

Deal Drivers: APAC HY 2022

A spotlight on mergers and acquisitions trends in **2022**

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Foreword: M&A powerhouses show their mettle

Through H1 2022, the defining development in Asia Pacific (APAC) was China's decision to enforce a prolonged lockdown as part of its zero-COVID policy. Shanghai, the country's financial hub and home to the world's largest seaport, imposed two-month restrictions from the end of March in a bid to contain outbreaks of infection.

This has not only had a ripple effect on global supply chains, but has also dampened domestic growth. The government has an official GDP target of 5.5%, which many believe will not be achieved in 2022, even if a recovery is forthcoming towards the end of the year.

However, despite the downturn in Chinese dealmaking, M&A activity across APAC has proven to be remarkably resilient as countries such as India and Australia have picked up the slack. For example, in Q2, aggregate value climbed by more than a third (35.9%) quarter on quarter, a strong showing in the face of economic adversity.

China's real estate ructions and India rising

China's creaking real estate sector may be one major area of concern. Following property giant Evergrande's missed debt repayment in December last year, the fate of a number of peers indicates a deepening crisis. In May, Sunac China, the country's third-largest developer, also defaulted and smaller yet still sizable firms including the Shimao Group followed suit in July.

On a more positive note, India is proving its mettle. The country has shown the most consistent economic performance gains between 2019 and 2022 as measured by a number of leading macro indicators, tracked by the PHD Chamber of Commerce and Industry in its International Economic Resilience report. Meanwhile, the International Monetary Fund (IMF) has forecast that the country will have the fastest growth of any major economy this year. This growth has had a knock-on effect in the M&A market, with India recording 382 deals totaling US\$121.4bn in the first half of the year – that value figure is higher than all full years since 2006, according to Mergermarket data.

With major regional powerhouses such as India, Australia, and Japan all performing strongly in the deal market in H1 2022, it would appear that APAC can withstand the economic weaknesses emanating from China surprisingly well.



Outlook: APAC heat chart

According to our heat chart, which illustrates the distribution of “companies for sale” stories on the Mergermarket intelligence tool, the industrial & chemicals (I&C) sector has the potential to supersede technology, media & telecommunications (TMT) in the second half of 2022.

There were 658 deal reports involving industrial assets versus 598 for TMT. Together the two frontrunner industries represent 38.3% of all deal reportage over the period. As is always the case, Greater China claimed the vast majority of this coverage. The country saw 422 I&C and 218 TMT deal stories.

There are also indications of impressive levels of TMT M&A activity brewing in Southeast Asia (110), India (89), and South Korea (80). In the case of India, the city of Bangalore is quickly cementing itself as the country’s answer to Silicon Valley and is among the top five cities in Asia as measured by the number of high-growth companies.



Heat chart based on potential companies for sale

	Greater China	Southeast Asia	South Korea	Japan	India	Australia & New Zealand	TOTAL
Industrials & chemicals	422	33	56	59	47	41	658
TMT	218	110	80	46	89	55	598
Consumer	132	53	32	28	39	39	323
Financial services	147	60	17	12	50	34	320
Pharma, medical & biotech	169	29	24	10	48	30	310
Business services	149	40	10	20	31	27	277
Energy, mining & utilities	135	42	6	13	14	59	269
Construction	92	25	8	6	6	13	150
Real estate	81	26	2	4	6	7	126
Transportation	26	34	6	8	12	16	102
Leisure	39	13	16	4	3	18	93
Agriculture	19	14			4	10	47
Defense	2	1				1	4
TOTAL	1,631	480	257	210	349	350	3,277



Note: The Intelligence Heat Charts are based on ‘companies for sale’ tracked by Mergermarket in the respective regions between December 01, 2021 and June 30, 2022. Opportunities are captured according to the dominant geography and sector of the potential target company.

All sectors



Summary: Headwinds strike, but dealmaking remains resilient

Considering last year's epic performance and the inevitable mean reversion that has followed so far in 2022, APAC M&A has remained robust. Volume was in line with the same period last year, with 2,628 recorded deals (compared to 2,639 deals in H1 2021). Value fell by a less-than-anticipated 12.6%, slipping to US\$514bn from US\$597bn in H1 2021.

Given the circumstances, it was a sterling performance, with acquirers holding their nerve despite signs of decelerating growth in Southeast Asia combined with stubborn inflation in India.

In its April forecast, the IMF said it expects Asia's economy to expand 4.9% this year, down 0.5 percentage points from its previous estimate. Despite the slight downgrade, that would still far outstrip North America and Europe and undergird confidence for dealmakers to transact.

TMT still on top

There was little variance year on year in the sector mix. TMT once again led the pack, increasing its share. Volume in the sector was up by 21% to reach 675 transactions. In second place, once again, was I&C, which saw its share of activity slip to claim 446 deals, down 13%.

However, there were larger shifts in the sector composition when measured by value. TMT lost its top ranking with a steep drop of 39% year on year, delivering US\$99.8bn worth of acquisitions. The largest of these came in at a relatively modest US\$7.6bn, with Changxin Jidian Storage Technology being picked up by a consortium comprising the state-owned National Integrated Circuit Industry Investment Fund (CICIIF) alongside municipally-backed investor Beijing Yizhuang Investment Holdings and Innotron Memory.

Changxin Jidian is a semiconductor company that specializes in so-called dynamic RAM chips. Semiconductor sales, a focal point of the pandemic-induced supply chain crunch of the past two years, have finally begun to ease. However, via CICIIF, the Chinese government is playing the long game by providing capital to bolster its national chipmaking value chain to ensure its self-sufficiency. The national fund was equipped with US\$28.9bn on inception and has made numerous deals in recent years.

All sectors M&A activity, 2019-HY 2022



Source: Mergermarket



Financial services surge

Conversely, financial services far exceeded last year's activity with a 266% value gain to reach US\$117.3bn, usurping TMT as the top industry for M&A across APAC. However, it should be noted that more than half of the value total came from a single play: India's largest private lender HDFC Bank picking up mortgage provider Housing Development Finance Corporation for US\$61bn, paid for entirely in stock, in the largest domestic M&A ever recorded in the country. The merged company is set to benefit from rising demand for credit, as Indians put the pandemic behind and begin searching for homes again.

At the other end of the housing value pipeline, construction has taken a drubbing in recent months as a consequence of China's ongoing troubles in the sector. M&A value collapsed by 83% in H1 to US\$24.9bn as the ramifications of the Evergrande fallout continued to unfold. Indeed, there was not a single Chinese real estate or construction deal in H1.

The largest acquisition came from India. Adani Enterprises, which bills itself as an incubator for new businesses, sealed a US\$8.8bn deal for Ambuja Cements, a manufacturer that benefits from the fact that construction is India's second-largest industry after agriculture and is forecast to grow at a CAGR of 10% through to 2027, according to Mordor Intelligence. This growth is spurred by real estate expansion in the country's non-metro cities.

All sectors top sectors by value | HY 2022

	US\$(m)
Financial services	117,255
TMT	99,758
Energy, mining & utilities	61,218
Industrials & chemicals	57,135
Transportation	49,178

All sectors top sectors by volume | HY 2022

	Deal count
TMT	675
Industrials & chemicals	446
Business services	257
Consumer	220
Pharma, medical & biotech	209

All sectors top bidders by value | HY 2022

	US\$(m)
China	166,339
India	99,621
USA	80,065
Japan	23,989
South Korea	23,554

All sectors top bidders by volume | HY 2022

	Deal count
China	844
Japan	393
South Korea	262
USA	246
India	219

All eyes on China

China is closely watched as a barometer of APAC's performance. The country's M&A outlook hangs on how committed the government is to its zero-COVID policy. So far it has shown a willingness to sacrifice short-term growth and investor confidence to keep a lid on infection rates and given that this is now more than two years into the pandemic, it is reasonable to expect it will commit to this approach for the foreseeable future.

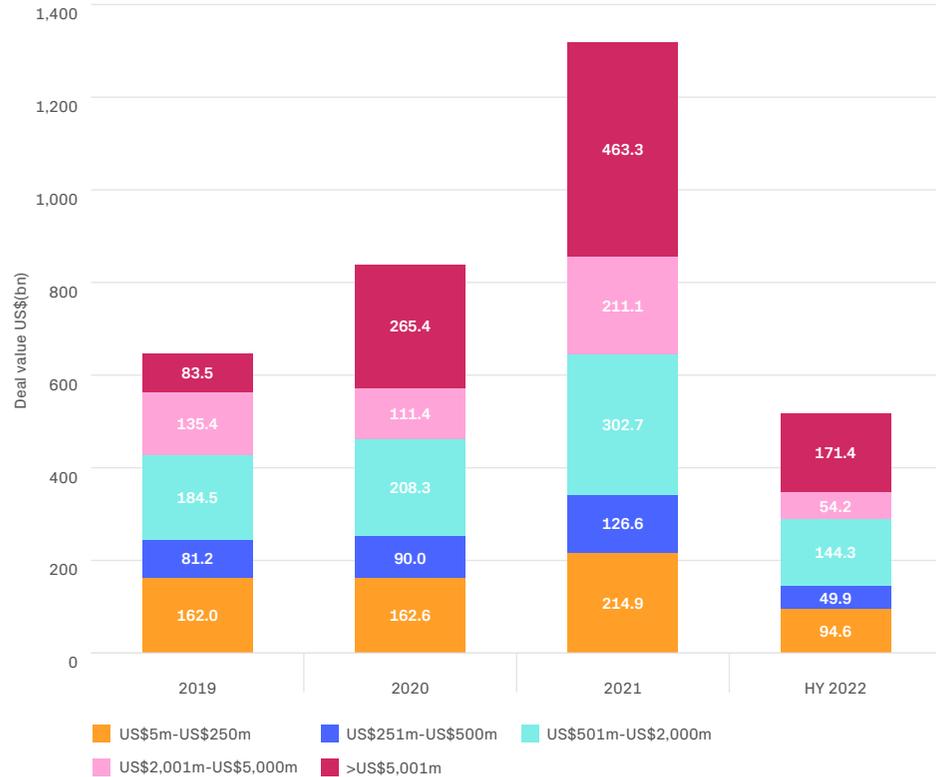
Nonetheless, the country remains an economic juggernaut and still claims the majority of M&A investment. For example, Chinese bidders accounted for 34.9% of invested dollars across APAC deals in H1, even if this was a steep fall on their 47.9% share last year.

Impressively, Indian bidders have entered the big league over the past 12 months and this is not simply a function of the HDFC megadeal. On the contrary, stripping away this deal would still leave India in third place behind the US as the nation with the most acquisitions in the region. Just last year it was in fifth place. A dynamic policy environment is finally bearing fruit and, despite concerns over inflation, India is likely to cement itself as a major M&A market in APAC as its economy continues to show progress.

