HORIZONS

BDO'S GLOBAL VIEW OF MID-MARKET DEAL ACTIVITY

MERGERS&ACQUISITIONS | ISSUE 4 | 2020

VALUE OF CDD IN HEALTHCARE AND LIFE SCIENCES TRANSACTIONS IN THE 'NEW NORMAL'

REGIONAL VIEW

VIEWS FROM AROUND THE GLOBE

SECTOR VIEW

FOOD AND DRINK
MANUFACTURING
NATURAL RESOURCES

BDO

CONTENTS

BDO GLOBAL CORPORATE FINANCE

1,530 COMPLETED DEALS IN 2019

WITH A TOTAL **DEAL VALUE** OF **$73.2bn**

33% PRIVATE EQUITY DEAL INVOLVEMENT

25% OF OUR DEALS ARE **CROSS BORDER**

ONE OF THE **MOST ACTIVE** ADVISERS GLOBALLY*

2,500 CORPORATE FINANCE **PROFESSIONALS**

100 COUNTRIES PROVIDING DEDICATED **CORPORATE FINANCE SERVICES**

*4th leading Financial Due Diligence provider globally – Mergermarket global accountant league tables 2019
5th leading Financial Due Diligence provider in Europe – Mergermarket European accountant league tables 2019

WELCOME

WELCOME TO THE FOURTH EDITION OF HORIZONS IN 2020, IN WHICH BDO M&A PROFESSIONALS AROUND THE WORLD PRESENT THEIR INSIGHTS ON MID-MARKET DEAL ACTIVITY AND TRENDS

In our last couple of publications, we discussed the rapid impact that COVID-19 that had on global mid-market deal activity in the first half of 2020 and how we has seen recovery since then. It is good to see that the recovery in M&A has continued in this quarter and we expect it to continue to do so. Businesses and funders around the world have had to react quickly to the impact and have been able to adapt to new ways of doing business and M&A transactions.

We outlined our own Rethink model and do so again here as our clients have told us that they have found it a helpful framework to order their thinking and articulate their plans to stakeholders. Following the initial react phase of protecting businesses we are now in the resilience phase of adapting operations and business models to the current environment. We have seen this in supply chains, routes to market with an increase in e-commerce and enhanced health and safety measures for employees and customers alike.

We believe that as progress through the resilience phase, businesses will move to a rethink of their business models as they apply the learnings. Businesses will start to realise the ways of working in the so called "new normal" as it emerges and we expect M&A to play a role in this. That future M&A is likely to come in many forms be it distressed, tactical or strategic.

We have seen further recovery in M&A activity around the world, most noticeably in North America and China, which is already back to near pre COVID-19 levels. We have also seen recovery in sectors such as Business Services, Energy, Mining & Utilities and Industrials & Chemicals. In fact, our Heat Map is looking significanty warmer than in previous 2020 editions.

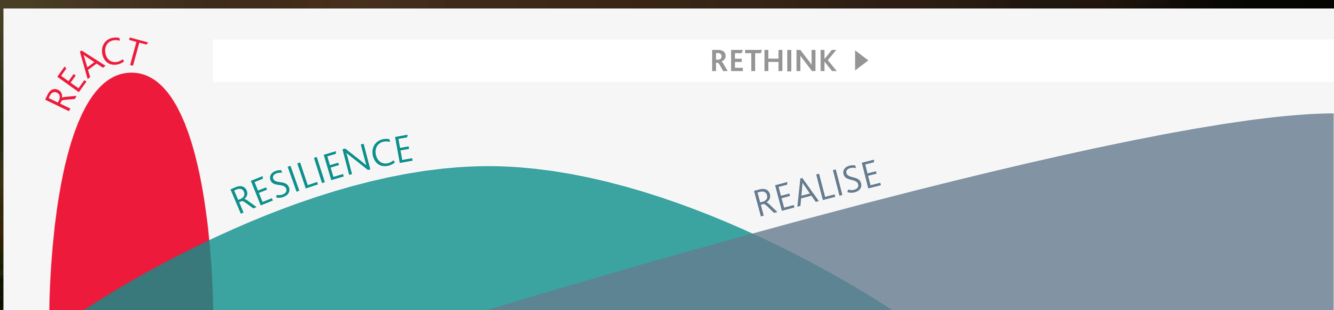
In our leader article, we look at one of the sectors that has held up well and in some instances accelerated during COVID-19, Life Sciences. In particular, we look at the importance of commercial due diligence in M&A in this area and the way it is undertaken has had to adapt in the current environment. We have experienced a surge in interest in this area.

In our sector view, we look at food and drink manufacturing and natural resources. The former has proven hugely resilient since lock-down and in the latter, we examine the need for a clear narrative on ESG.

It has certainly been an unexpected and challenging year for us all and we have had to adapt quickly to the changing environment. It is pleasing to note how quickly this has been achieved along with how M&A has played its role. We hope you stay safe and well and that next year brings some more stability and recovery.

JOHN STEPHAN
HEAD OF GLOBAL M&A
john.stephan@bdo.co.uk

SUSANA BOO
INTERNATIONAL CORPORATE FINANCE COORDINATOR
susana.boo@bdo.co.uk



For more information on Rethink please visit:
www.bdo.global/en-gb/microsites/rethink/home

GLOBAL VIEW

THE BEGINNING OF THE RECOVERY IN DEAL ACTIVITY

In the last edition of Horizons, we reported that whilst COVID-19 had further reduced deal activity in the second quarter of the year, we felt that impact had bottomed out. The deal data for the third quarter supports that feeling with a modest recovery but a recovery nonetheless. Volumes increased just over 8% to nearly 1,500 transactions and aggregate value increased nearly 18% to USD 141bn. Given the general lag in gathering quarterly deal data, we would expect that recovery to look better by the time we report the next quarter.

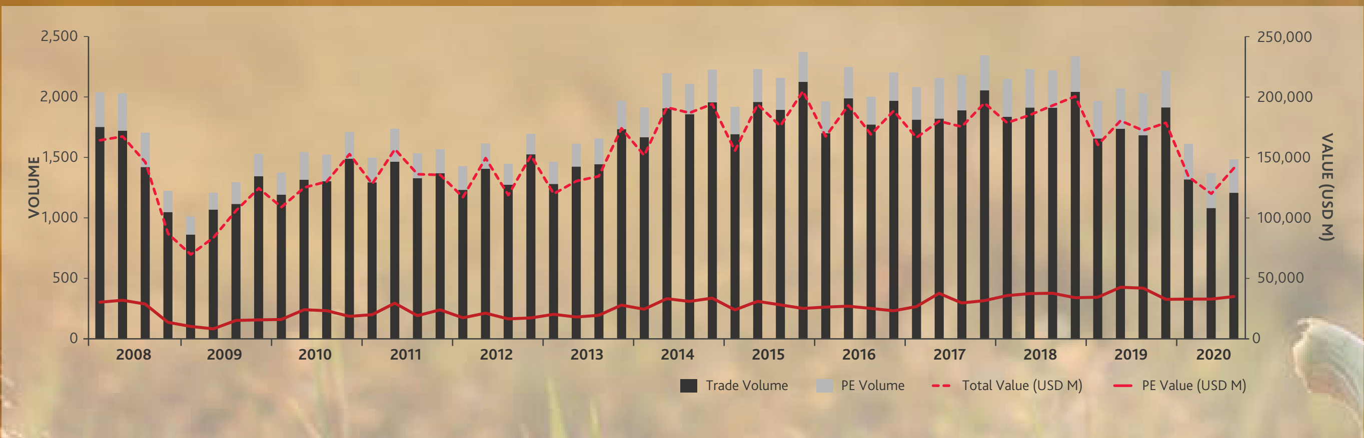
The worldwide Government imposed lock-downs and restrictions on mobility coupled with the immediate reduction in supply and demand for many sectors and business caused lots of buyers and sellers to press the pause button on M&A. With the immediate uncertainty, the focus and reaction was not surprisingly on existing operations and securing the viability of businesses. Government support packages played an important role.

As lock-downs were eased coming into the last quarter, many businesses experienced a strong bounce back in demand and with it a renewed confidence that business was not about to grind to a halt. We have said on many occasions that there is a lot of cash available and M&A has started to come back onto the agenda. In some instances, faster than perhaps some in-house M&A teams of larger corporates were expecting.

One of the factors that has assisted this is the amounts of capital flowing into listed company balance sheets and the rebound in share prices after a sharp fall in March. At the same time, private equity was already sitting on large amounts of un-invested cash. Having addressed the immediate needs of their portfolio companies, their investing models of fixed periods of capital place a need to look at making new investments. Again, the easing of mobility restrictions has helped.

Private equity has also seen an opportunity to look at bolt-on acquisitions to existing investments, which are typically less risky and offer multiple arbitrage and synergies. Some of these situations have been stressed or distressed. The same is true of corporate deals where we have seen some distressed M&A.

GLOBAL MID-MARKET M&A



We noted last time that the picture had been very different by sector with some sectors such as food, e-commerce and IT seeing a boost in demand. This was also reflected in M&A with Pharma, Medical and Biotech being the least affected the previous quarter. This quarter, in line with the general uptick in M&A activity, we have seen a reversal of some of the previous picture. M&A deal activity in Business Services, Energy, Mining & Utilities and Industrials & Chemicals recovered most of the ground they had lost in the prior quarter. Real Estate saw a noticeable recovery in deal activity. In contrast, deal activity declined further in Consumer, Financial Services and TMT. The major slide in Leisure deals of the previous two quarters was arrested with no further decline in quarter three.

Looking around the world, the picture is also mixed. The two major global M&A powerhouses of North America and Greater China typically make up around half of global deal activity. North America, saw a 20% recovery in M&A volumes after a 40% decline. China in contrast had similar activity levels to the prior quarter. The prior quarter however has seen a 50% increase for China which recovered all of the lost ground through COVID-19. China is now seeing levels of deal activity consistent with much of the last few year. North America is still some way down on previous M&A levels but at least heading in the right direction. With the timing of the spread of the pandemic across the world, we would expect further recovery in North American M&A by the end of the year.

Elsewhere, we have seen strong recovery in M&A in Japan, Australasia, Latin America, the Nordics, Benelux and to a lesser extent the DACH region. Deal activity stabilised in India, Africa, South East Asia and Israel. Elsewhere in Asia, UK & Ireland, Southern Europe and the CEE countries there was some decline in activity. The overall picture though is encouraging with a feeling that we are over the worst of the impact on M&A.

JOHN STEPHAN
HEAD OF GLOBAL M&A
john.stephan@bdo.co.uk

GLOBAL BDO HEAT CHART BY REGION AND SECTOR

	Technology & Media	Industrials & Chemicals	Consumer	Business Services	Energy, Mining & Utilities	Pharma, Medical & Biotech	Financial Services	Leisure	Real Estate	TOTAL	%*
North America	916	263	308	359	461	264	141	56	25	2,793	30%
China	247	484	128	497	125	112	120	49	71	1,533	16%
CEE & CIS	181	163	88	77	36	37	64	28	14	688	7%
Southern Europe	115	124	173	75	48	44	46	20	6	651	7%
South East Asia	86	83	60	88	30	41	60	19	25	492	5%
Australasia	91	57	68	55	40	51	44	17	7	430	5%
UK & Ireland	105	41	60	54	38	48	43	23	6	418	4%
DACH	97	116	66	40	26	19	9	11	5	389	4%
Latin America	99	36	53	73	27	47	36	5	9	385	4%
Other Asia	71	96	32	26	36	23	9	15	4	312	3%
India	72	28	34	24	17	28	13	9	3	228	2%
Africa	28	47	26	21	9	20	32	6	10	199	2%
Nordic	50	42	19	18	24	14	18	10	3	198	2%
Benelux	33	33	42	28	18	19	6	7	4	190	2%
Japan	38	36	21	30	13	12	2	13	4	169	2%
Middle East	42	15	8	18	11	25	10	5	5	139	1%
Israel	75	11	6	6	10	5	4	1	2	120	1%
TOTAL	2,346	1,675	1,192	1,189	969	809	657	294	203	9,334	100%
	26%	18%	13%	13%	11%	9%	7%	4%	3%	100%	

* Percentage figures are rounded up to the nearest one throughout this publication.

THE OUTLOOK SUPPORTS OUR RENEWED FEELING OF RECOVERY

Our heat charts add to the greater optimism with over 9,300 rumoured mid-market deals around the world, which is well up on 8,300 in the prior quarter. That level is higher than most of 2019 and we believe reflects some of the deals that went on hold as well as new potential M&A transactions.

With the amount of cash available in private equity and capital markets, we would expect M&A to start to recover from the lows of the first half of the year but given the time lag in competing deals it will most likely be 2021 before we see that reflected in the deal data.

GLOBAL THEMES THAT ARE INFLUENCING M&A

In most quarters we have included a number of factors that are driving deal activity such as the availability of cash, the continued growth of private equity funds, the plans of strategic buyers and the desire to acquire digital capability. As we noted in the last two editions of 2020, these factors were overshadowed by the impact of COVID-19. We expect them to remain drivers of deal activity in the medium to long term and in the short term we still believe that the digital factor is likely to be more prominent as a result of COVID-19 and the need to rethink business models.

VALUE OF CDD IN HEALTHCARE AND LIFE SCIENCES TRANSACTIONS IN THE 'NEW NORMAL'

As part of the overall aim to provide deep sector expertise whilst supporting M&A deals and long term strategy for entrepreneurial businesses and private equity, the BDO Firm in the UK set up a Commercial Due Diligence (CDD) function in 2018 with a focus on Healthcare and Life Sciences.

CDD adds value by providing insights and trends on the industry, assessing the market environment and competitive landscape, the company capabilities and significantly by evaluating the likehood of the target company achieving its projections.

The Pharma, Medical & Biotech industry is one of the "hot" sectors, expecting significant M&A activity in the short term, according to our global heat chart (see page 7 of this edition of Horizons), particularly in North America, China and Europe.

INCREASED IMPORTANCE OF CDD FOLLOWING COVID-19 AND IN THE "NEW NORMAL"

Face-to-face meetings and site visits are not possible in the current climate, making contact with management teams more difficult. This makes CDD and external validation even more valuable in the assessment of a business. This is particularly important to assess management teams and company culture. This section outlines the key areas within a typical scope of work, highlighting key differences to approach where necessary to gain the required comfort in a business:

MARKET DYNAMICS AND UNDERLYING DRIVERS:

- Understanding the impacts on the market and its underlying drivers can continue to be done through a combination of primary research and deep analysis of publicly available market data. By using telephone and video conferencing for primary research, the approach to this section is largely unaffected.
- Businesses in different sub-sectors will be affected differently: some such as pharmaceutical products and digital health may see additional opportunities from the situation. Others, such as airlines, will clearly suffer due to lockdowns.

MANAGEMENT, CULTURE AND KEY PERSON RISK:

- With less face-to-face contact available during periods of social distancing, this is one of the key areas which would benefit from an extension to a regular CDD scope.
- A larger number of telephone and video conferencing conversations with staff needs to be carried out to provide a better and more reliable understanding of the culture of the business, and it happens alongside an analysis of staff feedback data.
- Conversations and interviews with management teams will also need to be carried out to better understand their capability and approach. It is also possible to get third party validation of management teams through additional market, competitor and/or customer interviews.

OPERATIONS AND SUCCESS DRIVERS:

- Depending on the asset, site visits can be crucial. As this is unlikely to be an option, additional work needs to be done to demonstrate quality, capacity etc. This may include analysis of operational data to assess capacity – including assessment of the level of diversification in the supplier base and contingency plans in place to minimise risk – in addition to a broader interview programme.
- Telephone and video conferencing can be used to conduct interviews with staff to assess quality control processes. Depending on the industry, extensive customer feedback can be surveyed to analyse quality and service levels.
- In some cases, more can be learnt from the business and operations through deep analysis of data from regulators and third party agencies. For example, HFEA quality data recorded for fertility providers.

BUSINESS PLAN ASSESSMENT:

- Assessing the current level of resilience, along with key learnings and preparation for future events. This can be determined through extensive interviews with management teams and staff done virtually through video conferencing. Understanding the extent of the contingency plans being put in place for key areas, with particular emphasis on supply chain/logistics, manufacturing and account management.

DIFFERENTIATED APPROACH

The focus on deep data analysis and market interviews help both trade players and private equity to gain better insights of prospective acquisition targets. Recent highlights include carrying out large patient behaviour surveys in the fertility sector and a Europe wide assessment for the potential opportunity for a range of novel oncology drug administration devices.

Other interesting projects include vendor CDD in multiple areas, such as pharma products, outsourced pharma services and the care sector. A particular highlight was the involvement in the sale of Veriton Pharma to Serb. Over the course of this work, the team analysed a large portfolio of unlicensed products sold in multiple global regions, while also analysing the potential for pipeline products in orphan indications. Through conversations with physicians and payer experts across multiple regions, management assumptions and forecasts were validated, thus helping to provide comfort to prospective buyers.

Access to significant expert networks ensures that the team are up to date and well informed on market trends and dynamics, bringing a deeper level of insight.

GURPAL AHLUWALIA
PARTNER
gurpal.ahluwalia@bdo.co.uk

ANAND ASHOK
MANAGER
anand.ashok@bdo.co.uk

BDO CDD TEAM

The experienced team is made up of a combination of healthcare practitioners and ex-industry professionals such as doctors, pharmacists and chemical engineers, a rather unique offering, who also have top level commercial and data analytics experience through prior roles at BCG, LEK, KPMG, Evaluate, IQVIA, Global Data and Candesic.

CDD projects can be both Sell-side and Buy-side and have involved a variety of clients ranging from pharma, biotech and outsourced pharma services, through to private equity and financial institutions.

GLOBAL

9,334 RUMOURED TRANSACTIONS

P09 | **NORTH AMERICA**

NORTH AMERICAN M&A SHOWS SLIGHT RECOVERY

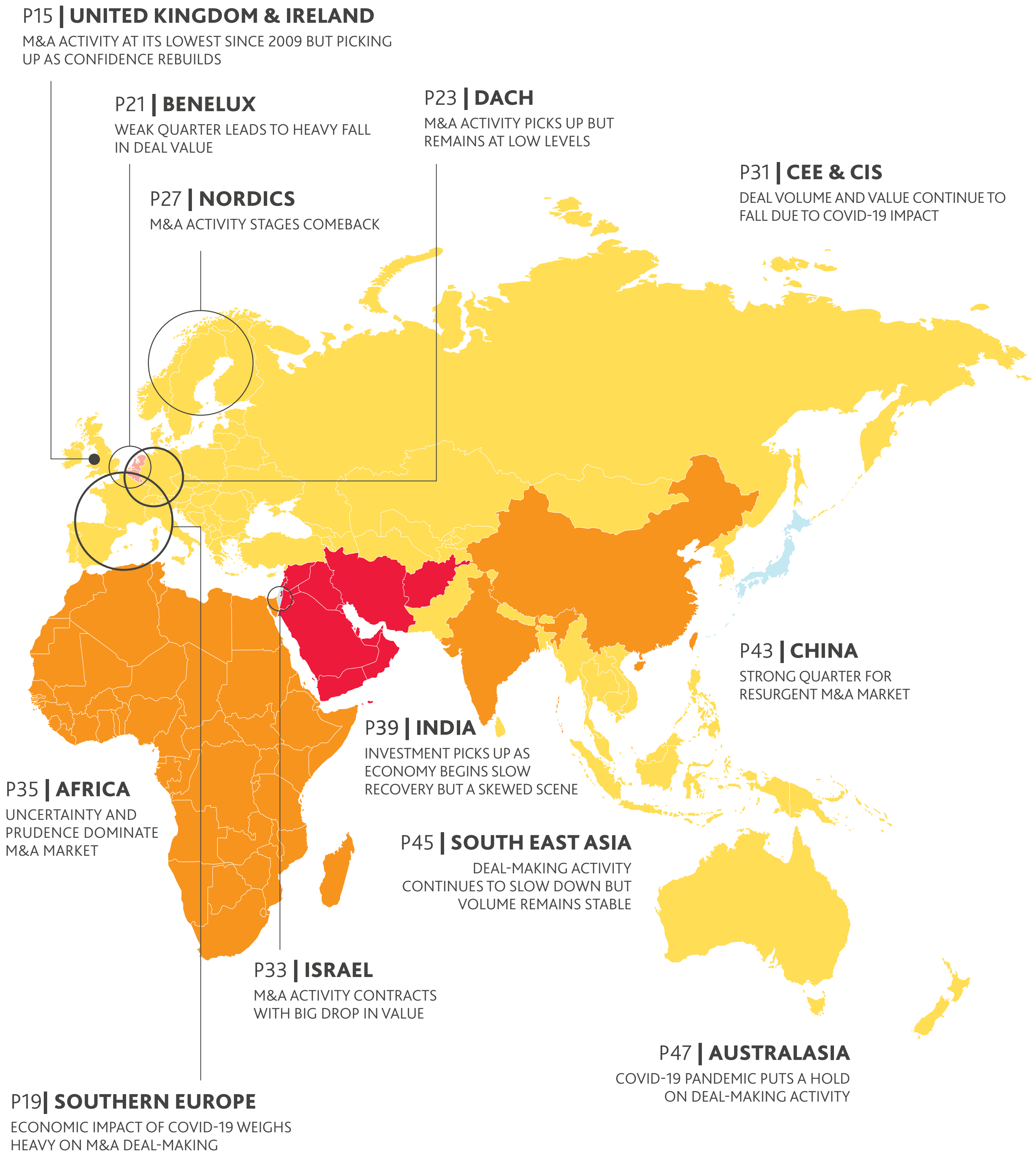
P13 | **LATIN AMERICA**

M&A ACTIVITY BOUNCES BACK

SECTOR VIEW

FOOD AND DRINK MANUFACTURING | **P51**

NATURAL RESOURCES | **P55**



Key % movement

-19% to -10% | -9% to -1% | 0% | 1% to 10% | 11% to 20%

21% to 30% | 31% to 40% | 41% to 50% | 51% to 60% | 61% upwards

Note: The colouring illustrates the movement of expected transactions compared to the expected transactions in the previous quarter.

NORTH AMERICA

NORTH AMERICAN M&A SHOWS SLIGHT RECOVERY

BIG PICTURE

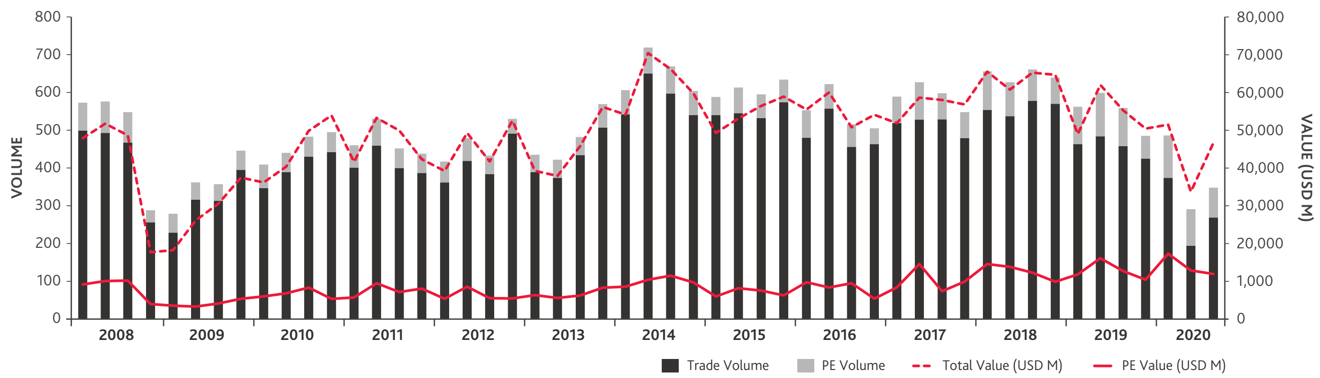
- Deal volume was up 19.6% in Q3 2020 compared to the prior quarter and down 37.7% compared to Q3 2019.
- Deal value was up 38.3% in Q3 2020 against the prior quarter and down 15.6% compared to Q3 2019.
- The economic damage following the COVID-19 virus forced both the Canadian and the US economies to severely contract in Q2 and partially rebound in Q3. A number of industries are still being targeted especially TMT and pharma, Medical and Biotech.
- Q3 2020 M&A activity increased across all sectors compared to Q2 2020, with the exception of Leisure and Consumer which were largely disrupted by closed retail stores due to lockdowns. Industrial and Chemicals experienced the largest increase with 46 deals, increasing from 27 in Q2. The other large increases quarter over quarter were in Business and Financial Services. The sectors with the lowest volume of deals were Leisure and Real Estate with six and five deals, respectively.

