

Private Equity in 2025: Balancing Opportunities and Uncertainties

SPEAKERS



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AGENDA



PE Investment Landscape

- PE Landscape 2024
- Outlook for 2025



PE Ecosystem – Needs and Solutions

- What PEs need
- How Benori can help
- Benori Dedicated Teams



Q&A

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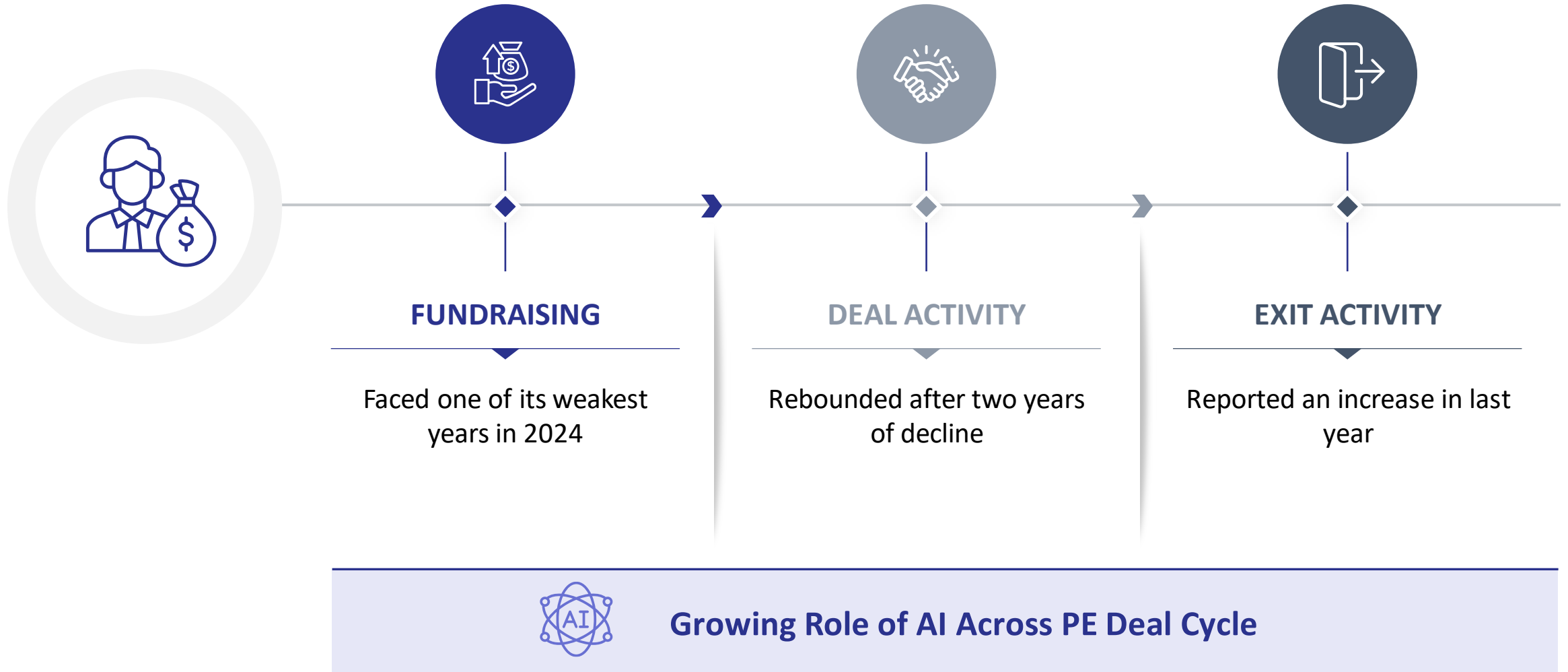
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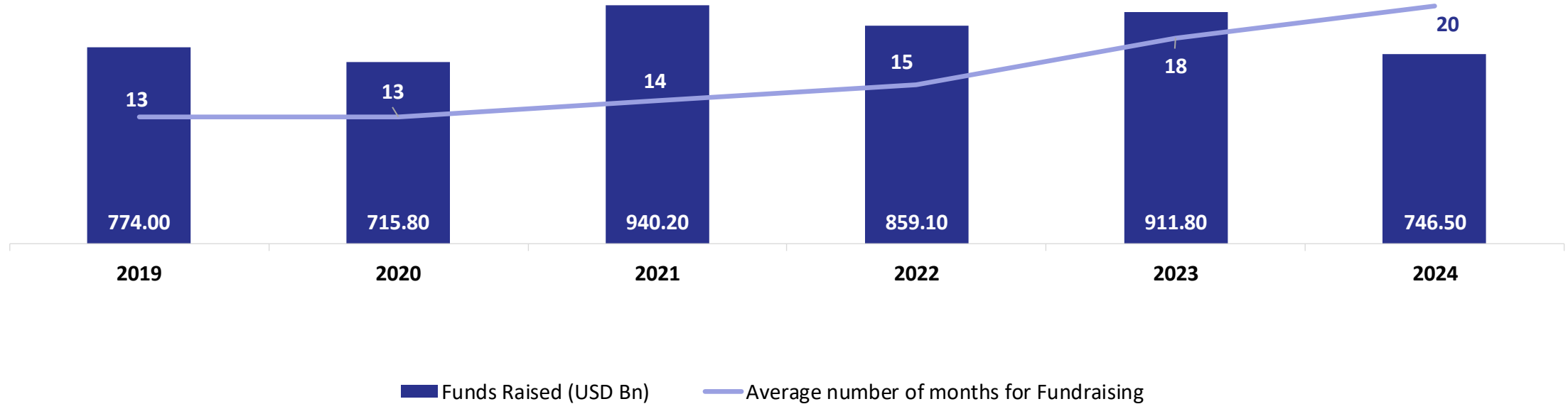
Q&A

