



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:

April 18th – April 22nd

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Deal Activity Summary

April 18th – April 22nd

This Week's M&A Overview

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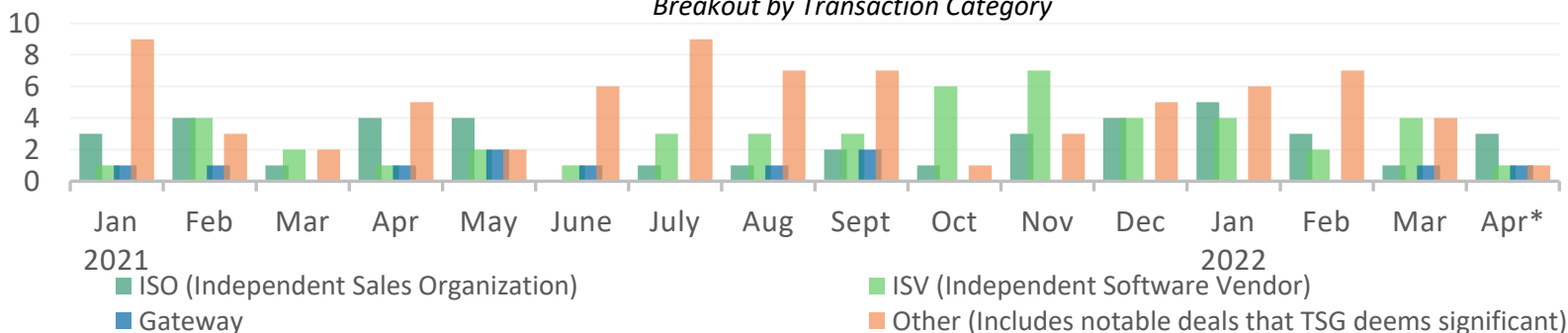
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M&A traction picks up this week across the payments industry as several firms announce new deals to support their strategic growth initiatives. To start, Versapay has announced their acquisition of DadeSystems, a complementary Accounts Receivable (AR) automation provider that predominantly serves the mid-market and enterprise-level customers. This acquisition expands upon the two companies' long-term partnership and allows Versapay to broaden their solution set within this space. The combined company will now facilitate more than \$60 billion in annual payment volume. Separately, Payroc announced this week their acquisition of Worldnet, a global omnichannel payment gateway geared towards ISVs. Worldnet currently connects to over 65 processors and acquirers as well as serves more than 40,000 merchants and partners. With this acquisition, Payroc is able to further accelerate their integrated payments solutions with ISVs and broaden their reach into new and existing market verticals.

In other M&A news, Synovus Bank has made a strategic investment in Qualpay which will result in a 60% ownership interest. As part of their controlling stake, Synovus plans to leverage Qualpay's technology in their money-as-a-service offering, Maast. The combined technologies will encompass embedded payments and banking into one platform that can be accessible via a single onboarding experience.

2021 – 2022 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: January 2022 – March 2022

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	Payroc	Worldnet	-	4/21/2022
ISO	Synovus Bank	Qualpay	- (Majority Stake)	4/21/2022
Other	MYPINPAD	SmartPesa	-	4/19/2022
ISV	Versapay	DadeSystems	-	4/18/2022
ISO	Advent International	MangoPay	- (Majority Stake)	4/6/2022
ISO	Payroc	Iroquois Merchant Services	-	4/4/2022
ISV	Medius	OnPay Solutions	-	3/29/2022
Other	Papaya Global	Azimo	-	3/28/2022
Other	Apple	Credit Kudos	\$150	3/23/2022
ISV	Razorpay	IZEaliant Technologies	-	3/16/2022
ISO	Exela Technologies	Corduro	-	3/14/2022



Historical M&A Tracker

Transaction History: January 2022 – March 2022

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
Gateway	North American Bancard	PayTrace	-	3/8/2022
ISV	PPRO	Alpha Fintech	-	3/8/2022
ISV	Fleetcor	Levarti	-	3/3/2022
Other	Shift4	Finaro	\$575	3/1/2022
Other	Shift4	The Giving Block	\$300	3/1/2022
Other	Zip	Sezzle	\$356	2/27/2022
Other	Evertec	BBR	\$60	2/24/2022
Other	TreviPay	Baton Financial Services	-	2/23/2022
ISV	Chargebee	Numberz	-	2/23/2022
ISO	DNA Payments	First Payment Merchant Services	-	2/15/2022
ISV	BillTrust	Order2Cash	-	2/15/2022
Other	Madison Dearborn Partners	MoneyGram	\$1,800	2/15/2022
Other	FIS	Payrix	-	2/14/2022
ISO	DNA Payments	Card Cutters	-	2/9/2022
Other	Fiserv	Finxact	\$650	2/7/2022
ISO	Payliance	Secure Payment Systems	-	2/2/2022
Other	DNA Payments	Kwalitas	-	2/1/2022



