

M&A Trends in Thailand

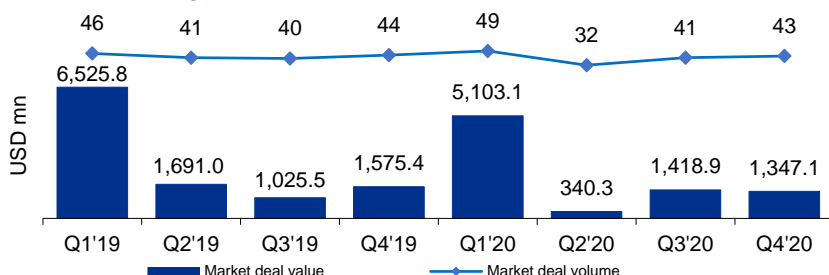
Q4 2020

KPMG in Thailand | Deal Advisory

Thailand enjoyed several months with few local cases of COVID-19, allowing for relatively “normal” everyday life to resume. Deal activity once again maintained its pre-pandemic levels this quarter. Border restrictions eased slightly and gave light to increased mobility, which coincided with an uptick of inbound foreign investment. With vaccine distribution in the pipeline, there was optimism at the end of the year that 2021 would see increased consumption, mobility and ultimately an economic recovery, which would positively impact the Thai M&A landscape. However, the recent resurgence of local COVID-19 cases, coupled with the re-introduction of restrictions, poses a threat to the positive outlook and increases uncertainty.

The majority of announced transactions in terms of deal value this quarter were in the Healthcare & Life Sciences, Real Estate, Infra & Construction and Energy & Natural Resources sectors accounting for 75.1% of total deal value. The largest deal announced is BDMS Group’s disposal of a 22.7% stake in Bumrungrad Hospital PCL. (BH) for USD 619 million to Satit Viddayakorn, following an earlier decision not to pursue a take over of BH. This quarter also saw Hitachi Global Life Solutions, Inc. exit the Thai compressor market to Midea Electric Trading (Singapore) Co. Pte. Ltd., a deal in which KPMG acted as lead financial advisor. A remarkable deal in the TMT sector was The One Enterprise’s 100% acquisition of GMM Channel Holding Co., Ltd., a deal where KPMG acted as buy-side financial and tax due diligence advisor. A landmark Transport & Logistics deal was the fund raising of Flash Express, raising fresh capital to expand their network – a deal in which KPMG acted as lead financial advisor.

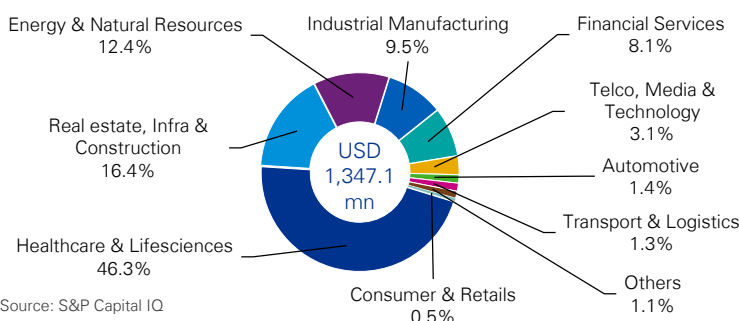
M&A activity in Thailand



Q4 2020 Thailand M&A transaction value and volume

USD 1,347.1 million
43 Deals

Q4 2020 M&A Transaction value by industry



Top sectors by transaction volume	No. of Transactions
Automotive	2
Consumer & Retails	6
Energy & Natural Resources	6
Financial Services	5
Healthcare & Life Sciences	4
Industrial Manufacturing	3
Others	1
Real Estate, Infra & Construction	6
Telco, Media & Technology	5
Transport & Logistics	5
Total	43

Source: S&P Capital IQ

Source: S&P Capital IQ

Selected transactions

No.	Deal value (USD mn)	Percent sought (%)	Announced date	Target name	Target industry	Buyer name
1	306.0/ 312.7 ¹⁾	11.4/ 11.3	23-Nov-20 18-Dec-20	Bumrungrad Hospital PCL.	Healthcare & Life Sciences	Satit Viddayakorn
2	100.0/ 127.3	100.0/ 100.0/97.0	15-Oct-20	Bangkok Visypak Co., Ltd./BG Packaging Co., Ltd./Kabinburi Glass Industry Co., Ltd.	Industrial Manufacturing	BG Container Glass PCL.
3	106.7	50.0	3-Dec-20	Asia Sermkij Leasing PCL.	Financial Services	Chailease Capital (Thailand) Co., Ltd.
4	93.0	51.0	4-Dec-20	Waterfront Hotel Co., Ltd./Urban Resort Hotel Co., Ltd.	Real Estate, Infra & Construction	Padaeng Industry PCL.
5	89.9	40.0	24-Dec-20	PTT Natural Gas Distribution Co., Ltd.	Energy & Natural Resources	Gulf Energy Development PCL.
6	56.5	100.0	4-Dec-20	ATC Enviro Co., Ltd./PDI Mae Ramat Co., Ltd./P.P. Solar (Nong-No) Co., Ltd.	Energy & Natural Resources	BAFS Clean Energy Corporation Co., Ltd. ²⁾
7	39.6	100.0	27-Nov-20	GMM Channel Holding Co., Ltd.	Telco, Media & Technology	The One Enterprise Co., Ltd. ³⁾
8	n/a	n/a	12-Oct-20	Flash Incorporation Co., Ltd. ⁴⁾	Transport & Logistics	PTTOR, Krungsi Finnovate and Durbell Co., Ltd.
9	n/a	100.0	24-Dec-20	Hitachi Compressor (Thailand) Co., Ltd. ⁵⁾	Industrial Manufacturing	Midea Electric Trading (Singapore) Co. Pte. Ltd.
10	n/a	85.0	28-Oct-20	Chaoddee Modified Starch Co., Ltd.	Consumer & Retail	Tate & Lyle PLC. ⁶⁾

