

# TransactionWatch

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

*Week of:  
March 21<sup>st</sup> – March 25<sup>th</sup>*

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# Deal Activity Summary

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

## This Week's M&A Overview

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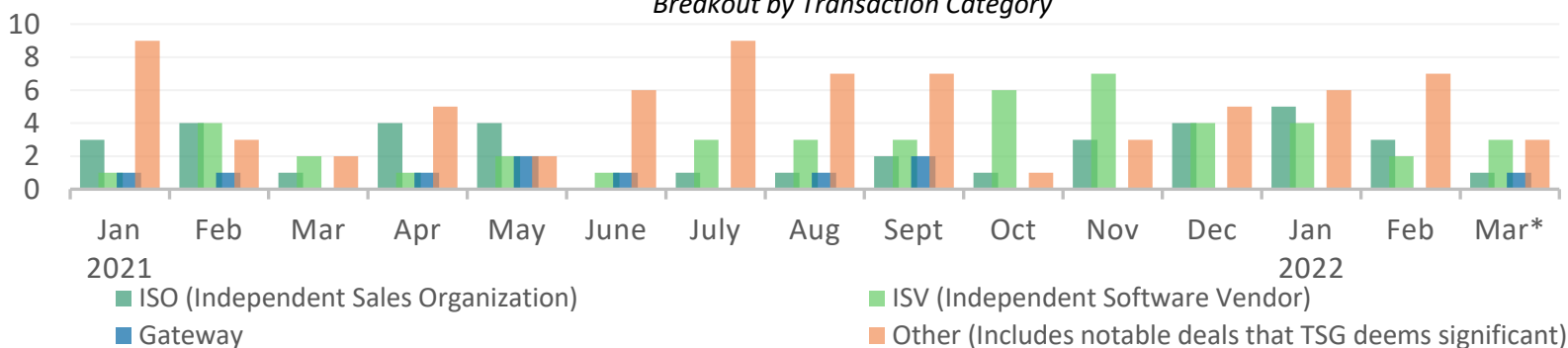
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M&A activity within the payments industry persists this past week with one notable deal. Reported earlier in the week, people familiar with the matter have disclosed that Apple has acquired the U.K.-based start-up Credit Kudos. This deal reportedly values Credit Kudos at around \$150 million, a significant jump in value based on their latest funding round which raised approximately \$6.5 million. The company has seemingly been on the market since September of last year as they sought a buyer that aligned with their strategic goals. Credit Kudos is positioned in the open banking space where they specialize in developing software that processes credit checks for consumer's loan applications based on their historic banking data. This deal suggests that Apple is further committed to broadening their suite of financial services, which goes in hand with their Apple Pay mobile wallet and Apple Card.

In other M&A news, Shift4 is awaiting European and U.S. regulatory approval for their recently announced acquisition of Finaro. This deal, which is expected to close in six to nine months, is under a closer review due to a Russian oligarch's involvement with Finaro in light of the recent sanctions imposed on Russia. Shift4 assures that the oligarch is completely isolated from the organization and will not be further involved once the deal closes.

### 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:



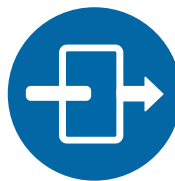
**ISO**

*Independent  
Sales Organization*



**ISV**

*Independent  
Software Vendor*



**Gateway**



**Other**

*Includes notable deals that TSG  
deems significant*

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
<i>Other</i>	<b>Apple</b>	<b>Credit Kudos</b>	\$150	3/23/2022
<i>ISV</i>	<b>Razorpay</b>	<b>IZEaliant Technologies</b>	-	3/16/2022
<i>ISO</i>	<b>Exela Technologies</b>	<b>Corduro</b>	-	3/14/2022
<i>Gateway</i>	<b>North American Bancard</b>	<b>PayTrace</b>	-	3/8/2022
<i>ISV</i>	<b>PPRO</b>	<b>Alpha Fintech</b>	-	3/8/2022
<i>ISV</i>	<b>Fleetcor</b>	<b>Levarti</b>	-	3/3/2022
<i>Other</i>	<b>Shift4</b>	<b>Finaro</b>	\$575	3/1/2022
<i>Other</i>	<b>Shift4</b>	<b>The Giving Block</b>	\$300	3/1/2022
<i>Other</i>	<b>Zip</b>	<b>Sezzle</b>	\$356	2/27/2022
<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