Nine months into 2020, global economic conditions and daily life have continued to be upended by the global pandemic and health crisis caused by the COVID-19 virus. As expected, North American deal activity through the last two quarters has been tumultuous.

A drastic decline in historical terms in deals in the second quarter was partially mitigated by an increase in the third quarter as many market participants adapted to the continually evolving environment. While there appears to be some optimism for the future outlook of transactions, deal volume still remains the lowest in a decade.

M&A volume in North America actually increased in Q3 2020 to 348 deals compared to 291 deals in the previous quarter. The increase in aggregate deal dollar value also increased from USD 33.7 billion in Q2 2020 to USD 46.7 billion in Q3 2020. However, year to date deal volume and deal value are down 34.6% and 20.7%, respectively.

PE/TRADE VOLUME & VALUE



The broader economic indicators painted a mixed picture for both Canada and the US. With much discussion and differing opinions on the "shape" of recovery after a historical stock market crash in March, the Canadian TSX has soared approximately 50%. Similarly, the Dow Jones Industrial, NASDAQ and S&P 500 have all increased approximately between 50% and 63% from lows in March to the end of September. While positive, it's widely believed this market rally was largely enhanced by government intervention and fiscal policy to prop up the economy until its closer to a recovery. In Canada, the Q2 gross domestic product (GDP) saw its worse ever quarterly decline of 38.7% but is forecast to bounce back with an increase of 45.3% in Q3. In the US, GDP also declined significantly by 32.9% and is also forecast to increase by 32.8% in Q3. Positive sentiment as illustrated through the prolific stock market rally this spring and summer may taper off as the potential for a stronger second wave becomes apparent and government stimulus slows down as it tries to transition its workforce and businesses back to a more normalized environment.

NORTH AMERICA SEES TUMULTUOUS QUARTER

While mid-market M&A rebounded between the second and third quarter, year to date value and volume are down significantly. While this is the case in the mid-market, there is evidence large, mega deals have returned with 19 deals over USD 5 billion announced between July and September, all in the US. This is partly supported by the recent trend of utilizing Special Purpose Acquisition Companies which have raised the most capital on record. With the most complex deals still being executed there is optimism for dealmakers down market who have adapted to remote work and the challenges presented from an ever-changing situation. These challenges include managing through diligence both in terms of the logistics in accessing information, facilities and management teams, as well as various functional areas that would have to be scrutinized more carefully. Market participants able to complete transactions in this environment have also been able to find creative structures which can bridge the gap between value expectations and distinguishing between COVID driven versus sustainable results.

After roughly six months of COVID restrictions in place across Canada and the US, there has been sufficient time to observe many dynamics which affected market participants M&A timelines. First, through government support such as wage subsidies in Canada and PPP loans in the US, many struggling businesses were able to weather the past six months. Stakeholders spent a great deal of time securing their businesses before considering pursuing any growth or acquisition initiatives.

RYAN FARKAS
MANAGING DIRECTOR
rfarkas@bdo.ca

ALEX ARDIZZI
VICE PRESIDENT
aardizzi@bdo.ca

The combination of those two factors delayed M&A activity. Any restructuring or distressed M&A was pushed back and as government support is slowed, similar to other economic downturns, there will be consolidation and opportunistic targeting of underperforming businesses.

On the other hand, businesses which have either benefitted directly or indirectly from COVID-19 during this time or continue to perform well despite the virus are still being targeted. There is a stark contrast between industries which have continued to perform versus those which global restrictions and lockdowns have severely disrupted. For example, many companies in the technology and healthcare sectors have capitalized on addressing new needs around communication and medical care and have continued to thrive or grow at faster rates than pre-COVID forecasts. TMT and Pharma, Medical and Biotech companies represent 49% of targeted mid-market companies in North America based on Mergermarket data up to September 30th supporting this trend. Other businesses have capitalized on consumer demand for products which enhance consumer's work life balance while spending significantly more time at home. Whereas, industries like retail, hospitality and travel are ripe for opportunistic buying or distressed M&A.

LOOKING AHEAD

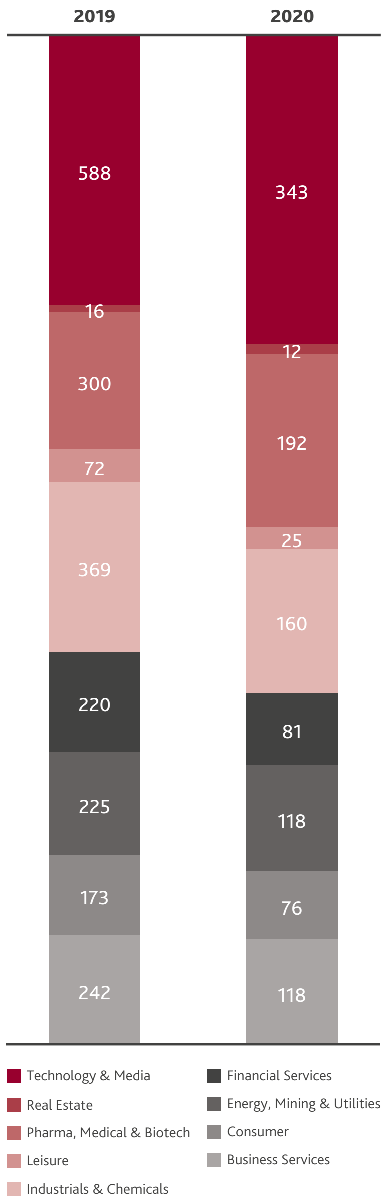
There are many obvious headwinds in terms of economic conditions, geopolitical tensions and a global pandemic but over the coming months, M&A deal activity will continue to forge ahead as it has started to in the third quarter albeit at a slower pace than desired for dealmakers. Although there is plenty of uncertainty there is still an abundance of capital seeking to be deployed and a market with historically low cost of capital. Investors will be focused on industries and companies that have demonstrated resiliency and adapted to the post pandemic world but will have to continue to deal with challenges around the diligence environment and deal structuring.

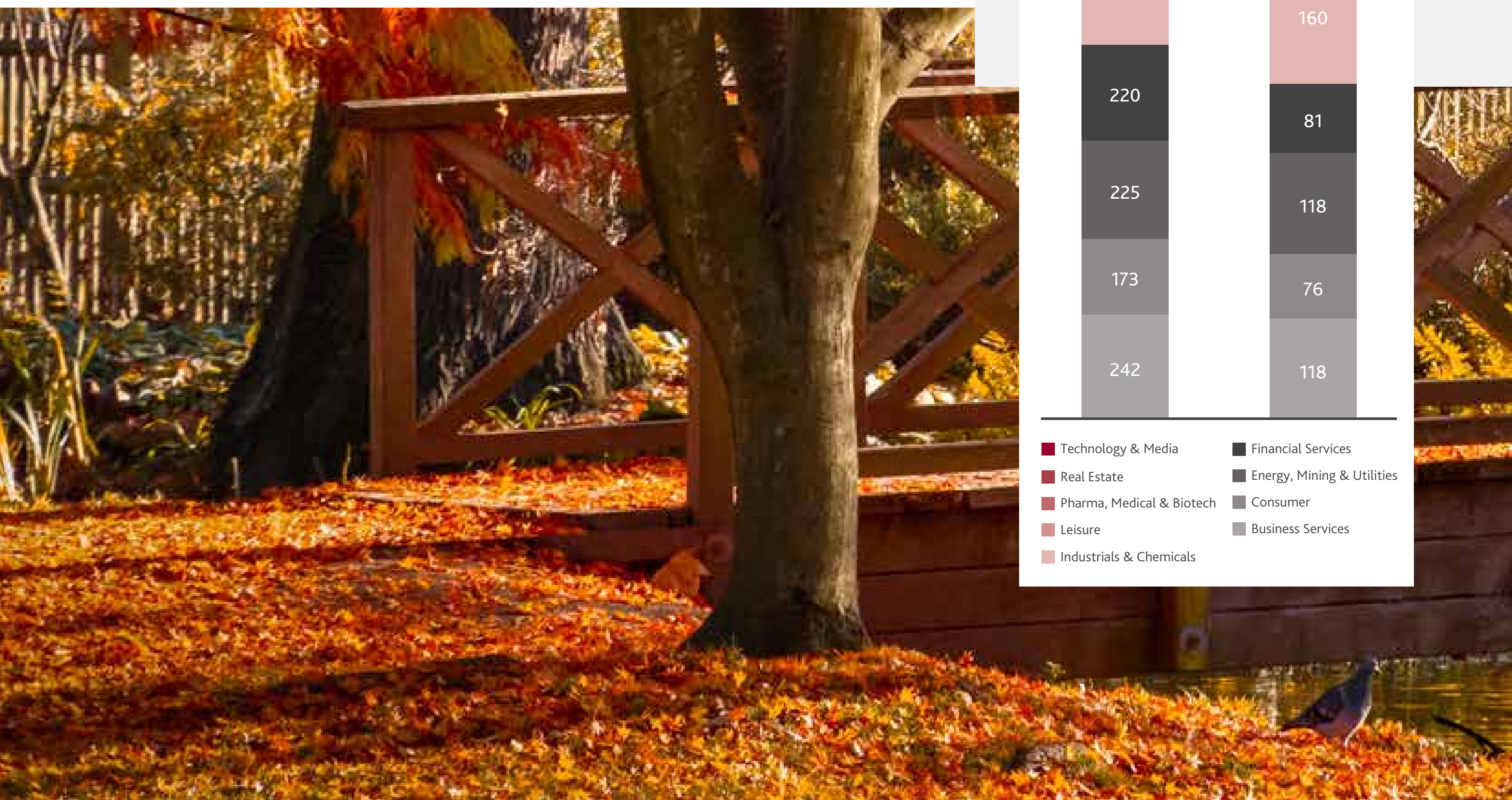
Additionally, the upcoming US Presidential election will be top of mind for many. The potential for additional market disruption, regulatory changes and corporate tax considerations will have to be weighed by business owners. While some shareholders saw increased risk with pursuing a transaction in a turbulent period over the past few years, they also may have missed a time to sell when valuations were at all-time highs in many sectors. As a result, there may be more incentive and foresight to try to sell or divest sooner rather than later.

NORTH AMERICA
HEAT CHART BY SECTOR

TMT	916	33%
Pharma, Medical & Biotech	461	17%
Business Services	359	13%
Consumer	308	11%
Financial Services	264	9%
Industrials & Chemicals	263	9%
Energy, Mining & Utilities	141	5%
Leisure	56	2%
Real Estate	25	1%
TOTAL	**2,793**	**100%**

NORTH AMERICA
MID-MARKET VOLUMES BY SECTOR





LATIN AMERICA

M&A ACTIVITY BOUNCES BACK

BIG PICTURE

- Deal volume rose by 66% and value shot up by 279% compared to the previous quarter
- TMT was the best performing sector with five deals worth USD 1,343m, followed by Energy, Mining & Utilities with deals worth USD 1,310m
- Brazil dominated the region's top 20 deals with 13 deals worth USD 2,518m and Chile was in the second place with three deals worth USD 569m.

M&A mid-market activity in Latin America saw a total of 60 deals worth USD 5,863m completed in Q2 2020, an increase of 66.7% in deal numbers and 279% in deal value compared with the previous quarter. In comparison with Q3 2019, deal numbers and value were down 35.5% and 35.2% respectively.

Looking at the last 12 months as a whole, there have been 268 deals with a value of USD 23,621m which, compared with 327 deals and USD 30,382m for the same period in the previous year, reflected falls of 18% in deal numbers and 22.3% in deal value.

Looking at PE activity, PE was responsible for nine deals worth USD 779m in Q3 2020, representing 15% of the deal count and 13.3% of the quarter's value. The average PE deal value was high at USD 86.5m versus USD 99.7m for non-PE transactions.

The overall average value per deal of USD 97.7m represented an increase of 127.4% compared with the previous quarter.

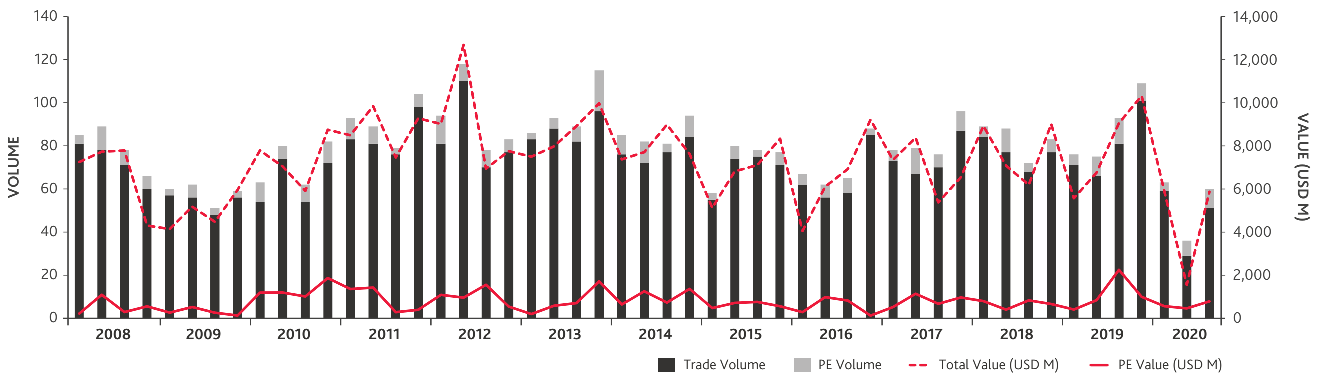
KEY DEALS AND SECTORS

The quarter's top 20 deals totalled USD 4,511m, with Brazil leading the way in terms of target country with 13 deals worth USD 2,518m, followed by Chile with three deals worth USD 569m. Argentina received foreign investment of USD 201m.

Looking at bidder countries, 52.2% of investment come from outside the region, with the US leading the way with acquisitions worth USD 1,274m, followed by China (USD 500m), Germany (USD 201m), Spain (USD 195m) and France (USD 186m). The remaining investment came mainly from Brazil (USD 1,558m), Chile (USD 375m), and Mexico (USD 222m). All investments from Brazil, Chile and Mexico were in their own countries.

The sector rankings were led by TMT and Energy, Mining & Utilities. One TMT deal worth mentioning involved Argentina as the target country and saw Delivery Hero SE from Germany acquire Glovo's food delivery operations in Latin America.

PE/TRADE VOLUME & VALUE



LATIN AMERICA
HEAT CHART BY SECTOR

TMT	99	26%
Business Services	73	19%
Consumer	53	14%
Financial Services	47	12%
Industrials & Chemicals	36	9%
Energy, Mining & Utilities	36	9%
Pharma, Medical & Biotech	27	7%
Real Estate	9	2%
Leisure	5	1%
TOTAL	**385**	**100%**

POLITICAL AND ECONOMIC CONTEXT

Argentina's government has recently reached an agreement on its external debt under foreign law with creditors, which led to a significant decrease of the country risk premium of around 1,000 bp. Arrangements with the IMF are expected to take place soon, which is expected to lead to a further drop. This will create a more attractive scenario for investors and will likely have a positive impact on valuations. The IMF expects the region's economy to grow 3.9% in 2021 and according to experts will reach pre-pandemic GDP levels in three years.

As for the M&A market, we are seeing a paradigm change, with a new trend emerging which is giving a new signature to deals where transactions are based on business units and not on changing the ownership of the whole company. In this regard, Argentina in particular is dominated by transactions related to divestments where shareholders are deciding to exit from business units that have either become unprofitable as a result of headcount expenses or that are no longer central to the company's strategy. This kind of restructuring requires a new vision on transactions, based on the strategy of the acquiring company and the consideration of synergies, as well as a deep understanding of the business and its value drivers to ensure successful integration.

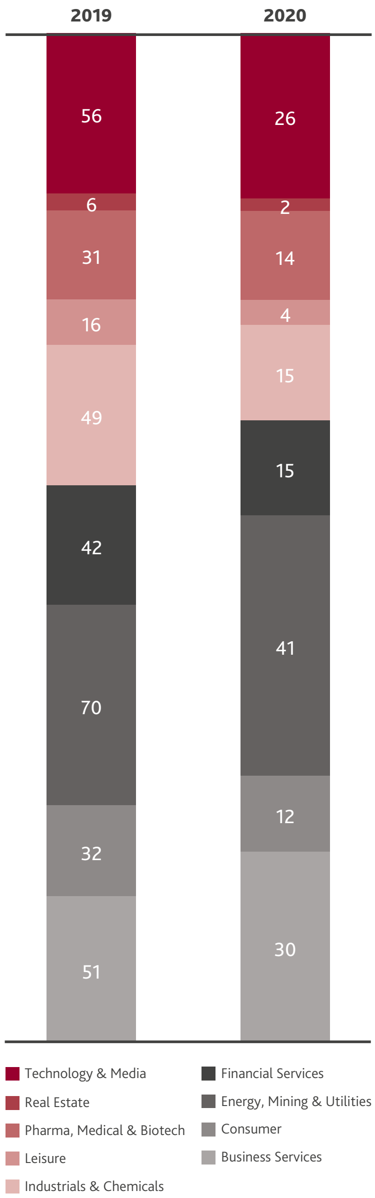
LOOKING AHEAD

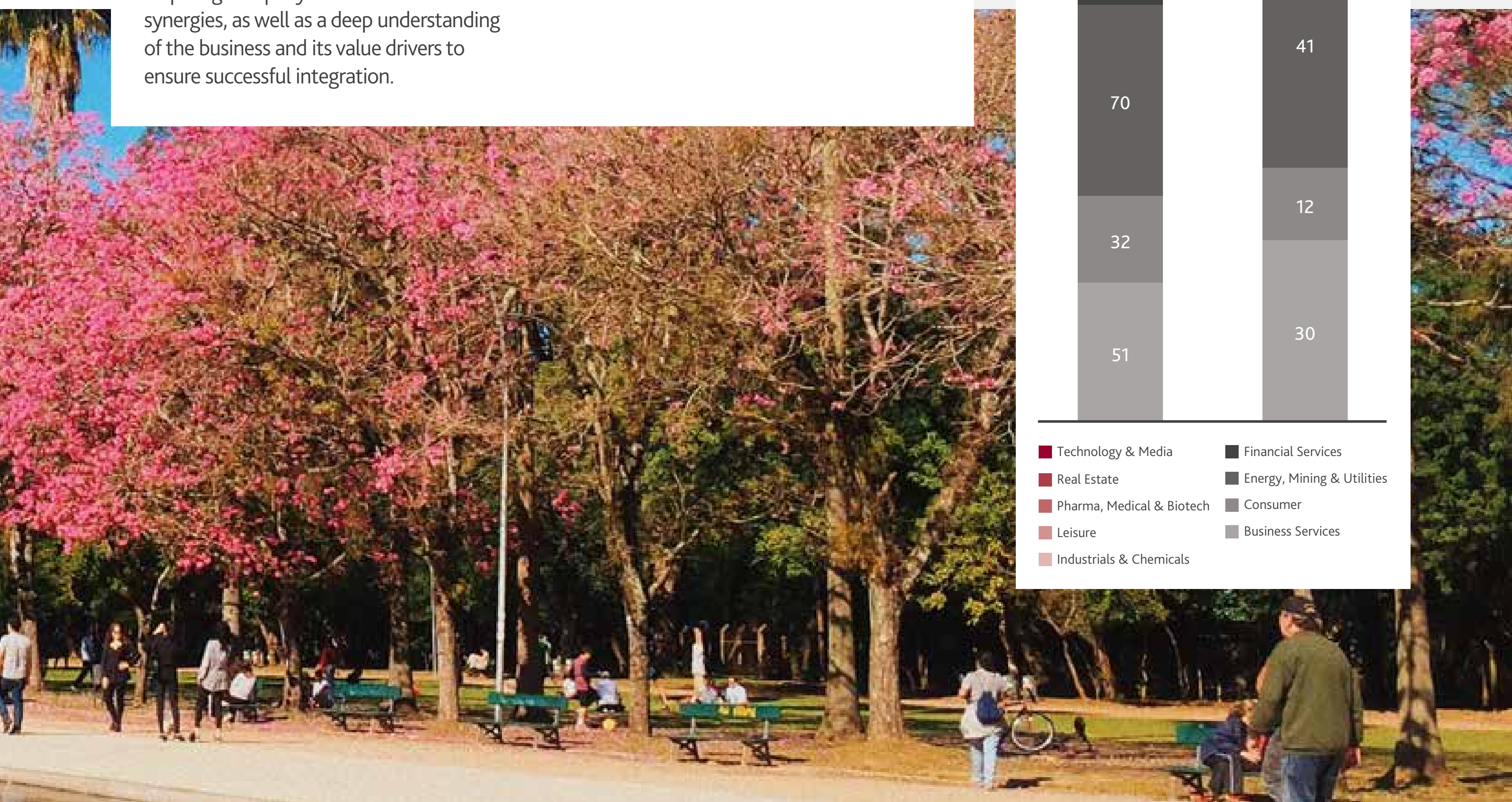
The BDO Heat Chart shows a total of 385 deals announced or in progress for the region, which represents 4.1% of BDO's Global Heat Chart. Opportunities are concentrated in TMT, Business Services, Consumer, Financial Services and Industrials & Chemicals, with a total of 99, 73, 53, 47 and 36 predicted deals respectively.

FERNANDO GARABATO
PARTNER
fgarabato@bdoargentina.com

PAULA KRITZ
MANAGER
pkritz@bdoargentina.com

LATIN AMERICA
MID-MARKET VOLUMES BY SECTOR





UNITED KINGDOM & IRELAND

M&A ACTIVITY AT ITS LOWEST SINCE 2009 BUT PICKING UP AS CONFIDENCE REBUILDS

BIG PICTURE

- M&A activity at its lowest since 2009
- Tech & Pharma have remained strong
- PE buyers representing over 25% of all transactions.

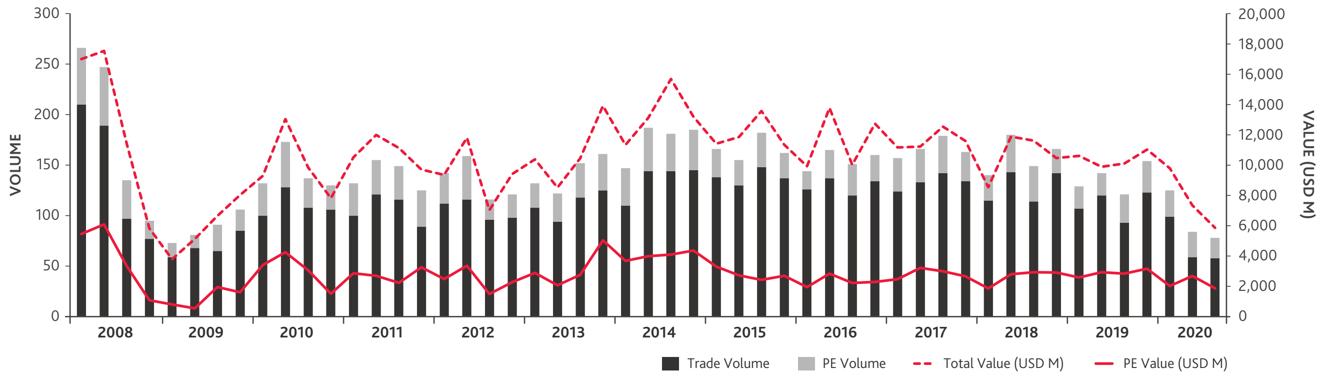
After seven months of the world battling the COVID pandemic it was unsurprising to see the level of M&A Activity this quarter was at its lowest point since the recession in 2009. With only 78 transactions reported in UK & Ireland, it is clear that companies were focussed on preserving cash and protecting their business as the corporate world scrambled to adapt to the crisis and build resilience within their core business.

