

# Proven Approach to Valuation & Go-To-Market Services



*Leverage a proven method to identify, qualify, and engage prospective buyers and sellers for payments deals.*

*An independent sales organization (ISO) processing hundreds of millions of dollars annually engaged TSG to prepare a value estimate of their merchant processing assets with the goal of identifying strategic go-forward options. Assessing the valuation of the ISO provided actionable insights into their market position among peer competitors and opened the door to several strategic opportunities that allowed for additional growth and long-term profitability.*

## Objectives

- Gain an understanding of the target's historical performance
- Model future cash flow generation potential
- Assess the marketability of the target
- Consider potential buyer interests
- Establish a fair market value of the target
- Identify the key characteristics (both positive and negative) that could affect the value of the company

## Value Methodology



*Determined the value of the base portfolio and its sales engine component, separately*



*Identified the value by using our proprietary model and industry expertise*



*Defined the value at the merchant level to accurately identify the drivers of the portfolio*



*Provided analysis and recommendations on improving the value of the overall business for enhanced strategic options*



**TSG has performed more valuations of payments companies than any other firm, completing more than 250 value exercises in the last decade.**

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*TSG's valuation of the ISO revealed key business drivers, leading to strategic options and a sell-side engagement to market and position it to potential buyers.*

## Go-To-Market

Using the Valuation information, we created marketing materials that best highlighted and illustrated the assets, strengths, and future performance of the enterprise.

Carefully curated a prospect list of proven buyers – that had the funds, deal experience, and bandwidth to close a deal.

Facilitated a fair and competitive bid environment with buyers to allow for an optimal deal.

## Valuation & Assessment Component Options

- Third-party Agreement Review and Business Components Assessment
- Technology Infrastructure and Data Security Review
- Sales Channel Review (W-2, Agent, ISO, Integrated, Referral, etc.)
- Reqs. to Reach Scale in a Growth Modeling Evaluation
- Financial Valuation
- Value Estimate and “What if’s”
- Portfolio Benchmark Analytics
- Operational and Risk Assessment
- Technology and Product Offerings Evaluation



## Outcome

*TSG guided the client through the process to ensure all strategic options and objectives were covered. The result was a successful transaction with a purchase price that exceeded both the appraised value and client's expectations.*



# About TSG



**TSG** is a fast-growing analytics and consulting firm. The company serves the entire payments ecosystem, from fintech startups to Fortune 500 companies. The firm provides its clients with advisory services, research and analytics to help them plan and execute their strategic initiatives. Based in Omaha, a recognized payments industry hub, TSG is an established leader in this high-growth, ever-evolving space.



Contact Us



**20+**

YEARS AVERAGE ASSOCIATE EXPERIENCE IN THE PAYMENTS INDUSTRY



**1000+**

CLIENTS ADVISED, INCLUDING MANY IN THE FORTUNE 500

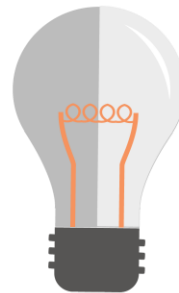
**~4M**

CARD-ACCEPTING MERCHANTS IN TSG'S AIM ANALYTICS PLATFORM, DRIVING MILLIONS OF DOLLARS IN ROI FOR ITS USERS



**250+**

COMPLETED PAYMENTS COMPANY EVALUATIONS; AS WELL AS ~30 BUY/SELL/INVESTMENT ADVERTISEMENTS



**40+**

OF THE TOP 50 MERCHANT ACQUIRERS SERVED, INCLUDING 9 OF THE TOP 10



**400+**

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