PE overview: from fundraising to exit



2024 saw the weakest fundraising since COVID-19 pandemic

Global PE Funds Raised (In USD Bn)



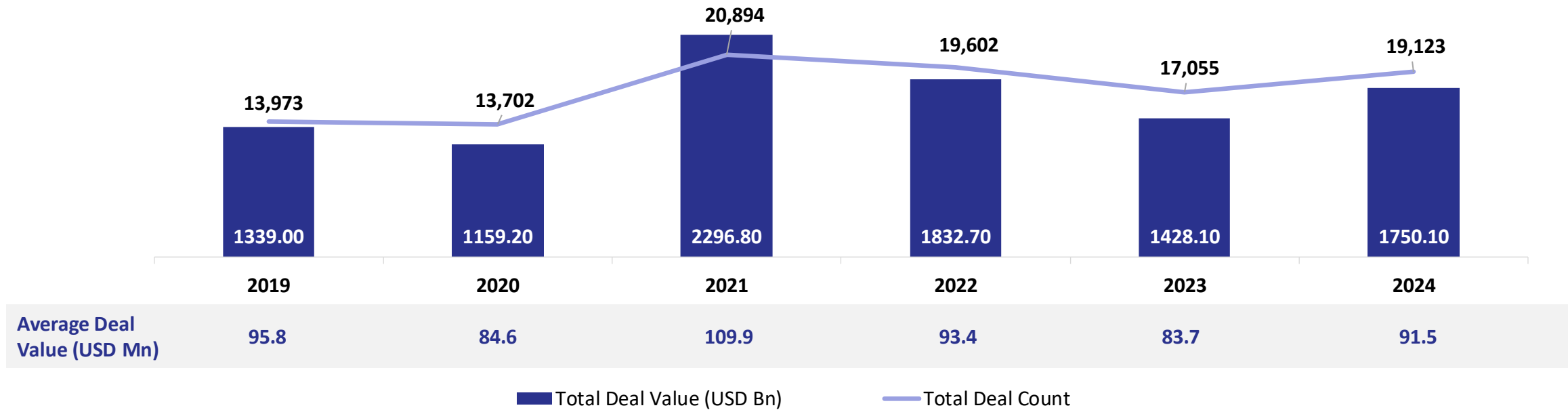
Record dry powder: Over USD 2.5 Tn is uninvested capital, including USD 500 Bn from earlier cycles, reducing new fundraising urgency

Market uncertainty: LPs prioritized liquidity, deferring commitments amidst geopolitical tensions (e.g., Israel-Hamas conflict) and slow global recovery

GPs, struggling with fundraising due to lower distributions from prior funds, may offer co-investments to strengthen future fundraising efforts

