



Embedded Finance in B2B & Office of CFO SaaS

UBS x Flagship Event

Anupam Majumdar, Partner at Flagship Advisory Partners

July 1, 2025



Anupam Majumdar

Partner at Flagship Advisory Partners

- 18+ years in payments and fintech
- Led 100+ growth strategy engagements & 30+ buy- and sell-side M&A deals



Flagship Advisory Partners is a boutique strategy and M&A advisory firm focused on payments and fintech. We serve clients globally from our offices in the US, UK & Europe. Clients benefit from our deep industry expertise, global perspective, unique IP, and lean consulting approach.

- Market Analysis
- Strategy Development
- Expert Consulting
- M&A Advisory

100+

projects per
year

55+

unique clients
per year

c. 30

fintech M&A
assessments per
year

c. 50

professionals

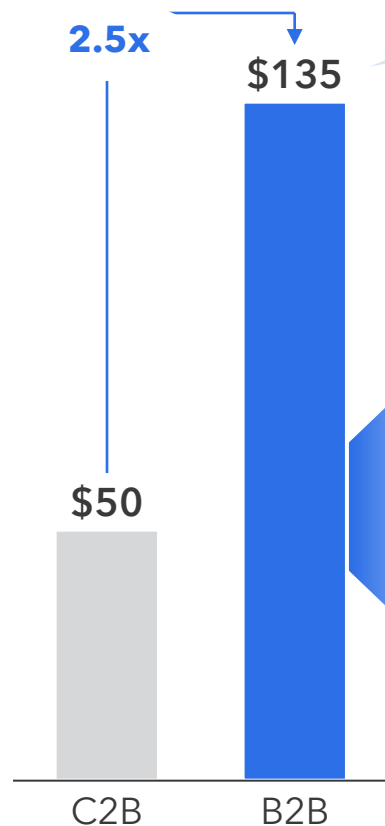


The Biggest Untapped Fintech Opportunity? B2B Payments

Massive market size: B2B Payments are 2.5x larger than C2B

Global C2B & B2B Volume

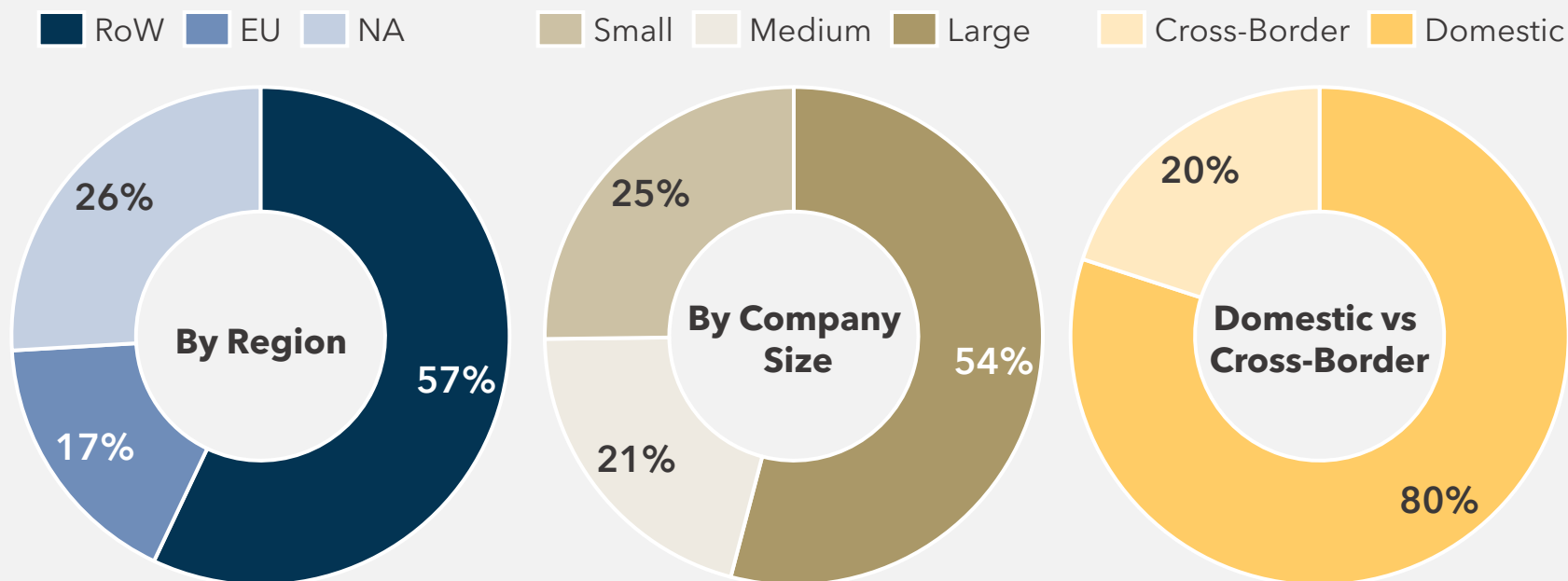
(2023; est. in USD Tril.)



A \$135 trillion market, and fintechs are just starting to disrupt it.

