

# TransactionWatch

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

*Week of:  
July 26<sup>th</sup> – July 30<sup>th</sup>*

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# Deal Activity Summary

July 26<sup>th</sup> – July 30<sup>th</sup>

## This Week's M&A Overview

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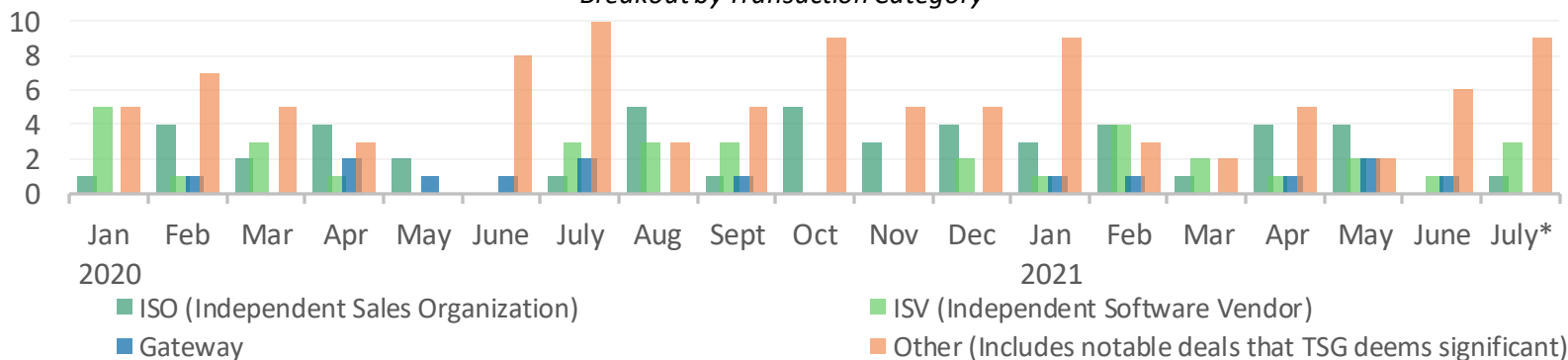
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M&A activity continues to move ahead this week as corporations begin to release their quarterly and first half 2021 earnings reports. To start, Klarna continues their acquisition spree as they mark their third transaction of the month. This week, Klarna announced their acquisition of APPRL, an ISV platform centered on marketing online brands and retailers. Similar to their acquisition of HERO earlier this month, this transaction is positioned to help Klarna's users stay more connected and informed with online sellers who can now better market and promote their products through Klarna's suite of services. Just last month, Klarna raised more than \$600 million in funding which valued the company at around \$45 billion. Klarna is evidently using this capital to further expand their products and services as well as to reach into new geographical areas.

In other M&A news, OLB Group announced they have signed a letter of intent (LOI) to acquire a CBD merchant portfolio. Collectively, these merchants process over \$300 million in annual volume. Following the closing of this deal, the merchants will utilize OLB Group's SecurePay payment gateway for processing. OLB Group anticipates that this deal will generate an additional \$13 million in revenue. Terms of this agreement were not disclosed.

### 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](mailto: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
ISV	Klarna	APPRL	-	7/27/2021
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	Klarna	HERO	\$160	7/9/2021
Other	Concord Acquisition Corp.	Circle	-	7/8/2021



# Historical M&A Tracker

Transaction History: March 2021 – July 2021

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
Other	Nium	Wirecard Forex	-	7/7/2021
Other	Rapyd	Valitor	\$100	7/1/2021
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



# Historical M&A Tracker

Transaction History: March 2021 – July 2021

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
Gateway	Nuvei	Simplex	\$250	5/6/2021
ISV	Bill.com	Divvy	\$2,500	5/6/2021
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





## Headline News

July 26<sup>th</sup> – July 30<sup>th</sup>



### **Mastercard Launches New Start Path Cryptocurrency and Blockchain Program for Startups**

[BusinessWire](#) | [July 27<sup>th</sup>, 2021](#)

Mastercard announced today (July 27<sup>th</sup>) a new Start Path global startup engagement program dedicated to supporting fast-growing digital assets, blockchain and cryptocurrency companies. As a continuation of Mastercard's digital assets work, seven startups have joined the program, including GK8, Domain Money, Mintable, SupraOracles, STACS, Taurus, and Uphold, and together with Mastercard seek to expand and accelerate innovation around digital asset technology and make it safer and easier for people and institutions to buy, spend and hold cryptocurrencies and digital assets.



### **Amazon denies report claiming imminent acceptance of Bitcoin payments**

[The Verge](#) | [July 27<sup>th</sup>, 2021](#)

Amazon has denied a report that claimed it plans to start accepting Bitcoin as payment before the end of the year. "Notwithstanding our interest in the space, the speculation that has ensued around our specific plans for cryptocurrencies is not true," a spokesperson for the company told Reuters, "We remain focused on exploring what this could look like for customers shopping on Amazon."



### **OLB Group Signs Letter of Intent to Acquire Portfolio of CBD Merchants with Annual Transaction Volume Over \$300M**

[BusinessWire](#) | [July 27<sup>th</sup>, 2021](#)

The OLB Group, Inc., a provider of cloud-based omnicommerce and payment acceptance solutions for small- and mid-sized merchants, announced it has signed a non-binding letter of intent (LOI) to acquire a portfolio of CBD and other merchants that will utilize the company's SecurePay Payment Gateway to process payments.



