

#payments

insights. opinions.

Is going cashless inevitable? And how will the disappearance of notes and coins change our lives beyond how we pay for things? We asked the world's banking and regulatory leaders for their insights.

How the world's financial leaders see the end of cash

With digital payments increasing their share of the global payments mix by about 10% each year, the topic was the subject of much discussion – and debate – at this year's Sibos conference, held in London in September. EY polled Sibos attendees, who included financial leaders, technology specialists and regulators, to get a deeper sense of the issues behind the transition to cashless. What are the biggest benefits to a digital economy – and the greatest barriers to its adoption? And critically, as the potential disappearance of physical currency looms, how can we ensure that this fundamental change is undertaken safely and fairly, while delivering the greatest economic and societal benefit?

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Editorial



Welcome to the last issue of #payments for 2019 – a year that has seen huge change within our dynamic sector. As I step into the new role of EY Americas Payments Leader, I'm excited to be in the middle of this transformation that Payments is both facing and driving. As the conduit of every exchange of value, new payments dynamics reveal more than just how we transact. They are a sign and an engine of new consumer habits and behaviors. Just last week I faced the impact myself. Attempting to buy my team some snacks from the floor's vending machine, I found my credit card rejected due to a faulty strip – the machine hadn't yet integrated chip and pin technology – and the lack of a bill reader thwarting my attempt to use cash. A co-worker came to my rescue with an offer to tap her phone to purchase – only to then tell me she'd already ordered and paid for meals via a food delivery app.

As demonstrated by my experience, the new habits and behaviors that payments both shape and are shaped by, are largely driven by technology changes. New technologies are retiring, rather than co-existing with, old ones and multi-platform-tech-media-integration is pushing traditional players to the "commodity" corner. Consumers ultimately have more options to choose and more time to use as they choose.

In this newsletter, we articulate some of these discussions. Jan Lettow, Carina Herbers and Lukas Kohlmorgen explore the impact of consolidation in the merchant acquirers' segment – and how companies might respond. M&A is increasingly a strategy used by players to defend their territory in a more competitive sector but, as Kieran Hooks points out, a disciplined approach to post-merger integration is important to capture value. It's a timely message as M&A continues at pace, as covered in our regular M&A and venture capital funding articles.

The growing role of FinTechs in the payments space continues to drive discussion around how these new players are fast tracking innovation and driving those changing consumer habits and behaviors. In this issue, Doina Cheslita and Tom Bull discuss the adoption of FinTechs by small and medium enterprises, while Jan Bellens explores how the possible end of cash would impact emerging markets. Digital payments offer new opportunities to bring in much of the world's "unbanked" but, with cash still king in many markets, the risk of financial exclusion remains high if physical currency disappears altogether.

With much activity, we have lots to talk about. We welcome your input on these topics, as well as those to cover in future issues. As I settle into my new role, I look forward to engaging with many of you in the coming months.

Enjoy your reading!

Rodrigo Dantas E Silva
EY Americas Payments Leader

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How the world's financial leaders see the end of cash

Digital payments are easy – but are they safe and fair?

A cashless world is on the way. Our poll respondents were unanimous in their belief that by 2030, the most common way to pay will be digitally-enabled.

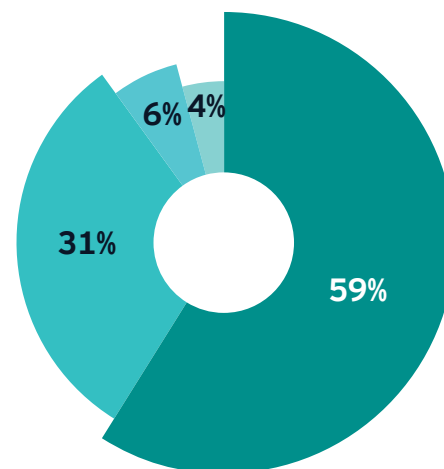
Perhaps unsurprisingly, those we polled cited convenience as the biggest positive impact of going cashless. Others said the key benefit to reducing the use of physical money will be the flow-on effect of fighting the black economy and financial crime, which **costs the global economy up to US\$3.5t each year**.

There is also the potential for a digital economy to boost financial inclusion if technologies such as biometrics can help the world's unbanked access financial services for the first time.

But – in an illustration of the complexity of this issue – many we polled warned that a cashless economy may have the opposite effect, further excluding vulnerable members of society that depend on physical currency. This is an issue which goes beyond banking. How do we ensure that a digital economy is an inclusive one? Even when new technologies bring people into the financial sector, banks, governments and regulators will need to work together to ensure that these consumers can access the affordable credit that allows full participation in society.

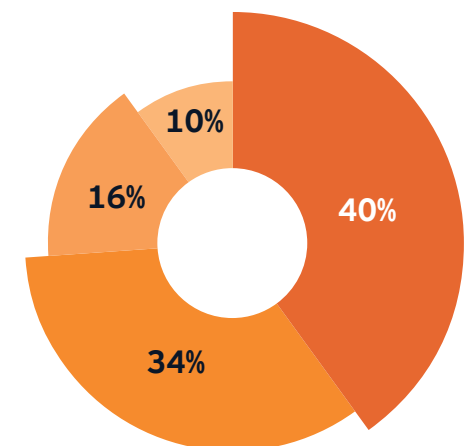
Another key concern of respondents surrounded the possible creation of digital IDs for each of us. Are we ready for our identity to be linked to every transaction we make? Who will manage and protect these online identities? Many warn against putting IDs entirely in the hands of governments. Those we polled at Sibos said that increased government control over our lives could be a negative impact of a digital economy.

What will be the most common form of payment in 2030?



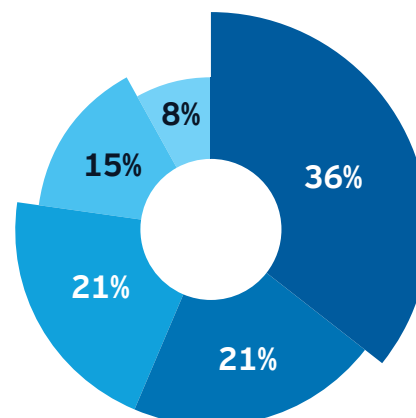
- Mobile payments through devices and wearables
- Biometrics – facial recognition, fingerprinting, retinal scanning
- Crypto payments
- Cards

What would be the most positive impact of a cashless society?



- Convenience, e.g., digital receipts, no need for ATMs, better spending analytics, seamless international travel
- Financial crime prevention, including tax evasion, money laundering, etc.
- Financial inclusion - the impetus to help bring the unbanked into society
- Reduction of cash management for merchants, and the resulting enhancement of physical security

What would be the most negative impact of a cashless society?



- Social exclusion and limited access to banking services for the unbanked, including low-income communities, people experiencing homelessness, undocumented immigrants
- Potential for more serious or frequent data breaches
- The increased vulnerability of a centralized, digital economy, e.g., mass outages
- Increased government control over individual choices
- Costs faced by the business sector, i.e., swipe fees, transaction fees, etc.

Security was also a major concern, with more than half of respondents saying that the biggest downside of a cashless society would be the potential for more serious data breaches and the increased vulnerability of a centralized, digital economy.

Innovation can pave a way forward

With various complex issues to address, what's the best way to ensure an effective transition to a cashless economy? It's clear from our poll responses that this is not a challenge with an easy solution. Instead, multiple approaches and collaboration across the banking sector, and with government and consumers, will be key to building a digital economy that meets consumer needs, delivers economic benefits, keeps our data safe and ensures equitable financial participation.

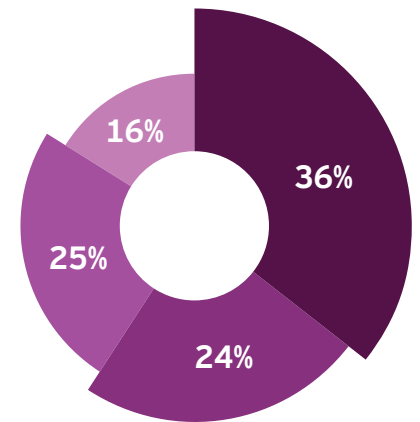
Regulation and incentives are obvious tools to help drive a safer transition, but the most significant driver of a cashless economy will be the consumer, according to our poll. More than a third of the respondents believe that consumer buy-in to the digital economy will drive further innovation. Consumers already show willingness to trade personal data for hyper-personalized and super-convenient experiences across all aspects of their daily lives. Swapping physical currency for digital money – which is essentially data – is the same trade-off that consumers may

happily make, if the benefits are worth it and they trust that their data is used responsibly.

This is where greater FinTech adoption by the banking sector has a role to play, according to nearly a quarter of our respondents. FinTech innovation is now part of the mainstream banking experience – **75% of global consumers have used at least one FinTech service, according to EY's Global FinTech Adoption Index and almost half of consumers say they are willing to share data in exchange for better offers.** Rising levels of trust in FinTech present a huge opportunity for financial institutions to push forward with more innovation, which, in turn, will drive further adoption of cashless payment methods. Our FinTech Adoption Index showed particular growth of FinTech usage among the business market. Mass adoption by corporates will be the catalyst for a quickening of the pace toward digital transactions.

Innovation will also be a key tool in ensuring a cashless economy is an inclusive one. Financial institutions that use technologies, such as mobile banking and biometric authentication, to bring in the unbanked can boost their own growth at the same time. And innovative use of technology could help mitigate some of the traditionally higher costs to serve these customer segments and expand revenue in some markets. EY research found banks could **generate incremental global annual revenue of US\$200b** by

What would be the most effective way to achieve a cashless economy?



- Consumers embracing cashless technology to drive further innovation
- FinTech adoption by the banking sector
- Incentivization from industry bodies or governments on a granular level, i.e., promoting digital payments and digital identities to consumers and individual merchants, and education campaigns
- Regulation

better serving the financially excluded in emerging economies.

At EY, we believe that the technology driving our transition to a cashless society can also help shape a digital economy that is safe, trusted and fair. We're working with central banks, regulators and the financial sector to explore what's possible now, plan for what's next and imagine what's beyond the horizon. Let's build a better working world. Learn more about our poll results by visiting www.ey.com/endofcash.

Poll answers reveal regional differences

The EY poll includes answers from 129 Sibos attendees who represented financial institutions, regulators, technology providers and consultancies from around the world. Results reveal how opinions about the positive and negative impacts of going cashless vary by region:

- ▶ **Financial exclusion** was cited as the most negative by-product by 100% of respondents from Asia, the Middle East, Africa, Latin America and Australasia. Only 38% of Europeans and 33% of respondents from North America agreed.
- ▶ **Mobile payments** through devices and wearables will be the most common form of payment in 2030, according to respondents from all regions except Africa and the Middle East who believe we'll be paying via our biometric information such as facial recognition and fingerprints.
- ▶ **Greater investment in process and cybersecurity** was considered the best way banks can assure consumers their data is safe, by respondents in all regions.



Jan Bellens



Karl Meekings

Riding the waves of the European merchant acquiring consolidation

As three waves of M&A activity continue to reshape the European payments market, how should players respond? New evidence from EY's extensive payments database helps us better track trends in consolidation and explore the way forward.

Characteristics of consolidation waves

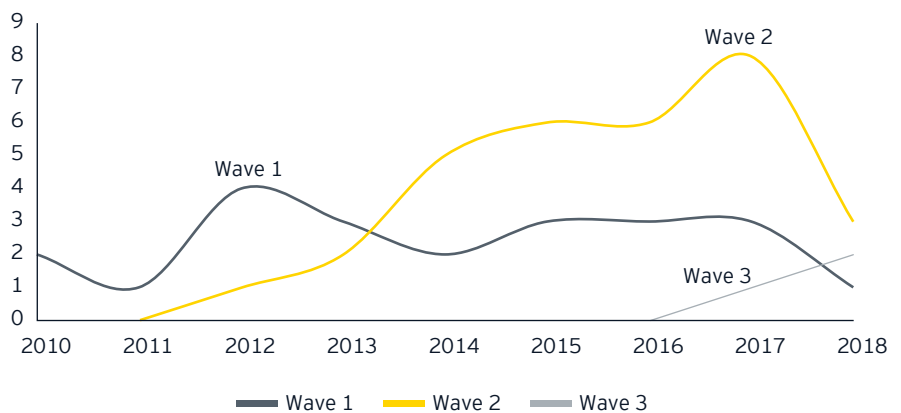
In [payments volume 23](#), we explored how three waves of consolidation were distilling Europe's once fragmented payments market, particularly the merchant acquiring segment, into one dominated by just a few international players. This has occurred through three waves, each characterized by the primary drivers behind transactions:

- ▶ **Wave 1:** Banks divesting payments acceptance businesses
- ▶ **Wave 2:** Companies achieving economies of scale, scope or regional expansion
- ▶ **Wave 3:** Creating supra-regional market leaders

Understanding the characteristics and timing of these waves helps executives make strategic decisions regarding investments into or divestment of merchant acquiring assets. Using EY's payments database, we've analyzed the

56 transactions that involved European buyers and/or sellers in the payments sector between 2010 and 2018 to better understand just how these waves are occurring and what their progress means for companies.

