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THE STRAWHECKER GROUP

TransactionWatch

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

Week of:

April 5th - April 9th

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Deal Activity Summary

April 5th – April 9th

This Week's M&A Overview

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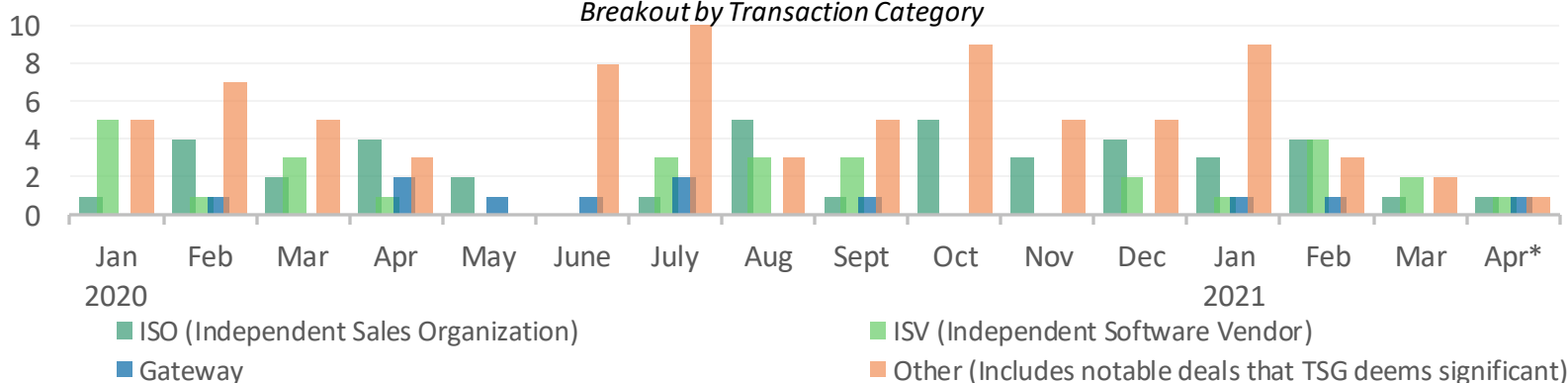
[TSG Buy/Sell Services](#)

M&A activity makes headway this past week with the acquisitions of several notable fintech providers. First off, GreenBox POS has announced the final terms of its acquisition of ChargeSavvy, a point-of-sale (POS) provider that has facilitated over \$2 billion in payments. The final price for the all-stock acquisition was valued at \$12 million and will enable GreenBox POS to rapidly expand their footprint in retail as well as other key market verticals. Separately, EML Payments has announced their intention to acquire Sentenial Group for an upfront enterprise value of approximately \$83 million, with a potential earn-out of up to \$47.5 million. The combined group will process more than \$68 billion in gross debit volume, primarily in the European and Australian regions. The deal is expected to close by the end of 2021.

In other M&A news, i3 Verticals announced this week their acquisitions of two undisclosed software companies focused on the healthcare vertical. The total cash consideration paid at closing for the two deals was valued at \$17.4 million. I3 Verticals will discuss these acquisitions in further detail during their upcoming conference call in May.

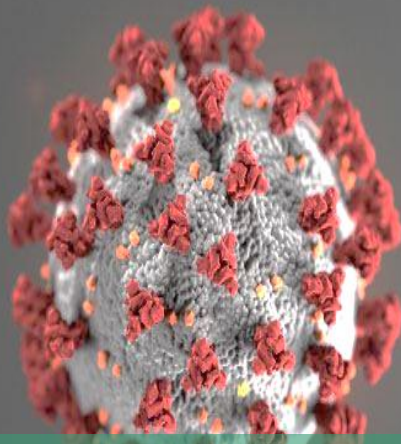
2020 – 2021 YTD M&A Activity

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.



COVID-19 Industry Impact

April 5th – April 9th

As the world faces the continuously evolving COVID-19 pandemic, TSG is here to help support our clients by providing valuable information as it relates to COVID-19's impact on the merchant acquiring industry. In order to help keep our readers well-informed about this ongoing crisis and how it relates to the payments market, below are this week's essential news stories.

