go-to-market jointly to launch credit cards with issuers worldwide on Zeta's modern, cloud-native, and fully API-ready credit processing stack. Mastercard has underscored the partnership by making a financial investment in Zeta.

### Other Notable Partnerships:

- **Yapstone** partners with **Sezzle** for buy now, pay later options for vacation rentals.
- **Payoneer** teams up with **ThetaRay** on global cross-border payment monitoring.
- **Bill.com** and **CPA.com** expand their partnership by adding Divvy as CPA.com's exclusive partner for expense management.
- **Citi** partners with **Marqeta** for tokenization-as-a-service capabilities.
- **Fortis** teams up with **Lockstep** to offer ERP integrated solutions for accepting online payments.





## Management Changes

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



### OpenPayd Brings On Barry O'Sullivan As The Company's Head of Payments Infrastructure

OpenPayd announced this week the appointment of Barry O'Sullivan to serve as the company's Head of Payment Infrastructure. Under this new role, O'Sullivan will be responsible for enhancing and adding new payment capabilities to the company's platform. O'Sullivan brings over 19 years of experience in the financial industry and most recently served as Strategic Payments Director at Kyriba.

Date Announced	Company	Personnel	New Position	Previous Position
3/10/2022	OpenPayd	Barry O'Sullivan	Head of Payments Infrastructure	Strategic Payments Director at Kyriba
3/9/2022	Pleo	Mette Hindborg Gade	Chief People Officer	Partner at McKinsey & Company



# TSG Payments Index

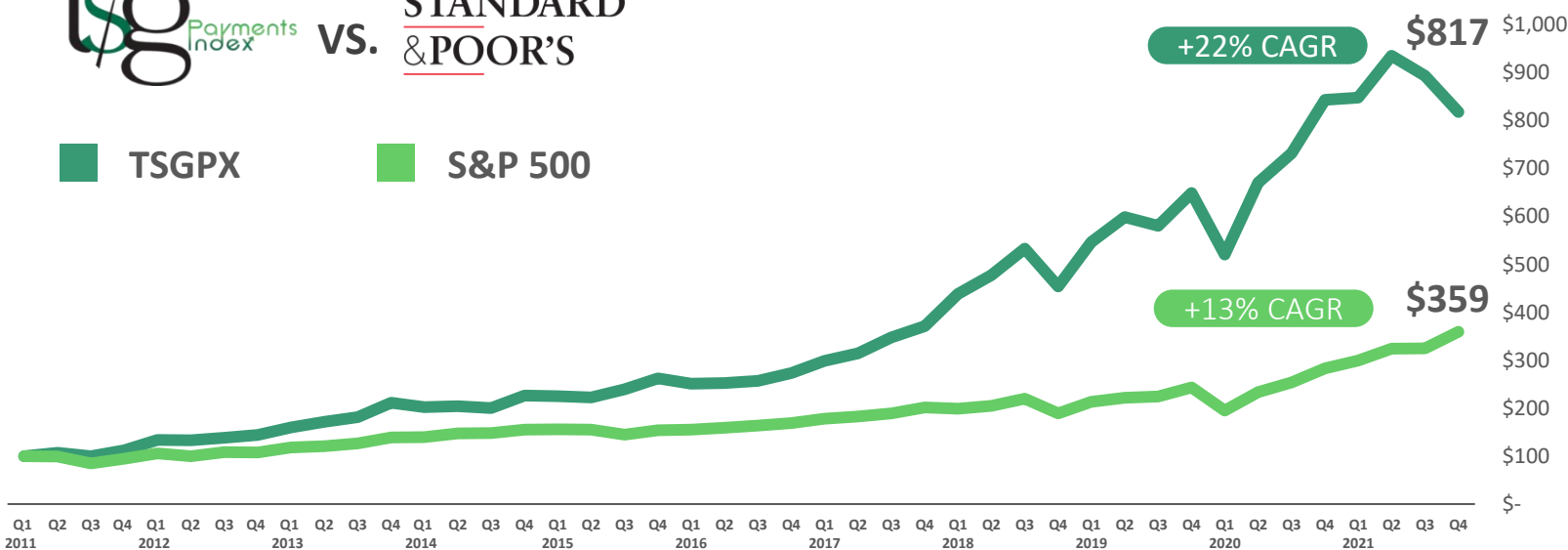
Q1 2011 – Q4 2021

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.

