

The years to come:
Emerging M&A trends
and their impact

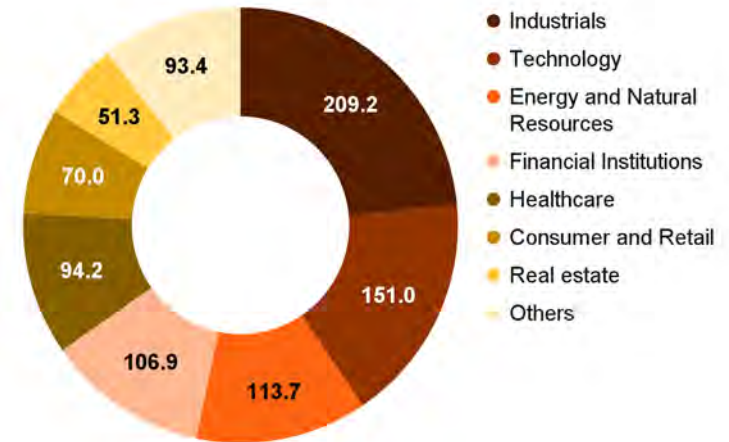


Asia Pacific remained a strong region for M&A driven by sectors such as industrials, technology, and energy. Deals across Asia Pacific made up around 27.2% of the global deal volume in 2023, with Southeast Asia contributing the largest deal in the region.

Total deal volume and value
(US\$ in billions)