Mastercard SpendingPulse: U.S. Retail Sales grew 26.3% Year-over-Year in March, One Year since First Lockdown

[Mastercard Newsroom](#) | April 8th, 2021

U.S. retail sales growth rates increased by double-digits in March as we hit the one-year mark since the first Covid lockdowns impacted retail sales. According to Mastercard SpendingPulse, U.S. retail sales excluding automotive and gasoline increased 26.3% year-over-year in March, and online sales grew 56.8% compared to 2020. Mastercard SpendingPulse measures in-store and online retail sales across all forms of payment.

Shift4 Payments: One Year Later, Data Shows Accelerating Recovery as Transaction Volume Grows

[BusinessWire](#) | April 8th, 2021

Shift4 Payments, the leader in integrated payment processing solutions, recently marked the one-year anniversary of its launch of Shift4Cares.com, a website that the company created to raise funds and increase awareness for U.S. merchants facing the economic brunt of the COVID-19 pandemic.

Fueled by pandemic, contactless mobile payments to surpass half of all smartphone users in US by 2025

[TechCrunch](#) | April 5th, 2021

Among other technology trends accelerated by the COVID-19 pandemic, the use of contactless mobile payments boomed in 2020. According to a recent report by analyst firm eMarketer, in-store mobile payments usage grew 29% last year in the U.S., as the pandemic pushed consumers to swap out cash and credit cards for the presumably safer mobile payments option at point-of-sale.

One Billion Additional Touch-free Visa Payments Made as Consumers Embrace Contactless Commerce

[Visa Newsroom](#) | April 7th, 2021

Visa today (April 7th) announced that it has processed one billion additional touch-free payments, where previously consumers would have needed to enter their PIN, as consumer confidence in contactless payments continues to grow. This milestone has been reached in less than a year since contactless payment limits were increased in 29 countries across Europe in response to the Covid-19 pandemic.



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



Historical M&A Tracker

Transaction History: December 2020 – March 2021

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	GreenBox POS	ChargeSavvy	\$12	4/8/2021
Other	EML Payments	Sentenial Group	\$130.5	4/6/2021
ISO	Payroc	Retriever Merchant Solutions	-	4/2/2021
Gateway	Bank of America	Axia Technologies	-	4/2/2021
ISO	Fiserv	Pineapple Payments	-	3/25/2021
ISV	Lightspeed POS	Vend	\$350	3/11/2021
Other	PayPal	Curv	-	3/8/2021
Other	Priority Technologies	Finxera	\$425	3/8/2021
ISV	Shift4 Payments	VenueNext	\$72	3/4/2021
ISO	Clearent	Transaction Services Group (TSG)	-	2/25/2021
Gateway	NMI	USAePay	-	2/23/2021



Historical M&A Tracker

Transaction History: December 2020 – March 2021

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
ISV	Corcentric	Vendorin	\$100	2/16/2021
ISV	Tyler Technologies	NIC, Inc.	\$2,300	2/10/2021
ISO	AffiniPay	ClientPay	-	2/9/2021
ISV	NCR	Terfina	-	2/8/2021
ISV	I3 Verticals	Business Information Systems	\$87.7	2/5/2021
Other	FTAC Olympus Acquisition Corp.	Payoneer	\$3,300	2/3/2021
Other	SumUp	Paysolut	-	2/2/2021
Other	CURO Group Holdings	Flexiti Financial	\$121	2/1/2021
ISO	CORE Business Technologies	Secure Instant Payments (SIP)	-	2/1/2021
ISO	CORE Business Technologies	eGov Strategies	-	2/1/2021
Other	Fleetcor	Roger	-	1/28/2021
Other	Atlantic-Pacific Processing Systems (APPS)	Paynomix	-	1/28/2021
Gateway	PNC Bank	Tempus Technologies	-	1/27/2021
Other	OV Loop	Push Pay (dba PayFi)	-	1/26/2021
Other	NCR	Cardtronics	\$2,500	1/25/2021
ISO	DNA Payments	Active Payments	-	1/21/2021
ISO	Pineapple Payments	1st Payment Systems	-	1/15/2021



