The PayFac Economy: 2026 Report

A single card payment is sold four times before it settles, and each owner reports a different number as revenue. Windsor Drake's set of seventeen listed payment businesses carries a median **2.6x EV/Revenue** at the 20 August 2026 close, a band of 1.6x to 3.8x and a range of 0.8x to 13.9x. On gross profit the same seventeen carry a median of **4.7x**, and gross margin runs from 27% to 100%. Little of that dispersion is about quality. Most of it is about where interchange sits.

Whether interchange sits inside reported revenue or outside it is an accounting election, and it moves the top line by a factor of three on identical economics. Network fees were **52.6%** of Shift4's FY2025 gross revenue, and interchange and network cost was **77.2%** of Toast's FY2025 financial technology revenue. Global Payments, Fiserv, PAR Technology and Priority report acquiring revenue net of interchange; Toast, Shift4, Block, Shopify and Lightspeed report it gross. Global Payments publishes the worked example: on a $100 transaction at a 2% merchant discount, $1.50 is interchange and $0.50 is its revenue.

The set is computed from primary market data at closing prices of 20 August 2026, with cash held on behalf of merchants and customers, settlement assets and restricted cash excluded from the enterprise value bridge. Five constituents move three or more places between the two rankings, and the largest move is six places. Toast rises from eighth to third. Repay falls from fifth to eleventh.

Windsor Drake calls the structure **The Spread Stack**. The network sets the rules, the processor and acquirer carry the bank rails, the facilitator carries the registration and the risk, and the software platform owns the merchant contract. Each layer keeps a spread, and position rather than scale sets how wide it is. This report covers what each layer keeps, what it is worth on both denominators, what registration obliges, and who is buying.

What is a payment facilitator worth in 2026?

Median EV/Revenue is 2.1x in software, 2.4x in facilitation and 2.9x in processing and acquiring. On revenue alone the software layer is the cheapest of the three, which inverts how the market talks about it. On gross profit the order reverses. The card networks sit above all three on economics no facilitator can replicate, because interchange was never their revenue.

Table 1. Layer Medians on Both Denominators, 20 August 2026 Close

Layer	Count	EV/Revenue range	Median EV/ Revenue	Median EV/Gross Profit
Software platforms	6	0.8x to 13.9x	2.1x	5.0x
Facilitation and payment service providers	6	1.4x to 11.1x	2.4x	3.4x
Processing and acquiring	5	1.4x to 6.9x	2.9x	5.6x
Card networks, alongside	2	14.7x to 15.4x	15.0x	15.2x
Composite of the three layers	17	0.8x to 13.9x	2.6x	4.7x

Source: Windsor Drake computation from company filings and closing market data, 20 August 2026.

The float exclusion does the most work in that computation. A facilitator holds settlement balances, merchant reserves and customer funds belonging to other people. They arrive on the balance sheet, they sit in a cash line, and any bridge that nets them against debt credits the business with money it does not own. Payoneer carried **$7.7 billion** of customer funds in the second quarter of 2026 against an agreed equity value of about $2.75 billion; treat those balances as corporate cash and the enterprise value goes negative. Excluding merchant float, settlement assets and restricted cash is the difference between measuring the business and measuring the balance sheet it holds for other people.

Why do payment facilitator revenue multiples vary so much?

Because reported revenue means different things across the set. A constituent routing interchange through its own accounts reports a top line roughly three times larger than one with identical retained economics that does not. The multiple inherits that spread before any judgement about growth, which is why the gross margin range of 27% to 100% and the multiple range of 0.8x to 13.9x are the same fact twice.

Table 2. The Comparable Set on Both Bases, 20 August 2026 Close

Constituent	Layer	EV/Revenue	EV/Gross Profit
Shopify	Software	13.9x	29.1x
Adyen	Facilitation	11.1x	11.1x
Corpay	Processing	6.9x	8.6x
Global Payments	Processing	4.5x	7.1x
Repay Holdings	Facilitation	3.0x	4.1x
EVERTEC	Processing	2.9x	5.6x
dLocal	Facilitation	2.8x	8.2x
Toast	Software	2.7x	10.3x
Fiserv	Processing	2.6x	4.7x
PAR Technology	Software	2.3x	5.3x
Payoneer	Facilitation	2.0x	2.3x
Block	Software	1.9x	4.1x
Shift4 Payments	Software	1.7x	4.6x
Paysafe	Facilitation	1.5x	2.7x
Marqeta	Facilitation	1.4x	2.0x
Priority Technology	Processing	1.4x	3.5x
Lightspeed	Software	0.8x	1.8x
Visa and Mastercard, median	Networks	15.0x	15.2x

Source: Windsor Drake computation, 20 August 2026.