Global PE deal activity rose in 2024 as gap in value expectations narrowed

Global PE Deal Activity



Global PE deal activity up: Lower interest rates and tighter credit spreads reduced buyout financing costs resulting in 23% increase in deal value
Average deal value rose in 2024: The average deal value increased by 9% compared to 2023, reaching USD 91.5 Mn, indicating an improved deal quality after two years of decline

While deal activity remains significantly below the 2021 market peak, green shoots emerged in 2024 providing relief to dealmakers

Technology and Healthcare sectors were the top performers in 2024, while interest in the energy sector is increasing

Technology



- **AI & Automation:** Driving digital transformation and innovation
- **Data Center Demand:** 80% pre-leased capacity, record-low vacancy rates
- **US Tech Deals Activity:** Rebounded in 2024 with a 20.7% rise in deal value and 1.8% growth in deal count YoY

Healthcare



- **USD 115 Bn Deal Value in 2024:** Boosted by large number of megadeals (five deals exceeded USD 5 Bn)
- **Biopharma Segment Leads:** Driven by investments in clinical trial IT infrastructure
- **US Healthcare Deals Activity:** Healthcare PE activity in the US increased 17.7% in deal value YoY

Energy



- **Clean Energy Boom:** Solar, wind, and hydro assets attract investments for net-zero goals
- **Technological Advancements:** Smart grids and energy storage add value to the current state
- **US Energy deal activity:** In the US, deal value rose 30% YoY in 2024

Multiple on invested capital: From 2018 to 2024, the technology sector in the US delivered a 2x return on invested capital, outpacing other sectors, which reported an average 1.6x return

Largest PE deal of 2024: In Feb 2024, Novo Holdings, the PE arm of Novo Nordisk Foundation, acquired Catalent Inc., a drug manufacturing company, in an all-cash transaction valued at USD 16.5 Bn

Regulatory pressures, including Federal Trade Commission's scrutiny over "Promoting Competition in the American Economy" and uncertainty about Trump's incoming policies will play a role in sectors' outlook

Europe and North America lead the PE deal value recovery

North America: USD 913.5 Bn* (52.2% share) ▲ 21.4% YoY

- Deal flow is set to rise, with more cross-border activity
- US IPOs expected to **perform well** in 2025, with ~700 unicorns in the private market
- **Technology** remains the top focus

Europe: USD 635.0 Bn* (36.3% share) ▲ 33.7% YoY

- PEs capitalized on economic challenges and undervalued assets as buyout deals **grew by 78% YoY**
- US investors constituted **over half** of the UK PE deal value
- Focus on **technology** and **ESG**

APAC: USD 155.7 Bn* (8.9% share) ▼ 2.8% YoY

- APAC reported **consecutive** third year of deal value decline, driven by China's sluggish exits
- PE investments in India rose **46.2%** to **USD 15 Bn** in 2024

Middle East & Africa: USD 19.7 Bn* (1.1% share) ▼ 14.1% YoY

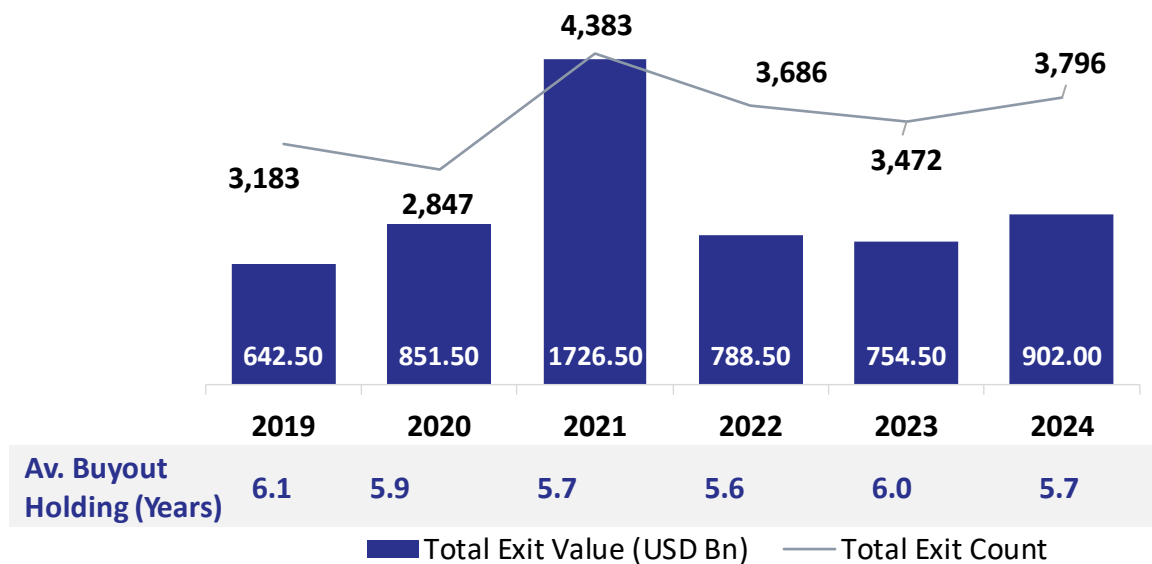
- Investors are **cautious** with potential trade **risks**
- **Education** and **healthcare** remain the key areas
- **Economic uncertainty** in Africa is weighing on the outlook

