

TransactionWatch

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

*Week of:
July 4th – July 8th*

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Deal Activity Summary

July 4th – July 8th

This Week's M&A Overview

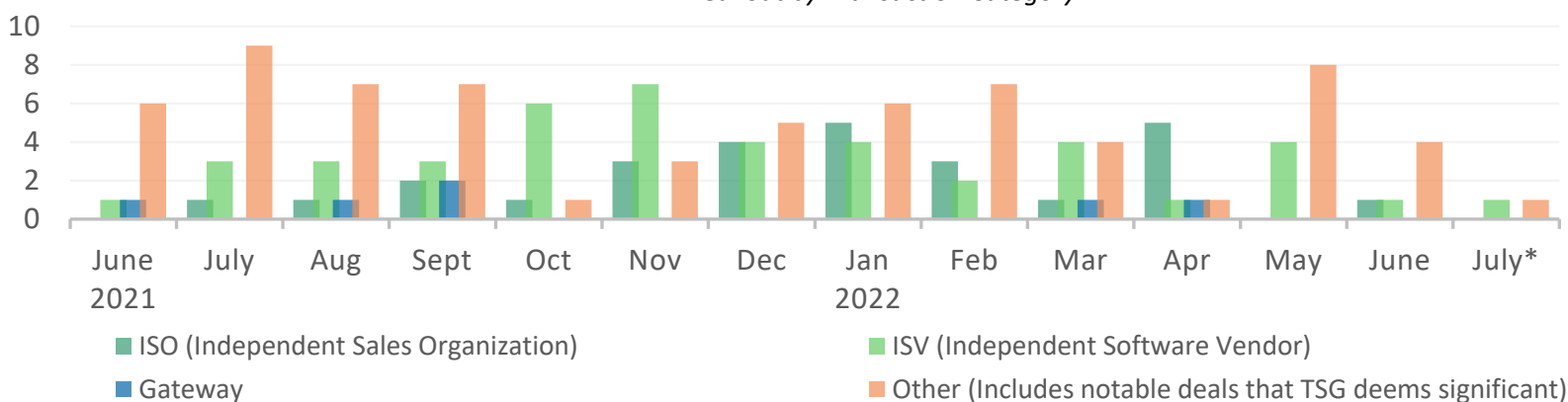
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M&A movement across the payments industry remains low this past week following the holiday weekend. As economic woes continue to draw speculation and doubt into future financial impacts, M&A discussions have appeared to slowdown across the industry. While this has been expected from earlier this year, the duration of this slowdown is yet to be known in full. While some take a more cautious approach to the current market, others view it as an opportunity to grow and expand their business. This week, the restaurant POS and payment facilitator, Toast, announced their acquisition of Sling for an undisclosed sum. Sling provides employee scheduling, communication, and management into one solution. Toast and Sling initially embarked on a partnership last year as their two companies largely complement the restaurant vertical. Now with their acquisition, Toast is able to grow their suite of Toast Payroll and Management solutions, further adding more functionality and streamlining the set of features. This deal follows Toast's acquisition of xtraCHEF announced last summer and further depicts Toast's commitment towards serving the restaurant space.

H2 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: March 2022 – June 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
ISV	Toast	Sling	-	7/7/2022
Other	GoCardless	Nordigen	-	7/1/2022
Other	Pine Labs	Setu	-	6/23/2022
Other	Global-e	Borderfree (Pitney Bowes)	\$100	6/21/2022
Other	Fleetcor	Global Reach Group	-	6/9/2022
ISV	AffiniPay	MyCase	-	6/9/2022
Other	One Equity Partners	ACI Worldwide (Corporate Banking Technology)	-	6/7/2022
ISO	Nexi	BPER Banca (Merchant acquiring business)	\$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



Historical M&A Tracker

Transaction History: March 2022 – June 2022

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



Historical M&A Tracker

Transaction History: March 2022 – June 2022

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



Headline News

July 4th – July 8th

Revolut

Revolut Business launches Revolut Reader, its first hardware device, moving into in-person payment solutions

[Revolut Press Release](#) | July 5th, 2022

Revolut, the super-app with over 18 million retail customers globally and more than 500,000 corporate clients, is launching Revolut Reader in the UK and Ireland. A fast and powerful lightweight card reader, the new product is designed to allow merchants of all kinds to accept payments anywhere, whether their business is in-person or on-the-go.

deluxe.