Source: S&P Capital IQ

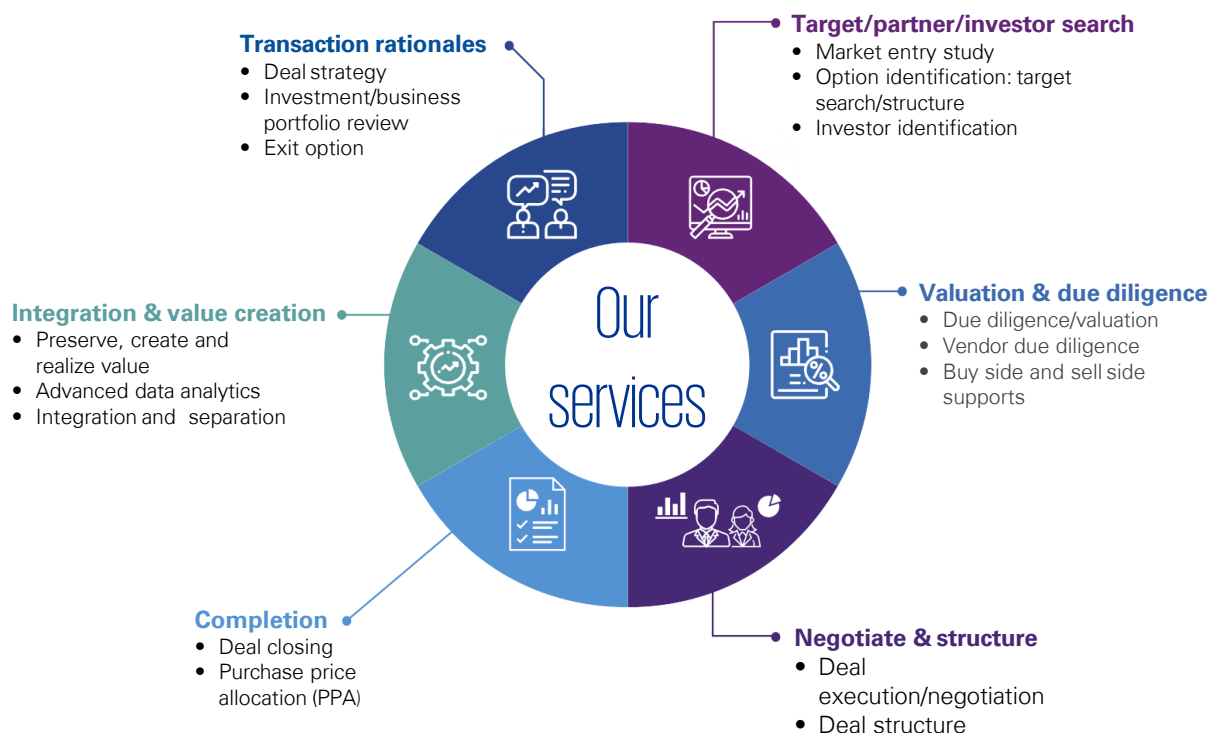
Note: 1) There were 2 transactions on 23 November and 18 December 2020, 2) KPMG provided M&A buy-side advisory for BAFS Clean Energy Corporation Co., Ltd., which includes financial and tax due diligence and post acquisition purchase price allocation advice, 3) KPMG provided M&A buy-side advisory for The One Enterprise Co., Ltd., which includes financial and tax due diligence, 4) KPMG acted as lead financial advisor on the M&A fund-raising of Flash Incorporation Co., Ltd., 5) KPMG acted as lead financial advisor on the M&A sell-side of Hitachi Compressor (Thailand), Ltd., 6) KPMG provided M&A buy-side advisory for Tate & Lyle PLC., which includes financial and tax due diligence.

Data criterion

- Value data provided in the various charts represent the aggregate value of the deals for which a value was stated. Please note that values are disclosed for approximately 50% of all deals
- Deals are included where a stake of 30% or more has been acquired in the target. If the stake acquired is less than 30% then the deal is included if the value is equal to or exceeds the equivalent of USD 100 million
- All deals included have been announced but may not necessarily have closed
- Activities excluded from the data include restructurings where ultimate shareholders' interests are not affected

KPMG Deal Advisory

Whether you need to buy, sell, partner, fund or fix a business, our Deal Advisory team works to help you find, secure, and drive value throughout the business life cycle.



Contact us



Ian Thornhill
Partner,
Head of Deal Advisory

ithornhill@kpmg.co.th
Tel: +66 2677 2297



Surayos Chuephanich
Partner, Deal Advisory
M&A Specialist

surayos@kpmg.co.th
Tel: +66 2677 2752



Yiran Yang
Director, Deal Advisory
Head of China Practice

yyang@kpmg.co.th
Tel: +66 2677 2216



Matt Crane
Director, Deal Advisory
Value Creation Specialist

mcrane1@kpmg.co.th
Tel: +66 2677 2154



Dominic Kobel
Associate Director, Deal Advisory
M&A, International Practice

dkobel@kpmg.co.th
Tel: +66 2677 2606



Yuichiro Fujiwara
Manager, Deal Advisory
Global Japanese Practice

yfujiwara3@kpmg.co.th
Tel: +66 2677 2703

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation. Transaction figures are based on announced transactions only. Deal value for certain transactions were not disclosed and accordingly not reflected in the total value.

© 2021 KPMG Phoomchai Business Advisory Ltd., a Thai limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.