

TransactionWatch

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

*Week of:
July 19th – July 23rd*

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Deal Activity Summary

July 19th – July 23rd

This Week's M&A Overview

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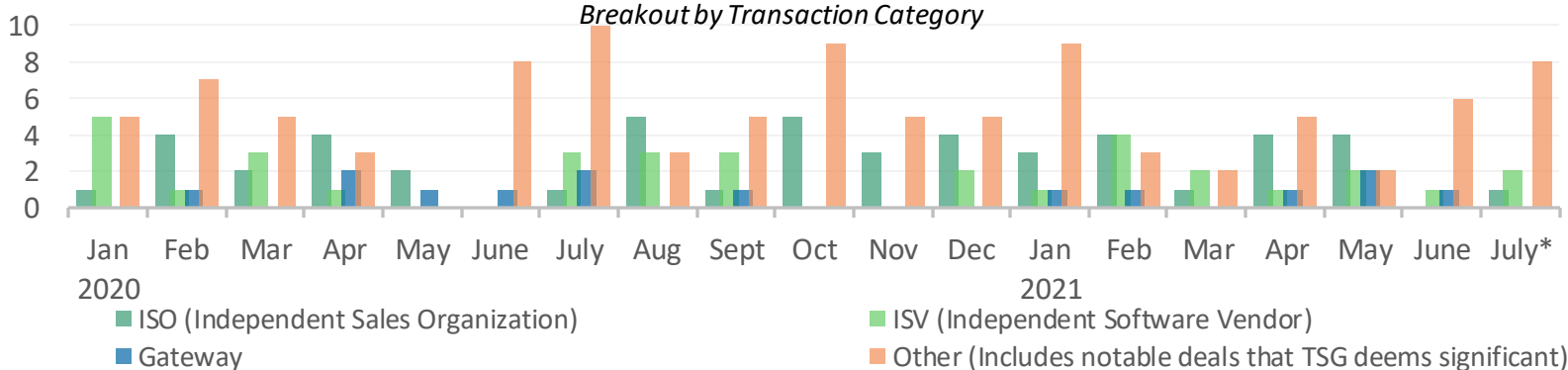
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Substantial traction on the M&A front continues to make headway in the merchant acquiring industry as we further progress into the third quarter. To start, Visa announced yesterday (July 22nd) their definitive agreement to acquire Currencycloud in a deal valued at approximately \$963 million (£700 million), inclusive of cash and retention incentives. This deal comes on the heels of Visa's \$2.2 billion acquisition of Tink announced just last month. Their transaction of Currencycloud helps support Visa's existing foreign exchange solutions and further positions them on their overarching network of networks strategy. Separately, Bill.com is remaining active in M&A activity with their deal to acquire Invoice2go for approximately \$625 million, of which 75% will be paid in common stock with the remaining 25% paid in cash. Bill.com recently announced their deal to acquire Divvy for \$2.5 billion back in May of this year.

In other M&A news, GreenBox POS marked their third acquisition of this year with their announced to acquire Transact Europe for approximately \$35 million. With this acquisition, GreenBox is able to expand their product offerings and gain access the European market through Transact's existing payment processing licensing. Lastly, Klarna has acquired the German online shopping platform Stocard in a deal reportedly valued at approximately \$133 million.

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.



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: March 2021 – July 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
Other	Klarna	Stocard	\$133	7/22/2021
Other	Visa	Currencycloud	\$963	7/22/2021
ISO	GreenBox POS	Transact Europe	\$35	7/19/2021
Other	Bill.com	Invoice2go	\$625	7/19/2021
ISV	Waystar	Patientco	-	7/15/2021
ISV	Square	Crew	-	7/14/2021
Other	Payroc	ACheck21	-	7/14/2021
Other	AvidXchange	FastPay	-	7/12/2021
Other	Concord Acquisition Corp.	Circle	-	7/8/2021
Other	Nium	Wirecard Forex	-	7/7/2021
Other	Rapyd	Valitor	\$100	7/1/2021



