M&A RANKINGS 2020

BY ASIAN LEGAL BUSINESS

CHINA DOMESTIC

TIER 1
- Haiwen & Partners
- Han Kun Law Offices
- JunHe
- King & Wood Mallesons
- Zhong Lun Law Firm

TIER 2
- AllBright Law Offices
- Commerce & Finance Law Offices
- DaHui Lawyers
- DeHeng Law Offices
- Global Law Office
- Grandall Law Firm
- Guantao Law Firm
- Jincheng Tongda & Neal Law Firm
- Jingtian & Gongcheng
- Llinks Law Offices
- Tian Yuan Law Firm

TIER 3
- Beijing Dentons Law Offices
- Broad & Bright
- East & Concord Partners
- Grandway Law Offices
- Jia Yuan Law Offices

CHINA INTERNATIONAL

TIER 1
- Clifford Chance
- Freshfields Bruckhaus Deringer
- Linklaters
- Skadden, Arps, Slate, Meagher & Flom

TIER 2
- Allen & Overy
- Baker McKenzie FenXun
- DLA Piper
- Hogan Lovells
- Norton Rose Fulbright
- Paul, Weiss, Rifkind, Wharton & Garrison
- Simpson Thacher & Bartlett
- White & Case

TIER 3
- Cleary Gottlieb Steen & Hamilton
- Davis Polk & Wardwell
- Morgan, Lewis & Bockius
- Morrison & Foerster
- Orrick, Herrington & Sutcliffe
- Paul Hastings
- Shearman & Sterling
- Sullivan & Cromwell
- Weil, Gotshal & Manges

HONG KONG

TIER 1
- Clifford Chance
- Freshfields Bruckhaus Deringer
- Kirkland & Ellis
- Linklaters
- Skadden, Arps, Slate, Meagher & Flom
- Slaughter and May

TIER 2
- Allen & Overy
- Davis Polk & Wardwell
- Herbert Smith Freehills
- Latham & Watkins
- Norton Rose Fulbright
- Shearman & Sterling
- Simpson Thacher & Bartlett
- Sullivan & Cromwell
- Weil, Gotshal & Manges

TIER 3
- Ashurst
- Baker McKenzie
- Deacons
- Hogan Lovells
- King & Wood Mallesons
- Mayer Brown
- Morrison & Foerster
- Paul, Weiss, Rifkind, Wharton & Garrison
- Reed Smith Richards Butler
- White & Case

INDIA

TIER 1
- AZB & Partners
- Cyril Amarchand Mangaldas
- Economic Laws Practice
- IndusLaw
- Khaitan & Co.
- Kochhar & Co.
- L&L Partners
- Majmudar & Partners
- S&R Associates
- Shardul Amarchand Mangaldas & Co
- Trilegal

TIER 2
- Bharucha & Partners
- Desai & Diwanji
- DSK Legal
- Gagrats
- HSA Advocates
- J Sagar Associates
- LexCounsel
- Nishith Desai Associates
- Phoenix Legal
- Platinum Partners
- Talwar Thakore & Associates
- Vaish Associates
- Veritas Legal

TIER 3
- ALMT Legal
- Argus Partners
- Clasis Law
- Dhir & Dhir Associates
- Fox Mandal & Associates
- Hammurabi & Solomon Partners
- Juris Corp
- K Law
- Platinum Partners
- Rajani & Associates
- Samvad Partners
- Sarthak Advocates & Solicitors
- Singh & Associates
- Singhania & Partners
- Spice Route Legal
- Tatva Legal
- Vertices Partners
- Wadia Ghandy & Co

INDONESIA

TIER 1
- Ali Budiardjo, Nugroho, Reksodiputro
- Assegaf Hamzah & Partners
- Ginting & Reksodiputro in association with Allen & Overy
- Hadiputranto, Hadinoto & Partners, a member firm of Baker McKenzie
- Hiswara Bunjamin & Tandjung in association with Herbert Smith Freehills
- SSEK Legal Consultants

TIER 2
- Dentons HPRP
- Lubis Ganie Surowidjojo
- Makarim & Taira S.
- Makes & Partners
- Melli Darsa & Co (PwC)
- Oentoeng Suria & Partners in association with Ashurst
- Soemadipradja & Taher
- Widyawan & Partners

