

# ASIA PACIFIC M&A REVIEW 2019

13 March 2019 | Australia, Asia Pacific, Mainland China, Hong Kong SAR, India, Indonesia, Japan, Malaysia, Myanmar, Singapore, South Korea and Thailand Guides

Herbert Smith Freehills is pleased to announce the publication of its sixth annual Asia Pacific Mergers and Acquisitions Review, offering insights into market trends and predictions from our M&A experts across the region.



## ASIA PACIFIC M&A IN 2018

Some of the key themes across the 2018 Asia Pacific M&A market include:

- **Record breaking hotspots:** Despite a slight regional downturn compared to 2017, 2018 was a record breaking year for Australia, India, Japan, and South Korea. China and Indonesia saw a considerable increase in deal value. US tensions had a knock-on effect in different ways in many jurisdictions across the region, the most obvious being in Mainland China where acquisitions of US companies fell 94%, but with acquisitions of European companies climbing 81%. South Korea also focused on Europe for real estate and infrastructure acquisitions. Thailand's domestic investment surged while its outbound investment decreased. Singapore had a soft year.
- **TMT dominates:** 2018 was one of the strongest years on record in the TMT sector (18% market share). TMT was followed by industrials (13.8%), financials (13.3%) and materials (12.8%). 2018 saw an uplift in M&A activity in mining (particularly in coal), energy and utilities (10% market share).
- **Venture capital and private equity deals shine:** Venture capital fund investment activity continued to grow, with significant investments in start-ups, particularly in the ICT sector, emerging industries and the healthcare sector. The number of public to private transactions tripled from 2017.

## ASIA PACIFIC M&A IN 2019: THE YEAR AHEAD

Predictions for the broader Asia Pacific M&A market for 2019 include:

- **Dry powder and borrower friendly conditions:** The surge of private equity and venture capital activity is expected to continue following the entrance of larger funds into the market, record levels of dry powder, borrower friendly conditions along with a continued increase in private equity deals with listed companies.
- **Technology, infrastructure and the push towards a green future:** For the past four years we have predicted a continued wave of technology focused deals including fintech, e-commerce and TMT. 2019 will be no exception. Other sectors to watch will be infrastructure-like sectors and the changing nature of our energy and transportation networks across Asia Pacific, with increasing investor interest in renewables, recycling, green power and the financial sector.
- **Government reform encouraging investment:** Amidst political headwinds, 2018 saw Government reform in many jurisdictions intended to attract greater inbound foreign investment. Notable examples of investment-friendly reform include the new Foreign Investment Laws in Mainland China, the unified business licensing system in Indonesia, the relaxation by the Vietnamese government in approving overseas investment, and the new Companies Act in Myanmar. We expect to see more foreign investors taking advantage of these investor-friendly reforms and the increased market liberalisation.

Should you have any questions in relation to M&A in Asia Pacific, please contact one of our partners across our network.

Please click on the Download button above to access your copy.

## KEY CONTACTS

If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.



**TONY DAMIAN**  
PARTNER, SYDNEY

+61 2 9225 5784  
Tony.Damian@hsf.com



**NICOLA YEOMANS**  
PARTNER,  
SINGAPORE

+65 68688007  
Nicola.Yeomans@hsf.com



**LEWIS MCDONALD**  
GLOBAL HEAD OF  
ENERGY, LONDON

+44 20 7466 2257  
Lewis.McDonald@hsf.com

---

## LEGAL NOTICE

The contents of this publication are for reference purposes only and may not be current as at the date of accessing this publication. They do not constitute legal advice and should not be relied upon as such. Specific legal advice about your specific circumstances should always be sought separately before taking any action based on this publication.

© Herbert Smith Freehills 2021

---

**SUBSCRIBE TO STAY UP-TO-DATE WITH LATEST THINKING, BLOGS, EVENTS, AND MORE**

Close

© HERBERT SMITH FREEHILLS LLP 2021