Global B2B Payments Volume

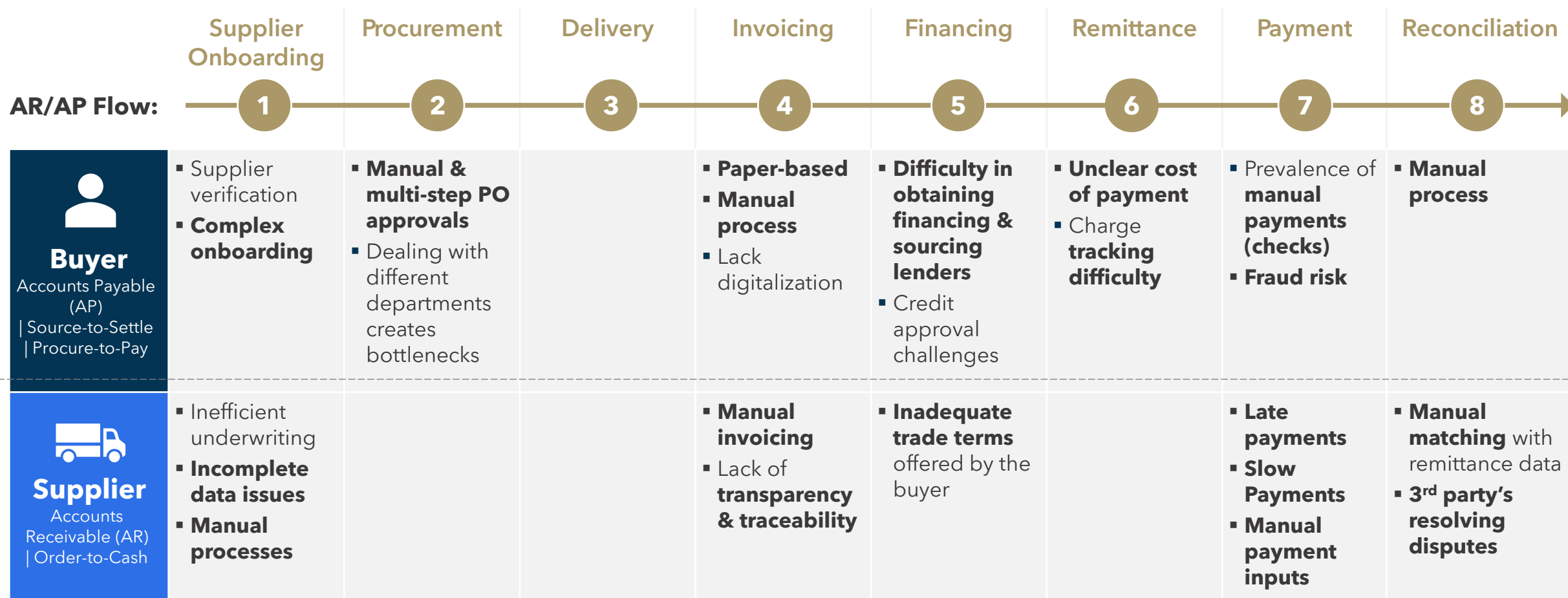
(2023; % of total)



B2B: Complex Workflows between Buyers and Suppliers

Businesses still face many (too many) pain points with B2B commerce

B2B Buyer/Supplier Transaction Flow & Pain Points

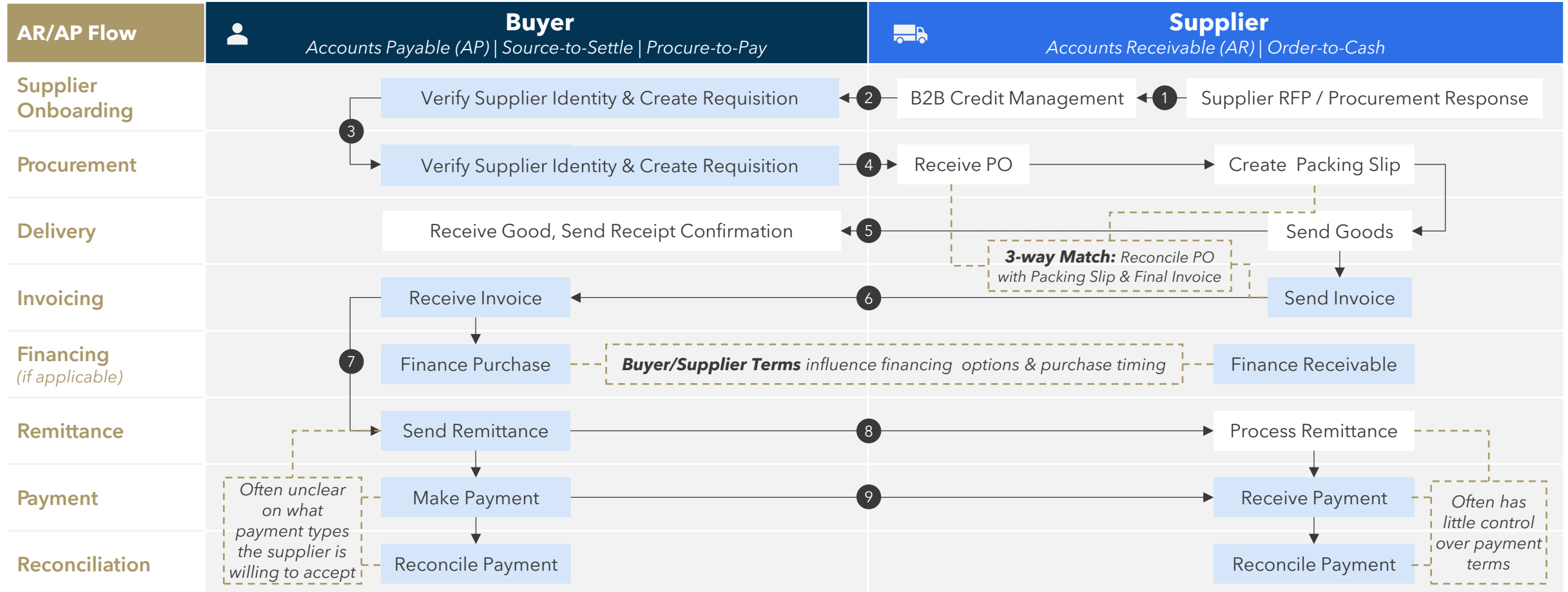


B2B: Unlocking Efficiencies through Automation, Digitization & Embedded Fintech

Value creation in B2B embedded finance is powered by automation and integrating of the naturally complex B2B commerce flows.