LATAM: USD 26.2 Bn* (1.5% share) ▲ 50.1% YoY

- Rising deal value coupled with ongoing **digital transformation** efforts
- PE-driven energy and utilities **expansion**
- **Foreign exchange** challenges from currency volatility

PE exit activity is starting to recover

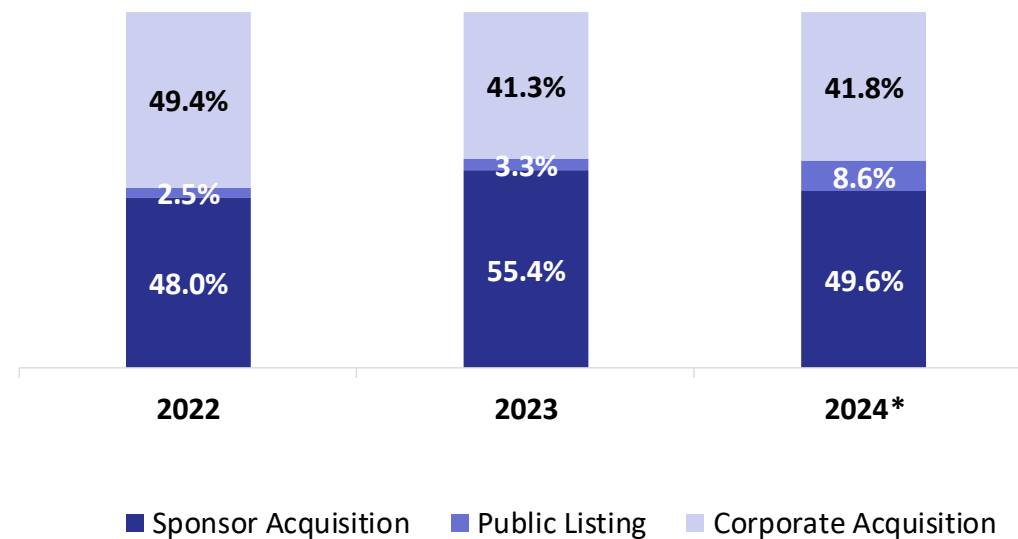
Global PE Exit Activity



- The increase in the average exit deal value to **USD 237.6 Mn** from USD 213.9 Mn in 2023 reflects **growing** investor confidence
- In 2024, a **5.7-year average** buyout holding period and **USD 3.2 Tn** in unrealized PE assets signal **rising** exit activity in 2025

Recovery in exit activity reflects a positive environment for PE firms to monetize their investments

Share of PE Exit Value, by Type



- Global IPO markets show **positive** momentum, with US IPO exits reaching **USD 40.6 Bn** in 2024, up from USD 8.3 Bn in 2023
- Although sponsor acquisitions have gone down, **GP-led continuation funds**** have become increasingly popular

PEs are hoping to benefit from the momentum in public listings as revival of traditional exit channels is expected



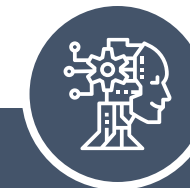
Geopolitical and Trade Risks

- BCG analysis reveals **20% of PE portfolio** assets face geopolitical and trade risks, arising from supply chain disruptions, and sector shifts
 - Changing trade patterns and protectionist policies affect market access
- These risks compel PE firms to incorporate geopolitical insights during deal/investment processes
 - Advanced predictive data models with custom geopolitical scoring mechanism can be adopted to enhance risk assessment



