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Open banking is changing the financial sector forever and ushering in a new wave of payment services. But why is its adoption accelerating in some markets and proceeding slowly in others?

What's the secret to open banking success?

EY Open Banking Opportunity Index explores the key factors that impact the pace of open banking progress – and finds that no particular regulatory model will determine success.

UK and China lead the world in open banking

Fueled by regulatory developments, changing consumer behavior and the innovation inspired by FinTechs, open banking is fast becoming a global phenomenon. But it takes different forms in different countries, and adoption rates vary widely. We reviewed the status of open banking in several key financial markets, ranking its progress across several key financial markets:

Editorial



I am delighted to present the latest edition of **#payments**, which covers a broad range of perspectives, as well as our coverage of merger and acquisition (M&A) and venture capital (VC) transaction activity.

2018 was the year that open banking became a reality in many markets.

Open banking – mandated in some geographies and driven by market forces in others – provides a framework for banks to share their customer data with third parties via application program interfaces (APIs). As a departure from historical models where customer data was screen-scraped or required cumbersome and insecure customer identification and authentication procedures, open banking makes data accessible securely and in real time. The end result for consumers is an enhanced experience that allows them to consume digital financial services when they want, where they are, and with more information, insight, and reliance. Our open banking feature, based on our **EY Open Banking Opportunity Index**, assesses the readiness of open banking to thrive across key markets.

Innovation is a key theme of this edition of our **#payments** newsletter. We explore how Europe's second payment services directive (PSD2) is reshaping its banking sector, and the huge impact the introduction of General Data Protection Regulation (GDPR) is having on how companies must protect data. As financial institutions work to comply with both pieces of legislation, how are they balancing innovation and protection?

We also explore how value-added tax (VAT) symmetry can drive payments innovation. The inconsistent application of VAT on payment services across Europe has created an uneven playing field for financial institutions and may even be hampering innovation. Is it time for all European countries to adopt VAT on payment services?

We hope our **#payments** newsletter provides you with new insight into the payments landscape and key developments in the industry.

Best regards,

Sara Elinson

EY Americas FinTech M&A and Payments M&A Leader

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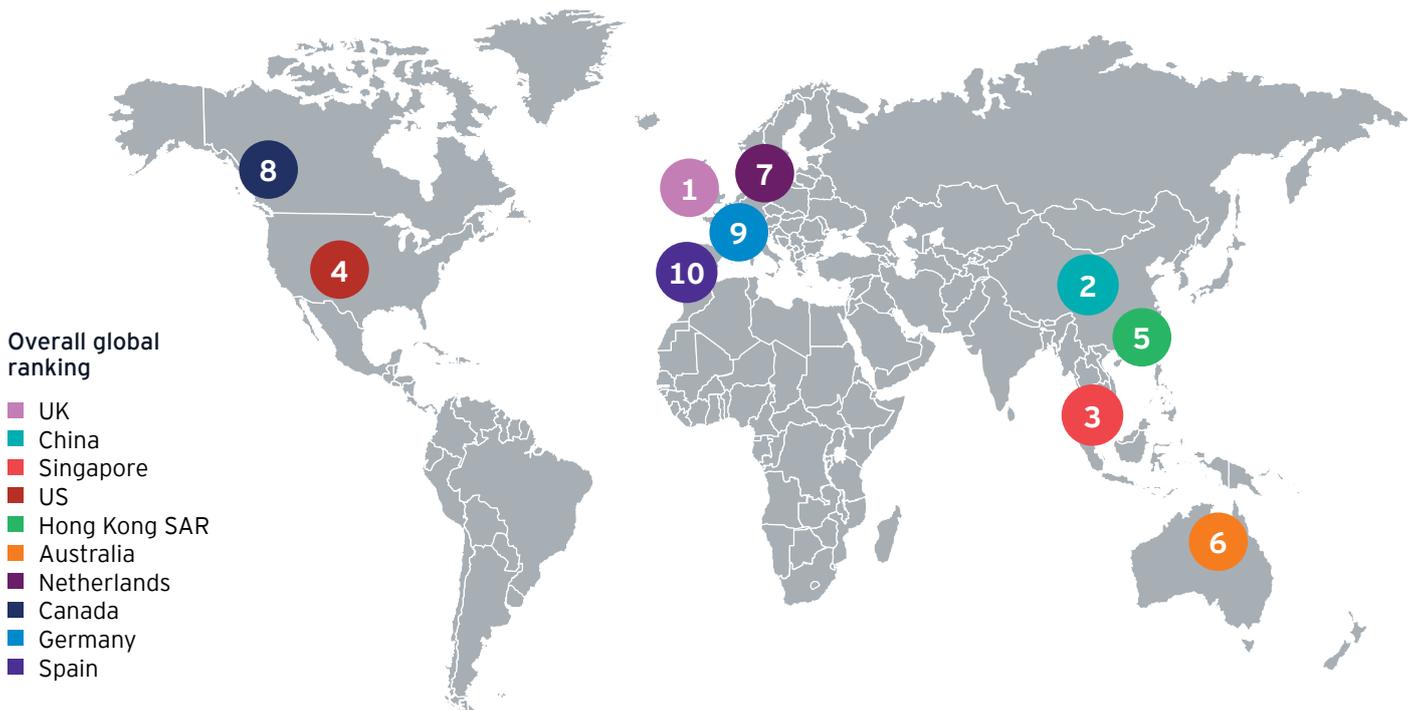
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EY Global Payments Investor Conference brings payments leaders together to discuss major industry trends

Industry consolidation and the innovation of new entrants were key themes. What other major trends are shaping the sector today – and what's to come?

What's the secret to open banking success?

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United Kingdom

The UK ranked first in our Index, with success due largely to the world's most prescriptive implementation of open banking standards and industry innovation. While mass adoption is probably still three to five years away, strong regulatory direction and enthusiastic FinTechs set the scene for a positive open banking future. Consumer reluctance remains the biggest hurdle, partly due to a cultural mindset, but also because of some high-profile data breaches. [Read more](#)

China

China (mainland) ranks second after the UK, though its laissez-faire regulatory environment is a polar opposite of the UK. Rapid adoption rates are driven by the enthusiasm of China's fast-expanding digitally connected middle

class, which prefer to transact via their phone – mobile banking has taken off faster here than anywhere else. [Read more](#)

Singapore

Singapore ranks highly – third in our Index, though its organic approach to open banking so far is limited to the traditional incumbent banks. Regulators are prioritizing the stability of the country's financial sector over mandated openness; however, the approach is not hindering strong rates of innovation. High trust among consumers signals further adoption. [Read more](#)

US

Open banking is being shaped without a strong regulatory mandate. Instead, the world's highest rate of innovation,

a thriving FinTech environment and fierce competition among banks places the US fourth in our Index. Strong consumer sentiment bodes well for future success, though the hands-off approach of regulators leaves banks to work out standards among themselves, which may potentially slow down progress. [Read more](#)

Hong Kong

It's a global financial hub, but Hong Kong SAR ranked only fifth in our Index. Progress should accelerate with the introduction of a suite of financial initiatives. These include the mandated introduction of application programming interfaces (APIs), the entrance of virtual banks and a faster payment system to support less costly and immediate payment transfers across ecosystem players. [Read more](#)

Australia

In 2019, Australia will begin a mandated open banking rollout. Its principles will also extend to other industries, starting with energy and telecommunications. But implementation may be slow and costly due to the need to reach agreement among a complicated ecosystem of regulators. Australian consumers are positive about the potential benefits, though they will need to be convinced that it is safe to share data with FinTechs. [Read more](#)

Netherlands

The Dutch sector ranks seventh for open banking adoption, with regulatory delays and consumer reluctance hindering its potential. But, the situation should improve in 2019 as the Senate moves to legislate the EU's second Payment Services Directive (PSD2), which is an important platform for open banking in Europe. Winning the trust of consumers will be the biggest barrier – our survey found only 18% of digitally active consumers willing to share transaction data with FinTechs. [Read more](#)

Canada

Its “go slow” approach placed Canada eighth in our Index, due mostly to regulatory caution and a lack of consumer enthusiasm. While regulatory progress is unlikely until the country updates its major privacy law, banks can accelerate their own initiatives, particularly in coordinating internal initiatives, opening their platforms to innovators, and proactively promoting digital adoption to consumers. [Read more](#)

Germany

It's a global leader in regulatory readiness, ranking second on that pillar after the UK, though Germany's standards are not as prescriptive. But despite the positive environment, open banking is yet to reach its potential here due to consumer uncertainty around the concept and cybersecurity concerns.

Spain

Spain lags its European neighbors in open banking, partly due to government delays in implementing PSD2. But despite ranking last in our Index, the potential looks positive. Spanish consumers are relatively more willing to share transactional data and the EU is set to transpose PSD2 into law over the next 12 months.

No one regulatory formula for success

Our Index results show that no single regulatory model can determine

success. Open banking is thriving in both China and the UK, which host vastly different regulatory environments.

The divergent approaches show the importance of each market taking an individual approach to open banking. Regulators, governments and the industry can learn lessons from other markets. However, each should ultimately design a regulatory framework and innovation initiatives that suit their own financial sector and consumer sentiment.