Historical M&A Tracker

Transaction History: March 2021 – July 2021

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
Other	Visa	Tink	\$2,150	6/24/2021
Other	REPAY	Kontrol Payables	\$11	6/22/2021
Other	Atlantic-Pacific Processing Systems (APPS)	Clique Payments	-	6/18/2021
Other	Checkout.com	Icefire	-	6/15/2021
ISV	Toast	xtraCHEF	-	6/10/2021
Other	Lightspeed	Ecwid	\$500	6/7/2021
Other	Lightspeed	NuORDER	\$425	6/7/2021
Gateway	EVO Payments	Pago Facil	-	6/3/2021
ISO	FortisPay	Change Merchant Solutions	-	5/26/2021
Gateway	FortisPay	EpicPay	-	5/26/2021
ISO	GreenBox POS	Northeast Merchant Services	\$3	5/25/2021
Other	Sift	Chargeback	-	5/25/2021
Other	Stripe	Bouncer	-	5/14/2021
ISO	MiCamp Solutions	American Bank Payments	-	5/11/2021
ISO	REPAY	BillingTree	\$503	5/10/2021
Gateway	Nuvei	Simplex	\$250	5/6/2021
ISV	Bill.com	Divvy	\$2,500	5/6/2021



Historical M&A Tracker

Transaction History: March 2021 – July 2021

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
ISV	Global Payments	Zego	\$925	5/4/2021
Other	Stripe	TaxJar	-	4/27/2021
ISO	Paya	Paragon Payment Solutions	-	4/26/2021
ISO	Deluxe	First American Payment Systems	\$960	4/22/2021
Other	Mastercard	Ekata	\$850	4/19/2021
Other	Nuvei	Mazooma	\$315	4/16/2021
ISO	DocuPhase	Clearwater Payments	-	4/12/2021
Other	Tipalti	Approve.com	-	4/12/2021
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



Headline News

July 19th – July 23rd



Introducing Square Banking, a Suite of Powerful Financial Tools for Small Businesses

[Square Newsroom](#) | July 20th, 2021

Today (July 20th), Square launches Square Banking, a suite of financial products purpose-built to help small business owners easily manage their cash flow and get more out of their hard-earned money. Coming on the heels of Square's industrial bank, Square Financial Services, beginning operations in March, Square Banking represents a major milestone in Square's continued efforts to expand access to financial tools for underbanked populations and marks the beginnings of the company's journey to provide more banking solutions to small businesses.



Mastercard creates simplified payments card offering for cryptocurrency companies

[Mastercard Press Release](#) | July 20th, 2021

Mastercard announced today (July 20th) it will enhance its card program for cryptocurrency wallets and exchanges, making it simpler for partners to convert cryptocurrency to traditional fiat currency. Working with Evolve Bank & Trust and Paxos Trust Company, the leading blockchain infrastructure and regulated stablecoin issuance platform, and Circle, a global financial technology firm and the principal operator of the USD Coin (USDC), a dollar digital currency or stablecoin, Mastercard and its partners will test this new capability to enable more banks and crypto companies to offer a card option to people wanting to spend their digital assets anywhere Mastercard is accepted.



Meet Visa: Reintroducing the Iconic Visa Brand to Everyone, Everywhere

[Visa Newsroom](#) | July 21st, 2021

Inviting the world to 'Meet Visa,' the global payments technology company today (July 21st) unveiled the initial phase of its brand evolution spotlighting the diverse capabilities of its network and commitment to enabling global economic inclusion. Aligned closely with the company's business strategy, this phase includes the debut of a dynamic global marketing campaign and a preview of a modernized look for Visa's iconic brand.



Partnership Activity

July 19th – July 23rd



NMI and J.P. Morgan Collaborate to Expand Card-Present Payments Offering in Europe

[PRWeb](#) | July 20th, 2021

NMI, a leading global payments enablement technology company, and J.P. Morgan, the No. 1 acquirer of web transactions in Europe for the sixth year running, will utilize NMI's portfolio of retail, mPOS, unattended and tap to mobile technologies to serve J.P. Morgan customers in a selection of European countries.



Paysafe partners with Bankable to provide omnichannel banking services

[Paysafe Press Release](#) | July 21st, 2021

Paysafe, a leading specialised payments platform, today (July 21st) announces a new partnership with Bankable, a global architect of 'banking-as-a-service' solutions. Through the global agreement, the two companies will collaborate to launch a broad range of integrated, omnichannel banking services from Paysafe.

