

PUBLICLY LISTED
EQUITY

PRIVATE
EQUITY

NO. of FIRMS

MARKET VALUE

FIRMS MUST MEET & MAINTAIN LISTING REQUIREMENTS

typically:

- market capitalisation level
- sales / profits
- no. of shareholders
- financial & non-financial disclosure
- audited financial statements

PUBLIC COMPANIES

PRIVATE COMPANIES

Accessibility by individual investors

OWNERSHIP & CONTROL
concentration

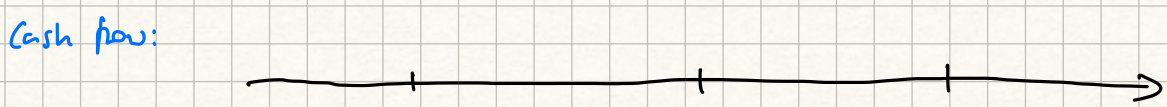
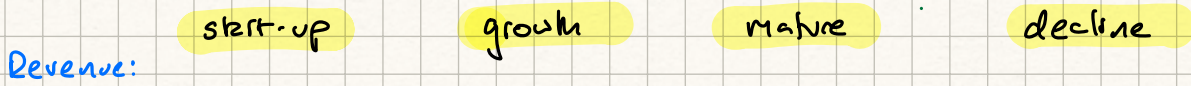
OWNER/MANAGER

Disclosures

Share liquidity

Company size

life cycle stage



Start-ups: typically for IPO
 VENTURE CAPITAL (VC) funding provided by:

→ OWNERSHIP / CONTROL CONCENTRATION:

Growth companies: may think about

← capital for expansion provided by

Major companies: Buyout transactions performed by PRIVATE EQUITY

→ LBO - leveraged buyout
→ MBO - Mgmt buyout } after all shares have been purchased

Objectives:

① Buy an

business

②

③

Companies in decline → suffering financial distress

Special case: PIPE

listed company requires quick injection of equity capital

→ provided by private investor

Rationale:

(not without controversy - may require approval of existing shareholders)