UK	Mainland China
▶ A prescriptive model	▶ An organic model
▶ Banks mandated to use open APIs	▶ Open banking not mandated by legislation
▶ Mandatory API specifications and standardized formats	▶ No mandatory API specifications, but the financial services industry is using open APIs
▶ Strong innovation environment and adoption potential	▶ Strong adoption potential and innovation environment
▶ Consumers are cautious about sharing data	▶ Less data protection, but consumers are comfortable sharing data



Consumer sentiment insights: market comparison

Market	Net sentiment percentage	Positive percentage	Neutral percentage	Negative percentage
Australia	37%	40%	57%	3%
China (mainland)	32%	40%	51%	9%
Singapore	27%	32%	63%	5%
Netherlands	23%	30%	62%	8%
Canada	22%	31%	59%	9%
Hong Kong SAR	21%	34%	52%	14%
Global	19%	28%	62%	10%
US	19%	28%	63%	9%
Spain	18%	20%	78%	2%
UK	17%	30%	58%	12%
Germany	9%	23%	63%	14%

Markets are listed by overall net sentiment percentage: The proportion of positive posts minus the proportion of negative posts.

Source: EY Open Banking Opportunity Index; Consumer sentiment analysis conducted by Alva Insights.

Is consumer trust the magic ingredient for successful open banking?

If regulatory action – or inaction – is no guarantee of widespread open banking adoption, what is the secret of success? Index results reveal clues as to the key ingredients that drive high adoption, with consumer trust a major factor.

Unless consumers feel safe sharing data with financial institutions – and can see a clear payoff for doing so – open banking cannot thrive. But, our Index found that consumer trust remains low or moderate in almost all of the markets we surveyed, irrespective of the regulatory environment. Only customers in Mainland China score strongly in their willingness to share information with third parties – about half say they are comfortable sharing transaction data with FinTechs for better services.

The issue of trust is a curious one to understand. Countries with the toughest regulatory regimes sometimes produce the most cautious consumers, while those with less controls express greater

enthusiasm for open banking. Cultural norms play a big role, and are more difficult to change, but regulators can help by continuing to build an environment that reassures consumers without stifling innovation.

About the EY Open Banking Opportunity Index

The EY Open Banking Opportunity Index assesses the success of open banking in select markets using four key pillars – regulatory conditions, adoption, consumer trust and innovation. Success is viewed as the potential for consumers to adopt open-banking enabled services within a market.

For each of the pillars, we assessed a wide range of indicators to develop insight into the conditions in each market. We applied a lower weighting to the regulatory environment pillar. Unlike adoption, consumer trust and innovation, regulation is not a prerequisite for success.

EY open banking opportunity index 2018 – methodology.

Innovation can accelerate adoption

It's this innovation that may ultimately win over consumers. It's up to financial institutions to drive it, engage consumers in the open banking experience and prove to them that the pros outweigh any perceived cons. It's been done before – people willingly share information with social media apps when they think the benefits make it worthwhile, and because it's easy and fun. Innovation by financial institutions, particularly in market-driven environments such as the US, may convince consumers of the value of open banking and accelerate its adoption across global markets.



Hamish Thomas

How banks can balance GDPR and PSD2

PSD2 aims to create access to personal data, while GDPR aims to protect it. When properly implemented in harmony, these legislations can enable banks to better protect and serve consumers, move beyond compliance, and seize new opportunities for growth.

Europe's second payment services directive (PSD2) is reshaping its banking sector. At the same time, the introduction of the General Data Protection Regulation (GDPR) has had a huge impact on how companies must protect data. As financial institutions work to comply with both pieces of legislation, how can they balance innovation and protection?

Conflicting approaches?

PSD2 and GDPR both were introduced in 2018 as comprehensive sets of legislation focusing on consumer data. However, despite these similarities, these regulations were developed from very different perspectives.

PSD2 aims to create access to personal data. Through its access to accounts rule, PSD2 can gain entry to the financial data of consumers – or payment services users (PSUs) – allowing third parties to enter the payments market and provide new account information and payment initiation services. These services are offered by account information services providers (AISPs) and payment initiation service providers (PISPs), respectively.

GDPR aims to protect personal data, making it easier for consumers to know where their data is being used and raise objections about its use.

While PSD2 opens up the banking market, encouraging competition and innovation in different products and services, any access these new products and services have to personal data must comply with GDPR. Noncompliance carries heavy fines and reputational damage. So far, most traditional banks have prioritized the protection of consumer data over major plans to innovate. But as more new players enter the open market, they face a choice of mere compliance or harnessing PSD2's opportunities to create competitive advantage.

Processing of PSUs' data transfer requests



It all comes down to consent

Despite their different aims, both PSD2 and GDPR hinge on the issue of consent.

GDPR rules that financial institutions cannot process consumer data without consent, which must be obtained under specific conditions. While PSD2 also legislates that “explicit consent” is necessary to provide services to consumers, the concept is not defined and there is no suggestion that it has the same meaning as in GDPR. This lack of clarity around consent presents an issue to parties offering payment services as they juggle implementation of both legislations. The table below summarizes the key differences.

Consent element	GDPR	PSD2
1. Consumer consent to process data must be freely given and for specific purposes.	●	●
2. Customers must be informed of their right to withdraw their consent.	●	●
3. Consent must be “explicit” in the case of sensitive personal data or trans-border dataflow.	●	●
4. Data processing and sharing is explicitly requested by the customer.	●	●
5. Consent expires automatically.	●	●
6. Consent must be clear, specific and informed.	●	●

Notes: Conflicts between GDPR and PSD2 do not exist when the legitimate basis on which the processing of personal data is founded is other than consent, e.g., the existence of a contract.

Major areas of contention

Data portability and APIs

GDPR gives consumers the right to data portability, allowing them to transfer the data they have provided to their bank to AISPs and PISPs in a structured, commonly used and machine-readable format.

While PSD2 has no bias toward a certain technology, its regulatory technical standards recommend the use of application programming interfaces (APIs) to share data with AISPs and PISPs. APIs can allow communication standardization across incumbent banks and AISPs or PISPs, but their success

across Europe will depend on whether there is agreement on these standards.

Alternatively, screen scraping allows AISPs and PISPs to access PSUs' bank accounts via their own credentials, obscuring the ability of banks to see whether it is the PSU or a third party accessing the account. However, as this method has fewer access restrictions than APIs, it raises concerns over security, making APIs the preferred future approach for banks.

Silent party data

When financial institutions share consumers' transaction data, this may also contain information from PSUs that have not explicitly given their consent to the third party. This is referred to as “silent party data.”

Let's consider how this might work.



A consumer called Jon conducts regular transactions with his friend Karin, reimbursing each other for dinners out, concert tickets and weekends away.

Karin decides to use a series offered by an AISP, sharing her transaction data with a third party. Jon's name and account number will be included as part of that information.

While Karin consented to share her information as required by GDPR – Jon did not. In this situation there is no agreement between Jon and the institution – so is it allowed to disclose this silent party data?

Currently the answer is not clear, but as authorities have not followed up with more guidance, it is anticipated that this issue will not be problematic to the services an AISP can deliver, as long as silent party data is only displayed and not abused. In this light, profiling of silent parties without explicit consent might be considered an abuse of their data information.

Key action points

Financial institutions should not let GDPR hamper the innovation promised by PSD2. Instead, they should act now to confirm that new services and products are compliant with both pieces of legislation. Key action points include:

- ▶ **Take care with automated decisions.** GDPR prohibits profiling – the automated processing of consumer data to identify and evaluate personal features. Banks increasingly use automation to deliver value-added services, such as credit scoring and expenditure evaluation. But more significant decisions, such as refusing someone a loan, can only be based on automated processing of personal data if the decision is based on a legitimate reason; for example, explicit consent, a contract or compliance with a legal obligation. Moreover, under GDPR, financial institutions must be able to justify every automated decision if asked by a consumer.
- ▶ **Conduct data protection impact assessments.** The nature of AISPs and PISPs requires them to process high volumes of personal data, making it highly likely that data protection impact assessments will be necessary. Assessments should take place prior to the processing of financial data and serve to map the risks of processing data and define mitigating measures.
- ▶ **Design data protection into new services.** AISPs and PISPs must adhere to data protection both by design and default principles. These principles require service providers to think about the impact their services will have on data protection before delivering them. Appropriate measures should be taken to achieve GDPR compliance and minimize the processing of data.
- ▶ **Be ready to give consumers information about the use of their data.** Data subjects have the right to know whether their information is being processed and, if so, to receive a copy. When designing services, providers need to take these rights into account so they can deliver the appropriate information



when requested. If a PSU request is unfounded or excessive, AISPs and PISPs may charge a reasonable fee.

- ▶ **Confirm you can erase all consumer data, if requested.** Consumers have the right to ask a service provider to erase all the personal data that it holds for them in a timely manner. For AISPs and PISPs, this is particularly important in case the PSU withdraws the explicit consent on which the processing of personal data was based. When designing services, providers need to take these rights into account so they can delete personal data if requested.