Embedded Use Case Opportunities

Buyer/Supplier Transaction Flow (non-exhaustive)

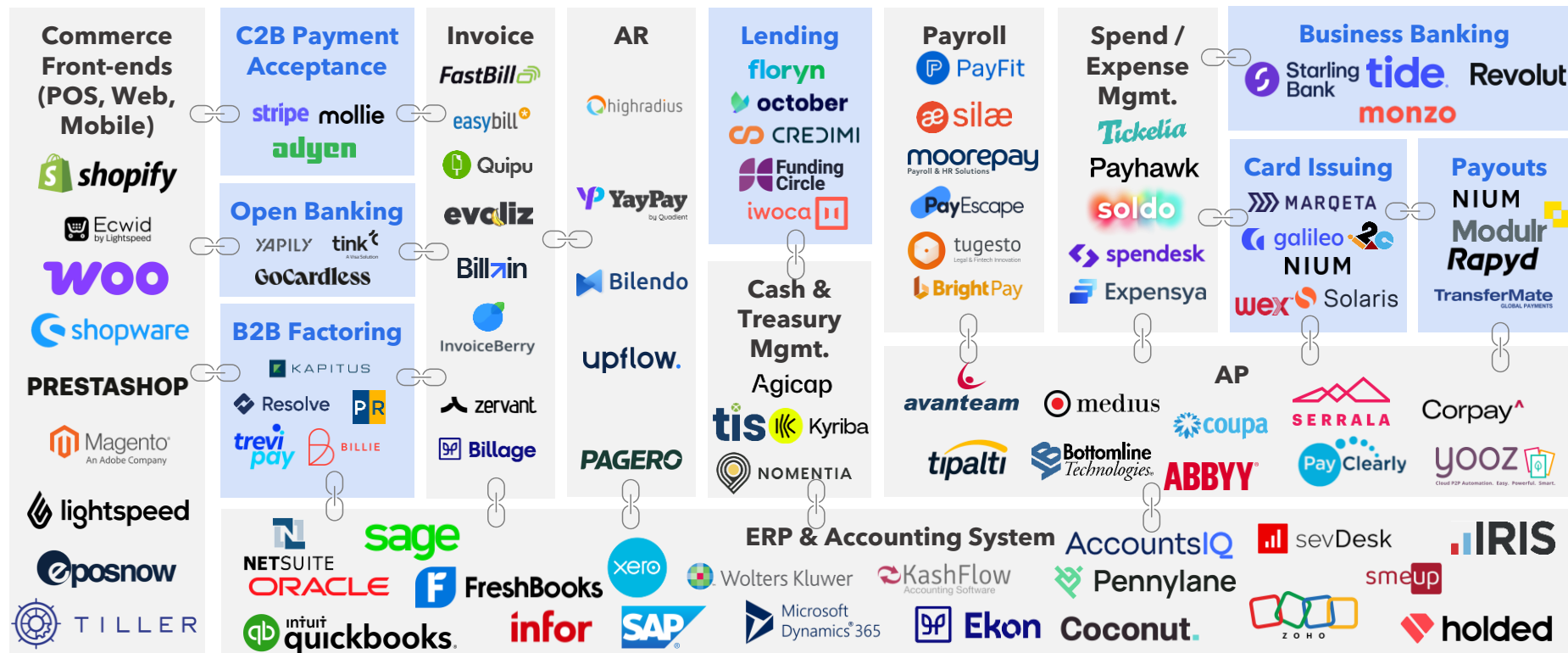


Convergence across SaaS & Fintech across CFO Office stack

B2B CFO workflow automation SaaS continue to demonstrate strong linkages with payments and fintech, and see embedded fintech as strong monetization growth levers.

B2B SME CFO Office Software & Fintech Landscape

Non-exhaustive



LEGEND

= Fintech capability
 = Software only
 = Key service linkages

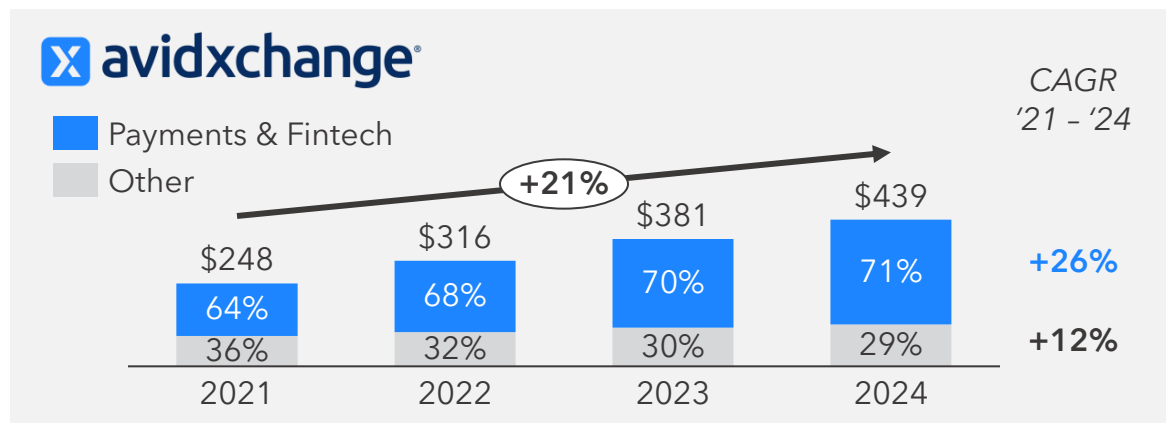
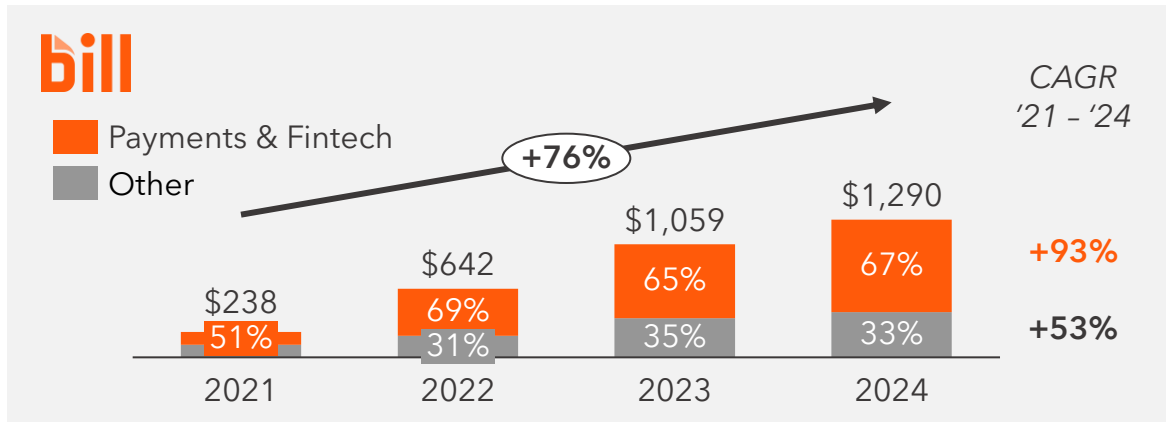