Adyen is the only constituent whose two multiples are identical, because it reports no cost of revenue line at all: its net revenue is already the spread it keeps. That is the cleanest disclosure in the sector and it earns the highest multiple in its layer. Corpay and Payoneer, at gross margins of 81% and 85%, show the same effect in weaker form. A gross reporter bridges to a net figure at every stage, with the burden of proof on the seller.

Where does the spread actually come from?

The merchant pays one blended rate and four parties divide it. The Reserve Bank of Australia, in its March 2026 conclusions paper on merchant card payment costs, put the average cost of acceptance for a small merchant on a single blended rate at **1.4%** of transaction value, against 0.9% on an unblended plan and 0.6% for a large merchant. The blended small-merchant plan is what a facilitator sells, and that 50 basis point gap on identical wholesale inputs is the pool this layer occupies.

Table 3. The Take Rate Ladder, Basis Points of Processed Volume

Position on the ladder	Basis points	Constituents
Charged to the merchant	190 to 356	Shopify 356, Toast 258, dLocal 226, Shift4 200, Lightspeed 190
Retained, gross profit basis	10.1 to 159	Square 159, Marqeta 10.1
Retained, company reported net	16.2 to 116	Payoneer 116, Priority 88.7 in FY2025, Adyen 16.2
Retained, revenue less network fees	102.3	Shift4, Q2 2026
Owned facilitator, published ladder	60 to 100	Against 10 to 40 for a retail ISO, build cost $0.2M to $3M

Source: Company Form 10-K, 10-Q and half-year filings; Bain & Company, Riding the New Wave of Integrated Payments.

Shopify charges 356 basis points of the volume it processes and Adyen keeps 16.2 basis points of the volume it processes, and neither figure says which business is better. What the ladder omits is distribution, which is contractual and fixed once signed. Priority Technology paid **$457.5m** of residual commissions to independent sales organisations, software vendors and agents in FY2025 against $642.1m of merchant solutions revenue, and reports a 39% gross margin as a result. A residual is a perpetual claim on a merchant the facilitator no longer serves.

What do network registration and licensing oblige?

Permission is the scarcest input in this sector. Visa Rule 5.3.1.4 requires the acquirer to contract directly with any sponsored merchant above **USD 1 million** of annual Visa volume, before processing for a new merchant or within two years for one that grows across the line. Under Rule 5.3.1.2 the acquirer carries liability for the facilitator and its sponsored merchants. Visa's Acquirer Monitoring Program places an acquirer above standard at 50 basis points and excessive at 70 basis points of combined fraud and dispute counts, and the merchant threshold fell from 220 to **150 basis points** on 1 April 2026. Underwriting quality is consumed out of a sponsor's risk budget.

The licensing perimeter moved in every major market inside twelve months. The CSBS Model Money Transmission Modernization Act, adopted in **34 states**, exempts an agent of the payee only where three conditions hold, and a facilitator failing the third is a money transmitter in every adopting state. The OCC issued consent order AA-ENF-2025-21 against Community Federal Savings Bank on 24 April 2026 over payment processing grown significantly relative to the bank's size, and an open order on a sponsor slows a process whatever the target's own standing. The FCA's supplementary safeguarding regime commenced on 7 May 2026, India's directions of 15 September 2025 require Rs 25 crore of net worth by year three, and Australia's Tranche 1 draft of 12 March 2026 makes payment facilitation a licensed service.

What happens to the spread when interchange reprices?

Visa and Mastercard each filed a Form 8-K on 10 November 2025 committing to a **10 basis point** reduction in the US combined average effective credit interchange rate held for five years, consumer credit posted rates capped at 125 basis points and posted rates frozen at 31 March 2025 levels. The consequence is a denominator effect rather than a margin effect. A gross reporter carries the reduction straight through reported revenue and its gross margin improves without one extra basis point of retained spread. A net reporter shows nothing.