TIER 3
- AYMP Atelier of Law
- Christian Teo & Partners
- Hogan Lovells DNFP, in association with Dewi Negara Fachri & Partners
- Mochtar Karuwin Komar
- Roosdiono & Partners
- Walalangi & Partners
- Widyawan & Partners

JAPAN DOMESTIC

TIER 1
- Anderson Mori & Tomotsune
- Mori Hamada & Matsumoto
- Nagashima Ohno & Tsunematsu
- Nishimura & Asahi
- TMI Associates

TIER 2
- Atsumi & Sakai
- Ushijima & Partners

TIER 3
- City-Yuwa Partners
- Hibiya-Nakata
- Miura & Partners
- Oh-Ebashi LPC & Partners
- southgate

JAPAN INTERNATIONAL

TIER 1
- Allen & Overy Gaikokuho Kyodo Jigyo Horitsu Jimusho
- Baker McKenzie (Gaikokuho Joint Enterprise)
- Herbert Smith Freehills
- Morrison & Foerster/ Ito & Mitomi
- Shearman & Sterling
- Simpson Thacher & Bartlett

TIER 2
- Clifford Chance Law Office
- Davis Polk & Wardwell
- DLA Piper
- Freshfields Bruckhaus Deringer
- Hogan Lovells Horitsu Jimusho Gaikokuho Kyodo Jigyo
- Linklaters
- Paul, Weiss, Rifkind, Wharton & Garrison
- Skadden, Arps, Slate, Meagher & Flom
- White & Case - White & Case Law Offices (Registered Association)

MALAYSIA

TIER 1
- Christopher & Lee Ong
- Rahmat Lim & Partners
- Shearn Delamore & Co
- Skrine
- Wong & Partners

TIER 2
- Abdullah Chan & Co
- Adnan Sundra & Low
- Kadir Andri & Partners
- Lee Hishammuddin Allen & Gledhill
- Mah-Kamariyah & Philip Koh
- Zaid Ibrahim & Co (a member of ZICO Law)
- Zain & Co

PHILIPPINES

TIER 1
- ACCRALAW
- Quisumbing Torres
- Picazo Buyco Tan Fider & Santos
- Romulo Mabanta Buenaventura Sayoc & De Los Angeles
- SyCip Salazar Hernandez & Gatmaitan

TIER 2
- Castillo Laman Tan Pantaleon & San Jose
- Cruz Marcelo & Tenefrancia
- C&G Law
- Puno & Puno
- Puyat Jacinto & Santos Law Offices
- Villaraza & Angangco

SINGAPORE DOMESTIC

TIER 1
- Allen & Gledhill
- Rajah & Tann Singapore
- Morgan Lewis Stamford
- WongPartnership

TIER 2
- Drew & Napier
- TSMP Law Corporation

TIER 3
- Baker McKenzie Wong & Leow
- Bird & Bird ATMD
- CNPLaw
- Dentons Rodyk
- Duane Morris & Selvam
- Harry Elias Partnership
- Pinsent Masons MPillay
- RHTLaw
- Shook Lin & Bok

SINGAPORE INTERNATIONAL

TIER 1
- Allen & Overy
- Clifford Chance
- Linklaters
- Milbank

TIER 2
- Freshfields Bruckhaus Deringer
- Herbert Smith Freehills
- Hogan Lovells Lee & Lee
- Jones Day
- Latham & Watkins
- Norton Rose Fulbright
- Morrison & Foerster
- Skadden, Arps, Slate, Meagher & Flom
- White & Case

TIER 3
- HFW
- K&L Gates - Straits Law Practice
- King & Spalding
- Shearman & Sterling
- Sidley Austin
- Stephenson Harwood

SOUTH KOREA DOMESTIC

TIER 1
- Bae, Kim & Lee
- Kim & Chang
- Lee & Ko
- Shin & Kim
- Yulchon

TIER 2
- Barun Law
- DR & AJU
- Hwang Mok Park
- Jipyong
- KL Partners
- Yoon & Yang

SOUTH KOREA INTERNATIONAL

TIER 1
- Cleary Gottlieb Steen & Hamilton
- Paul Hastings
- Ropes & Gray
- White & Case