US B2B Fintech & SaaS - Tremendous Market Success

The US offers several successful examples of mature embedded finance plays with B2B SaaS.

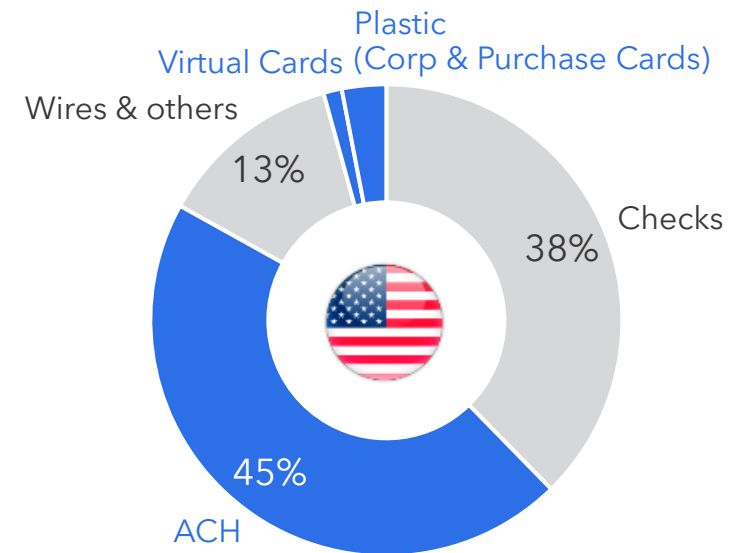
Revenue Growth of Select B2B Fintechs

(Gross revenue in USD mil. eqv.)



North America B2B Payment Method Mix

(2023 % of Volume)



Growing	Declining
<ul style="list-style-type: none">Real time paymentsCards	<ul style="list-style-type: none">ChecksWire transfers



European B2B Fintech & SaaS - Early days but fast developing

Europe's fragmented market is dominated by bank transfers with lower embedded finance maturity, but adoption is accelerating, following the US.

Europe Structural Market Challenges:



Market Fragmentation & Structure

Europe's variety in languages, tax systems, accounting rules, and payment habits creates a fragmented market, mostly served by many small, local companies. This makes localization important and scaling up difficult.



Bank Transfers with Limited Monetization

Bank-based A2A payments are common and low-cost, so they lead in B2B payments—but they don't generate as much revenue as cards.

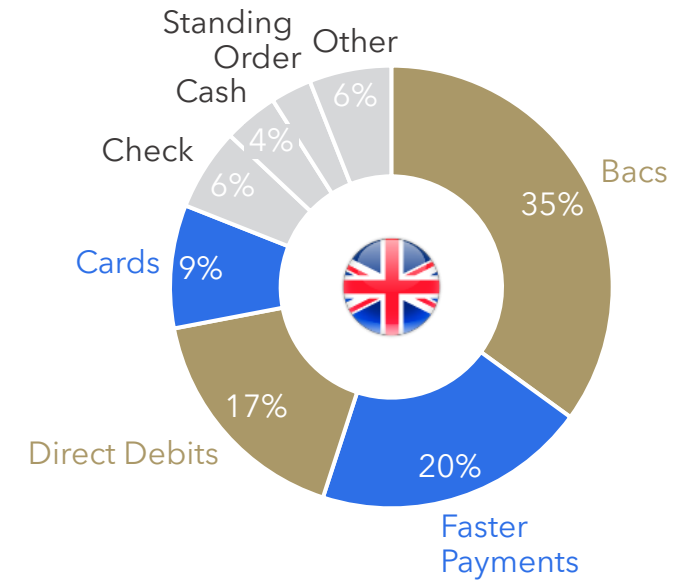
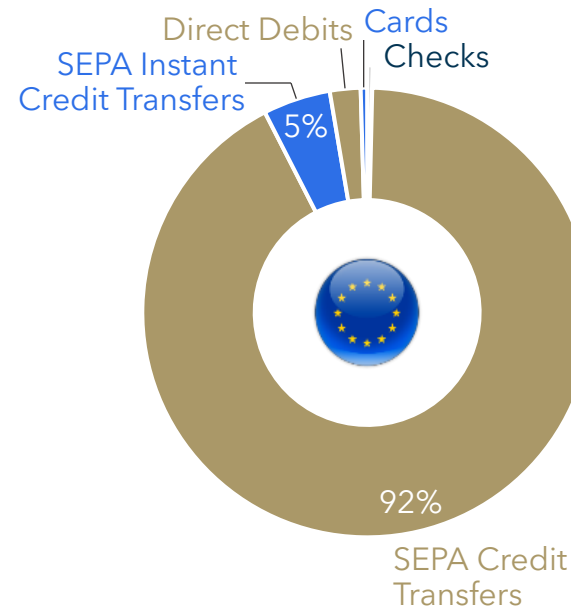


Regulatory & Compliance Burden

Different rules on finance, e-invoicing, and reporting, along with GDPR and local data laws, make product deployment more complex and legally demanding, though the EU's 'VAT in the Digital Age' (ViDA) initiative is helping drive standardization.