2023 APAC deal value per sector
(US\$ in billions)



*Others include Business Services, Communications, and Transportation

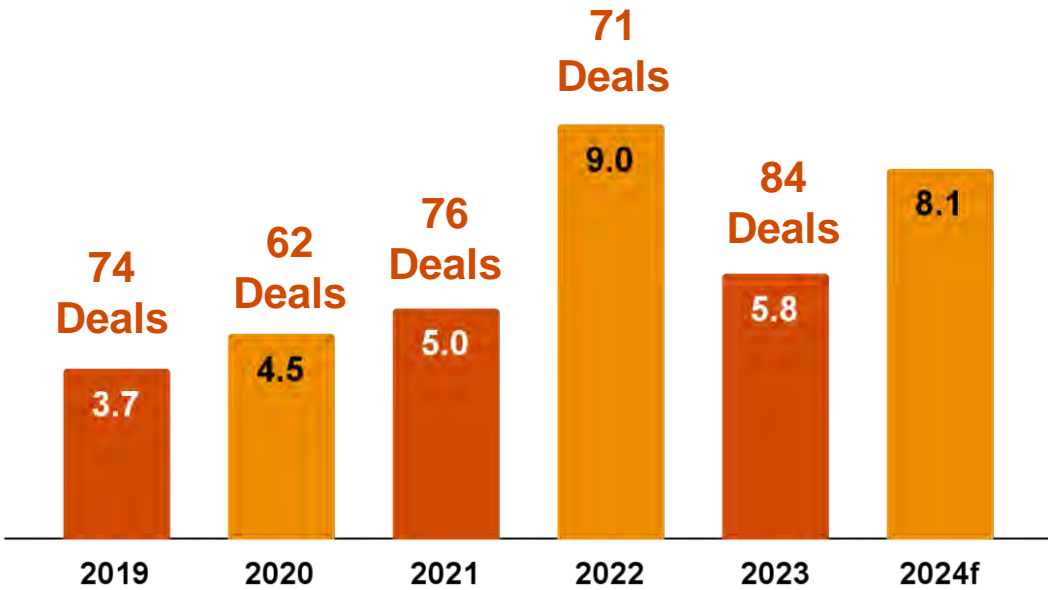
Source: Mergermarket

Notable deals in Asia in 2023



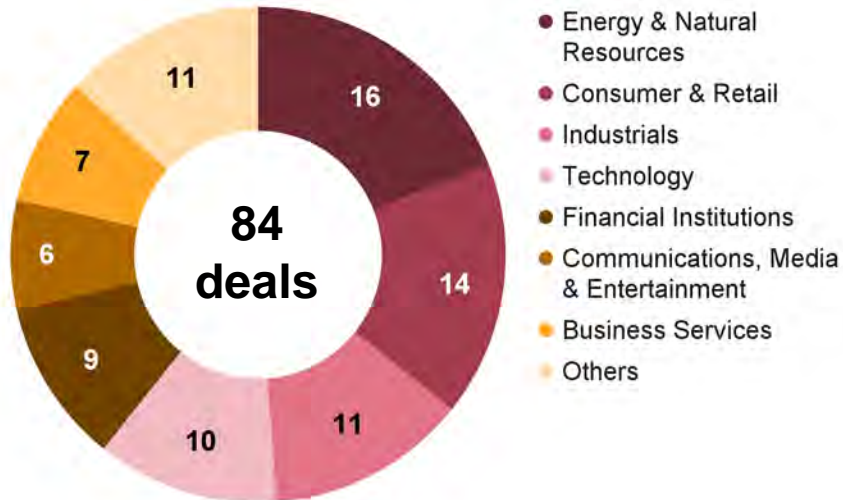
Announcement date	Target company	Bidder company	Target country	Deal size (US\$ billions)	Sector
31 January 2023	Lotus Technology Inc	L Catterton Asia Acquisition Corp	China	7.6	Industrials
10 March 2023	ReNew Energy Global plc	Canada Pension Plan Investment Board	India	5.9	Energy & Natural Resources
23 March 2023	Toshiba Corp	Japan Industrial Partners Inc TBJH Inc	Japan	16.2	Technology
29 March 2023	Postal Savings Bank of China Co Ltd	China Mobile Communications Group	China	6.5	Financial Institutions
12 May 2023	VinFast Auto Pte Ltd	Black Spade Acquisition Co	Singapore	23.1	Industrials
17 May 2023	HDFC Bank Ltd	SBI Funds Management Pvt Ltd	India	11.1	Financial Institutions
26 June 2023	JSR Corp	JIC Capital Ltd	Japan	6.9	Industrials
03 August 2023	PipeChina United Pipeline Co Ltd	China Oil & Gas Pipeline Network Corp	China	8.4	Energy & Natural Resources
17 August 2023	Celltrion Healthcare Co Ltd	Celltrion Inc	South Korea	10.8	Healthcare
19 October 2023	Daiichi Sankyo Co Ltd	Merck & Co Inc	Japan	22.0	Healthcare

Total deal volume and value (US\$ in bns) in the Philippines



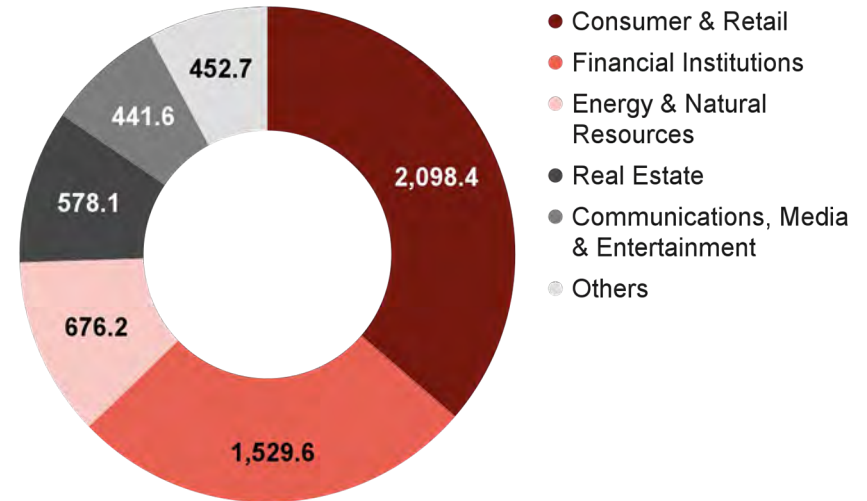
With the country achieving a full-year GDP growth rate of 5.6% in 2023, driven by strong consumer spending and increased foreign direct investments, **the future looks promising for the Philippines.**

2023 Philippine deal volume per sector



**Others include transportation, real estate, and healthcare*

2023 Philippine deal value per sector (US\$ in millions)



**Others include industrials, technology, transportation, business services, and healthcare*

Philippine M&A is set to grow its total deal value to **US\$8.1 billion in 2024** through easing investment regulations and opportunities in infrastructure.

