

TransactionWatch

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

Week of:

September 20th – September 24th

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Deal Activity Summary

September 20th – September 24th

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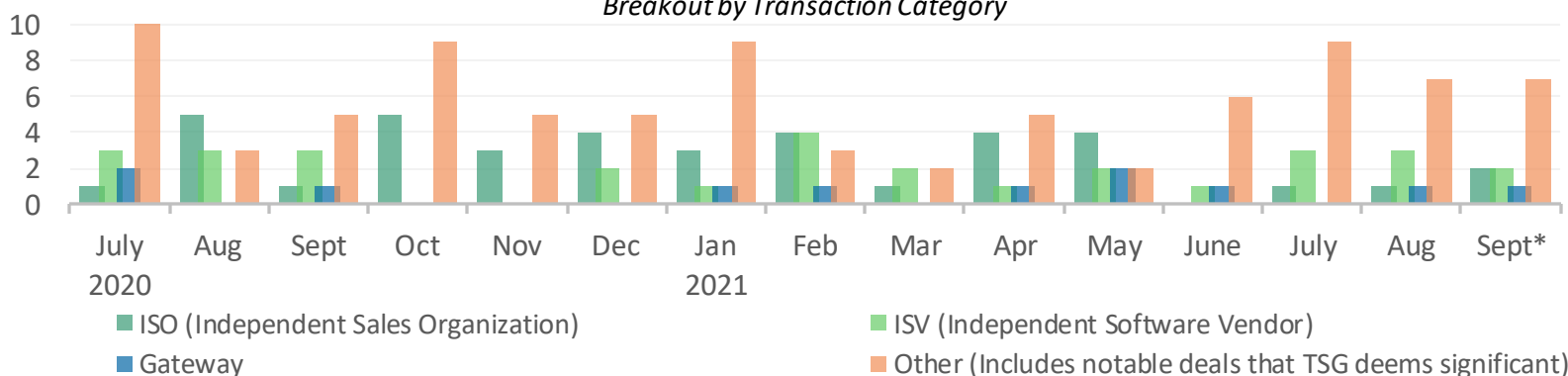
This Week's M&A Overview

Payment entities bring their attention closer to eCommerce and digital transactions as online traffic continues to take precedence. Deutsche Bank announced their intention to acquire the Berlin-based payment provider and gateway solution, Better Payment, for an undisclosed sum. Better Payment provides a proprietary online gateway platform that can serve as a white labeled solution. This enables their customer base of approximately 1,500 retailers to accept online payments using their own branding. Deutsche Bank is planning to integrate Better Payment's technology solutions into their existing product line over the next year. This acquisition better positions Deutsche Bank in the German payments landscape, while also allowing them to cross-sell their current suite of financial banking products to SMBs across the region.

In other M&A news, Entrust, a technology provider of digital payment identity and data protection solutions, announced their acquisition of Antelop Solutions this week. Based in France, Antelop Solutions provides digital card issuing capabilities to more than 40 financial institutions across 25 countries. This acquisition of Antelop complements Entrust's existing products and brings together a more encompassed payments offering.

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: May 2021 – August 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	Entrust	Antelop Solutions	-	9/22/2021
Gateway	Deutsche Bank	Better Payment	-	9/20/2021
ISO	FortisPay	OmniFund	-	9/14/2021
ISV	Intuit	Mailchimp	\$12,000	9/13/2021
ISV	SpotOn	Appetize	-	9/13/2021
Other	Mastercard	CipherTrace	-	9/9/2021
Other	Global Payments	MineralTree	\$500	9/8/2021
ISO	Nuvei	Paymentez	-	9/7/2021
Other	PayPal	Paidy	\$2,700	9/7/2021
Other	Mastercard	Aiia	-	9/7/2021
Other	Zilch	NepFin	-	9/2/2021



