



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:

May 30th – June 3rd

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Deal Activity Summary

May 30th – June 3rd

This Week's M&A Overview

Table of Contents

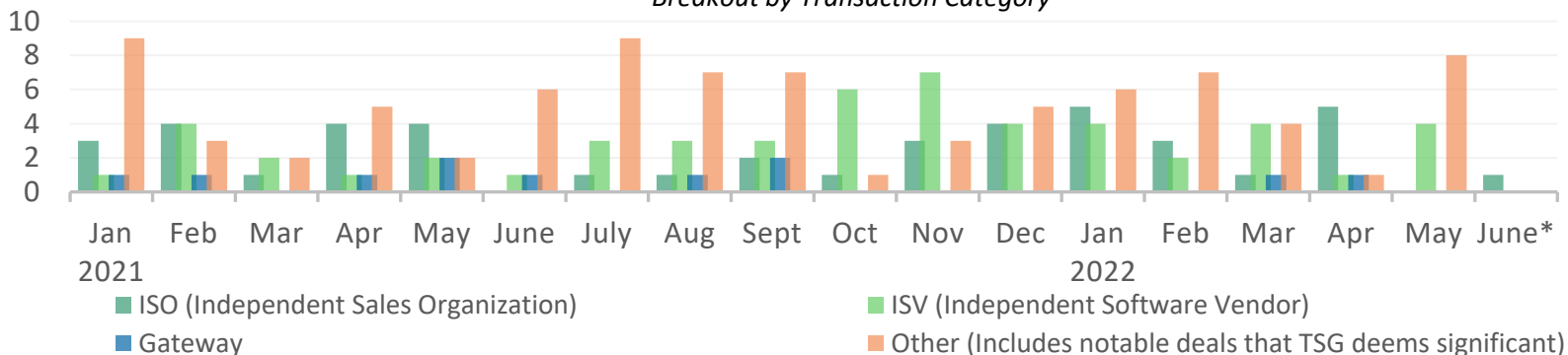
-  [Deal Activity Summary](#)
-  [B2B Payment Network](#)
-  [Historical M&A Tracker](#)
-  [Headline News](#)
-  [Partnership Activity](#)
-  [Management Changes](#)
-  [TSG Payments Index](#)
-  [TSG Buy/Sell Services](#)

U.S. M&A activity deaccelerates within the payments space while movement across Europe maintains traction this past week. To kick things off, Nexi, a leading European payments processor, announced their agreement to acquire BPER Banca and Banco di Sardegna's merchant acquiring and POS management businesses for a reported value of approximately \$412 million. Nexi's acquisition of this portfolio encapsulates a network of more than 110,000 merchants that processed nearly \$14 billion in payment volume during 2021. Additionally, this transaction also comprises of around 150,000 POS terminals across the European region. This acquisition builds upon Nexi's existing partnership with BPER and allows them to further grow and control their merchant acquiring portfolio across the area.

In other M&A news, Trustly, a global platform for account-to-account payments, announced their acquisition of Ecospend for an undisclosed sum. Ecospend is a UK-based open banking payments platform that has processed over \$6.2 billion account-to-account payments from over 2 million consumers in the past year. This transaction complements Trustly's product suite and will accelerate their roll out across the U.K. market.

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 – April 2022

Transaction Categories:



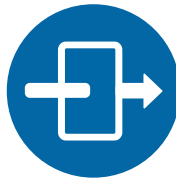
ISO

Independent
Sales Organization



ISV

Independent
Software Vendor



Gateway



Other

Includes notable deals that TSG
deems significant

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
ISO	Nexi	BPER Banca <i>(Merchant acquiring business)</i>	\$412	6/1/2022
Other	Trustly	Ecospend	-	5/31/2022
ISV	Paddle	ProfitWell	\$200	5/25/2022
Other	EVO Payments	North49 Business Solutions	-	5/23/2022
ISV	Square	GoParrot	-	5/18/2022
ISV	Nets	orderbird	\$150	5/12/2022
Other	Checkout.com	ubble	-	5/12/2022
Other	Huntington National Bank	Digital Payments Torana	-	5/12/2022
Other	PSCU	Juniper Payments	-	5/11/2022
ISV	Blaze Solutions	Greenline	-	5/10/2022
Other	KeyBank	GradFin	-	5/9/2022