Europe B2B Payment Method Mix

(2023 % of Volume)



Growing

- Bank instant credit transfer
- Commercial / Virtual cards

= Stable

- Direct debit
- Bank credit transfer



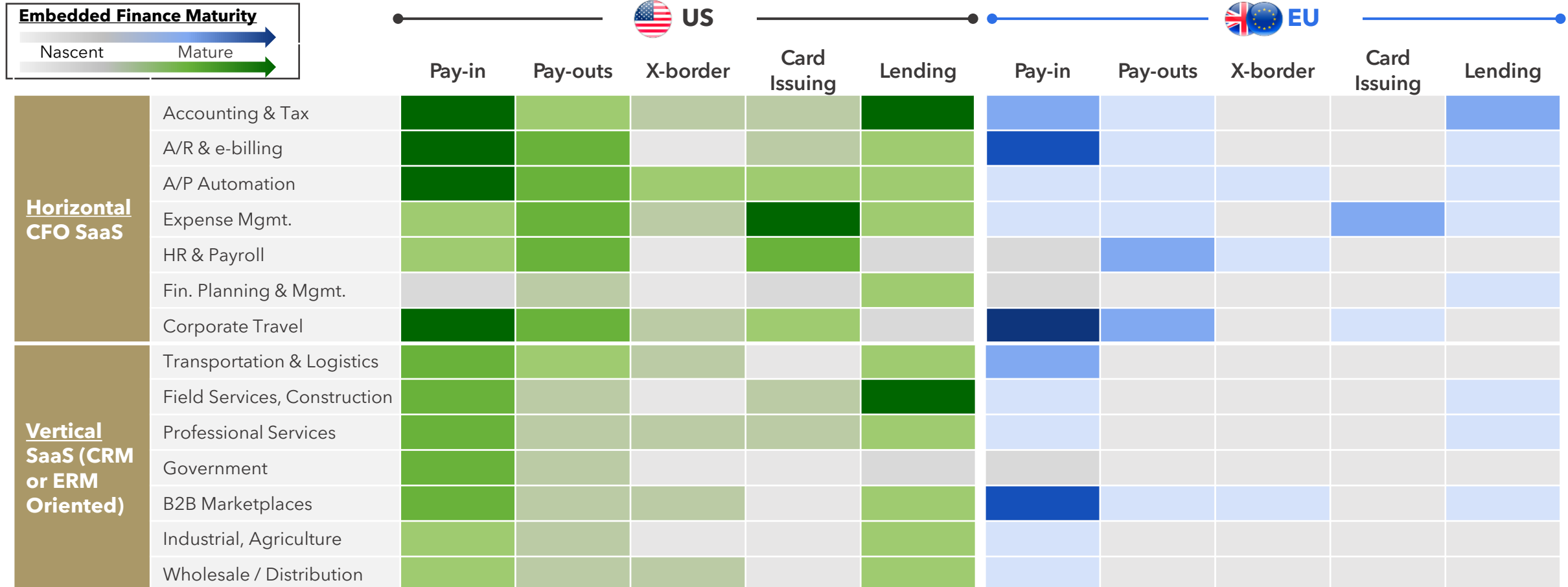
Declining

- Checks

B2B Embedded Finance Opportunity: Contrasting US and Europe

The embedded finance maturity for B2B SaaS varies by region and functional orientation, yet overall, more mature in the US.


















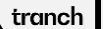








SaaS Embedded Finance Maturity by Horizontal / Vertical (select, illustrative)



Europe: Strong Funding and M&A

Funding and M&A activity have been strong across European office of CFO segments.

Select Office of CFO Segments: Europe

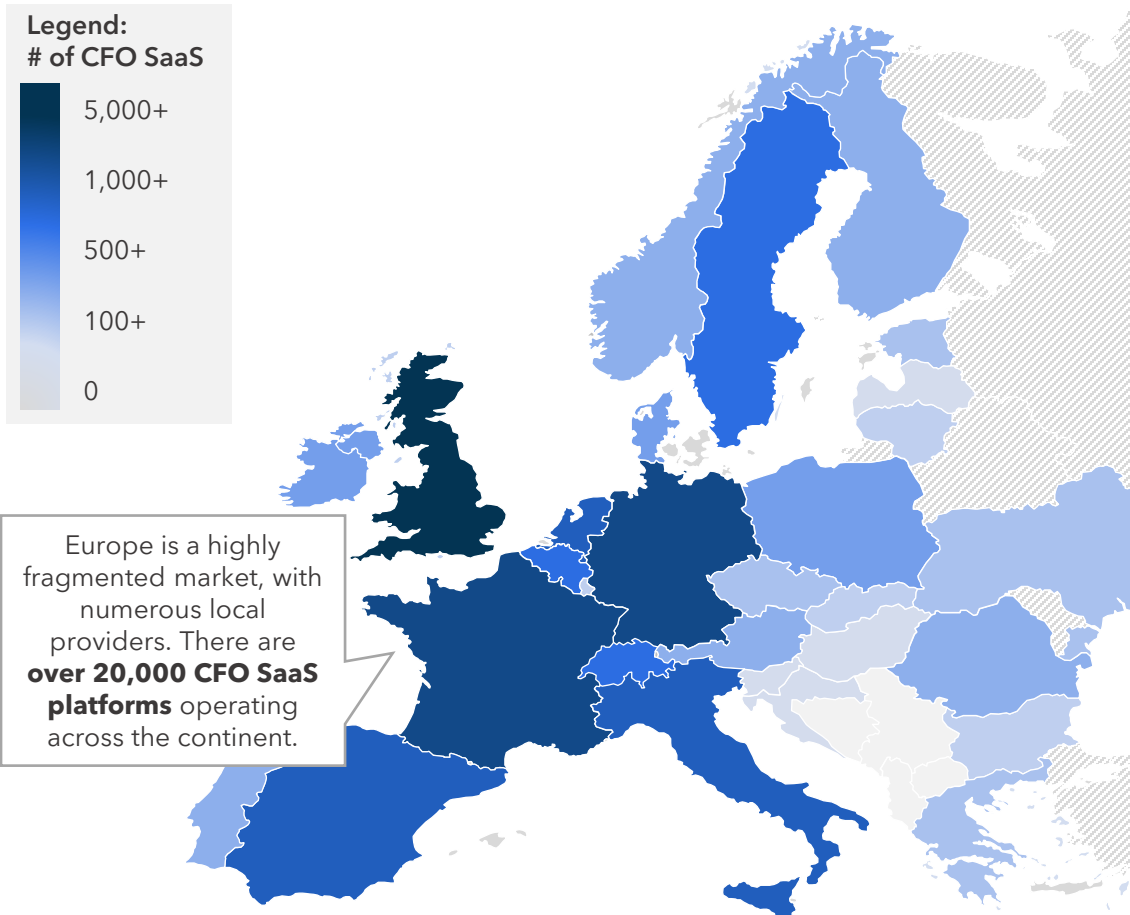
Segment	Examples	M&A Activity ('23-'25)	M&A Outlook
Accounting Platforms / ERPs	<i>indy</i>  VISMA  AccountsIQ  pennylane  accoun+or	 HIGH	
A/P Automation, Spend Management	 medius  Mynt  ESKER  Expensya  TravelPerk	 HIGH	
A/R, E-invoicing	 highradius  PAGERO  evaliz  monite  tranch	 MEDIUM	
TMS / Treasury / Cash Management	 AGICAP  kyriba  tis  SeeDCash	 LOW	