Historical M&A Tracker

Transaction History: January 2022 – March 2022

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
ISV	Trust Payments	WonderLane	-	1/31/2022
ISO	Till Payments	ZIPS	-	1/27/2022
ISO	Paystone	Canadian Payment Services	-	1/26/2022
Other	JP Morgan	Viva Wallet	- (49% stake)	1/25/2022
Other	Stripe	BBPOS	-	1/21/2022
Other	Plaid	Cognito	\$250	1/20/2022
Other	Paya	VelocIT	-	1/19/2022
ISO	Celero Commerce	OMEGA Technology	-	1/18/2022
ISV	NMI	IRIS CRM	-	1/18/2022
ISO	Payroc	East Commerce	-	1/13/2022
ISV	Foodics	POSRocket	-	1/10/2022
ISV	PayFacto	iShopFood	-	1/6/2022
Other	VeriCheck	ACHWorks	-	1/6/2022
ISO	Corsair	Aurora Payments	- (Majority Stake)	1/4/2022
Other	REPAY	Payix	\$115	1/3/2022
ISV	Mastercard	Dynamic Yield	-	12/21/2021
Other	Thoma Bravo	Bottomline Technologies	\$2,600	12/17/2021



Headline News

April 18th – April 22nd

SYNOVUS[®]

Synovus Announces Strategic Investment in Qualpay to Help Deliver New Embedded Finance Platform

[BusinessWire](#) | [April 21st, 2022](#)

Synovus Bank today (Apr. 21st) announced that it has signed an agreement to strategically invest in Qualpay resulting in a 60% ownership interest. Qualpay is a provider of a cloud-based platform that combines a payment gateway with robust merchant processing solutions, which allows merchants and independent software vendors (ISVs) to easily integrate payments into their software or websites. The completion of the investment is subject to the satisfaction or waiver of customary closing conditions, including receipt of necessary regulatory approvals.

FIS

FIS' Modern Banking Platform Now Available on the Microsoft Azure Cloud Platform

[BusinessWire](#) | [April 19th, 2022](#)

Financial technology leader FIS[®] (NYSE: FIS) announced today (Apr. 19th) that the FIS Modern Banking Platform is now available on the Microsoft Azure cloud platform, expanding digital online banking to financial institutions in markets including the United Kingdom, Thailand and New Zealand. The offering combines the latest advancements in cloud security, monitoring, resiliency and operational analytics with a modern, cloud-native core.

VISA

Visa Ups Its Data Security Game by Spending \$9 Billion In Five Years

[Digital Transactions](#) | [April 20th, 2022](#)

Visa Inc. has spent more than \$9 billion over the past five years to boost cybersecurity and reduce fraud, according to an announcement the network made in a blog post Tuesday (Apr. 19th). Of that amount, \$500 million has been spent on artificial intelligence and data infrastructure. As a result of its investment in artificial intelligence, Visa says it can power more than 60 different AI capabilities that can automate many of the tasks Visa clients are doing manually today, the card network says.



Partnership Activity

April 18th – April 22nd

REPAY[®]

Realtime Electronic Payments

REPAY Partners with D2R-Collect to Facilitate Payments and Maximize Collections

[BusinessWire](#) | [April 20th, 2022](#)

Repay Holdings Corporation ("REPAY"), a leading provider of vertically-integrated payment solutions, today (Apr. 20th) announced a technology integration with D2R-Collect, a provider of cloud-based technology and recovery software solutions for accounts receivable, third party collections, credit unions, higher education institutions, and small- to medium-sized enterprises. The partnership will further improve and maximize collection efforts by offering enhanced digital payment acceptance capabilities for businesses utilizing the D2R-Collect platform.



2C2P and Ant Group Enter Strategic Partnership to Further Digital Payment Adoption and Innovation in Southeast Asia Amid Regional Economic Recovery

[BusinessWire](#) | [April 18th, 2022](#)

2C2P, a global payments platform and Ant Group today (Apr. 18th) announced a strategic partnership to accelerate digital payment adoption and innovation. The partnership, upon completion, will see Ant Group becoming the majority shareholder of 2C2P.