Historical M&A Tracker

Transaction History: January 2022 – April 2022

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
Other	Shopify	Deliverr	\$2,100	5/5/2022
Other	LexisNexis	BehavioSec	-	5/3/2022
ISO	Nexa Equity	Choice Merchant Solutions	-	4/26/2022
ISO	Choice Merchant Solutions	Direct Payment Consultants	-	4/26/2022
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
Gateway	North American Bancard	PayTrace	-	3/8/2022
ISV	PPRO	Alpha Fintech	-	3/8/2022



Historical M&A Tracker

Transaction History: January 2022 – April 2022

Transaction Category	Buyer	Seller	Purchase Amount (\$ million)	Date
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
ISV	Trust Payments	WonderLane	-	1/31/2022
ISO	Till Payments	ZIPS	-	1/27/2022



Headline News

May 30th – June 3rd

lightspeed

Lightspeed Launches Groundbreaking B2B Network to Connect Brands and Retailers

[PR Newswire](#) | [June 2nd, 2022](#)

Lightspeed Commerce Inc., the one-stop commerce platform for merchants around the world to simplify, scale and create exceptional customer experiences, today (June 2nd) announced the launch of the new Lightspeed B2B platform to North American fashion, outdoor and sports retailers, with broader vertical and feature availability in the coming months.

Klarna.

Klarna Card launches in the US alongside new money management tools, empowering consumers to take control of their finances

[PR Newswire](#) | [June 1st, 2022](#)

Klarna, a leading global retail bank, payments, and shopping service, that helps consumers save time and money, be informed and in control, today (June 1st) announced the launch of the Klarna Card in the US, bringing the company's popular "Pay in 4" service to a physical VISA card form. The Klarna Card, issued by Webbank, empowers consumers to pay over time in four, interest-free payments with no down payment for any store or online purchase, offering a welcome and sustainable alternative to high-cost credit cards.

KeyBank

KeyBank Expands Embedded Banking Platform With New Payment Facilitation Capabilities

[KeyBank Press Release](#) | [June 1st, 2022](#)

KeyBank announced the release of its end-to-end payment facilitation capabilities, allowing software companies to easily own and process payments. The concept of embedding financial products like payments and lending into software is at the forefront of the financial services industry. This release highlights KeyBank's commitment to being a leader in Embedded Banking.



Partnership Activity

May 30th – June 3rd



Affirm and Stripe Partner to Help Businesses Grow Their Revenue

[Affirm Press Release](#) | [May 31st, 2022](#)

Affirm, the payment network that empowers consumers and helps merchants drive growth and Stripe, a financial infrastructure platform for businesses, announced a strategic partnership that makes Affirm's Adaptive Checkout™ available to Stripe users in the U.S. today. Adaptive Checkout uses Affirm's smart decision engine to make a real-time underwriting decision and offer consumers optimized bi-weekly and monthly pay over time options side-by-side.



Square announces plans to bring Tap to Pay on iPhone to Square Sellers later this year, launches Early Access Program today

[Square Press Release](#) | [June 2nd, 2022](#)

Square today (June 2nd) announced that it is working with Apple to enable Tap to Pay on iPhone, Apple's contactless payment acceptance capability, within the Square Point of Sale app. The new offering enables sellers of all sizes to seamlessly and securely accept in-person contactless payments with only an iPhone and Square's industry leading POS app.

Other Notable Partnerships:

- **Visa** partners with **Fundbox** on new payment capabilities for small businesses.
- **Payoneer** teams up with **Oppty** on buy now, pay later for global businesses.
- **Plaid** partners with **Truework** to launch an income verification solution.
- **Marqeta** announces partnership with **Klarna** to power their new Klarna Card offering.
- **Plaid** joins forces with **Mollie** on expanding eCommerce solutions for merchants across Europe.
- **MoneyGram** partners with the Saudi-based mobile wallet provider **Mobily Pay**.