Environmental, Social and Governance (ESG)

- PE firms face growing pressure from investors and society to disclose sustainability data such as GHG emissions, social impact initiatives, and net zero progress
 - Asian Development Bank mandates ESG adoption and reporting for the PE funds it invests in
- Non-compliance with evolving regulations may put PE firms and their portfolio companies at risk of financial penalties and reputational damage
 - This necessitates PE firms to incorporate ESG as part of their exit strategies and narratives



AI/GenAI Developments

- AI/GenAI enhances PE performance across the deal lifecycle
 - AI helps PE firms screen thousands of potential targets and reduces time spent by **50–60%**
- Early adopters such as BC Partners use AI-driven APIs to analyze unstructured proprietary data for deal support
- Advanced analytics help PE firms in predicting deal success and make data-backed decisions
 - Blackstone data science team uses advanced analytics and statistical methods to optimize investments

AI/GenAI enhances efficiency, accuracy, and decision-making across the deal lifecycle



Deal Sourcing

- AI-powered platforms analyze vast datasets to identify investment opportunities
- ML models predict high-potential targets based on market trends and historical data

IEQT [using Motherbrain AI tool for deal sourcing](#)

62%
say that AI is creating
new opportunities for
dealmakers



Deal Support

- NLP tools automate the review of legal, financial, and operational documents
- AI models uncover hidden risks by detecting anomalies in data

LeewayHertz [AI solution used for due diligence](#)

44%
say that AI has
improved M&A
teams' efficiency



Valuation and Portfolio Management

- AI-driven analytics provide real-time performance monitoring of portfolio companies
- Predictive modeling optimizes valuation forecasts and investment strategies
- RPA streamlines repetitive tasks, such as reporting and compliance checks

MARKOVATE [used for optimizing portfolio](#) **Comparables.ai** [for valuing companies](#)

58%
of dealmakers say AI
has enhanced their
reporting capabilities



Exit Strategy Optimization

- AI tools predictive analytics supports forecast market conditions and recommend optimal exit timing
- Sentiment analysis assesses market readiness for IPOs or secondary sales

DataRobot [AI solutions assists in exit planning strategy](#)

24%
think AI will add
value to their deal
exit operations



Increase in Deal Activity

- A **stabilizing** macroeconomy, **easing** inflation, and projected US GDP growth of **~2.5%** are expected to **align** buyer-seller expectations and drive deal momentum
- IPO market recovery will **support** exit activity
- PE deal volumes are expected to **rise 16% YoY** in 2025



Shift in AI/GenAI Investment Strategies

- With the emergence of DeepSeek (a Chinese AI startup) AI assistant app, built in a fraction of a cost of its rival, OpenAI's ChatGPT, PE firms will be forced to reassess their investment strategies. This could mean **focusing on cost-effective solutions rather than capital intensive business models**
- Valuation models may be required to be reassessed by **factoring in emerging competitors**



Stable Valuation Multiples

- The rise in **Global PE EV/EBITDA multiple (12.2x** in 2024 vs **10.5x** in 2023) was driven by PE firms exiting from high quality firms and an increase in deal volumes
- According to Pitchbook, the US has ~12,000 firms, with 35% of them being held for more than five years. These firms with **weaker value propositions** are expected to come to the market, and may lead to **flatter or stable EV/EBITDA multiple**

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A global research and analytics provider supporting clients' growth journey through our knowledge solutions...



150+
Clients



600,000+
Research
Hours



75+
Countries Covered
through Research



130+
Team Strength



800+
Projects



60%
Business from
Repeat Clients



 Operations

 Client Countries

working across diverse sectors and functions

Sectors Covered

- Professional Services
- Financial Services
- PE/VC
- GCCs
- Government and Public Sector
- Consumer and Retail
- TMT
- Healthcare
- Industrials and Manufacturing
- Education

Functions Served

- Strategy
- Technology
- Sales
- Supply Chain
- Marketing
- Innovation/R&D
- Finance
- Sustainability
- Operations
- Digital

Our Clientele



20+
Global Fortune
500 Companies



Top 10
Global Strategy
Consulting Firms



Top 10
Global FMCG Companies
in Home and Personal
Care and F&B



Top 5
Global Technology Firms

Fundraising

- Who are the most active investors, and what are their investment preferences?
- What are the emerging trends in fund strategies to define sectors, themes, and geographies?
- What competitive advantages can we highlight to differentiate our fund in the current market landscape?

