



Payments Experts. Powerful Data.
THE STRAWHECKER GROUP

TransactionWatch

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

Week of:

August 23rd – August 27th

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Deal Activity Summary

August 23rd – August 27th

This Week's M&A Overview

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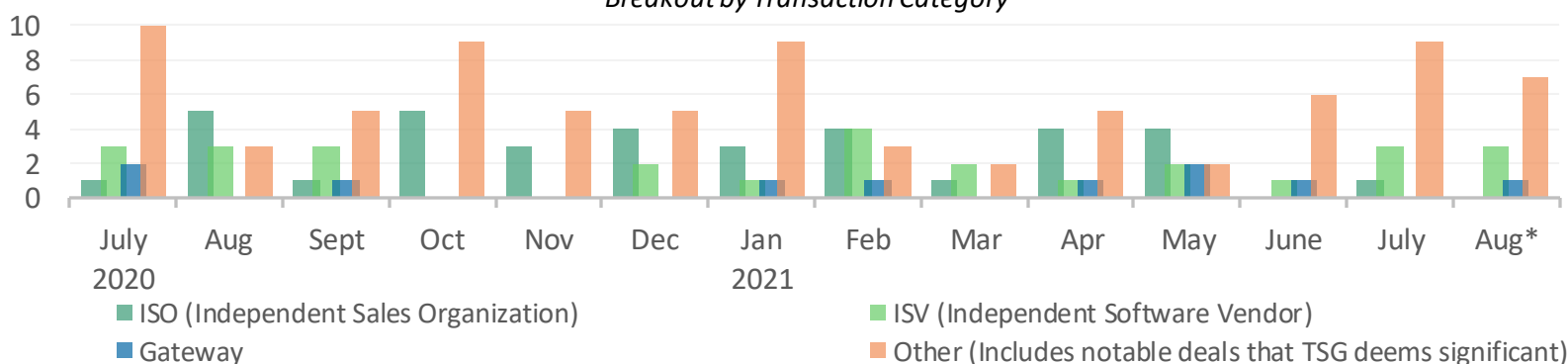
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Paysafe remains active on the M&A front as they announce their second acquisition in the past two weeks. Over this past weekend, Paysafe disclosed their acquisition of viafintech, a German-based neobank and payments provider, in an all-cash transaction. This deal is designed to enhance Paysafe's position in the DACH region, while also enabling the company to cross-sell viafintech's banking and payment solutions across their existing customer base. This transaction follows Paysafe's recent Latin American acquisitions of SafetyPay and PagoEfectivo, which are aimed to boost Paysafe's product offerings of eCash and payment acceptance solutions across international markets.

In other M&A news, NCR announced this week their acquisition of Foremost Business Systems for an undisclosed sum. Foremost is a provider of Point of Sale (POS) and technology solutions for the restaurant market. This transaction further expands NCR's marketability and reach across Minnesota and Western Wisconsin. Separately, LexisNexis Risk Solutions has acquired TruNarrative, a financial fraud prevention platform based in the U.K. This deal propels LexisNexis' risk assessment capabilities that allow financial institutions to maintain regulation compliance and risk adverse monitoring obligations.

H2 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: April 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	LexisNexis	TruNarrative	-	8/25/2021
ISV	NCR	Foremost Business Systems	-	8/23/2021
Other	Paysafe	Viafintech	-	8/22/2021
Other	Paysafe	SafetyPay	\$441	8/16/2021
ISV	U.S. Bank	Bento Technologies	-	8/12/2021
Other	Paymentus	Payveris	\$152.2	8/10/2021
Gateway	EVO Payments	Anderson Zaks	-	8/2/2021
Other	Paysafe	PagoEfectivo	-	8/2/2021
ISV	NCR	LibertyX	-	8/2/2021
Other	Fleetcor	ALE Solutions	-	8/2/2021
Other	Square	Afterpay	\$29,000	8/1/2021