All sectors top 10 announced deals, HY 2022

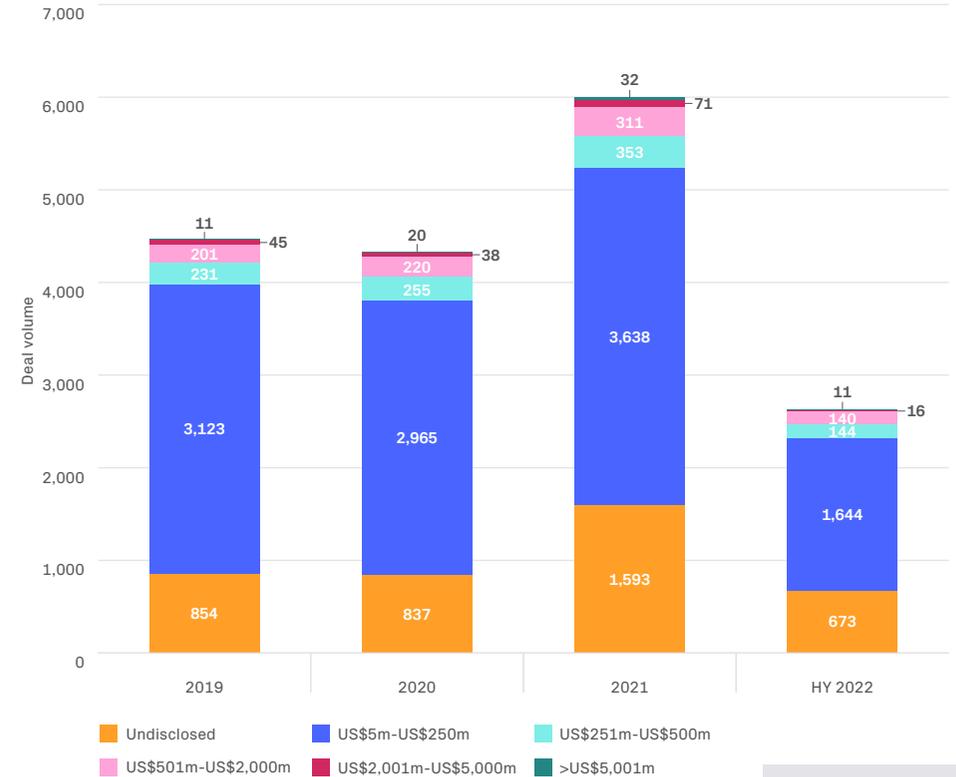
	Announced date	Bidder company	Target company	Target dominant sector	Vendor company	Deal value (US\$m)
1	04-Apr-22	HDFC Bank Ltd	Housing Development Finance Corporation Ltd (100% Stake)	Financial services		60,953
2	20-Apr-22	KKR & Co. Inc.; HEST Australia Ltd.	Ramsay Health Care Limited (100% Stake)	Pharma, medical & biotech		21,037
3	25-Mar-22	Jiangxi State-owned Capital Operation Holding Group Co., Ltd.	Jiangxi Provincial Communications Investment Group Co., Ltd. (90% Stake)	Transportation	Department of Transportation of Jiangxi Province	18,910
4	25-Mar-22	Jiangxi State-owned Capital Operation Holding Group Co., Ltd.	Jiangxi Copper Corporation (90% Stake)	Energy, mining & utilities	Jiangxi State-owned Assets Supervision and Administration Commission	14,733
5	15-Jun-22	BP Plc	Asian Renewable Energy Hub (40.5% Stake)	Energy, mining & utilities	Macquarie Group Limited; InterContinental Energy; CWP Global	12,150
6	15-May-22	Adani Enterprises Ltd.	Ambuja Cements Limited (88.99% Stake)	Construction	LafargeHolcim Ltd	8,788
7	01-May-22	National Integrated Circuit Industry Investment Fund Co., Ltd.; Beijing Yizhuang Investment Holdings Co., Ltd.; Innotron Memory Co., Ltd.	Changxin Jidian (Beijing) Storage Technology Co., Ltd.	TMT		7,565
8	16-Mar-22	EQT Holdings BV	Baring Private Equity Asia Group Ltd (100% Stake)	Financial services		7,406
9	26-May-22	China Avionics Systems Co., Ltd.	AVIC Electromechanical Systems Co., Ltd. (100% Stake)	Industrials & chemicals		7,267
10	12-May-22	Big Data Exchange	Indosat Tbk, PT (100% Stake)	TMT	Qatar Investment Authority	6,579

All sectors M&A value split by deal size



Source: Mergermarket

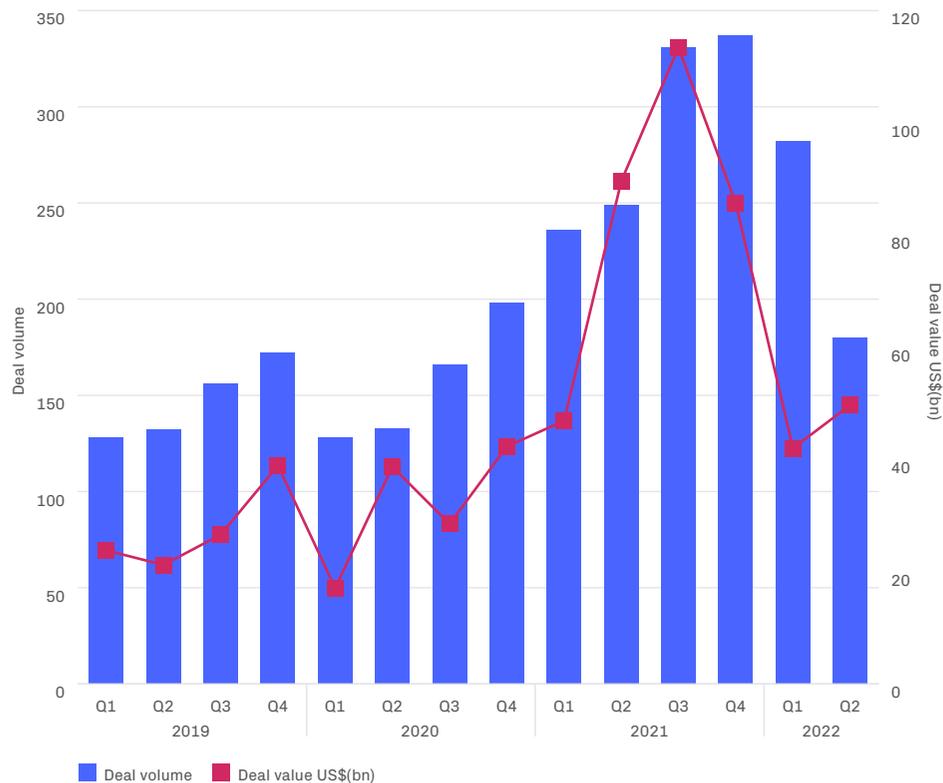
All sectors M&A volume split by deal size



Source: Mergermarket

All sectors PE buyouts

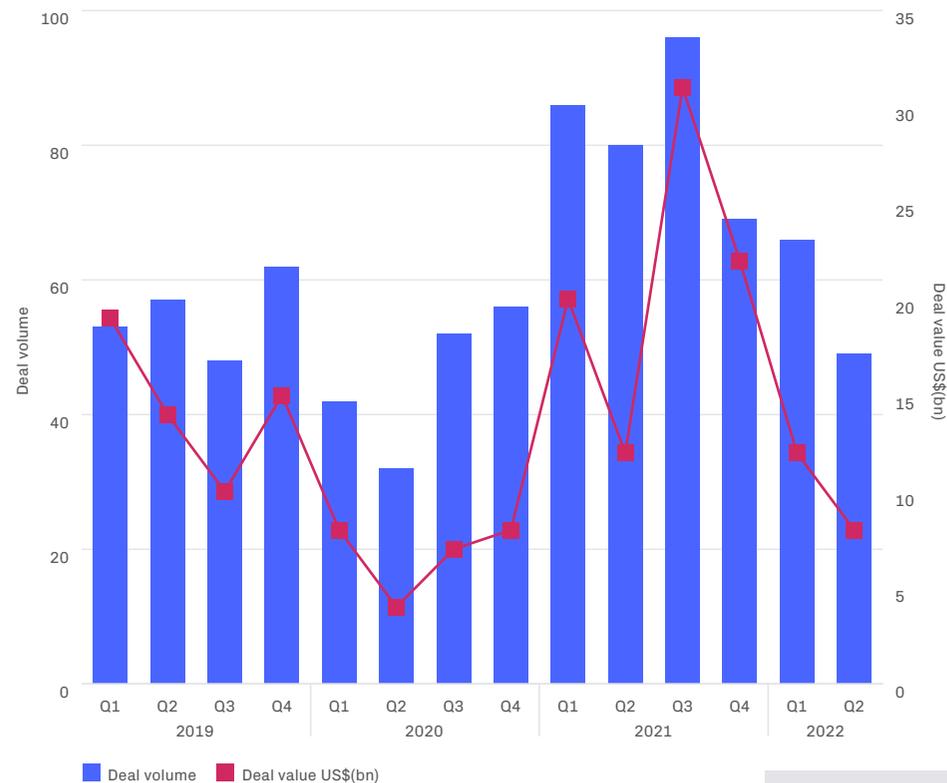
Based on announced buyouts, excluding those that lapsed or were withdrawn, where the dominant location of the target is in APAC.



Source: Mergermarket

All sectors PE exits

Based on announced exits, excluding those that lapsed or were withdrawn, where the dominant location of the target is in APAC.



Source: Mergermarket

All sectors league tables

Financial advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	6	Goldman Sachs & Co	121,668	35
2	2	Morgan Stanley	109,689	47
3	3	JPMorgan	97,382	24
4	4	Citi	84,334	19
5	9	Bank of America	78,303	19
6	68	BNP Paribas	73,127	8
7	8	CITIC Securities Co	70,730	17
8	20	Moelis & Company	67,603	12
9	13	HSBC	66,899	10
10	1	China International Capital	65,563	40

Financial advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	1	PwC	23,788	125
2	4	Deloitte	18,884	82
3	2	KPMG	12,370	72
4	3	EY	20,669	57
5	5	Morgan Stanley	109,689	47
6	6	China International Capital	65,563	40
7	11	Nomura Holdings	11,575	37
8	7	Goldman Sachs & Co	121,668	35
9	20	UBS Investment Bank	50,029	29
10	18	Credit Suisse	41,787	26

Legal advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	13	AZB & Partners	102,602	83
2	33	Freshfields Bruckhaus Deringer	76,415	16
3	130	S&R Associates	68,482	10
4	4	Sullivan & Cromwell	67,216	9
5	-	Cravath, Swaine & Moore	62,528	2
6	320	Argus Partners	61,904	5
7	131	Wadia Ghandy & Co	60,992	3
8	-	Singhi & Co	60,953	1
9	12	Allens	35,675	29
10	16	Herbert Smith Freehills	30,711	40

Legal advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	1	AZB & Partners	102,602	83
2	3	Khaitan & Co	9,666	65
3	4	Mori Hamada & Matsumoto	18,258	58
4	6	Shardul Amarchand Mangaldas & Co	12,093	54
5	9	Cyril Amarchand Mangaldas	27,621	53
6	10	Nishimura & Asahi	19,267	49
7	8	Kim & Chang	13,115	47
8	2	King & Wood Mallesons	26,192	41
9	11	Herbert Smith Freehills	30,711	40
10	13	Gilbert + Tobin	11,144	37

