



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 2<sup>nd</sup> – August 6<sup>th</sup>*

*This report is based upon information considered reliable by The Strawhecker Group® (TSG), but the accuracy and completeness of such information is not guaranteed or warranted to be error-free. Information provided is as reasonably available, not to be deemed all inclusive. TSG assumes no obligation to update the content hereof. This report is subject to the terms and conditions of a separate license with recipient, is further protected by copyright under U.S. Copyright laws and is the property of TSG. Recipient may not copy, reproduce, distribute, publish, display, modify, create derivative works, transmit, exploit, or otherwise disseminate any part of this report except as expressly permitted under recipient's license with TSG. The Strawhecker Group (TSG) is not endorsed, sponsored by, or in any other way affiliated with any companies identified in this presentation. The trademarks of third parties displayed herein are the property of such parties, and, are provided merely for identification purposes. TSG claims no rights therein. This document has not been prepared, approved or licensed by any entity identified in this report.*

*© Copyright 2021. The Strawhecker Group®. All Rights Reserved.*











# Deal Activity Summary

August 2<sup>nd</sup> – August 6<sup>th</sup>

## This Week's M&A Overview

### Table of Contents

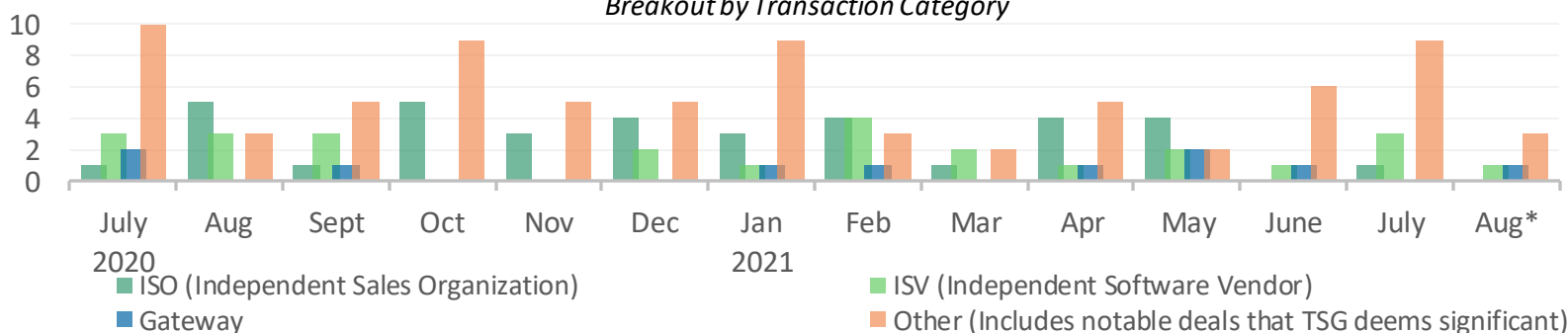
-  [Deal Activity Summary](#)
-  [B2B Payment Network](#)
-  [Historical M&A Tracker](#)
-  [Headline News](#)
-  [Partnership Activity](#)
-  [Management Changes](#)
-  [TSG Payments Index](#)
-  [TSG Buy/Sell Services](#)

M&A activity continues its hot streak as payment firms seek additional product and geographic expansion. To start, Square announced their intent to acquire the Australian BNPL provider, Afterpay, in an all-stock deal valued at approximately \$29 billion, which marked roughly a 30% premium on Afterpay's closing stock price at the time. With this purchase, Square plans to integrate Afterpay into its existing Seller and Cash App offerings, which will enable Square's merchants to offer BNPL and allow Cash App users to manage and pay installment payments directly within the app. Separately, EVO Payments announced their completed acquisition of Anderson Zaks, a UK-based omnichannel payment gateway. Anderson Zaks has an array of ISV relationships across the UK and Europe and handles approximately \$2 billion in annual payment volume across its merchant base of 15,000.