Moving from obligations to opportunities

PSD2 is set to give banks unprecedented opportunities in the payment sector, primarily because of its access to accounts rule. While GDPR rules around privacy will need to be considered when developing new products or making changes, these challenges can be navigated with robust planning and sufficient expertise. When properly implemented in harmony, PSD2 and GDPR enable banks to better protect and serve consumers, move beyond compliance and to seize new opportunities for growth.



Jeroen van der Kroft



Tony de Bos



Pieter Kuijsten



Friso Dijkers

M&A activity and deal characteristics

The fourth quarter of 2018 recorded the year's highest quarterly deal volume, with cross-border investments and consolidation driving activity.



Cross-border deals dominate

One of the largest and most competitive deals of Q4 highlights a broader industry trend toward cross-border transactions.

Visa announced the proposed acquisition of a 100% stake in UK-based **Earthport** in an all-cash offer worth £198m (approximately US\$259m), which valued the company at 5x its last 12-month (LTM) revenue.

Earthport offers a lower-cost alternative to traditional payments systems by allowing banks and money transfer firms to form just one relationship with the firm, instead of multiple ties with various payments channels around the world. The deal would strengthen Visa's cross-border money transfer offering by helping provide faster and cheaper cross-border money transfer service to customers.¹

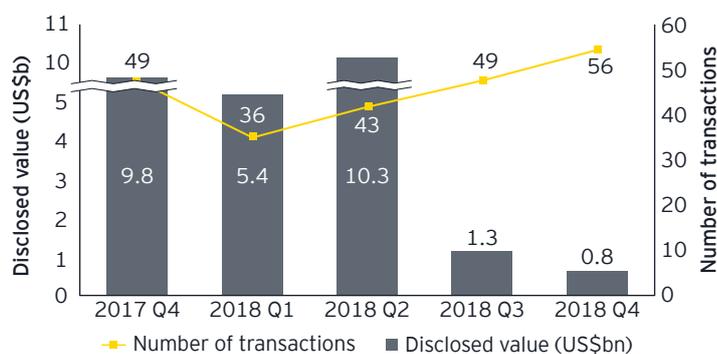
In late January 2019, MasterCard also showed interest in acquiring Earthport, recommending an offer that values the company at £233m (approximately US\$304m). At the time of publication, we were yet to see Visa make a counteroffer, but share movement suggests this could

be the case. We will provide an update on this deal in the next edition of *#Payments*.

Also in the quarter, Irish company **TransferMate** acquired a 100% stake in Devisenwerk AG, a global money transfer platform based in Switzerland. The transaction gives TransferMate use of **Devisenwerk AG's** Swiss payments license, offering immediate market entry into the Swiss payments market. This is an important sector for corporate funds and investment banking for high-net-worth individuals.²

Alternative investment market-listed **Boku**, the independent direct carrier billing company, acquired a 100% stake in US-based **Danal** for US\$112m, valuing the company at almost 20x LTM revenue. Danal provides mobile business solutions, and its acquisition enables Boku to accelerate the development of its own mobile identity service offering, expand into new merchant segments and enhance its presence in key geographies.³

Fig. 1: M&A market development



Source: EY analysis, Capital IQ, Mergermarket, company websites

¹ Business Insider

² Independent

³ Global Newswire

Consolidation continues

The trend to consolidate continued in Q4, as highlighted by the US\$184m acquisition by **NCR Corporation** of a 100% stake in **JetPay**, a provider of end-to-end payment processing and payroll solutions. The deal between the two US-based companies values JetPay at 2.2x LTM revenue. The JetPay acquisition allows NCR to integrate a cloud-based payments platform into its enterprise point-of-sale (POS) solutions for retail and hospitality sectors, and is expected to strengthen its product mix while driving recurring revenue growth and expanding margins.⁴

Full-year valuations dip slightly

Transaction multiples declined slightly for the full-year 2018. The median earnings before interest, tax, depreciation and amortization (EBITDA) multiple fell from 16.2x in 2017⁵ to 15.1x in 2018. The median revenue multiple for the same period also decreased from 4.0x to 2.7x, but it is well above the 2016 level.

Deals by region and segment

In Q4, deal targets were based in:

- ▶ Asia-Pacific 30%
- ▶ North America 29%
- ▶ Europe 27%

Outlook for 2019

Looking ahead, geopolitical uncertainty around the world may shift short-term investment sentiment, as investors look to gain more clarity. However, as market participants continue to focus on strategic opportunities, such as the growth of SMEs and the continued digitalization of financial services providers, we expect investment and transaction activities to remain dynamic.

Fig. 2: Median enterprise value multiples

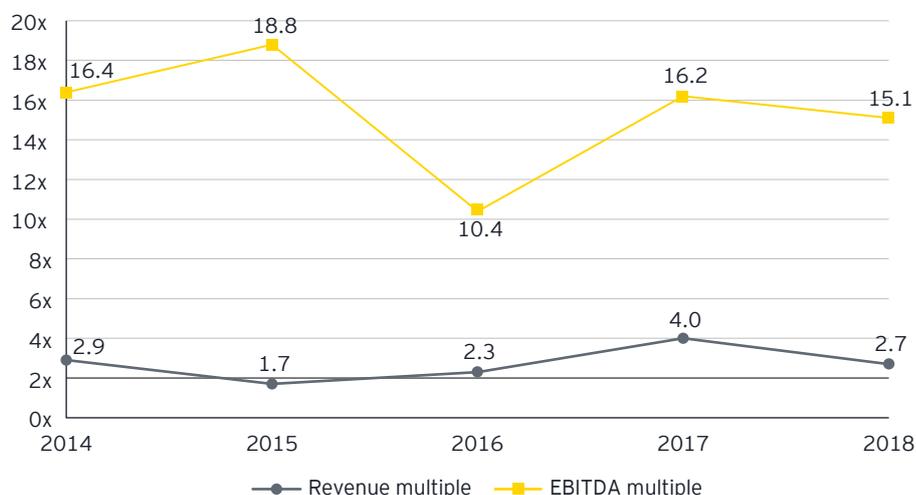
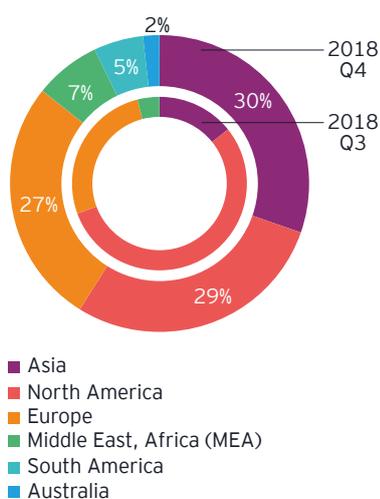
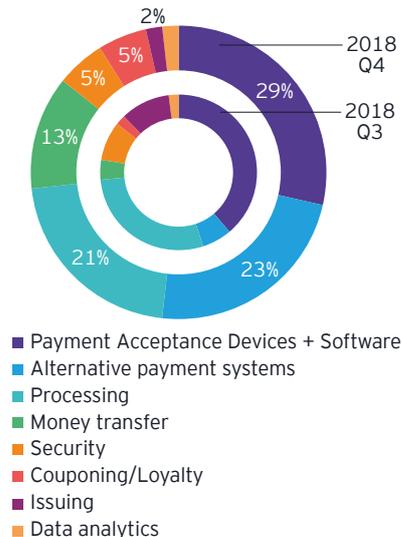


Fig. 3: Targets by region



Source: EY analysis, Capital IQ, Mergerstat M&A Database, Company websites

Fig. 4: Targets by segment



Andreas Habersetzer

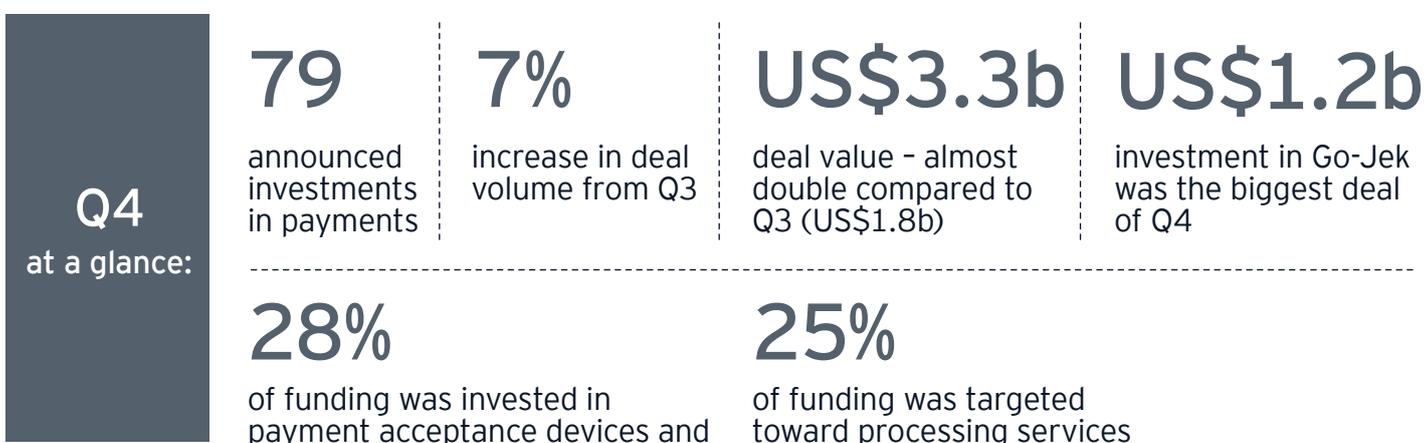


Dawei Wang

⁴ NCR Press Release
⁵ Includes all deals in 2017

Venture capital funding activity

Despite increasing global geopolitical uncertainty, the fourth quarter of 2018 delivered the highest number of quarterly deals of the past two years.