Europe: Market Consolidation across Office of CFO SaaS

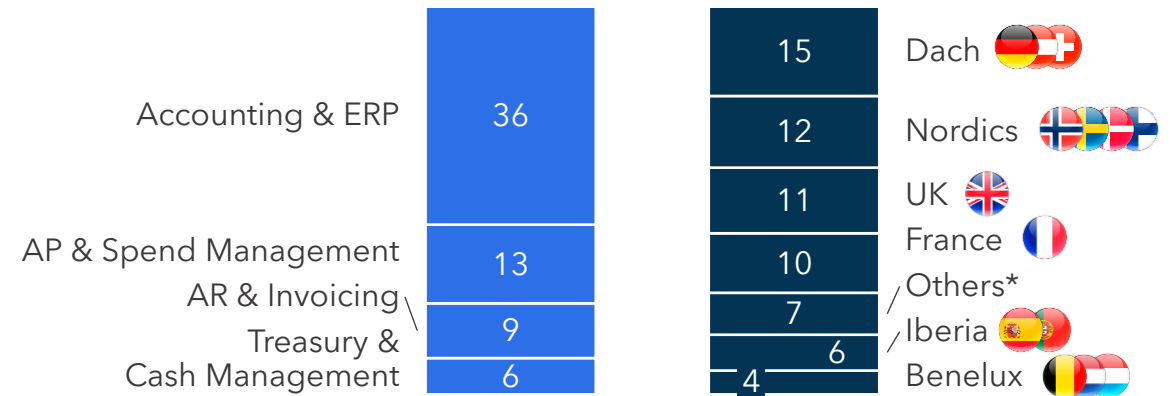
Market consolidation continues at pace across the European Office of CFO Stack. E.g., Visma has been a case study of several acquisitions to consolidate its positioning.

Est. Number of CFO Software Companies in Europe



M&A Deals in Europe

(# of deals, 2023 - 2025)



M&A Case Study: VISMA

	2023	2024	2025
Market Consolidation	XUBIO Acos payday	PENN30 meebook	
Geographic Expansion	Buchhaltungstutler Quaderno LAUDUS HH silverfin	CHAINTRUST TELEDEC invoiceexpress tugesto Rex+ mojeRačun Fiscozen tycomparia	FINMATICS Accountable LINK MY BOOKS
Product Expansion	iVISION Law Software	NOVEMBER FIRST Fintech	your next concepts Education evaliz E-invoicing



New regulatory mandates likely to lead to increased workflow automation and amplify the need for embedded finance with B2B SaaS.

(as per April 2025 public research)



Mandatory Now

In Progress

Planning & First Steps

No Plans

Enforced by Business Size

 Small Mid-to-Enterprise

(select highlights)



Digital Reporting Requirements (DRR)

Platform Economy

2025

Introduce
**mandatory e-
invoicing** for
domestic B2B and
B2C transactions

July 1
2030

- E-invoices will be the **default system** for the issuance of invoices
- E-invoicing **mandatory for intra-EU** B2B transactions
- National e-invoicing systems will be harmonized with EU standards (ex. prior to 2024)

Jan 1
2035

Harmonization of domestic e-invoicing systems
implemented before 2024 with EU standards.