All sectors league tables—mid-market

Financial advisors by value—mid-market (US\$5m-US\$250m)

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	1	PwC	5,773	77
2	2	KPMG	2,525	43
3	4	Deloitte	2,298	29
4	5	China International Capital	2,192	16
5	9	Nomura Holdings	2,169	19
6	3	EY	2,114	28
7	13	Morgan Stanley	1,347	10
8	6	Sumitomo Mitsui Financial Group	1,189	11
9	17	Aventus Capital Pvt	1,179	9
10	37	Mizuho Financial Group	1,125	11

Financial advisors by volume—mid-market (US\$5m-US\$250m)

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	1	PwC	5,773	77
2	2	KPMG	2,525	43
3	4	Deloitte	2,298	29
4	3	EY	2,114	28
5	6	Nomura Holdings	2,169	19
6	8	China International Capital	2,192	16
7	13	Daiwa Securities Group/DC Advisory	1,060	12
8	5	Sumitomo Mitsui Financial Group	1,189	11
9	14	Mizuho Financial Group	1,125	11
10	7	Morgan Stanley	1,347	10

Legal advisors by value—mid-market (US\$5m-US\$250m)

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	1	AZB & Partners	4,823	48
2	7	Cyril Amarchand Mangaldas	3,861	32
3	8	Khaitan & Co	3,450	46
4	6	Shardul Amarchand Mangaldas & Co	2,984	29
5	3	Kim & Chang	2,536	31
6	16	Mori Hamada & Matsumoto	1,886	22
7	10	Nishimura & Asahi	1,811	22
8	21	Bae Kim & Lee	1,623	18
9	5	Fangda Partners	1,588	23
10	25	IndusLaw	1,505	22

Legal advisors by volume—mid-market (US\$5m-US\$250m)

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	2	AZB & Partners	4,823	48
2	4	Khaitan & Co	3,450	46
3	8	Cyril Amarchand Mangaldas	3,861	32
4	3	Kim & Chang	2,536	31
5	7	Shardul Amarchand Mangaldas & Co	2,984	29
6	1	Lee & Ko	1,267	26
7	9	Fangda Partners	1,588	23
8	16	Mori Hamada & Matsumoto	1,886	22
9	6	Nishimura & Asahi	1,811	22
10	15	IndusLaw	1,505	22

All sectors league tables—PR advisors

PR advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	34	SEC Newgate S.p.A.	9,006	2
2	25	Abernathy MacGregor Group (AMO)	3,970	1
3	20	Domestique Consulting	3,569	5
4	-	FGH SVC Holdco	3,481	3
5	14	Adfactors PR	2,151	3
6	67	Waggener Edstrom Worldwide	1,699	3
7	19	Cato & Clive Partners	1,207	2
8	65	FIRST Advisers	1,062	1
9	3	Brunswick Group	979	2
10	-	Edelman & Co	679	1

PR advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	13	Domestique Consulting	3,569	5
2	-	FGH SVC Holdco	3,481	3
3	9	Adfactors PR	2,151	3
4	67	Waggener Edstrom Worldwide	1,699	3
5	16	SEC Newgate S.p.A.	9,006	2
6	21	Cato & Clive Partners	1,207	2
7	10	Brunswick Group	979	2
8	4	FTI Consulting Group	360	2
9	23	Abernathy MacGregor Group (AMO)	3,970	1
10	65	FIRST Advisers	1,062	1

PR advisors by value—mid-market (US\$5m-US\$250m)

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	-	Cannings Purple	227	1
2	1	Kekst CNC (Publicis)	172	1
3	52	Waggener Edstrom Worldwide	153	1
4	19	Citigate Dewe Rogerson	151	1
5	-	The PRACTICE	150	1
6	10	FTI Consulting Group	100	1
7	29	Domestique Consulting	67	2
8	53	Ascent Investor Relations	60	1
9	51	Christensen Investor Relations	59	1
10	-	The Equity Group	51	1

PR advisors by volume—mid-market (US\$5m-US\$250m)

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	16	Domestique Consulting	67	2
2	-	Cannings Purple	227	1
3	1	Kekst CNC (Publicis)	172	1
4	52	Waggener Edstrom Worldwide	153	1
5	26	Citigate Dewe Rogerson	151	1
6	-	The PRACTICE	150	1
7	10	FTI Consulting Group	100	1
8	53	Ascent Investor Relations	60	1
9	51	Christensen Investor Relations	59	1
10	-	The Equity Group	51	1

All sectors league tables—PE advisors

PE advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	11	KKR & Co	32,649	17
2	-	EQT Holdings BV	7,406	1
3	147	Baring Private Equity Asia	5,380	8
4	-	Qianhai Ark Assets Management Co	5,076	4
5	427	PICC Capital Investment Management Co	4,887	2
6	-	Yunfeng Fund	4,837	3
7	-	Xinjiang TCL Venture Capital	4,737	1
8	6	Bain Capital, L.P.	3,098	8
9	2	Blackstone Group	3,000	5
10	44	TPG Capital LP	2,992	6

PE advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	1	Sequoia Capital	1,740	29
2	5	Tiger Global Management	2,548	28
3	4	KKR & Co	32,649	17
4	16	Alpha Wave Global	1,997	13
5	19	Accel	1,083	13
6	24	Sequoia Capital China	1,214	12
7	2	Hillhouse Capital Management	2,335	11
8	6	Warburg Pincus	1,962	9
9	104	Baring Private Equity Asia	5,380	8
10	15	Bain Capital, L.P.	3,098	8

PE advisors by value—mid-market (US\$5m-US\$250m)

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	1	Sequoia Capital	1,740	23
2	3	Tiger Global Management	1,679	24
3	10	Alpha Wave Global	1,297	12
4	2	Hillhouse Capital Management	1,137	8
5	6	KKR & Co	881	6
6	85	Sequoia Capital China	855	10
7	12	Warburg Pincus	662	5
8	146	Nexus Venture Partners	552	6
9	358	AirTree Ventures	547	6
10	57	Prosus Ventures	523	6

PE advisors by volume—mid-market (US\$5m-US\$250m)

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	3	Tiger Global Management	1,679	24
2	1	Sequoia Capital	1,740	23
3	9	Alpha Wave Global	1,297	12
4	91	Sequoia Capital China	855	10
5	2	Hillhouse Capital Management	1,137	8
6	11	Accel	383	8
7	49	Lightspeed Venture Partners	495	7
8	8	KKR & Co	881	6
9	52	Nexus Venture Partners	552	6
10	144	AirTree Ventures	547	6

A woman with long, wavy brown hair, wearing a light blue short-sleeved dress, is smiling and looking down at a black smartphone she is holding in her right hand. In her left hand, she holds a round purple vegetable, possibly a purple cauliflower or cabbage. She is standing in a grocery store aisle, with shelves of packaged green vegetables visible to her right. The background is blurred, showing other shoppers and store lighting. There are two graphic overlays: a yellow horizontal bar on the left containing the word 'Consumer' and an orange horizontal bar above it. Another yellow horizontal bar is on the right side of the image.

Consumer

Strategic shifts, bargains, and tech convergence see off cyclical headwinds

Consumer deals have held up well in volume terms but value has cooled significantly. Acquirers are placing smaller bets in an industry that is particularly exposed to demand-inhibiting effects of rising inflation as everyday consumers become more cost conscious.

There were 220 deals in the sector in H1 2022 worth US\$17bn, up 2.3% and down 36.9%, respectively, on last year. This has resulted in a smaller average deal size of US\$76.6m compared with US\$124.2m in the same period last year. The largest of these came in at US\$1.3bn and involved Primavera Capital Acquisition, a SPAC. The cash shell acquired French luxury fashion group Lanvin, resulting in an automatic float for the business.

Despite having a French heritage, the brand is headquartered in China, having been acquired by Fosun International in 2018. This is one of only four consumer transactions in APAC that was valued above the US\$1bn threshold.

Bargain hunting

Another of the quartet of US\$1bn-plus deals occurred in Taiwan, when Costco Wholesale Corp acquired the 45% stake it did not already own in its joint venture, Costco-Taiwan, for US\$1.05bn.

The US membership-only retailer operates 833 warehouses globally, including 14 in Taiwan, though it also runs e-commerce sites on the island. Costco is facing the same headwinds as many other retail and consumer businesses, with shoppers refraining from buying non-essential and high-margin products amid decades-high inflation. However, Costco and its rivals are benefiting from the fact that they offer discounted goods.

The transaction represented the lion's share of total dollar investment by US acquirers in APAC's consumer sector in H1.

Consumer M&A activity, 2019-HY 2022



Source: Mergermarket



Strategic shifts

A domestic PE house Beijing Plateau Investment Fund Management was responsible for the only other Chinese deal valued above the US\$1bn mark. The fund manager bought a 40% stake in soft drinks maker China Resources Kirin Beverages from its parent, the Japanese brewer Kirin Holdings Company.

The sale of the joint venture holding is part of a broader move by Kirin to move in a new direction. The company is reviewing its portfolio under a management plan that runs through 2024 and aims to focus on new product segments, including pharmaceuticals and health science.

One of the most interesting consumer deals to come out of APAC so far this year captures how tech-enabled firms are intersecting with consumer staples. Ride-hailing apps such as Uber have been muscling in on the food delivery business, with its Uber Eats brand, competing with the likes of DoorDash.

In January, Asia's answer to Uber, Grab Holdings, acquired Malaysia's top premium grocery chain Jaya Grocer Holdings for an estimated US\$450m. Grab noted that consumer concerns about safety and hygiene combined with prolonged movement restrictions during the pandemic have accelerated growth in on-demand grocery delivery services, a behavior that has so far proven to be sticky as consumers place a premium on convenience.

Consumer top bidders by value | HY 2022

	US\$(m)
China	3,434
Hong Kong (China)	2,760
South Korea	2,525
Japan	2,227
USA	1,349

Consumer top bidders by volume | HY 2022

	Deal count
Japan	50
China	43
South Korea	34
India	23
Australia	12

Short-term headwinds

Consumers are under pressure in the region and, despite the rise in volume, M&A in the sector is likely to remain muted, certainly in value terms. Discretionary spending is highly cyclical and therefore sensitive to the current macro environment, defined by slower growth and rising prices.

That said, Asia is expected to see more momentum compared to the rest of the world. In April, the IMF estimated that regional GDP would rise by 4.9%, behind last year's 6.5% growth rate and revised down from its earlier projections, but still well ahead of the global average of 3.6%.

As ever, the strategy for corporate acquirers is to identify shifting consumer habits and repurpose their existing portfolios to capture growth in areas such as sustainability, wellness, and convenience in varying measures.

At the same time, PE is playing an important role in this process, allowing companies to raise cash from the sale of business units that no longer fully align with their strategic vision.