Merchant acquiring consolidation



The divestment phase is nearly complete

Twenty-two of these transactions were identified as wave 1 transactions. The majority were completed before 2017, with a peak in 2012. The recent decline of this type of transactions signals the impending end of the first wave, which we expect to be completed soon. Most banks have already divested their merchant acquiring assets.

A notable example of this cluster of transactions was the divestment of Euroline by SEB Kort Bank in 2014. The deal was driven primarily by the bank's decision to focus on core activities. New owner Nordic Capital was able to make investments in innovative products and services, digital processes and scale.

Transactions to form regional market leaders peaked in 2017

Thirty-one of the transactions we analyzed comprised the second wave of consolidation, which built up momentum in 2014 and reached its peak in 2017.

The acquisition that year of Bambora (formerly Euroline) by Ingenico is a good example of this wave. The deal allowed Ingenico to become a regional market leader and position itself well in anticipation of the third wave of consolidation.

By 2018, we observed a clear decline in these transactions, suggesting the imminent completion of the second wave and a transition to the third wave of consolidation.

Beginning to create supra-regional market leaders

The third consolidation wave has picked up speed in the last two years, but is still in its initial phase. Up until 2018, only three transactions have been classified as third wave transactions Payments services, with one example the acquisition of SIX Payments Services by Worldline.

However, this wave has gained strong momentum in 2019, with further major transactions such as FIS' acquisition of Worldpay, Fiserv acquiring FirstData, as

First wave transaction			
Year	Target	Buyer	Seller
2014	Euroline	Nordic Capital	SEB Kort Bank
Transaction description			
<ul style="list-style-type: none"> ▶ SEB Kort bank, a leading provider of corporate cards in the Nordics, sold its card acquirer Euroline AB to Nordic capital for EUR 210m ▶ Increased regulatory requirements and technological developments have led SEB to focus on its core activities and divest from its acquiring asset ▶ To Nordic Capital, Euroline served as the base business for Bambora which was created with the aim of forming a leading player in the payments sector 			

Second wave transaction			
Year	Target	Buyer	Seller
2017	Bambora	Ingenico	Nordic Capital
Transaction description			
<ul style="list-style-type: none"> ▶ Only three years after its start-up, Nordic Capital sold Bambora for an EV of approx. EUR 1.5b to Ingenico Group, one of the world's largest payment companies ▶ To Nordic Capital the exit is the conclusion of a successful growth strategy, having realized more than five times its investment, according to analysts ▶ Ingenico accelerates the development of its retail division through a direct-to-SMB channel in the Nordics and extends its geographical exposure both online and in-store 			

Third wave transaction			
Year	Target	Buyer	Seller
2018	SIX Payment Services	Wordline	SIX Group
Transaction description			
<ul style="list-style-type: none"> ▶ Wordline, a provider of transactional and electronic payment services, acquired SIX Payment Services, the payment service provider of the SIX Group, for EUR 2.44b ▶ From a geographical and product portfolio point of view the two companies perfectly complement each other ▶ The merger results in the leading payments provider in Europe with roughly 10% market share in merchant acquiring 			

well as the merger of Global Payments and Total System Services (TSYS). This makes the strategy clear: companies are consolidating to create supra-regional market leaders.

Time to choose a strategic path forward

How can companies respond to increasing consolidation pressure? We see three viable and sustainable strategies that should be considered:

Forming global platforms will allow companies to lead and shape the process of consolidation and use economies of scale to achieve a high level of efficiency. Through inorganic growth, players try to grow further in order to be able to cover the entire payments value chain. Aiming satisfaction of various customer needs, companies shift from classical product-offerings toward global platforms.

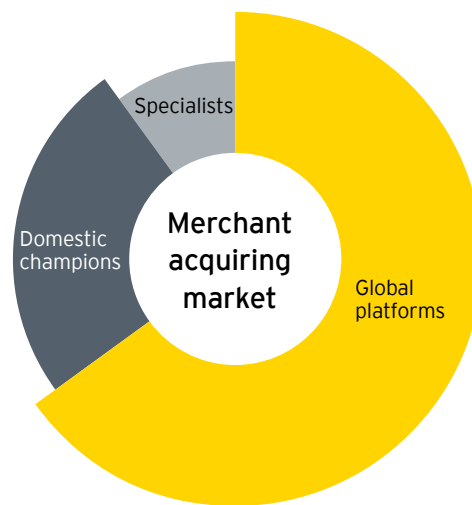
Focusing on local merchants and long-term customer relationships can be a better approach for smaller domestic champions. Their goal is to create or identify a market with high barriers to entry (e.g., regulatory, technical or cultural hurdles) to successfully compete with their international competitors.

Serving niche verticals that require unique and defensible capabilities will be the strategy of specialists. With this strategy, companies are looking to identify niche and adjacent markets which provide for a sustainable future.

With waves 1 and 2 almost at an end, companies must act now to be ready for wave 3. Players that fail to deploy a future-proof strategy may find themselves losing market share – or facing a hostile takeover. A clear strategy and flawless execution have never been as important as now.

If you are interested in discussing the right strategy to move your business forward, please get in touch with Jan Lettow or your usual EY contact.

Target competitive landscape in merchant acquiring market



Jan Lettow



Carina Herbers



Lukas Kohlmorgen



Payments lead the surge in FinTech adoption by SMEs

Small and medium-sized enterprises (SMEs), long underserved by traditional financial providers, have new options as FinTech offerings increase.

Our latest [EY Global FinTech Adoption Index](#) has revealed that adoption of FinTech services by consumers has increased to 64% in 2019, up from just 16% in 2015, the year the first was published, and 33% in 2017. Over this period, EY has seen waves of innovation, including new ways to make payments, manage money and get financing. EY now measures 19 distinct customer propositions, compared with 10 in 2015.

This year, EY expanded the research to look at how SMEs use FinTech solutions. Banks have long struggled to provide targeted services to SMEs, finding it challenging to either scale up from the

services they offer to consumers or scale down from the solutions they develop for large corporations. FinTechs have seized the opportunity to fill the gap, offering a growing range of innovative services to SMEs, including new payment options such as online payment processors and Mobile Point of Sale (mPOS) payment machines. SMEs also use FinTechs to help them with their broader financial needs, including securing working capital, hedging foreign exchange risk and managing cash flow.

We surveyed senior decision-makers at 1,000 SMEs in five countries – two developed markets (the UK and the US)

and three emerging markets (China, Mexico and South Africa). Among those countries, China is the leader, with a 61% adoption rate, followed by the US, with 23%. The adoption rates for the other three countries are the UK (18%), South Africa (16%) and Mexico (11%).

SMEs have fundamentally different attributes and requirements from consumers; therefore, we used a different basis for measuring adoption. To be identified as an adopter, an SME has to have used services provided by a FinTech in all four of the following categories in the last six months: banking and payments, financial management, financing, and insurance. The global adoption rate is 25%, which leaves plenty of room for growth and presents opportunities for both FinTech challengers and incumbents to develop solutions that serve this market.

Payments services are widely used by SMEs

More than half (56%) of SMEs worldwide have used banking and payments services, making it the most widely used category, followed by financial management, financing and insurance.

SMEs in emerging markets are particularly heavy users of banking and payments services, with 63% using services in that category. In China, the rate is 92%. These high rates reflect conditions characteristic of emerging markets. Developed markets have long-established financial infrastructures, and FinTech challengers can offer alternatives to products provided by incumbents.



Emerging markets, by contrast, have less sophisticated financial infrastructures, which creates opportunities for FinTech challengers to build products and services from the ground up.

FinTechs in emerging markets can address the needs of underserved customer segments, including SMEs, by providing them with solutions for key areas of their business, such as banking and payments. SMEs also tend to follow the lead of their customers, many of whom are already significant users of FinTech services for everyday activities, by accepting the consumers' preferred payments methods.

These differences between emerging and developed markets help explain the varying popularity of specific services across the four categories. In developed markets, the most widely-used FinTech services are online bookkeeping and payroll management tools, online billing tools, and online payment processors. In emerging markets, the top services are online payment processors, online billing and invoice management tools, and mPOS payment machines and readers.

How open banking will boost SME FinTech adoption

One reason to expect rapid growth in FinTech adoption by SMEs is their readiness to share data. Seventy percent of SME adopters are willing to selectively and securely share their banking data with other financial services companies, if doing so would help them get access to a better deal. By comparison, just 46% of consumer adopters are prepared to share data under such circumstances.

This readiness among SMEs to share data creates significant opportunities for FinTechs to develop products built around open application programming interfaces (APIs). Open APIs are at the heart of the open banking phenomenon taking hold in markets around the world.

In the UK, which ushered in an open banking regime in 2018, 94% of SME FinTech adopters are prepared to share data with other financial services companies, and 63% are ready to share with non-financial companies, if it means



getting access to a better deal. This indicates that the efficiencies generated by open banking in the SME sector are significant, and that the products and services powered by open APIs bring real value to SMEs in the UK.

Many FinTechs in the UK use open banking and open data to serve their SME customers in a personalized and timely manner, helping them understand, run and grow their businesses. FinTechs that provide financial management services can use open-banking data to deliver rich insights into an SME's cash flow and financial health.

Many SMEs are already accustomed to digitally sharing data, for example, by uploading their financial information to a cloud-based accounting provider. With the spread of open APIs, providers can more efficiently offer a range of services to SMEs, such as overdraft protection, bookkeeping, expense management, factoring and supply chain management.

Open APIs are spurring the development of new financial management tools. For example, a FinTech might provide an SME with the ability to dynamically and automatically hedge foreign-exchange risk on a transaction right at the point-of-sale.

Open APIs may make it significantly easier for SMEs to obtain credit, the fuel they need for growth. Securing a loan is often a slow and cumbersome process for small businesses. With access to open data, lenders – whether they are established banks or FinTech challengers – can quickly make informed underwriting decisions, in some cases, reducing the “time-to-yes” and the “time-to-cash” on an SME loan to just a matter of minutes. In the UK, we're seeing various product marketplaces as well as standalone propositions that use open banking to “turbocharge” their onboarding and underwriting processes. This is to enable faster and better access to credit for SMEs.



Functionality matters more than price

Unlike consumers, who often pick a FinTech based on attractive rates or fees, SMEs are more concerned with features and functionality. Asked to name the top three reasons why they would pick a FinTech challenger over an incumbent financial institution, globally 66% said range of functionality and features, 55% cited round-the-clock availability of service, and 54% said ease in setting up, configuring and using the service. By contrast, 39% identified rates and fees as among the most important factors. The top three global drivers for SMEs adopting FinTech solutions are the same in the UK market as well.

This emphasis on quality of propositions by SME adopters has helped fuel a surge in monoline FinTechs (i.e., providers that are focused on doing one thing very well, such as payments or loans). These firms can help SMEs address areas that are often pain points – including financing, billing, payroll and accounting – freeing

up business owners to focus more of their time on being innovative and entrepreneurial.

Even as this unbundling of financial services is occurring, other providers are trying to re-bundle services, by creating super apps, platforms and ecosystems that offer a selection of products all in one place – although so far this phenomenon is more prevalent in the consumer market than it is in the SME space.

SME adopters of FinTech tend to be “technology-first” organizations. They favor technological solutions to business issues, such as dealing with new regulations or establishing a new sales channel. They also rely on a community of advisors when making a major business decision, including adopting a new technology. In the UK, for example, when SME adopters are deciding whether to use a new service, 53% consult their professional network and industry contracts, 49% seek advice from business advisors and 31% get recommendations from current suppliers.

This reliance on a network of advisors points to potential marketing channels that incumbents and FinTech challengers alike can tap into to reach a wider base of SME clients – opening up new ways to provide innovative financial solutions to a large, diverse and still largely underserved market.



Thomas Bull



Doina Chiselita

Capturing M&A synergy in a fast-changing payments landscape

The payments sector is changing faster than most, on a wave of disruptive technology and changing consumer behavior. Many established businesses in the sector are turning to acquisition strategies in search of achievable - and sustainable - synergies to defend their territory.

The past five years have seen M&A in global payments soar to double-digit growth in a trend that looks set to continue. 2019 has hosted several megadeals including those by Fiserv, FIS and Global Payments which together totalled US\$87b. Larger, more established businesses are hunting for smaller companies to access new payments technology (mobile wallets, integrated payments), geographies, market segments (micro-merchants, person-to-person payments) and technology platforms or to build scale by running more customer transactions through their existing fixed cost infrastructure. Meanwhile private equity companies are also staking a bigger claim in a sector that they see as holding huge growth potential.