Deluxe Signs Payments Agreement with Dupaco Community Credit Union

[BusinessWire](#) | July 6th, 2022

Deluxe, a Trusted Payments and Business Technology company, today (July 6th) announced that First American by Deluxe, its merchant services business, has signed an agreement with Dupaco Community Credit Union, expanding a long-term relationship utilizing the One Deluxe model. Under the agreement, more than 120 of Dupaco's current business members will transition to the merchant services provided by Deluxe. These services will also be available to new Dupaco business members.



BigCommerce Broadens Global Footprint into Denmark, Norway, Sweden, Austria and Peru to Empower Merchants to Scale and Grow Their Online Businesses

[BigCommerce Press Release](#) | July 6th, 2022

BigCommerce, a leading Open SaaS ecommerce platform for fast-growing and established B2C and B2B brands, today (July 6th) announced it has grown its European presence into Austria, Denmark, Norway and Sweden, and its Latin American presence into Peru. With its latest expansions and fully localized tech and agency partner ecosystem, BigCommerce will enable merchants of all sizes and complexities to build and scale their online businesses to deliver seamless shopping experiences to local and cross-border customers and drive revenue.



Partnership Activity

July 4th – July 8th



Nuvei and GAN Launch Strategic Partnership for the North American Gaming Industry

[GlobeNewswire](#) | July 7th, 2022

Nuvei Corporation, tomorrow's payments platform, and GAN Limited announce today (July 7th) they have entered a strategic partnership enabling gaming operators to access Nuvei's full suite of payments solutions through an integration with GAN's software-as-a-service gaming platform technology. The partnership commenced following the launch of the regulated gaming market in Ontario earlier this year and is now being extended to support operators across the U.S. and Canada.



Revolut adds Stripe to accelerate global expansion

[Stripe Newsroom](#) | July 6th, 2022

Stripe, a financial infrastructure platform for businesses, today (July 6th) announced that Revolut will use Stripe to support payments in the UK and Europe and accelerate its expansion into new markets. Founded in 2015, Revolut has rapidly become one of Europe's great fintech success stories. After launching in the UK with money transfer and exchange services, the company now offers dozens of products—from accounts and insurance, to trading and invoicing—that improve money management for 18 million customers and 500,000 businesses in more than 200 countries and territories.

Other Notable Partnerships:

- **Worldline** teams up with **Weixin** on international eCommerce payments.
- **Nexi** and **Alpha Bank** join forces in Greece to launch Nexi Payments Greece.
- **Mastercard** and **Paytrail** collaborate to accelerate open banking payments in eCommerce.
- **FIS** and **Ledgible** team up to aggregate digital asset data from crypto and traditional finance.
- **Mambu** partners with **Visa** for global debit processing solutions.
- **Skyflow** partners with **Plaid** on data privacy infrastructure.
- **Visa** partners with **Flocash** to promote digital payment capabilities across Africa.



Management Changes

July 4th – July 8th



Beyond Appoints Former TSYS Executive To Serve As The Company's New CEO and President

Beyond announced this week the appointment of Mike Peters to serve as the company's new CEO and President. Succeeding Bob Carr, who will remain as the Executive Chairman of the Board, Peters brings 38 years of payments experience and formerly served as the CEO and SEVP of TSYS Merchant Solutions.

Date Announced	Company	Personnel	New Position	Previous Position
7/6/2022	American Express	Hannah Lewis	<i>UK Country Manager and SVP, Head of UK for International Card Services</i>	VP, Head of UK Consumer Products, Marketing and Brand at American Express
7/6/2022	Beyond	Mike Peters	<i>CEO and President</i>	Advisory Board Member at PAAY
7/7/2022	Deluxe	Jean Herrick	<i>SVP and Chief Human Resources Officer</i>	VP of Human Resources at Deluxe
7/7/2022	Deluxe	Cameron Potts	<i>SVP and Chief Communications Officer</i>	VP of Corporate Communications at Deluxe