Consumer top 10 announced deals, HY 2022

	Announced date	Bidder company	Target company	Target dominant country	Vendor company	Deal value (US\$m)
1	22-Mar-22	Primavera Capital Acquisition Corporation	Lanvin Group (100% Stake)	China	Fosun Holdings Ltd	1,250
2	04-Feb-22	Hinode v (Aichi)	AT-Group Co., Ltd. (88.11% Stake)	Japan	Mitsubishi UFJ Financial Group, Inc.	1,197
3	30-Jun-22	Costco Wholesale Corporation	Costco Taiwan (45% Stake)	Taiwan (China)		1,050
4	16-Feb-22	Beijing Plateau Investment Fund Management Co., Ltd.	China Resources Kirin Beverages (Greater China) Co., Ltd. (40% Stake)	China	Kirin Holdings Company, Ltd.	1,001
5	23-Mar-22	Primavera Capital Acquisition Corporation	Lanvin Group (100% Stake)	China	Fosun International Limited	544
6	31-Jan-22	Grab Taxi Holdings (Thailand) Co., Ltd.	Jaya Grocer Sdn Bhd	Malaysia		450
7	23-Mar-22	Lotte Confectionery Co., Ltd.	Lotte Food Co., Ltd. (100% Stake)	South Korea		404
8	21-Apr-22	BOC International Holdings limited; Country Garden Holdings Co., Ltd.; ABC International; CICC Capital	China Resources Vanguard Co., Ltd.	China		400
9	22-Feb-22	Unimicron Technology Corporation	Subtron Technology Co., Ltd. (69.38% Stake)	Taiwan (China)		383
10	10-Jun-22	Changzhou Almaden Stock Co., Ltd.	Fengyang Silicon Valley Intelligent Co., Ltd. (100% Stake)	China		374

Consumer league tables

Financial advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	42	Nomura Holdings	2,483	5
2	13	KPMG	1,850	14
3	-	Hauck & Aufhauser Corporate Finance	1,794	2
4	8	Credit Suisse	1,530	2
5	4	Morgan Stanley	1,468	4
6	12	EY	1,260	7
7	-	Cantor Fitzgerald	1,250	1
8	14	PwC	1,213	12
9	9	Deloitte	1,002	10
10	41	Deutsche Bank	1,001	1

Legal advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	34	Nishimura & Asahi	1,733	7
2	98	TMI Associates	1,450	3
3=	66	DLA Piper	1,250	1
3=	3	Simpson Thacher & Bartlett	1,250	1
5	53	Fangda Partners	1,107	6
6	76	Cyril Amarchand Mangaldas	925	9
7	38	Yulchon	919	5
8	35	Kim & Chang	679	6
9	17	Shardul Amarchand Mangaldas & Co	524	4
10	9	Clifford Chance	507	3

Financial advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	2	KPMG	1,850	14
2	1	PwC	1,213	12
3	3	Deloitte	1,002	10
4	4	EY	1,260	7
5	7	Nomura Holdings	2,483	5
6	8	Morgan Stanley	1,468	4
7	-	Kotak Mahindra Bank	486	4
8	23	Houlihan Lokey	54	4
9	-	Somerley Capital	485	3
10	37	Rothschild & Co	253	3

Legal advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	78	Cyril Amarchand Mangaldas	925	9
2	12	Nishimura & Asahi	1,733	7
3	39	Fangda Partners	1,107	6
4	6	Kim & Chang	679	6
5	22	Bae Kim & Lee	330	6
6	13	Yulchon	919	5
7	5	Lee & Ko	472	5
8	7	Khaitan & Co	389	5
9	11	Herbert Smith Freehills	180	5
10	15	Shardul Amarchand Mangaldas & Co	524	4

A large offshore oil rig is illuminated with warm lights against a sunset sky. The rig's complex structure of pipes, ladders, and platforms is reflected in the dark blue water. The sky transitions from a deep blue at the top to a soft orange and pink near the horizon. The rig is supported by several dark legs extending into the sea. In the foreground, a yellow walkway with railings leads towards the rig. The overall scene conveys a sense of industrial activity in a natural setting.

Energy, mining & utilities

Industrial metals and a shift to renewables fuel the EMU sector

M&A in the energy, mining & utilities (EMU) sector has been heating up in 2022, spurred by an oil price that has nearly tripled since June 2020 and a rise in precious metals as investors sought a safe haven from spiraling inflation. While volume slipped by 11.6% to 198 deals, total value came in at US\$61bn, a 24.3% rise year on year.

The largest transaction saw Jiangxi Copper Corporation change hands from the Jiangxi State-owned Assets Supervision and Administration Commission to Jiangxi State-owned Capital Operation Holding Group in a US\$14.7bn sale. The company is the largest copper producer in Mainland China and manufactures 340,000 tons of the metal annually from its mines, which include the Dexing and Yongping pits and the Wushan, Jiangxi, underground mine.

The price of copper climbed steadily in H1 but dropped by nearly 25% in just six weeks from the beginning of June. The metal has vast industrial applications but the commodity price has fallen over concerns that demand is cooling as growth decelerates.

Another major mining deal saw Singapore firm Seroja Investments enter into a US\$2bn agreement to purchase Denway, a holding company that owns a 75% stake in Karyatama Konawe Utara and Konutara Sejati, which own open-pit nickel mines in the North Konawe region of Sulawesi, Indonesia.

EMU M&A activity, 2019-HY 2022



Source: Mergermarket

Australia deals in green energy

Australian deals took a sizable share of the sector's largest M&A deals. The country has rich mining resources and is among the top five producers of most of the world's key commodities such as bauxite, alumina, rutile, and tantalum. However, it was an energy deal that clinched Australia's top spot and second place across APAC's EMU sector. Energy giant BP took control of a 40.5% stake and operatorship of the Asian Renewable Energy Hub (AREH) project in the Pilbara, Western Australia. The oil and gas major intends to support development of up to 26GW of combined solar and wind power generating capacity and has said that, at full scale, AREH could produce 1.6m tons of green hydrogen or 9m tons of green ammonia annually, making it one of the largest green hydrogen projects in the world.

Indian conglomerate JSW Group also expanded its renewable energy footprint with a US\$2bn buy of Mytrah Energy India Private Limited, which has a 2.3GW portfolio that includes 1.7GW of wind capacity and around 535MW of solar power.

Fossil fuel multinationals are under intense pressure to repurpose their business models and acquisitions are a fast-track means of boosting renewables in their portfolios, rather than embarking on lengthy capex projects.

Traditional energy powers through

Significantly smaller at US\$2.8bn and with a far less favorable sustainability profile was Huaihe Energy's deal with Huainan Mining, becoming the second largest shareholder in the coal and electricity producer. Huaihe originally initiated the deal in October 2019 but it was parked over the failure of Huainan to produce relevant documents certifying the ownership of assets.

Huaihe has seen its profits tumble in recent years, starting in 2020 during the first year of the pandemic as coal demand shrank due to increased coal-fired costs. However, fossil fuel remains a major component of China's energy mix, despite the country's heavy investment in renewables. Coal accounted for 56% of its total energy consumption in 2021, according to China's National Bureau of Statistics.



EMU top bidders by value | HY 2022

	US\$(m)
China	28,539
United Kingdom	13,700
India	2,965
Singapore	2,497
Australia	2,473

EMU top bidders by volume | HY 2022

	Deal count
China	83
Australia	24
Japan	19
India	12
USA	10
South Korea	10

EMU top 10 announced deals, HY 2022

	Announced date	Bidder company	Target company	Target dominant country	Vendor company	Deal value (US\$m)
1	25-Mar-22	Jiangxi State-owned Capital Operation Holding Group Co., Ltd.	Jiangxi Copper Corporation (90% Stake)	China	Jiangxi State-owned Assets Supervision and Administration Commission	14,733
2	15-Jun-22	BP Plc	Asian Renewable Energy Hub (40.5% Stake)	Australia	Macquarie Group Limited; InterContinental Energy; CWP Global	12,150
3	21-Jun-22	Huaihe Energy (Group) Co., Ltd.	Huainan Mining Industry (Group) Co., Ltd. (46.41% Stake)	China	China Cinda Asset Management Co., Ltd.; State Power Investment Corporation Limited; Shanghai Electric Power Co., Ltd.; Guohua Energy Investment Co., Ltd.; Huaibei Mining Co., Ltd.; BOC Financial Asset Investment Co., Ltd.; CCB Financial Asset Investment Co., Ltd.; Huaihe Energy Holding Group Co., Ltd.; Jikai Enterprise Management Group Co., Ltd.	2,838
4	18-May-22	JSW Group	Mytrah Energy India Private Limited	India	Raksha Energy Holdings Limited	2,000
5	20-May-22	Seroja Investments Limited	Open-pit nickel mines in the North Konawe region of Sulawesi, Indonesia (75% Stake)	Indonesia	Nickel Global Group Ltd.	1,979
6	25-May-22	Yankuang Energy Group Company Limited; Yankuang Group Co., Ltd.	Yancoal Australia Limited (38.12% Stake)	Australia		1,824
7	29-Apr-22	Royal Dutch Shell Plc	Sprng Energy Pvt Ltd. (100% Stake)	India	Actis LLP	1,550
8	26-May-22	Toyota Tsusho Corporation	Eurus Energy Holdings Corporation (40% Stake)	Japan	Tokyo Electric Power Company Holdings, Inc.	1,462
9	17-Mar-22	Metals Acquisition Corp	Glencore plc (CSA copper mine) (100% Stake)	Australia	Glencore Plc	1,100
10	30-Apr-22	Zijin Mining Group Co., Ltd.	Zhejiang Dun'an Artificial Environment Co., Ltd. (9.71% Stake); Anhui Jiangnan Chemical Industry Co., Ltd. (9.82% Stake); Zhejiang Jinshi Mining Co., Ltd. (100% Stake)	China	DunAn Holding Group Co., Ltd.	1,055

Transitional tailwinds

The major deals in H1 highlight where EMU activity is likely to be concentrated in the future, namely renewables production and industrial metals. The green energy play has years, if not decades, to run as global energy demand rises and governments seek to phase out fossil fuels as fast as possible.

Commodities such as lithium and nickel, which are critical to battery production, will also see demand from the rapidly growing electric vehicle market. Even though the price of copper pulled back sharply toward the end of H2 2021 and may have more downside in the face of slowing GDP, the industrial metal, which has extensive industrial applications, will benefit over the medium to long term from being the primary conductor amid rising electrification throughout the global economy.