Investors focus on growth potential of emerging markets

In Q4, almost half of all transactions were led by investors based in North and Central America (49%), followed by Europe (27%) and Asia-Pacific (19%). Asia-Pacific was the most attractive target, accounting for about 45% of total transaction value, with North and Central America attracting 40% and Europe 12%.

The high level of funding in Asia-Pacific indicates that investors remain positive on future growth in emerging economies across the region. They are also encouraged by other factors driving greater adoption of electronic payments, including favorable demographics, the push for financial inclusion, regulatory changes that support electronic payment methods, FinTech innovation and a gradual increase in the adoption of alternative payment methods.

The quarter's largest deal – Indonesian firm Go-Jek's US\$1.2b funding from Tencent Holdings, JD.com and Google – illustrates the appeal of Asia-Pacific innovation. Go-Jek began as a motorbike ride-hailing company but has since expanded to offer regular taxis, shopping on-demand and a mobile payment service – Go-Pay – which is also being promoted as an offline option. Go-Pay allows consumers to pay for services via a prepaid account. This investment is expected to help Go-Jek to expand in the region and form strategic alliances.

Equity funds focus on seed investments

Most funding of Q4 was contributed by equity investors, with much of the activity focused on early stage and seed investments.

In a major deal of the quarter, US-based Brex raised US\$125m at

a valuation of US\$1.1b from DST Global, Greenoaks Capital Partners and Institutional Venture Partners. This brings Brex's total funding to date to an estimated US\$180m. Founded in 2017, Brex provides corporate credit cards to start-ups with streamlined expense management and reporting, and without requiring a personal guarantee or deposit. This latest round of funding will be used to offer a reward program tailored to the needs and spending patterns of Brex customers and to expand its product and services to companies outside of the technology sector.

Mobile money transfers and mobile wallets expected to increase

A notable trend observed in the VC investment landscape is the increasing prominence and rising acceptance of new payment channels, particularly

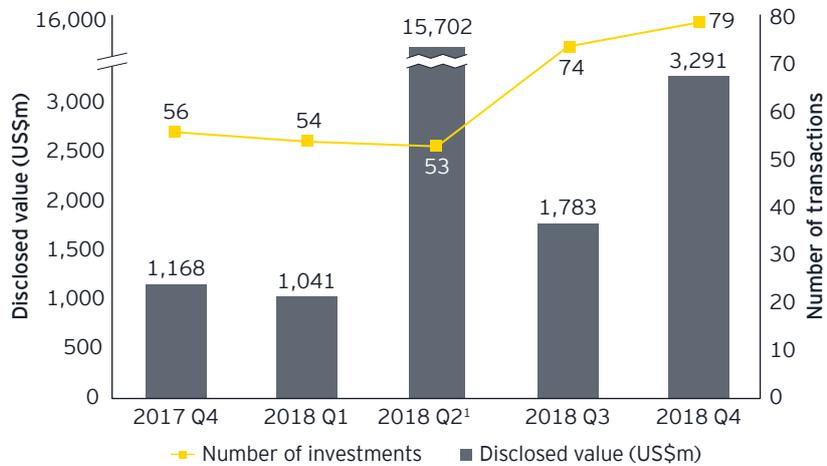
mobile money transfers. Advanced authentication methods such as tokenization and biometrics are making these new payment channels more secure. The US\$80m funding of South Korean P2P mobile payment platform Toss was led by Kleiner Perkins and Ribbit Capital, valuing the firm at approximately US\$1.2b, making it South Korea's first FinTech unicorn and highlighting investor appetite in (mobile) P2P transfers.

As the industry moves to a collaborative ecosystem, the adoption of mobile wallets is expected to gain prominence in support of integrated and seamless payment experiences. More payment firms, including banks, payment service providers and card networks are implementing mobile wallet solutions and global card networks. Visa, Mastercard and American Express have also rolled out digital wallet services, such as Visa Checkout, Masterpass and Amex Express Checkout.

Outlook for 2019

We expect investment to continue in alternative payment systems and payment acceptance devices such as mobile point of sale (mPOS). As investors seek scale and expand their reach, the sector's most dominant investors, such as Tencent Holdings and Temasek Holdings, are likely to increase their investment in the global payments space.

Fig. 5: Venture capital deal



¹ Includes US\$14.0b funding raised by Ant Financial from Temasek Holdings, GIC and other investors

Fig. 6: Number of deals by funding stage (in %)

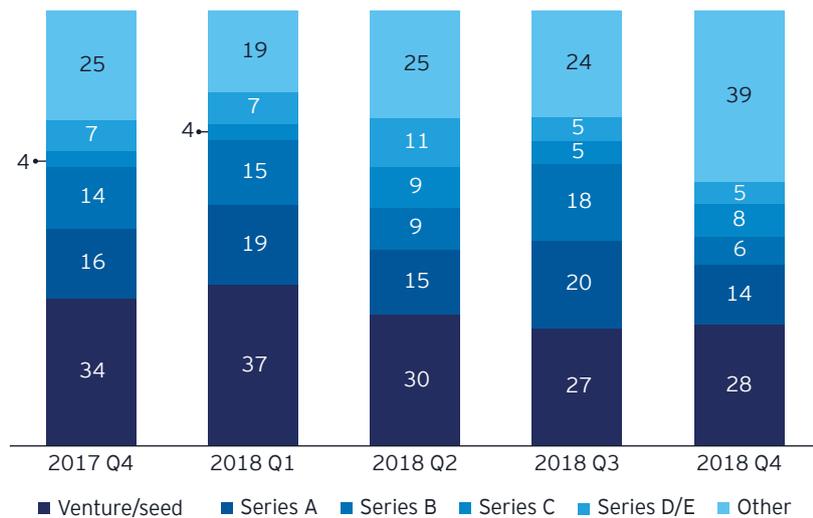
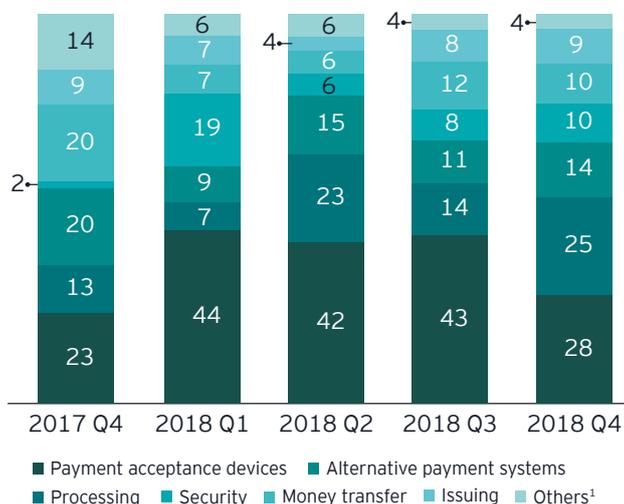
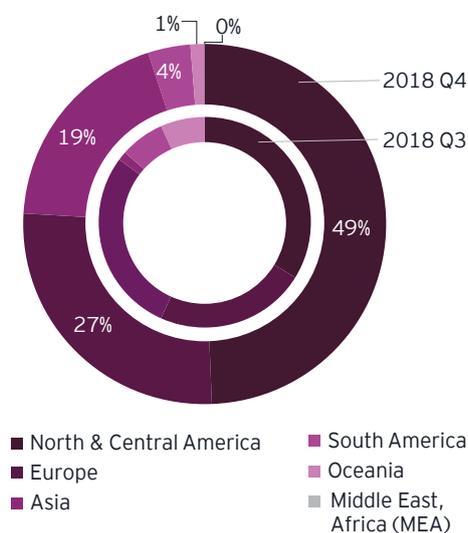


Fig. 7: Investment by sectors (in %)



¹ Includes ATM, Couponing/Loyalty and Data analytics

Fig. 8: Investment by region (in %)