TIER 2
- Ashurst
- Baker McKenzie
- Clifford Chance
- Dechert
- Herbert Smith Freehills
- Latham & Watkins
- Skadden, Arps, Slate, Meagher & Flom

TAIWAN

TIER 1
- Baker McKenzie
- Jones Day
- Lee and Li, Attorneys-at-Law
- Tsar & Tsai Law Firm

TIER 2
- Eiger Law
- Formosa Transnational Attorneys at Law
- K&L Gates
- LCS & Partners
- Lexcel Partners
- Lin & Partners Attorneys-At-Law
- Winkler Partners

TIER 3
- Chen & Lin
- Formosan Brothers Attorneys at Law
- Lee, Tsai & Partners
- Liang & Partners
- PricewaterhouseCoopers Taiwan

THAILAND

TIER 1
- Allen & Overy
- Baker McKenzie
- Linklaters
- Weerawong, Chinnavat & Partners

TIER 2
- Chandler MHM
- Hunton Andrews Kurth
- Siam Premier International Law Office
- Thanathip & Partners
- The Capital Law Office
- Tilleke & Gibbins

VIETNAM

TIER 1
- Allen & Overy
- Allens
- Baker McKenzie
- Freshfields Bruckhaus Deringer
- VILAF
- YKVN

TIER 2
- DFDL
- Frasers Law Company
- Hogan Lovells
- LNT & Partners
- Mayer Brown
- Nishimura & Asahi
- Rajah & Tann LCT Lawyers
- Tilleke & Gibbins
- Vision & Associates

According to data and analytics company GlobalData, mergers and acquisitions (M&A) deal activity in the Asia-Pacific (APAC) region have been "inconsistent" during the first half of 2020.

GlobalData's Financial Deals Database shows that the number of announced M&A deals decreased from 494 in February 2020 to 457 in March 2020. However, the value of deals went up from $24.1 billion to $28.6 billion for the same period.

In Q2, the number of announced M&A deals went from 505 in April then decreased to 493 in May. But it then rebounded to 564 in June.

It tracked a similar down-down-up performance in terms of deal value. The value of deals has decreased from $33.9 billion in April to $31.5 billion in May, before increasing to $35.6 billion in June.

CHINA AND HONG KONG

Despite the global situation, China continues to top the region both in terms of volume as well as value.

China took the top spot in value terms with $16.5 billion (accounting for 19.5 percent of total APAC deal value) in Q1 2020. It was also just behind Japan amongst the top countries in terms of deal volume. It would then take the crown for both in Q2.

"China, where the COVID-19 outbreak started, started opening up its economy in March, which helped it to witness decent M&A activity," says Aurojyoti Bose, lead analyst at GlobalData.

That helped China to see its deal volume and value bouncing back in June, when the APAC region recorded a rise to $35.6 billion in June after two decreases.

Despite the rise in June, China's share as a proportion of total deal volume went down consistently in volume terms. However, the country's share of total deal value still witnessed growth in June.

Nonetheless, increased financing difficulties and travel restrictions from the COVID-19 pandemic led to the postponement or cancellation of a large number of M&A transactions.

According to Mergermarket, Mainland China and Hong Kong started to recover in the second quarter of 2020 after bringing the pandemic under control, "but outbreaks in Europe, the U.S. and other regions dampened consumer demand and continue to disrupt supply chains."

In the first half of the year, inbound dealmaking increased significantly compared to 2019. The numbers for Q2 2020 also rebounded remarkably compared with Q1, boosted by the privatisation of 58.com as the biggest deal.

"PE buyout figures were largely driven by the deal value of $7.6 billion 58.com take-private," says Mergermarket analysts.

There are other take-private deals of Chinese companies listed in the U.S. expected as a response to the increased efforts of the administration of President Donald Trump "to cut Chinese companies from U.S. capital markets". Any such companies may want to re-list on markets in Mainland China or Hong Kong bourses to evade regulatory pressure in the U.S.

The resumption of production after the COVID-19 outbreak was brought under control has gradually warmed up foreign investment activities. But many factors continue to challenge China's economic expansion; tension between the U.S. and China has been affecting China's cross-border transactions, while a deadly clash at the Sino-Indian border had a relatively large impact on China's investment in India.