EMU league tables

Financial advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	5	China International Capital	17,590	4
2	27	Macquarie Group	12,538	2
3	1	Bank of America	5,471	6
4	12	CITIC Securities Co	3,274	4
5	21	PwC	2,340	11
6	4	Barclays	2,000	1
7	13	JPMorgan	1,986	2
8	49	RBC Capital Markets	1,958	3
9	14	EY	1,550	3
10	16	Standard Chartered	1,550	1

Legal advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	29	Norton Rose Fulbright	13,169	5
2	6	King & Wood Mallesons	4,474	8
3	4	AZB & Partners	3,093	4
4	1	Cyril Amarchand Mangaldas	2,092	5
5	26	Herbert Smith Freehills	2,059	6
6	17	Gilbert + Tobin	1,909	3
7	8	Freshfields Bruckhaus Deringer	1,824	1
8	-	Nagashima Ohno & Tsunematsu	1,794	2
9	15	Allens	1,737	6
10	9	Trilegal	1,639	3

Financial advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	9	PwC	2,340	11
2	4	Bank of America	5,471	6
3	3	China International Capital	17,590	4
4	8	CITIC Securities Co	3,274	4
5	12	Deloitte	174	4
6	52	RBC Capital Markets	1,958	3
7	2	EY	1,550	3
8	26	Azure Capital	359	3
9	58	Taylor Collison	132	3
10	15	Macquarie Group	12,538	2

Legal advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	6	King & Wood Mallesons	4,474	8
2	1	Herbert Smith Freehills	2,059	6
3	10	Allens	1,737	6
4	16	Norton Rose Fulbright	13,169	5
5	2	Cyril Amarchand Mangaldas	2,092	5
6	37	Thomson Geer	159	5
7	7	AZB & Partners	3,093	4
8	15	Allen & Overy	496	4
9	14	Gilbert + Tobin	1,909	3
10	13	Trilegal	1,639	3



Financial services

India's unstoppable housing market puts financial services on top

As an industry, financial services has found itself immune from most supply chain disruptions, which continue to flare up as China continues to restrict movement in response to localized COVID breakouts.

The core issue for lenders in particular is, and always will be, credit risk. As the interest rate cycle tightens and growth slows, so do housing markets, thereby reducing loan volumes and increasing defaults as the consumer is squeezed. Even in China, whose central bank has yet to lift rates, these credit risks are quickly emerging.

So far in 2022, however, deals have been abundant. There were 193 transactions, up 2.7% year on year, while value mushroomed to US\$117bn, a gain of 266%, making financial services APAC's top M&A sector by value.

Climbing the housing ladder

The goliath US\$61bn Housing Development Finance Corporation acquisition by HDFC Bank, a record-breaking deal for India, tipped the scales in favor of the housing market. Even so, subtracting this deal from total value would still put the financial services sector among the top five.

India's housing market holds huge potential in 2022 and beyond. The same price appreciation seen in the West through the back end of 2020 and 2021, and which is now stalling, only began in earnest for India this year. This lag is because vaccination rates only reached critical mass more recently, unleashing pent-up demand later.

A poll of property analysts conducted by Reuters earlier this year found that Indian house prices are estimated to rise by 7.5% through 2022, as buyers look to step onto or up the property ladder before further rate increases.

Financial services M&A activity, 2019-HY 2022



Source: Mergermarket



PE taps into Asian growth

H1's second-largest deal in the sector was also the eighth largest across all industries. PE firm EQT Partners, which has an increasingly global remit and is expanding from its foundations in Sweden, acquired Baring Private Equity Asia for US\$7.4bn. Rather than being a traditional leveraged buyout that sits in one of EQT's funds, the move is strategic and brings Baring's assets under EQT's management. The firm has been rebranded as BPEA EQT Asia.

The deal gives EQT an immediate foothold in the Asian market with a team that has been investing in the region since as far back as 1997, making it a pioneer. EQT believes having an Asian presence is a strategic priority given the relative higher growth rates compared with its traditional mature markets in Northern and Western Europe.

However, it is unlikely that similar transactions will materialize in meaningful numbers. Most large-cap PE houses either have existing funds in Asia or poach rainmakers from local firms to set up new strategies. Moreover, there are very few firms with the track record of Baring.

FS top bidders by value | HY 2022

	US\$(m)
India	65,993
China	21,342
Singapore	7,776
Sweden	7,406
USA	3,499

FS top bidders by volume | HY 2022

	Deal count
China	65
South Korea	16
India	16
Japan	15
Australia	14

Brokered deals

Most financial services deals in APAC were frontloaded in Q1. However, June saw one of the largest deals to occur in Q2 with state-owned China Chengtong Holdings Group acquiring New Times Securities, the securities firm linked to fallen tycoon Xiao Jianhua's Tomorrow Holding for US\$2bn.

In the same month, China Huarong Asset Management agreed to sell its stake worth US\$1.8bn in a regional commercial bank, as it offloads non-core assets and restructures its overall business following a bailout in November last year. Earlier this year, it also divested its brokerage business.

Over the coming months, a key regional subsector to watch will be China's banking sector. In the provincial capital of Henan, protestors gathered outside of the People's Bank of China demanding their frozen deposits while homeowners have begun threatening to withhold mortgage payment on unfinished housing projects they have purchased.

Banks have huge exposure to the country's debt-laden property market and a contagion could set in over the next six to 12 months. By comparison, other markets appear to be in far better health, as evidenced by HDFC's deal in India. In the near term, the gap between a struggling China and more robust parts of APAC could widen as credit risk potentially spreads.

Financial services top 10 announced deals, HY 2022

	Announced date	Bidder company	Target company	Target dominant country	Vendor company	Deal value (US\$m)
1	04-Apr-22	HDFC Bank Ltd.	Housing Development Finance Corporation Ltd. (100% Stake)	India		60,953
2	16-Mar-22	EQT Holdings BV	Baring Private Equity Asia Group Ltd. (100% Stake)	Hong Kong (China)		7,406
3	26-Jan-22	Zhongyuan Bank Co., Ltd.	Bank of Luoyang (100% Stake); Bank of Pingdingshan Co., Ltd. (100% Stake); Bank of Jiaozuo China Travel Services Co., Ltd. (100% Stake)	China		4,501
4	13-Jan-22	United Overseas Bank Limited	Citi (Indonesia – consumer business) (100% Stake); Citi (Malaysia – consumer business) (100% Stake); Citi (Thailand – consumer business) (100% Stake); Citi (Vietnam – consumer business) (100% Stake)	Indonesia	Citigroup Inc.	3,652
5	28-Jan-22	DBS Group Holdings Limited; DBS Bank (Taiwan) Ltd.	Citigroup Inc. (consumer banking business in Taiwan) (100% Stake)	Taiwan (China)	Citigroup Inc.	3,363
6	16-Jun-22	China Chengtong Holdings Group Company Limited	New Times Securities Co., Ltd. (98.24% Stake)	China		1,958
7	01-Mar-22	Hangzhou Urban Construction and Investment Group	Bank of Hangzhou Co., Ltd. (10% Stake)	China	Commonwealth Bank of Australia	1,799
8	04-Apr-22	Perpetual Limited	BT Investment Management Limited (100% Stake)	Australia		1,797
9	09-Jun-22	Hunan Caixin Financial Holding Group Co., Ltd.; Central Huijin Investment Ltd.	Huarong Xiangjiang Bank Co. Ltd. (40.53% Stake)	China	China Huarong Asset Management Co., Ltd.	1,791
10	30-Mar-22	Axis Bank Ltd	Citi (consumer business of India) (100% Stake)	India	Citi	1,627

Financial services league tables

Financial advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	16	Morgan Stanley	77,096	11
2	5	Goldman Sachs & Co	75,710	11
3	-	Citi	72,321	9
4	17	JPMorgan	69,238	4
5	22	HSBC	62,727	3
6	-	Moelis & Company	61,506	5
7	-	Jefferies	61,332	2
8	18	CITIC Securities Co	61,189	2
9=	3	Arpwood Capital	60,953	1
9=	14	Bank of America	60,953	1
9=	-	BNP Paribas	60,953	1

Legal advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	1	AZB & Partners	71,836	13
2	-	Cravath, Swaine & Moore	62,528	2
3	14	Freshfields Bruckhaus Deringer	61,952	3
4	-	Sullivan & Cromwell	61,452	2
5=	-	Argus Partners	60,953	1
5=	71	S&R Associates	60,953	1
5=	-	Singhi & Co	60,953	1
5=	24	Wadia Ghandy & Co	60,953	1
9	10	Clifford Chance	12,711	4
10	41	Simpson Thacher & Bartlett	7,949	4

Financial advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	7	Morgan Stanley	77,096	11
2	2	Goldman Sachs & Co	75,710	11
3	1	PwC	7,069	11
4	-	Citi	72,321	9
5	14	Credit Suisse	7,333	7
6	5	EY	1,950	6
7	-	Moelis & Company	61,506	5
8	24	JPMorgan	69,238	4
9	3	Deloitte	2,283	4
10	9	Macquarie Group	2,190	4

Legal advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	1	AZB & Partners	71,836	13
2	21	Shardul Amarchand Mangaldas & Co	2,952	10
3	20	Khaitan & Co	2,746	9
4	2	King & Wood Mallesons	5,468	8
5	4	Cyril Amarchand Mangaldas	3,179	7
6	24	Trilegal	1,108	5
7	12	Clifford Chance	12,711	4
8	32	Simpson Thacher & Bartlett	7,949	4
9	42	Allen & Overy	4,854	4
10	19	Baker McKenzie	1,755	4



Industrials & chemicals

China takes a leading role as it equips itself for the future

M&A in APAC's I&C sector remained relatively steady in the first half of this year and is a segment in which Chinese buyers have been especially active. There were 446 deals, a drop of 13.2%, while the US\$57bn invested was down 8.2%, coming in above the cross-sector average.

I&C is a cyclical sector and thus more sensitive to the current macroeconomic climate, but also has a broad ambit given the variety of sectors into which I&C feeds, many of which benefit from supplying corporates that are investing heavily to catch strong secular tailwinds such as ESG and digitalization.

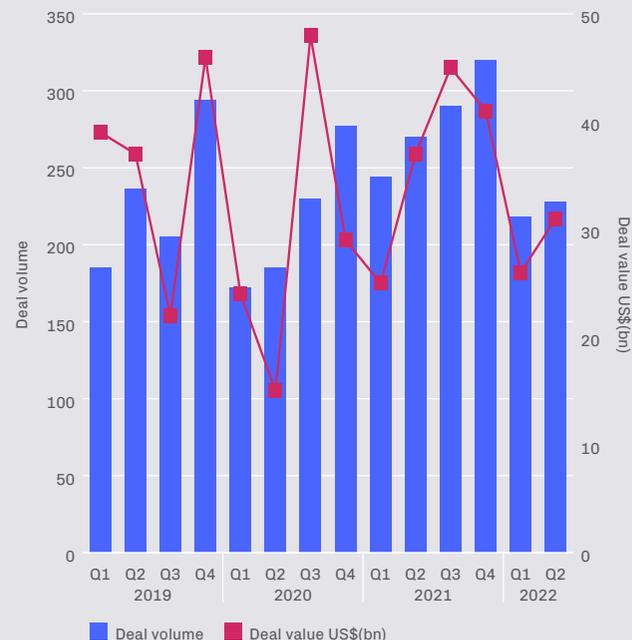
Military deals

Clinching the top spot was a US\$7.3bn share-swap merger between two subsidiaries of Aviation Industry Corporation of China (AVIC), a state-owned defense contractor and supplier of fighter jets to the People's Liberation Army. The two companies will be reorganized into one large, listed firm that will be the biggest domestic producer of airborne systems, a generic term for electronic and micro-electromechanical systems used on aircraft, satellites, and spacecraft.

China's defense industry is booming. The country's fourteenth Five-Year Plan covering 2021 to 2025 is precipitating an expansion of military production and manufacturing, especially within large aircraft, aircraft engines, and maritime equipment.