But with so much M&A activity and high prices in the payments sector, how can companies ensure return on investment? A clear vision of anticipated post-deal synergies is key, particularly in situations where bidders are competing with others for targets. Buyers should take steps to increase synergy opportunities without losing confidence in their initial projections:

Define synergy objectives before deal close

Effective integration and synergy capture planning start during buyer diligence, before the bid is accepted:

- ▶ **Quantify deal synergies early and identify potential hurdles.** Challenges go beyond more obvious issues such as entering a new market segment or new technology capabilities. Buyers need to know how sales teams, processors, and other merchant relationships will be integrated into the company and whether they will create new synergies or risk destroying value.
- ▶ **Be realistic about which synergies are achievable.** Revenue synergies require pro forma planning to exploit a newly acquired market segment, cross-sell one set of products and services across companies and push through higher prices. Deals should offer seamless methods to pay and connect across physical, internet and mobile channels.
- ▶ **Assess your ability to achieve projected synergies.** Engage each functional area from the buyer's team to determine the cost, complexity and risks to achieve and sustain planned synergies. For instance, transitioning merchant acquirer portfolios requires decisions on target systems, development work to account for gaps in functionality or residual payment attributes, and cross-training of sale and customer service teams.
- ▶ **Set up a synergy tracking model.** Understand synergy dependencies such as transition service agreements (TSA) exits or staff training and ensure those

are managed as part of the overall integration plan. Set specific metrics and goals associated with hard-to-track synergies.

Build a talent retention strategy

If your target's talent disappears after the deal's done, your synergies could too.

- ▶ **Establish a dedicated change management program and joint communications structure.** Better engaging the two organizations around common goals is critical early on. Move fast to deliver a combined organizational structure, laying out reporting lines, roles and responsibilities, and rationale.
- ▶ **Invest the time in understanding cultural differences between the two companies.** Create an inclusive environment by discussing and addressing these differences openly.
- ▶ **Strive to lessen or expedite any corporate processes.** Don't allow routine issues such as capital investment approvals or steering committee decisions to become barriers to progress or a source of ill will with new employees.



Avoid pitfalls

Many in the payments sector have been through several deals and are confident of their ability to manage the next transaction. But beware of complacency – not all buy-side integrations are the same.

- ▶ **Don't underestimate the complexity of your integration.** Most common problems arise from the integration of technology and subsequent conversion of merchant accounts. Many payment integrations converting to a single platform attempt to limit impact to the merchants and partners by building additional formats and functionality into their systems to accommodate the target's idiosyncrasies of conducting its payments business. For example, residual payment tables across different payment processors and acquirers often differ in fee and pricing attributes, merchant bank identification number formats and field definitions. While a combined rationalized normative payment table is preferred, a "Frankentable" is often stitched together to accommodate the multiple pricing bases, with the ultimate goal being convergence. This added complexity is pushed on to sales, operations and technology teams to manage, rather than attempting to move merchants to new pricing formats that may risk opening up contract renegotiations.
- ▶ **Include long-term identity and branding in the deal conversation.** Branding strategy and approach should be developed early in the deal cycle to

leverage any newly acquired brands and determine how they will fit within the buyer's branding strategy. Establishing a branding and marketing strategy can mitigate the potential for confusion or ambiguity in the marketplace with not only your merchants and partners but also with your employees who may not be sure about the future direction of the combined companies.

- ▶ **Establish a boarding plan for new merchants.** Ensure that sales partners understand the new platforms they are selling and that commission systems account for cross-platform sales. Customer service and other sales support systems must provide one-stop and up-to-date services to avoid building customer and partner frustration.

Designate a dedicated integration management office

Payments companies often have strong leaders and teams that are subject-matter resources for their specific payments functions. But tapping them to run the overall integration approach while managing the business can push them out of their comfort zone and lead to miscues and delays, distracting them from normal business operations.

- ▶ **Identify key roles and requirements for the integration at the start of the transaction.** Assess your team's resources, skill sets and capacity to both support the integration and run the business.

- ▶ **Establish an integration management office (IMO).** A dedicated IMO can coordinate work streams, define deliverables and timeline, and provide a forum for reviewing progress.
- ▶ **Include in-house expertise from the buyer and the acquired company in the IMO.** The combined team can lay out the overall integration methodology that will bring the companies to legal closing and a fully integrated target state.

Realizing value in a complex deal environment

With huge growth potential, the payments sector's appeal to buyers is clear. But realizing deal value will require careful consideration of the industry's pitfalls as well. In a sector changing as fast as this one, the rapid advance of technology and innovation, increasingly intricate regulations, evolving consumer behavior and new acquisition opportunities have the potential to derail M&A integration plans and synergy captures. Buyers will need to ensure they have the agility and foresight to adapt fast if conditions change post-deal.

As in any industry, the key to expanding deal value lies in clearly articulating and capturing cost and revenue synergies. But the payments sector's rapid growth is ramping up its complexity - buyers should take care not to underestimate the effort and time needed to execute M&A integration and the impact it will have on customers, sales partners and employees.

Read more in our [full payments sector report](#). If you have any questions or would like to discuss your M&A and integration strategy, please contact [Charlie Alexander](#).



Kieran Hooks

Navigating Brazil's growing payments market

Regulatory reform, advancing technology and growing demand from millions of underserved consumers make Brazil a hot spot for payments growth. But navigating this transformation will require adapting business models and overcoming the challenges of doing business in this complex market.

For years, the Brazilian payments sector was highly concentrated. Until 2010, Visa and MasterCard accounted for more than 90% of the debit card market and over 80% of the credit card market, with each having an exclusivity agreement with a specific acquirer (Visanet and Redecard, respectively). Breaking into such a tightly controlled market was almost impossible.

Regulatory reforms are increasing competition

Over the past decade, a wave of regulatory initiatives has transformed Brazil's banking market through reforms aimed at increasing competition, financial inclusion, interoperability, legal solidity and innovation of the country's financial sector towards international standards. Most recently, two new reform initiatives are set to drive even greater change:

Open banking: In April, Brazil's Central Bank (BCB) issued new guidelines that will finally open up its banking sector, with the aim of increasing competition and lowering overall costs for customers. The regulation, expected to come into force in the second half of 2020, mandates that Brazil's 12 biggest banks open customers' transactional account information to third parties, such as FinTechs and other services providers.

Instant payments: BCB is also moving forward to introduce instant payments by 2020. A working group is discussing rules and international best practices for

the new regulation framework, which would allow for the 24/7 real-time transfer of money.

The challenge: These reforms create opportunities for new players to compete in Brazil's growing payments segment, but the rapid pace of regulatory change requires vigilance from both traditional payment providers and newcomers. The complexity of multiple regulatory changes also can be difficult to navigate through without a deep knowledge of Brazil's shifting reform landscape.

Growing demand from customers

With almost 63 million Brazilians having no banking relationship, fostering financial inclusion will be critical to drive the growth of Brazil's payments segment. Those providers that can offer low-cost financial services accessed via the internet or smartphone can secure significant growth potential while also helping create conditions for broader economic growth. Between September 2017 and March 2018, the number of financial startups (FinTechs) in Brazil has grown over 22%. A notable FinTech example is Nubank, founded in 2014 to democratize banking services. Nubank has grown exponentially, reaching over 10 million users this year and a valuation of up to US\$10b. It is set to expand its services into Mexico and Argentina in the very near future. The FinTech has its own Public Policy and Regulatory

Department to monitor regulations change, propose measures to foster competition to regulatory institutions and defend its business against competitors' monopolistic moves.

Meanwhile, meeting the needs of Brazil's more mature banking customer requires a different approach. Amid tougher economic conditions, these consumers are increasingly demanding financial services that add greater value for lower cost.

The challenge: More competition and a growing demand for innovation puts pressure on both traditional providers and new players to work hard to win over new customers and maintain the loyalty of existing ones. Anticipating emerging consumer needs with creative solutions will call on stakeholders to embrace a new collaborative approach – more can be achieved in partnership than in isolation.

Changing technology use brings new market opportunities

Advances in technology and its growing use by consumers are also helping reshape the country's financial sector. The ratio of person to mobile phone is approaching 1:1 with almost 60% of these devices smartphones. Recent EY research of Brazil's potential to adopt open banking showed Brazilian consumers are tech-savvy, ranking second only to China in rates of FinTech adoption. They are high users

of digital payments and aggregation and 73% surveyed said they would feel comfortable using an online-only banking service provider.

This environment presents opportunities for both FinTechs and BigTechs to improve the digital wallet experience – Brazilian near-field-communication (NFC) readiness is more than 80%. Apple, Samsung and Google are already growing their local presence.

The challenge: Keeping up with evolving technology will be a challenge for payments providers, particularly as BigTechs stake a bigger claim in the sector. Providers will need to adapt with agility to new technologies and changing consumer uses of technology while also addressing the growing sophistication of cybersecurity threats.

Reaping the benefits of a fast growing market

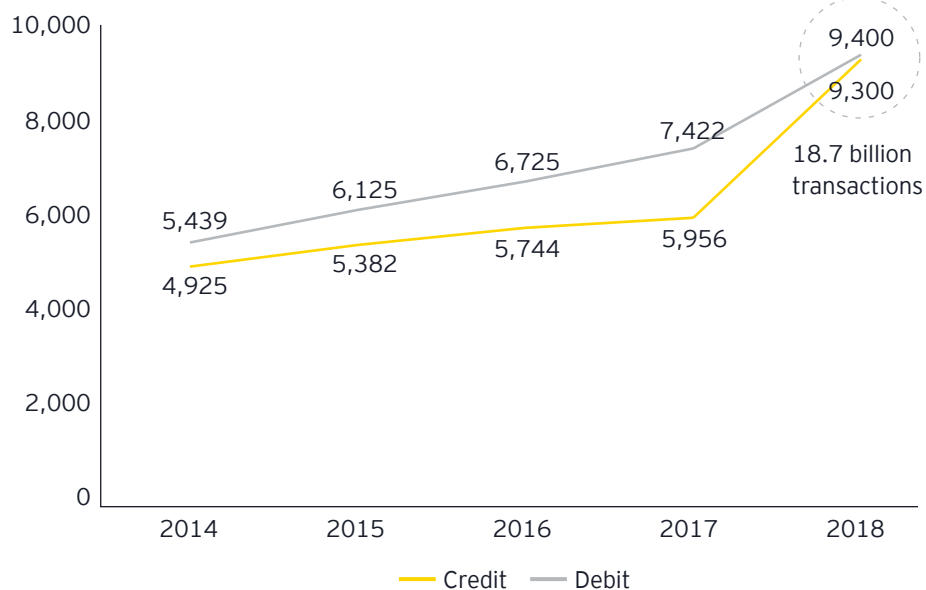
The combination of regulatory reforms, growing consumer demand and increased adoption of technology have seen Brazil's payments market boom. In 2018, credit and debit card transactions rose 14% from the previous year to an all-time high of R\$1.5t (about US\$397b) with Brazil's regulator expecting the figure to reach R\$2t (approximately US\$527b) this year.

Taking advantage of this growth will require payments providers to adapt new business models and prepare to compete amid the regulatory and technology waves transforming the industry. Brazil's payments market is changing fast – how it may continue to evolve is uncertain but key considerations for both traditional payments providers and newcomers include:

1. Move fast to win over the unbanked

Even with Brazil's ongoing economic downturn, the payments industry has bucked the trend, growing year on year. And with around 30% of the population still without access to banking services, further growth potential is huge. But moving fast to understand and meet the needs of these consumers will be critical if payment providers are to win their loyalty.

Evolution of the number of card transactions (in millions)



Source: BBC

2. Stay competitive through innovation and improvements

Brazilian regulators have gone a long way in promoting competition and opening up the payments industry. However, over 80% of Brazil's assets are still controlled by the country's five largest financial institutions. Will the oligopoly hold once open banking regulations come into force? Banks and traditional payments providers will need to operate differently in a newly competitive environment, adopting the more agile, innovative mindset of FinTechs and continually improving the quality of services and their time to market.

3. Be ready to adapt to new technologies and changing demands

Technology is changing almost faster than companies can adapt, with banks, FinTechs and BigTechs all trying to prepare for a future that is yet unknown. Will technology available today meet future consumer demands? When new technology emerges, which institutions will bring them to market first? Preparing for an uncertain future is difficult but planning for change now is critical for any company that wants to successfully ride Brazil's next transformational wave.

14%

growth in value of credit and debit card transactions in 2018 even as overall economic grew only 1.1%



Henrique Galloti

M&A activity

In 2019, the number of disclosed transactions declined to 43 in the third quarter from 53 in the second quarter

Total disclosed transaction value stood at US\$6.5b in Q3 2019 (down from US\$29.2b in Q2 2019), largely driven by the acquisitions of equensWorldline and Nets Holding.

A decline in both the value and volume of deals in Q3 follow a period of mega-deal activity last quarter, including Global Payments' US\$26.2b acquisition of Total System Services (TSYS).