Note: *Proposed mandate date still pending confirmation; ¹>€8 mil. ²<€8 mil.; ³All companies must be capable of receiving electronic invoices; ⁴Applies only to electricity and natural gas sectors; ⁵Mandatory for high fiscal risk products (fruit and vegetables, alcohol, etc); ⁶Medium and Large Enterprises Using Certified Systems
Source: Flagship Advisory Partners, Marosa VAT, Billtrust E-Invoicing Report 2024 company website

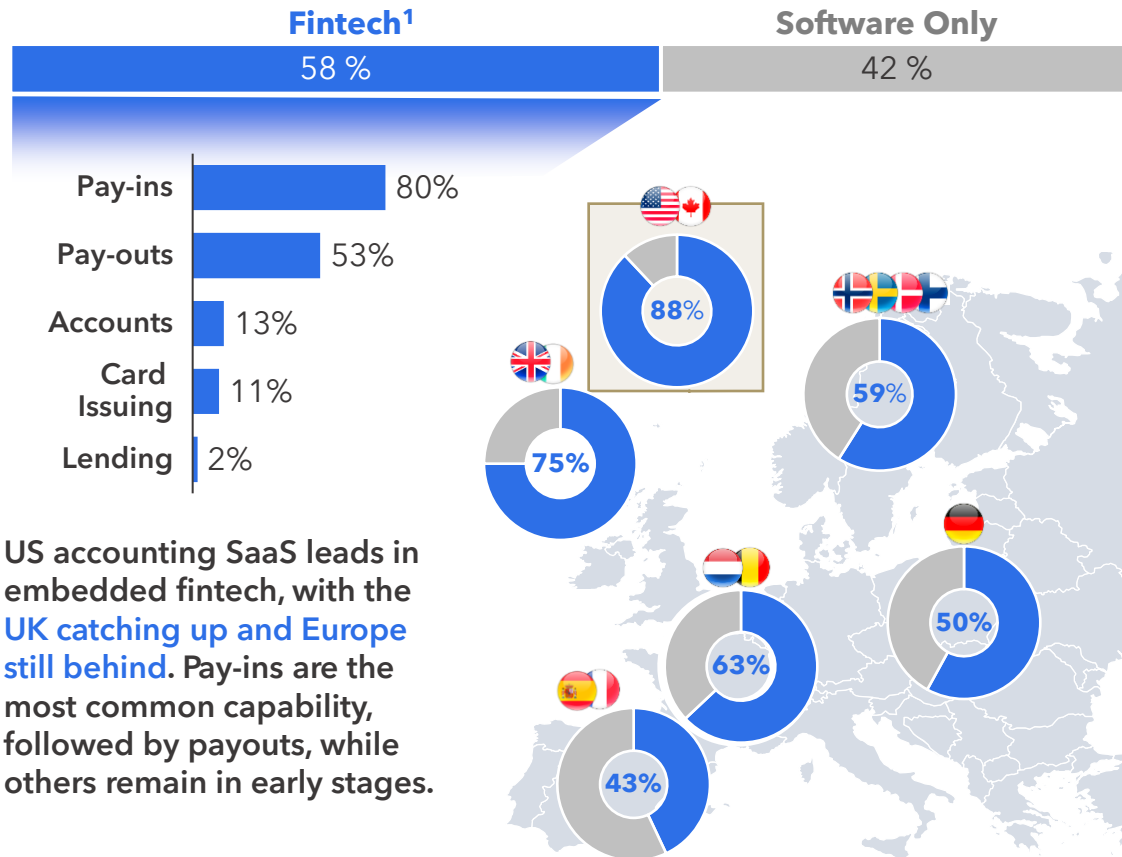
Europe: Convergence of B2B SaaS & Fintech

Acceleration of embedded financial services (fintech) with SaaS workflows – evident and accelerating across select Office of CFO SaaS.



EU SMB Accounting SaaS

(% software offering fintech products; by geo²)



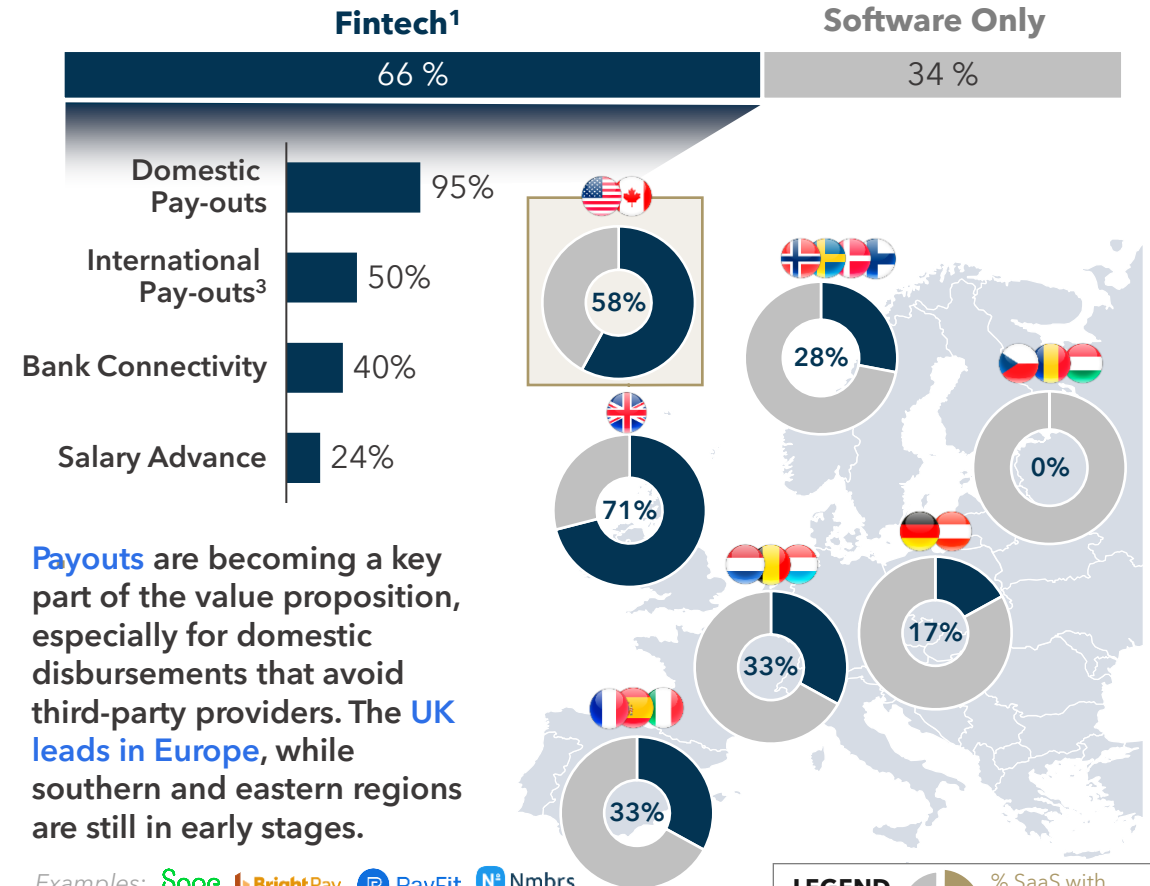
US accounting SaaS leads in embedded fintech, with the **UK catching up and Europe still behind**. Pay-ins are the most common capability, followed by payouts, while others remain in early stages.