The Military Industry Index, which tracks the top Chinese listed companies in the military industry, has recorded inventory increases for the last three years. Average net profit growth across the index for 2022 and 2023 is forecast to be 39.62% and 23.73% respectively.

I&C M&A activity, 2019-HY 2022



Source: Mergermarket

I&C top bidders by value | HY 2022

	US\$(m)
China	26,975
South Korea	7,142
USA	6,102
Singapore	5,370
Japan	3,781

I&C top bidders by volume | HY 2022

	Deal count
China	211
South Korea	64
Japan	58
India	27
USA	24

Big rig building

In Singapore, Sembcorp Marine acquired Keppel Corp's oil rig building business, Keppel Offshore & Marine, the US\$3.8bn merger creating the largest company of its kind in the world. Sembcorp said the enlarged order book of the combined entity will allow it to optimize its building yards in Singapore and Brazil.

Justifying the deal, Sembcorp stated that these were "unprecedented times" and made clear its intention to seek opportunities not just in its legacy oil and gas sector, but also in renewable as well as alternative sources including hydrogen, to align with growing commitments by governments and companies to achieve net zero carbon emissions.

There was a definite ESG rationale for China's third-largest deal, which involved a US bidder, Mountain Crest Acquisition Corp. IV. The SPAC paid US\$1.7bn for CH-AUTO, a Beijing-based carmaker specializing in electric vehicle (EV) manufacturing and automotive design services.

The company is already firmly embedded in the industry, having provided design services to major mainstream Chinese auto brands such as Geely, Chery, FAW, and GAC, leading and participating in the design and development of more than 100 car models. CH-AUTO also wholly owns an EV supercar subsidiary, Qiantu Motor, which in 2018 launched its first model, the Qiantu K50. As an EV maker and key services supplier in China, CH-AUTO has a huge addressable market, even if it only benefits from upside in Asia.



I&C top 10 announced deals, HY 2022

	Announced date	Bidder company	Target company	Target dominant country	Vendor company	Deal value (US\$m)
1	26-May-22	China Avionics Systems Co., Ltd.	AVIC Electromechanical Systems Co., Ltd. (100% Stake)	China		7,267
2	27-Apr-22	Sembcorp Marine Limited	Keppel Offshore & Marine Limited	Singapore	Keppel Corporation Limited	3,806
3	25-Mar-22	Jiangxi State-owned Capital Operation Holding Group Co., Ltd.	Jiangxi Railway & Aviation Investment Group Co., Ltd. (71.14% Stake)	China	Jiangxi Development & Reform Commission	1,743
4	02-May-22	Mountain Crest Acquisition Corp. IV	CH-Auto Technology Corporation (100% Stake)	China		1,710
5	31-Jan-22	Tata Steel Limited	Neelachal Ispat Nigam Ltd (93.71% Stake)	India	MMTC Ltd; Government of Odisha; National Mineral Development Corporation; Bharat Heavy Electricals Limited; Mecon Limited	1,621
6	14-Jan-22	Itochu Corporation; Japan Industrial Partners, Inc.	Hitachi Construction Machinery Co., Ltd. (26% Stake)	Japan	Hitachi, Ltd.	1,606
7	12-Feb-22	Luxshare Limited	Chery Automobile Co., Ltd. (7.87% Stake); Chery Holding Group Co., Ltd. (19.88% Stake); Chery New Energy Automobile Technology Co., Ltd. (6.24% Stake)	China		1,580
8	24-Jan-22	Recco Control Technology Pte. Ltd.; Dazheng Group (Hong Kong) Investment Holdings Co., Ltd.	Hollysys Automation Technologies, Ltd. (100% Stake)	China		1,532
9	01-Apr-22	First Sentier Investors (Australia) Services Pty Ltd.	Waste Management NZ Ltd (100% Stake)	New Zealand	Beijing Capital Group Company Limited	1,315
10	08-Jun-22	Hahn & Company	SKC (industrial material business) (100% Stake)	South Korea	SKC Ltd	1,270

Planning ahead

China has been the major bidder in I&C deals this year— transactions involving Chinese bidders accounted for almost half of all deal value in the sector in H1, far ahead of bidders from South Korea (12.5%) who came in at second place. That includes a preponderance of intra-Chinese deals, a trend that is likely to continue for the foreseeable future.

According to the Chinese Communist Party's current Five-Year Plan, the government is prioritizing the quality of growth over the quantity and building China into a self-reliant technological and manufacturing powerhouse, while simultaneously accelerating the push toward a low-carbon economy.

Rather than simply being the world's top exporter by virtue of labor outsourcing, it is seeking to be a self-sustaining and competitive country and this will involve building out its capabilities and investing in innovation, including via M&A and, in many cases, with state support.

I&C league tables

Financial advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	59	China Securities Co	7,363	2
2	-	GF Securities	7,267	1
3	5	Deloitte	6,306	19
4	13	JPMorgan	6,200	5
5	2	Morgan Stanley	5,935	9
6	14	Credit Suisse	5,539	4
7	16	China International Capital	4,390	10
8	1	Goldman Sachs & Co	4,244	3
9	77	DBS Bank	4,145	2
10	95	Provenance Capital Pte	3,806	1

Legal advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	3	Kim & Chang	4,125	11
2	-	Allen & Gledhill	3,806	2
3	81	Pillsbury Winthrop Shaw Pittman	3,806	1
4	2	Nishimura & Asahi	3,696	7
5	27	Shin & Kim	3,437	9
6	1	Anderson Mori & Tomotsune	2,190	5
7=	55	Paul Weiss Rifkind Wharton & Garrison	2,100	1
7=	16	Weil Gotshal & Manges	2,100	1
9	54	AZB & Partners	2,031	8
10	28	Nagashima Ohno & Tsunematsu	2,000	6

Financial advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	1	PwC	2,229	24
2	3	Deloitte	6,306	19
3	2	KPMG	2,027	17
4	4	EY	2,263	11
5	8	China International Capital	4,390	10
6	10	Morgan Stanley	5,935	9
7	17	Nomura Holdings	3,316	9
8	6	Mizuho Financial Group	3,620	6
9	25	JPMorgan	6,200	5
10	51	UBS Investment Bank	3,379	5

Legal advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	26	Khaitan & Co	1,488	13
2	4	Kim & Chang	4,125	11
3	5	Mori Hamada & Matsumoto	1,096	10
4	6	Shin & Kim	3,437	9
5	3	Lee & Ko	1,872	9
6	14	AZB & Partners	2,031	8
7	2	Nishimura & Asahi	3,696	7
8	7	Nagashima Ohno & Tsunematsu	2,000	6
9	-	Kirkland & Ellis	1,795	6
10	34	Shardul Amarchand Mangaldas & Co	898	6

Pharma, medical & biotech

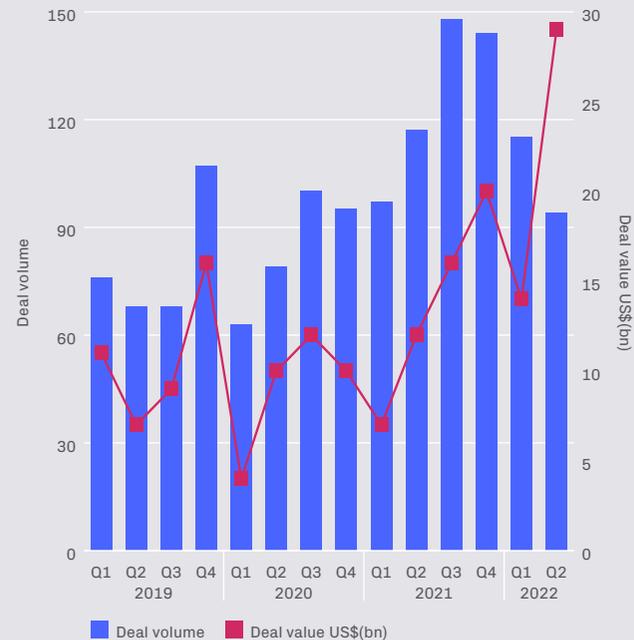


Australia plays a leading role in human and animal care

The health crisis of the past two-plus years brought the pharma, medical & biotech (PMB) sector into sharp focus amid the race to develop and deliver effective COVID vaccines. Healthcare demand more generally is on a long-term upward trend as the demographic shifts to an aging population that requires long-term medical care.

Last year, the sector was the fourth largest in terms of M&A volume globally. However, APAC saw relatively limited activity and that remained the case in the first half of 2022 on a volume basis. There were 209 deals, down 2.3% on what was already a relatively lackluster period. Value made impressive gains, however, up 130.3% to US\$43bn.

PMB M&A activity, 2019-HY 2022



Source: Mergermarket

Record-breaking hospital deal

Nearly half of this came from the megadeal which saw US PE firm KKR and the superannuation fund HEST Australia acquire private hospital operator Ramsay Health Care for US\$21bn.

Ramsay is Australia's largest private hospital operator and is active in the UK, France, Scandinavia, Malaysia, and Indonesia. The company owns 28% of hospital beds in Australia's private hospital sector, double the market share of its next-largest rival, Healthscope.

The deal is understood to be Australia's largest-ever PE buyout and is nearly 10 times the size of the next-largest PMB deal this year. A month prior to KKR and HEST sealing the transaction, Ramsay and Malaysia-based Sime Darby Holdings received a US\$1.35bn offer from Asia's largest healthcare group, IHH Healthcare, for their Asia joint venture, Ramsay Sime Darby Health Care.

PMB top bidders by value | HY 2022

	US\$(m)
USA	24,048
China	6,487
South Korea	3,524
Australia	1,854
Malaysia	1,343

PMB top bidders by volume | HY 2022

	Deal count
China	78
India	22
Japan	22
Australia	20
USA	15

Buyouts booming

Private equity has played a starring role in the sector this year, as both buyer and seller, contributing four of the eight largest PMB deals in H1. The largest exit involved TPG Capital divesting a 45% stake in pet retailer and veterinary clinic Greencross to a pair of pension funds, AustralianSuper and the Healthcare of Ontario Pension Plan, for US\$1.2bn. The buyout shop simultaneously paid itself a dividend from the company by way of a US\$1.5bn refinancing.

Greencross previously traded on the Australian Securities Exchange before TPG delisted it in 2019. The company had seen its share price decline amid tough competition from companies such as Pet Circle and online retail titan Amazon. TPG repositioned Greencross from a channel-led business with separate pet goods retail and veterinary clinic arms to a consumer-led company. Fortuitously, it also benefited from a surge in pet ownership during the pandemic.

While the Ramsay deal was by far the largest deal made by a US bidder in any sector in APAC in H1 2022, another sizable PMB transaction saw California-headquartered food technology start-up Perfect Day, best known for its range of animal-free milks and cheeses, win the auction for Mumbai-based Sterling Biotech with a US\$1.1bn offer.

There is potential for Perfect Day to incorporate Sterling's chemicals into its products and it may be used as a launchpad to crack India's consumer market. Almost a third of the country's 1.5bn population is vegetarian, with veganism growing in popularity. A YouGov survey carried out earlier this year found that more than 60% of Indians view plant-based diets positively compared with two years ago.