M&A activity and deal characteristics

Q3 at a glance:

43 M&A transactions announced

04 transactions with financial terms disclosed

US\$6.5b
total disclosed deal value

Buyers use M&A to expand offerings and geographic reach

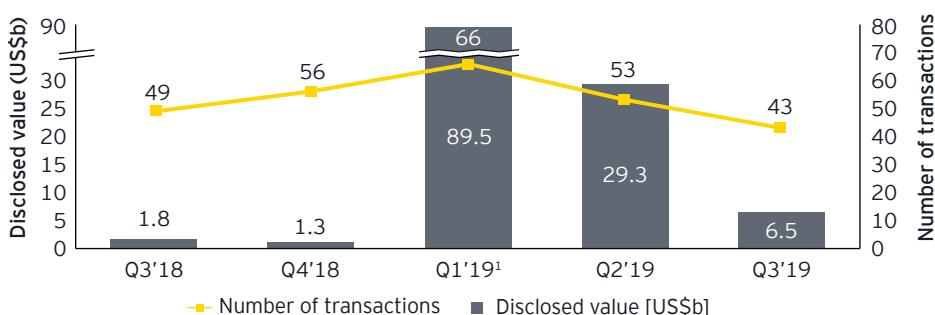
This quarter, Mastercard Incorporated announced the acquisition of a 100% stake in Nets' ACH business for US\$3.2b. Nets Holding A/S is a Denmark-based firm, which operates as a payments services and related technology solutions provider for corporates in the Nordic region. The deal will help Mastercard gain enhanced capabilities in technology infrastructure, applications for end-user solutions and value-added services, such as data analytics and fraud protection. It should also enable the credit card giant to enhance the depth and scale of its Mastercard Send and Transfast technologies that deliver cross-border payment, and extend Mastercard's A2A capabilities to continental Europe as well as supporting their P27 delivery in the region.²

Another notable deal this quarter was Repay Holding LLC's acquisition of TriSource Solutions for an implied enterprise value of US\$65m. TriSource Solutions is a US-based payments firm that provides merchant customer service, risk management, clearing, chargeback processing, residual reporting, authorization and bin sponsorship. The transaction will enable Repay to build more intelligent payments solutions and bring them to customers faster, while also gaining efficiency and economy of scale through relatively superior back-end infrastructure capabilities. For TriSource, deal benefits include enabling strong organic growth in its back-end settlement business and the addition of back-end transaction processing capabilities.³

“

Analysts around the world are forecasting continuing global M&A activity in the financial services sector, in particular across payments, as businesses realize the need to consolidate and reinvent to stay relevant in a rapidly evolving sector.¹

M&A market development



Source: EY analysis, Capital IQ, Mergermarket

Note: 1. Includes two major announced deals - US\$43.4b acquisition of Worldpay by FIS and US\$41.3b acquisition of First Data by Fiserv

¹ RS Software

² Mastercard Press Release

³ Repay Press Release

Worldline's takeover represents half of all deal value

Worldlines SA's acquisition of a 36.4% stake in equensWorldline SE for US\$3.3b accounted for 50.1% of the quarter's total deal value. equensWorldline SE is a Netherlands-based payments processing firm that provides services in acquiring, issuing, automated clearing, back-office payments, corporate payments and mobile payments. Worldline exercised its call option on the 36.4% minority stake in the company, representing the final step of an acquisition initiated in 2016 and allowing it to take full ownership of equensWorldline. The deal gives Worldline more opportunities to establish new strategic partnerships and enlarge its options for inorganic development.⁴

Increase in valuations

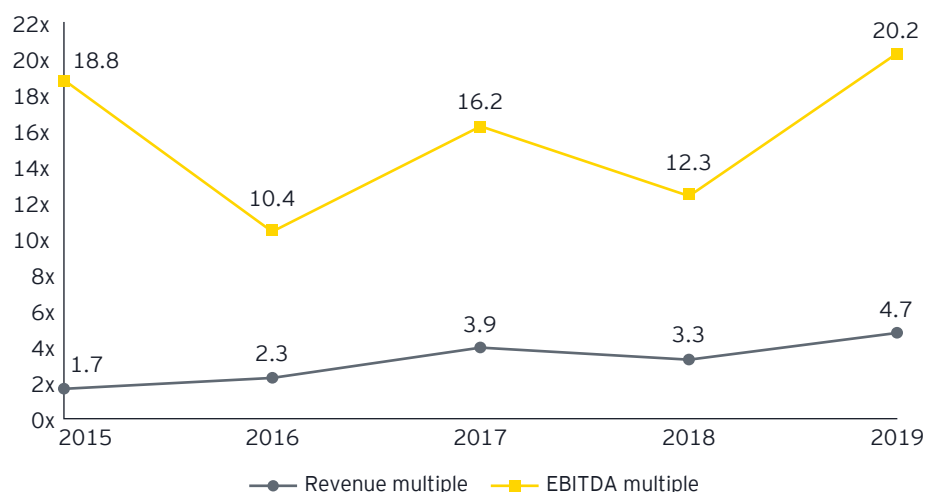
The median EBITDA multiple for all disclosed deals year-to-date increased from 12.3x in 2018⁵ to 20.2x in YTD²⁰¹⁹. The median revenue multiple for the same period also increased from 3.3x to 4.7x.

M&A outlook

Outlook for M&A activity remains positive. As the impact of PSD2 and other similar global initiatives start to trickle through, we expect more acquisitions of account-to-account capabilities.

“Trade players continue to seek efficiency and economy of scale through superior back-end infrastructure capabilities.”

Median enterprise value multiples



Deals by region and segment

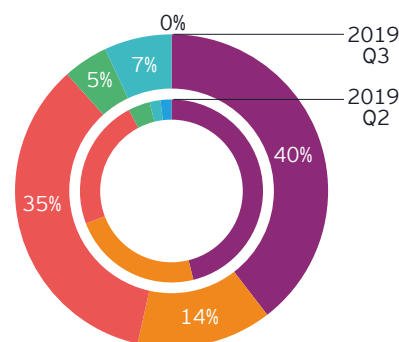
In Q3 2019, deal targets were based in

- ▶ North America – 39.5%
- ▶ Europe – 34.9%
- ▶ Asia – 14.0%

M&A activity in the payments space has been primarily driven by the need to gain new technology, regulations such as PSD2 and consolidation activity to create larger entities.

Targets by region

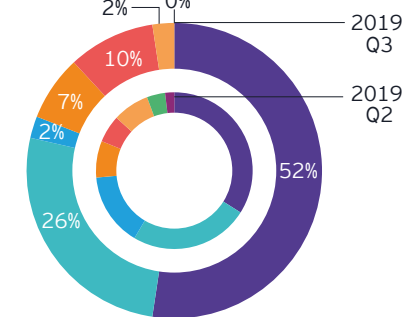
Represents % share of each region by number of deals



- North America
- Asia
- Europe
- Middle East, Africa (MEA)
- South America
- Australia

Targets by segment

Represents % share of each segment by number of deals



- Payment Acceptance Devices
- Processing
- Alternative payment systems
- Money transfer
- Issuing
- ATM
- Couponing and loyalty
- Security

⁴ GlobeNewswire

⁵ Includes all deals in 2018



Andreas Habersetzer



Dawei Wang

Venture capital funding activity

Q3 2019 at a glance:

119

venture capital (VC) deals – an estimated 10% increase from Q2 2019

US\$4.8b

total VC deal value

US\$460m

investment in Klarna – the biggest VC deal of Q3 2019

This quarter realized the highest number of deals in two years; however, total value declined compared to previous quarters.

Payments acceptance devices attract over one-third of deals

Most funding activity this quarter was contributed by early stage and seed investments. As in Q2, many targets were those focused on payments acceptance (27% of transactions) and alternative payment systems (16% of transactions).

In Q3, North and Central America attracted most investments (34%), followed by Asia (32%) and Europe (22%). However, North and Central America accounted for almost half (47%) of all deal value, followed by Europe (26%) and Asia (15%).

We observed a continuing trend toward investment in developed economies, particularly North America and Europe where buyers are seeking to take advantage of significant opportunities in these markets.

Stripe hit US\$35b valuation

A major deal this quarter was the US\$250m investment in Stripe by investors, including General Catalyst, Sequoia Capital and Andreessen Horowitz. Stripe is a San Francisco-based company that provides application programming interfaces (APIs) and tools that help businesses to accept payments online. This latest round of funding values the company at US\$35b and will help Stripe expand internationally, increase product breadth and expand offerings for large enterprises.⁶

⁶ Press release, Stripe bags \$35B valuation as B2B payments sector matures, September 19, 2019

⁷ Press release, Klarna announces \$460M equity raise to further support massive US growth, August 6, 2019

⁸ Press release, Nubank raises USD 400 million in a new investment round led by TCV, July 26, 2019

Large-scale strategic partnership for digital payments

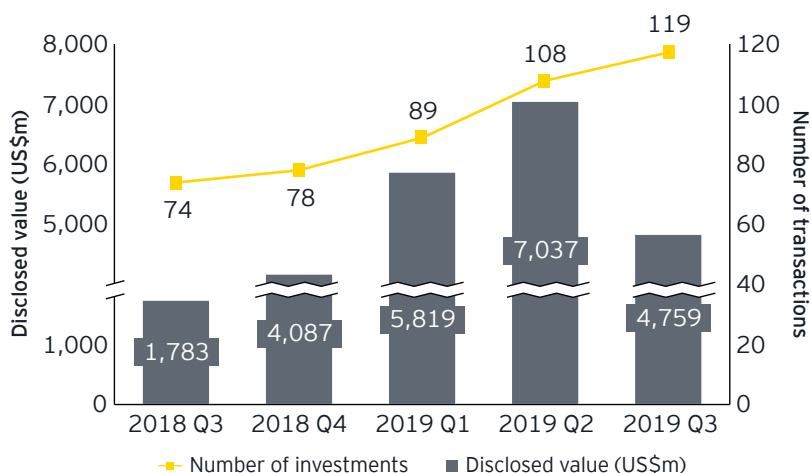
Another big Q3 deal was the US\$460m funding round led by Dragoneer Investment Group in Klarna, a Sweden-based company that provides direct payment, pay after delivery, installment payment options and banking services. Klarna recently gained a full banking license and is expected to grow its product lines, as well as enhance existing propositions. Credit-related product capabilities have become increasingly sought after by payments providers, to both generate additional revenue streams and increase the stickiness of customers. The funding will also help Klarna continue to expand in the US market, where the company is currently seeing growth at the rate of 6 million new consumers annually.⁷

Also this quarter was TCV's US\$400m investment in Nubank, a Latin America-based financial technology company, which issues, administrates, processes, and transfers payments related to post-paid credit cards and equity investment in other entities. Nubank recently reached the milestone of having more than 12 million customers, making it Brazil's sixth-largest financial institution (in terms of customer numbers) and the largest digital bank in the world. Existing investors Tencent, DST Global, Sequoia Capital, Dragoneer, Ribbit Capital, and Thrive Capital also participated in the round. TCV, which invests in founder-run businesses that leverage technology, will support Nubank's expansion into new markets, including Mexico and Argentina, as well as providing additional services to their consumers.⁸

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Investors continue to bet big on payment businesses as the underlying market (transaction volume) continues to grow, while pain points persist across various segments of the market.

Venture capital deal

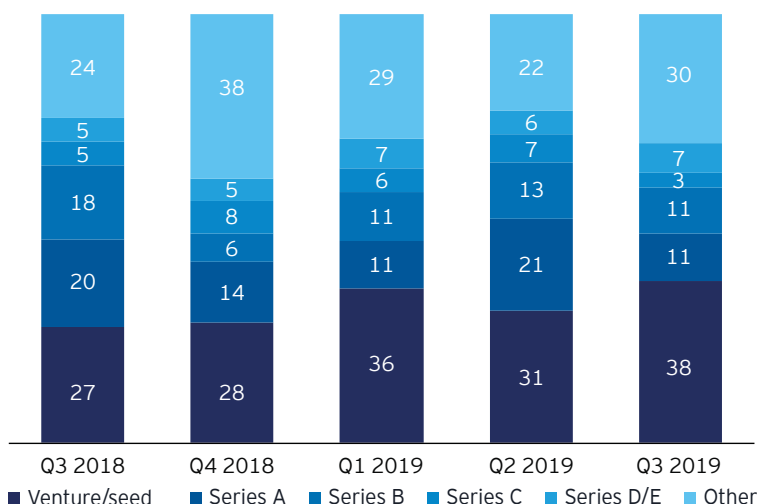


VC investment trends

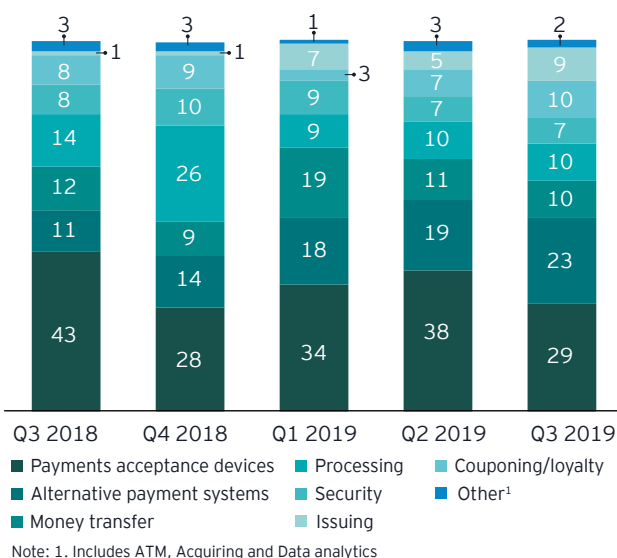
In coming months, we expect:

- ▶ Continued investment and interest in the B2B payments sector
- ▶ Increased need for funding by payments providers seeking to expand geographically and diversify product portfolio

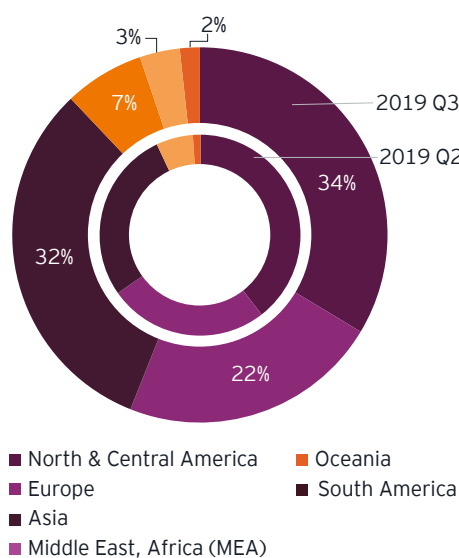
Number of deals by funding stage (in %)



Investment by sectors (in %)



Investment by region (in %)



Andreas Habersetzer



Dawei Wang

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
1	04 July 2019	Just Cash	United States	Just Cash provides customers with simple, secure, and convenient access to cash using their own mobile devices.	Coinsquare Ltd.	Canada	–	–
2	04 July 2019	TFG Card Solutions, Inc.	United States	TFG Card Solutions, Inc., doing business as SOLE Financial, provides SOLE Visa, a payroll card. It enables customers to customize its card with a personal photo; and get and make direct deposits through its card. The company also operates an application that helps users to check their balance, transfer funds, manage alerts, and temporary lock service for the card. TFG Card Solutions, Inc. was founded in 2004 and is based in Portland, Oregon. As of July 5, 2019, TFG Card Solutions, Inc. operates as a subsidiary of FleetCor Technologies, Inc.	FleetCor Technologies, Inc.	United States	–	100%
3	09 July 2019	Corvil Limited	Ireland	Corvil Limited, a network data analytics company, provides network data analytics and performance monitoring platform for electronic trading. The company offers Corvil Appliances, a network data analytics appliance that passively taps into network data, and discovers, decodes, and reconstructs various details of application and business data flows; and Corvil Plug-ins that identify and track messages, transactions, and performance in real-time across various trading, middleware, and enterprise data protocols. It also provides Corvil Connectors that integrate big data solutions; Corvil Capture that provides high-rate capture to disk with hardware time stamping; and Corvil Analytics that captures, reassembles, decodes, and enriches raw data by adding analytics and making the resulting enriched data available to humans, machines, and other systems. In addition, the company offers Corvil Dashboards, a customizable viewport to investigate, observe, and display measurements and analytics; Corvil 8400, a streaming analytics appliance for wire data; Corvil Lens that provide detailed analytics with a hierarchical multi-dimensional view of data; Corvil Streams to prioritize data that needs detailed analysis or requires immediate attention; Corvil Reports to schedule regular reports for various networks, applications, and business analytics; and Corvil Sensor, a software-defined solution for packet-level instrumentation of virtual machines in public, private, and hybrid cloud infrastructures. It serves exchanges, banks, service providers, market makers, e-commerce, advertising, gaming, media, energy, education, and manufacturing sectors. Corvil Limited was formerly known as Measure Technology Ireland Ltd. and changed its name to Corvil Limited in April 2000. The company was incorporated in 1998 and is headquartered in Dublin, Ireland with additional offices in New York, New York; London, United Kingdom; Tokyo, Japan; and Hong Kong.	Pico Quantitative Trading, LLC	United States	–	100%
4	09 July 2019	WayPay Inc.	Canada	WayPay Inc. operates as an online payment platform for businesses. The company streamlines the accounts payable by connecting to any access point and reconciling payments sent to area from any mix of financial institution and credit score card accounts. WayPay Inc. was founded in 2014 and is based in Burlington, Canada. As of July 9, 2019, WayPay Inc. operates as a subsidiary of Royal Bank of Canada.	Royal Bank of Canada	Canada	–	100%

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
5	12 July 2019	Global Payments South America	Brazil	Global Payments South America is a Brazil-based company that provides payment technology solutions	Banco Inbursa	Mexico	-	33%
6	15 July 2019	Payr AS	Norway	Payr AS develops a payment application. It provides users with a platform to pay invoices, suggests them on better deals, and compares price and quality on financial products, such as loans, currency exchange, and insurance. The company was founded in 2016 and is based in Oslo, Norway.	Hudya Group AS	Norway	-	100%
7	17 July 2019	SOLE Financial	United States	SOLE Financial is a payroll card provider enabling instant, affordable wage access for workers.	Comdata	United States	-	100%
8	17 July 2019	Payworks	Germany	Payworks is the provider of Pulse, a next generation Point of Sale payment gateway technology.	Visa	United States	-	100%
9	17 July 2019	iKentoo SA	Switzerland	iKentoo SA designs and develops iPad-based point of sale and enterprise management software for the hospitality industry. Its solution allows taking orders, managing tables, and accepting payments. Additionally, the company provides SKU/ menu item grouping; cash report printing; client file creation; and receipt emailing. It also offers back-office management portal for SKU management, generating financial reports, inventory management, and customer relationship management. The company develops iKentoo Live, a one-click performance dashboard; and iKentoo Stock for inventory management. It offers solutions to restaurants, multi-site chains, food trucks, festivals, bars, hotels, coffee shops, and delis. iKentoo SA was founded in 2011 and is based in Geneva, Switzerland. As of July 2, 2019, iKentoo SA operates as a subsidiary of Lightspeed POS Inc.	Lightspeed POS Inc.	Canada	-	100%
10	18 July 2019	Interblocks Ltd.	Sri Lanka	Interblocks Ltd. develops a platform, which provides an integrated and electronic payment processing solution. It offers its services to banks and financial service providers across global markets. The company was founded in 2000 and is based in Colombo, Sri Lanka. As of August 4, 2019, Interblocks Ltd. operates as a subsidiary of Hitachi-Omron Terminal Solutions, Corp.	Hitachi-Omron Terminal Solutions, Corp.	Japan	-	100%
11	24 July 2019	equensWorldline SE	Netherlands	equensWorldline SE, a transaction processing company, provides payments and transactional services to an international client base in various countries across Europe. Its services include issuing processing, digital enablement, fraud risk management, loyalty, and payment software licensing services; and acquiring processing, fraud risk management, and ATM management; instant payments, payments processing back-office, open banking, clearing and settlement, and payment and liquidity hub; and digital banking, open banking, mobile banking, and trade order management and financial data services. equensWorldline SE was formerly known as Equens SE and changed its name to equensWorldline SE in September 2016. The company was founded in 1994 and is based in Utrecht, the Netherlands with additional branch offices in Belgium, Finland, France, Germany, Italy, Luxembourg, and the United Kingdom. equensWorldline SE operates as a subsidiary of Worldline S.A.	Worldline S.A.	France	3275.3	36%

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
12	25 July 2019	Hybrid Payments, Inc.	United States	Hybrid Payments, Inc. provides merchant services. The company offers credit card processing, business funding, synergistic data analytics, loyalty program/gift cards, online ordering, payment gateway, and point of sale solutions. Its solutions comprise restaurant, industry, government, nonprofit, and healthcare payment processing, as well as retail merchant services. The company was founded in 2011 and is based in Naples, Florida. As of July 25, 2019, Hybrid Payments, Inc. operates as a subsidiary of Linga POS, LLC.	Linga POS, LLC	United States	–	100%
13	25 July 2019	Merpay Limited	United Kingdom	Merpay Limited offers electronic money payment services. The company was founded in 2016 and is based in London, United Kingdom. Merpay Limited operates as a subsidiary of Mercari, Inc.	–	–	–	100%
14	25 July 2019	My E.G. Services Berhad	Malaysia	My E.G. Services Berhad, an investment holding company, develops and implements electronic government services projects, and provides other related services in Malaysia. The company also offers software solutions and maintenance services; auto insurance intermediary and other related ancillary services; management and consultancy services; online advertisement services; electronic commerce services; and job matching and placement services to match Malaysian employers with foreign workers. In addition, it operates and manages automotive classified Web portal and other value added services for the automotive classified Web portal; undertakes finance leasing and other credit granting activities; and provides and operates an electronic payment and remittance platform for the issuance, transfer, clearance, and settlement of electronic money, and various other related ancillary products and services. Further, the company offers diversified media solutions and related professional services; builds, owns, and operates online TV channel, hostels, and digital platform for commercial services; and provides digital platform for reviews and news on restaurant, and food and beverage business, with advertising or marketing for related brands. Additionally, it undertakes information technology, and credit card terminal rental and other related activities; trading of computer hardware, accessories, and related products; and online purchase and redemption, and other related activities. The company also offers computer software and hardware products; and motor vehicle inspection, repairing, and breakdown assistance services. In addition, it is involved in the trading of motor vehicles, as well as provision of ancillary services; and sale of removable motor vehicle spare parts. The company was formerly known as My E.G. Dot Com Sdn Bhd and changed its name to My E.G. Services Berhad in April 2005. My E.G. Services Berhad was founded in 2000 and is headquartered in Petaling Jaya, Malaysia.	–	–	–	31%

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
15	26 July 2019	iPSP.de GmbH	Germany	iPSP.de GmbH offers online payment acquiring, card payout and other processing-related services to online merchants and mobile application developers.	CreditPilot PLC	Cyprus	-	91%
16	30 July 2019	PayFast (Pty) Ltd.	South Africa	PayFast (Pty) Ltd. provides online payment processing services for South Africans and South African Websites. It facilitates buyers to send money through multiple payment options, such as Internet banking, credit cards, and cash, as well as sellers to receive money. The company was incorporated in 2007 and is based in Cape Town, South Africa. As of July 30, 2019, PayFast (Pty) Ltd. operates as a subsidiary of The Direct Pay Online Group.	The Direct Pay Online Group	Ireland	-	100%
17	31 July 2019	Red Dot Payment Pte Ltd	Singapore	Red Dot Payment Pte Ltd, an online payment company, provides payment solutions to merchants across the Asia Pacific. The company offers RDP Connect, a payment gateway that accepts online payments; RDP InstanPay that helps businesses with one-page e-commerce site to setup an online sales channel; RDP InstanCollect, an online invoicing solution; eMOTO, a solution for dial-in and email payments; RDP InstanToken, a one-click checkout payment solution for storing cardholder data and preloading them for customers during checkout; and recurring payments that manages and collects periodic payments. It caters to banks, merchants, security and fraud management system providers, payment schemes, payment gateways, and non-banking financial institutions. Red Dot Payment Pte Ltd was founded in 2011 and is headquartered in Singapore. As of July 5, 2019, Red Dot Payment Pte Ltd operates as a subsidiary of PayU Group.	PayU Group	Czech Republic	-	-
18	01 August 2019	RedCard Systems, LLC	United States	RedCard Systems, LLC develops and offers healthcare technology and business process outsourcing (BPO) solutions. The company provides DOCS, a software-as-a-service platform for communication. Additionally, it offers document management, claims and enrollment communication, and e-payment services. RedCard Systems, LLC was founded in 2006 and is headquartered in Saint Louis, Missouri. The company operates as a subsidiary of Red Card Holdings, LLC. As of October 4, 2019, RedCard Systems, LLC operates as a subsidiary of Zelis Healthcare Corp.	Zelis Healthcare Corp	United States	-	100%
19	04 August 2019	heidelpay GmbH	Germany	Heidelberger Payment GmbH offers online payment processing services. The company provides credit card, debit card, direct debit, prepayment, wallet transfer, and mobile payment services. Additionally, it offers payment management, risk management, and debtor management services. The company's partners include shopware, e.pages, Magento, MasterCard, pixi, and idealo. Heidelberger Payment GmbH was founded in 2003 and is based in Heidelberg, Germany.	KKR & Co. Inc.; KKR European Fund V, L. P.	United States	-	-

