

M&A Trends in Thailand

Q1 2022

KPMG in Thailand | Deal Advisory

Thailand's economy recovered from the previous quarter's slowdown owing to increased activities in tourism and exports. Despite the recovery, M&A activities in Thailand saw a contraction in terms of deal value and volume, particularly in comparison to the previous quarter's above average performance. In the first quarter of 2022, 33 deals were announced with a total deal value of over USD 500 million¹⁾.

The decline in investment activities is underpinned by recent geopolitical developments, ongoing supply chain disruptions and the prolonged Omicron outbreak in Thailand. Rising raw material and energy prices in Q1 2022 have also adversely impacted consumer confidence as inflationary pressures emerge both in Thailand and globally.

The Financial Service sector accounted for 41% of total deal value, mainly due to Allianz Ayudhya Capital's planned acquisition of Aetna Health Insurance (Thailand) PCL., allowing the German insurer to further expand its presence in the Thai insurance market. A notable deal was SET-listed Energy Absolute PCL.'s 100% acquisition of Smart Bus Company Limited, a bus operator in Bangkok, via its wholly owned E Transport Holding. This deal is part of EA's broader expansion strategy to enter the growing electric vehicle industry.

Dealmakers both in Thailand and globally will be keeping a cautious eye on geopolitical tensions and rising inflation, and their consequent impact on supply chains, demand and economic policies.

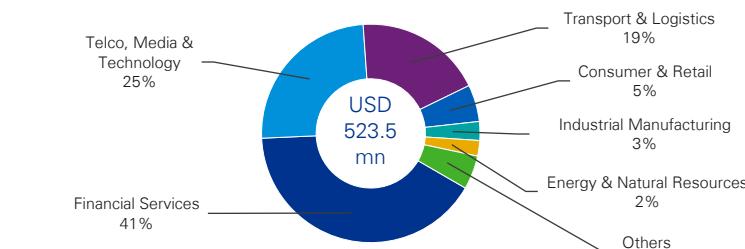
M&A activity in Thailand



Q1 2022 Thailand M&A transaction value and volume

USD 523.5 mn
33 Deals

Q1 2022 M&A Transaction value by industry



Top Sectors by transaction volume	No. of Transactions
Automotive	1
Consumer & Retail	2
Energy & Natural Resources	2
Financial Services	7
Food & Beverage	3
Healthcare & Lifesciences	2
Industrial Manufacturing	2
Other	1
Real estate, Infra & Construction	3
Telco, Media & Technology	7
Transport & Logistics	3
Total	33

Source: S&P Capital IQ

Selected transactions

No.	Deal value (USD mn)	Percent sought (%)	Announced date	Target name	Target industry	Buyer name
1	98.7	100.0	18-Mar-22	Smart Bus Co., Ltd.	Transport & Logistics	E Transport Holding
2	93.6	100.0	24-Mar-22	Aetna Health Insurance (Thailand) PCL.	Financial Services	Allianz Ayudhya Capital PCL.
3	87.7	100.0	26-Jan-22	Aqua Ad PCL. / Boardway Media Co.,Ltd.	Telco, Media & Technology	Plan B Media PCL.
4	27.4	61.5	7-Mar-22	Nation Broadcasting Corporation PCL.	Telco, Media & Technology	Individual Investors
5	26.7	100.0	8-Feb-22	Unilever Life business unit of Unilever Thai Trading Limited	Consumer & Retail	Yaak Co., Ltd.
6	15.8	44.4 ²⁾	9-Mar-22	TQR PCL.	Financial Services	TQM Corporation PCL.
7	19.7	55.6				TPAC Packaging India II Private Limited
7	14.6	100.0	4-Jan-22	Business of M/s Skypet Polymers	Industrial Manufacturing	Vantage Data Centers Europe S.À R.L.
8	10.8	67.0	17-Jan-22	Genesis Data Center Co., Ltd.	Telco, Media & Technology	Principal Healthcare Co., Ltd.
9	9.1	55.0	18-Mar-22	Pewdee Clinic Esthetics Co., Ltd.	Healthcare & Lifesciences	Natural Energy Refinery Co., Ltd.
10	7.8	100.0	8-Mar-22	Sea Oil Petrochemical Co. Ltd.	Energy & Natural Resources	