Markus Massem



Dawei Wang

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
1	October 3, 2018	LivQuik Technology (India) Private Limited	India	LivQuik Technology (India) Private Limited provides LivQuik, a mobile wallet application for merchants and consumers to pay bills through mobiles	Future Enterprises Ltd	India	–	55%
2	October 3, 2018	Paytpv On Line Entidad De Pago S.L.	Spain	Paytpv On Line Entidad De Pago S.L. provides payment gateway services to businesses	InnoCells	Spain	–	100%
3	October 4, 2018	Next Gen Gifting Inc.	United States	Next Gen Gifting Inc. provides digital and physical gift card gifting of cryptocurrencies, including Bitcoin, Litecoin, Ripple, and Bitcoin Cash through web/email and mobile apps	Tyros AG	Germany	–	–
4	October 5, 2018	PT. Mitra Distribusi Utama	Indonesia	PT. Mitra Distribusi Utama operates as a mobile prepaid top-up provider in Indonesia	PT. Kinerja Indonesia	Indonesia	–	100%
5	October 10, 2018	Uptempo Inc.	Canada	Uptempo Inc. is a secured payment-processing platform. The company provides automated payment and budget solutions. It helps consumers take control of their liabilities while it helps dealers generate repeat customers in their sales cycle	Platform 9 Capital Corp.	Canada	–	100%
6	October 11, 2018	Tranglo Sdn Bhd	Malaysia	Tranglo Sdn Bhd operates a global airtime and money transfer hub. It operates gloReload, gloTransfer, gloRemit and gloRequest	TNG FinTech Group Inc.	Hong Kong, China	46.1	60%
7	October 15, 2018	Mobilligy, Inc.	United States	Mobilligy, Inc. provides an Internet-based financial application that lets the consumer manage and pay bills. The company's application is used to organize and pay bills and track accounts	BillGO, Inc.	United States	–	100%
8	October 16, 2018	ADVAM PTY Ltd	Australia	ADVAM PTY Ltd develops and offers payment lending solutions, reservation platform and parking solutions	TNS Inc.	United States	–	100%
9	October 16, 2018	ClearONE S.L.	Spain	ClearONE S.L. provides integrated solutions for payment by card	Universalpay Entidad de Pago S.L.	Spain	–	100%
10	October 17, 2018	CANAL PAYMENT SERVICE.co.ltd	Japan	CANAL PAYMENT SERVICE.co.ltd provides payment settlement services	JCB Co., Ltd.; Japan Card Network Co., Ltd.	Japan	–	–
11	October 22, 2018	Walletku	Indonesia	Walletku offers a range of digital products, including prepaid mobile phones credit top up, bill payments, hotel, airline, and sports ticket bookings and payments, etc.	TNG FinTech Group Inc.	Hong Kong, China	–	–
12	October 22, 2018	JetPay Corporation	United States	As of December 6, 2018, operates as a subsidiary of NCR Corporation	NCR Corporation	United States	179.8	100%
13	October 22, 2018	Noventis Inc.	United States	Noventis Inc. provides bill payment delivery and processing solutions	WEX Inc.	United States	–	100%
14	October 23, 2018	Zonefox Limited	United Kingdom	Zonefox Limited provides security software to protect business-critical assets, data and intellectual property. It also offers data monitoring, analytics and endpoint security solutions. The company's product offers insider threat detection, behavior analytics, network monitoring, instant alerting, and compliance reporting	Fortinet, Inc.	United States	18.0	100%

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
15	October 23, 2018	Conductor Tecnologia S.A.	Brazil	Conductor Tecnologia S.A. provides credit card and electronics payment processing services in Brazil. It also offers collection and billing services on behalf of third parties and services related to payment systems	Visa Inc.	United States	–	–
16	October 23, 2018	Shanghai Yinjia Financial Services Group Co., Ltd.	China	Shanghai Yinjia Financial Services Group Co., Ltd. offers third-party payment solutions. The company offers personal and credit information services and commercial factoring services, payment wallet for personal financial services, such as real-time transfer, face-to-face payment and balance inquiry	Great Chinasoft Technology Co., Ltd.	China	–	–
17	October 30, 2018	Bang Dao Technology Co., Ltd	China	Bang Dao Technology Co., Ltd operates Internet service platform for public utilities payments. The company serves electric power, water, gas, and radio and television industries	Longshine Technology Co., Ltd.	China	216.2	50%
18	October 30, 2018	Birch Finance, LLC	United States	Birch Finance, LLC provides a web application that helps users manage their rewards programs and points across multiple credit cards and accounts. The company's application helps users keep track of their cards and spending, and optimize all rewards in one place	Even Financial, Inc.	United States	–	100%
19	November 1, 2018	Online Payment and e-Wallet Platform	India	Online Payment and e-Wallet Platform comprises an online payment and e-wallet platform	Fintech Select Ltd.	Canada	0.2	100%
20	November 1, 2018	Stewardship Technology, Inc.	United States	Stewardship Technology, Inc. develops and provides electronic payment-processing cloud solutions	Paya, Inc.	United States	–	100%
21	November 5, 2018	Appthority, Inc.	United States	Appthority, Inc. develops mobile threat protection (MTP) solutions that enable customers to secure their data from mobile device, application, and network threats	Symantec Corporation	United States	–	100%
22	November 6, 2018	StopLift Checkout Vision Systems	United States	StopLift Checkout Vision Systems develops a checkout vision software that automatically detects unscanned merchandise at the manned and self-checkouts at supermarkets and retailers around the world	NCR Corporation	United States	–	100%
23	November 8, 2018	CSI Enterprises, Inc.	United States	CSI Enterprises, Inc. offers fleet and corporate purchasing and payment cards. The company's products enable expense management and payment process streamlining	Edenred SA	France	–	100%
24	November 8, 2018	Telexis Solutions	Netherlands	Telexis Solutions B.V. provides e-ticketing and smart ticketing software solutions	Enghouse Systems Limited	Canada	–	100%
25	November 12, 2018	Lendstar GmbH	Germany	Lendstar GmbH develops mobile application where users can borrow money and make transfers in real time. It offers sending money, prepaid, collection, split cost, online pay, mobile credit, and Internet banking services	transact Elektronische Zahlungssysteme GmbH	Germany	–	100%
26	November 15, 2018	Tarshop S.A.	Argentina	Tarshop S.A. issues, processes and manages credit cards. It also provides life, education, and daily hospitalization insurance products and services	Banco Hipotecario S.A.	Argentina	–	20%

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
27	November 15, 2018	Lindorff Payments business unit of Lowell Financial Ltd	Finland	The service allows you to pay for your online and offline purchases with an invoice. This way you can have two weeks to pay with no interest added	Collector Bank AB	Sweden	–	100%
28	November 16, 2018	CPI Card Group Canada Inc.	Canada	CPI Card Group Canada Inc. manufactures and markets plastic cards, smart cards, credit cards and debit cards. The company's products include blank cards, commercial cards and financial cards. The company provides consultation, design, manufacture, personalization and supply chain management for card and collateral products	Allcard Limited	Canada	–	100%
29	November 19, 2018	LYF SAS	France	LYF SAS develops Lyf Pay, a mobile payment application based on a QR code system	Casino, Guichard-Perrachon Société Anonyme	France	–	5%
30	November 19, 2018	Public Joint-Stock Company OR	Russia	Public Joint-Stock Company OR engages in the manufacture, wholesale and retail of footwear and related products in Russia. It also provides a range of financial services, such as payment through installments, cash loans, cash payments, etc.	–	–	–	6%
31	November 21, 2018	Automated Bank Services Limited	Israel	Automated Bank Services Limited, also known as Shva, operates and maintains interbank switching network of automated teller machines (ATMS), operation and management of the credit card network, settlement interface, and payment systems	Visa International Limited	India	–	10%
32	November 21, 2018	GT Dollar Pte. Ltd.	Singapore	GT Dollar Pte. Ltd. develops an e-commerce business social application and payment solution for both consumers and merchants that let them to earn cash from dining, retail, travel, and leisure deals	Ace Achieve Infocom Limited	China	3.8	36%
33	November 21, 2018	TimesofMoney Ltd.	India	TimesofMoney Ltd. provides digital payment services worldwide. It also offers various solutions to consumers that allow them to send money to India and internationally	–	–	–	100%
34	November 23, 2018	Beam	UAE	Beam Portal LLC develops and provides mobile payment solutions	Majid Al Futtaim Ventures LLC	United Arab Emirates	–	100%
35	November 26, 2018	Tuition Management Systems LLC	United States	Tuition Management Systems LLC provides tuition payment solutions for families and schools. It offers billing services, including customized bill formats, school messaging, and access to affordability counseling; payment gateway and portals	Nelnet Business Solutions, Inc.	United States	–	100%
36	November 27, 2018	atom technologies Ltd.	India	atom technologies Ltd. provides mobile payment solutions. It offers atom Mobile Banking solution that provides fund transfer services to mobile banking customers and merchant payment services	NTT DATA Corporation	Japan	16.7	55%
37	November 29, 2018	Speed Pay PLC	Cambodia	Speed Pay PLC develops Speed Wallet, a digital mobile wallet/application that allows buying goods or services	GHL Asia Pacific Limited	Malaysia	4.0	40%