Table 4. The Repricing Calendar Underneath Every Layer

Instrument or event	Date	Effect on the spread
Visa and Mastercard Forms 8-K, US settlement	10 Nov 2025	10 basis point cut to the US average effective credit interchange rate, held five years
Preliminary approval, MDL 05-md-01720, EDNY	9 Jun 2026	About 12 million merchants in the class; terms valued at about $38 billion through 2031 by court-appointed economists
Objections close, then final approval	14 Sep, 16 Nov 2026	The five-year clock runs from final approval
Regulation II standard vacated, D.N.D.	6 Aug 2025	Stayed on appeal, so the 21 cent plus 5 basis points plus 1 cent cap holds; Eighth Circuit briefing closed 23 March 2026
Reserve Bank of Australia conclusions paper	Mar 2026	Consumer credit interchange capped at 0.30% from 0.80% and debit at 8 cents from 10 on 1 October 2026; 1.00% on foreign cards from April 2027

Source: Visa and Mastercard Forms 8-K; US District Court, Eastern District of New York; Reserve Bank of Australia.

Two pressures sit alongside interchange. The network fee is the one no merchant negotiates: the Federal Reserve's biennial debit report of 19 December 2025 put average network fees at 12.9 cents per transaction on 2023 data, with acquirers and merchants paying 64.9% of all network fees against 44.3% in 2009. The second is float. McKinsey put interest on customer and merchant balances at 46% of global payments revenue in 2024, and 175 basis points of cuts landed between September 2024 and December 2025. Interest was 19.0% of Payoneer's second quarter 2026 revenue, and Fiserv discloses that a 1% fall in rates cuts annual interest income by about $36m. The Federal Reserve held at 3.50% to 3.75% on 29 July 2026.

The networks are moving the other way. Visa reported net revenue of $11.6 billion for the quarter ended 30 June 2026, up 14%, on payments volume up 10% and 71.7 billion processed transactions. Mastercard reported $9.3 billion in the same quarter, with payment network revenue up 10% and value-added services up **20%**. Growth at the top of the stack is migrating out of the transaction toll into services the layers below also sell.

Who is buying payment facilitators, and what are they paying?

Operators, not sponsors. Strategic acquirers account for **91%** of the payments cohort in the Windsor Drake Exit Index, financial sponsors 6% and sponsor-backed strategics 3%. Stripe is the most frequent acquirer in that cohort, ahead of Visa, Nuvei, Fiserv and Bill. The cohort records more transactions announced in 2026 to date than in any prior full year.

Table 5. Disclosed Terms in the 2025 and 2026 Payment Facilitation Cohort

Transaction	Terms as published	Basis published by a party
Nuvei / Payoneer Global	$7.40 per share cash, about $2.75 billion	Agreed 15 June 2026; HSR early termination 28 July 2026
Global Payments / Worldpay	$24.25 billion, Issuer Solutions divested at $13.5 billion	Closed 12 January 2026; $600m of cost synergies guided
FIS / 45% Worldpay stake	$6.6 billion	About 10.5x expected 2025 EBITDA, per FIS
Worldline / Mobility and e-Transactional Services	EUR 400 million	About 11x pro-forma 2024 adjusted operating income, per Worldline
REPAY / KUBRA	About $372m cash, March 2026	2025 revenue about $239m and adjusted EBITDA about $49m, same release
Adyen / Talon.One and Orb	EUR 750 million and $335 million	Closed 1 July 2026 from cash; Adyen's first two acquisitions
Shift4 / Global Blue, Smartpay, Givex	$2.5 billion; NZ$296.4m; C$200m	Enterprise value at announcement
Francisco Partners / Moneris	About C$2.0 billion, August 2026	Carve-out from BMO and RBC
Corpay / Alpha Group; Thoma Bravo / Olo	$2.4 billion; 65% premium	Take-private premiums have run from 22% to 65%

Source: Company announcements and SEC filings; Windsor Drake Exit Index for acquirer identity.

Buyers are naming permission as the asset. Nuvei cited Payoneer's China and India licences as a principal rationale rather than volume or technology, and Marqeta acquired TransactPay for UK and EU programme management. The market is also fast: antitrust clearance on Nuvei and Payoneer took six weeks. Olo, AvidXchange and Cantaloupe left the public market between September 2025 and May 2026, each exit removing a comparable.

What should founders do now?