## Partnership Activity

July 26<sup>th</sup> – July 30<sup>th</sup>



### Goldman Sachs taps into Fiserv's clients to grow transaction banking

[Yahoo! Finance](#) | July 26<sup>th</sup>, 2021

Goldman Sachs Group Inc said on Monday (July 26<sup>th</sup>) it is partnering with the financial tech and payments company Fiserv Inc to expand its transaction banking and foreign exchange payments network, according to a joint press release. The move gives Goldman the chance to pitch its fledgling business of managing corporate cash to Fiserv's network of some 12,000 banking, brokerage and government clients.



### NYMBUS Introduces Plaid Partnership

[BusinessWire](#) | July 27<sup>th</sup>, 2021

NYMBUS, a leading provider of banking technology solutions, today (July 27<sup>th</sup>) announced a partnership with Plaid, a data network powering the digital financial ecosystem, to more instantly authenticate and fund customer bank accounts for financial institutions. With this integration, Nymbus bank and credit union clients can securely onboard new users in a matter of seconds, which translates to more active and engaged banking experiences.

### Other Notable Partnerships:

- **Nuvei** teams up with **Alipay** to provide Alipay+ cross-border payment and marketing solutions for their merchant base.
- **Lloyds Bank** establishes a partnership with **Mastercard** to launch PayFrom Bank solution.
- **JetBlue** renews its long-term partnership agreements with **Barclays** and **Mastercard**.
- **Google** selects **Marqeta** to as its card issuing platform to power a new virtual Google Pay balance card.
- **Simplex** and **allpay.cards** team up to launch a Visa cryptocurrency debit card.





# Management Changes

July 26<sup>th</sup> – July 30<sup>th</sup>



**Paysafe**

## Paysafe Adds Mark Brooker To Its Board As Non-Executive Director

Paysafe announced this week their appointment of Mark Brooker to serve on the company's board as an independent non-executive board director, effective July 22<sup>nd</sup>. Prior to this role, Brooker served as Chief Operating Officer at Trainline, a large independent European retailer.

Date Announced	Company	Personnel	New Position	Previous Position
7/26/2021	Paysafe	Mark Brooker	Independent Non-Executive Board Member	COO at Trainline
7/26/2021	Sound Payments	Mike White	VP of Sales for the Petroleum Channel	National Sales Manager at Verifone
7/28/2021	VizyPay	Kyle McCann	Director of Business Development	Technical Supervisor at VizyPay
7/28/2021	Innovative Payment Solutions	Richard Roseblum	President and CFO	Founder of Harborview Capital
7/28/2021	GoCardless	Alexandra Chiaramonti	General Manager of Southern Europe	CEO of GoBeep



# TSG Payments Index

Q1 2011 – Q2 2021

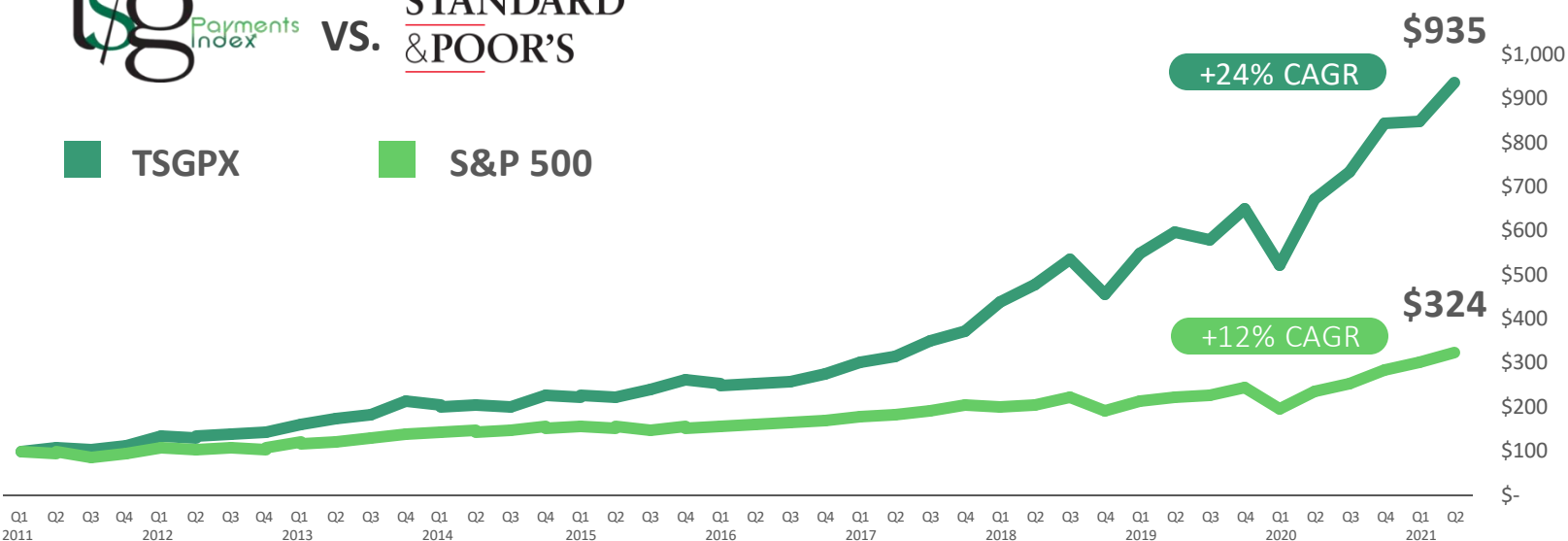
tsg  
Payments  
Index

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.