Target Scouting

- Which companies in our focus sectors show the highest potential for growth and align with investment vision?
- What predictive indicators can help us identify early-stage companies likely to become acquisition targets?
- What are the key operating metrics for the players in the target investment sector?

Deal Support

- How to create a comprehensive risk profile of the target investment?
- What are the growth drivers and potential red flags in the target's business model? How does its performance compare with other players in the sector?
- How does the target's valuation compare to recent transactions in the sector?

Portfolio Management

- What to do to support portfolio companies' value creation and growth strategy?
- How to ensure competitive advantage by leveraging global best practices?
- How can entry-level financials, such as valuation multiples, and capital structure, be effectively monitored to assess portfolio health?

How tech-based tools can be used across the value chain to increase efficiency

Benori supports PEs across the deal lifecycle through 360° research approach and methodologies...

Fundraising

- Supported a PE fund to launch its fourth fund in an APAC country by developing a bespoke report to assess and highlight various macroeconomic drivers of growth
- Assisted an investment firm in developing in-depth profiles of prospective investors for a sector-specific fund

Target Scouting

- Supported a Middle East-based investment holding company, to understand investment opportunities in the UK market by prioritizing and shortlisting high-potential sectors
- Assisted a global investment management firm shortlist leading Infratech startups to explore strategic partnerships, investment opportunities, and enhance technological capabilities of its portfolio companies

Deal Support

- Conducted an exhaustive analysis on a target company working in the Controlled Environment Agriculture (CEA) Genetics Seeds Segment in North America
- Executed a market assessment to evaluate the TAM, growth drivers, regulatory changes, competitive landscape, and recent trends in the Real-World Evidence (RWE) industry

Portfolio Management

- Supported a global provider of Anti-Money Laundering (AML) solutions, with a market intelligence study, comprising market size estimation of AML software in the Americas and APAC regions
- Advised a beverages company, to understand the trade margins of retailers and distributors in the FMCG industry, including carbonated sparkling drinks and juices

Impact Stories



Data Management

- Data Consolidation, Audit, and Harmonization
- Data Transformation and Enrichment
- Data Analysis and Insights
- Automation and Efficiency Solutions



Data Visualization

- Dashboard Development and Graphical User Interface to Display KPIs, Metrics, and Key Data Points
- Reporting



Design and Publishing

- Creating an Impactful Storyboard
- Visual representation of Gathered Data and Insights (Infographics)
- Creative Design for Varied Formats (PowerPoint, Word, InDesign, HTML)

01

Helped a UK-based investor, specializing in the healthcare and life sciences, to prepare a deal cloud to track and profile its potential target companies and partners. We supported the review and augmentation of information on existing target companies and service providers, including industry experts, professional advisors, lenders, LPs, and GPs