Meanwhile, a Germany-led European Union and China are also seeking to strengthen economic ties and finalise a long-delayed bilateral investment agreement, despite disagreements on a range of political issues, including Hong Kong.

The COVID-19 epidemic and escalating tension between Beijing and Washington led to a rush of deal-making activity in the technology industry.

"Top Chinese policymakers have advocated for accelerated domestic development in areas such as blockchain, fintech and artificial intelligence, among others," says Mergermarket analysts. "However, economic downturn dampened consumer demand and led to a noticeable slowdown in M&A activity in the consumer industry as well as in other traditional industries such as energy, mining and utilities, consumer, and industrials and chemicals."

Nonetheless, the Chinese government unveiled a series of policies to stimulate domestic demand to accelerate economic recovery, as well as counterbalance a potential drop in exports.

The U.S. is also working to stem the flow of American businesses investing in China, which is still opening its domestic market to foreign capital. But these efforts to curtail U.S. investment in China have not been very successful yet. Some private equity (PE) firms in China and Hong Kong have put buyout deals on hold as they manage their portfolios but take-private offer of Chinese companies' American Depository Receipts (ADRs) could attract PE investors chasing high returns after re-listing.

Even as companies seek to re-list on Mainland China or Hong Kong bourses to evade U.S. regulatory pressure, several Hong Kong-listed companies are also considering privatisation due to a slide in valuations following the recent sell-off in the stock market. These could be companies such as Wheelock, Yixin Group, Li & Fung, and Fuxin.

PE investors could actively participate in the privatisations of high-quality companies despite the impact on timelines that travel restrictions and other disruptions could cause. For now, PE exits have remained subdued with investors waiting for valuations to increase in the wake of an economic recovery.

According to Mergermarket, volatility due to an uncertain environment and cratering top-line revenues are undoubtedly set to have a negative impact on exit valuations and timing, especially for the commercial aerospace, retailing and leisure industries.

"Geopolitical concerns and risks related to the second wave of COVID-19 infection still prevails, prompting a cautious approach from investors when considering big investments," says Bose.

But there are new opportunities to emerge for deal makers as corporate China works to attract more foreign investment and undertake internal restructuring efforts in the second half of 2020.

Still, there were some big deals in August. Mergermarket named China Education Group Holdings's acquisition of a 60 percent stake in the Haikou University of Economics from Hainan Shenzheng Industrial Group as one of the top deals of the business services sector that month. The deal was estimated at a value of $389 million.

While the larger domestic firms had a solid year for M&A work, a notable name among domestic firms in China was East & Concord Law Firm, which was ranked at Tier 3.

JAPAN AND KOREA

Both Japan and South Korea had a similar trajectory in 1H20. A slow Q1 followed by a more brisk Q2. Japan and South Korea are the other top markets by deal volume for Q2. Japan also ranked among the other top markets in terms of value.

> "The U.S. is also working to stem the flow of American businesses investing in China, which is still opening its domestic market to foreign capital. But these efforts to curtail U.S. investment in China have not been very successful yet. Some private equity (PE) firms in China and Hong Kong have put buyout deals on hold as they manage their portfolios but take-private offer of Chinese companies' American Depository Receipts (ADRs) could attract PE investors chasing high returns after re-listing."

In the first quarter of 2020, Japan occupied the top position in terms of deal volume with 317 M&A deals. Those made up 22.7 percent of the total APAC deal volume.

It slid to second position based on GlobalData's rankings for Q2, but that's not to say it was lacking. In the month of May, Japan saw a huge leap in value terms on the back of big-ticket deals announced during the month.

"Japan managed to stay in a relatively better position and witnessed few big-ticket deals during Q2," says Bose.

Some of the notable deals in this mix include Sony's acquisition of the remaining stake in Sony Financial for $3.7 billion, divestiture of a 5 percent stake in Softbank by SoftBank Group for $2.9 billion and Bain Capital's acquisition of a 100 percent stake in Nichii Gakkan for $1.1 billion.

But Japan M&A activity recorded $23.7 billion across 216 deals in 1H20. According to Mergermarket, this is the lowest half-year period since 1H16 in terms of deal count as the COVID-19 outbreak's negative impact on M&A became more evident in the second quarter.