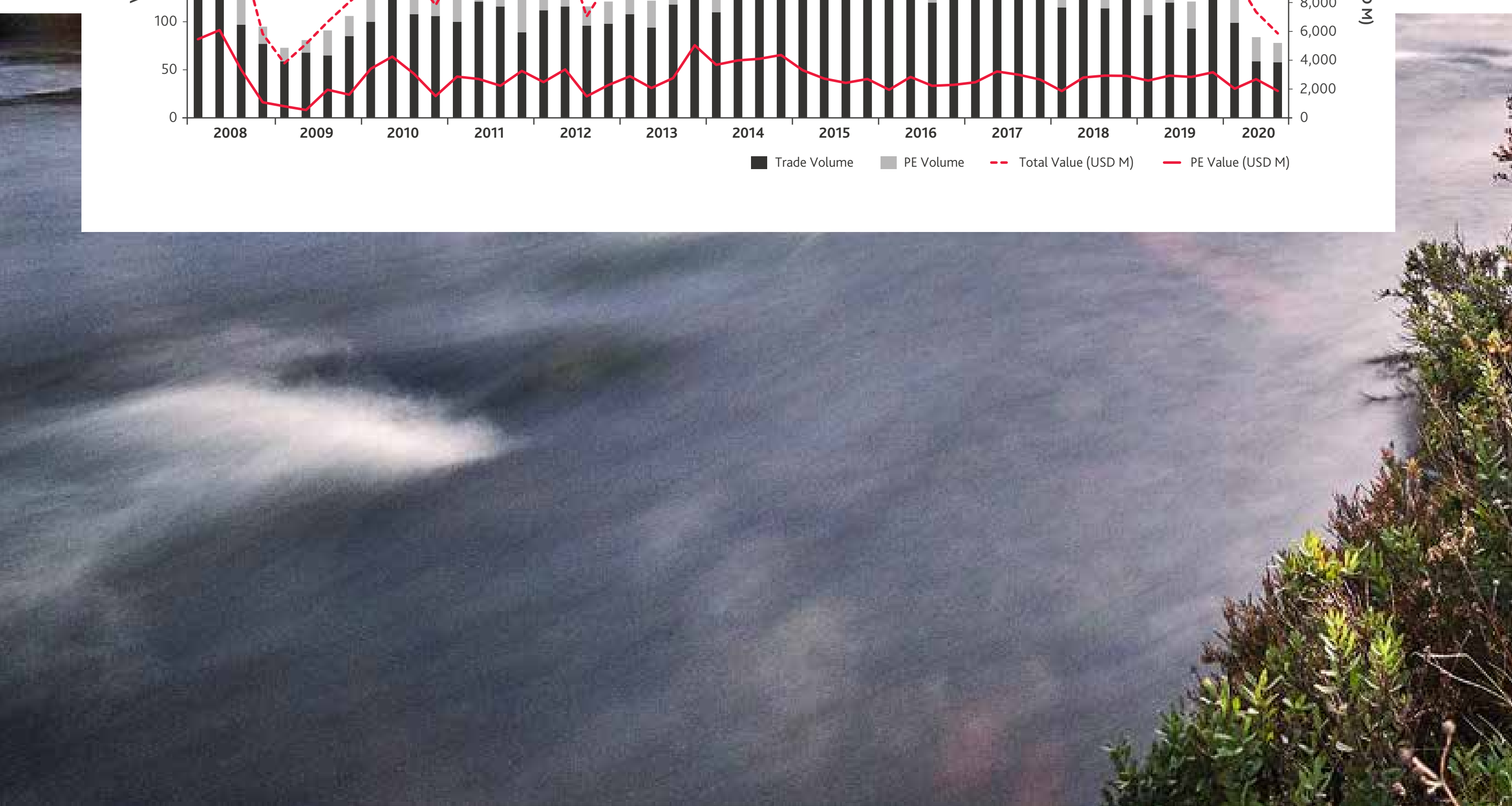
Q3 deal activity was 35% down on prior year while transaction volume for the nine months of 2020 was 27% lower than the equivalent period in 2019 (from 392 deals to 287 deals). Total reported deal value for Q3 was USD 5.8bn, a 40% decline on last year. With the top twenty transactions representing more than three quarters of this deal value, it is evident that mid-market valuations were adversely affected and deal structures had to be reconfigured to address the uncertainties created by COVID.

As outlined in our last quarterly report, the initial reaction to COVID was to stall M&A processes, especially where the trading outlook was very uncertain. As markets evolved it became apparent that Tech and Pharma remained strong and deals were accelerated in these sectors. Financial buyers also moved to invest in longer-term assets with infrastructure and healthcare attracting premium valuations.

While the overall impact of COVID on valuations remains to be seen, with Private Equity buyers representing over a quarter of all transactions, we are seeing strong appetite for mid-market companies with good management teams.

PE/TRADE VOLUME & VALUE





SECTOR ACTIVITY

TMT continued to be the most active sector with 92 transactions completed, representing nearly a third of all activity. Notable transactions include the sale of Openet Telecom to Amdocs for €180m and the USD 219m share sale in Transferwise at a USD 5bn valuation, making it one of Europe's most valuable fintech unicorns. There was continuing trend for consolidation across IT Services sector as valuations remained strong.

Business Services was the second most active sector although at a much lower level than normal with only 12 transactions reported compared to 27 in first quarter of 2020. Leisure and Financial services were badly hit with only 4 transactions in each sector, while there was a notable absence of any transaction in Real Estate as the future of both the office and the high street remains uncertain.

The Pharma/Biotech sector remained very resilient with 9 deals reported including the sale of a four year old Irish biotech company, Inflazome, to Swiss drug giant Roche for USD 448m. The upfront payment marks a sevenfold return for venture capital investors who had invested €55m into the business. Another significant Pharma deal was Bayer's acquisition of UK biotech company, KaNDy Therapeutics, for USD 425m.

Energy was another area of interest as buyers seek steady returns from investments in long-term infrastructure assets. We are now seeing how ESG is actively driving M&A activity across the renewables sector and this trend is likely to increase over coming years. Greencoat plc's acquisition of 25% stake in Walhey Offshore Windfarms was the largest transaction during the period at USD 468m. Two other notable transactions were Icon Infrastructure's acquisition of several waste to energy plants for USD 260m and Bluefield Solar's acquisitions of 64.2MW solar portfolio in UK for USD 140m.

It was interesting to note that Consumer picked up from last quarter with 7 transactions reported, compared to only 8 for first six months. The investment by General Atlantic in Gymshark, valuing the business at over USD 1.3bn, highlights how the shift in consumer behaviour to health, fitness and online retail is likely to attract a lot more financial investment for emerging disruptor brands. However, while established Consumer brands are actively looking to pivot / broaden their offering in order to keep up with consumer trends, many cannot adapt quickly enough resulting in the closure of some well-known consumer businesses.

KATHARINE BYRNE
M&A PARTNER

kbyrne@bdo.ie

LOOKING AHEAD

For most companies in UK and Ireland, their initial priority over the last seven months was to preserve cash and protect jobs. As Government support packages continue to be rolled out to help rebuild businesses impacted by COVID, the biggest challenge for the business community is to rebuild confidence in an environment that is volatile and uncertain. Brexit is adding to this uncertainty and will result in challenges across supply chains, working capital and staffing.

As a second wave threatens further lockdowns, we are likely to see increase in distressed M&A, particularly with debt forbearance coming to an end. M&A activity has already started to pick up as corporates look to divest non-core assets and trade buyers seek to consolidate market positions. The growing levels of private equity will continue to underpin M&A activity and cross-border transactions.

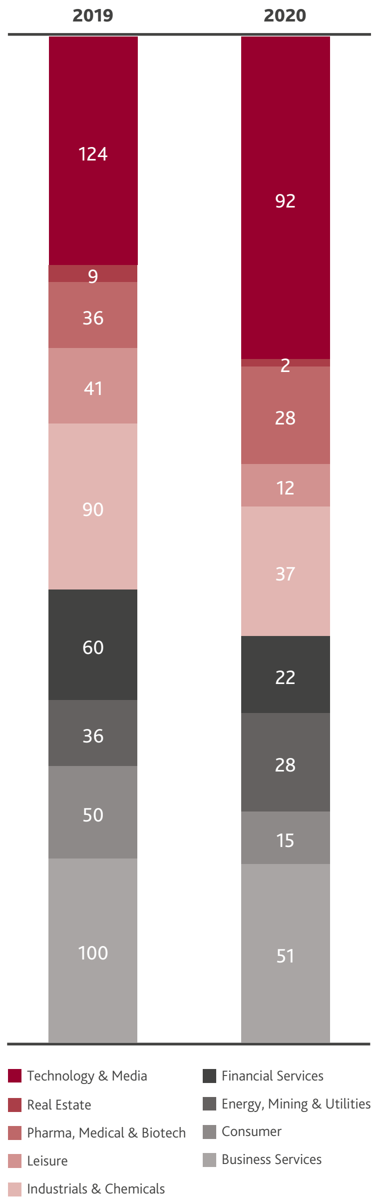
According to the BDO Heat Chart, there are 418 rumoured deals in UK & Ireland, a slight increase from previous quarter as confidence starts to build and opportunities are explored. TMT remains the most active at 25% of all potential deals as the digital revolution continues to drive consolidation and investment. Consumer is the second busiest sector with 60 deals rumoured. This is likely to be a mix of growing challenger brands looking to scale globally, contrasted with more traditional consumer businesses looking to survive. While valuations are likely to remain strong within TMT, Pharma and Energy, there will be a much broader range of values across other sectors. Opportunistic buyers are likely to seek deals in Leisure and Real Estate, while Business and Financial Services will continue to drive nearly a quarter of future activity.

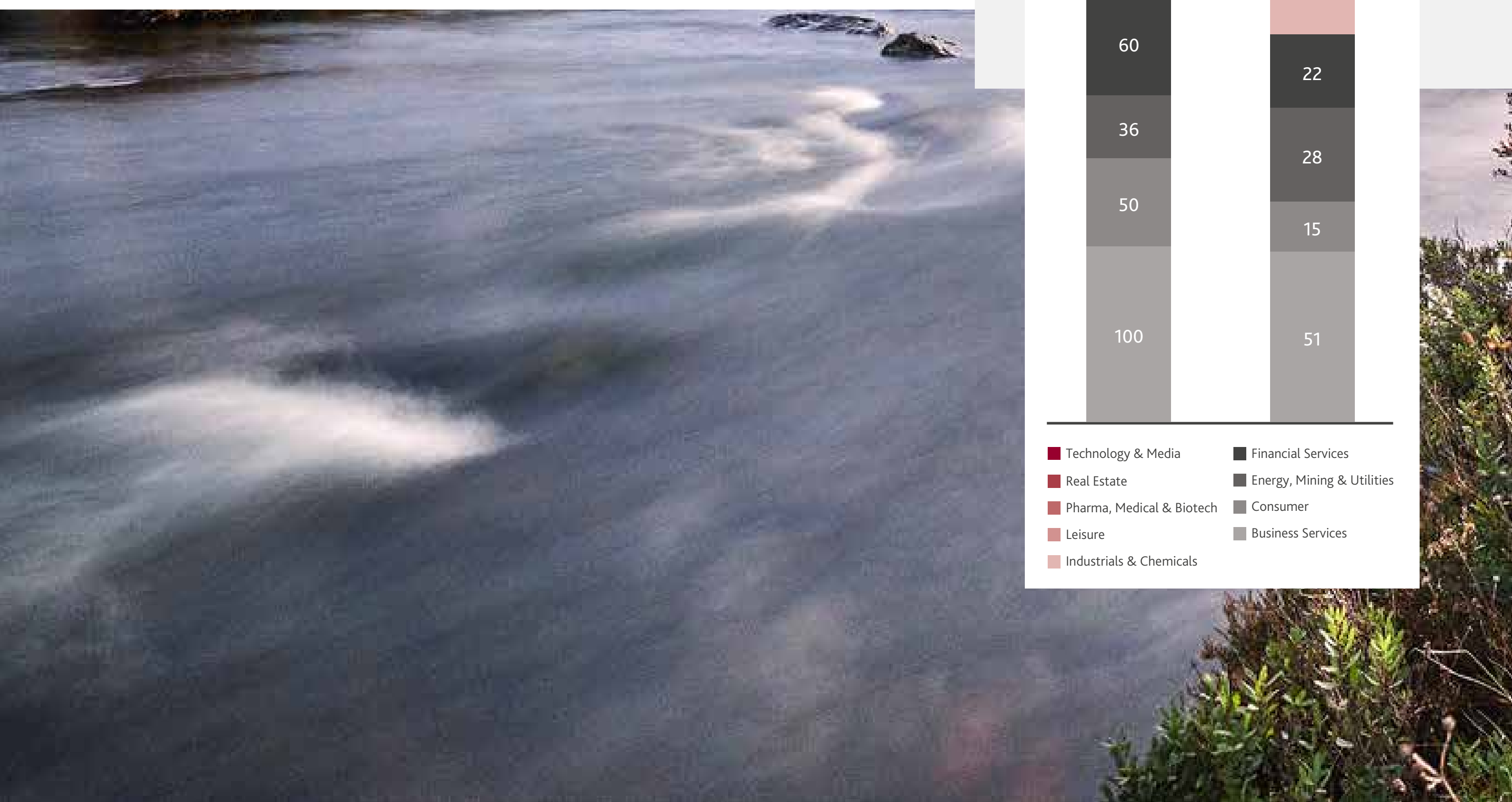
With so much uncertainty in the markets it is important for companies to spend time on assessing their M&A strategy in order to ensure it is still fit for purpose. Deal structures, due diligence processes and valuations are all evolving as we look to counter market uncertainty, while AI and data analytics are also driving M&A pipeline. Although COVID will still dampen M&A activity levels for next quarter, the increasing levels of dry powder held will continue to drive transactions for remainder of 2020.

UNITED KINGDOM & IRELAND
HEAT CHART BY SECTOR

TMT	105	25%
Consumer	60	14%
Business Services	54	13%
Financial Services	48	11%
Energy, Mining & Utilities	43	10%
Industrials & Chemicals	41	10%
Pharma, Medical & Biotech	38	9%
Leisure	23	6%
Real Estate	6	1%
TOTAL	**418**	**100%**

UNITED KINGDOM & IRELAND
MID-MARKET VOLUMES BY SECTOR





SOUTHERN EUROPE

ECONOMIC IMPACT OF COVID-19 WEIGHS HEAVY ON M&A DEAL-MAKING

BIG PICTURE

- Southern Europe records lowest transaction volume since Q2 2009
- PE hits a record-breaking 53% share of Q3 deal value
- Industrials & Chemicals remains the most active sector with 23 transactions
- Future outlook suggests increase in deal activity.

Southern Europe's mid-market M&A activity in Q3 2020 recorded levels last seen in 2009, the year of the global Financial Crisis. The quarter saw declines in both the volume and the value of transactions, with the region still feeling the economic impact of the Coronavirus outbreak.

Transactions totalled USD 7.2bn, with a 12% fall in the number of deals compared to Q2 2020, an 80% decline year-on-year.

The region's slow quarterly performance highlighted the importance of PE M&A activity, which achieved a record-breaking 53% of deal value in Q3 2020 and 38% of deal volume, representing PE's best ever performance in Southern Europe's mid-market sector. In absolute terms, although PE deal value reached USD 3.8bn, an increase compared to the first two quarters of 2020, it still trailed behind the Q3 2019 figure of USD 4.7bn.

KEY SECTORS AND DEALS

TMT, Financial Services and Leisure were the sectors most affected by weak M&A activity. Industrials & Chemicals and Pharma, Medical & Biotech, on the other hand, managed to increase their deal counts compared to the previous quarter.

Industrials & Chemicals was the quarter's top performing sector, recording 23 deals, followed by TMT with 20 deals and Consumer Services with 12 deals. The region's deals were mostly concentrated in these three sectors, which accounted for 63% of the overall deal count.

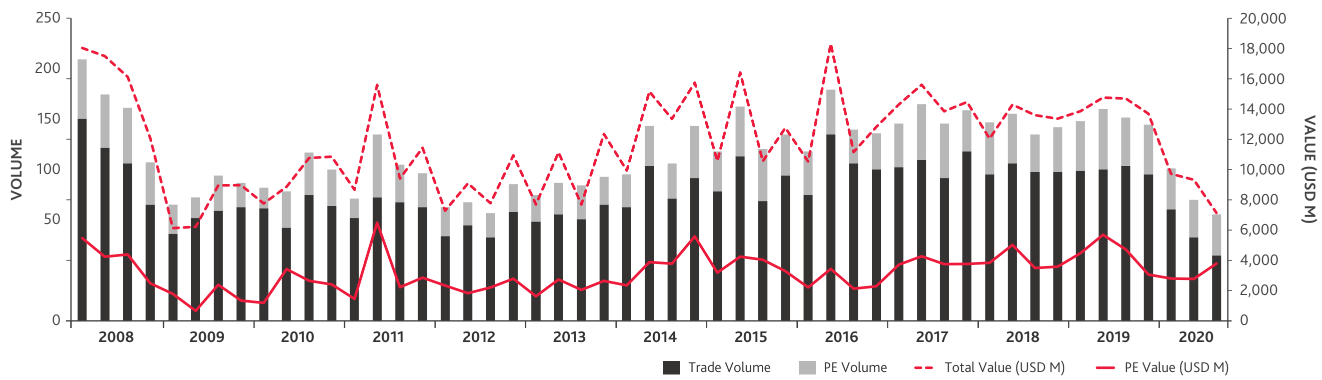
The top 10 deals totalled USD 3.0bn, which represented 41% of the quarter's overall transactions.

The biggest deal, which took place in Energy, Mining & Utilities, was the acquisition of a 2.7-GW European Onshore Wind and photovoltaic Development Platform from Nordex SE, the German-based wind turbine manufacturer, by German electric utilities company RWE AG for USD 476m.

The second biggest deal was in the Consumer sector and saw the acquisition of Casa Vinicola Botter Carlo & C. S.p.A, a family and PE-owned Italian winemaker, by Italian PE fund Clessidra SGR S.p.A., for USD 355m.

Focusing on Portuguese M&A deal activity, notable deals in Q3 2020 included the USD 167m acquisition of Prio Energy,

PE/TRADE VOLUME & VALUE



the owner of a petrol station chain in Portugal, by Spanish company Disa Corporacion Petrolifera, S.A., which represents Shell in the Iberian market. Also noteworthy was the USD 154m acquisition of a 64.47% stake in TMT firm Grupo Media Capital by a group of Portuguese investors.

Pharma, Medical & Biotech was the most represented sector in the top 10 with four deals, with the remainder spread among several sectors.

The country targets for the top 10 deals were dominated by France and Italy, with five and four transactions respectively. European buyer companies were responsible for nine out of the top 10 deals and UK companies led the list of buyers, with three transactions, all of them cross-border. In total, six of the quarter's top 10 deals were cross-border transactions.

LOOKING AHEAD

Coronavirus continues to adversely affect Southern Europe's economies but as lockdown measures begin to soften the BDO Heat Chart shows 651 rumoured deals, a 3.6% increase compared to the previous quarter and a 7% share of predicted global mid-market deals.

The predicted data shows that Consumer remains the most resilient sector in terms of expected deal volumes, as it has been since Q2 2018, accounting for 27% (173 deals), with Industrials & Chemicals and TMT expected to account for 19% (124) and 18% (115) respectively.

Overall, this trio of in-demand sectors are predicted to account for 63% of all future transactions in Southern Europe.

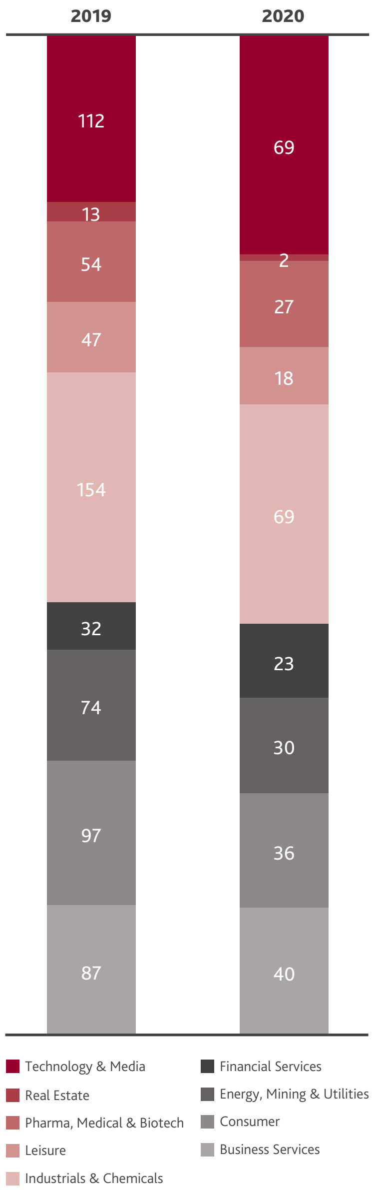
The long-lasting impacts of the pandemic are yet to be determined, as relief programmes, such as credit moratoriums, are still in place and are currently mitigating the impact of the economic crisis. Regardless of that, the future profile of deal activity is expected to follow the economic cycle, with a natural transition into more restructuring-led M&A deals.