A payment facilitation process runs 12 to 18 months from preparation to signed terms, so the market a founder meets is the one that exists when preparation begins. Fix the denominator first: publish a bridge from gross revenue to revenue net of interchange and network fees, separate float from transaction income, and settle the principal versus agent conclusion under ASC 606 in writing. Then clear the perimeter: confirm registration and the attestation held by every sponsoring acquirer, and identify every sponsored merchant above USD 1 million of annual Visa volume. Windsor Drake's base case for layer median EV/Gross Profit twelve months out is 5.0x in software, 3.4x in facilitation and 5.6x in processing and acquiring, and the interval before final approval of the settlement is the window in which the buyer set is widest.

Key takeaways for founders

Six conclusions determine what a payment facilitation business is worth.

1. Know which layer of the stack you sell into

Layer medians on gross profit are 5.0x in software, 3.4x in facilitation and 5.6x in processing and acquiring. The band is set before any negotiation opens.

2. Fix the denominator before a buyer fixes it for you

Network fees were 52.6% of Shift4's FY2025 gross revenue and interchange and network cost was 77.2% of Toast's financial technology revenue. A gross reporter looks cheap on revenue and expensive on gross profit.

3. Exclude merchant float from the enterprise value bridge

Payoneer held $7.7 billion of customer funds against an agreed equity value of about $2.75 billion. Settlement assets and money held for merchants are not corporate cash.

4. The USD 1 million threshold is a structural ceiling

Visa Rule 5.3.1.4 requires a direct acquirer agreement above USD 1 million of annual Visa volume, within two years for merchants that grow across it. Above the line, the acquirer already co-owns the book.

5. Permission is the asset being paid for

Nuvei cited Payoneer's China and India licences as a principal rationale for $2.75 billion. The FCA regime from 7 May 2026 and India's Rs 25 crore requirement raise the value of already being inside.

6. Float income is not returning on this timetable

Interest on customer and merchant balances was 46% of global payments revenue in 2024, and the Federal Reserve has held at 3.50% to 3.75% since December 2025.

- Federal Reserve, biennial debit interchange and network fee report
- Federal Reserve, FOMC statement, 29 July 2026
- Reserve Bank of Australia, Merchant Card Payment Costs, March 2026
- Visa Inc., Acquirer Monitoring Program fact sheet
- Visa Inc., Payment Facilitator and Marketplace Risk Guide
- Visa Inc., fiscal third quarter 2026 results
- Mastercard Incorporated, second quarter 2026 results
- US District Court, Eastern District of New York, MDL 05-md-01720
- Financial Conduct Authority, PS25/12
- Conference of State Bank Supervisors, Money Transmission Modernization Act
- Office of the Comptroller of the Currency, enforcement actions
- Boston Consulting Group, Global Payments Report 2025
- McKinsey & Company, Global Payments Report 2025
- Bain & Company, Riding the New Wave of Integrated Payments
- PwC, Global M&A trends in financial services
- KPMG International, Pulse of Fintech
- CB Insights, State of Fintech Q2 2026
- Reserve Bank of India, Payment Aggregator Directions, 2025
- US Securities and Exchange Commission, EDGAR

Methodology Note

Framework: The Spread Stack. A card payment is sold four times before it settles. The network sets the rules, the processor and acquirer carry the bank rails, the facilitator carries the registration and the merchant risk, and the software platform owns the merchant contract. Constituents are assigned to the layer whose economics they run rather than the label they market under.

Basis of every multiple. All multiples are Windsor Drake's own computation from primary market data, not licensed from a vendor. Enterprise value equals market capitalisation plus total borrowings less cash and short-term investments, using closing prices of 20 August 2026 and balance sheet and trailing twelve month figures from each constituent's most recently filed period.

The float exclusion. Cash held on behalf of merchants and customers, settlement assets and restricted cash are excluded throughout. Those balances belong to other parties and move with a single day's volume, so netting them against debt credits a payments business with money it does not own. Excluding them is the difference between measuring the business and measuring the balance sheet it holds for other people.

The comparable set. Seventeen listed constituents in three layers, with the two card networks shown alongside them. Software: Shopify, Toast, Block, Shift4, PAR Technology, Lightspeed. Facilitation: Adyen, dLocal, Repay, Payoneer, Paysafe, Marqeta. Processing and acquiring: Corpay, Global Payments, EVERTEC, Fiserv, Priority. Networks: Visa, Mastercard.

Transactions and attribution. Every transaction multiple quoted was published by a party to that transaction and is attributed to it. The Windsor Drake Exit Index, holding 511 fintech records of which 140 sit in the payments cohort, supplies acquirer identity and buyer type. Every figure carries a named institution and a date.