However, the Japanese government lifted the state of emergency in late May after having brought the epidemic under control, leading to expectations of a recovery in deal-making activity in the second half of the year.

South Korea M&A activity there in 1H20 recorded 164 transactions worth $14.8 billion, the lowest first-half of the year value since 2013.

But the value of the deals during Q2 increased by 86.7 percent compared to the first quarter, showing signs of recovery from the COVID-19 crisis.

"M&A activity in the pharma, medical, and biotech sector was particularly brisk in the first half of the year, recording $2.5 billion across 14 deals – equal to a 3.7x increase in value year-on-year (1H19: $661 million, 13 deals). Listed companies in the sector enjoyed a strong stock rally during Q2 2020," says Mergermarket.

Namely, the $1.7 billion acquisition of Aprogen by Aprogen KIC in April and Korea Kolmar Group's sale of its pharmaceutical unit as well as a 62.1 percent stake in KolmarPharma to IMM Private Equity for $416 million in May.

The acquisition of the APAC Primary Care Business of Takeda Pharmaceutical Company by Celltrion for $278.3 million was also the fourth-largest outbound transaction by a Korean company in the first half of the year.

Mergermarket believes private equity houses drove M&A activity in the first half of the year, accounting for six out of the top 10 deals in South Korea during the period. The largest buyout transaction was the acquisition of Dong-A Tanker by Pine Tree Partners for $532 million.

"The technology sector, which was the largest in terms of value ($1.1bn, eight deals), accounted also for the second-largest buyout deal during the period – the acquisition of MagnaChip Semiconductor's Foundry Services Group and factory in Cheongju by Credian Partners and Alchemist Capital Partners Korea for $435 million," says Mergermarket.

The financial services sector was the largest in terms of value. The largest deal in South Korea in 1H20 was in this sector – the acquisition of Prudential Life Insurance Company of Korea by KB Financial Group for $1.9 billion.

Another key deal was the 7.85 percent stake acquisition in Industrial Bank of Korea by the Government of South Korea for $336 million. These two deals accounted for 64.1 percent of financial services sector activity.

Going forward, South Korea also expects better deal flow in the second half of the year, given the improved sentiment of investors about the quick recovery of the stock market.

"The ongoing asset sale driven by cash-strapped groups such as Doosan and Hanjin could also materialise in 2H increasing domestic deal activities," says Mergermarket.

SOUTHEAST ASIA

According to Mergermarket, Southeast Asia recorded 402 deals worth a total of $66.8 billion in 2019. Despite the pandemic, Southeast Asia still managed 190 deals worth $33.7 billion of August 17, 2020, about half the value of the whole of 2019 generated.

The region's M&A activity slowed down in the first half of the year, despite having recorded its highest Q1 deal value on Mergermarket record since 2001.

GlobalData estimates that Southeast Asia helped lead the region to growth in deal value in the first quarter of 2020. The company cites the $10.6 billion acquisition of Tesco's operations in Thailand and Malaysia by Charoen Pokphand as largely responsible for raising the total value for March 2020.

But that's not an indicator that deal activity was booming in Q1 2020.

"Asia-Pacific witnessed growth in deal value in March, mainly due to one high-value deal announced during the month, excluding which, deal value too declined. The subdued deal activity could be attributed to acquirers adopting a cautious approach due to the COVID-19 outbreak," says Bose.

The impact of the COVID-19 pandemic

on deal-making fully emerged in the second quarter.

M&A activity in that corner of the world ground to a halt in April and May when several countries were under strict lockdown following the COVID-19 outbreak. M&A deal-making in the second half of the year could remain subdued as corporates are expected to retain higher amounts of cash on their balance sheets to face uncertain economic conditions.

The consumer sector made up most of the deals amongst the 2020 batch. It was valued at a total of $12.7 billion and made up a whopping 37.8 percent of the market share.

Following that are the 11 deals in the real estate sector worth $9.9 billion that made up

"M&A activity in Southeast Asia ground to a halt in April and May when several countries were under strict lockdown following the COVID-19 outbreak. M&A deal-making in the second half of the year could remain subdued as corporates are expected to retain higher amounts of cash on their balance sheets to face uncertain economic conditions. The consumer sector made up most of the deals amongst the 2020 batch. It was valued at a total of $12.7 billion and made up a whopping 37.8 percent of the market share."