Historical M&A Tracker

Transaction History: December 2020 – March 2021

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
Other	Entrust	HyTrust	-	1/14/2021
ISV	Vanco	Smartcare	-	1/13/2021
Other	Equifax	Kount	\$640	1/8/2021
Other	Cart.com	AmeriCommerce	-	1/7/2021
ISO	FortisPay	Swype at Work	-	1/7/2021
Other	NCR	Freshop	-	1/6/2021
Other	AvidXchange	Core Associates	-	1/4/2021
ISV	Thoma Bravo	RealPage	\$10,200	12/21/2020
ISV	Sphere	Health iPASS	-	12/18/2020
Other	Fiserv	Ondot Systems	-	12/16/2020
Other	GoDaddy	Poynt	\$320	12/16/2020
Other	Worldline	ANZ Bank (Commercial Acquiring)	\$365	12/15/2020
Other	IBM	Expertus Technologies	-	12/15/2020
ISO	Foley Trasimene Acquisition Corp. II	Paysafe	\$9,000	12/7/2020
Other	Affirm	Paybright	\$264	12/3/2020
ISO	Nuvei	Base Commerce	-	12/1/2020
ISO	Lightspeed POS	Upserve	\$430	12/1/2020



Headline News

April 5th – April 9th



PLAID

Plaid valuation tops \$13 billion in first funding after a scrapped \$5.3 billion merger with Visa

[CNBC](#) | [April 7th, 2021](#)

Fintech company Plaid raised a new round of capital that nearly triples its valuation a few months after a deal to be bought by Visa fell apart. The company announced a \$425 million Series D funding round on Wednesday (April 7th), led by Altimeter Capital with participation from new investors, Silver Lake and Ribbit Capital. Earlier investors Andreessen Horowitz, Index Ventures, Kleiner Perkins and New Enterprise Associates also added to the round.



lightspeed

Lightspeed launches Lightspeed Payments in United Kingdom and Europe in expansion of tailored financial solutions

[PR Newswire](#) | [April 6th, 2021](#)

Lightspeed, a leading provider of cloud-based, omnichannel commerce platforms, today (April 8th) announced the initial availability of Lightspeed Payments for hospitality merchants in the United Kingdom and Europe. Lightspeed's integrated payments experience gives small and medium-sized businesses in the hospitality industry access to key functionalities made crucial by the global pandemic, including mobile and contactless payments, ahead of anticipated economic reopenings.

stripe

Payments giant Stripe expands to Middle East with Dubai office

[Reuters](#) | [April 6th, 2021](#)

Digital payments giant Stripe on Tuesday (April 8th) announced the opening of an office in United Arab Emirates financial capital Dubai, its first expansion into the Middle East region. Founded in 2010 by Irish brothers Patrick and John Collison, Stripe is used by more than 50 companies, each processing over \$1 billion annually to receive payments and bill customers.



Partnership Activity

April 5th – April 9th



CardFlight

CardFlight to Offer SwipeSimple to More Merchants and Partners Through Partnership with Global Payments

[CardFlight Newsroom](#) | April 7th, 2021

CardFlight, a leading SaaS payment technology company serving small businesses today (April 7th) announced the expanded availability of its SwipeSimple product in order to reach more U.S. merchants. Through a partnership with Global Payments, a leading provider of payment technology and software solutions, SwipeSimple will be integrated into the lineup of products that Global Payments' indirect channels offer small and medium sized businesses seeking more flexible and contactless payment options of its SwipeSimple product in order to reach more U.S. merchants.



Afterpay and Adyen Partner to Deliver Flexible Payments

[PR Newswire](#) | April 8th, 2021

Afterpay the leader in "Buy Now, Pay Later", and Adyen, the global payments platform of choice for many of the world's leading businesses, are joining forces to offer Afterpay's leading "Buy Now, Pay Later" (BNPL) service to retailers, kicking off with Hunter, the premium British footwear brand.

Other Notable Partnerships:

- **Intuit** partners with **Practice Ignition** for payment solution for tax-preparation professionals.
- **Everyware** partners with **CyberSource** and **Authorize.net** on contactless payments.
- **b.well** partners with **Mastercard** for secure online and in-person healthcare payments.
- **DNA Payments** partners with **Ecospend** for open banking payment solutions.
- **North American Bancard** partners with **HAWK.AI** for AML compliance.
- **Settle Group** partners with **Currencycloud** for cross-border solutions.