Historical M&A Tracker

Transaction History: May 2021 – August 2021

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
Other	Zip	Payflex	-	9/1/2021
ISO	PayU	BillDesk	\$4,700	8/31/2021
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
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



Historical M&A Tracker

Transaction History: May 2021 – August 2021

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



Headline News

September 20th – September 24th



Toast surges 56% in NYSE debut after IPO valued restaurant-tech company at \$20 billion

[CNBC](#) | [September 22nd, 2021](#)

Toast shares soared 56% in their New York Stock Exchange debut Wednesday (Sept. 22nd) after the provider of technology to restaurants priced its IPO above its expected range. The company, whose products are used at more than 48,000 restaurant locations, raised about \$870 million in its IPO, selling shares at \$40 each. Toast previously said it expected to price the offering at \$34 to \$36, following an initial range of \$30 to \$33.



PayPal launches its 'super app' combining payments, savings, bill pay, crypto, shopping and more

[TechCrunch](#) | [September 21st, 2021](#)

PayPal has been talking about its "super app" plans for some time, having recently told investors its upcoming digital wallet and payments app had been given a go for launch. Today (Sept. 21st), the first version of that app is officially being introduced, offering a combination of financial tools including direct deposit, bill pay, a digital wallet, peer-to-peer payments, shopping tools, crypto capabilities and more. The company is also announcing its partnership with Synchrony Bank for its new high-yield savings account, PayPal Savings.



First National Bank of Omaha Launches 'Buy Now Pay Later' Solution Enabling Partners to Offer Flexible Financing Options at the Point of Sale

[BusinessWire](#) | [September 21st, 2021](#)

First National Bank of Omaha (FNBO) today (Sept. 21st) announced the launch of a breakthrough new buy-now-pay-later (BNPL) solution, which will allow merchant partners to offer their customers the option to make purchases and pay for them at a future date.



Partnership Activity

September 20th – September 24th



PPRO offers integration into PayPal Commerce Platform for PSPs worldwide

[PPRO Newsroom](#) | September 20th, 2021

PPRO today (Sept. 20th) announces its integration of the PayPal Commerce Platform. The move further cements PPRO's market-leading position as one of the go-to providers of local payments infrastructure for payment service providers (PSPs), banks, and gateways. PPRO's integration will allow its customers to significantly reduce the time to integrate PayPal Commerce Platform solutions and give customers access to the PayPal Wallet.



Realtime Electronic Payments

REPAY Announces Strategic Partnership with Veem

[BusinessWire](#) | September 23rd, 2021

Repay Holdings Corporation ("REPAY"), a leading provider of vertically integrated payment solutions, today (Sept. 23rd) announced it has entered into a commercial partnership agreement with Veem to expand each party's B2B payment capabilities. With the agreement, REPAY will expand its ability to deliver cross-border payment options, and Veem will broaden its capabilities by leveraging REPAY's core B2B virtual card and acquiring technology.

Other Notable Partnerships:

- **Modo** selects **Spreedly's** Payments Orchestration platform to support banks across Argentina.
- **Payfare** collaborates with **Visa** to bring Visa SavingsEdge to its platform.
- **Marqeta** partners with **Figure Pay** to power the launch of the Figure Pay product offering.
- **Mastercard** teams up with **KBC Asset Management** for micro-investing services.
- **Circle** partners with **Plaid** for bank verifications on ACH payments.



Management Changes

September 20th – September 24th



Kelly Mahon Tullier



Julie Rottenberg



Visa Announced the Promotions of Kelly Mahon Tullier and Julie Rottenberg

Visa announced this week the promotions of Kelly Mahon Tullier, who will now serve as Vice Chair, Chief People and Administrative Officer, and Julie Rottenberg, now Executive Vice President, General Counsel. Both of these new appointments will be effective on October 1st, 2021.