29.5 percent of all the deals in Southeast Asia, marking it as the second biggest sector in 2020 so far.

Inbound deal-making in Southeast Asia declined both in value and volume due to the COVID-19 outbreak.

Singapore topped the inbound list by value ($2.7 billion across 27 deals) on the back of Grab's $706 million investment from Mitsubishi UFJ – the largest inbound deal in 1H20.

Vietnam ranked second with overall inbound investment of $872 million, which was largely driven by Vinhomes' $651 million investment received from the KKR consortium – the second largest Southeast Asian inbound deal so far.

"PE buyouts started to pick up in Q2 2020 to $1.3 billion from $67 million in Q1 2020. Most PE investments in 1H20 headed to the Real Estate sector ($1.1 billion, 3 deals). PE firms might also opt for "wait-and-see" approach to exits as near future prospects remain uncertain," says Mergermarket.

The materialisation of several deals currently under negotiation could be delayed due to swings in target valuations.

Among standout firms in Southeast Asia this year were Weerawong, Chinnavat & Partners (Tier 1 in Thailand) and Walalangi & Partners (Tier 3 in Indonesia).

INDIA

Indian M&A activity for the first half of 2020 recorded a year-on-year increase in deal value of 14.55 percent to $43.54 billion, despite the COVID-19 pandemic. Mergermarket says this is largely thanks to a series of stake sales by Jio Platforms – India's largest telecom operator – to 10 investors over the past three months. However, deal count plunged by 24.69 percent year-on-year to 243 transactions.

"M&A activity in India for 1H20 saw a reduction in deals count due to the COVID-19 pandemic. In the second half of the year, Indian deal-making volume could further decrease as the country's domestic economic slowdown and uncertainties related to the potential resurgence of the pandemic are concerning financial investors," says Mergermarket.

However, GlobalData said Indian M&A deals are ranked among the top five markets within Asia Pacific in terms of value during Q2 2020.

Ongoing deals might face significant delay in obtaining regulatory and third-party approvals as offices, banks, courts, and government departments are either closed or working with limited staff. Deals at preliminary stage might also be delayed as due diligence may not be able to take place.

"Infrastructure, renewables (solar energy), pharmaceuticals, and healthcare may attract investments in 2H20 as deals that are at advanced stages may be closed. JB Chemicals sold its majority stake to KKR for $617 million. The deal was announced earlier this month," says Mergermarket.

A few other deals in the pharma segment include Adar Poonawala's Serum Institute looking to raise up to $1 billion for its pandemic division's development of vaccines for COVID-19.

In the renewables sector, Sembcorp Energy India, Infrastructure Leasing & Financial Services (IL&FS) and Mytrah Energy (India) could sell stakes to potential PE investors that are in active discussions with these companies.

"Sectors hit hardest by the pandemic – such as aviation, hospitality, tourism and cinemas – are not expected to rebound in the near term due to social distancing norms and fear of contagion. Large cinema chains like PVR and INOX may consider raising funds through rights issues, while others may resort to debt capital to keep the business afloat," says Mergermarket.

EdTech and Fintech segments might continue to attract investment in the second half of the year thanks to a surge in demand for online education and online financial transactions. Players in these segments may seek to raise capital to cater to the increasing demand for their products.

In 1H20, edtech companies like Byju's and Unacademy successfully raised substantial amounts of capital, despite the ongoing pandemic.

"Due to the ongoing pandemic crisis, small-sized banks would be hit hardest as they tend to lend to the real economy, and a surge in bad loans is expected to lead banks to raise capital through IPOs," says Mergermarket.

"Indian venture capital industry continues to be heavily reliant on international capital for its development. Edtech, fintech and e-commerce segments offer significant investment opportunities to foreign players, but border tensions with China might impact investment flows."

As a case in point, India-based Zomato lost access to $100 million funding from its biggest investor in China, Ant Financial, due to India's new foreign investment laws. Online insurance aggregator Policybazaar, said it is open to buying back shares from Chinese tech giant Tencent.

In addition, the Indian government has also banned a series of Chinese apps including Bytedance's TikTok and Tencent's WeChat, among others.