Historical M&A Tracker

Transaction History: April 2021 – July 2021

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
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



Historical M&A Tracker

Transaction History: April 2021 – July 2021

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



Headline News

August 23rd – August 27th



PayPal launches crypto buying and selling in the UK

[Reuters](#) | [August 23rd, 2021](#)

PayPal Holdings Inc will allow customers in the UK to buy, sell and hold bitcoin and other cryptocurrencies starting this week, the company said on Monday (Aug. 23rd). The roll-out, which marks the first international expansion of PayPal's cryptocurrencies services outside of the United States, could inspire further mainstream adoption of the new asset class.



Klarna hits record 20 million US customers as demand for flexible payment options soars

[PR Newswire](#) | [August 23rd, 2021](#)

Klarna, the leading global retail bank, payments and shopping service, today (Aug. 23rd) announced it has doubled its US customer base since June 2020, reaching a record 20 million customers. The company's growth is further highlighted by accelerated momentum of the Klarna app, which now maintains 4 million monthly active US users as daily downloads surpass the closest competitor by 20%, according to App Annie.



Restaurant Payment Software Provider Toast Files for IPO

[TheStreet](#) | [August 27th, 2021](#)

Toast, a restaurant payment software provider, has filed with the Securities and Exchange Commission for an initial public offering. In its S-1 prospectus filed Friday (Aug. 27th) with the SEC, Toast proposed an offering of \$100 million, but that's just a placeholder amount until it decides for sure. In February, The Wall Street Journal reported Toast was planning an IPO that could value it at \$20 billion.



Partnership Activity

August 23rd – August 27th



U.S. Bank Partners With Mastercard to Launch the U.S. Bank Voyager Mastercard for the Fleet Industry

[BusinessWire](#) | [August 24th, 2021](#)

U.S. Bank announced today (Aug. 24th) that it has partnered with Mastercard, a global technology company in the payments industry, to offer the U.S. Bank Voyager Mastercard, which can be used for fleet-related expenses anywhere Voyager or Mastercard are accepted. U.S. Bank currently offers the U.S. Bank Voyager Fleet Card which can be used to pay for fuel, maintenance and other expenses at more than 320,000 locations across the U.S. using the proprietary Voyager Network.



Selecta Group and Fiserv to Roll Out Cashless Payments Across Europe

[BusinessWire](#) | [August 24th, 2021](#)

Selecta Group, Europe's leading route-based self-service retailer offering coffee and convenience food solutions in the workplace and in public spaces, is partnering with Fiserv, Inc., a leading global provider of payments and financial services technology solutions, to commence the enhancement and streamlining of digital payments across its points of sale, meeting consumer demand and boosting operational efficiency as self-service technologies such as vending machines and smart fridges boom in a pandemic-conscious world.

Other Notable Partnerships:

- **TruMark Financial** selects **NCR** to provide digital banking solutions for its retail and business members.
- **MovoCash** teams up with **Fiserv** to expand on additional money movement options.
- **Visa** and **Ascenda** announce strategic partnership for enhanced loyalty and rewards solutions for the Asia-Pacific region.
- **Adyen** and the **Shiji Group** partner to offer streamlined payment solutions for the hospitality industry.
- **Linktree** partners with **PayPal** to expand its commerce tools for direct payments globally.



Management Changes

August 23rd – August 27th



Joel Gambiana



Tedd Huff



William Popok



F1 PAYMENTS

F1 Payments Announces New Appointments To Their Executive Team

F1 Payments announced this week the appointments of three new individuals to their executive team. Joel Gambiana has joined as Chief Revenue Officer, Tedd Huff as Head of Corporate Strategy, and William Popok as Chief Financial Officer. Each individual has an extensive background in payments and will help accelerate F1 Payments future growth initiatives.