Large population spells future upside

APAC PMB deal activity has been relatively muted for some time. Part of that can be explained by the lack of a true pharma giant in the region, the world's 10 largest players, from Pfizer down to GlaxoSmithKline, are all either US or European, albeit with a global remit.

Much of the focus in recent months has been on traditional care services, such as Ramsay, rather than pharma or biotech. However, there were exceptions. Samsung Biologics in Q1 took ownership of US-based partner Biogen's 49.99% stake in their biosimilars joint venture, Samsung Bioepis, for US\$2.3bn.

Meanwhile, Sanofi and Genzyme earlier this year acquired ABL Bio's rights to develop and commercialize the antibody ABL301, for Parkinson's disease treatment, a deal valued at US\$1.1bn. Both transactions took place in South Korea, a country that has seen heavy R&D support for pharma from the government.

There is no shortage of pharma and biotech innovation to be found in APAC. And given the sheer size of its population (4.7bn in 2022) and attendant healthcare requirements, there are ample opportunities to invest in this most defensive of sectors.

PMB top 10 announced deals, HY 2022

	Announced date	Bidder company	Target company	Target dominant country	Vendor company	Deal value (US\$m)
1	20-Apr-22	KKR & Co. Inc.; HEST Australia Ltd.	Ramsay Health Care Limited (100% Stake)	Australia		21,037
2	27-Jan-22	Samsung Biologics Co., Ltd.	Samsung Bioepis Co., Ltd. (49.99% Stake)	South Korea	Biogen Inc	2,300
3	22-Mar-22	IHH Healthcare Berhad	Ramsay Sime Darby Health Care Sdn Bhd (100% Stake)	Malaysia	Sime Darby Berhad; Ramsay Health Care Limited	1,343
4	22-Mar-22	AustralianSuper Pty Ltd; Healthcare of Ontario Pension Plan	Greencross Ltd (45% Stake)	Australia	TPG Capital LP	1,169
5	18-Apr-22	Perfect Day, Inc.	Sterling Biotech Limited (100% Stake)	India		1,104
6	12-Jan-22	Genzyme Corporation; Sanofi S.A.	ABL Bio Inc (rights to develop and commercialize ABL301) (100% Stake)	South Korea	ABL Bio Inc.	1,060
7	22-Feb-22	EQT Partners AB; EQT Infrastructure Fund	Stockland Retirement Living Pty Ltd (100% Stake)	Australia	Stockland Corporation Limited	712
8	27-Jan-22	Bain Capital, L.P.	Classys Inc. (60.84% Stake)	South Korea		557
9	20-Apr-22	BYD Company Limited; Ningbo Shanshan Co., Ltd.; Contemporary Amperex Technology Co., Ltd.; CNPC Kunlun Capital Company Limited; Ningde New Energy Technology Co., Ltd.	Shanghai Shanshan Lithium Battery Material Technology Co., Ltd. (25.8% Stake)	China		475
10	09-May-22	China Resources Sanjiu Medical & Pharmaceutical Co., Ltd.	KPC Pharmaceuticals, Inc. (28% Stake)	China	Holley Group Co., Ltd; Huafang Pharmaceutical Technology Co., Ltd	432

PMB league tables

Financial advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	-	Credit Suisse	22,391	3
2	26	Goldman Sachs & Co	21,975	4
3	-	UBS Investment Bank	21,764	4
4	-	Barrenjoey Capital Partners	21,037	1
5	10	Citi	2,365	2
6	24	Moelis & Company	2,300	1
7	19	Deloitte	1,533	8
8	34	Deutsche Bank	1,343	1
9	7	PwC	1,307	9
10	22	Morgan Stanley	1,307	2

Financial advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	2	PwC	1,307	9
2	4	Deloitte	1,533	8
3	31	Goldman Sachs & Co	21,975	4
4	-	UBS Investment Bank	21,764	4
5	58	Haoyue Capital	674	4
6	1	CEC Capital	116	4
7	-	Credit Suisse	22,391	3
8	13	China International Capital	309	3
9	14	Jefferies	136	3
10	3	KPMG	63	3

Legal advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	22	Allens	22,206	5
2	6	Herbert Smith Freehills	21,317	6
3	41	Kim & Chang	3,494	5
4	11	Ropes & Gray	2,857	2
5	10	Gilbert + Tobin	2,512	4
6	-	Linklaters	2,325	2
7	43	Lee & Ko	2,300	1
8	31	King & Wood Mallesons	1,893	4
9	67	Yulchon	1,144	3
10	-	Mamta Binani & Associates	1,104	1

Legal advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	22	Khaitan & Co	708	9
2	8	AZB & Partners	630	7
3	12	Herbert Smith Freehills	21,317	6
4	16	Allens	22,206	5
5	40	Kim & Chang	3,494	5
6	9	Gilbert + Tobin	2,512	4
7	20	King & Wood Mallesons	1,893	4
8	2	Shardul Amarchand Mangaldas & Co	763	4
9	39	Han Kun Law Offices	397	4
10	1	Fangda Partners	149	4

Real estate



Commercial real estate leads as cracks show in China

The real estate sector has shown some resilience in the face of exceptional challenges. There was US\$18bn worth of deals versus US\$29bn this time last year, down 38%. However, by volume, M&A was down by only 11.7% to 121 deals.

Foreign investors have pulled back from the sector this year, the weight of investment falling on the shoulders of Chinese buyers. China was responsible for 68% of deal volume and 60% of value, with these acquirers increasing their absolute investment by 40.6% year on year to US\$10.7bn.

Chinese bidders accounted for six of the 10 largest deals in the sector, though the largest was Japanese and was as much a financial services transaction as it was real estate. Valued at a modest US\$1.9bn, US PE firm KKR and 76 Co. bought the real estate investment trust (REIT) manager MC-UBSR, a joint venture established in 2000 by Mitsubishi Corporation and UBS Asset Management.

REITs and restructurings

The second-largest deal saw China Power Construction Group acquire a number of large minority stakes, in PowerChina Real Estate, Beijing Feiyue Linkong Technology Industry Development, and Tianjin Haifu Real Estate Development, as part of a mass restructuring.

PowerChina issued no fewer than 14 consecutive announcements on January 7, disclosing a major asset replacement with controlling shareholder China Power Construction Group. The real estate element of the transaction was worth US\$1.6bn.

In Australia, Charter Hall and Dutch pension fund PGGM paid US\$1.2bn for ASX-listed REIT manager Irongate Funds Management in the third-largest real estate sector in the APAC region. Irongate, previously known as the Investec Australian Property Fund, owns and manages 36 commercial property assets valued at AUS\$1.56bn in Australia and New Zealand across the industrial, office, and retail sectors.

Real estate M&A activity, 2019-HY 2022



Source: Mergermarket



Chinese buyers lead the way

The largest transactions in the top 10 with a Chinese bidder were domestic deals. This could be symptomatic of a number of developments that are rattling investors. Despite overtaking the US in 2020 to become the top destination for new foreign direct investment, sentiment has turned.

China's real estate sector in particular is fraught with challenges, having become over-leveraged in recent years. The country's largest developers have been defaulting on their sizable debt loads. In July, regulators were forced to step up efforts to encourage lenders to extend loans to real estate projects in light of a mortgage-payment boycott on unfinished properties.

The issue is that developers have been borrowing heavily to expand their portfolios but are struggling to repay their liabilities in the face of a softening housing market, impeding their ability to complete builds. The China Banking and Insurance Regulatory Commission told local media that banks need to meet developers' financing needs where it is realistic to do so.

Real estate top bidders by value | HY 2022

	US\$(m)
China	10,668
USA	2,156
Australia	1,958
Japan	1,040
Singapore	695

Real estate top bidders by volume | HY 2022

	Deal count
China	82
Japan	11
Vietnam	5
Australia	5
South Korea	4
India	4



Real estate top 10 announced deals, HY 2022

	Announced date	Bidder company	Target company	Target dominant country	Vendor company	Deal value (US\$m)
1	17-Mar-22	KKR & Co. Inc.; 76 Co., Ltd.	Mitsubishi Corp. – UBS Realty Inc. (100% Stake)	Japan	UBS AG; Mitsubishi Corporation	1,906
2	07-Jan-22	China Power Construction Group Co., Ltd.	PowerChina Real Estate Co., Ltd. (41.66% Stake); Beijing Feiyue Linkong Technology Industry Development Co., Ltd. (41.66% Stake); Tianjin Haifu Real Estate Development Co., Ltd. (41.66% Stake)	China	Power Construction Corporation of China, Ltd.	1,614
3	31-Jan-22	PGGM N.V.; Charter Hall Limited	Irongate Funds Management Limited (100% Stake)	Australia	Trafalgar Corporate Group Ltd.	1,193
4	10-Jun-22	China Jinmao Holdings Group Limited	China VAST Industrial Urban Development Company Limited (34.18% Stake)	China	Profit East Ltd	1,006
5	24-Apr-22	Chengdu Hi-tech Investment Group Co., Ltd.; Chengdu Media Group; Chengdu High New Jicui Technology Co., Ltd.; Chengdu Jinjaing Investment Development Group Co., Ltd.	Chengdu Financial City Investment & Development Co., Ltd.	China		998
6	25-Mar-22	JTOWER Inc.	NTT DOCOMO (6,002 telecommunication towers) (100% Stake)	Japan	Nippon Telegraph and Telephone Corporation	881
7	28-Mar-22	Warburg Pincus LLC; Hillhouse Capital Management, Ltd.	JD Property Management Group	China		800
8	30-Apr-22	Hangzhou Binjiang Real Estate Group Co., Ltd.	Hangzhou Gaoguang Property Co., Ltd. (100% Stake)	China	Zhongrong International Trust Co., Ltd.	727
9	20-Jun-22	Shanghai Zhonggu Logistics Co., Ltd.	Shanghai Yingwan Zhaoye Real Estate Co., Ltd. (100% Stake)	China	China Life Hengwan Tianjin Enterprise Management Partnership (Limited Partnership); Jinwan (Tianjin) Enterprise Management Partnership (Limited Partnership)	432
10	30-May-22	Aliro Group Pty Ltd.	Australian Unity Office Property Fund (100% Stake)	Australia	Australian Unity Investment Real Estate Ltd; Hume Partners Pty Ltd.	376

Interest-rate-induced slowdown

Overall, real estate M&A in APAC has underperformed the wider deal market (down 38% versus 12.6% across sectors measured by value) and this should not come as a surprise given the sector's ongoing challenges in China. It should also be expected that countries raising their interest rates, such as Australia, New Zealand, Singapore, and South Korea, will see some further slowdown in their real estate markets as borrowing costs rise.

However, there are deals to be made and activity is likely to skew towards high-quality existing assets held by well-managed REITs and of a commercial nature, such as offices and warehouse logistics.

The high inflation rates that central banks are now seeking to tame should disfavor home builders and construction companies as new projects stall. Of course, there will naturally be ready and willing stressed and distressed buyers looking to take advantage of this.