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
38	November 29, 2018	SIA Mobilly	Latvia	SIA Mobilly develops a payment system that allows mobile phone users to make and receive payments with their telephones anywhere where mobile services are available	AS Citadele banka	Latvia	–	13%
39	December 3, 2018	Instant Global Paytech Private Limited	India	Instant Global Paytech Private Limited operates a payment technology platform for offline	Infibeam Avenues Limited	India	0.9	96%
40	December 5, 2018	Wizall	Senegal	Wizall develops Wizall Money application, is an electronic wallet accessible to the general public and without the need for a bank account	Banque Centrale Populaire	Morocco	–	–
41	December 6, 2018	BlockEquity Inc.	Canada	BlockEquity Inc. develops BlockEQ, an application for trading cryptocurrency	Coinsquare Ltd.	Canada	8.9	100%
42	December 6, 2018	Danal, Inc.	United States	Danal, Inc., doing business as BilltoMobile, provides carrier-integrated mobile commerce solutions enabling the purchase of goods and services on PC, tablet, and mobile phones using their BilltoMobile platform worldwide	Boku, Inc.	United States	101.4	100%
43	December 14, 2018	Interpay Africa	Ghana	Interpay is an electronic payment platform that facilitates traditional transactions and e-commerce Interpay facilitates the collection of payments for bills and invoices	Emergent Technology	US	–	100%
44	December 16, 2018	Devisenwerk AG	Switzerland	Devisenwerk AG offers an online global payment platform. The company caters to automotive, tertiary, e-commerce, metal and electronics, and transport and logistics sector	TransferMate Limited	Ireland	–	100%
45	December 19, 2018	Netsize SA	France	Netsize SA provides micro-payment solutions and messaging services for mobile operators. The company offers payment solutions that include operator billing; ISP billing solution, a cardless direct-to-bill payment method, service deployment, and billing	Link Mobility Group ASA	Norway	–	100%
46	December 19, 2018	Titres Cadeaux	France	Titres Cadeaux creates and distributes multi-brand gift cards and vouchers to professionals, companies, individuals, and works councils in France	Natixis S.A.	France	–	50%
47	December 20, 2018	Sellsuki	Thailand	Sellsuki is a Thailand-based e-commerce platform for handling payments, sales, inventory, chat system and after-sale service.	LINE Corporation	Japan	–	100%
48	December 20, 2018	Interplx, Inc.	United States	Interplx, Inc. provides employee expense management and purchase card transaction processing solutions	Serko Limited	New Zealand	2.5	100%
49	December 20, 2018	GMO Payment Gateway	Japan	GMO Payment Gateway, Inc. provides credit card payment processing and other related services primarily in Japan, Singapore, Hong Kong, Taiwan, Malaysia and Thailand	SMBC Nikko Securities	Japan	–	10%
50	December 20, 2018	Alliance Financial Network Inc.	United States	Alliance Financial Network Inc., doing business as eXPO, provides financial and banking services using mobile and Internet-based application	AppTech Corp.	United States	–	100%
51	December 21, 2018	finAPI GmbH	Germany	finAPI GmbH develops data integration and analysis solutions based on artificial intelligence technologies and delivers to customers via online access and operated in-house	SCHUFA Holding AG	Germany	–	–

M&A

	Date announced	Target company	Country	Target description	Buyer(s)	Country	Enterprise value (US\$m)	Stake (%)
52	December 21, 2018	SBI Payment Services	India	SBI Payment Services Pvt Ltd provides merchant payment services for goods and services through the medium of a card	Hitachi Payment Services	India	–	26%
53	December 24, 2018	Empresa 1 – Sistemas De Automacao E Comercio Ltda.	Brazil	Empresa 1 – Sistemas De Automacao E Comercio Ltda. develops hardware, software and services as solution for payment automation, access control, and fraud prevention	Volaris Group Inc.	Canada	–	100%
54	December 27, 2018	Earthport plc	United Kingdom	Earthport Plc provides payment services in the United Kingdom, rest of Europe, North America, and internationally. The company operates through two segments, Transactional and Professional Services. It offers cross-border payment services, software and the knowledge base embedded in the platform	Visa International Service Association	United States	206.0	100%
55	December 28, 2018	Hangzhou Susong Technology Company Limited	China	Hangzhou Susong Technology Company Limited provides financial payment processing solutions, advertising and software development services by using e-commerce platform to various vendors in China	Asian Kingdom Investments Limited	Hong Kong, China	–	90%
56	December 28, 2018	Money.net S.p.A.	Italy	Money.net S.p.A. provides payment services for banks, exhibitors, merchants and companies. It offers electronic payment processing; EFT/POS terminal; MPOS terminal; recurring payments; DoctorPay, a solution for professionals working in the health field; pre-authorization; taxi network; and various other services.	CSH S.r.l	Italy	0.1	100%



VC

	Date announced	Target	Country	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
1	October 1, 2018	Uptempo	Canada	N/D	10.01	10.01		Processing	Provides a payment-processing platform
2	October 2, 2018	Petal Card, Inc.	USA	Debt	34.00	16.60	Jefferies	Issuing	Issues credit cards to people who do not have traditional credit history, students, and immigrants
3	October 3, 2018	TravelbyBit	Australia	N/D	2.52	2.60	Binance	Payment acceptance devices + Software	Operates as a blockchain payment platform and travel company that provides booking services for travelers using digital currency
4	October 3, 2018	Amazon Pay	USA	Venture	80.20	174.10	Amazon	Money transfer	Provides consumers, merchants and developers a way to pay and get paid online
5	October 5, 2018	Brex	USA	C	125.00	182.10	Greenoaks Capital	Issuing	Provides corporate credit card, The Brex Visa for technology companies
6	October 8, 2018	Nubank	Brazil	N/D	90.00	418.30	Tencent Holdings	Processing	Issues, administrates, processes and transfers payments related to post-paid credit cards and equity investment in other entities
7	October 10, 2018	Klarna	Sweden	N/D	20.00	646.45	H&M Clothing Company	Payment acceptance devices + Software	Provides e-commerce payment solutions for merchants and shoppers
8	October 12, 2018	NetCents Technology	Canada	Debt	0.18	5.81		Payment acceptance devices + Software	Provides electronic digital payment services in Canada. Its platform allows clients and merchants to manage electronic payments through various devices and currencies
9	October 12, 2018	Wallex	Singapore	Seed			BEENEXT	Alternative payment systems	Develops and operates online cash management platform. The company offers solutions that include virtual accounts for collections and disbursements, a multi-currency wallet, foreign exchange conversions, cross-border payments
10	October 15, 2018	Adhara	United Kingdom	Venture	15.00	15.00	ConsenSys Ventures	Payment acceptance devices + Software	Provides multi-currency global liquidity management and international payments platform based on tokenized money over a smart contract-enabled distributed ledger
11	October 15, 2018	Flutterwave	United States	A	10.00	20.10		Processing	Provides technology, infrastructure and services to enable global merchants, payment service providers and Pan African banks accept and process payments on any channel

VC

	Date announced	Target	Country	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
12	October 16, 2018	Monetran	United States	N/D	0.11	0.11	Raba Capital, MasterCard, FinTech Collective, CRE Venture Capital, 4DX Ventures	Money transfer	Offers Stellar, an open source distributed payments structure that allows integrations with third-party apps for remittances and international transfers; sending payments via mobile and web applications; and micropayments
13	October 17, 2018	Mash	Finland	Venture	57.90	90.32		Payment acceptance devices + Software	Provides an automated platform to deliver superior finance and payments solutions
14	October 17, 2018	Jassby	United States	Venture			Moneta Ventures	Payment acceptance devices + Software	Develops mobile payment systems
15	October 17, 2018	Cobo	China	A	13.00	13.00	Wu Capital	Alternative payment systems	Provides cryptocurrency wallet that offers
16	October 22, 2018	QRails	United States	Angel	7.00	9.80	Jonathan Hughes, Gary Hoffman, Alan Morgan	Processing	Offers payment processing solutions to banks and the digital payments industry
17	October 22, 2018	Ondot Systems	United States	N/D		51.00	Citi Ventures	Processing	Provides value-added mobile card service platforms to manage various aspects of payment cards and transactions, ranging from pre-authorization controls to real-time transaction alerting and management
18	October 22, 2018	Hummingbird	United States	Venture	3.00	3.00	Homebrew	Security	Offers a platform for managing anti-money laundering (AML) operations
19	October 23, 2018	Conductor Tecnologia S.A.	Brazil	N/D			Visa	Processing	Provides credit card and electronics payment processing services in Brazil
20	October 23, 2018	Neat Ltd.	Hong Kong, China	Venture	3.00	5.00	Linear Capital Partners	Issuing	Offers Neat Card, a prepaid MasterCard that allows paying in many currencies at traditional and online merchants around the world
21	October 23, 2018	MYPINPAD	UK	B	20.00	20.00	Asia Principal Capital	Security	Provides multi-factor authentication solutions for mobile phones and tablet
22	October 24, 2018	Blue Code	Austria	Venture	12.84	12.84		Payment acceptance devices + Software	Provides mobile payment solution for banks and retailers with mobile devices
23	October 25, 2018	Merrco Payments	Canada	Venture	30.00	30.00		Processing	Develops payment gateway technology to regulate a direct-to-consumer cannabis mail-order system in Canada