Examples:



Payroll Platforms with Embedded Fintech

(% software offering fintech products; by geo²)



Payouts are becoming a key part of the value proposition, especially for domestic disbursements that avoid third-party providers. The **UK leads in Europe**, while southern and eastern regions are still in early stages.

Examples:



Note: ¹~100 providers for each, accounting and payroll across EU markets; fintech as marketed on website; ²Top SaaS providers by geo based on headquarters (non-exhaustive); ³based on marketing embedded payouts (may be via a provider) and connectivity to local/international payment schemes
Sources: Flagship Advisory Partners market analysis and observations



Europe: Convergence of B2B SaaS & Fintech

Recent M&A demonstrates the ongoing convergence between CFO software and B2B fintech services (payments, lending, FX, other).

Themes Evidenced by B2B Software + Fintech M&A

Convergence of AP Automation and B2B payments

ThomaBravo invested in Coupa and Bottomline to create a global integrated B2B automation



Virtual cards + x-border payments

Nium, a global B2B payments platform, acquired Ixaris, a provider of virtual cards for travel businesses



AP automation + expense management

Medius, provider of AP automation, acquired Expensya, an expense management platform



ERP + working capital & factoring (lending)

SAP acquired Taulia (B2B Lending fintech) to expand ERP offering into working capital solutions



AP automation + B2B payments

Modulr acquired Nook, an AP automation fintech.



Corpay acquires a 33% stake in AvidXchange.

Treasury SW + FX services

Alpha Group, an FX specialist acquired Cobase, a treasury and cash management platform



Europe: Unlock New Fintech Revenue Pools

Payments Acceptance is just the beginning; over time successful platforms expand into embedded finance new use cases and products beyond payments.


































Expansion Beyond Payments into Embedded Finance (non-exhaustive)

Start: Embedded Payments Acceptance or Initiation

As software platforms prove out their core embedded payments offering, they seek to expand their share of wallet by serving new payment use cases and cross-selling additional financial services

Evolve: Identify opportunities to expand into embedded finance beyond payments

As software platforms establish their position in embedded payments, they seek to drive further revenue growth by embedding adjacent financial products such as lending, expense management, and working capital solutions.

	Product	Provider Example
Payouts	Domestic Payroll & Payouts	  GoCardless  AccessPay  TRUELAYER
	Cross-border Payouts	Corpay [^]  Airwallex  7Wise  Currencycloud  Visa Solution
Cards & Banking	Card Issuing	 MARQETA  erface  thredd  Wallester
	Banking/Virtual Accts.	weavr  railsr  Modulr SWAN  treezor
	Expense Mgmt.	 SPENDESK P4EO Payhawk  soldo
Lending	MCA	 Liberis  YOU LEND uncapped  october
	B2B BNPL & Invoice Factoring	HOKODO mondu KRIYA  factris  BILLIE two.
	Supply Chain / Trade Finance	traxpay Tradeshift  PR PrimeRevenue  c2fo
	SMB Term Lending	 Capital Box  Funding Circle  iwoca  UBS JPMORGAN CHASE & CO.  Deutsche Bank
	Asset Financing	 UBS JPMORGAN CHASE & CO.  Deutsche Bank ING  BANK  BARCLAYS



Embedded B2B Fintech: Disruption is Only at the Beginning

Everyone can have a share of the pie!

Embedded B2B Fintech: Opportunities across each Key Stakeholder

FOR SCHEMES	FOR MERCHANT PSPS / ISSUERS	FOR B2B SaaS	FOR FINTECHS	FOR BANKS
<ul style="list-style-type: none">▪ Be a 'preferred network' to embedded finance	<ul style="list-style-type: none">▪ Embedded finance (payments, lending, etc)	<ul style="list-style-type: none">▪ Define a strategy for fintech monetization	<ul style="list-style-type: none">▪ API-first approach	<ul style="list-style-type: none">▪ Real-time payments (SEPA Instant, FedNow)
<ul style="list-style-type: none">▪ Commercial card growth - virtual cards + Level 3 data	<ul style="list-style-type: none">▪ A2A & Open Banking	<ul style="list-style-type: none">▪ Enhanced Embedded Finance Use Cases (beyond payments)	<ul style="list-style-type: none">▪ B2B BNPL, trade finance / lending	<ul style="list-style-type: none">▪ API-first approach
<ul style="list-style-type: none">▪ B2B payments rails expansion - A2A and open banking?	<ul style="list-style-type: none">▪ Commercial and virtual cards	<ul style="list-style-type: none">▪ Customer Education & Advocacy	<ul style="list-style-type: none">▪ Stablecoins / decentralized finance	<ul style="list-style-type: none">▪ Corporate treasury solutions (cash mgt., etc)
<ul style="list-style-type: none">▪ Cross-border rails & network	<ul style="list-style-type: none">▪ Supplier enablement	<ul style="list-style-type: none">▪ AI-Powered AP/AR Automation	<ul style="list-style-type: none">▪ Cross-border and FX optimization	<ul style="list-style-type: none">▪ Trade Finance / lending as a service



Thank you

Please reach out anytime to discuss embedded finance in B2B – or other topics related to your payments and embedded finance initiatives.



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