

HOW DOES PRIVATE EQUITY WORK?

Private equity (PE) firms buy unlisted companies with the aim to increase their value. After a few years they will sell them, creating a profit for investors.



HOW DO INVESTORS GENERATE VALUE?

TRANSFORMING

- 1 Operational efficiency improvement
- 2 Guide on succession in family businesses
- 3 Institutionalise processes

GROWING

- 1 Acquisitions
- 2 Increase scale
- 3 New products and services
- 4 Geographic expansion



WHAT ARE THE KEY TYPES OF STRATEGIES?

Buyout

A change in the ownership of an established company

Turnaround

Investing in companies that have run into operating difficulties

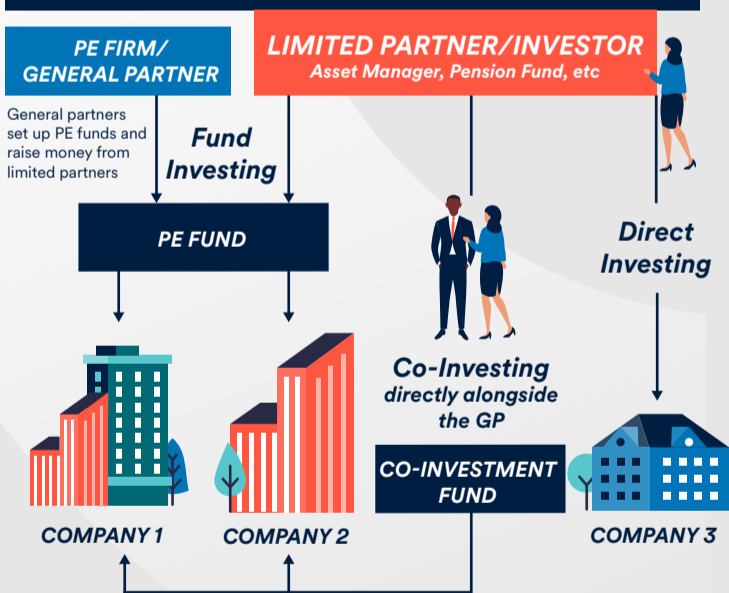
Venture

Funding start-up or early stage companies that are at the beginning of their journey

Growth

Investing in established companies that require high levels of capital

HOW TO INVEST IN PRIVATE EQUITY?



WHY IS IT EASIER TO ACCESS TODAY?



Individual investors now have more options to invest in private equity with the help of skilled specialists.

Introduction of new fund structures (e.g. ELTIF/LTAF)

Lower minimum thresholds

Regulated framework

Technology developments (e.g. new platforms, automated client registration, digital reporting)

Source: Schroders, December 2022.

Capital at risk.

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