

M&A Trends in Thailand

Q3 2021

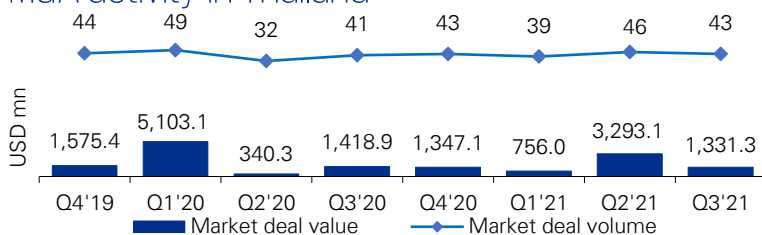
KPMG in Thailand | Deal Advisory

Thailand was heavily impacted by the pandemic in Q3 2021 with growth in daily cases, ongoing business restrictions and limited tourism levels contributing to a high level of household debt and weakened domestic demand. Despite these headwinds, M&A activities continued to remain at a stable level with 43 deals this quarter, as stakeholders seize the opportunity to take advantage of attractive deal opportunities and quick business growth.

Despite a similar level of deal volume, the overall deal value reduced given the lack of mega deals we saw in Q2. The largest deals this quarter were CentralWorld Co., Ltd.'s acquisition of Siam Future Development PCL. followed by Jay Mart PCL's private placement to U City PCL and VGI PCL, both subsidiaries of BTS Group. The Telco, Media and Technology, and Real Estate, Infra & Construction sectors accounted for 71% of total Q3 2021 deal value. A notable deal in the Food & Beverage sector was Winsome Green Group's strategic partnership with a leading Japanese Private Equity firm as part of their growth journey, a deal for which KPMG was exclusively retained as lead M&A advisor with integrated workstreams including Financial, Legal and Tax. Winsome Green is one of Thailand's leading manufacturers and distributors of ice cream, milk, and bakery products under "Mingo", "SoFresh", and other brands in Asia.

Stimuli such as the increased public debt-to-GDP ceiling, access to test kits and growing vaccination rates, together with the gradual re-opening of the country for foreign tourists, are expected to ease pandemic tensions and stimulate M&A activities in Thailand going forward, despite the continued reserved growth projections.

M&A activity in Thailand



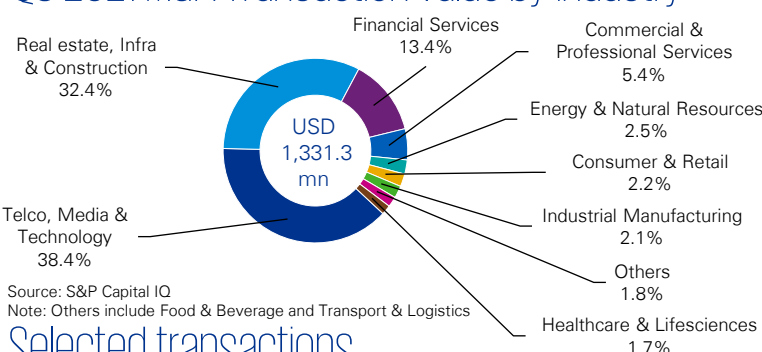
Note: Q2'21 figures were revised to reflect the outcome of Gulf Energy Development's tender offer for Intouch Holdings PCL. and Advance Info Service PCL.

Q3 2021 Thailand M&A transaction value and volume

USD 1,331.3 mn

43 Deals

Q3 2021 M&A Transaction value by industry



Source: S&P Capital IQ

Note: Others include Food & Beverage and Transport & Logistics

Top Sectors by transaction volume	No. of Transactions
Commercial & Professional Services	2
Consumer & Retail	2
Energy & Natural Resources	3
Financial Services	6
Food & Beverage	1
Healthcare & Lifesciences	5
Industrial Manufacturing	4
Real estate, Infra & Construction	6
Telco, Media & Technology	12
Transport & Logistics	2
Total	43