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
20	06 August 2019	Svea Ekonomi AB (publ)	Sweden	Svea Ekonomi AB (publ) provides financial and administrative services in Europe and internationally. It offers factoring, corporate credit, sales financing, leasing, flexible financing, and acquisition financing services; billing services; delay compensation, parking collection, legal, and debt financing services; and training services, such as courses, seminars, and more. The company also provides ledger administration, payment solutions for e-commerce, and debt collection services; debt administration services; and invoice purchasing services. In addition, it offers business credit, an account credit for small and medium sized businesses; accounting and financing products, such as sales ledger, statutory accounting, payroll, electronic invoice handling, and more; and payment over the Internet to companies and consumers. It serves construction, IT, energy, and real estate markets. Svea Ekonomi AB (publ) was founded in 1981 and is based in Solna, Sweden with additional offices internationally. As of August 6, 2019, Svea Ekonomi AB (publ) operates as a subsidiary of The Change Group Corporation Limited.	The Change Group Corporation Limited	United Kingdom	–	100%
21	06 August 2019	QVO SpA	Chile	QVO SpA operates online payment solutions in Ecuador, Colombia, Mexico, Peru, US, Canada, and Chile. The company was founded in 2016 and is based in Santiago, Chile. As of August 6, 2019, QVO SpA operates as a subsidiary of KUSHKI S.A.	KUSHKI S.A.	Ecuador	–	100%
22	06 August 2019	Nets Holding A/S	Denmark	Account-to-Account Payment Business of Nets Holding A/S comprises clearing and instant payment services, e-billing solutions, and account-to-account payments platform. The asset is located in Denmark.	Mastercard Incorporated	United States	3194.3	100%
23	07 August 2019	Sourcery Technology, Inc.	United States	Sourcery Technology, Inc. operates an electronic invoicing platform for wholesale food buyers and sellers. The company's platform allows food suppliers and buyers to manage their transactions online ranging from electronic invoicing and payments to product viewing and order placements. It also provides an application that streamlines ordering, delivery, price comparison, and payment processes. The company was incorporated in 2012 and is based in San Francisco, California. As of August 7, 2019, Sourcery Technology, Inc. operates as a subsidiary of Lavu, Inc.	Lavu, Inc.	United States	–	100%
24	09 August 2019	International Payments Business of Hermex International Limited	United Kingdom	HermexFX offers international payment services to a predominantly corporate client base through a personalized service offering	FairFX Plc	United Kingdom	2.4	100%

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
25	12 August 2019	Bassilichi Central Eastern Europe	Serbia	Bassilichi Central Eastern Europe builds, implements, and maintains electronic payment solutions. The company distributes and installs point of sale (POS) terminals and related financial software. Bassilichi Central Eastern Europe was formerly known as Asoft4solutions Company Ltd. As a result of the acquisition of Asoft4solutions Company Ltd by Bassilichi S.p.A., Asoft4solutions Company Ltd name was changed. The company was founded in 2008 and is based in Belgrade, Serbia. As per the transaction announced on August 12, 2019, Bassilichi Central Eastern Europe operates as a subsidiary of Asseco South Eastern Europe S.A.	Asseco South Eastern Europe S.A.	Poland	-	100%
26	14 August 2019	TriSource Solutions, L.L.C.	United States	TriSource Solutions, L.L.C. operates as a processor of electronic payment services in the United States. The company's services include merchant customer service, risk management, clearing, chargeback processing, residual reporting, and authorization and bin sponsorship. It serves sponsor banks, independent sales offices, agent banks, independent sales agents, and agent offices. The company was formerly known as CentralBANCARD, Inc. TriSource Solutions, L.L.C. was founded in 2003 and is based in Bettendorf, Iowa. As of August 13, 2019, TriSource Solutions, L.L.C. operates as a subsidiary of Repay Holdings, LLC.	Repay Holdings, LLC	United States	65.1	100%
27	16 August 2019	Cielo S.A.	Brazil	Cielo S.A., through its subsidiaries, provides payment services in Brazil. The company is involved in the provision of services related to credit and debit cards, and other payment methods, including signing up of merchants and service providers; rental, installation, and maintenance of point of sale terminals; and data capture and processing of electronic and manual transactions. It also offers services related in the processing means of payments that involve cards, maintenance services, and contacts with merchants for acceptance of credit and debit cards; data transmission services to load fixed or mobile phone credits; software development and licensing of computer programs; electronic transactions processing; IT services for collection and management of accounts payable and receivable; and data processing services and support services to medical companies. The company was formerly known as Companhia Brasileira de Meios de Pagamento and changed its name to Cielo S.A. in December 2009. Cielo S.A. was founded in 1995 and is headquartered in Barueri, Brazil.	-	-	-	5%
28	19 August 2019	FitPay, Inc.	United States	FitPay, Inc. develops contactless payment platforms based on wearable devices. The company was incorporated in 2014 and is based in San Francisco, California. As of May 23, 2017, FitPay, Inc. operates as a subsidiary of Nxt-ID, Inc. As of September 9, 2019, FitPay, Inc. operates as a subsidiary of Garmin International, Inc.	Garmin International, Inc.	United States	-	100%
29	20 August 2019	Money Transfer Systems, Inc.	United States	Money Transfer Systems, Inc. offers electronic check recovery processing services for financial institutions. The company was founded in 2006 and is based in Clearwater, Florida. As of August 20, 2019, Money Transfer Systems Inc. operates as a subsidiary of MilCo Enterprises, Inc.	MilCo Enterprises, Inc.	United States	-	100%

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
30	22 August 2019	FreedomPay, Inc.	United States	FreedomPay, Inc. operates a commerce platform that offers digital payments solutions for e-commerce industry. It offers various transaction solutions, including mobile payments, cashless solutions, virtual and remote terminals, payment processing, intelligent analysis, routing of promotions, incentives, and customer relationship management services. The company also provides incentive manager, product mapping, point of sale (POS) integration, identity management, branding engine, digital wallet, analytical, dashboard, and segmentation tools; payment switch solution that streamlines processes and transactions, connects to POS systems, and captures detailed data; integrating library solutions; security solutions for electronic payments; mobility solution for helping customers use their phones as virtual wallets; and PCI-validated point-to-point encryption solution that includes EMV and NFC compliance. In addition, it delivers credit card processing services, tokenization and card-vault products coverage of private label card issuers, industry data support, consolidated reporting, merchant support, and in-house technical troubleshooting services. The company serves clients in financial services, retail, banking, manufacturing, fleet, contract food services, and hospitality industries. FreedomPay, Inc. was incorporated in 1999 and is headquartered in Philadelphia, Pennsylvania with additional offices in Las Vegas, Nevada and London, United Kingdom.	-	-	-	-
31	22 August 2019	The Mint Corporation	Canada	The Mint Corporation, through its subsidiaries, provides vertically integrated payment solutions primarily in the United Arab Emirates. It manages the issuance, administration, customer support, payment processing, set-up, sponsorship, and reporting of the cards and related activities to government authorities. The company offers payroll and prepaid cards, mobile airtime top up, merchant network solutions, and microfinance products to existing payroll cardholders; as well as ATM management, POS management, and debit card solutions. It also provides employer and employee services, such as payroll, health insurance, air ticket, ATM, and remittance; e-commerce gateway for electric payments services; and point-of-sale merchant solutions. The company was formerly known as Mint Technology Corp. and changed its name to The Mint Corporation in August 2013. The Mint Corporation was founded in 2004 and is headquartered in Toronto, Canada. The Mint Corporation is a subsidiary of Gravitas Financial Inc.	Global Business Services; Mobile Telecom. Group LLC	UAE	-	56%
32	23 August 2019	JASPAS Inc.	Japan	JASPAS Inc. provides payment solution services such as credit card payment, electronic money payment. The company was founded in 2008 and is based in Meguro-ku, Japan. As of August 23, 2019, JASPAS Inc. operates as a subsidiary of Flight Holdings Inc.	Flight Holdings Inc.	Japan	-	100%

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
33	26 August 2019	Eclipse Cash Systems, LLC	United States	Eclipse Cash Systems, LLC distributes ATM products in the United States. It offers payment processing systems and services; ATMs for hotels; casino ATM games; ATM armor systems; mobile ATMs for events and venues; wireless devices for ATMs; and ATM parts. The company also provides ATM placement, processing, business consulting, monitoring, and other services; customized ATM branding services; and repair and maintenance services. Eclipse Cash Systems, LLC was founded in 2003 and is based in Chandler, Arizona. As of August 26, 2019, Eclipse Cash Systems, LLC operates as a subsidiary of Payment Alliance International, Inc.	Payment Alliance International, Inc.	United States	–	100%
34	29 August 2019	Touch 'n Go Sdn Bhd	Malaysia	Touch 'n Go Sdn Bhd provides electronic payment solutions to individuals, businesses, and corporates. The company offers Touch 'n Go Card, a prepaid electronic-cash card; SmartTAG, an infrared device that enables users to pay at tolls; Rapidpass Pelajar, a monthly student's travel pass that offers discount for ticket fares; and Self-Service Kiosk, an unattended reload and payment kiosk to reload Touch 'n Go cards, purchase new Touch 'n Go cards, check Touch 'n Go card balances, and refund card balances. It also provides Watsons VIP Card, a two-in-one membership card with Touch 'n Go features; Tesco Clubcard that enables members to reload and use it as a prepaid smartcard at selected Tesco stores and other Touch 'n Go participating outlets; and CoPilot Card, an automobile card that provides access to legal assistance, insurance solution and services, and prepaid cash card convenience. Touch 'n Go Sdn Bhd was formerly known as Rangkaian Segar Sdn Bhd and changed its name to Touch 'n Go Sdn Bhd in 2008. The company was incorporated in 1996 and is based in Kuala Lumpur, Malaysia. As of March 26, 2010, Touch 'n Go Sdn Bhd operates as a subsidiary of CIMB Group Holdings Berhad.	CIMB Group Holdings Berhad	Malaysia	–	19%
35	30 August 2019	Polyright SA	Switzerland	Polyright SA develops, manufactures, and trades smart plastic cards, RFID products, and their accessories, as well as provides cashless payment solutions. It offers ID management products, printers, information and validation terminals, net printing products, cashless solutions, checkout products, payment terminals, automation products, chargers, interfaces, and access control products; and consulting and project management services. The company serves education, health, industrial, service, trade, and other sectors in Switzerland and internationally. Polyright SA was formerly known as Sportaccess S.A. The company was founded in 1992 and is based in Sion, Switzerland with additional offices in Lausanne and Zürich, Switzerland. As of September 2, 2019, Polyright SA operates as a subsidiary of InterCard AG Informationssysteme.	InterCard AG Informationssysteme	United Kingdom	–	–
36	03 September 2019	OSMS Inc.	United States	OSMS Inc. develops and provides cloud-based online payments and student receipting software solutions for K-12 schools. The company was founded in 2000 and is headquartered in Sterling, Virginia. OSMS Inc. operates as a subsidiary of Edlio, LLC.	Edlio, LLC	United States	–	100%

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
37	04 September 2019	SIA S.p.A.	Italy	SIA S.p.A. engages in the design, creation, and management of technology infrastructures and services for financial institutions, central banks, corporates, and the public sector. The company offers services in the areas of payments, cards, network services, and capital markets. Its financial institutions solutions include electronic payments, such as issuing and acquiring of debit, credit, and prepaid cards for various domestic and international circuits; value-added services for the prevention and management of frauds and disputes; and management of inter-bank payments and collections, as well as provides access to domestic and pan-European clearing infrastructures, bank2corporate communication services, and advanced systems for capital markets. The company also supports central banks, clearing houses, banking associations and consortiums, state financial institutions, and government financing bodies in the design and management of payments infrastructures; and provides products and services for the clearing and settlement of payments, supervision, and compliance, as well as develops a specific integrated solution for the management of accounts, collections, and payments. In addition, the company provides advanced solutions for document management (electronic payment orders, e-invoicing, and electronic storage), local taxes (collections, payments, and reconciliation of accounting flows), and other multichannel services that enable citizens to pay for charges, taxes, and fees through the banking and retail networks. Further, the company engages in the fields of trading and post-trading services and platforms, market surveillance systems, and monitoring and transparency of trading activities; and provides multi-service and multi-protocol technology network infrastructure solutions. It serves customers in Italy and internationally. SIA S.p.A. was formerly known as SIA-SSB S.p.A. and changed its name to SIA S.p.A. in May 2011. The company was founded in 1977 and is based in Milan, Italy with representation offices in the United Kingdom and Poland. It has branches in Belgium and the Netherlands; and subsidiaries in Austria, Germany, Romania, Hungary, and South Africa.	FSIA Investimenti S.r.l	Italy	-	-
38	04 September 2019	TUTUKA SOFTWARE PROPRIETARY LIMITED	South Africa	TUTUKA SOFTWARE PROPRIETARY LIMITED offers third party payment processing services. It offers prepaid processing, companion processing, and digital payments services through its software and application programming interface (API). Its software is used to issue closed loop prepaid cards, loyalty cards, open loop prepaid cards, payroll cards and travel cards. It offers software and systems for shopping centers, retailers, corporate, and state agencies to issue, redeem, track, and control vouchers issued on paper, card, e mail or SMS, or used by clients for gifts, loyalty cards, pay outs, incentives or as prepaid cards. The company was founded in 1998 and is based in Rivonia, South Africa. As of October 15, 2015, TUTUKA SOFTWARE PROPRIETARY LIMITED operates as a subsidiary of Paycorp Group (Pty) Ltd.	Apis Partners LLP; Apis Growth Fund II, L.P.	United Kingdom	-	-