Real estate league tables

Financial advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	30	China International Capital	2,751	3
2	17	UBS Investment Bank	2,706	2
3	20	Deloitte	2,437	3
4	3	Sumitomo Mitsui Financial Group	1,906	1
5	12	CITIC Securities Co	1,614	1
6	26	Macquarie Group	1,193	2
7=	-	Barrenjoey Capital Partners	1,193	1
7=	1	JPMorgan	1,193	1
7=	13	Morgan Stanley	1,193	1
10	-	Bank of America	1,163	2

Legal advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	3	Mori Hamada & Matsumoto	1,906	4
2	-	Anderson Mori & Tomotsune	1,906	2
3=	4	Nagashima Ohno & Tsunematsu	1,906	1
3=	5	Nishimura & Asahi	1,906	1
3=	-	Simpson Thacher & Bartlett	1,906	1
6	18	King & Wood Mallesons	1,569	2
7	-	Cliffe Dekker Hofmeyr	1,193	1
8	24	Slaughter and May	1,137	2
9	2	WongPartnership	482	2
10	-	Arnold Bloch Leibler	376	1

Financial advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	31	China International Capital	2,751	3
2	7	Deloitte	2,437	3
3	21	UBS Investment Bank	2,706	2
4	13	Macquarie Group	1,193	2
5	-	Bank of America	1,163	2
6	-	Rainbow Capital (HK)	1,137	2
7	16	Nomura Holdings	30	2
8	9	Sumitomo Mitsui Financial Group	1,906	1
9	5	CITIC Securities Co	1,614	1
10=	-	Barrenjoey Capital Partners	1,193	1
10=	2	JPMorgan	1,193	1
10=	6	Morgan Stanley	1,193	1

Legal advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	6	Mori Hamada & Matsumoto	1,906	4
2	-	Anderson Mori & Tomotsune	1,906	2
3	15	King & Wood Mallesons	1,569	2
4	16	Slaughter and May	1,137	2
5	5	WongPartnership	482	2
6	10	Sidley Austin	-	2
7=	7	Nagashima Ohno & Tsunematsu	1,906	1
7=	8	Nishimura & Asahi	1,906	1
7=	-	Simpson Thacher & Bartlett	1,906	1
10	-	Cliffe Dekker Hofmeyr	1,193	1

A woman with dark hair, wearing a green blouse and a brown beaded necklace, is looking down at a tablet computer she is holding. She is in a bright, modern office environment with large windows in the background. Other people are visible in the background, but they are out of focus. There are decorative orange and grey rectangular blocks in the upper right area of the image.

Telecoms, media & technology

Deal volume leaps due to data, digitalization, and convergence plays

TMT lost its position as APAC's highest value sector in the first half. Nevertheless, it turned in a solid performance. The 675 deals was a 21.4% year-on-year upturn and made it the busiest segment. With aggregate value of US\$99.8bn it came second to financial services, falling 38.8% on last year.

However, this is a function of the skewing effect of the gargantuan HDFC banking deal in India. Once removed from the figures and even discounting the top three largest TMT deals, TMT would be by far the most dominant sector.

Data everywhere

Deals in the sector so far this year have been on the smaller side, the biggest being Changxin Jidian Storage Technology, valued at US\$7.6bn.

Further down the deal table was the acquisition of Indonesian data center business Indosat Tbk by Big Data Exchange (BDX) for US\$6.6bn. This marks BDX's first foray into the Indonesian market, having established itself in Hong Kong, Mainland China, and Singaporean markets.

This deal is interesting given the growth potential of the Indonesian data center market. According to a recent report by Mordor Intelligence, the regional sub-sector was worth US\$1.67bn in 2021, and it is expected to grow to US\$3.43bn by 2027, a CAGR of more than 13%.

TMT M&A activity, 2019-HY 2022



Source: Mergermarket



Digitalization continues

Having been accelerated during the pandemic, B2B demand for data and software services remains incredibly robust as companies seek leaner, more efficient, and digitized operations that are better equipped to exploit their data assets for commercial gain and organic growth.

In India, the technology consulting and services firm Mindtree was the subject of a US\$4.1bn deal made by conglomerate Larsen & Toubro, which merged the existing subsidiary with its L&T Infotech software unit to create a combined entity with an estimated value of US\$17.7bn. Before the merger, L&T owned just over 60% of Mindtree and held a 74% stake in L&T Infotech.

The semiconductor shortage became one of the biggest talking points of the last two years as supply chains became choked. While recent data indicates demand may be slowing as companies have heavily stocked their inventories out of desperation, the long-term fundamentals are extremely encouraging for the subsector. Research firm McKinsey estimates that by the end of the decade the semiconductor industry could grow to around US\$1trn once supply chain volatility has normalized.

Taiwan is a major player in the market, Taiwan Semiconductor Manufacturing Company being the world's largest and most valuable chip manufacturer. California's MaxLinear acquired its compatriot chipmaker Silicon Motion in May for just under US\$4bn. The target company specializes in NAND flash controllers for solid state storage devices and combines with MaxLinear's domain serving broadband, connectivity, and infrastructure markets, creating a total technology stack platform that can serve both B2B and consumer markets.

TMT top bidders by value | HY 2022

	US\$(m)
USA	25,565
China	24,013
India	12,565
Hong Kong (China)	8,316
Australia	7,715

TMT top bidders by volume | HY 2022

	Deal count
USA	133
China	118
Japan	117
India	70
South Korea	70

TMT top 10 announced deals, HY 2022

	Announced date	Bidder company	Target company	Target dominant country	Vendor company	Deal value (US\$m)
1	01-May-22	National Integrated Circuit Industry Investment Fund Co., Ltd.; Beijing Yizhuang Investment Holdings Co., Ltd.; Innotron Memory Co., Ltd.	Changxin Jidian (Beijing) Storage Technology Co Ltd	China		7,565
2	12-May-22	Big Data Exchange	Indosat Tbk, PT (100% Stake)	Indonesia	Qatar Investment Authority	6,579
3	18-Feb-22	Alibaba Group Holding Co., Ltd.; Tencent Holdings Ltd.; Shenzhen Investment Holdings Co., Ltd.; Hexie Health Insurance Co., Ltd.; Xinjiang TCL Venture Capital ; PICC Capital Investment Management Co., Ltd.; Qianhai Ark Assets Management Co., Ltd.; Shanghai Jianxin Equity Investment Management Co., Ltd.; Yunfeng Fund; Hefei Changxin IC Co Ltd	Innotron Memory Co., Ltd.	China		4,737
4	06-May-22	Larsen & Toubro Infotech Ltd	Mindtree Limited (54.84% Stake)	India	Larsen & Toubro Limited	4,089
5	05-May-22	MaxLinear, Inc.	Silicon Motion Technology Corporation (100% Stake)	Taiwan (China)		3,970
6	26-May-22	Crescent Cove Acquisition Corp.	Zhejiang ECARX Technology Co., Ltd. (100% Stake)	China		3,400
7	01-Apr-22	AustralianSuper Pty Ltd; Australian Tower Network	Turri Finance Pty Ltd (100% Stake)	Australia	UBS AG; Macquarie Group Limited; Abu Dhabi Investment Authority; UniSuper Limited	2,683
8	24-Mar-22	Brookfield Asset Management Inc.; Commonwealth Superannuation Corporation; HRL Morrison & Co (Australia) Pty Ltd; Brookfield Infrastructure Group (Australia) Pty Ltd	Uniti Group Limited (100% Stake)	Australia		2,664
9	29-Apr-22	National Integrated Circuit Industry Investment Fund Phase II Co., Ltd.	Changxin Jidian (Beijing) Storage Technology Co Ltd	China		2,270
10	27-Apr-22	ViacomCBS Inc ; Reliance Industries Limited; Reliance Projects and Property Management Services Limited; Bodhi Tree Systems	Viacom 18 Media Pvt. Ltd. (51% Stake)	India	Network 18 Fincap	1,984

Wheels in motion

In the burgeoning automotive tech arena, the US SPAC Crescent Cove Acquisition Corp. met an enterprise value of US\$3.4bn for the merger and fast-tracked listing of Zhejiang ECARX Technology. This was the largest Chinese listing in the US since ride-hailing app Didi Global last year.

Zhejiang ECARX develops software and hardware such as digital cockpit and infotainment systems for both petrol-powered cars and EVs, with more than 3.2m vehicles having applied its tech over the past three years. The deal is made especially compelling because ECARX counts Geely, a major Chinese automaker, as a strategic partner and has benefited from gated access to its production and the growth potential within the Geely ecosystem.

The ECARX SPAC deal illustrates the mass convergence of technology with other sectors, tech permeating our everyday lives, by enabling new and enhanced products and equipping businesses as they seek to digitalize their operations.

Corporates and financial investors continue to place a premium on innovation and are looking to capitalize on technological advances to unlock growth as legacy products and ways of conducting business become obsolete. China, South Korea, and much of Southeast Asia will play a growing and significant role in that over the long term.

TMT league tables

Financial advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	5	Goldman Sachs & Co	13,505	9
2	1	Morgan Stanley	10,939	10
3	3	UBS Investment Bank	10,670	6
4	18	EY	9,720	17
5	6	Citi	6,642	3
6	12	KPMG	5,931	18
7	7	China International Capital	5,787	7
8	10	PwC	5,235	30
9	60	Kroll	4,137	2
10	-	GT Valuation Advisors Pvt	4,089	1

Financial advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	3	PwC	5,235	30
2	2	KPMG	5,931	18
3	1	EY	9,720	17
4	12	Deloitte	2,999	15
5	5	Morgan Stanley	10,939	10
6	20	Daiwa Securities Group/DC Advisory	784	10
7	4	Goldman Sachs & Co	13,505	9
8	6	China International Capital	5,787	7
9	11	Aventus Capital Pvt	2,257	7
10	8	UBS Investment Bank	10,670	6

Legal advisors by value

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	52	Jingtian & Gongcheng	12,339	4
2	19	AZB & Partners	11,783	36
3	11	Fangda Partners	9,008	18
4	23	Cyril Amarchand Mangaldas	8,093	18
5	20	King & Wood Mallesons	7,714	9
6	-	S&R Associates	7,150	7
7	1	Skadden Arps Slate Meagher & Flom	7,148	4
8	106	Orrick Herrington & Sutcliffe	6,814	5
9	120	J Sagar Associates	6,383	9
10	18	Allens	6,144	4

Legal advisors by volume

HY 2022	HY 2021	Company name	Value (US\$m)	Deal count
1	1	AZB & Partners	11,783	36
2	3	Shardul Amarchand Mangaldas & Co	6,106	21
3	2	Khaitan & Co	3,929	20
4	5	Fangda Partners	9,008	18
5	11	Cyril Amarchand Mangaldas	8,093	18
6	12	Mori Hamada & Matsumoto	4,803	18
7	6	IndusLaw	2,157	16
8	24	Gilbert + Tobin	3,485	14
9	13	Nishimura & Asahi	1,161	14
10	16	Trilegal	1,930	12

About this report

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For a full version of the Mergermarket M&A deal database inclusion and league table criteria, go to: www.mergermarket.com/pdf/deal_criteria.pdf



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