2023 M&A highlights



US\$1.8 billion

Largest deal value in the Philippines for 2023



US\$2.1 billion

Aggregate deal value for the consumer & retail industry

Notable deals in the Philippines in 2023



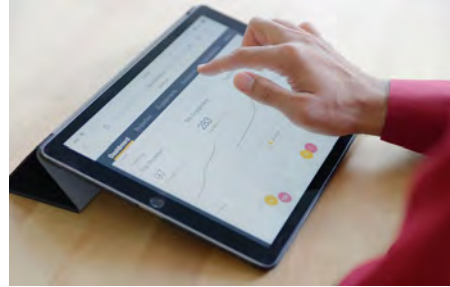
Announcement date	Target company	Bidder company	Deal size (US\$ millions)	Sector
02 August 2023	Coca-Cola Beverages Philippines Inc.	Coca-Cola Europacific Partners plc CCEP, Aboitiz Equity Ventures Inc AEV	1,800.0	Consumer & Retail
27 April 2023	Metro Pacific Investments Corp MPCFF	Mitsui & Co Ltd 8031, Japan Overseas Infrastructure Investment Corp for Transport & Urban Development, First Pacific Co Ltd 142, GT Capital Holdings Inc GTCAP, MIG Infrastructure Holdings Inc	874.2	Holding Company - various
05 June 2023	AREIT Inc AREIT	Ayala Land Inc ALI, Ayalaland Malls Inc, Northbeacon Commercial Corp	399.2	Real Estate
05 January 2023	Bank of the Philippine Islands BPI	Robinsons Retail Holdings Inc RRHI	353.1	Financial Institutions
02 June 2023	Top Frontier Investment Holdings Inc TFHI	Far East Holdings Inc	194.1	Hoding company - various
26 April 2023	MICO Equities Inc	House of Investments Inc HI	162.5	Financial Institutions
12 December 2023	Terra Solar Philippines Inc	Solar Philippines Nueva Ecija Corp SPNEC	107.9	Energy & Natural Resources
20 December 2023	Axelum Resources Corp AXLM	Metro Pacific Investments Corp MPCFF	95.4	Consumer & Retail
28 February 2023	2GO Group Inc 2GO	SM Investments Corp SM	93.3	Transportation
09 October 2023	Shakey's Pizza Asia Ventures Inc PIZZA	Century Pacific Group CNPF, JE Holdings Inc	47.2	Consumer & Retail

Several industries are poised to drive the Philippine M&A space forward

Opportunities arise through a combination of three key megatrends:

- Tech and A.I.
- Healthcare digitization
- Sustainability

Generative A.I.



Healthcare



Renewable Energy



Construction



Key M&A drivers in the Philippines



Increase in public-private partnerships (PPPs) and infrastructure dev'ts

PPPs will grow under the **'Build Better More' infrastructure program**. Estimated to have an estimated total cost around **PHP8.7 tn**, the project will include 197 big ticket infrastructure flagship projects.



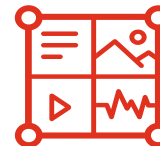
New M&A reporting threshold

In March 2024, the government increased the mandatory reporting threshold for reporting of M&A deals to **PHP7.8 bn size of party** and **PHP3.2 bn size of transaction**.



Amended government regulations to spur investment activity

The **Public Service Act** and **CREATE Law** are some of the policies aimed at attracting foreign investments.



Growing digital banking and fintech sector

Sustained interest in digital financial services, and improved cybersecurity and financial literacy will spur fintech growth.

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