# Historical M&A Tracker

*Transaction History: December 2021 – February 2022*

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



# Historical M&A Tracker

Transaction History: December 2021 – February 2022

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
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
ISO	Worldline	Eurobank (80% stake in Merchant Acquiring unit)	\$290	12/7/2021





## Headline News

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



### **Trust Payments launches Stor e-commerce platform in the US distributed by third-party partner ISOs/banks**

[PR Newswire](#) | [March 21<sup>st</sup>, 2022](#)

Trust Payments, the disruptive leader in fintech specializing in frictionless payments and value-added services, is today (Mar. 21<sup>st</sup>) launching Stor, an innovative e-commerce platform for small and medium businesses. Through the launch, Trust Payments is enabling ISOs, banks and other third parties to sell Stor direct to merchants in the USA.



### **How Mastercard is taking the uncertainty out of big monthly payments by offering payment choice**

[Mastercard Newsroom](#) | [March 23<sup>rd</sup>, 2022](#)

Mastercard is launching a new suite of Smart Payment Decisioning Tools to reduce risk in ACH payments and optimize cost and speed through open banking. It's one thing to find out a small monthly payment didn't go through. It's quite another when that payment is your rent. When there are hiccups with big monthly payments, everyone feels the pinch. They can find themselves, at best, dealing with the friction between parties and scrambling to find different ways for the payment to come through and, at worst, paying large penalty fees.

## Charge After

### **ChargeAfter Raises \$44M in Series B From World's Leading Banks to Scale Global BNPL Financing Network**

[PR Newswire](#) | [March 22<sup>nd</sup>, 2022](#)

ChargeAfter, the market-leading Buy Now Pay Later (BNPL) consumer financing network that provides shoppers with responsible, approved financing offers from multiple lenders with a single application, and bespoke white-labeled BNPL platform services for global banks and financial institutions has announced the completion of their \$44M Series B.



## Partnership Activity

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



### Fiserv and MX Enable Secure Consumer Financial Data Access to Accelerate Future of Open Finance

[Fiserv Newsroom](#) | [March 21<sup>st</sup>, 2022](#)

Fiserv, Inc., a leading global provider of payments and financial services technology solutions, and MX, a financial data platform provider and a leader in modern connectivity, are accelerating the future of open finance through secure, reliable consumer financial data sharing. MX is the first company to access tokenized consumer data via AllData Connect from Fiserv, to better enable a more secure way for consumers to share their financial data with their favorite apps or services.



### Mastercard Track Card to Account Transfer launches in the UK with HSBC to offer improved payment options and working capital benefits for businesses

[Mastercard Newsroom](#) | [March 21<sup>st</sup>, 2022](#)

Today (Mar. 21<sup>st</sup>), Mastercard launches a new business-to-business (B2B) payment solution in the UK - Mastercard Track Card to Account Transfer – which allows businesses to use their commercial card programme to make payments to any supplier, regardless of whether the supplier accepts card payments. The new solution can help businesses manage cash flow, eliminate manual work and expand payment options as suppliers receive card payments from buyers directly in their bank account. Mastercard issuers will be able to offer the solution to their corporate and business customers.

### Other Notable Partnerships:

- **Global Processing Services** renews strategic partnership with **Mastercard** to continue supporting hundreds of global card programs.
- **BigCommerce** teams up with **dLocal** to expand their foothold in Latin America.
- **Sightline Payments** selects **J.P. Morgan** as their primary merchant acquirer and processor for their Play+ ecosystem.
- **Paylink Solutions** partners with **Ecospend** for pay-by-bank services.