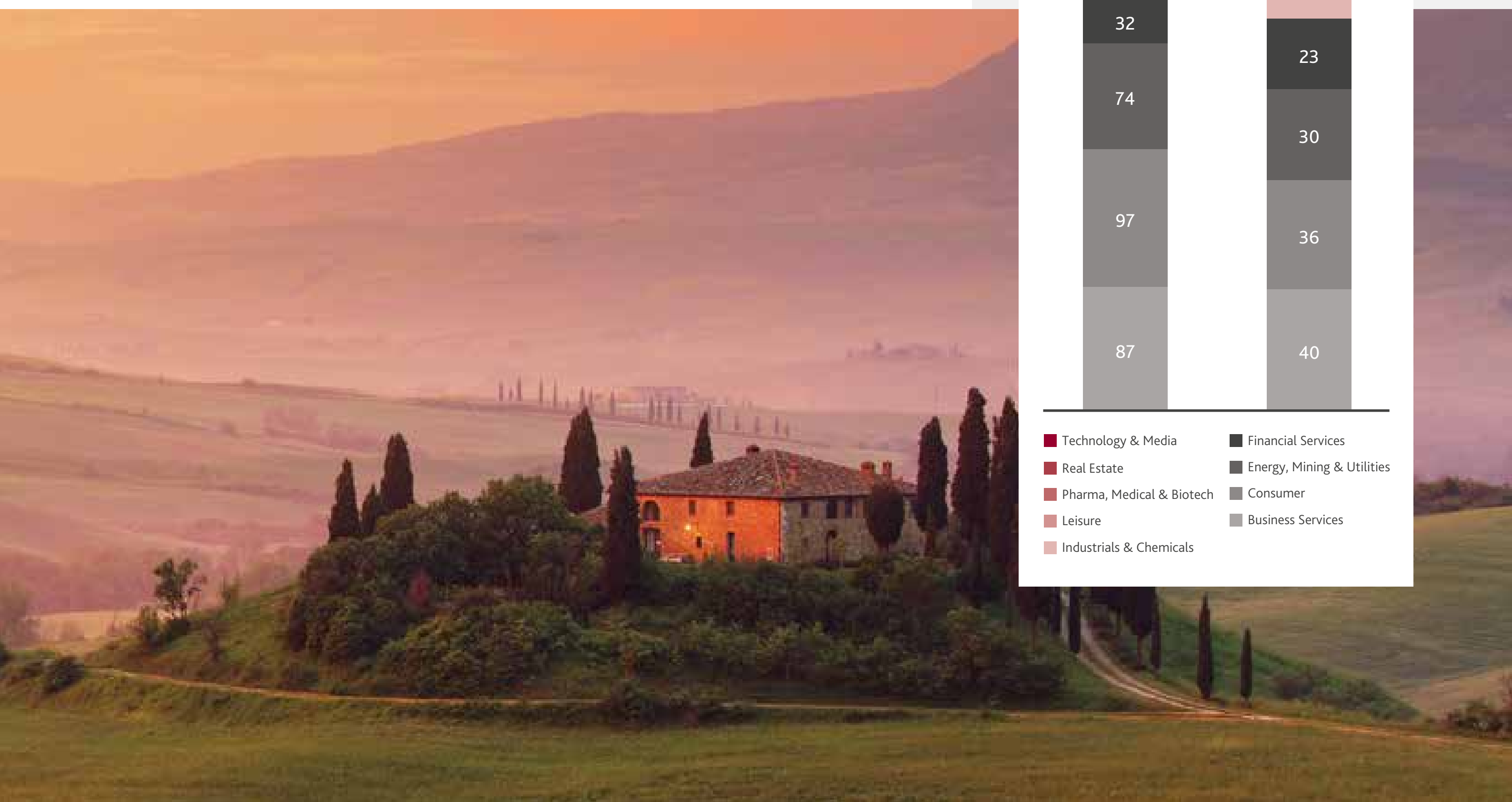
CRISTINA DIAS
PARTNER
cristina.dias@bdo.pt

SOUTHERN EUROPE
HEAT CHART BY SECTOR

TMT	115	18%
Consumer	173	27%
Industrials & Chemicals	124	19%
Business Services	75	12%
Pharma, Medical & Biotech	48	7%
Energy, Mining & Utilities	46	7%
Financial Services	44	7%
Leisure	20	3%
Real Estate	6	1%
TOTAL	**651**	**100%**

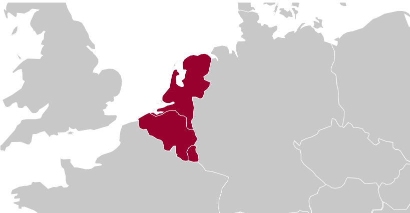
SOUTHERN EUROPE
MID-MARKET VOLUMES BY SECTOR





BENELUX

WEAK QUARTER LEADS TO HEAVY FALL IN DEAL VALUE



BIG PICTURE

- Deal volume in Q3 2020 showed a weak recovery compared to Q2 2020, increasing from 18 to 25 deals
- 48% of deals involved PE firms, a relatively high figure compared to the last two years' quarterly average of 27%
- 70% of total deal value was concentrated in the top six acquisitions
- Two sectors – Pharma, Medical & Biotech and TMT – accounted for 60% of all deals (15 deals). M&A activity in TMT has seen little impact from COVID-19 and has even been boosted by the pandemic.

Compared to Q2 2020, M&A activity in Q3 2020 recorded an increase in the number of deals (from 18 to 25). However, given the fall in value from USD 1,437m to USD 1,313m, the average deal value fell heavily from USD 79.8m to USD 52.5m.

To put that in context, average deal value in 2019 was USD 92.3m and it was USD 65.0m in Q1 2020. 72% of the quarter's transactions involved deals with a value of less than USD 50m, compared to 46% in Q2 2020.

PE was involved in 12 deals, representing 48% of total deal numbers (versus 27.1% over the last two years) and 40.6% of overall deal value (versus 29.9% over the last two years). Transactions involving PE had an average deal value of USD 44.5m, which was low when compared, for example, with 2019 as a whole when the PE average deal value was USD 98.4m.

At a global level, M&A trends showed a partial recovery compared to Q2 2020, with an increase in both deal numbers (8.5%) and deal value (17.7%).

KEY SECTORS AND DEALS

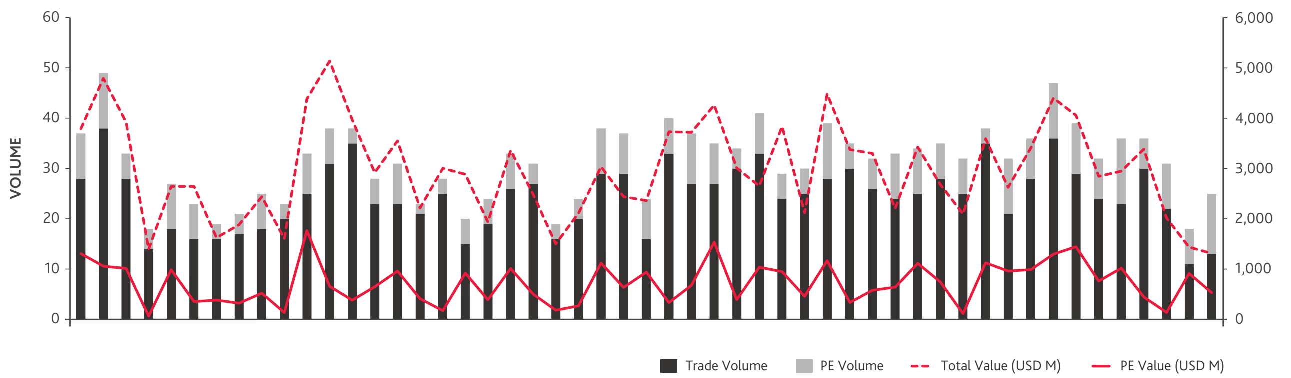
A total of eight deals were closed in Pharma, Medical & Biotech, closely followed by seven in TMT. Business Services was in third place with six deals, followed by Consumer, Energy, Mining & Utilities, Financial Services and Leisure, all with one deal each. There were no deals in the Industrial & Chemicals and Real Estate sectors.

The value of the top 10 deals in the Benelux ranged between USD 35m and USD 237m. Of the top 10, only one involved a domestic buyer, while the other nine were all cross-border deals.

The quarter's biggest deal was the sale of a majority stake in City ID, the Amsterdam-based apartment hotel chain, to APG, the largest pension delivery organisation in the Netherlands, who partnered with Australian pension fund Aware Super, for a total deal value of USD 237m. The purpose of the collaboration is to expand the City ID aparthotel offering to European capital cities.

The second biggest deal involved the sale of Getronics International, an Amsterdam-HQ global IT services firm, to British PE

PE/TRADE VOLUME & VALUE



house GSH Private Capital, in a deal worth USD 230m. GSH said the takeover will safeguard thousands of jobs across Europe, Asia Pacific and Latin America following a "challenging period of transition" for Getronics International.

Completing the top three was Verifone, a Dutch-based leading global provider of payment and commerce solutions, which acquired 2Checkout for a total deal value of USD 185m in September 2020. 2Checkout provides a streamlined onboarding service enabling merchants to accept payments in various locations and currencies.

LOOKING AHEAD

The BDO Benelux Heat Chart shows that 190 deals are currently planned or in progress. Most of these deals (42) are expected to take place in the Consumer sector, which would amount to 22% of the region's total. The second and third most active sectors are expected to be TMT and Industrials & Chemicals (17% each).

Globally, the majority of deals are expected to take place in the TMT, Industrials & Chemicals and Consumer sectors, accounting for 25%, 18% and 13% respectively of total deal volume.

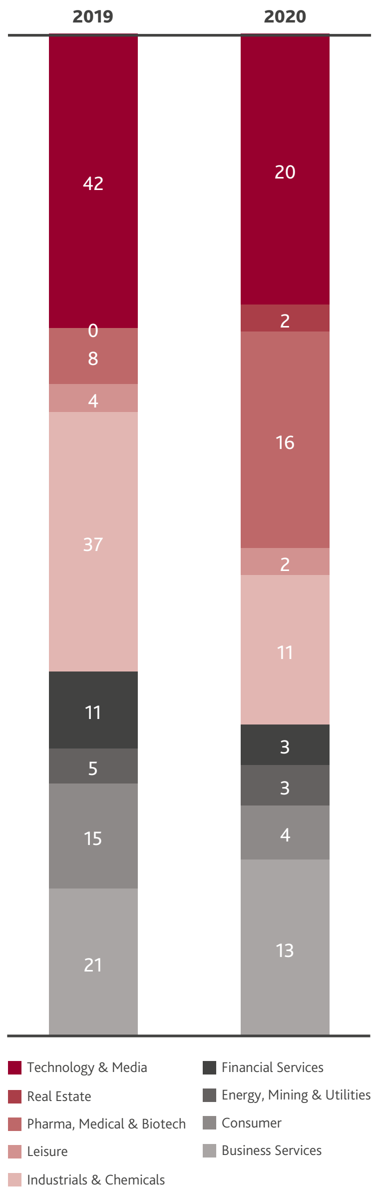
LUC AUGUSTIJN
PARTNER
luc.augustijn@bdo.nl

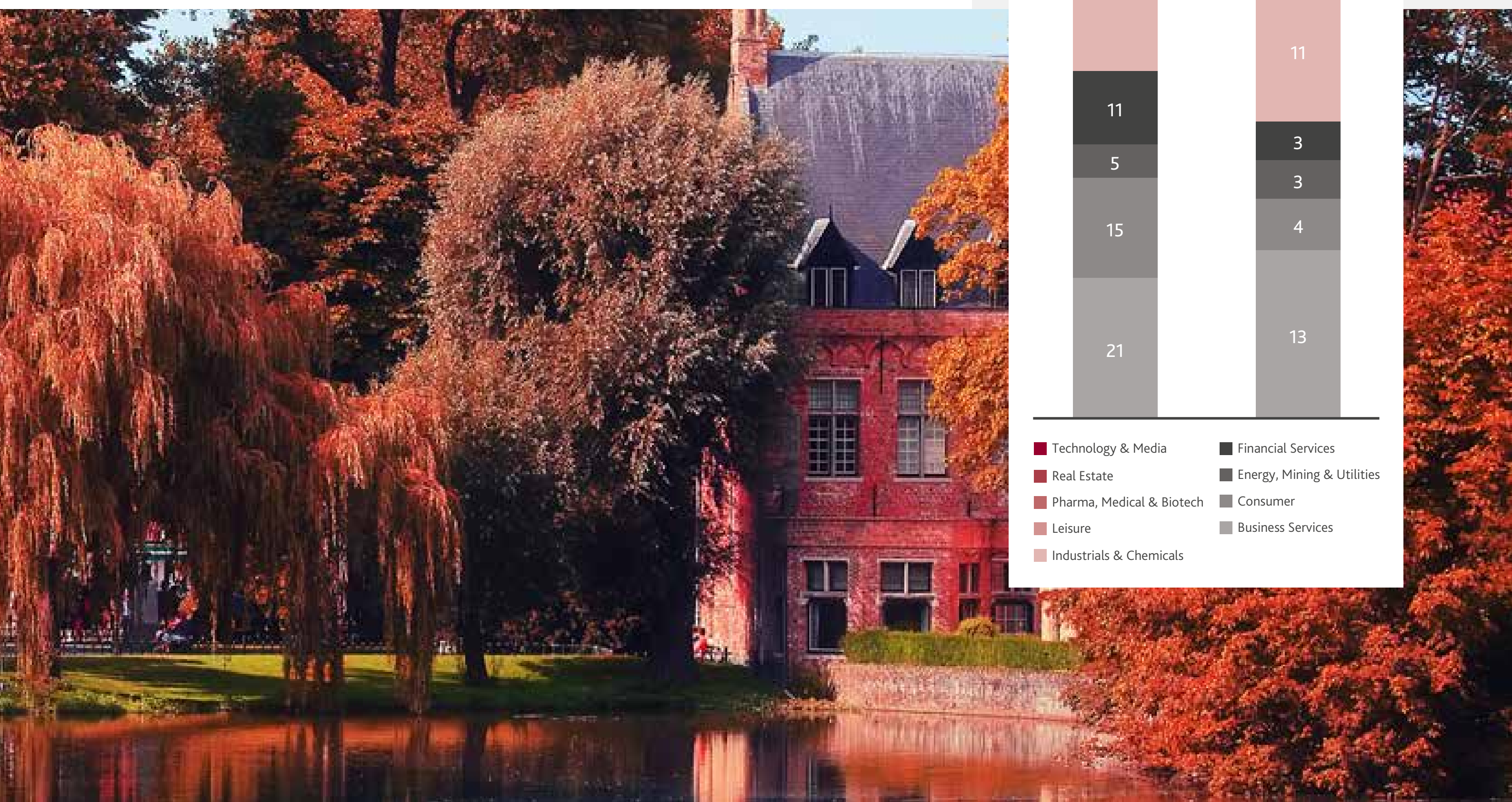
JOHAN HATERT
M&A PARTNER
johan.hatert@bdo.be

BENELUX
HEAT CHART BY SECTOR

TMT	33	17%
Consumer	42	22%
Industrials & Chemicals	33	17%
Business Services	28	15%
Financial Services	19	10%
Pharma, Medical & Biotech	18	9%
Leisure	7	4%
Energy, Mining & Utilities	6	3%
Real Estate	4	2%
TOTAL	**190**	**100%**

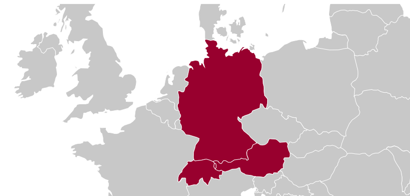
BENELUX
MID-MARKET VOLUMES BY SECTOR





DACH

M&A ACTIVITY PICKS UP BUT REMAINS AT LOW LEVELS



BIG PICTURE

- Q3 2020 saw significant decreases in both the volume (31%) and value (39%) of deals compared to Q3 2019. But measured against the very low levels of activity seen in Q2, both the volume and the value of transactions were higher in Q3 2020.
- PE transaction volumes fell quarter-on-quarter by 27% and year-on-year by 53%
- Deal numbers fell year-on-year across all sectors, except Pharma, Medical & Biotech, which held steady and Business Services, which recorded an increase
- European acquirers dominated the top 20 deals and Germany was the target country in 17 of the 20 deals.

The ongoing weak economic environment and general macroeconomic uncertainty caused by COVID-19 continues to have a knock-on effect on mid-market M&A but there were tentative signs of a pick-up in activity.

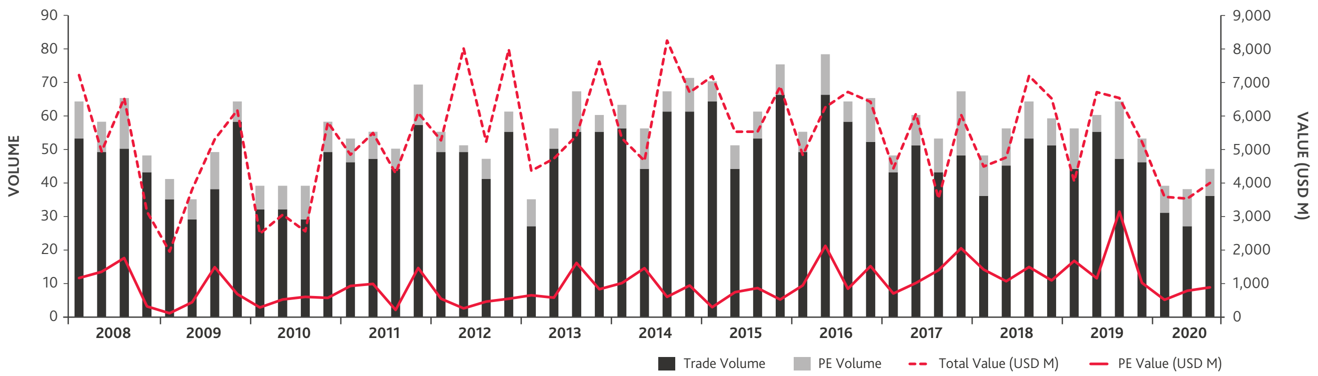
The year-on-year decline in the region's M&A and the slight pick-up quarter-on-quarter were both in line with the global M&A trends. Deal numbers and value were down by 27% and 18% compared to Q3 2019 but were higher by 8% and 18% compared to Q2 2020. The market outlook for global M&A is expected to remain uncertain for a number of reasons: in the short-term markets are focusing on the ongoing impact of the COVID-19 pandemic as well as the US presidential elections in November.

There were 44 mid-market M&A transactions in the DACH region in Q3 2020, an increase of 16% compared to Q2 2020, but a decrease of 31% compared to Q3 2019.

The rise reflected increased confidence in the outlook for the COVID-19 pandemic as countries came out of lockdown, but it should be remembered that the increase was from a very low level in Q2 2020 (38 deals). The value of deals followed a similar trend. Compared to Q2 2020, value increased by 13% from USD 3.5 bn to USD 4.0bn in Q3 2020, (year-on-year this represented a 39% decline compared to Q3 2019). Overall, Q3 2020 was much stronger than the previous two quarters but the continuing low levels of activity reflect the macroeconomic uncertainty in global markets.

The uncertain market conditions continue to have a significant impact on PE activity with deal numbers falling by 27% compared to Q2 2020. Compared to Q3 2019, the number of transactions were down by 53%. The value of PE deals fell by 72% compared to Q3 2019 and only increased by 13% compared to the low levels seen in Q2 2020. This was due to a mixture of factors: Lenders were focused on their existing loan portfolios so leveraged lending activity

PE/TRADE VOLUME & VALUE



fell sharply; PE managers were focused on steering portfolio companies through the pandemic and were trying to understand the wider macroeconomic implications; and exits were cancelled.

Of the region's 20 biggest mid-market transactions in Q3 2020, 17 took place in Germany and three in Switzerland. Austria had no deals in the top 20. International interest in the DACH market remained buoyant with buyers from 10 different countries, with European buyers accounting for 75% of the top 20 transactions. US buyers were involved with four deals (of which two were in the top 10) and China was involved in one deal.

KEY SECTORS AND DEALS

The quarter's biggest deal was the 100% sale of OM Pharma by Vifor Pharma to Optimus Holding Ltd. for USD 478m. OM Pharma is a Geneva-based company active in the field of microbial-derived immunotherapeutic drugs and has grown significantly in recent years outside of Vifor Pharma's core strategy.

Among Fintech companies, Auxmoney from Düsseldorf in Germany announced a successful capital increase. Auxmoney, the largest credit marketplace on the European continent, completed the largest Fintech financing round in the eurozone to date in 2020. In total, the company was able to raise USD 178m, which is being financed by investment company Centerbridge. In addition to investing primary capital in Auxmoney, Centerbridge is acquiring additional shares from existing investors to become a majority shareholder. Prior round lead venture capital investors such as Foundation Capital, Index Ventures and Union Square Ventures all remain fully invested.

The UK-based global healthcare company GlaxoSmithKline and biopharmaceutical company CureVac announced the signing of a strategic research collaboration on mRNA vaccines and monoclonal antibodies in infectious diseases. Under the terms of the agreement, GSK will make an equity investment of USD 164m in CureVac, representing approximately 10% of Curevac's share capital. GSK will also make a one-time payment of USD 131m and a reimbursable payment of USD 33m. The collaboration complements GSK's existing mRNA expertise with CureVac's integrated mRNA platform. CureVac is the German biopharmaceutical company currently developing a potential vaccine for COVID-19.

Industrials & Chemicals, TMT and Pharma, Medical & Biotech remained the most active sectors in the region with 14, 11 and 8 deals respectively. Combined, these three sectors accounted for 75% of all deals. Industrials & Chemicals deserves a special mention; after recording just four transactions in the previous quarter, this figure increased to 14 in Q3 2020, only slightly below the 17 deals recorded in Q3 2019. Business Services recorded a year-on-year increase, with six deals in Q3 2020 compared to two in Q3 2019.

DIETMAR FLÜGEL
PARTNER - HEAD OF CORPORATE FINANCE
dietmar.fluegel@bdo.de

JANE EVANS
M&A
SENIOR MANAGER
jane.evans@bdo.de

LOOKING AHEAD

Like the rest of Europe Germany, Austria and Switzerland all recorded historic falls in GDP in Q2 2020. The latest forecasts (Sept 2020) for the full-year 2020 suggest that the region's GDP in 2020 will fall from around 8.3% (CH) to circa 7.8% to 5.8% (D) and 6.0% (A), with an expected recovery in the region of between 4.1%-5.4% in 2021. As a whole, DACH is proving to be more resilient than some other European regions/countries. The general attractiveness of the region is illustrated by the ongoing high levels of inbound international investor interest, particularly from other European countries.

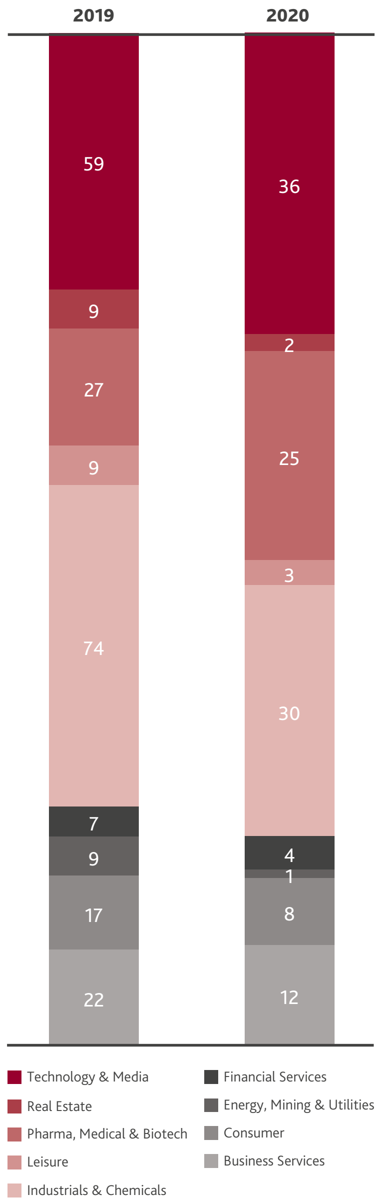
However, while Q3 2020 did see the anticipated pick-up in deal activity (both in terms of volume and value), we expect M&A activity to remain at lower levels for the next few quarters, particularly in light of increasing cases of COVID-19 and the introduction of new containment measures by governments. This notwithstanding there is still a wall of money out there (the amount of uninvested PE capital is USD 277bn that could be invested.

