

M&A Trends in Thailand

Q2 2022

KPMG in Thailand | Deal Advisory



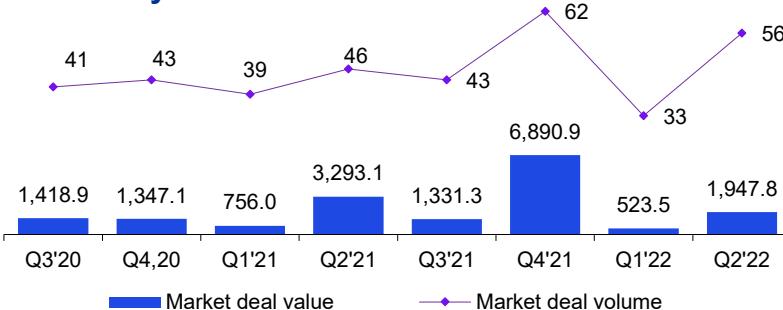
Despite global economic concerns, Q2 M&A activities in Thailand saw an increase in terms of value and volume from the previous quarter, with 56 deals valued at USD 1.9 billion.

The Bank of Thailand forecasts GDP growth at 3.3% this year given the expectations of a rise in both the tourism and services sector, together with stronger domestic demand. These factors may be challenged by rising inflation for both consumers and producers, and continued supply chain disruptions impacting the manufacturing and export economy.

From an M&A perspective, deal makers continue to closely monitor the interest rate environment and the Thai baht's performance, which has implications on valuations, access to cheaper capital and foreign exchange exposures. The Industrial Manufacturing, Financial Services and Healthcare & Lifesciences sectors accounted for 73% of total Q2 2022 deal value. M&A activity in the Financial Services sector continues, with a notable transaction this quarter being Bank of Ayudhya's buyout of Nomura Securities' for USD 155 million. A notable deal in the Consumer & Retail sector was K-nex Corporation's (Otteri) fundraising with PTT OR as part of its growth journey, a deal for which KPMG was exclusively retained as the lead sell-side M&A advisor. A deal KPMG also assisted on was Beryl 8 Plus PCL's buyout of Extend IT Resource Co., Ltd. (X10) to build on its existing technical and human resource capabilities to drive digital transformation for its clients. KPMG also supported PTT Group with its acquisition of Namwiwat Engineering (1992), to strengthen its Healthcare and Lifesciences division.

Major M&A themes, such as portfolio calibration and enhancement, transformation and seeking economies of scale, will continue to dominate the M&A landscape in the second half of this year as investors look to strengthen their competitive positions and find new avenues of growth.

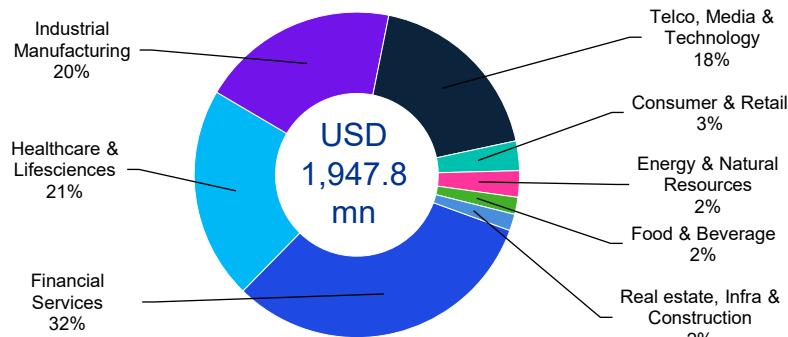
M&A activity in Thailand



Q2 2022 Thailand M&A transaction value and volume

USD 1,947.8 mn
56 Deals

Q2 2022 M&A Transaction value by industry



Top Sectors by transaction volume	No. of Transactions
Telco, Media & Technology	12
Energy & Natural Resources	8
Healthcare & Lifesciences	7
Food & Beverage	6
Industrial Manufacturing	6
Real estate, Infra & Construction	6
Financial Services	5
Consumer & Retail	4
Others	2
Total	56

Source: S&P Capital IQ, MergerMarkets

Note: Others include Transport & Logistics, Commercial & Professional services, which amounts to less than 1% of total deal value

Selected transactions

No.	Deal value (USD mn)	Percent sought (%)	Announced date	Target name	Target industry	Buyer name
1	357.5	9.0	18-May-22	Bumrungrad Hospital PCL.	Healthcare & Lifesciences	Kiatnakin Phatra Securities PCL.; Kiatnakin Phatra Bank PCL.
2	272.3	n/a	23-May-22	Beyond Securities PCL.	Financial Services	Specific individual investors
	198.7	23.6	30-Jun-22			EA Mobility Holding Co., Ltd.
3	236.7	3.8	16-Jun-22	Intouch Holdings PCL.	Telco, Media & Technology	Singapore Telecommunications Limited
4	215.3 ¹⁾	60.2	4-Apr-22 ²⁾	G J Steel PCL.	Industrial Manufacturing	Nippon Steel Corporation
	141.1 ¹⁾	56.4		G Steel PCL.		
5	155.3	99.1	30-Jun-22	Capital Nomura Securities PCL.	Financial Services	Bank of Ayudhya PCL.
6	40.0	40.0	5-May-22	Double7 Co., Ltd.	Telco, Media & Technology	Sabuy Technology PCL.
7	16.7	30.0	28-Apr-22	Synphaet Co., Ltd.	Healthcare & Lifesciences	Vibharam Hospital Co., Ltd.
8	31.7	40.0	16-Jun-22	K-nex Corporation Co.,Ltd. ³⁾	Consumer & Retail	Modulus Venture Co., Ltd. ⁶⁾
9	23.5	17.7	30-May-22	Namwiwat Engineering (1992) Co., Ltd. ⁴⁾	Healthcare & Lifesciences	Innobic LL Holding Co., Ltd. ⁶⁾
10	17.9	100.0	13-May-22	Extend IT Resource Co.,Ltd. ⁵⁾	Telco, Media & Technology	Beryl 8 Plus PCL.

Source: S&P Capital IQ, MergerMarkets, Company website

Note: 1) Deal value excludes the debt amount, 2) Closing date - the deals were announced in January, where the tender offer was finalized in April but was not included in the deal database for Q1 2022, 3) KPMG provided lead sell-side M&A advisory services, 4) This deal was added to the dataset as KPMG provided lead buy-side M&A advisory services, including Financial, Tax and Legal due diligence services, 5) KPMG provided financial and tax due diligence services, 6) Modulus Venture and Innobic LL Holding are PTT OR and PTT Group companies, respectively

Data criteria

- 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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