Management Changes

April 5th – April 9th



SpotOn

SpotOn Brings Austin Trombley and Tommy Chang To Their Leadership Team

SpotOn announced this week the appointments of Austin Trombley and Tommy Chang (pictured) to the company's leadership team. Trombley will serve as the company's Executive VP of Alternative Payments, while Chang joins as Senior Product Director of Payments from his previous role at Global Payments.

Date Announced	Company	Personnel	New Position	Previous Position
4/5/2021	SpotOn	Austin Trombley	<i>Executive VP of Alternative Payments</i>	Current Board Member at Inspire Global Ventures
4/5/2021	SpotOn	Tommy Chang	<i>Senior Product Director of Payments</i>	Director of Product Management at Global Payments
4/7/2021	MoneyGram International	Hilary Jackson	<i>COO</i>	COO at Selene Holdings
4/8/2021	First American Payment Systems	Steve Eazell	<i>Senior Manager for the ISO/Partnership channel</i>	Executive VP of Strategic Partners at ComplyPay



TSG Payments Index

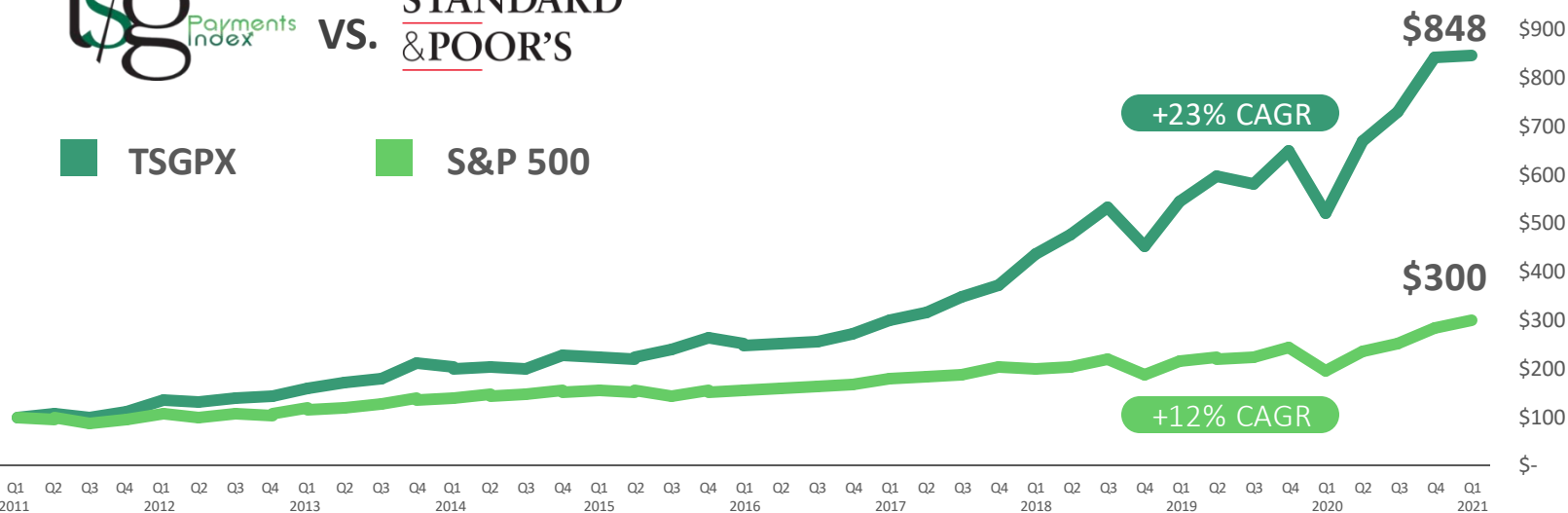
Q1 2011 – Q1 2021



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 \$848 in Q1 2021, as compared to \$300, 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



In its
sale to



In the
acquisition of



In the
acquisition of



In the
acquisition of



In its
Merger with



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



THE BEEKMAN GROUP LLC

In its
recapitalization of



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 the
acquisition of



In acquisition of the
operation assets of



In the
acquisition of



On their joint
venture with





Payments Experts. Powerful Data.
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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.