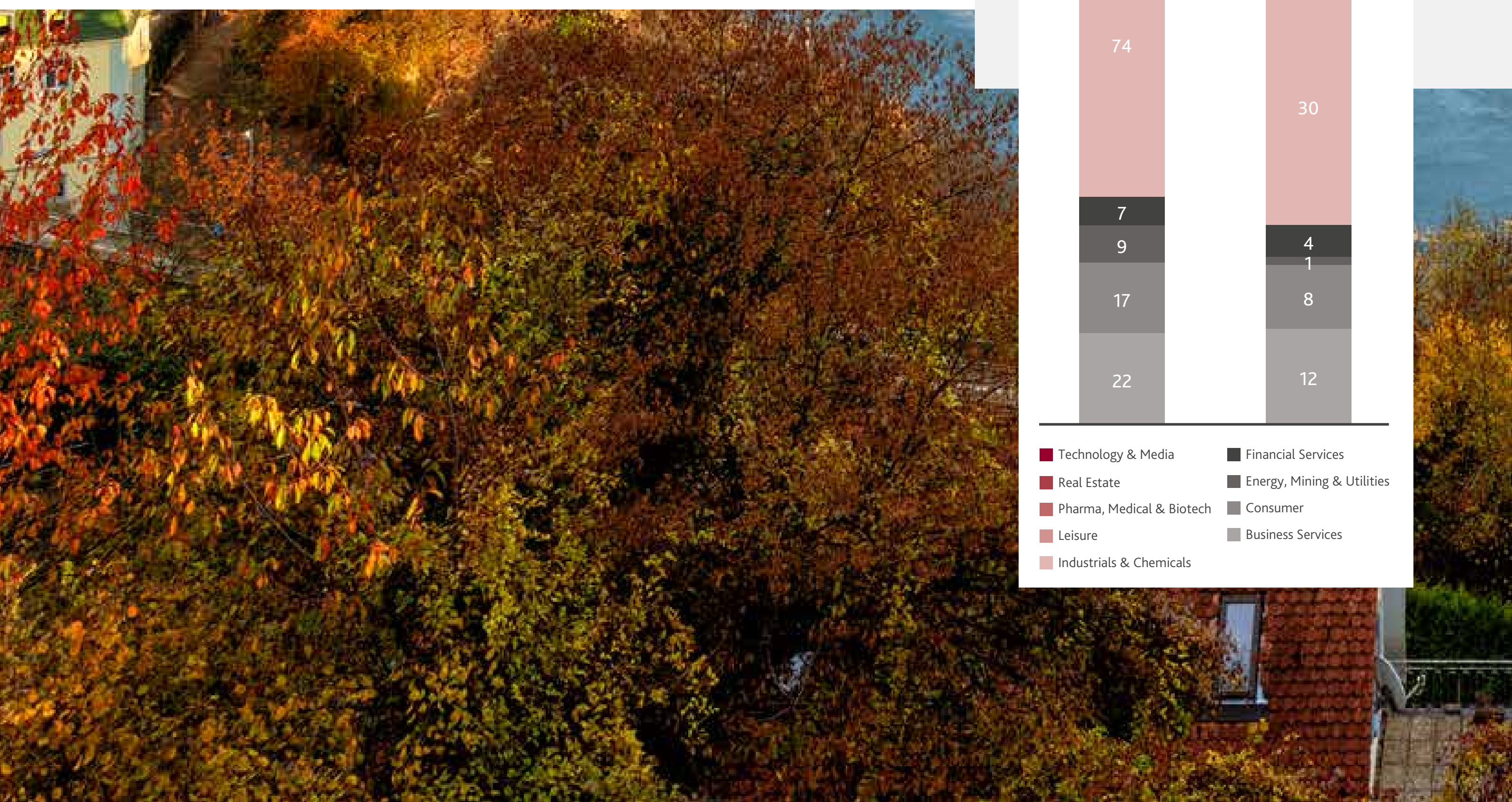
As was the case in Q3 2020, we expect to see pockets of activity continue. Accordingly, volume and multiples are likely to remain buoyant in the TMT and Pharma, Medical & Biotech sectors as well as in any other types of businesses which have benefited from the pandemic. Both corporates and PEs will be looking to take advantage of strategic opportunities or assets that can be picked up at the right price, including distressed assets. Financing terms may continue to tighten but for quality transactions, including PE-sponsored deals that are structured correctly, there will likely be competition among lending banks in DACH. In this context the BDO Heat Chart for the region, with 389 deals planned or in progress, is interesting but in itself is not trend setting. All things being equal, and ignoring insolvency processes, we expect deal numbers to remain steady as some sellers will inevitably decide to postpone deal processes while others may be forced to sell new assets which are not currently on the market.

DACH
HEAT CHART BY SECTOR

TMT	97	25%
Industrials & Chemicals	116	30%
Consumer	66	17%
Business Services	40	10%
Pharma, Medical & Biotech	26	7%
Financial Services	19	5%
Leisure	11	3%
Energy, Mining & Utilities	9	2%
Real Estate	5	1%
TOTAL	**389**	**100%**

DACH
MID-MARKET VOLUMES BY SECTOR





NORDICS

M&A ACTIVITY STAGES COMEBACK

BIG PICTURE

- Total deal value in Q3 2020 rose 10.0 % compared to Q3 2019, mainly due to bigger average transaction volumes (15.5%), with volume falling by 4.7%
- Non-PE backed firms accounted for fewer but bigger deals compared to Q3 2019 while PE firms were involved in more deals but they were smaller. PE buyouts accounted for about 25.0% of the quarter's deal volume and value, slightly up from previous quarters
- Business Services and Energy, Mining & Utilities saw the largest increases in volume with 16 Business Services deals compared to six and five in the previous two quarters. Energy, Mining & Utilities deals increased to six from two and four in the previous two quarters.

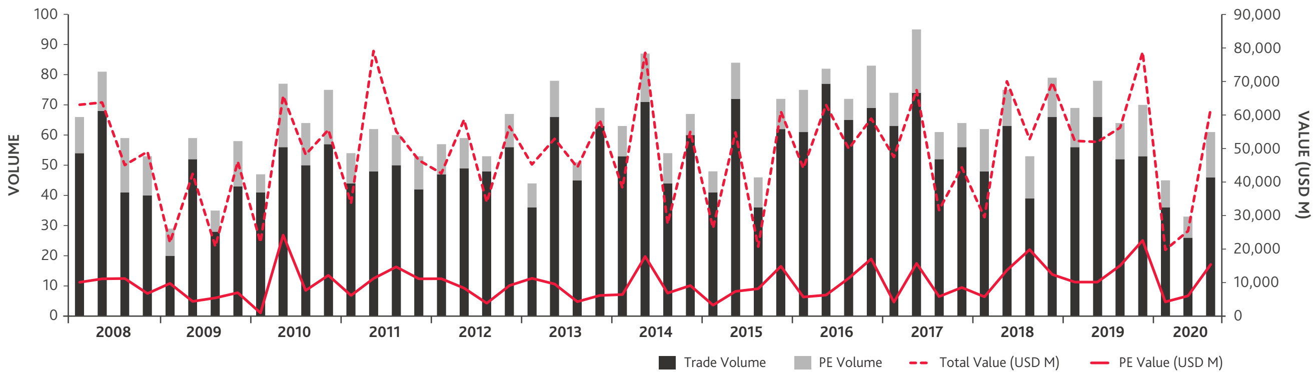
The improvement in M&A activity seen in Q2 2020, albeit from low levels, continued into Q3 2020 and resulted in significant deal momentum, both in terms of the total volume and value. The rapid responses of the central banks and government to the pandemic shifted market sentiment and several transactions that had been postponed during the initial phase of the pandemic were completed during the third quarter.

In addition, ESG-focused and COVID-resilient businesses are increasing in popularity among investors. The weak performance in the first two quarters of the year has nearly been eradicated as Q3 2020 recorded a 10.0 % increase in deal value compared to Q3 2019.

The 10% increase in deal value compared to Q3 2019 also represented a significant improvement from Q2 2020, with surges of 143.8% in value 84.4 % in volume. Compared to the first quarter of the year, total value and volume were up by 212.9 % and 35.6 % respectively. The strong comeback in Q3 2020 resulted in a total deal value that exceeded the combined value of both Q1 and Q2 by 37.0 %. However, the comeback was not strong enough to make up the shortfall in the first six months of the year. Looking at the year-to-date, 2020 is 33.3% down compared to the same period in 2019. One possible explanation for the comeback was the completion of deals that were postponed during the first half of the year. The bigger deals were also more likely to be shelved during the uncertainty of the first two quarters, which could explain the move towards bigger deal sizes in in Q3 2020 (up 15.5% on average).

Private equity remained active during Q3 2020, accounting for approximately one in every four deals, up slightly from H1 2020 (20.5%). PE deal value also increased slightly from 22.8% to 24.9 %. Compared to Q3 2019, PE funds were involved in a larger number of transactions, both in absolute and relative terms, but they were of a smaller size. As a result, PE's share of total market value has declined slightly.

PE/TRADE VOLUME & VALUE



KEY SECTORS AND DEALS

The quarter's top three performing sectors were TMT (19 deals), Business Services (16) and Industrials & Chemicals (12), which together accounted for 77.0% of the quarter's volume. So far in 2020, there has been just one Real Estate deal and no Leisure deals, which is considerably lower than previous years.

The two sectors with the biggest increases in deal volume were Business Services and Energy, Mining & Utilities. There were 16 Business Services compared to six and five in the previous two quarters and eight deals in Q3 2019. Four of those deals were in the quarter's top 20, with the biggest being PE giant Triton Partners' buyout of the Swedish IT and management consultant HiQ International AB, with a total deal value of USD 432m. It was the quarter's second biggest deal overall. Deals in the Energy, Mining & Utilities sector increased to six from two and four in the two previous quarters and four in Q3 2019. Half of the sector's deals were in the top 20, with the biggest being the carveout of the district heating business in Jarvenpaa from Finnish energy company Fortum Oyj AB. With a deal value of USD 421m, it was the third biggest deal.

The quarter's biggest deal took place in the Consumer sector. Altia Plc, a Finnish-headquartered alcoholic beverage company bought Norway's largest wholesaler of wine and liquor, Arcus ASA, for a deal value of USD 451m. The region's top three deals accounted for 21.1% of the quarter's total value, with the top 10 deals responsible for 56.7% of total value.

The second largest deal was another cross-border transaction in Norway's Energy, Mining & Utilities sector. The deal involved the sale of TiZir Titanium & Iron A/S to American energy company Tronox Holdings plc and was valued at USD 300m. TiZir Titanium & Iron is a Norwegian zircon and titanium business which owns the Grande Côte mineral sands mine in Senegal and the TiZir Titanium and Iron ilmenite upgrading facility in Norway.

Finally, the third biggest deal was the acquisition of Sweden-based LELO Group in the Consumer sector by CITIC Capital Holdings Limited, based in Hong Kong. The Consumer company was sold by a private investor in Sweden and the deal was valued at USD 250m.

Once again, Industrials & Chemicals was the most active sector in the Nordics, accounting for eight out of the 28 deals completed in Q2 2020. TMT was a strong runner-up with seven completed deals. However, TMT is predicted to be the most active sector for the full-year 2020 as it tops the BDO Heat Chart for companies for sale in the Nordics. Business Services retained its position as one of the region's top performing sectors, finishing in third place with five deals.

JONAS HJERTSON
SENIOR MANAGER,
CORPORATE FINANCE

jonas.hjertson@bdo.no

PER OVE GISKE
PARTNER,
CORPORATE FINANCE

per.ove.giske@bdo.no

NORDICS
HEAT CHART BY SECTOR

TMT	50	25%
Industrials & Chemicals	42	21%
Pharma, Medical & Biotech	24	12%
Consumer	19	10%
Business Services	18	9%
Energy, Mining & Utilities	18	9%
Financial Services	14	7%
Leisure	10	5%
Real Estate	3	2%
TOTAL	**198**	**100%**

LOOKING AHEAD

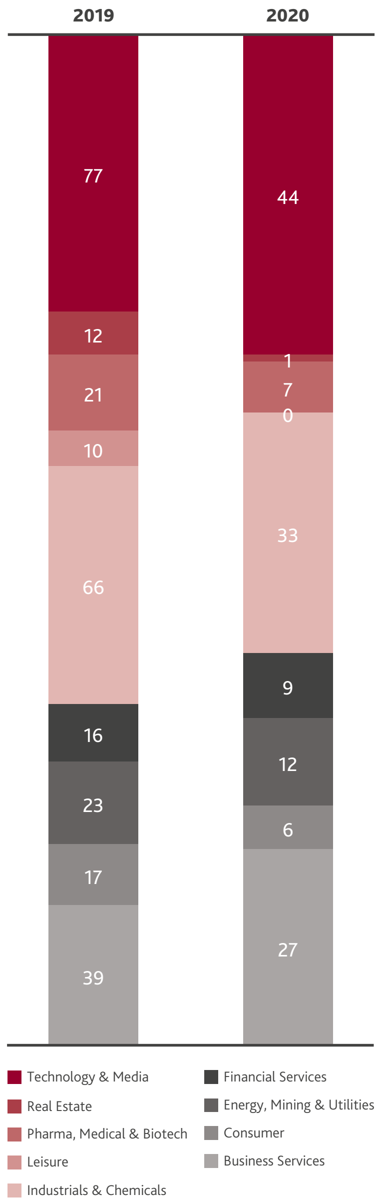
The M&A market is facing uncertain times in Q4 2020 as local outbreaks of COVID-19 continue to affect the Nordic region. A possible second wave of the outbreak in continental Europe also makes it difficult to give any definitive predictions for the quarter.

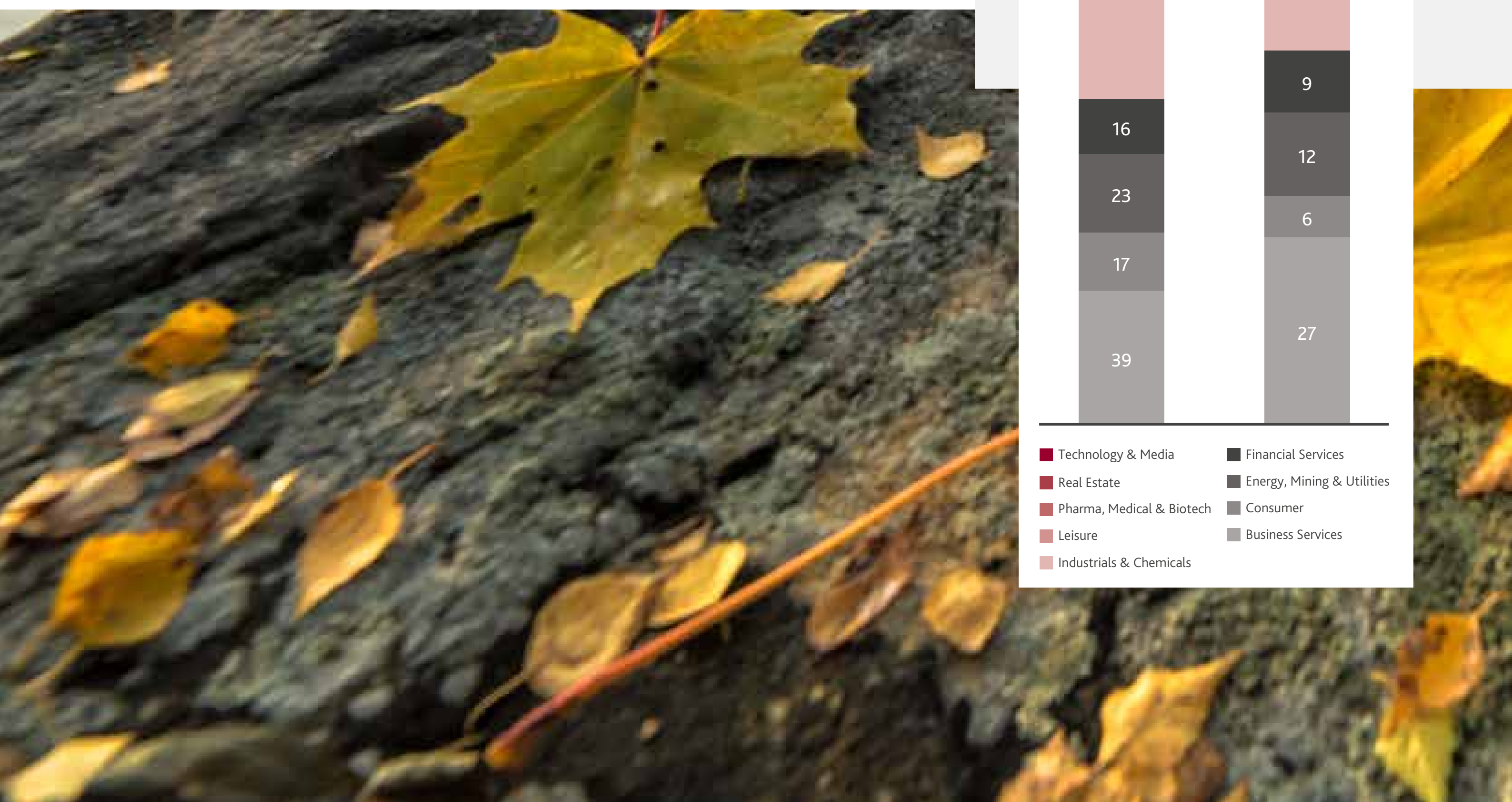
The strong comeback seen in Q3 2020 is expected to continue into the final quarter of the year as deals that were paused or abandoned during the first half of the year may come back to life. Transactions involving resilient businesses are likely to continue to be an important driver for the recovery of the market. M&A activity in 2020 is still expected to finish below 2019 levels as the shortfall is too much to make up in the last quarter. In order to reach the same year-end level as 2019, Q4 2020 volumes would need to double compared to the corresponding quarter in 2019 and total deal value would need to increase by 67.8%.

Recent developments on the Nordic stock exchanges, and especially the Norwegian MTF Merkur Market, may well tell a story of revived optimism in the Nordics. The Merkur Market is up about 80% during the first three quarters of 2020, excluding new listings during the year.

Going forward, the private equity sector in the Nordics is expected to remain active, as recent record-setting fundraisings have resulted in ample dry powder and incentives to invest.

NORDICS
MID-MARKET VOLUMES BY SECTOR





CEE & CIS

DEAL VOLUME AND VALUE CONTINUE TO FALL DUE TO COVID-19 IMPACT

BIG PICTURE

- The number and value of transactions continued to fall due to the impact of COVID-19
- Compared to Q3 2019, deal numbers fell by 35% from 54 to 35. The quarter's deal value dropped to USD 2,519 from USD 2,986m in Q3 2019
- There was a slight decrease in both the number of transactions (from 40 to 35) and deal value (from USD 2,868m to USD 2,519m) compared to Q2 2020
- PE deal value rose significantly to USD 313m from USD 23m in the previous quarter, representing the highest PE deal value since Q2 2019
- The majority of transactions took place in the Industrials & Chemicals and TMT sectors.

The decline in the total number of M&A mid-market transactions in the CEE & CIS region continued in Q3 2020, mainly due to the ongoing impact of the COVID-19 pandemic.

In Q3 2020, there were 35 completed transactions, which was 65% of the transaction volume recorded in Q3 2019 (54 deals). The value of transactions in the quarter was USD 2,519 million, which represented 84% of the value in the corresponding quarter in 2019 (USD 2,986m).

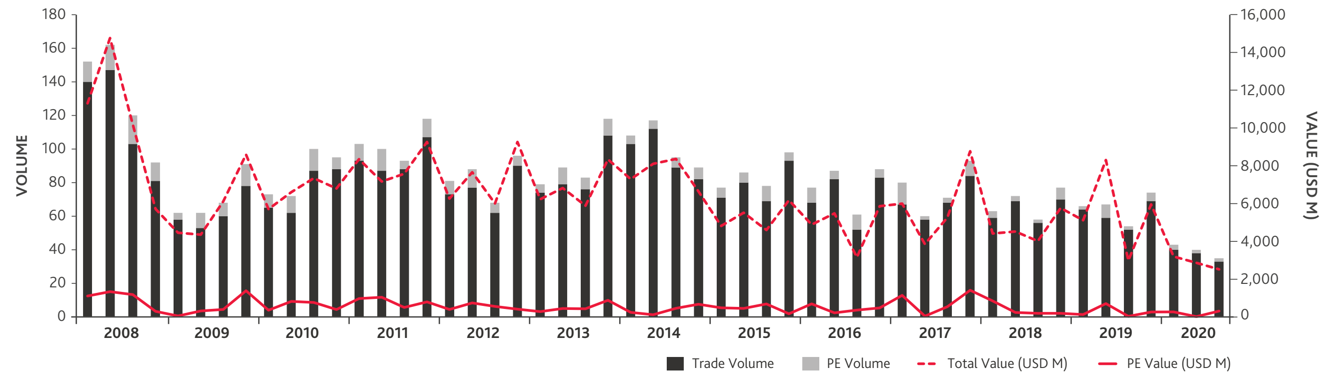
Comparing the data from Q3 2020 with the previous quarter, PE deal volume was at the same level but the total value was 14 times higher. This resulted in an average PE deal value of USD 157m, the highest average value since Q1 2018.

KEY SECTORS AND DEALS

The top 10 deals in CEE & CIS had a total value of USD 1,849 million and accounted for 73% of the region's total quarterly value. The biggest transaction was the sale of oil and gas engineering construction company PJSC Stroytransgaz to Gazprom PJSC in Russia. Looking at the top 10 transactions, the Energy, Mining & Utilities and TMT sectors were the most active with five transactions each. Five of the quarter's top 20 deals took place in Poland and three of those were domestic deals.

The Industrials & Chemicals sector accounted for the most deals and it also recorded the biggest quarterly increase from nine deals in Q2 2020 to 13 in Q3 2020. There were eight TMT deals and four deals each in Energy, Mining & Utilities and Business Services. All told, 29 out of the quarter's 35 deals took place in these four sectors and finally there were no deals in the Real Estate sector.

PE/TRADE VOLUME & VALUE



LOOKING AHEAD

According to the BDO Heat Chart, which captures all sales which are planned, rumoured or in progress, 688 deals are expected to take place in the CEE & CIS region, which is more than the last quarter.

The majority of transactions are expected to take place in TMT, with 181 deals, and Industrials & Chemicals, with 163 deals. Together, these two sectors are predicted to account for 50% of all planned transactions. Other prominent sectors include Consumer (13% of deals) and Business Services (11%), while the Leisure (4%) and Real Estate (2%) sectors are expected to account for the fewest transactions.

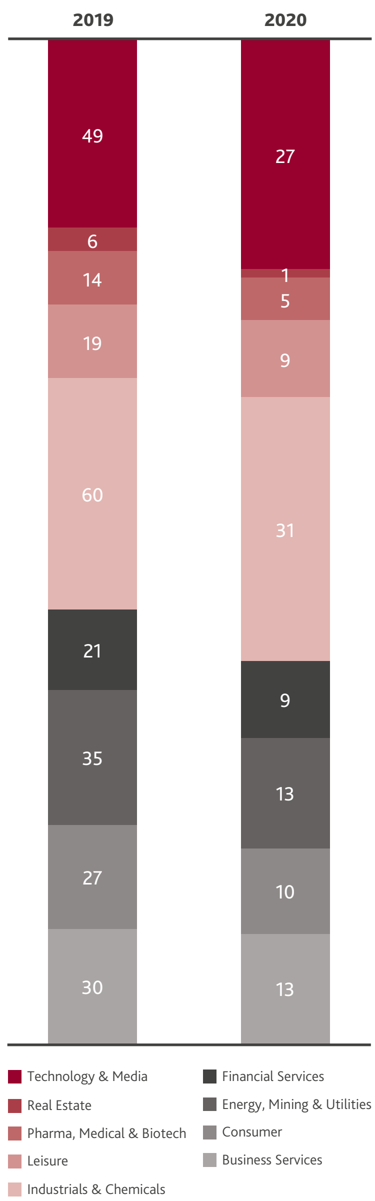
According to the BDO Heat Chart, CEE & CIS is expected to remain the third most active region in terms of expected transactions after North America and China, as has been the case in previous years.

