



David vs. Goliath in Private Equity

Lundi, 12/23/2024

The battle for returns: Lower Mid-Market vs. large-cap

In the timeless story of David versus Goliath, a humble unlikely hero overcomes a towering, formidable opponent, proving that skill, agility, and strategic precision can rival size and strength.

This archetypal story of strategy overpowering size finds a modern parallel in the world of Private Equity, where small transactions - akin to David - stand in contrast to the large-cap giants that dominate the field. While large-cap transactions often boast immense capital and resources, Lower Mid-Market deals bring agility, niche expertise, and often more hands-on operational approaches to drive growth and value.

This rivalry highlights two distinct approaches within Private Equity: the nimble, focused strategies of small & mid-cap deals versus the expansive, resource-rich capabilities of large-cap transactions.

In this paper, we will discuss the potential for outperformance in the Lower Mid-Market segment and explore the related avenues for buyout investors.

Disclaimer

This marketing document has been issued by Bank Syz Ltd. It is not intended for distribution to, publication, provision or use by individuals or legal entities that are citizens of or reside in a state, country or jurisdiction in which applicable laws and regulations prohibit its distribution, publication, provision or use. It is not directed to any person or entity to whom it would be illegal to send such marketing material. This document is intended for informational purposes only and should not be construed as an offer, solicitation or recommendation for the subscription, purchase, sale or safekeeping of any security or financial instrument or for the engagement in any other transaction, as the provision of any investment advice or service, or as a contractual document. Nothing in this document constitutes an investment, legal, tax or accounting advice or a representation that any investment or strategy is suitable or appropriate for an investor's particular and individual circumstances, nor does it constitute a personalized investment advice for any investor. This document reflects the information, opinions and comments of Bank Syz Ltd. as of the date of its publication, which are subject to change without notice. The opinions and comments of the authors in this document reflect their current views and may not coincide with those of other Syz Group entities or third parties, which may have reached different conclusions. The market valuations, terms and calculations contained herein are estimates only. The information provided comes from sources deemed reliable, but Bank Syz Ltd. does not guarantee its completeness, accuracy, reliability and actuality. Past performance gives no indication of nor guarantees current or future results. Bank Syz Ltd. accepts no liability for any loss arising from the use of this document. (13)