# Management Changes

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



**Brandon  
Nussey**



**Asha  
Bakshani**



**Rani  
Hammond**

## Lightspeed Commerce Grows Their Leadership Team With Promotions and A New Hire

Lightspeed announce this week two promotions and a new hire as part of their efforts to grow and transform their leadership team. The company has appointed Brandon Nussey to the newly create role of COO, Asha Bakshani as CFO, and Rani Hammond to serve as Chief People Officer.



Date Announced	Company	Personnel	New Position	Previous Position
3/21/2022	PayPal	<b>Archana Deskus</b>	<i>Executive Vice President and Chief Information Officer</i>	Senior Vice President and Chief Information Officer at Intel
3/22/2022	Digital River	<b>Keith Bush</b>	<i>CFO</i>	CFO and Senior Vice President at Deluxe Corp.
3/22/2022	Ebury	<b>Victor Radu Roșu</b>	<i>Country Manager of Romania and Bulgaria</i>	Director Global Transaction Banking at BRD
3/24/2022	Lightspeed	<b>Brandon Nussey</b>	<i>COO</i>	CFO at Lightspeed
3/24/2022	Lightspeed	<b>Asha Bakshani</b>	<i>CFO</i>	SVP, Finance at Lightspeed
3/24/2022	Lightspeed	<b>Rani Hammond</b>	<i>Chief People Officer</i>	Chief People & Culture Officer at GenesisCare



# TSG Payments Index

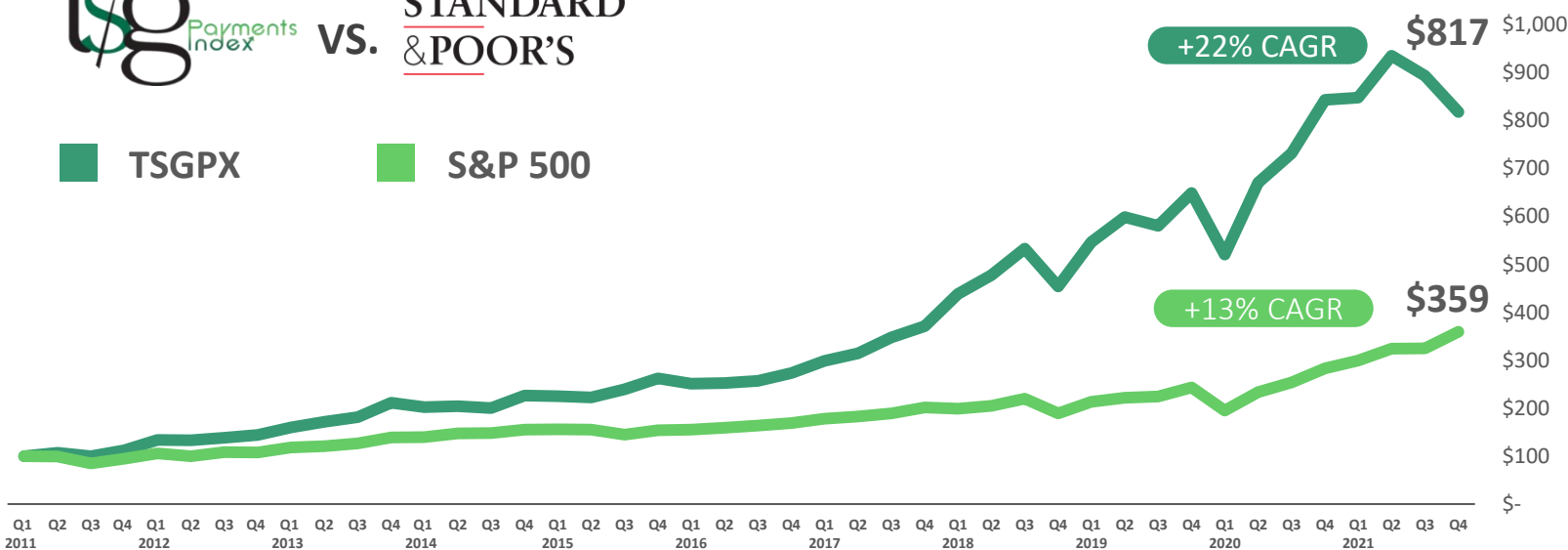
Q1 2011 – Q4 2021

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.