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
39	09 September 2019	Talech Inc.	United States	Talech Inc. develops software that connects the small merchant to their customers. It offers talech software that enables users to take orders and manage inventory; run sales and promotions using discounts; track and manage employee hours; manage cash drawer; get detailed reports on sales and transaction trends; get recommendations; capture customer information at the point of sale; and accept multiple payment types. Its talech software works with various equipments, such as iPad tablet, card reader, printer, cash drawer, iPad stand, and barcode scanner. The company was incorporated in 2012 and is based in Palo Alto, California. As of September 9, 2019, Talech Inc. operates as a subsidiary of U.S. Bancorp.	U.S. Bancorp	United States	-	100%
40	09 September 2019	eZforex.com, Inc.	United States	eZforex.com, Inc. provides foreign exchange services for credit unions and banks. The company was founded in 1994 and is based in Longview, Texas. As of September 6, 2019, eZforex.com, Inc. operates as a subsidiary of Currency Exchange International, Corp.	Currency Exchange International, Corp.	United States	-	100%
41	10 September 2019	Delego Software Inc.	Canada	Delego Software Inc. provides SAP integrated applications for credit card payment cards in North America, South America, Europe, and Australia. It offers Delego AR, an accounts receivable (AR) software to support standard cash or check-based transactions, support credit card, electronic check, and alternative payment methods; DelegoWS Web services for security and order processing; and DelegoCE, a Card Entry to allow users to process credit card-based orders directly in the SAP application. The company also provides DelegoMT, a payment card processing system to translate an incoming XML message to the specific format required by the bank or processor; and DelegoSRV, a SAP payment gateway integration system to connect SAP environment directly to an application server or gateway. In addition, it offers DelegoECHQ to handle electronic checks with credit card processing; DelegoIB, a Web-based payment system; DelegoD-Pict to manage payments acceptance functions in SAP software; DelegoSecure for payment card industry-data security standard secure payments in SAP; Delego Terminal Solution for SAP terminal device payments; and Delego RapidPay, an e-commerce payment solution for SAP merchants. Further, the company provides hosted and onsite, and maintenance and support services; Delego Core that provides a unified platform to facilitate e-payment acceptance, SAP integration, and data security; and e-payment integration, transaction enablement, and security solutions. Delego Software Inc. has strategic partners with CyberSource Corporation, 7P ERP CONSULTING GMBH, First Data International, Moneris Solutions, Chase Paymentech SOLUTIONS, LLC, YesPay, AmbironTrustWave, Braintree Payment Solutions, Secude, and Symphony Solutions. The company was formerly known as McCammon Enterprises, Inc. Delego Software Inc. was founded in 1997 and is based in London, Canada. As of September 10, 2019, Delego Software Inc. operates as a subsidiary of EVO Payments, Inc.	EVO Payments, Inc.	United States	-	100%

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
42	12 September 2019	Secure Retail Limited	United Kingdom	Secure Retail Limited distributes payment software and hardware. The company also offers payment services and support services. It sells products online. The company serves retail, hospitality and leisure, and transport and infrastructure sectors in the United Kingdom and internationally. Secure Retail Limited was founded in 1986 and is based in Coalville, United Kingdom.	NVM Private Equity LLP; NVM Private Equity Vintage III L.P.	United Kingdom	-	100%
43	30 September 2019	Guofubao Information Technology Co. Ltd.	China	Guofubao Information Technology Co. Ltd. provide digital payment platforms. The company offers payment products and industry supporting solutions for e-commerce, cross-border commerce, aviation tourism, and other industries. Guofubao Information Technology Co. Ltd. was founded in 2011 and is based in Beijing, China with branches in Shanghai and Guangzhou.	Yinbaobao Information Technology (Shanghai) Co., Ltd.	China	-	70%

Venture capital

	Date announced	Target	Market	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
1	01 July 2019	Kevin	Lithuania	A	-	1.70		Payment acceptance devices + Software	Provides the necessary international and national payment solutions based on PSD2 directive.
2	02 July 2019	Currencycloud	United Kingdom	E	40.51	68.10	Goldman Sachs	Payment acceptance devices + Software	Offers a global payment platform that serves businesses by providing technologies that makes payments frictionless.
3	03 July 2019	Joko	USA	Seed	1.81	1.81		Couponing/ Loyalty	Offers a simple and universal loyalty program using credit cards
4	03 July 2019	Kyash	Japan	B	14.00	25.40	Mitsubishi UFJ Capital	Alternative payment systems	Offers a pre-paid debit based digital wallet app that lets consumers to make payment at Visa merchant globally as well as peer to peer (P2P) transfers (currently available in Japan market only).
5	03 July 2019	NetCents Technology	Canada	N/D	1.91	5.76		Processing	Provides electronic online payment services
6	03 July 2019	PFC Technology	Sweden	Venture	5.64	5.64	Nordea	Alternative payment systems	Offers a personal finance app that helps customers attain financial well being
7	04 July 2019	Rubean AG	Germany	N/D				Payment acceptance devices + Software	Develops software for banks branches and the next generation of contactless payments
8	05 July 2019	NHN Payco	South Korea	N/D	64.10			Processing	Offers online payment processing services.
9	08 July 2019	Soldo	UK	B	61.00	83.20	Dawn Capital	Alternative payment systems	Designs and develops Soldo, the spend management application software that allows users to make purchases and online payments
10	08 July 2019	Soldo	UK	Debt		83.20	Silicon Valley Bank	Alternative payment systems	Designs and develops Soldo, the spend management application software that allows users to make purchases and online payments
11	08 July 2019	GOJEK	Indonesia	F	-	3100.00	Mitsubishi UFJ Financial Group	Alternative payment systems	Provides ride-hailing, food delivery, and mobile payments platform.
12	09 July 2019	OPay (Operapay)	Nigeria	Venture	50.00	50.00	Source Code Capital	Alternative payment systems	Offers a mobile-based platform for payment solutions
13	09 July 2019	NiYo Solutions	India	B	35.00	49.20	Tencent Holdings	Issuing	Offers a digital platform that helps salaried employees access company benefits and other financial services and an option of credit card. Also offers Flexi-wallet service
14	09 July 2019	QuikQ, LLC	USA	N/D			Love's Travel Stops & Country Stores, Inc.	Alternative payment systems	Offers fuel payment card; SmartQ, a radio frequency identification (RFID) based card-less system; Start Code, a card-less payment solution that processes transactions initiated with unique identifier codes, and a mobile application.

Venture capital

	Date announced	Target	Market	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
15	10 July 2019	Bolt	USA	B	68.00	90.00	Tribe Capital	Processing	Develops payment network and provides software for checkout, payment processing and fraud detection
16	10 July 2019	Lightico	Israel	Venture	14.50	16.70	Mangrove Capital Partners	Processing	Develops a cloud based mobile customer communication platform and process payments
17	10 July 2019	Remitly	USA	E	135.00	420.00	Generation Investment Management	Money transfer	Provides online money transfer services from desktop, tablet or mobile device
18	10 July 2019	Remitly	USA	Debt		420.00		Money transfer	Provides online money transfer services from desktop, tablet or mobile device
19	10 July 2019	Park Place Payments, LLC	USA	Seed	1.00	1.00		Payment acceptance devices + Software	Offers counter top terminals, e-commerce shopping cart, payment gateway, mobile terminals, POS systems and gift cards
20	10 July 2019	Shandong Hi-Speed Xinlian Payment Co.,Ltd	China Mainland	N/D	17.17	17.17	China Transinfo Technology Co., Ltd	Payment acceptance devices + Software	Develops third party payment platform
21	11 July 2019	DeCurret Inc.	Japan	Venture	31.28	31.28		Money transfer	Provides digital currency transactions, settlement, and payment services for crypto currency exchange
22	11 July 2019	WeSwap	UK	B	3.01	35.00		Alternative payment systems	Offers a mobile application that allows users to swap different types of currency with others. Also provide WeSwap Prepaid MasterCard.
23	12 July 2019	Ramp	Poland	N/D	1.13	1.13		Money transfer	Creates a platform for p2p fiat to crypto exchanges
24	15 July 2019	One Mobikwik Systems Private Limited	India	N/D	1.27	118.40	Trifecta Capital	Alternative payment systems	Offers a payments FinTech platform - digital wallet, online payments, instant loans, insurance & investments to the 500M underbanked
25	15 July 2019	Curve	United Kingdom	B	55.00	67.00	Gauss Ventures	Issuing	Provides a banking platform that consolidates all bank cards into a single smart card and app.
26	16 July 2019	Finix Payments	USA	A	17.50	17.50	Visa	Processing	Offers a B2B payments platform for banks, acquirers, and enterprises to enable push payments over the debit card.
27	16 July 2019	Solvent	USA	Venture	0.85	0.85	B&B Partners	Security	Provides banking and payments transparency for cannabis businesses and provides transaction's legal and compliant payment verification.
28	16 July 2019	Tidal Commerce Inc.	USA	N/D	4.00	4.20	Super G Capital LLC	Processing	Provides offers custom payment processing solutions for businesses of all sizes. Also offers credit card processing, terminal, smart terminal, mobile, point-of-sale, gateway, and lending products.
29	16 July 2019	SumUp	United Kingdom	Debt		425.60	Goldman Sachs Private Capital Investing	Payment acceptance devices + Software	Enables businesses to accept card payments at the Point-of-Sale or on the go in a simple, secure and cost-effective way.

Venture capital

	Date announced	Target	Market	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
30	17 July 2019	Washlava	USA	A	-	5.90	LG Electronics	Alternative payment systems	Provides a platform to reserve and pay for washers and dryers from a smartphone.
31	17 July 2019	RongETong	China Mainland	Seed	1.46	1.46	CITIC Zhengye	Other	Provides a series of comprehensive services such as online invoicing, foreign currency online payment, B2B RMB interbank online payment, one-stop payment
32	17 July 2019	GOJEK	Indonesia	F	-	3100.00	Visa	Alternative payment systems	Provides ride-hailing, food delivery, and mobile payments platform.
33	17 July 2019	MobiKwik	India	Venture	1.27	118.40	Trifecta Capital Advisors	Alternative payment systems	Provides a platform for digital wallet, online utilities bills payment etc.
34	19 July 2019	Payment SAS (Soshop.club)	France	Seed	1.57	1.57		Issuing	Provides mastercard which allows user to pay for purchase anywhere in the world.
35	19 July 2019	VertoFX	USA	Seed	2.10	2.30	ADV	Money transfer	Provides B2B currency exchange marketplace for international businesses.
36	22 July 2019	Paymate	India	D	25.00	40.50	VISA	Payment acceptance devices + Software	Provides B2B digital payment solutions, helping corporates and SMEs to get real-time and efficient digital payments.
37	22 July 2019	PaySend	UK	N/D	10.75	30.70	Plug and Play	Money transfer	Provides money transfer platform allowing user to send funds from card to card from 49 to over 70 countries.
38	22 July 2019	SOCASH	Singapore	B	6.00	12.50	Glory	Other	Enables user to withdraw cash from shops, and get rewarded for it.
39	22 July 2019	vCita	USA	Venture	15.00	15.00	Forestay Capital	Payment acceptance devices + Software	Offers CRM software which manage all client communications together with online payments, Credit card processing, email & SMS campaigns etc.
40	23 July 2019	PaySimple	USA	N/D		135.05	Silver Lake	Payment acceptance devices + Software	Provides a SaaS-based online payment solution that offers integrated invoicing and payment acceptance in one system.
41	23 July 2019	Zeta	India	C	60.00	60.00	Sodexo	Couponing/ Loyalty	Provides various digitized solutions for corporate like rewards and recognition and automated cafeteria solutions.
42	24 July 2019	Omise	Thailand	Venture		20.40	Nomura Securities	Processing	Operates as a online payment gateway offering a wide range of processing solutions for any business need.
43	25 July 2019	payconiq	Netherlands	Venture	22.29	22.29		Alternative payment systems	Offers mobile payment platforms where consumers benefit from quick and easy payments through their smartphone while merchants reduce checkout time.
44	26 July 2019	Cred	India	Venture	4.00	59.50	Sequoia Capital India	Couponing/ Loyalty	Provides members-only app that rewards the user with exclusive rewards for paying credit card bills.
45	26 July 2019	Nubank	Brazil	F	400.00	900.30	TCV	Issuing	Nubank issues, administrates, processes, and transfers payments related to post-paid credit cards.