Date Announced	Company	Personnel	New Position	Previous Position
9/20/2021	Barclays US Consumer Bank	Lili Tomovich	<i>Chief Marketing Officer</i>	Chief Marketing Officer at Grove Collaborative
9/21/2021	Motive Partners	Jeff Yabuki	<i>Chairman and Founding Partner</i>	CEO of Fiserv
9/21/2021	Mastercard	Merit Janow	<i>Independent Chair of the Board of Directors</i>	Lead Independent Director at Mastercard
9/22/2021	Chargebacks911	Jennifer Lichner	<i>SVP of Operations</i>	Head of Dispute Management Operations at Accertify
9/22/2021	Visa	Kelly Mahon Tullier	<i>Vice Chair, Chief People and Administrative Officer</i>	EVP, Chief Legal and Administrative Officer at Visa
9/22/2021	Visa	Julie Rottenberg	<i>Executive Vice President, General Counsel</i>	SVP, General Counsel at Visa
9/23/2021	Barclays	Antony Stephen	<i>CEO of Barclays Partner Finance</i>	Head of Amazon Payments



TSG Payments Index

Q1 2011 – Q2 2021

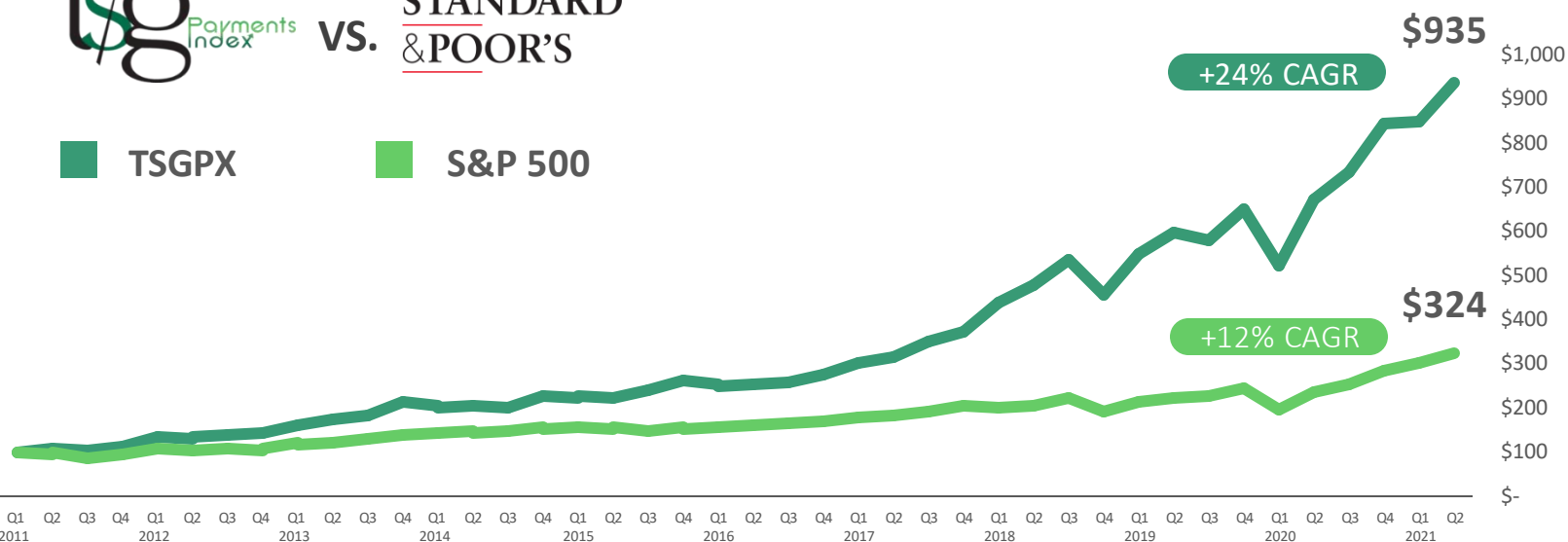


VS.

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 \$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.