Source: S&P Capital IQ

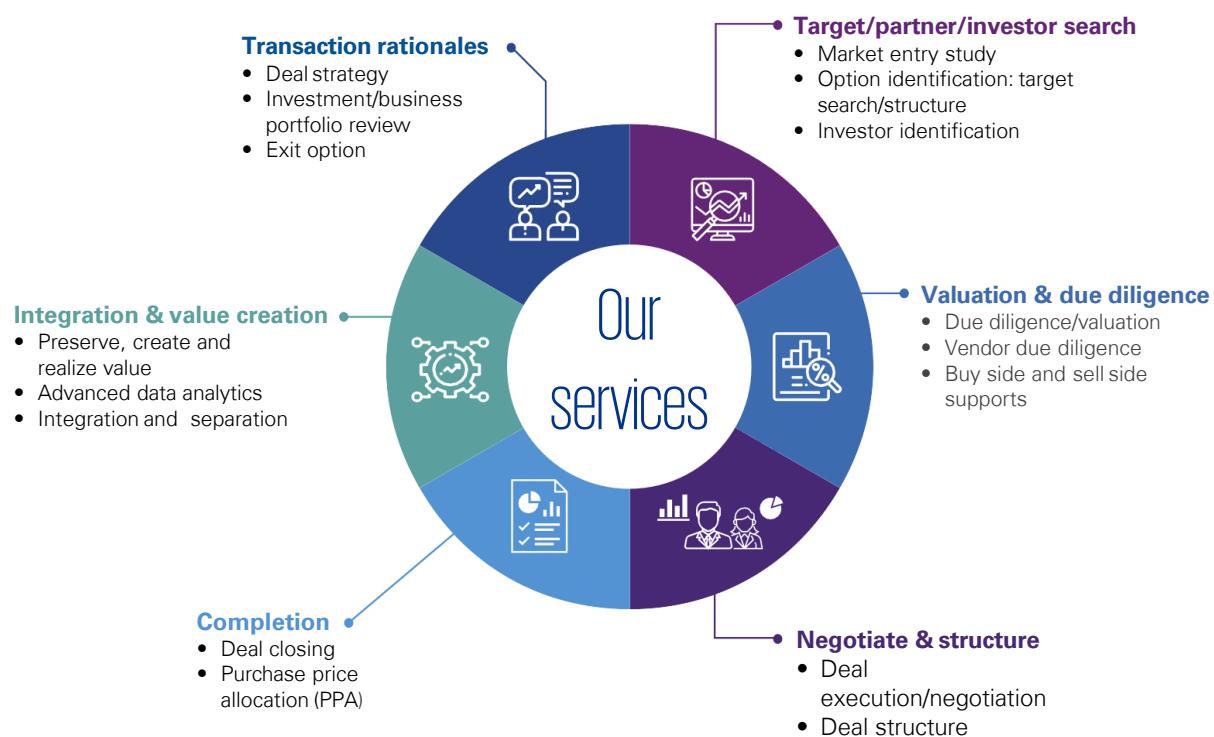
Note: 1) PTT PCL's acquisition of an additional 10.8% stake in Global Power Synergy PCL. from related party Thai Oil PCL for THB 4,515.2 has been excluded from the data set as it is an internal restructuring with no change to the ultimate shareholding; and Surya Kiran Investments Pte. Ltd.'s investment in Thai Rayon PCL. has been excluded from the data set, as the final tendered shares (16.4%) are below the data criterion, despite the initial tender offer for a 79.3% stake, 2) After the initial transaction, TQM PCL. has a duty to make the tender offer for all of the residual shares (55.6%), estimated to be processed within the second quarter of 2022.

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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