02

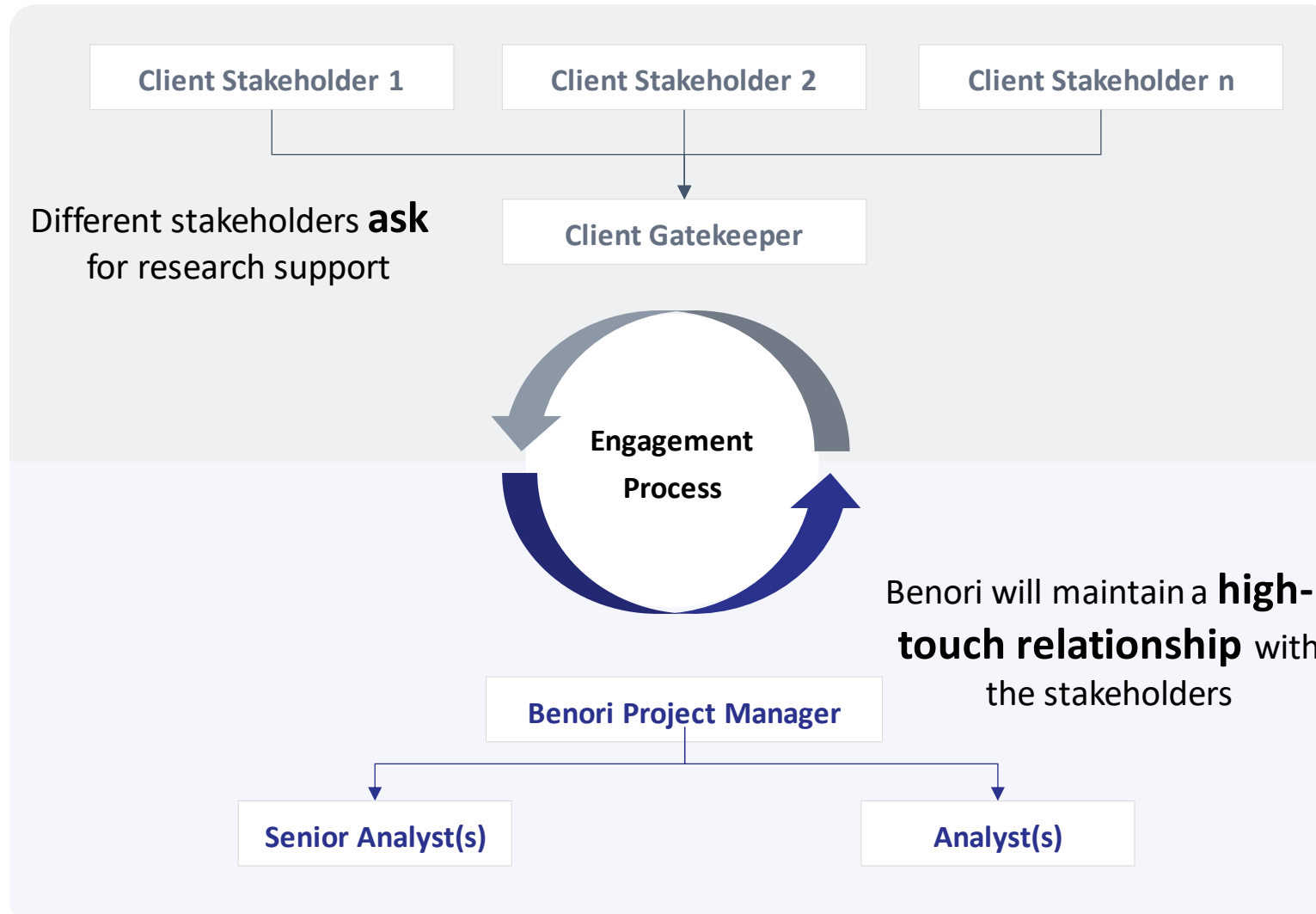
Supported an investment firm to optimize shortlisting of 450+ start-ups in the enterprise technology and consumer space by tracking growth multiple indicators highlighting outliers which could be explored for investment

03

Supported an investment firm's marketing team by creating presentations and newsletters. This enabled the client to publish periodic insights on macroeconomic factors, sector trends, and industry data, enhancing the impact of their marketing initiatives

Impact Stories

Benori can setup a dedicated team to support across a variety of activities



Key Feature

Delivery Frequency

- Monthly
- Quarterly
- Annual
- Adhoc

Delivery Formats

- PowerPoint
- PDF
- Web-based emails
- Infographics
- Excel
- Dashboards

Varied stakeholders

- Different business teams

How it Functions

Scenario 1: Ask Model

- Client stakeholders ask for research on pressing needs and Benori delivers within the defined timelines

Scenario 2: Push Model

- Client Gatekeeper and Benori preempt needs of the larger Client team and proactively work on creating new products and solutions to address their needs

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Benori is a trusted partner for knowledge solutions across the globe, serving clients from a wide range of industries including Professional Services, Financial Services, Consumer & Retail, Technology & Internet, Industrials & Manufacturing, and more. Our customized solutions strengthen the insights value chain of our clients, empowering them with key insights needed to drive intelligent decision-making and accelerate growth.

Headquartered in India, Benori is uniquely positioned to deliver multilingual research needs of global clients, powered by its digital agility, deep research capabilities and a highly experienced leadership team. Adopting a 360-degree approach, our team employs a combination of diverse methodologies including primary research, secondary research and data modeling, and offers detailed foresight on market trends, competitive shifts, regulatory changes and technological advancements.

Powering Growth Through Knowledge



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