

***A premium buyer recognizes not only the financial, but also the strategic merits of a transaction***

***Premium buyers look beyond the intrinsic value of a business and focus on the pro forma financial and strategic benefits***

***Premium buyers are typically from an outside industry and include large domestic and international publicly traded corporations***

***Premium buyers often have the acquisition currency that enables them to pay premium prices***

### Defining a “Premium Buyer”

- There are two types of buyers, i) economic buyers that are primarily interested in generating financial returns through the purchase of businesses, and ii) premium buyers that recognize the strategic and financial merits of a transaction, and thus will be inclined to offer premium value.
- Premium buyers actively seek to acquire businesses, irrespective of size, that i) will enhance their existing operations, ii) add to or enhance their product portfolio, iii) allow them to enter new geographic or demographic markets, iv) expand their customer base and market share and/or v) diversify risk.
- When assessing the purchase of a business, premium buyers look beyond intrinsic economic value, and focus on the future strategic and financial benefits. The potential to accelerate strategic and financial goals is the driving factor motivating buyers to pay premium prices.

### Who are premium buyers?

- Premium buyers typically include large domestic and international publicly traded corporations that seek companies which allow for accelerated entry into new markets, diversification of products or complementary organic revenue growth.
- Premium buyers are typically from an outside industry.
- With pressure from Wall Street to consistently and predictably grow earnings, premium buyers continuously seek acquisitions which will enhance their growth profile.

### Why can premium buyers pay more?

- Many large premium buyers are public companies with stock that trades at a multiple to earnings. Earnings that are “acquired” in a transaction immediately create value at a multiple of such earnings. For example, if the stock of a buyer is trading at 15 times price to earnings (P/E) and the buyer acquires a company with \$1 million in earnings, the transaction has generated \$15 million of value to the buyer.

### GW Equity's representatives have decades of collective experience in selling businesses at premium valuations

- With decades of collective experience, GW Equity's representatives have continue to maintain an extensive network of premium buyers in order to achieve maximum value for your business.