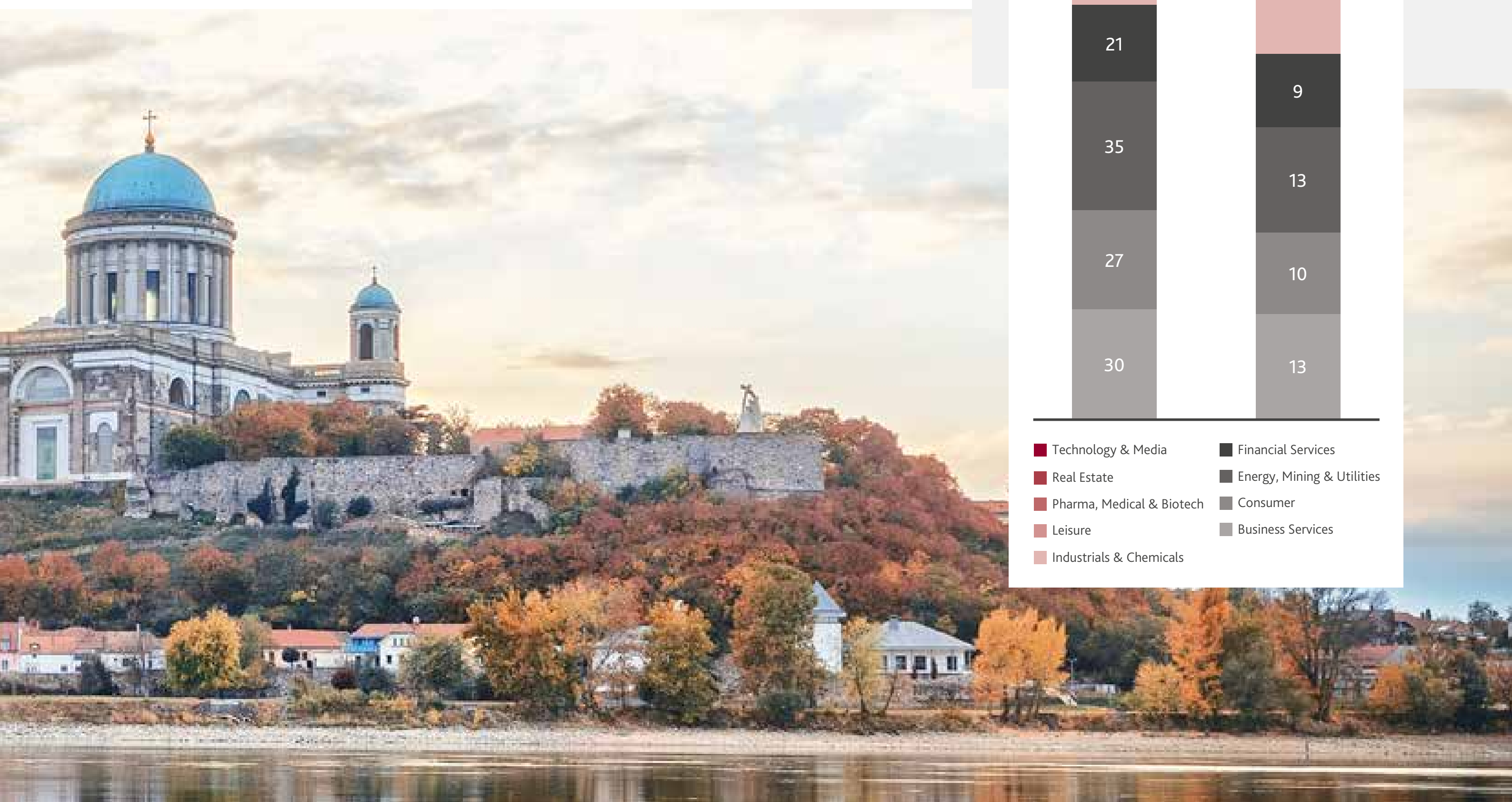
ÁKOS BOROSS
PARTNER
akos.boross@bdo.hu

CEE & CIS
HEAT CHART BY SECTOR

TMT	181	26%
Industrials & Chemicals	163	24%
Consumer	88	13%
Business Services	77	11%
Energy, Mining & Utilities	64	9%
Financial Services	37	5%
Pharma, Medical & Biotech	36	5%
Leisure	28	4%
Real Estate	14	2%
TOTAL	**688**	**100%**

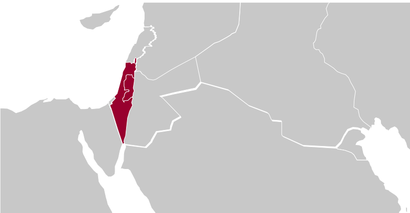
CEE & CIS
MID-MARKET VOLUMES BY SECTOR





ISRAEL

M&A ACTIVITY CONTRACTS WITH BIG DROP IN VALUE



BIG PICTURE

- Q3 2020 value shrunk (39.68%) in comparison to the previous quarter while deal volume remained unchanged, with 15 deals in both Q2 2020 and Q3 2020
- The value of PE deals increased in Q3 2020 from the previous quarter
- The BDO Heat Chart shows 120 potential deals, suggesting a moderate descent in future activity.

M&A activity decreased dramatically during Q3 2020 in terms of value.

A total of 15 deals, with a combined deal value of USD 783m, were successfully completed. This performance represented a 39.68% drop in deal value, with no change in deal volume as 15 deals were completed in both Q2 2020 and Q3 2020. Average deal value fell heavily to USD 52.2m for the quarter, reflecting the smaller deal numbers.

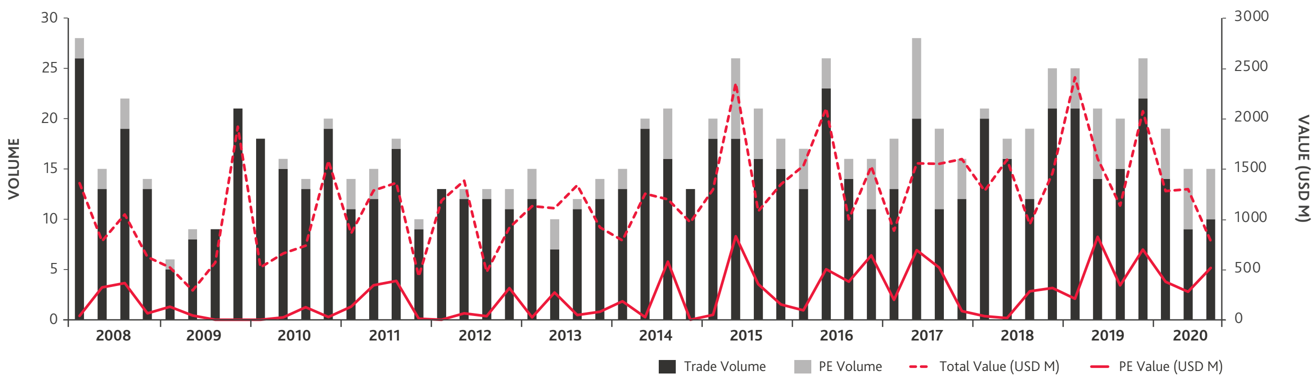
Private equity activity remained strong, with the Q3 2020 figures showing a slight contraction in terms of volume but there was a massive increase in terms of value. PE was responsible for five deals, worth a total of USD 516m, which represented 33.3% of the deal count and 65.9% of the quarter's value.

KEY SECTORS AND DEALS

Israel's top 10 deals had an aggregated value of USD 743m, representing 94.9% of total M&A transactions. The largest transaction was the USD 365m acquisition of an 85% stake in Rivulis Irrigation, Ltd., a provider of full turnkey micro irrigations solutions for any, and all, grower needs. Other key deals included the USD 108m acquisition of Ashkelon Power Station and Sorek Power Station Ltd., led by Rapac Energy Ltd. Further transactions included the USD 59m acquisition of a 50% stake in Femi Premium, Ltd. by G Square Healthcare Private Equity LLP.

TMT and Industrials & Chemicals were the most active sectors, accounting for four deals each (26.67% of total transactions). Business Services was in third place with three deals (20.0% of total transactions). Next was Consumer with two deals (13.34%), followed by Energy, Mining & Utilities and Financial Services, with

PE/TRADE VOLUME & VALUE



one deal each, and there were no deals completed in the Leisure, Pharma, Medical & Biotech and Real Estate sectors.

Two of the top 10 deals involved foreign bidders, supporting the continued global interest in Israel's resilient economy and robust equity market. The foreign bidders consisted of one buyer from Singapore and one from the United Kingdom.

Israel continues to attract foreign investment due to its favourable economic conditions, considerable incentives and strong R&D sector, coupled with high-skilled and multilingual workforce.

LOOKING AHEAD

Looking ahead, the data suggest there will be a minor slowdown in M&A mid-market growth. The BDO Heat Chart for Israel in Q2 2020 showed 131 deals either planned or in progress, compared to 120 deals in Q3 2020, which is an 8.4% drop in pipeline deals, a moderate descent.

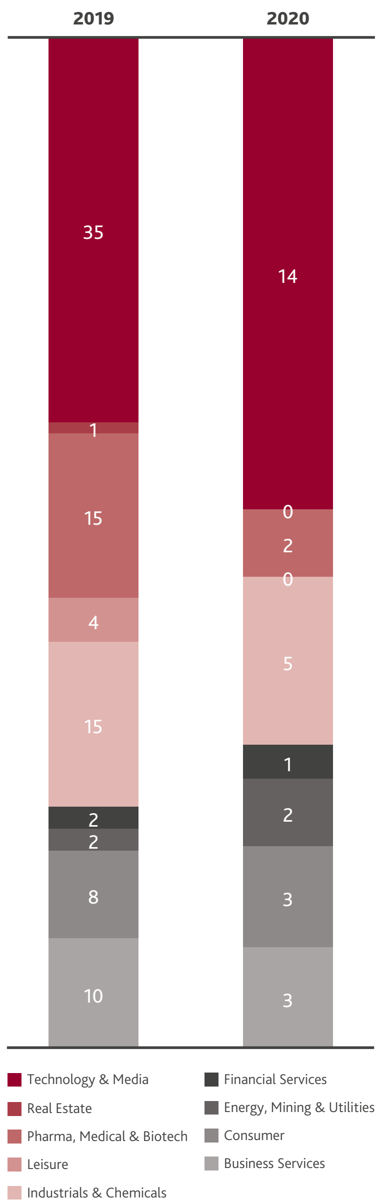
Of the 120 deals planned or in progress, 75 (63%) are related to TMT and 11 (9%) involve Industrials & Chemicals. Other active sectors include Pharma, Medical & Biotech with 10 deals (8%), Consumer and Business Services with six deals each (5% each), Financial Services with five (4%), Energy, Mining & Utilities with four (3%), Real Estate with two (2%) and finally Leisure with one deal (1%).

TAMAR BEN-DOR
PRINCIPAL, M&A
tamarbe@bdo.co.il

ISRAEL
HEAT CHART BY SECTOR

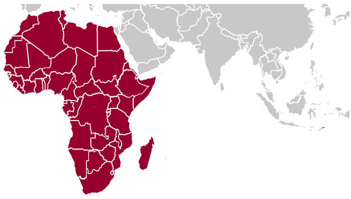
TMT	75	63%
Industrials & Chemicals	11	9%
Pharma, Medical & Biotech	10	8%
Consumer	6	5%
Business Services	6	5%
Financial Services	5	4%
Energy, Mining & Utilities	4	3%
Real Estate	2	2%
Leisure	1	1%
TOTAL	**120**	**100%**

ISRAEL
MID-MARKET VOLUMES BY SECTOR



AFRICA

UNCERTAINTY AND PRUDENCE DOMINATE M&A MARKET



BIG PICTURE

- Uncertainty and prudence continued to dominate African mid-market M&A activity. Deal activity was flat in Q3 2020 with just 18 deals, a decline of 47% compared to Q3 2019
- Even though the numbers do not yet reflect this, there are signs of life in the market. Many deals which commenced pre-COVID-19 and which were put 'on hold' are now in the process of being relaunched with the gap on pricing expectations narrowing significantly
- There are some bargains appearing but we sense the best is yet to come for buyers with an appetite for increased risk and the available dry powder
- For non-distressed sellers, the market remains challenging, as they are competing for the attention of buyers who have options and opportunities.

There were just 18 mid-market deals completed during Q3 2020, worth a total of USD 1,583m. However this represented an increase in value of 78% from Q2 2020 (USD 863m), although the deal volume was similar.

Although experts agree that Africa is certainly not out of harm's way with regard to COVID-19, we are seeing a significant relaxation of lockdown restrictions across the continent, which resulted in increased trade activity, especially towards the end of Q3 2020. Clearly this trend bodes well for the final quarter of the year.

It's difficult to find any silver lining from the impact of the COVID-19 pandemic but one positive aspect that we are seeing that many entities have made effective use of the lockdowns to take a long look at their fixed cost structures and are strategising more efficient ways of doing business. We are confident, and feedback from the market confirms this, that a leaner machine is putting less pressure on revenue and margins.

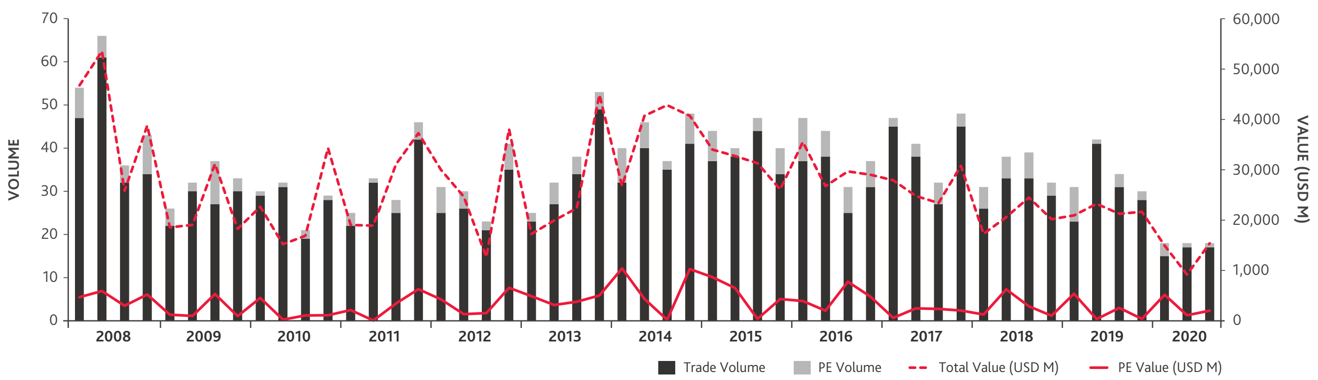
KEY DEALS AND SECTORS

In Q2 2020 we reported on the lag of the African continent compared to the rest of the world in terms of falling victim to the COVID-19 pandemic. At the time of writing, lockdown restrictions had been eased up to such a point where borders had been opened to international travel. South Africa was the country with the 10th highest number of COVID-19 cases, and had the 14th highest death toll.

It has been reported that Sub-Saharan Africa is set to experience its first recession in 25 years, with growth projected to fall by 3.3% in 2020 due to the pandemic. According to a report published by the World Bank, the economic cost may amount to an additional 40 million people on the African continent being driven towards extreme poverty, essentially undoing five years of progress. Africa's leading economies, South Africa and Nigeria, registered GDP declines of 17.1% and 6% respectively.

Nevertheless, business confidence levels rebounded in June and July from the deterioration in the first two months of lockdown, before declining marginally again in September. This lack of business confidence was reflected in the number of deals concluded in the quarter, with deal

PE/TRADE VOLUME & VALUE



volume remaining static at 17 trade deals and just a single PE deal concluded for the third consecutive quarter.

The quarter's biggest deal was the acquisition by Woodside Petroleum Limited (Australia) of Cairn Energy Plc's (UK) stake in the Rufisque Offshore, Sangomar Offshore and Sangomar Deep Offshore (RSSD) joint venture, all based in Senegal, following Woodside's exercise of its pre-emptive rights announced in August 2020, for a total consideration of USD 300m.

Close on the heels were two TMT deals: the acquisitions of Direct Pay Online Group (Kenya) from Apis Partners LLP (UK) by Network International LLC (UAE) and Free Senegal (Senegal) by Helios Towers Plc (UK) for considerations of USD 288m and USD 209m respectively.

The single PE deal, concluded for a consideration of USD 110m, was the acquisition by Transaction Capital Limited (South Africa) of a 49.9% non-controlling stake in WeBuyCars (South Africa) after the competition tribunal blocked Naspers Limited from acquiring a 60% stake in the car dealer earlier this year.

Energy, Mining & Utilities led the way in deal numbers with six, followed by Consumer with four, again reflecting the importance of these two sectors to the continent. Two of the four Consumer deals involved the disposal by Tiger Brands Limited of their meat processing and abattoir business as part of an exit out of their value-added meat products following the 2017 Listerioisis outbreak.

MARKET ENVIRONMENT AND OUTLOOK

With organic growth being challenging in stagnating and even declining economies, we believe that those entities with strong balance sheets may be looking to acquire revenue and market share through acquisitions. There is a clear need for consolidation in certain sectors with small cap business looking to merge, acquire or dispose to other market participants in order to benefit from the synergies, size and scale.

The PE market remains quiet and we have to wonder how long the caution will last before the money start to 'burns a hole in the pocket'. The good news, in addition to improved cost structures, is that many entities were reporting close to pre-COVID-19 levels of monthly turnover from as early as July/August. While this is undoubtedly good news, the valuations of mid-market businesses remain challenging, with the real issue being determining what the new normalised annual earnings look like. And trying to work out to what extent the sales are being driven by restocking or dumping and to what extent is it sustainable? The threat of a second wave of the pandemic also weighs heavy in our forecast discussions.

We still maintain that good quality assets will yield could quality bids.

NICK LAZANAKIS
HEAD OF CORPORATE FINANCE
nlazanakis@bdo.co.za

GUY STEELE
HEAD OF M&A
gsteele@bdo.co.za

LOOKING AHEAD

According to the BDO Heat Chart, both Industrials & Chemicals and Energy, Mining and Utilities will remain active across the continent, followed by the TMT and Consumer sectors.

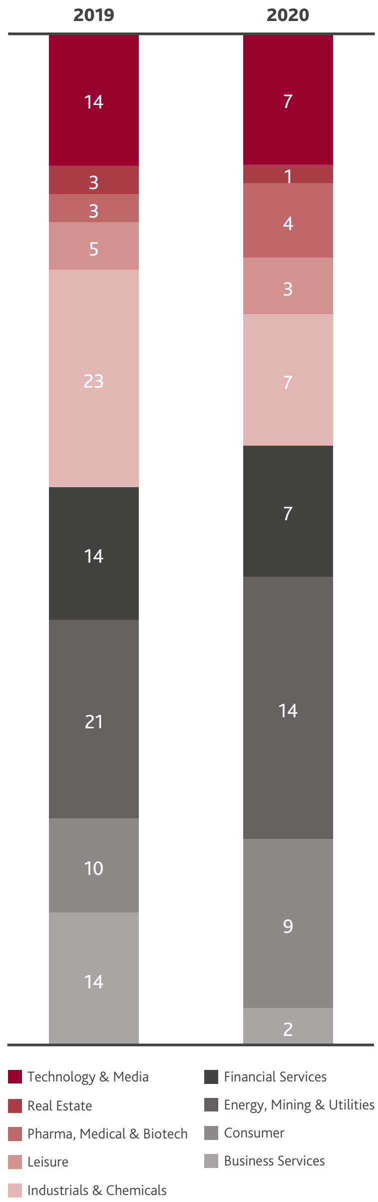
Energy, Mining & Utilities is an important driver of deal activity on the African continent and we anticipate that foreign investment will continue in this sector, especially considering the weakness of the emerging market currencies to the more established currencies.

With Initial Public Offerings (IPO) being extremely limited in 2019 and 2020, we are looking forward to IPOs in the years to come. More will follow on this in the next issue of BDO's Horizons publication.

AFRICA
HEAT CHART BY SECTOR

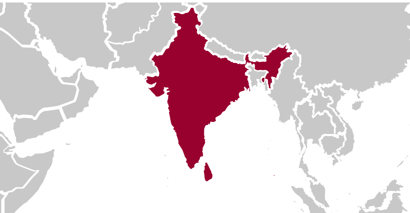
TMT	28	14%
Industrials & Chemicals	47	24%
Energy, Mining & Utilities	32	16%
Consumer	26	13%
Business Services	21	11%
Financial Services	20	10%
Real Estate	10	5%
Pharma, Medical & Biotech	9	5%
Leisure	6	3%
TOTAL	**199**	**100%**

AFRICA
MID-MARKET VOLUMES BY SECTOR



INDIA

INVESTMENT PICKS UP AS ECONOMY BEGINS SLOW RECOVERY BUT A SKEWED SCENE



BIG PICTURE

- Government measures help boost India's economy
- Four sectors – Business Services, Financial Services, Consumer and TMT – lead the way in deal numbers
- Increased M&A activity expected as opportunistic firms look to capture growth and market share.

India's economy is starting to recover from the COVID-19 pandemic, backed by a range of government measures and initiatives that aim to boost manufacturing, labour and the agricultural economy.

Most of the country's economic indicators are improving but economic activity remains below pre-COVID-19 levels. The positive signs are that there has been an improvement in Goods and Services Tax (GST) collections, unemployment is going down, more jobs are being created and there is sustained momentum in digital transactions. However, other indicators like petrol consumption and the mobility index show that there is still a long way to go. Additionally, in the Financial Services sector there is continued uncertainty around the extent of restructuring, slippages in the medium term and expected provisions for bad loans, which will always be a deterrent to growth and lending. The road to recovery will not be a straight line, especially as long as the daily COVID-19 case count continues to rise.

As the nationwide lockdown eased, the Pharma, Medical & Biotech, IT and BPO/ ITES sectors are spearheading hiring people and other key sectors like TMY, Retail and Real Estate signalled recovery in the job market in August 2020.

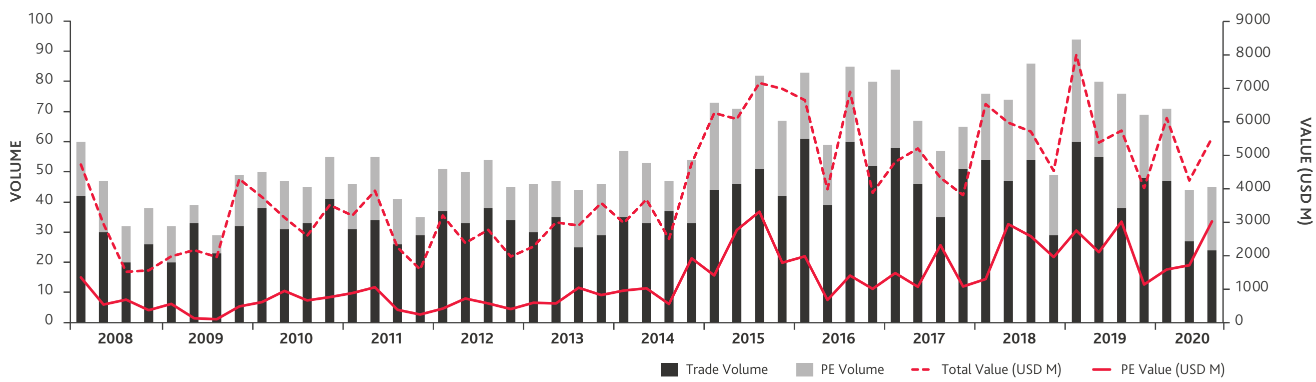
Increased digital transactions were also a sign of a recovery in customer confidence with UPI/IMPS/NETC/ FASTag transactions hitting an all-time high in September 2020. However, it's worth nothing that some of the transactions may be in lieu of cash payments as people try to avoid handling cash during the pandemic.

Other indicators suggesting a recovery include:

- Capacity utilization levels catching up slowly for CV, cement and power
- The Manufacturing Purchasing Managers' Index (PMI) increasing from 52.0 in August to 56.8 in September to record its highest figure since January 2012
- Automotive sector volumes continuing to recover in Sept 2020, led by inventory pushes by OEMs to fill up channel inventory before the festive season and improving retail sales due to pent-up demand.