Date Announced	Company	Personnel	New Position	Previous Position
8/23/2021	ING	Marnix van Stiphout	<i>COO, Chief Transformation Officer, and Management Board Banking member</i>	COO of Retail Banking at ING
8/24/2021	AffiniPay	Robert Alvarez	<i>Executive Board Member</i>	Current CFO of BigCommerce
8/26/2021	AffiniPay	Bryan Thompson	<i>Chief Technology Officer</i>	Chief Technology Office at Beyond Inc.
8/26/2021	F1 Payments	Joel Gambiana	<i>Chief Revenue Officer</i>	VP Revenue and Business Development at MerchantE
8/26/2021	F1 Payments	Tedd Huff	<i>Head of Corporate Strategy</i>	Founder of Diamond D3
8/26/2021	F1 Payments	William Popok	<i>Chief Financial Officer</i>	VP of Finance at SADA Systems



TSG Payments Index

Q1 2011 – Q2 2021

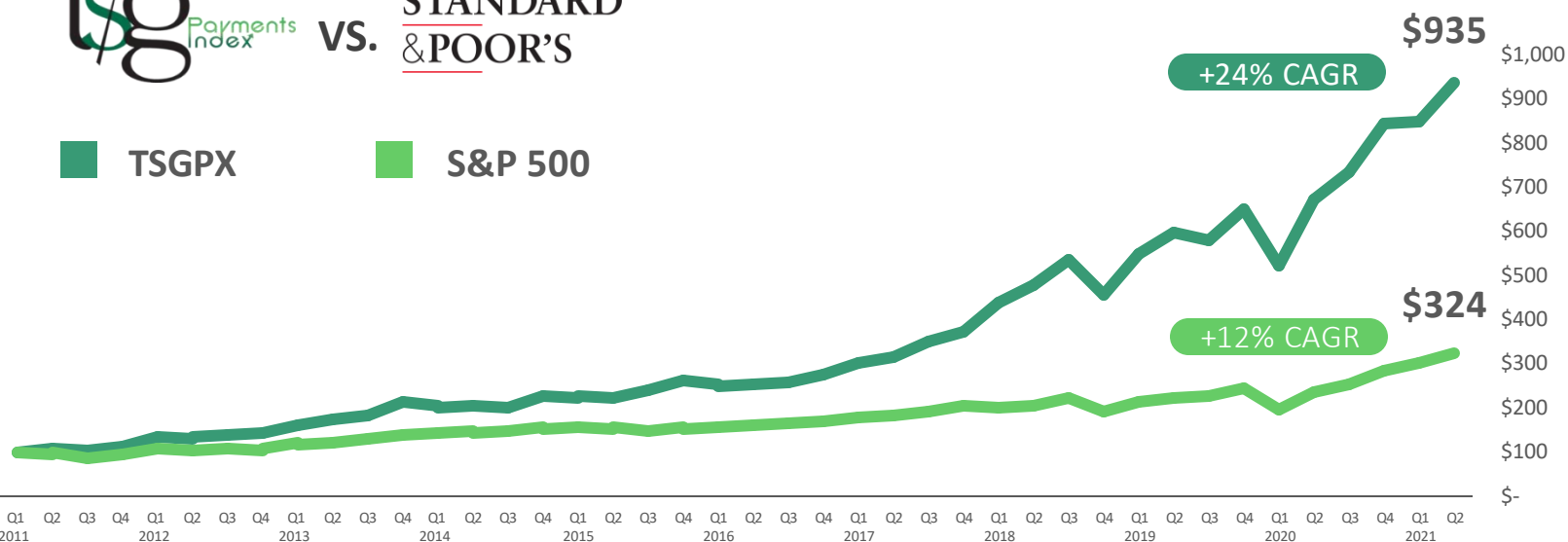
tsg
Payments
Index

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 a debit card
sponsorship
portfolio sale to



In the
acquisition of



In the
acquisition of



In the
acquisition of
NXGEN
& **pay**scape®



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 its
sale to



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.