Venture capital

	Date announced	Target	Market	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
46	29 July 2019	Pine Labs	India	N/D	10.30	310.60	Pine Labs	Payment acceptance devices + Software	A merchant platform company that provides financing and last-mile retail transaction technology to merchants.
47	30 July 2019	PhonePe	India	N/D	10.17	22.50	PhonePe	Money transfer	Provides mobile payments app that allows user to transfer money instantly to anyone, by using just their mobile number.
48	30 July 2019	Sezzle	USA	IPO	30.00			Payment acceptance devices + Software	Provides a payment platform which allows shoppers to shop and pay later.
49	30 July 2019	PayRight	Australia	D	27.00	27.00	Henslow	Alternative payment systems	PayRight is an online platform that provides its users with flexible payment plans
50	31 July 2019	Liquineq AG	Switzerland	Venture			Blufolio AG	Payment acceptance devices + Software	Provides a software that enables peer-to-peer value exchange and payment services between fiat money, other asset classes, and decentralized currencies.
51	31 July 2019	Bitwala GmbH	Germany	A	14.49	21.90	Sony Financial Ventures	Issuing	Provides cryptocurrency bank account debit card and bitcoin trading
52	31 July 2019	iBank Marketing Co., Ltd.	Japan	Venture		0.46	JCB Co., Ltd.	Payment acceptance devices + Software	Provides money management platform, mobile wallets and payment cards
53	01 August 2019	ePayRails	USA	A	2.50	2.50	Aspire Fund Management	Payment acceptance devices + Software	Operates as a FinTech payment as a service provider
54	02 August 2019	Gona	China Mainland	Venture			Crystal Stream	Payment acceptance devices + Software	Offers mobile payment softwares and solutions for merchants and consumers
55	05 August 2019	Makers Farm Pte. Ltd.	Singapore	Venture			Interspace Co.,Ltd.	Couponing/ Loyalty	Offers cashback and rewards via cryptocurrency
56	05 August 2019	Stormbird Pte. Ltd	Singapore	Seed	1.20	1.20	Fenbushi Capital"	Payment acceptance devices + Software	Offers DApp which is digital wallet application that allows customers to use ethereum apps
57	06 August 2019	Klarna	Sweden	Venture	460.00	867.80	Dragoneer Investment Group	Alternative payment systems	Offers different payment solutions such as pay later, installments and cost slicing systems
58	06 August 2019	GladePay Technology Limited	Nigeria	Venture	0.03	0.03	The Baobab Network Ltd"	Payment acceptance devices + Software	Provides digital payment platform and infrastructure solutions for businesses and entrepreneurs
59	06 August 2019	Ibotta	USA	D		85.00	Koch Disruptive Technologies	Couponing/ Loyalty	Offers cashback and rewards to its users for shopping online or in store
60	07 August 2019	EFTsure	Australia	B	2.50	4.50	Our Innovation Fund, LP	Security	Offers and develops payment data security platforms and software solutions for fraud prevention

Venture capital

	Date announced	Target	Market	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
61	08 August 2019	Glow	USA	Seed	2.30	2.30	Greycroft	Alternative payment systems	Offers a platform that helps the podcasters set up payment options for fans to make payments
62	08 August 2019	Toss(Viva Republica Co Ltd)	South Korea	F	64.00	261.20	Aspex Management	Processing	Operates as a mobile financial service platform and offers P2P money transfer
63	09 August 2019	PUC Berhad	Malaysia	N/D	3.72	3.72		Alternative payment systems	PUC Berhad is an investment holding company. The member of the company includes Presto an ewallet app
64	10 August 2019	TechAdvance	Nigeria	Venture	1.00	1.00	Lamar Holding	Payment acceptance devices + Software	It is a payment application development firm
65	12 August 2019	Xodo Pagamentos e Tecnologia Ltda	Brazil	Venture			Cedro Capital	Payment acceptance devices + Software	Provides payment arrangement services between urban mobility companies and gas station networks
66	13 August 2019	QFPay	China Mainland	C	20.00	36.50	Sequoia Capital China	Payment acceptance devices + Software	Provides businesses with mobile payment technologies and value-added services
67	13 August 2019	Lunar Way	Denmark	Venture	29.27	53.52		Issuing	Develops mobile banking solutions and issues travel card, business card, and credit card.
68	14 August 2019	Currencycloud	United Kingdom	N/D	12.07	73.70	Capability and Innovation Fund	Money transfer	Offers global payment platform that serves businesses by providing technologies that make payments frictionless.
69	15 August 2019	uKheshe	South Africa	Seed	0.50	0.50	Ocean on 76	Money transfer	Offers micro transaction platform that allows user to pay and getpaid.
70	19 August 2019	Mena mobile	China Mainland	B		-	Group 42	Alternative payment systems	Through its Paybyone app it allow user to make in-app purchases of the mobile games in MENA and globally without the need of a bank account or a credit card, eliminating online fraud and unnecessary risk.
71	22 August 2019	Future Coupons Limited	India	N/D		-		Couponing/ Loyalty	Develops and distributes coupons, vouchers, cards, and smart cards, including pre-paid and loyalty cards for person, establishment, and bodies corporate.
72	22 August 2019	Drop Technologies Inc.	Canada	B	43.60	70.10	HOF Capital	Couponing/ Loyalty	Operates as a mobile-based loyalty platform that allows users to earn reward points on various brands using debit and credit cards.
73	23 August 2019	Fubei	China Mainland	A	2.90	2.90	Shenzhen Yeahka Technology Co., Ltd.	Payment acceptance devices + Software	Provides mobile payment solutions.
74	26 August 2019	Cred	India	B	120.00	330.00	Sequoia Capital India, Ribbit Capital,	Couponing/ Loyalty	Develops an app which rewards users with exclusive rewards for paying credit card bill.

Venture capital

	Date announced	Target	Market	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
75	26 August 2019	CardX	USA	Debt		2.10	Pace Financial Group	Payment acceptance devices + Software	Provides zero-cost credit card acceptance solutions to businesses, government, and education.
76	27 August 2019	Nomanini SA	South Africa	D	4.00	5.10	Standard Bank	Alternative payment systems	Offers wallet to merchants, Provider of enterprise payments platform, working with informal retailers.
77	28 August 2019	Chargebee	United states	D	14.00	38.20	Steadview Capital	Payment acceptance devices + Software	Offers multiple payment gateways, methods and recovery solutions. Also provides multiple pricing and billing methods.
78	30 August 2019	Mint Payments Limited	Australia	N/D	1.72			Processing	Provides mobile payments processing and transaction services in Australia
79	02 September 2019	Eligma	Slovenia	Venture	4.39	17.40	Pangea Blockchain Fund	Processing	Develops a payment network, an artificial intelligence based blockchain platform for cryptocurrency exchange and also offers Elipay, an application for the crypto exchange and payments.
80	03 September 2019	Elliptic	United Kingdom	B	23.00	35.00	SBI Group	Security	Offers compliance software and forensic and investigative services related to cryptocurrency transactions.
81	05 September 2019	Starcave Global	Hong Kong	Venture	3.00	3.00	LDJ Cayman Fund	Security	Provides financial cybersecurity, digital payments services and technology through its Ghost Wallet and Payment system.
82	05 September 2019	Foloosi	United Arab Emirates	Seed	0.50	0.50		Payment acceptance devices + Software	Offers Payment gateway by enabling the business to display QR code, Payment Link and API integrations for the customer to scan and pay.
83	09 September 2019	PT. FLIP	Indonesia	Venture				Money transfer	Designs and develops an online fund transfer software solution that allows users to make free interbank fund transfers.
84	09 September 2019	Delfactis AG	Germany	Venture				Processing	Provides payment processing services.
85	10 September 2019	Orange Money IFN - S.A	Romania	N/D	17.78	23.61		Alternative payment systems	Provides online payment, money transfer services and pay bills for free.
86	11 September 2019	Green Packet Berhad	Malaysia	N/D	20.39	143.14		Alternative payment systems	Provides Kiple application which offers an e-wallet, instant tranfer, multiple payment options and payment gateway.
87	12 September 2019	BXChange iMali Proprietary Limited	South Africa	Venture	1.71	1.71		Alternative payment systems	Develops a mobile wallet solution and mobile wallet platform which offers send or receive money, pay bills.
88	16 September 2019	Wallit, Inc.	United States	Seed	2.60	2.60	BluelIO	Alternative payment systems	Provides digital wallet and helps in earning, saving and spending of money.
89	16 September 2019	Greenlight Financial Technology	United States	B	54.00	81.50	Drive Capital	Issuing	Offers smart debit card for kids that parents manage from their phones

Venture capital

	Date announced	Target	Market	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
90	16 September 2019	Mission Lane	United States	Debt			Oaktree Capital Management	Issuing	Offers credit cards for individuals to have access to fair and clear credit.
91	17 September 2019	Mission Lane	United States	A	200.00	200.00		Issuing	Offers credit cards for individuals to have access to fair and clear credit.
92	17 September 2019	First Mile Group (Alloy)	United States	A	12.00	19.60	Bessemer Venture Partners	Security	Help in mitigating payment fraud and high-cost financial risk
93	17 September 2019	Trulioo	Canada	C	52.85	79.80	Goldman Sachs	Security	Provides global identity verification online portal for the online payments industry.
94	18 September 2019	TouchBistro	United States	E	119.22	224.10	OMERS Growth Equity	Payment acceptance devices + Software	Develops POS for restaurants for billing and payments
95	18 September 2019	lotex	United States	Venture				Security	Develop and design auto-scalable and privacy-centric blockchain platform for Internet of Things (IoT). Its products include wallet and payment gateways.
96	18 September 2019	Petal	United States	Debt			Jefferies	Issuing	Develops and issues credit cards to people who do not have traditional credit history, students, and immigrants.
97	19 September 2019	Stripe	United States	F	250.00	1000.00	General Catalyst	Payment acceptance devices + Software	Develops application programming interfaces (APIs) and tools that enable businesses to accept and manage online payments
98	20 September 2019	Go-Jek	Indonesia	F		3100.00		Alternative payment systems	Provides ride-hailing, food delivery, and mobile payments platform.
99	23 September 2019	uBUCK Technologies SEZC	Cayman Islands	Venture	4.00	4.00		Alternative payment systems	Provides digital payment wallet, a payment alternative for consumers and merchants.
100	23 September 2019	Pocket de Latinoamérica SAPI de CV	Mexico	Venture		0.30	"	Amerigo Ventures Pacifico"	Payment acceptance devices + Software
101	23 September 2019	AppTech Corp. (OTCPK:APCX)	"	United States"	N/D	10.00	35.55		Processing
102	23 September 2019	Neon	Switzerland	A	5.04	5.04	Tamedia	Payment acceptance devices + Software	Provides a mobile application platform that allows payment and transfer services
103	24 September 2019	Splio SAS	France	Venture	11.00	22.00	Amundi Private Equity Funds S.A.	Couponing/ Loyalty	Offers online and offline customer loyalty marketing platform.
104	24 September 2019	Fundbox	United States	Debt	107.50			Payment acceptance devices + Software	Provides cash flow management and credit and payment tools for SMEs

Venture capital

	Date announced	Target	Market	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
105	24 September 2019	Fundbox	United States	C	176.00	283.50	General Catalyst	Payment acceptance devices + Software	Provides cash flow management and credit and payment tools for SMEs
106	25 September 2019	PayMongo	Philippines	Seed	2.60	2.70		Payment acceptance devices + Software	Provide Modern payments infrastructure which help business to easily collect payments
107	25 September 2019	Verafin Inc.	Canada	Venture	387.94	448.13	BDC Capital Inc.	Security	Provides fraud detection and financial crime management solutions for ACH and credits and debits cards
108	25 September 2019	Klar Sociedad Anónima de Capital Variable	Mexico	Seed	57.50	57.50	aCrew Capital	Issuing	Provides digital credit cards to retail customers in Mexico
109	25 September 2019	Fidel	UK	A	18.00	20.60	QED Investors	Payment acceptance devices + Software	Provides API for businesses that links payment cards with mobile and web applications.
110	25 September 2019	Fold	United States	Seed	2.50	3.30	Slow Ventures	Couponing/ Loyalty	Provides cashback in bitcoins for shopping on partner websites
111	25 September 2019	Zhuhai Kitao Technology Co., Ltd.	China Mainland	A	2.81	2.81	Zhuhai Kitao Technology Co., Ltd.	Money transfer	Offers international money transfer and fees payment services
112	26 September 2019	NetCents Technology Inc. (CNSX:NC)	Canada	N/D	0.17	5.93		Payment acceptance devices + Software	Provides software platform that allows bitcoin payment integration
113	26 September 2019	Pronto Money Transfer, Inc.	United States	N/D			Pier18	Money transfer	Provides money transfer services between United States, Brazil, Central America and South America
114	26 September 2019	ePassi	Finland	N/D	45.38	45.38	Bregal Investments Inc.	Alternative payment systems	Provides mobile payment solutions to employers in Finland
115	26 September 2019	Digital India Payments Limited	India	Venture	0.81	0.81	IC1101	Payment acceptance devices + Software	Provides a platform that offers domestic money transfers and payment enabled services
116	26 September 2019	Pixel Wallet	Singapore	Venture			Calvin Ayre	Alternative payment systems	Provides a Bitcoin SV mobile wallet for android devices that allow users to place a BSV transaction inside an image file
117	30 September 2019	Teampay	United States	A	12.00	16.00	Tribe Capital	Payment acceptance devices + Software	Provides purchasing software that allows companies to provide virtual credit cards to their employees
118	30 September 2019	Divipay	Australia	A	2.30	2.40	ANZ	Issuing	Provides virtual card issuance and expense management platform
119	30 September 2019	Twid	India	Seed	1.42	1.42	SCV LLC	Couponing/ Loyalty	Provides cashback in reward points for payments made via its platform

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