TSG Payments Index

Q1 2011 – Q1 2022

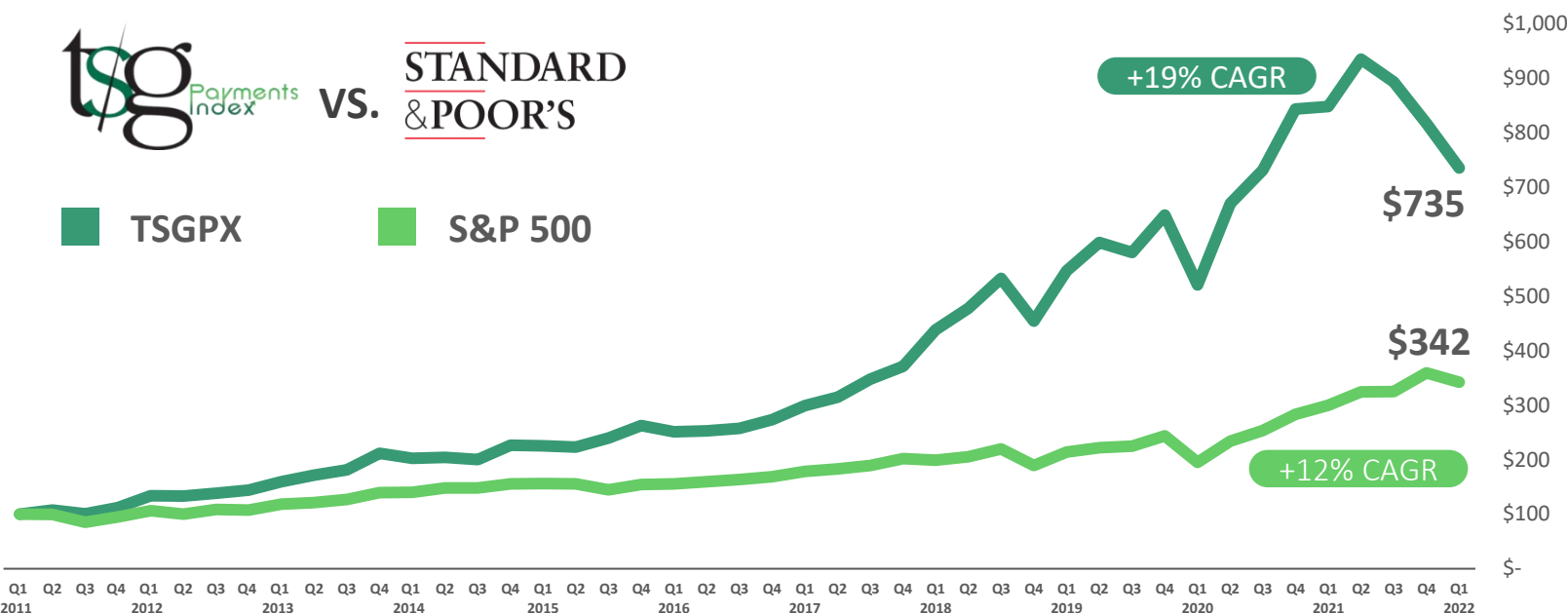
tsg
Payments
Index

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 \$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

Rectangle
HEALTH

WesBanco

In a debit card
sponsorship
portfolio sale to

PB&T BANK
Local People Making Local Decisions Since 1889

payroc
STABILITY IN
PAYMENTS

In the
acquisition of

 **Integrity**

CLARUS
MERCHANT SERVICES

In the
acquisition of

 **NAMS**

PARthenON
CAPITAL PARTNERS

In the
acquisition of

NXGEN
& **pay**scape®

 **POS PROS**
POINT OF SALE ADVISORS

In its
sale to

Paysafe:

**Goldman
Sachs**

On their funding
event with

Newtek
"The Small Business Authority"

**Goldman
Sachs**

On their funding
event with

 **Bluefin**
Payment Systems

 **PIVOTAL**
PAYMENTS

In the
acquisition of

 **CAPITAL**
PROCESSING NETWORK

 **Bregal**Sagemount

In due diligence support
of its investment into

 **YAPSTONE**
POWERING PAYMENTS

Terrapin
Financial Services, LLC

In its
sale to

 **BluePay**

sage

In a merchant portfolio
purchase from

 **Heartland**
PAYMENT SYSTEMS®

 **PRIORITY**
PAYMENT SYSTEMS

In its
merger with

 **cynergydata**

Mutual of Omaha Bank

On the organization of
its joint venture with

 **First Data.**

 **SIG**
SUSQUEHANNA
GROWTH EQUITY, LLC

On their
investment in

PaySimple®

CAYAN

In the
acquisition of

CPS
CARD PAYMENT SERVICES

 **Shift4**
PAYMENTS

In its
sale to

 **LIGHTHOUSE**
NETWORK

talus
pay

In acquisition of the
operation assets of

 **PROLIFIC**
BUSINESS SOLUTIONS

 **BluePay**

In the
acquisition of

Primax
Defining Card Processing

KeyBank

On their joint
venture with

 **Elavon**



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.