Other Notable Partnerships:

- **BigCommerce** partners with **Mercado Libre** to expand cross-border eCommerce growth in Latin American and North America.
- **Worldpay** selects **OKCoin** to support their global acquiring and foreign exchange services.
- **Grab** expands its partnership with Adyen to offer Buy Now, Pay Later services across Southeast Asia.
- **Paysafe** selects **Elliptic** to help oversee exposure to cryptocurrency-related risks and compliance.
- **Finicity**, a Mastercard company, signs up with **Green Dot** for data access and management.
- **Paysafe** announces partnership with **Smart Property Systems** to expand further into the real estate and property management vertical across North America.



Management Changes

July 19th – July 23rd



Finastra Appoints Oren Marmur As New General Manager of Payments

Finastra announced this week their appointment of Oren Marmur to General Manager, Payments. Under this new role, Oren will lead the company's Payments Growth business which aims at providing end-to-end payment solutions to their customers globally. Prior to this role, Oren served as Vice President and Head of Sales Solutions at Amdocs Technology.

Date Announced	Company	Personnel	New Position	Previous Position
7/21/2021	Finastra	Oren Marmur	General Manager, Payments	VP, Head of Solution Sales at Amdocs Technology



TSG Payments Index

Q1 2011 – Q2 2021

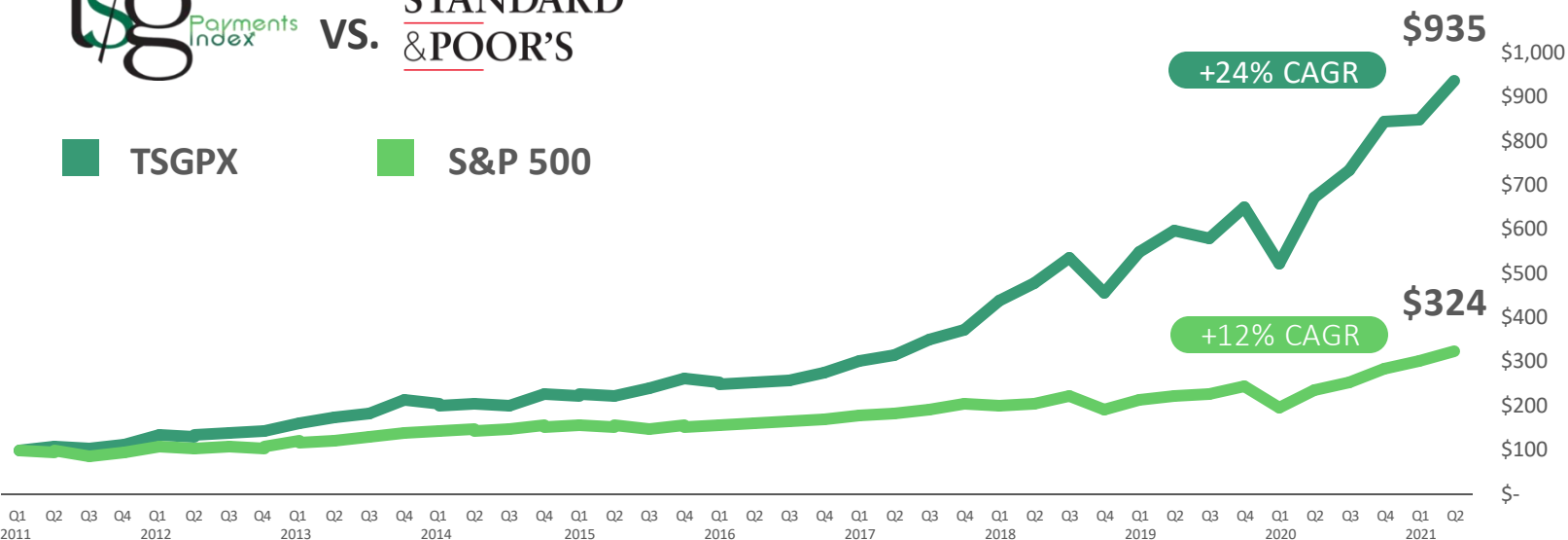
tsg
Payments
Index

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 \$935 in Q2 2021, as compared to \$324, if invested in the S&P 500.**

On average, payments companies grow at a compounded rate that is **12% 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.
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.

