

# TransactionWatch

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

*Week of:  
February 28<sup>th</sup> – March 4<sup>th</sup>*

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# Deal Activity Summary

February 28<sup>th</sup> – March 4<sup>th</sup>

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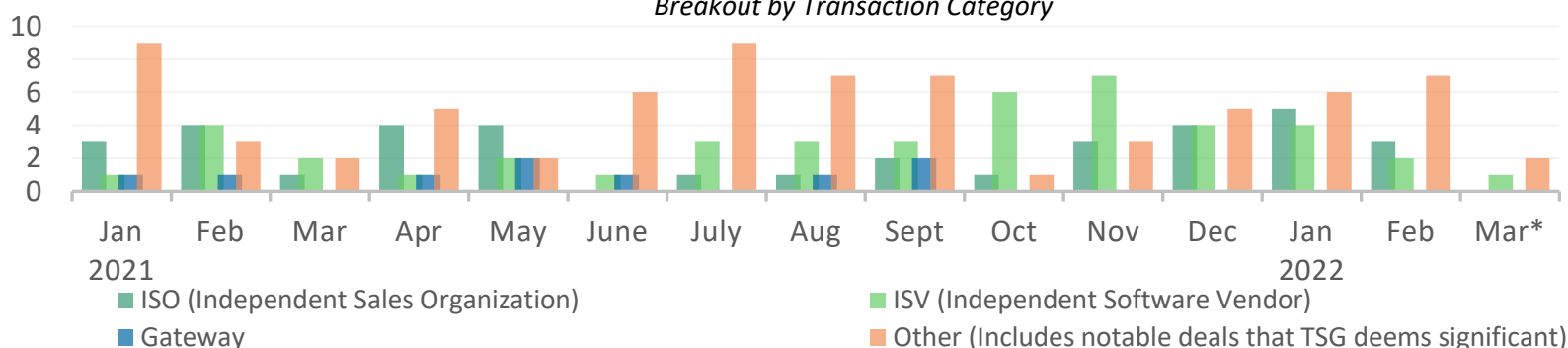
## This Week's M&A Overview

Shift4 accelerates their global expansion efforts and broadens their product capabilities with the announcement of two sizeable acquisitions collectively totaling \$875 million in enterprise value. This past week Shift4 disclosed their deals to acquire Finaro, a cross-border eCommerce payment platform, as well as The Giving Block, a cryptocurrency marketplace platform for non-profits. Shift4's acquisition of Finaro allows them to utilize its global payment infrastructure to broaden their unified commerce platforms, both for their SkyTab POS solution as well as their Shift4Shop and VenueNext offerings. Shift4's acquisition of Finaro has an upfront consideration of \$525 million in value with up to \$50 million in earnout. Moreover, Shift4's acquisition of The Giving Block provides further growth in the non-profit sector and allows for cross-selling opportunities for both crypto and card-based payments. This agreement has an upfront consideration of \$54 million with a potential earnout of up to \$246 million.

In other M&A news, the Australian-based BNPL provider, Zip, announced their definitive agreement to acquire the competing provider Sezzle for an implied value of approximately \$356 million. This deal largely positions Zip to accelerate their global growth initiatives, particularly within the North American region. Zip anticipates the closing of this deal to take place by the end of Q3 2022.

## 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	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
Other	FIS	Payrix	-	2/14/2022



# Historical M&A Tracker

Transaction History: December 2021 – February 2022

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
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
Other	VeriCheck	ACHWorks	-	1/6/2022



# Historical M&A Tracker

Transaction History: December 2021 – February 2022

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
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
Other	Mastercard	Arcus FI	-	11/24/2021





## Headline News

February 28<sup>th</sup> – March 4<sup>th</sup>

**WesternUnion** \\WU

Business  
Solutions

### ***Goldfinch Partners and Baupost Announce Initial Closing of Acquisition of Western Union Business Solutions***

[BusinessWire](#) | [March 1<sup>st</sup>, 2022](#)

Goldfinch Partners LLC and The Baupost Group, LLC announced they reached a major milestone today (Mar. 1<sup>st</sup>) with its initial closing in the acquisition of Western Union Business Solutions (WUBS) for \$910 million. WUBS, which will be renamed Convera as a new standalone B2B global payments company, had a record 2021 with over 20 percent revenue growth and payments volume of \$170 billion.



### ***Visa, Mastercard block Russian financial institutions after sanctions***

[Reuters](#) | [March 1<sup>st</sup>, 2022](#)

U.S. payment card firms Visa Inc and Mastercard Inc have blocked multiple Russian financial institutions from their network, complying with government sanctions imposed over Moscow's invasion of Ukraine. Visa said on Monday (Feb. 28<sup>th</sup>) it was taking prompt action to ensure compliance with applicable sanctions, adding that it will donate \$2 million for humanitarian aid. Mastercard also promised to contribute \$2 million.



### ***Volante Technologies Launches First Unified Service for FedNow<sup>SM</sup> and TCH RTP***

[PR Newswire](#) | [March 2<sup>nd</sup>, 2022](#)

Volante Technologies, the global leader in cloud payments and financial messaging, today (Mar. 2<sup>nd</sup>) announced that it is offering U.S. banks and financial institutions a single unified solution for the FedNow<sup>SM</sup> Service and TCH RTP<sup>®</sup> real-time payments. Adopters of the industry-first service will be able to start their real-time payment journeys with TCH RTP<sup>®</sup> immediately, and seamlessly add the FedNow Service when the new network is ready, gaining a unique advantage in the increasingly competitive U.S. payments landscape.