However, Google's Mobility Index indicates some aspects of India's recovery is lagging behind most countries. In terms of excess time spent at home and visits to workplaces,

PE/TRADE VOLUME & VALUE



the index for Sept 2020 suggests a 14% increase in time spent at home. Looking at movements to places away from home like restaurants, shopping centres, parks or use of public transport, the index remains negative (>20% when compared to the baseline).

GOVERNMENT SUPPORT

Central government measures continue to play a pivotal role in bringing the country's economy back to life. The government has announced a few longstanding reforms related to the labour and the agriculture sectors (GDP share ~15%), but which contribute materially ~40% to rural income levels/45% to overall employment. These reforms are aimed at boosting the rural and working class economy. In September parliament passed three bills related to the agriculture sector, known as 'farm bills'. The changes could have a long-term positive effect on improving agriculture productivity, encouraging private investment in the sector, reducing price volatility for consumers and providing income support to farmers. The recent government regulation to subsume multiple labour laws into four codes is a major reform and bodes well for scaling up manufacturing in India in the future. Policymakers are also likely to announce measures to boost the manufacturing and infrastructure sector in effort to bring about structural shifts in the global supply chain from China to India.

The government's five-year production-linked incentive (PLI) scheme (4%-6% of incremental sales) to companies that manufacture electronics hardware and the pharmaceutical sector has been well received. Industry sources believe that the government is likely to expand this scheme to other related sectors. If implemented, this will encourage manufacturing in India by global multi-national corporations and domestic giants and help to reduce the country's dependence on imports. As a follow-on, major iPhone assemblers for Apple Inc. were among the 16 companies that won approval to manufacture products in India as part of a plan aimed at attracting USD 143bn of investment over the next five years in smartphone production.

Finally, India's unicorn/soonicorn story continues at pace. So far, 2020 has seen four new entrants to the unicorn club – Unacademy, Postman, Nykaa and Pine Labs. Media and information platform Inc42 Plus' 'The State of Indian Tech Startup Ecosystem Report 2020' has shortlisted 52 Indian soonicorns that have the potential to join the unicorn club by 2022. The recent bull run in global tech stocks has also prompted some of India's leading unicorns to announce IPO plans in 2021/2022. Accelerating online adoption is enabling ecommerce, Fintech and Edtech models to deliver strong growth. Leading companies continue to gain market share and consequently, improve their unit economics.

SAMIR SHETH
PARTNER

samirsheth@bdo.in

KEY SECTORS AND DEALS

M&A deal activity in India's mid-market segment in Q3 2020 was led by the Business Services, Financial Services, Consumer and TMT sectors. The top 20 deals totalled ~USD 4.8bn in Q3 2020, an increase from ~USD 3.8 bn in Q2 2020. The quarter's biggest deal was led by Think & Learn Pvt Ltd (BYJU's) with a USD 500m capital infusion from marquee PE firms. Other deals which ranked in the top five were Reliance Retail Ventures, Amtek Auto, Tata Power and Edelweiss Wealth Management.

These mid-market deals will not include > USD 500mn deals where Reliance Group saw the highest capital inflow. Jio Platforms has cornered USD 15.34bn. Other notable deals are Tower Infrastructure, Flipkart, Think & Learn, Oracle Stays etc. Currently, Reliance Retail has announced massive fund raise from marquee investors. As of 6 Oct 2020, Reliance Retail Ventures has raised ~USD 5.2 bn (INR 377 bn) from leading investors (Silver Lake, KKR, General Atlantic, Mubadala, GIC, TPG and ADIA in less than 4 weeks).

LOOKING AHEAD

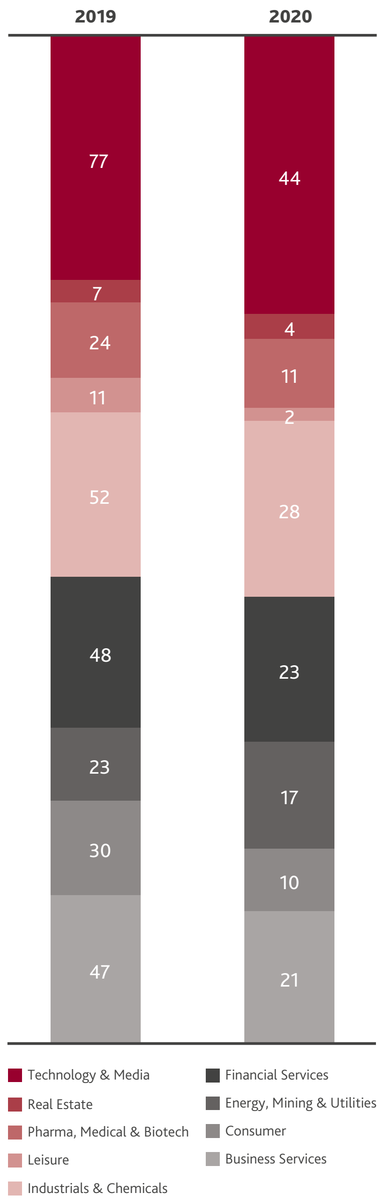
India's multi-pronged investment metrics – a huge millennial population, one of the world's largest digital economies, a huge consumer base, the third largest start-up economy, rising levels of affluence and increasing urbanisation – all remain long-term attractive factors that will drive huge inflows into India. Lower interest rates and surplus banking liquidity are additional long-term positives for the Indian economy. Capital flows are expected to inch up with the help of FII and FDI flows. But in the short-to-medium term, the economy continues to be affected by a continued decline in GDP growth forecasts, lower imports, muted domestic spend, increasing corporate debt, a deterioration in asset quality and a continuing hangover of slippages/uncertain provisions. The road to recovery still seems far away and will most likely be volatile.

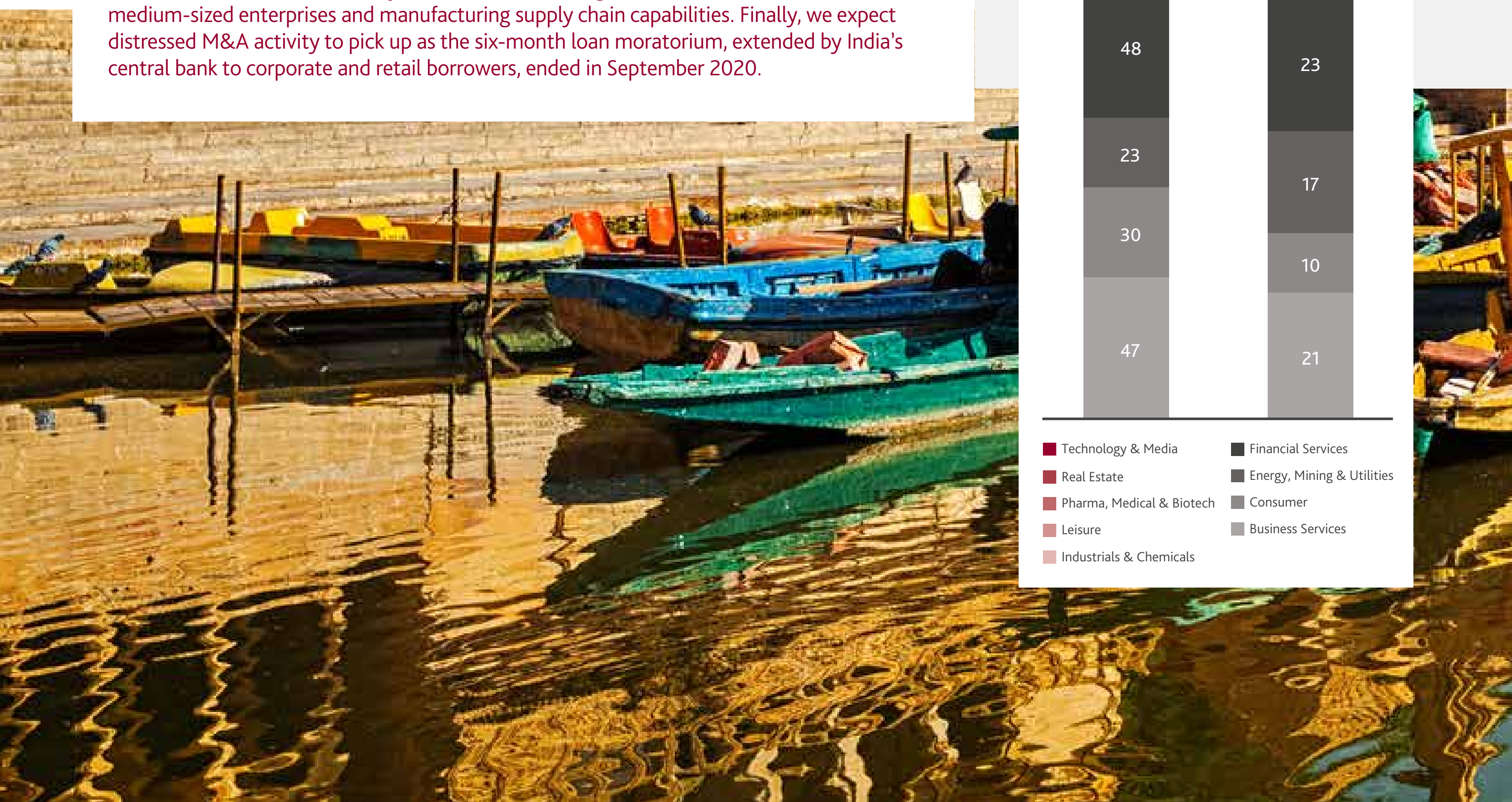
Looking ahead, we expect to see an acceleration in M&A activities as larger firms become more opportunistic and actively look to capture growth by increasing market share, finding value in assets at reasonable/distressed valuations, building supply chain economies and consolidating their pole positions. We have seen increased M&A momentum in the TMT, Consumer Staples, Healthcare and Financial Services sectors. In Q4 2020 we may also see more momentum in M&A led by stressed situations, higher interest in micro, small and medium-sized enterprises and manufacturing supply chain capabilities. Finally, we expect distressed M&A activity to pick up as the six-month loan moratorium, extended by India's central bank to corporate and retail borrowers, ended in September 2020.

INDIA
HEAT CHART BY SECTOR

TMT	72	32%
Consumer	34	15%
Industrials & Chemicals	28	12%
Financial Services	28	12%
Business Services	24	11%
Pharma, Medical & Biotech	17	7%
Energy, Mining & Utilities	13	6%
Leisure	9	4%
Real Estate	3	1%
TOTAL	**228**	**100%**

INDIA
MID-MARKET VOLUMES BY SECTOR





CHINA

STRONG QUARTER FOR RESURGENT M&A MARKET

BIG PICTURE

- Compared to the same quarter last year, mid-market deal value in the Greater China region increased by 12% from USD 33.2bn in Q3 2019 to USD 37.2bn in Q3 2020. Deal volume also increased by 5% from 411 deals in Q3 2019 to 432 deals in Q3 2020
- Compared with the previous quarter, deal value increased from USD 34.7bn in Q2 2020 to USD 37.2bn in Q3 2020 and deal volume increased from 420 deals in Q2 2020 to 432 deals in Q3 2020. This was mainly due to the recovery from the COVID-19 pandemic in the Greater China region.

According to the National Bureau of Statistics, China's purchasing managers' Index was over 50 from March to August 2020, indicating increasing levels of manufacturing activity. This led to an improvement in China's economy from Q2 2020 onwards.

However, the economy continued to face challenges from global economic uncertainties and the general deteriorating geopolitical environment in Q3 2020, in particular relations between China and the United States.

In order to attract foreign investments during the post-COVID-19 pandemic period, China published a revised draft of the 'Catalog of Industries Encouraging Foreign Investment (2020 Edition)' in July 2020. The main updates from the previous 2019 edition included the following:

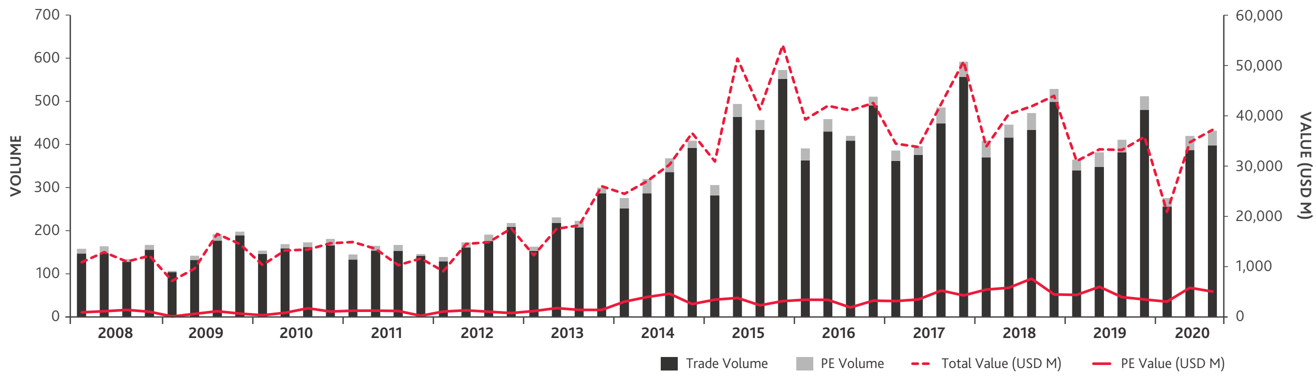
- Added or extended investment opportunities in the high-quality manufacturing industry, including raw materials, parts, and end product manufacturing;
- Added or extended investment opportunities in service industries, such as research and development design, business services, modern logistics and information services;
- Added or extended investment opportunities located in the central and western regions of China.

To further support the country's economic development, the State Council issued a notice in August 2020 regarding the plan for the establishment of the Beijing, Hunan and Anhui Pilot Free Trade Zones and the regional expansion of the Zhejiang Pilot Free Trade Zone. These plans cover many aspects, including financial, technology innovation and logistics.

As a response to the challenges from the United States regarding high-end technology, the State Council issued several policies to promote high-quality development, as well as investments, in China's local integrated circuit and software industries in July 2020. These policies include the following areas:

i.) Tax;
ii.) Investment and financing;
iii.) Research and development;
iv.) Import and export;
v.) Human resources;
vi.) Intellectual property;
vii.) Market application; and
viii.) International cooperation.

PE/TRADE VOLUME & VALUE



ECONMIC OUTLOOK BRIGHTENS

As the Chinese economy resumed work and production in the third quarter, the country's economic and investment activities are expected to further improve in the next quarter. However, some uncertainties remain, including a potential global economic recession due to another wave of the COVID-19 outbreak in the fourth quarter. Other uncertainties include US technology restrictions in light of recent developments in the Huawei and Tiktok cases, as well as continued geopolitical and economic tensions.

The fifth plenary session of the 19th Central Committee of the Communist Party of China will be held in Beijing at the end of October 2020. During this plenary session, the Central Committee will assess proposals to formulate the 14th Five-Year (2021-2025) Plan for Social and Economic Development, as well as the plan for the country's economic development for the rest of 2020.

TOP DEALS

Six out of Greater China's top 20 mid-market deals in Q3 2020 took place in the Industrials & Chemicals sector. The top three deals were:

- Sequoia Capital and its partners acquired Guangzhou Xiaopeng Motors Technology Co., Ltd. at a consideration of USD 500m – announced in July 2020;
- Grandbuy Co., Ltd. (Guangzhou) acquired Guangzhou Friendship Group Co., Ltd. from BOC Financial Asset Investment Co., Ltd. and other shareholders at a consideration of USD 496m - announced in August 2020; and
- Taikang Life Insurance Co., Ltd. invested USD 494m for a 13.53% stake in Yango Group Co., Ltd. - announced in September 2020.

LOOKING AHEAD

The latest BDO Heat Chart for Greater China region indicates that there are a total of 1,533 deals planned or in progress with 484 (32%) related to Industrials & Chemicals and 247 (16%) related to TMT. Other key sectors include Business Services and Consumer.

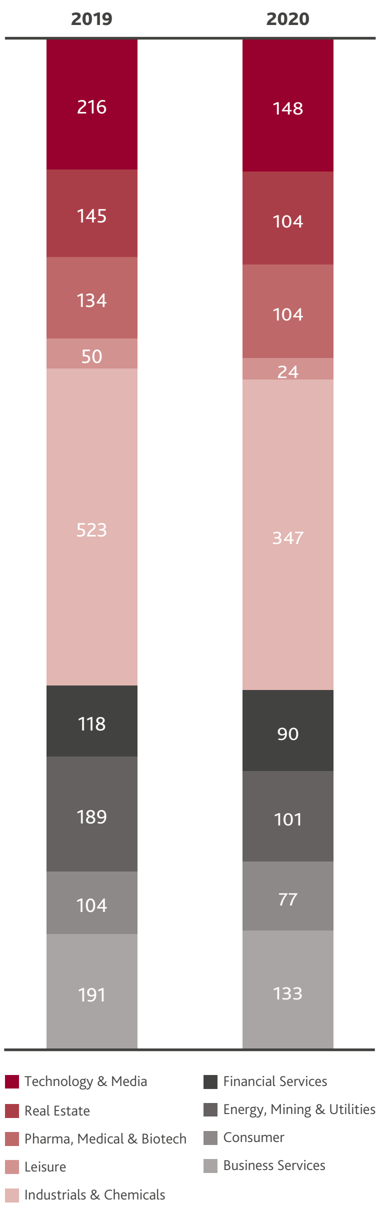
KENNETH YEO
DIRECTOR
kennethyeo@bdo.com.hk

ALBERT SO
PRINCIPAL
albertso@bdo.com.hk

CHINA
HEAT CHART BY SECTOR

TMT	247	16%
Industrials & Chemicals	484	32%
Business Services	197	13%
Consumer	128	8%
Pharma, Medical & Biotech	125	8%
Energy, Mining & Utilities	120	8%
Financial Services	112	7%
Real Estate	71	5%
Leisure	49	3%
TOTAL	**1,533**	**100%**

CHINA
MID-MARKET VOLUMES BY SECTOR



SOUTH EAST ASIA

DEAL-MAKING ACTIVITY CONTINUES TO SLOW DOWN BUT VOLUME REMAINS STABLE

BIG PICTURE

- 50 deals completed in Q3 2020 but value dropped by 8.3%
- PE activity fell to just five deals
- The top four sectors (Energy, Mining & Utilities, Business Services, Industrials & Chemicals and TMT) accounted for 70% of total deal numbers.

M&A mid-market activity in South East Asia continued to slow down in Q3 2020. Total deal value fell by 8.3% to USD 3.1bn from USD 3.4bn in Q2 2020. However, total deal numbers rose marginally, with 50 deals in Q3 2020 compared to 49 deals in Q2 2020. The average value per deal was very slightly lower at USD 69.4m compared to USD 69.5m in Q2 2020.

The top 10 deals amounted to USD 2.0bn, representing 64.4% of the quarter's total deal value, a slight drop from the top 10 deal value of USD 2.4bn in the previous quarter, which represented 69.9% of total deal value.

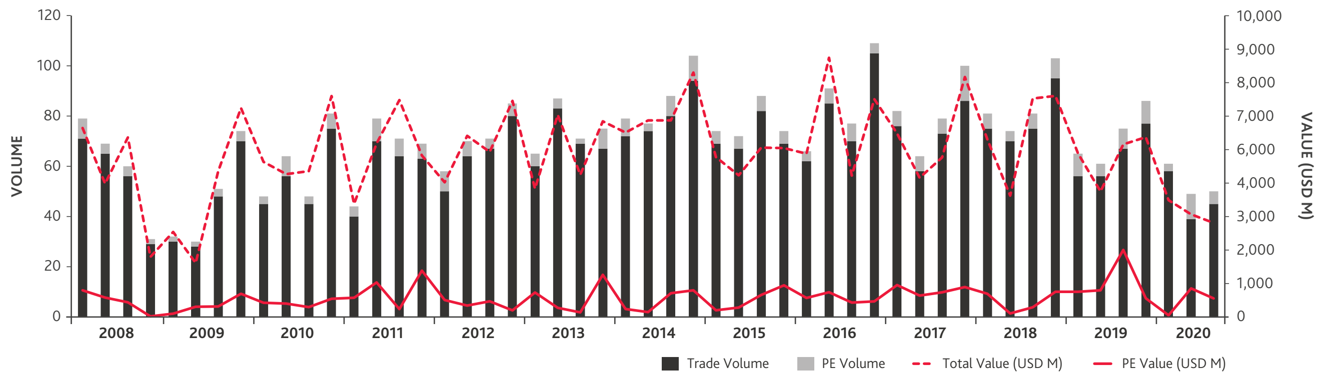
The PE segment completed five deals in Q3 2020, a fall from the eight and 10 deals completed in Q3 2019 and the previous quarter respectively. The total value of PE buyouts was USD 0.6bn and this also represented a drop from the USD 2.2bn and USD 0.9bn recorded in Q3 2019 and Q2 2020 respectively. Finally, PE accounted for a smaller proportion of the quarter's total M&A activities, with 10.0% of total deal numbers compared to 19.7% in Q3 2020.

KEY SECTORS AND DEALS

The most active sectors in Q3 2020 were Energy, Mining & Utilities, Business Services, Industrials & Chemicals and TMT, which together were responsible for 70.0% of total deal numbers, a tiny increase from the previous quarter where the same four sectors accounted for 69.4% of the total deal numbers. In Q3 2020, Energy, Mining & Utilities led the way with 10 deals (Q2 2020: five deals), followed by Business Services with nine deals (Q2 2020: five) and Industrials & Chemicals and TMT with eight deals each (Q2 2020: 17 and seven deals respectively).

Meanwhile, the top three deals in terms of value took place in Business Services, Real Estate and TMT.

PE/TRADE VOLUME & VALUE



The biggest deal was the acquisition of 95.91% stake in Xinghua Port Holdings Pte. Ltd. in Singapore by Zhuhai Port Co., Ltd at a consideration of USD 332m. The second ranked deal was the acquisition of a 60% stake in Ben Thanh Holdings Group Corporation in Vietnam by Dao Ngoc Bao Phuong (a private investor) at a consideration of USD 329m. This was followed by the acquisition of Traveloka in Indonesia by the Qatar Investment Authority, East Ventures and BRI Ventures at a consideration of USD 250m.

LOOKING AHEAD

M&A in South East Asia has continued to slow down and recorded the lowest levels of activity since Q2 2009 in terms of transaction value, but as already mentioned the deal volume increased marginally to 50 deals from 49 deals in the previous quarter. This performance was not unexpected given the severe economic challenges being caused by the COVID-19 pandemic.

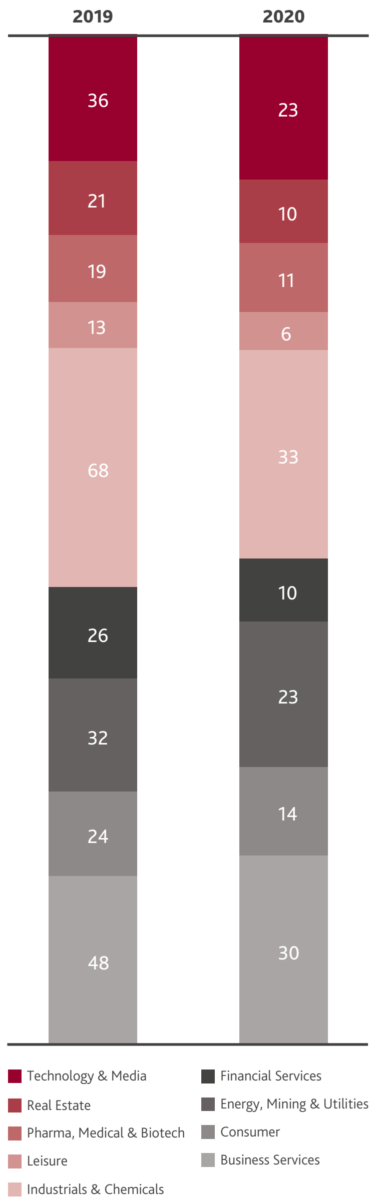
Although governments across the region have introduced numerous stimulus packages to combat the ongoing challenges arising from the pandemic, it may take a while for the situation to settle due to the unpredictable business environment, increased scrutiny of deal terms and the global economy slowdown. The business environment and pace of economic recovery in the region will ultimately determine the volume, value, motivation and types of future M&A activity.