Other Notable Partnerships:

- **Fiserv** and **Equifax** team up to deploy joint commercial solutions backed by real-time data insights.
- **UniCredit** renews their partnership with **Worldline** for open banking services.
- **Revolut** partners with **Cross River Bank** to further expand their presence in the United States.
- **ePayments** and **Alchemy Pay** team up to offer crypto payment services in New Zealand and Australia.
- **U.S. Bank** collaborates with **Apex Fintech** to offer real-time payments to brokerages.
- **BillTrust** has expanded its Business Payment Network to **KeyBank** for B2B invoices.



Management Changes

April 18th – April 22nd



Elavon Names Pari Sawant As Its New Chief Product Officer

Elavon announced this week the appointment of Pari Sawant as the company’s new Chief Product Officer. Under this new role, Sawant will oversee and direct the company’s global product management efforts. Sawant joins Elavon from Adobe where he most recently served as Head of Product. Sawant has more than 20 years of experience as an executive and senior leader, serving roles at Fiserv, MetricStream, and eBay throughout his career.

Date Announced	Company	Personnel	New Position	Previous Position
4/15/2022	Stripe	James Phillips	President of Financial Services	President, Digital Transformation Platform Group at Microsoft
4/19/2022	Elavon	Pari Sawant	Chief Product Officer	Head of Product at Adobe



TSG Payments Index

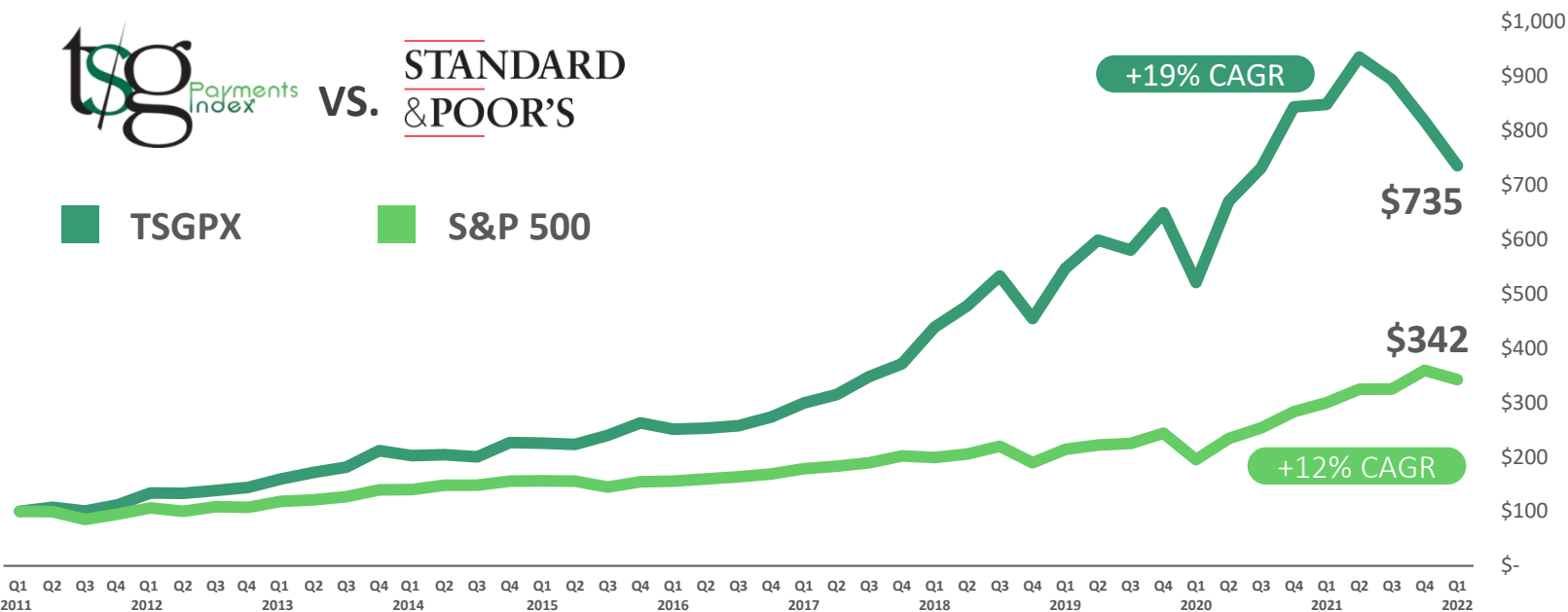
Q1 2011 – Q1 2022



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 \$735 in Q1 2022, as compared to \$342, if invested in the S&P 500.**

On average, payments companies grow at a compounded rate that is **7% 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

GI PARTNERS

on its investment in



In a debit card sponsorship portfolio sale to



In the acquisition of



In the acquisition of



In the acquisition of



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



In its sale to



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.