In other M&A news, NCR announced their definitive agreement to acquire LibertyX, a cryptocurrency software and ATM provider. LibertyX ultimately provides a digital solution that is used on ATMs, kiosks, and POS systems for cryptocurrency exchanges. NCR plans on offering LibertyX's capabilities to their network of banks and merchants. Lastly, Paysafe has signed a definitive agreement to acquire PagoEfectivo, an alternative payments platform based in Peru. This is Paysafe's latest investment in the Latin American region as they continue to seek growth in that geographic area.

### 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](mailto: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
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
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



# Historical M&A Tracker

Transaction History: April 2021 – July 2021

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



# Historical M&A Tracker

Transaction History: April 2021 – July 2021

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



## Headline News

August 2<sup>nd</sup> – August 6<sup>th</sup>



### ***Fiserv Powers Full-Service Restaurants to Succeed in Today's New Operating Environment with Launch of Clover Station Solo***

[\*BusinessWire\*](#) | [\*August 3<sup>rd</sup>, 2021\*](#)

Restaurants can simplify business operations and accept payments in ways that fit the new and different post-pandemic environment with Clover Station Solo, a solution designed to help full-service restaurants run front and back of house operations through a single merchant-facing device.



### ***Lightspeed Payments deploys to hospitality merchants across five European markets***

[\*PR Newswire\*](#) | [\*August 3<sup>rd</sup>, 2021\*](#)

Lightspeed, the one-stop commerce platform for merchants around the world to simplify, scale and create exceptional customer experiences, today (Aug. 3<sup>rd</sup>) announced the general availability of Lightspeed Payments for hospitality merchants in Germany, Switzerland, France, Belgium and the Netherlands. Lightspeed Payments is currently available to retail businesses in Canada and the United States as well as hospitality merchants in the United States. In the coming months this is planned to expand to serve Lightspeed merchants in the Asia-Pacific region, including customers of the recent acquisition of Vend.



### ***Nexi to acquire 51% of Alpha Bank's merchant acquiring business in Greece***

[\*Finextra\*](#) | [\*August 4<sup>th</sup>, 2021\*](#)

Italian payments processor Nexi has signed an MoU to acquire a 51% stake in Alpha Bank's merchant acquiring business. Under the MoU, Nexi will pay €157m for the stake, implying an evaluation of €307m on the total acquiring book. In addition, Alpha Bank is entitled to an earnout of up to €30.6m, subject to achieving certain targets in the first four years of operations.



## Partnership Activity

August 2<sup>nd</sup> – August 6<sup>th</sup>



### ACI Worldwide Strengthens Strategic Alliance with Microsoft to Deliver Payments Platform in the Cloud

[BusinessWire](#) | August 5<sup>th</sup>, 2021

ACI Worldwide, a leading global provider of real-time payments and digital payment software solutions, today (Aug. 5<sup>th</sup>) announced an expanded multi-year strategic alliance with Microsoft to deliver payments solutions in the cloud. The alliance will accelerate and expand ACI's cloud payments offerings in Microsoft Azure as more financial institutions (FIs) embrace digital transformation.



### Synctera signs on Marqeta and Mastercard as new partners, launches Card API and adds new Community Bank

[Synctera Announcement](#) | August 4<sup>th</sup>, 2021

Synctera, a new solution for partnership banking at scale, today (Aug. 4<sup>th</sup>) announced the signing on of Marqeta and Mastercard as FinTech partners, launched its Card API, and added Regent Bank as a new banking partner.

### Other Notable Partnerships:

- **Lloyds Bank** partners with **Visa** to offer Straight Through Processing (STP) solutions to its customers using commercial charge cards.
- **BigCommerce** teams up with the Buy Now, Pay Later (BNPL) provider, **Sezzle**, as its preferred partner.
- **Apple** partners with **Affirm** to launch a BNPL program for Apple purchases in Canada.
- **Fiskl** teams up with **GoCardless** to launch recurring direct debit payments to their customer base.
- **Stable** and **Wise** partner to offer international money transfer alternatives to its users.