## Partnership Activity

February 28<sup>th</sup> – March 4<sup>th</sup>



### Worldline enters the Japanese merchant services market through a partnership with local NSP Vesca

[Worldline Press Release](#) | March 3<sup>rd</sup>, 2022

Worldline, a global leader in payments services announced its business expansion to Japan, offering credit card payment processing for merchants nationwide. An economically mature, very secure market with conservative consumer habits, Japan offers a huge growth potential for card payments. The Worldline proposition for the Japanese market is based on a strong partnership with Vesca, a leading local provider of payment solutions and network service provider (NSP). Worldline will provide transaction processing, leveraging the footprint, scale and technology of its global payment processing facilities, while Vesca is the technical enabler that acts as the acceptance layer in the country.



### Worldpay from FIS Eases Navigation of Global Crypto Regulations

[BusinessWire](#) | March 2<sup>nd</sup>, 2022

Financial technology leader FIS announces that its Worldpay from FIS business is helping merchants seamlessly comply with complex web of evolving crypto regulations, all designed to create a secure ecosystem for transactions. To continue to help merchants easily comply with the evolving regulatory landscape in crypto, Worldpay is partnering with Shyft Network. The partnership will enable Worldpay merchants to utilize Shyft's Veriscope solution to meet multi-jurisdictional requirements set out by the FATF (Financial Action Task Force) Travel Rule, which targets the anonymity of cryptocurrency transfers and aims to fight money laundering and other financial crime in the cryptocurrency ecosystem.

### Other Notable Partnerships:

- **NCR** partners with **Stratacache** on enhancing the implementation of digital menus for restaurants.
- **Chargebacks911** teams up with **Microsoft** to launch new fraud solutions for financial institutions.
- **Priority Technology** has announced their participation in **Mastercard** Track Business Payment Service.
- **Ripple** and **Trango** team up on real-time cross border payment services.





# Management Changes

February 28<sup>th</sup> – March 4<sup>th</sup>



## Visa Announces Frank Cooper III As Its New Global Chief Marketing Officer

Visa announced this week the appointment of Frank Cooper III to serve as the company's new Chief Marketing Officer, effective May 2022. As part of this role, Mr. Cooper will also serve as a member of Visa's Executive Committee and will report to their CEO, Al Kelly. Mr. Cooper joins Visa from BlackRock, where he most recently served as Managing Director and Global CMO.

Date Announced	Company	Personnel	New Position	Previous Position
2/28/2022	Melio	Tomer Bareil	COO	VP, Chief Operating Officer, Novi, at Meta
3/1/2022	Moneycorp	Koen Vanpraet	EMEA CEO	Strategic Advisor at PXP Financial
3/2/2022	Visa	Frank Cooper III	Chief Marketing Officer	Senior Managing Director and Global CMO at BlackRock
3/3/2022	Fiserv	Frank Bisignano	Chairman of the Board	Current President and CEO of Fiserv



# TSG Payments Index

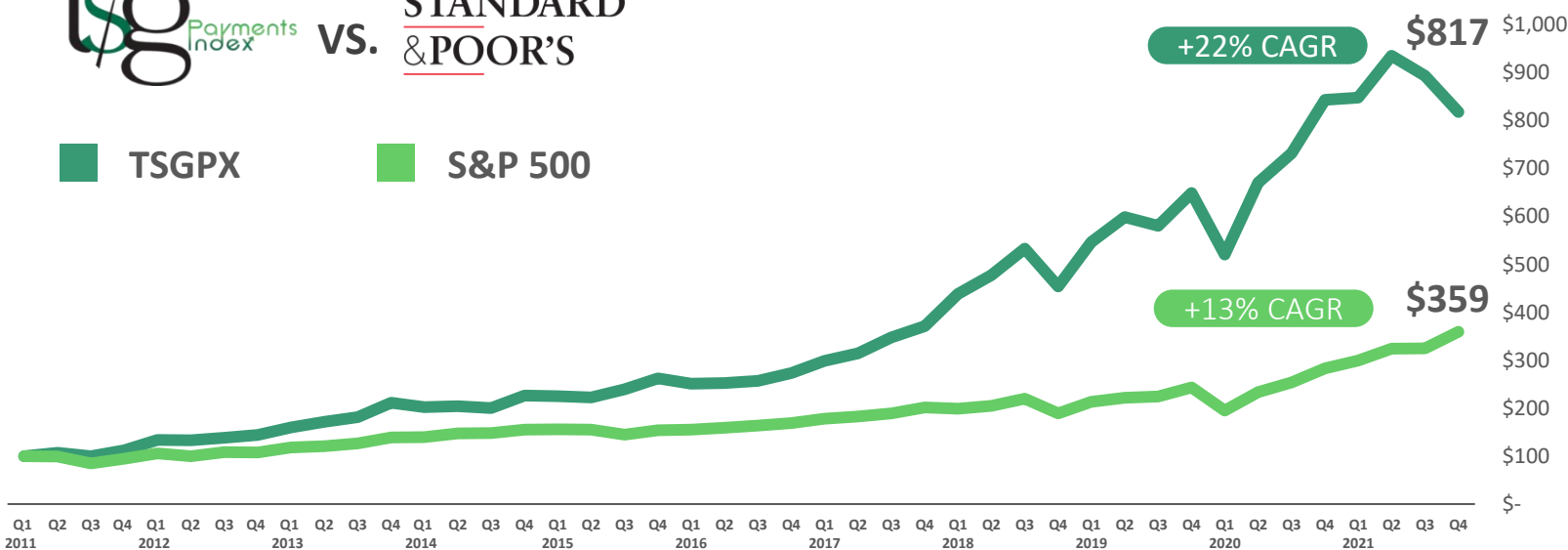
Q1 2011 – Q4 2021

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.