Management Changes

May 30th – June 3rd



Global Payments Announces Josh Whipple As The Company’s New Chief Financial Officer

Global Payments announced this week the appointment of Josh J. Whipple to serve as the company’s new CFO effective July 1st, 2022. Paul M. Todd, Global Payment’s current CFO, will retire from this role at the end of June. Josh currently serves as Global Payment’s Senior Executive VP and Chief Strategy and Enterprise Risk Officer.

Date Announced	Company	Personnel	New Position	Previous Position
5/31/2022	Mollie	Koen Köppen	<i>Chief Technology Officer</i>	CTO at Klarna
5/31/2022	PagoNxt, A Banco Santander Company	Kush Saxena	<i>CEO, Merchant Solutions</i>	EVP of U.S. Merchants and Acceptance at Mastercard
6/2/2022	Global Payments	Josh J. Whipple	<i>Chief Financial Officer</i>	Senior Executive VP and Chief Strategy and Enterprise Risk Officer at Global Payments



TSG Payments Index

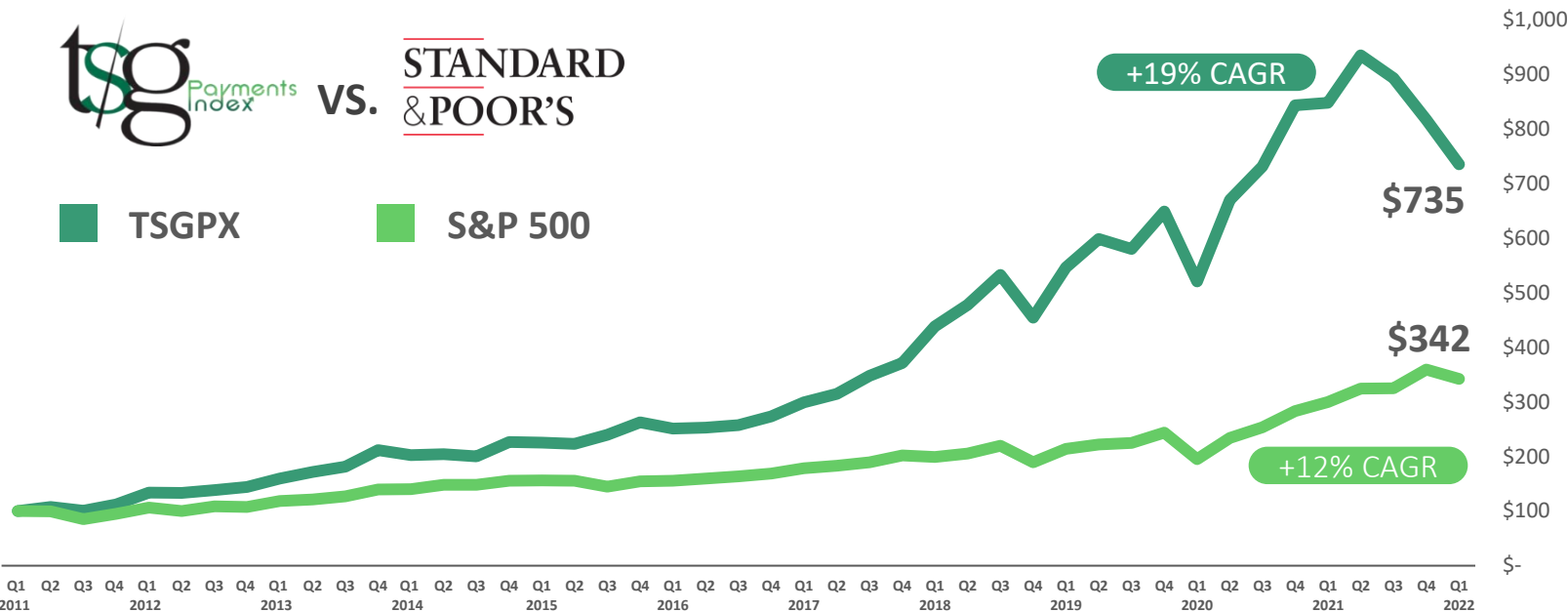
Q1 2011 – Q1 2022



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.