# Management Changes

August 2<sup>nd</sup> – August 6<sup>th</sup>



get**→**eyond

## Beyond Promotes Tim Toombs To Serve As The Company's New Chief Sales Officer

Beyond announced this week their promotion of Tim Toombs to serve as Chief Sales Officer. Under this new role, Tim will oversee Beyond's entire salesforce, with a specific focus on the training and development of the company's sales personnel. Prior to this new role, Tim served as the company's Senior Vice President of Sales and has been with the company since 2017.

Date Announced	Company	Personnel	New Position	Previous Position
8/3/2021	EVO Payments	<b>Stacey Valy</b>	<i>Board of Directors</i>	Current Executive VP of Human Resources at Graphic Packaging International
8/3/2021	Beyond	<b>Tim Toombs</b>	<i>Chief Sales Officer</i>	Senior VP of Sales at Beyond
8/3/2021	Visa	<b>Patrick Storey</b>	<i>Country Manager, Korea and Mongolia</i>	Head of Consulting and Analytics for Asia Pacific for Visa
8/5/2021	Barclaycard Payments	<b>Colin O'Flaherty</b>	<i>Managing Director, Head of Small Business</i>	General Manager of Commercial Services
8/5/2021	Payoneer	<b>Robert Clarkson</b>	<i>Chief Revenue Officer</i>	Chief Commercial Officer at NortonLifeLock



# TSG Payments Index

Q1 2011 – Q2 2021

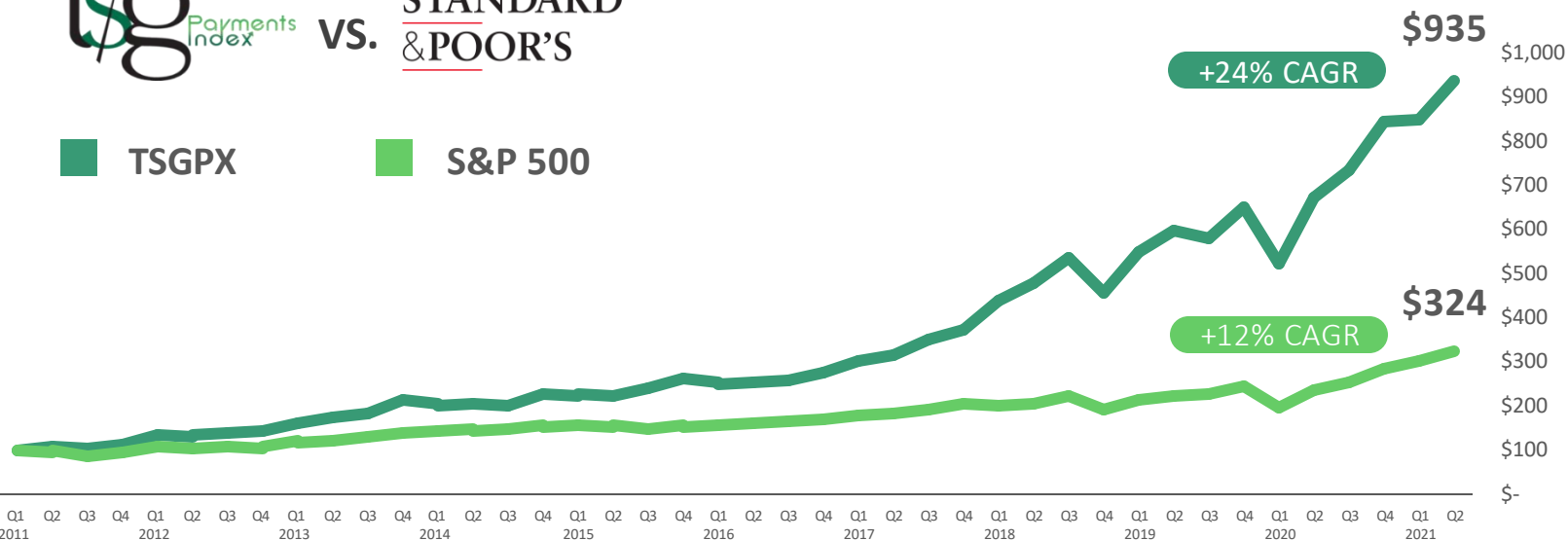
tsg  
Payments  
Index

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  
**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 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.