Source: S&P Capital IQ

Selected transactions

No.	Deal value (USD mn)	Percent sought (%)	Announced date	Target name	Target industry	Buyer name
1	399.1	52.2	6-Jul-21	Siam Future Development PCL.	Real Estate, Infra & Construction	CentralWorld Co., Ltd. ^{a)}
2	317.0	24.9	27-Jul-21	Jay Mart PCL.	Telco, Media & Technology	U City PCL. and VGI PCL. ^{b)}
3	150.0	n/a	26-Sep-21	Ascend Group Co., Ltd. ^{c)}	Telco, Media & Technology	Charoen Pokphand Group Co., Ltd.; Ant Group Co., Ltd.; Bow Wave Capital Management, LP
4	123.5	24.9	27-Aug-21	Singer Thailand PCL.	Financial Services	U City PCL. ^{b)}
5	60.0	73.5	2-Jul-21	TBSP PCL.	Commercial & Professional Services	Sabuy Technology PCL.
6	44.9	75.0	27-Aug-21	Advance Life Assurance PCL.	Financial Services	U Global Hospitality Co., Ltd. ^{d)}
7	40.0	95.2	7-Jul-21	Velox Technology (Thailand) Co., Ltd. (Gojek Thailand) ^{e)}	Telco, Media & Technology	AirAsia Digital Sdn Bhd
8	29.9	86.8	27-Jul-21	Business and Assets of IBIZ Plus Network Co., Ltd.	Consumer & Retail	Copperwired PCL.
9	23.0	100.0	9-Aug-21	PDI Energy Co. Ltd	Energy & Natural Resources	BAFS Clean Energy Corporation Co., Ltd. ^{f)}
10	Undisclosed	65.0	9-Jul-21	Winsome Green Group ^{g)}	Food & Beverage	Advantage Partners Asia Fund

Source: S&P Capital IQ

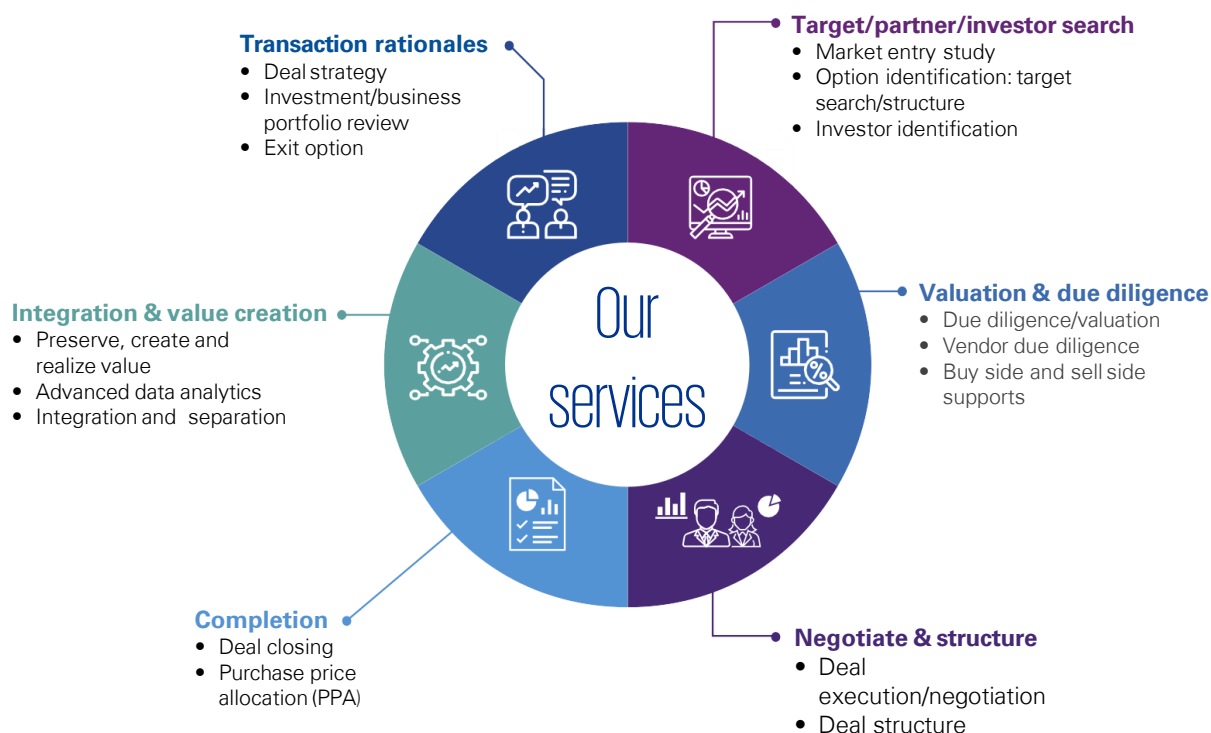
Note: a) KPMG provided financial and tax due diligence services to the Buyer, b) Subsidiaries of BTS Group, c) KPMG provided vendor due diligence services to the Target, d) Subsidiary of U City PCL, e) In a related transaction, AirAsia SuperApp agreed to acquire Velox Finetech Co. Ltd for USD 10mn, f) KPMG provided financial and tax due diligence, and purchase price allocation services to the Buyer, g) KPMG acted as exclusive M&A lead advisor (financial, legal and tax) to Winsome Green Group on its strategic partnership with Advantage Partners

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.



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