VC

	Date announced	Target	Country	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
24	October 29, 2018	GO-JEK	Indonesia	N/D	1200.00	7800.00	Tencent Holdings, JD.com, Google	Payment acceptance devices + Software	Provide transportation, logistics, mobile payments and food delivery services
25	October 29, 2018	GO-JEK	Indonesia	N/D	1200.00	7800.00	Tencent Holdings, JD.com, Google	Payment acceptance devices + Software	Provide transportation, logistics, mobile payments and food delivery services
26	October 30, 2018	Nvoicepay	USA	N/D	3.50	23.33		Payment acceptance devices + Software	Offers payment automation software that enables customers to pay their invoices electronically
27	October 30, 2018	goHenry	UK	N/D	8.08	13.71		Issuing	Provides prepaid card and app with parental controls, for young people aged 8 to 18. Also offers users to set up regular pocket money transfers and make one-off payments to their children
28	November 1, 2018	Shape Security	USA	E	26.00	132.00	Norwest Venture Partners	Security	Provides defense against malicious automated cyber-attacks on mobile applications
29	November 6, 2018	Bitfury Group	USA	N/D	80.00	140.00	Korelya Capita	Alternative payment systems	Offer software solutions includes data analytics and a network of payment channels to facilitate secure transactions
30	November 6, 2018	Cred	India	Seed	25.00	25.00	Sequoia Capital India	Couponing / Loyalty	Develops an app that rewards users with exclusive rewards for paying credit card bill
31	November 7, 2018	Fraugster	UK	B	14.00	19.00	CommerzVentures GmbH	Security	Provide designs and builds anti-fraud and security systems
32	November 9, 2018	TransferWise	UK	Debt	85.18	395.70	NatWest Bank	Money transfer	Provide money transfer service allowing private individuals and businesses to send money abroad
33	November 9, 2018	Clik	Cambodia	Seed	2.00	2.00	OpenWay Group	Payment acceptance devices + Software	Provides mobile payment for enterprises, merchants and consumers
34	November 10, 2018	UnDosTres	Mexico	A	6.50	8.20	IGNIA	Alternative payment systems	Provides consumer payment services in Mexico
35	November 12, 2018	KRPartners Co	South Korea	Debt	0.88		Shinhan Bank, Investment Arm	Processing	Offers payment gateway service, dynamic currency conversion, and mobile payment services
36	November 12, 2018	Checkmate Inc.	USA	A	3.00	3.00	Tiger Global Management	Payment acceptance devices + Software	Creates a mobile platform to enable small & medium sized restaurants to offer mobile ordering and payment to their customers

VC

	Date announced	Target	Country	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
37	November 12, 2018	Amazon Pay	USA	Venture	30.31	204.00	Amazon	Alternative payment systems	Provides consumers, merchants and developers a way to pay and get paid online
38	November 12, 2018	Merchants Union Consumer Finance Company Limited	China	N/D	143.60	323.52	China Merchants Bank Co	Payment acceptance devices + Software	Offers mobile Internet-enabled financial services, payment application products and services, information services, and related value-added services
39	November 12, 2018	RM-Tech Co Limited	China	N/D			GTR Ventures	Payment acceptance devices + Software	Provides platform that offers virtual account system, clear settlement system and multi-payment channel integration service to banks
40	November 12, 2018	Sonect	Switzerland	Venture			SixThirty	ATM	Develops mobile app that enables users to withdraw cash everywhere with your smartphone, free of charge
41	November 13, 2018	Poynt	USA	C	100.00	133.00	National Australia Bank	Payment acceptance devices + Software	Operates a payment terminal and open commerce platform
42	November 14, 2018	Gas Pos, Inc.	USA	Seed	1.00	1.20	Merus Capital	Payment acceptance devices + Software	Provides POS system for gas station, store or truck stop
43	November 14, 2018	Mobeewave	Canada	B	16.62	23.10	NewAlpha Asset Management	Payment acceptance devices + Software	Provides mobile phone with secure, contactless payment-acceptance capability software
44	November 14, 2018	iBanFirst	Belgium	Venture	17.00	28.00	Serena Capital	Money transfer	Provides a foreign exchange payments and transfers platform for companies worldwide
45	November 15, 2018	Sezzle	USA	N/D	100.00	110.90	Bastion Capital Corporation	Payment acceptance devices + Software	Provides a payment platform that allows shoppers to shop & pay later
46	November 16, 2018	Indialdeas.com Limited	India	N/D		7.50	Visa Inc.	Alternative payment systems	Develops and operates an online platform that enables billers, banks, and customers to make payments online under the brand name BillDesk
47	November 17, 2018	Zero	USA	Venture	16.00	27.00	Eniac Ventures	Issuing	Develops a mobile banking application and a Visa card and help to earns credit card rewards
48	November 19, 2018	Banked	UK	Seed	1.92	1.92	Backed VC	Data analytics	Provides banking data to third-party clients
49	November 19, 2018	Plastiq	USA	C	27.00	72.30	Kleiner Perkins	Processing	Provides an online payment service that enables its members to use the credit and debit cards to make payments
50	November 19, 2018	Spindle, Inc.	USA	N/D	0.08	3.97	PowerUp Lending Group, Ltd.	Processing	Provides payments transaction processing and management

VC

	Date announced	Target	Country	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
51	November 20, 2018	Form3	UK	B	13.00	18.00	Draper Esprit	Processing	Provides cloud-based connectivity, payment processing, clearing and settlement services
52	November 20, 2018	Signzy	India	A	3.36	4.00	Stellaris Venture Partners	Security	Provides and develops identification, background checks, forgery detection and contract management systems for Banks & NBFCs
53	November 20, 2018	ready2order GmbH	Austria	N/D			Reimann Investors Asset Management GmbH	Payment acceptance devices + Software	Provides mobile and platform-independent POS system
54	November 20, 2018	Transactis, Inc.	USA	N/D	9.12	80.03	Red River West LLC, Fonds Ambition Numérique	Alternative payment systems	Provides white-label SaaS solution to enable merchants to accept online payments
55	November 22, 2018	InstaReM	Singapore	C	20.00	38.00	MDI Ventures	Money transfer	Provides money transfer services for individuals and business customers
56	November 27, 2018	Atom technologies Ltd	India	N/D	1.50	1.50	NTT DATA Corporation	Payment acceptance devices + Software	Provides end-to-end payment services offering a range of payment services and solutions through online & offline platforms
57	November 27, 2018	Grubrr Systems International, LLC	USA	Venture			American Bancard, LLC	Payment acceptance devices + Software	Provides point of service technology and software to restaurants that includes payment technology to support all major credit/debit cards (including PIN debit)
58	November 27, 2018	Grubrr Systems International, LLC	USA	Venture			American Bancard, LLC	Payment acceptance devices + Software	Provides point of service technology and software to restaurants that includes payment technology to support all major credit/debit cards (including PIN debit)
59	November 29, 2018	Ratepay	Germany	Debt	93.87		NIBC Bank N.V.	Alternative payment systems	Provides online payment solutions for e-commerce business
60	December 3, 2018	United Merchant Services of California	USA	N/D				Processing	Provides payment processing technology and services for banks and merchants in the United States
61	December 3, 2018	PayFi	USA	N/D	1.81	3.01		Processing	PayFi develops a real-time payments platform to process various payment transactions for start-up and Fortune 500 companies
62	December 5, 2018	Allied Payment Network	USA	N/D	4.00	6.60		Money transfer	Offers online bill payment services for financial institutions including banks, credit unions, and direct customers
63	December 5, 2018	Pindrop	USA	D	90.00	212.80	Vitruvian Partners	Security	Provides voice identity, security and authentication to banks insurance and retailers

VC

	Date announced	Target	Country	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
64	December 7, 2018	Coin Payments	Canada	A	30.00	30.26		Processing	Operates a website that provides cryptocurrency payment processing solutions
65	December 10, 2018	Toss	South Korea	E	80.00	197.20	Ribbit Capital	Money transfer	Provides P2P mobile payments platform in Korea
66	December 11, 2018	"OweMe"	UK	Seed	1.00	1.00	Pi Ventures	Alternative payment systems	OweMe is a blockchain-based B2B payments platform that helps suppliers of big corporates access extra liquidity available from supply chain finance (SCF) in a frictionless manner to get discounts from their vendors by paying early
67	December 11, 2018	Plaid	USA	C	250.00	309.30	Kleiner Perkins	Processing	Provides an API that powers developers of financial services applications and help them connect with user bank accounts. It allows developers to integrate and get transactional and account data from various financial institutions
68	December 11, 2018	ShopKeep	USA	E	65.00	137.20	Tribeca Venture Partners	Payment acceptance devices + Software	Provides cloud-based iPad point of sale system for restaurants and retail stores
69	December 12, 2018	Tw2 Tecnologia	Brazil	N/D			Lighthouse Investimentos Ltda.	Payment acceptance devices + Software	Develops POS Controle, a point of sale (POS) mobile payments solution for small retailers
70	December 13, 2018	Yaypay	USA	A	8.40	13.70	Information Venture Partners	Processing	Develops accounts receivable software that automates payment workflows
71	December 14, 2018	TransferGo	UK	B	7.60	41.00	Vostok Emerging Finance	Money transfer	TransferGo is a global money transfer company that supports migrant workers to send money back to their relatives
72	December 17, 2018	B-Social	UK	Seed	3.20	4.20		Issuing	B-Social offers a social finance app and beta debit Mastercard
73	December 18, 2018	OpenNode	USA	Seed	1.30	1.30	Draper Associates	Processing	OpenNode is the world's first multi-layered Bitcoin payment processor for businesses. Easily accepting Bitcoin with instantly confirmed transactions
74	December 18, 2018	PPRO Group	UK	Venture		50.00	Northleaf Capital Partners	Processing	Provides access, processing, and collection services for alternative payment methods and value-added services

VC

	Date announced	Target	Country	Round	Volume (US\$m)	Funding (US\$m)	Investor(s)	Segment	Description
75	December 19, 2018	Albert	USA	A	15.00	22.60	Portag3 Ventures	Issuing	Provides financial advisory services using mobile application. Its services include providing low-interest loans; saving policies; credit cards with rewards and lowest fees
76	December 19, 2018	"Flux Systems"	UK	A	7.50	9.10	"e.ventures"	Security	Flux Systems develops software platform that keeps track of payment receipts by automatically linking them to payment cards
77	December 20, 2018	Earnin	USA	C	125.00	190.10	Spark Capital	Alternative payment systems	Provides an application that lets users draw small amounts of paycheck before payday
78	December 25, 2018	my FinTech	Japan	N/D	0.14	0.14	ATM Japan	Processing	Provides electronic certification services, disseminates an electronic authentication service (FPoS) utilizing the SIM card on a smartphone
79	December 28, 2018	MyBucks S.A.	Luxembourg	N/D	1.50	15.82		Alternative payment systems	Provides various financial products and services, which include credit wallet, budgeting tool, payment/wallet services among others



Highlights from EY Global Payments Investor Conference 2018

Over 75 payments leaders gathered to discuss industry trends and strategy, industry consolidation and future innovations

Major trends in the industry include:

- ▶ **Consolidation** of industry incumbents, especially among domestic and regional leaders, is reshaping the sector. Transaction activities in payments obtained horizontally or vertically along the value chain are very likely to be continued and feature high valuations.
- ▶ **Payment innovators** focused on growth are setting new benchmarks for the sector and attracting investor attention.
- ▶ The EU's second payment services directive (PSD2) and open banking, are creating opportunities for payment services providers to position themselves at strategic control points in the payments value chain or to leverage their advanced and more flexible technological propositions.
- ▶ **Emerging technology** is enabling new ways to process secure payment transactions and to detect and prevent fraud. More providers are exploring the use of artificial intelligence, machine learning and biometrics.
- ▶ **Seamless, borderless payments** are increasingly expected by customers, who are unwilling to stick to a certain channel or accept geographical limitations in commerce. In this environment, the importance of secure and reliable payment systems is even more critical.
- ▶ **Continued investor interest** as payment assets remain highly appealing. This is due to fundamental growth drivers (e.g., conversion from cash to electronic payments and e-commerce), the attractive margin and risk profile, and the fragmented structure of the payments industry. The broad range of value propositions and business models that players bring to the payments value chain offers an incentive for greater investment opportunity.



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It was a great pleasure to have such a fantastic group of senior executives both on stage and in the audience. As payments is a global industry with a broad range of companies, including payment innovators, large financial institutions, vertical specialists and market sector leaders, we look forward to bringing the event to New York and Singapore — and of course we'll return to Europe as well.

The success of the conference was largely due to the high caliber of speakers who represented a cross-section of some of the most dynamic companies in the payments sector.



Kai-Christian Claus
EY Global Payments Leader



Patrick W. Diemer, CEO of **Airplus**, which has offered specialized business travel payment solutions for more than 25 years and now operates in more than 60 countries.

Christian Pirkner, CEO of **Bluecode**, a pan-European mobile payment solution for banks and retailers. Bluecode recently announced its partnership with AliPay that will use the Bluecode infrastructure for its European payment operations.





Peter Rutland, Partner at **CVC**, Daniel Knottenbelt, Partner at **KKR**, and Simon Jarvis, Director for Strategic Business Development at **TSYS**, participated in the first fireside chat of the conference. The group discussed value creation strategies for investments in the payments space and the important value drivers of the past and future.

Martina King, CEO of **Featurespace**, a creation of Cambridge University's Engineering Department and now one of the most innovative artificial intelligence and machine learning companies in the fraud and risk management space.



André Bajorat, CEO of **figo**, a German open banking pioneer founded in 2012. figo is Europe's first banking service provider – connecting more than 55 million online bank accounts.

Eric Tak, Global Head of **ING** Payments Centre, part of ING. Headquartered in Amsterdam, ING is among the leading banks in the Dow Jones Sustainability Index, with more than 38 million retail and wholesale banking customers in over 40 countries.





David Chan, CEO of **Kreditech**, which has grown over the last six years from a technology start-up to a successful international consumer finance business. Kreditech provides digital consumer lending using machine-learning-based underwriting to fulfill its mission of improving financial freedom for the underbanked.

Jeff Paduch, Managing Director of **Advent International**, Grégory Lambertie, SVP Strategy and M&A at **Ingenico Group**, and David Yates, President of New Payment Platforms at **Mastercard**, participated in the second fireside chat. The group discussed the most attractive sectors of the payments industry, valuations in recent payment deals, industry consolidation and the role of global platforms in payments.



Simon Black, CEO of **PPRO**, which gives payment service providers access to a vast range of alternative payment methods worldwide. PPRO recently announced a US\$50m investment round led by PayPal to accelerate the expansion of its payments platform and international presence.

Radi Abd El Haj, CEO of **RS2**, which is a global payments software and managed services provider trusted by banks, processors and payments service providers to process over US\$235b worth of payments transactions each year.





Anne Boden CEO of **Starling Bank**, a UK-based digital, mobile-only challenger bank based in the United Kingdom. Starling launched its app-only current account in 2017, and in 2018 was voted Best British Bank and Best Current Account Provider in the Smart Money People Awards.

Vidar Thorkelsson, CEO of **Valitor**, one of the first payments service providers to secure a European cross-border license. Founded in Iceland in 1983, Valitor has offered international acquiring services since 2003.



EY Global contacts



Jan Bellens
Global Deputy Sector Leader,
Banking & Capital Markets, EY
Singapore
Tel: +65 932 961 92
jan.bellens@sg.ey.com



Kai-Christian Claus
Global Payments Leader,
EY Innovalue
Germany, Hamburg
Tel: +49 163 413 1363
kai-christian.claus@ey-innovalue.de

EY EMEA contacts



Hamish Thomas
EMEA Payments Advisory Leader, EY
United Kingdom, London
Tel: +44 796 717 6593
hthomas@uk.ey.com



Andreas Habersetzer
EMEA Payments Transaction
Advisory Leader, EY
United Kingdom, London
Tel: +44 795 735 8698
ahabersetzer@uk.ey.com



Christopher Schmitz
Partner, EY
Germany, Frankfurt
Tel: +49 160 939 135 45
christopher.schmitz@de.ey.com



Olivier Perrin
Associate Partner, EY
France, Paris
Tel: +33 1 46 93 70 56
olivier.perrin@fr.ey.com



Jeroen van der Kroft
Executive Director, EY
Netherlands, Amsterdam
Tel: +31 621 251 175
jeroen.van.der.kroft@nl.ey.com



Gael Denis
Partner, EY
Luxembourg
Tel: +35 269 183 0782
gael.denis@lu.ey.com



Karin Sancho
Partner, EY
Sweden, Stockholm
Tel: +46 703 189 767
karin.sancho@se.ey.com



David Frias Blanco
Partner, EY
Spain, Madrid
Tel: +34 660 815 863
david.friasblanco@es.ey.com



Dhaval Madlani
Executive Director, EY
India, Mumbai
Tel: +91 987 020 3606
dhaval.madlani@in.ey.com

EY Americas contacts



Sean Viergutz
Americas Payments Advisory Leader, EY
United States, Atlanta
Tel: +1 404 817 5537
sean.s.viergutz@ey.com



Sara Elinson
Americas Payments Transaction
Advisory Leader, EY
United States, New York
Tel: +1 718 915 4269
sara.elinson@ey.com



Edgar Barbosa
Senior Manager, EY
Canada, Toronto
Tel: +1 416 799 2646
edgar.barbosa@ca.ey.com



Jennifer Lucas
Executive Director, EY
United States, Charlotte
Tel: +1 704 277 3782
jennifer.m.lucas@ey.com



Gustavo Jurado
Partner, EY
Mexico, Mexico City
Tel: +52 (55) 5283 1447
gustavo.jurado@mx.ey.com



Ivan Habe
Executive Director, EY
Brazil, São Paulo
Tel: +55 11 96900 5012
ivan.habe@br.ey.com

EY Asia-Pacific contacts



James Lloyd
APAC Payments Leader, EY
Hong Kong
Tel: +852 9666 4747
james.lloyd@hk.ey.com



Robert Colwell
Partner, EY
Australia, Sydney
Tel: +61 449 144 577
robert.colwell@au.ey.com



Joongshik Wang
Partner, EY
Singapore
Tel: +65 820 156 04
joongshik.wang@sg.ey.com

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