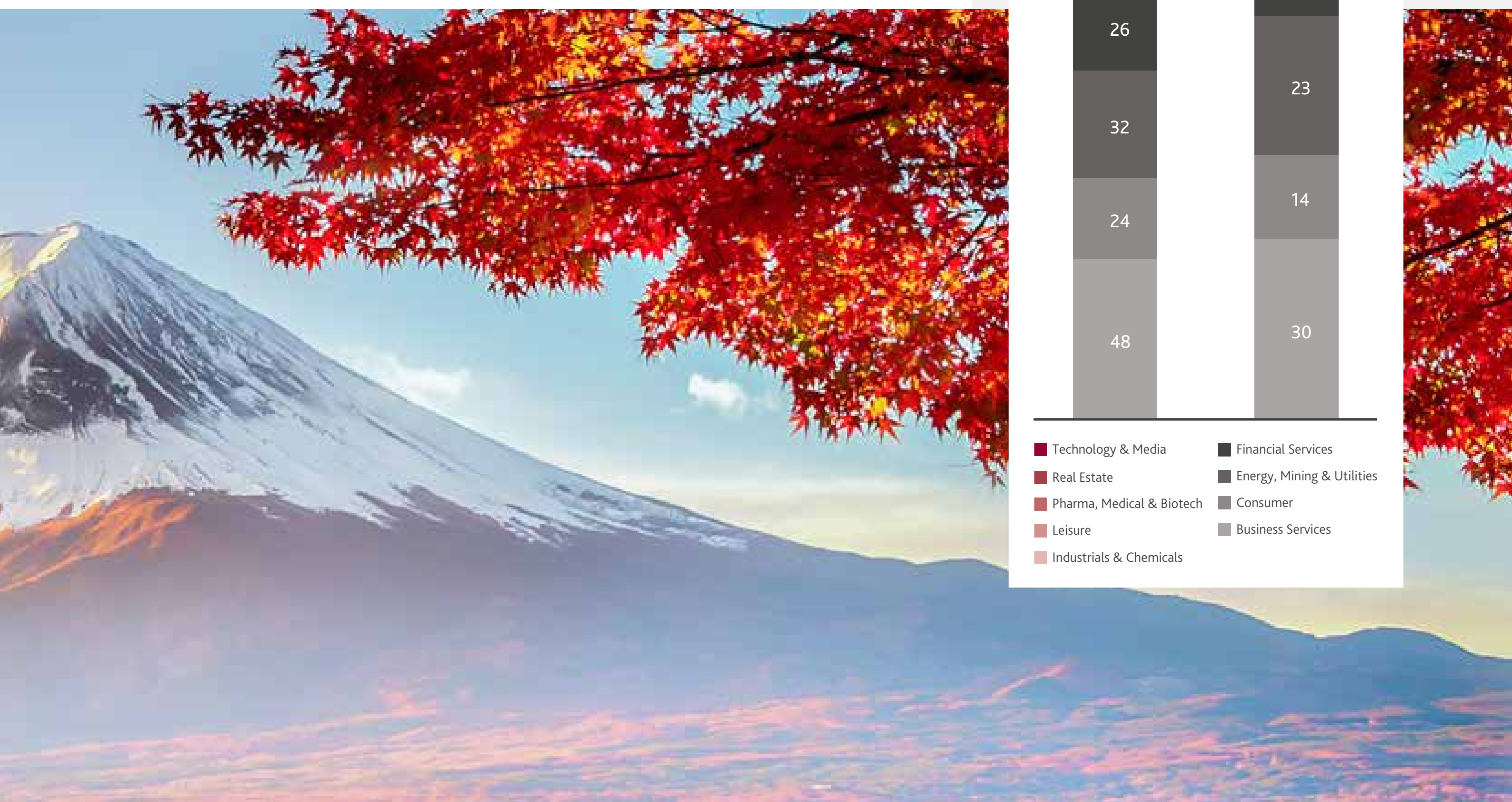
WONG WING SEONG
EXECUTIVE DIRECTOR, ADVISORY
wswong@bdo.my

SOUTH EAST ASIA
HEAT CHART BY SECTOR

TMT	86	17%
Business Services	88	18%
Industrials & Chemicals	83	17%
Consumer	60	12%
Energy, Mining & Utilities	60	12%
Financial Services	41	8%
Pharma, Medical & Biotech	30	6%
Real Estate	25	5%
Leisure	19	4%
TOTAL	**492**	**100%**

SOUTH EAST ASIA
MID-MARKET VOLUMES BY SECTOR





AUSTRALASIA

COVID-19 PANDEMIC PUTS A HOLD ON DEAL-MAKING ACTIVITY

BIG PICTURE

- Q3 2020 deal value and volume was subdued compared to Q3 2019 due to COVID-19 (down 40% and 42% respectively).
- PE deal numbers fell by 43% compared to Q3 2019 from 14 to eight but PE deal value increased by USD 342m to USD 1.58bn.
- Business Services was the leading sector, accounting for 27% of transactions.

In Q3 2020, 62 deals were completed with a combined value of USD 4.5bn. These figures represented significant falls of 40% on deal volume and 42% on deal value compared to Q3 2019.

The COVID-19 pandemic has continued to reduce investor appetite and has put a hold on M&A activity in Australasia, across both trade and PE acquirers. While deal volume remained subdued, many of the deals which did take place were related to distressed organizations and assets with cash-rich corporates and PE players taking advantage of unique opportunities due to lower valuation multiples and potential high return turnaround stories. The average transaction value was USD 73.2m, a small 4% decrease compared to Q3 2019. PE deal volume also fell by 42% but PE deal value increased by nearly 28%.

Despite fears of additional scrutiny on transactions by the Foreign Investment Review Board and the closure of borders continuing to curtail cross-border activity, half of the region's top 20 deals for the quarter involved an overseas bidder.

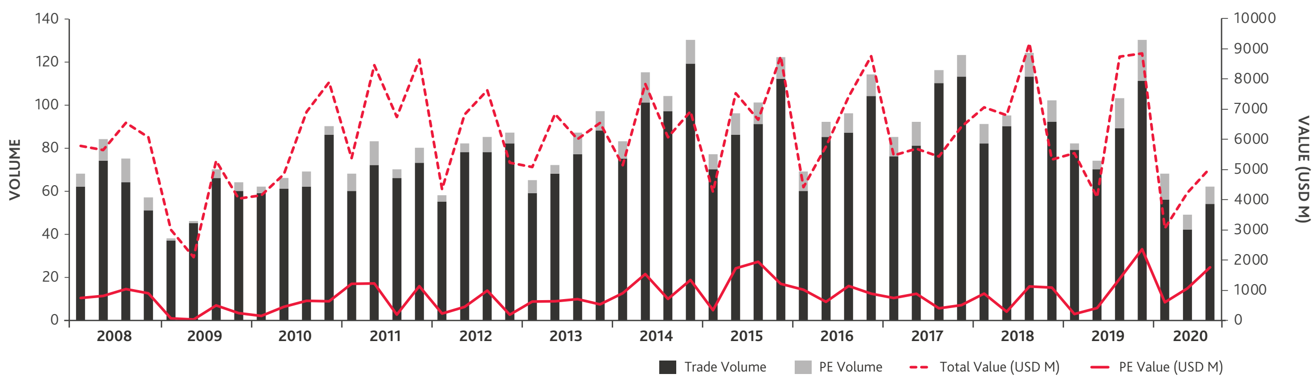
Deal volume within Pharma, Medical & Biotech remained unchanged compared to Q3 2019, reflecting continued investor appetite amidst greater economic uncertainty. Meanwhile, the largest drop in deal volumes compared to Q3 2019 was seen within Financial Services, which fell by 64%.

KEY DEALS

The quarter's biggest deal was the agreed acquisition of Australian-based education resources provider Modern Star Pty Ltd by Australia-based private equity and venture capital firm Pacific Equity Partners Pty Ltd. Pacific Equity Partners is seeking to acquire Modern Star for an approximate consideration of USD 418.44m in a management buyout transaction that is expected to close in Q4 2020.

Another notable transaction that took place during the quarter was ARA Asset Management Ltd's USD 1.6bn acquisition of a 22% stake in Cromwell Group, a Singapore-based real estate fund management company.

PE/TRADE VOLUME & VALUE



LOOKING AHEAD

After navigating the initial phases of the COVID-19 outbreak in the first half of 2020, deal flow is expected to pick up steadily for the rest of the year as many transactions that were put on hold due to the economic uncertainty begin to regain traction, as well as companies being able to focus less on capital preservation and start seeking new opportunities. It is also anticipated that companies affected by COVID-19 will continue to strategically review their existing businesses and consider potential areas of divestment.

The TMT sector has been the most resilient with tech deals leading the way and digital acceleration driving convergence across industries. Digitisation and other disruptive technological trends such as artificial intelligence, automation, and big data, combined with increased demand for technology services and products by consumers and corporations, will continue to boost M&A activity and promote deal-making.

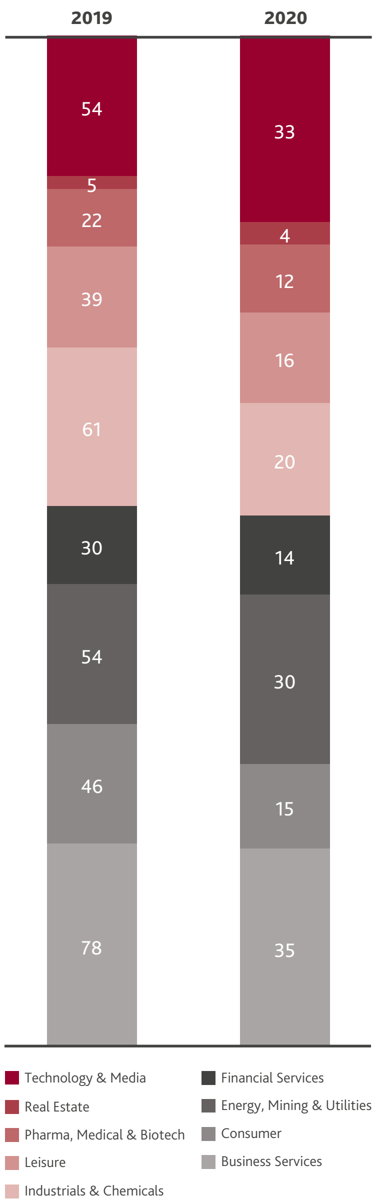
Looking ahead, the BDO Heat Chart indicates that the TMT sector will have the greatest level of M&A activity, with 91 predicted deals. The Consumer and Industrials & Chemicals sectors follow with 68 and 57 deals pipeline respectively. The deal pipeline for Real Estate remains low, particularly for commercial properties, as many businesses continue to encourage working from home.

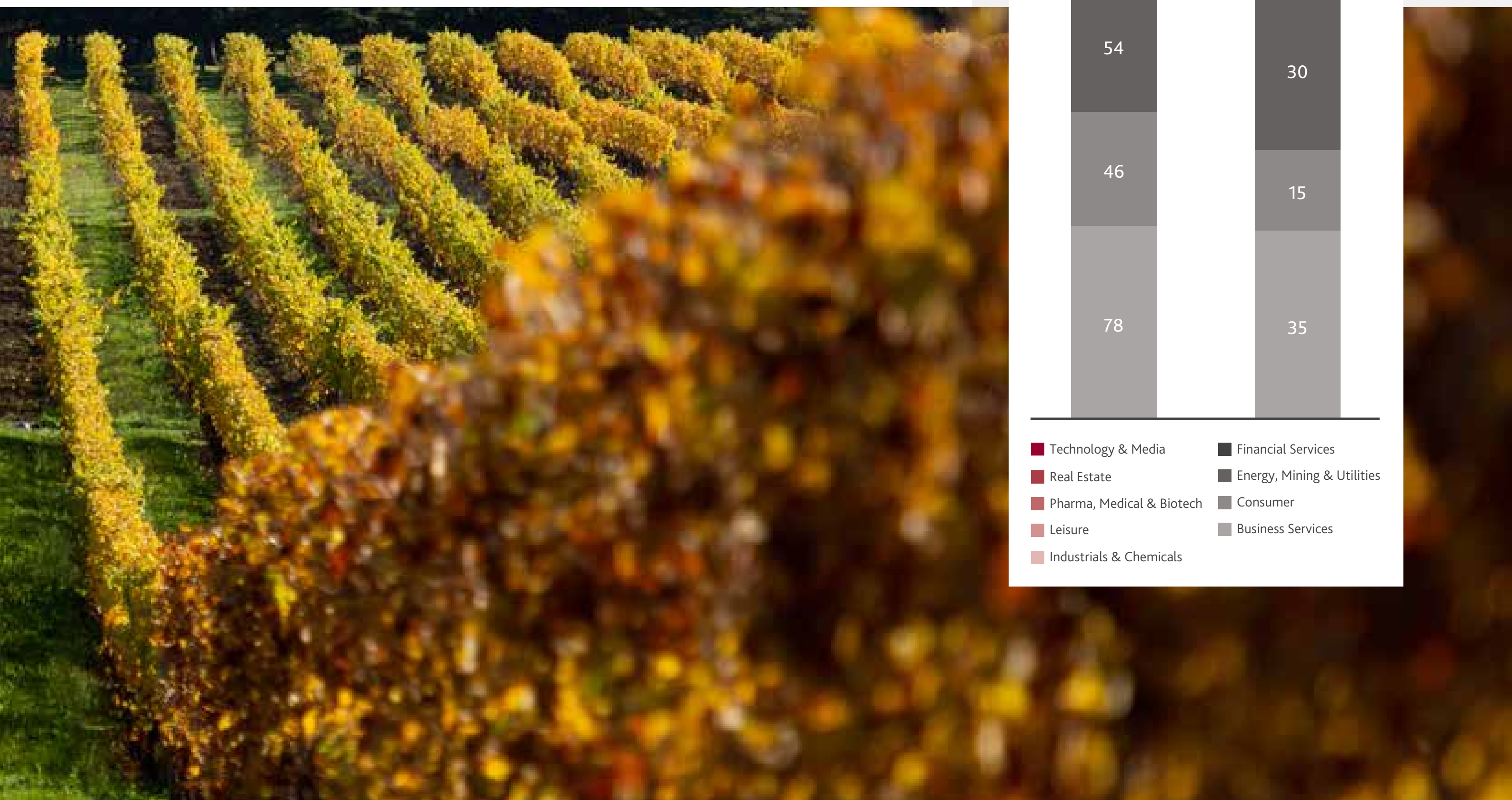
SEBASTIAN STEVENS
PARTNER
sebastian.stevens@bdo.co.nz

AUSTRALASIA
HEAT CHART BY SECTOR

TMT	91	21%
Consumer	68	16%
Industrials & Chemicals	57	13%
Business Services	55	13%
Financial Services	51	12%
Energy, Mining & Utilities	44	10%
Pharma, Medical & Biotech	40	9%
Leisure	17	4%
Real Estate	7	2%
TOTAL	**430**	**100%**

AUSTRALASIA
MID-MARKET VOLUMES BY SECTOR





SECTOR VIEW

FOOD AND DRINK MANUFACTURING

RESILIENT SECTOR HAS PLENTIFUL GROWTH OPPORTUNITIES THROUGH M&A

The food and drink manufacturing sector has shown itself to be one of the most resilient sectors during the pandemic, both in the UK and internationally. The industry has overcome numerous challenges from supply chain issues, labour shortages, stockpiling and huge shifts in consumer demand and dining habits.

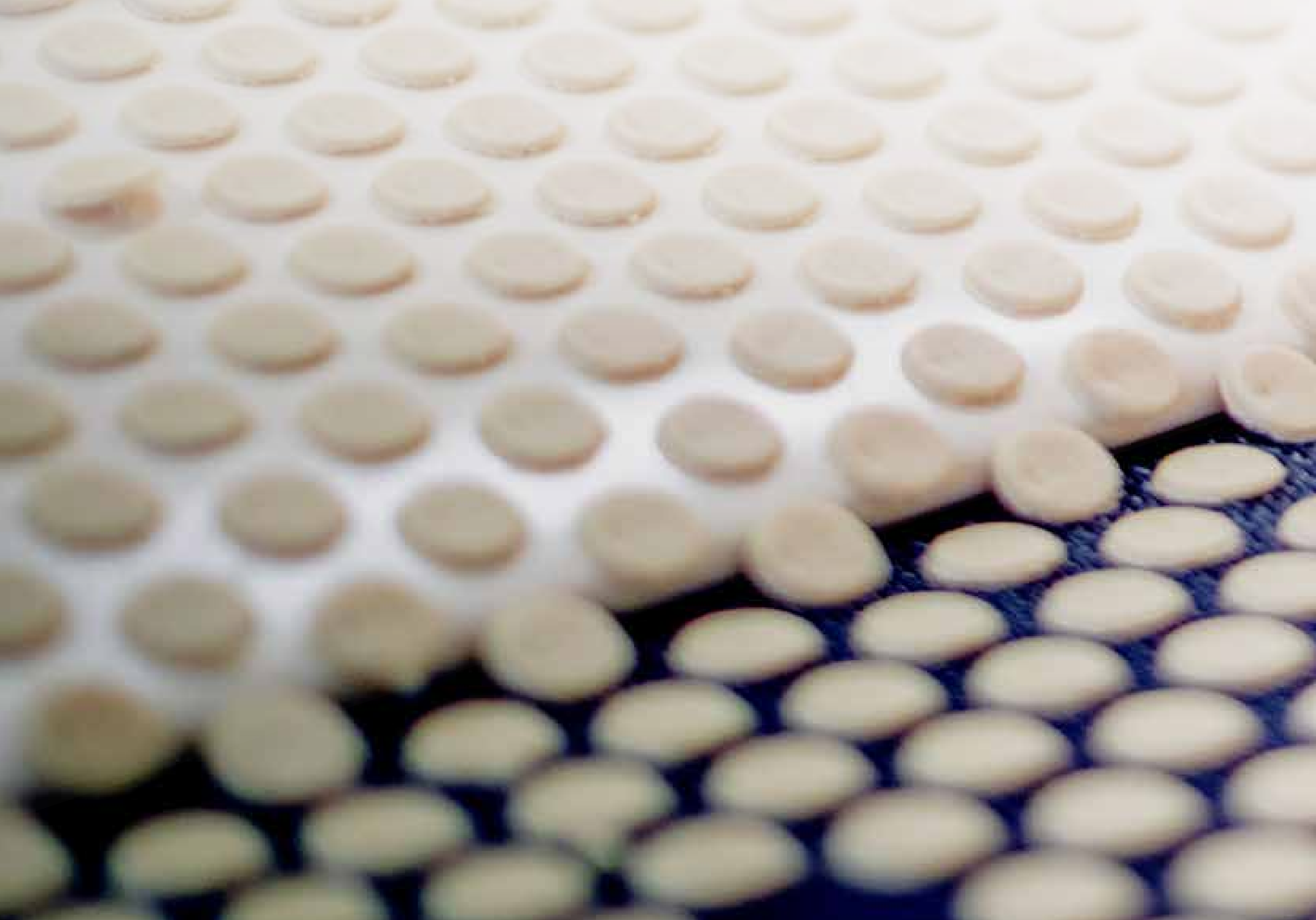
It has been a tough year for manufacturing as a whole. Lockdown measures caused a sharp Q2 decline of 56% in UK manufacturing output reflecting the lowest performance seen since 1988. Q3 saw activity pick up and overall a decline of 10.9% is anticipated for the year of 2020 as a whole.

It has been a similar, but less severe picture in the UK food manufacturing sector, where output is forecast to decline by 'only' 4.2% in 2020. Food and drink represents the largest manufacturing sector in the UK with individual company fortunes largely dictated by their end markets. Businesses serving the hospitality sector have faced significantly reduced demand, despite help in the form of the UK government's successful 'Eat out to help out' scheme, which many outlets continued to run at their own cost through September and October.

In contrast, manufacturers of products sold for at-home consumption experienced incredible increases in demand while dealing with the strain of just-in-time supply chains and adapting to the requirements for social distancing in factories.

Worldwide, lockdown brought an abrupt decline to M&A activity in Q2. UK food and drink transactions in the first three quarters of 2020 were down 52% compared with the corresponding period last year. However M&A activity has now resumed and the sector is far more active than most.

"The food and drink sector has shown remarkable resilience in a very challenging market. As investors are gravitating to resilient businesses, we are seeing more buyers than sellers in the sector and expect valuations to hold firm."



Food and drink is emerging as a highly attractive and resilient sector for investment, evidenced by a significant number of sales processes launched in Q3 2020. These comprise deals that were put on hold in March, as well as a number of new sale processes for businesses that have demonstrated resilience, or those looking for a strategic move in line with underlying industry trends.

Having advised on over 180 food and drink transactions in the past five years, the team at BDO have regular conversations with key players in the sector. UK and international corporates, as well as private equity firms and family offices, are confirming that their acquisition strategies have resumed, and the UK remains high on the acquisition agenda for many international buyers. Indeed, many corporates that we are speaking to are gearing up their acquisition activity to achieve economies of scale, greater flexibility and improved market position to take advantage of areas of market growth.

The number of cross-border deals in the UK has increased with a shift from 40% of transactions over the past four years to 50% of deals in Q1 2020 to Q3 2020. A number of overseas businesses we have spoken to consider UK to be a high-growth area and are keen to acquire established brands and businesses, as well as manufacturing plants and facilities, particularly as Brexit approaches. Whilst careful appraisal of end market demand is always required, the majority of food and drink manufacturing businesses are considered highly attractive targets.

Acquisition strategies appear to be following pre-existing trends focused on authenticity, food provenance and a concern for environmental impact and health as well as a focus on geographic and adjacent product line expansion.

ROGER BUCKLEY
PARTNER

roger.buckley@bdo.co.uk

SUSANNAH PERKINS
SENIOR MANAGER

susannah.perkins@bdo.co.uk

KEY INDUSTRY THEMES AND M&A OPPORTUNITIES

M&A has a key role to play in helping business position for growth.

GLOBAL INDUSTRY THEMES	M&A ACTIVITY	2020 TRANSACTION EXAMPLES
HEALTH, NUTRITION AND 'FREE FROM'	• 52% of first-time venture capital investments during 2019 were in health foods or vitamins. • Healthy, vegan and 'free from' acquisition targets are a top priority for corporate acquirers.	• Oatly's USD 200m fundraising led by Blackstone (US). • Acquisition of Halo Foods by Peak Rock Capital (UK).
ALCOHOLIC AND 'LOW AND NO' BEVERAGES	• Businesses producing alcoholic beverages accounted for 18% of all food and drink transactions in 2019 and Q1 2020 to Q3 2020. This remains a key area of interest for investors, with provenance and flavour diversity important to consumers. • 'Low and no' trend is on the rise, as large corporates seek interesting acquisitions such as Diageo's acquisition of non-alcoholic spirit distiller Seedlip in 2019.	• Diageo expands non-alcoholic portfolio with Rheinland Distillers investment.
FOOD TECH	• Over USD 30bn invested in food tech over the last two years. • Food tech is core to the development of meat and diary-free alternatives which have developed rapidly, improving in quality and choice and are now considered mainstream. • Private equity and corporates are looking to invest in companies with strong USPs in food tech, including cellular agriculture and meat and dairy-free foods.	• Mosa Meat's USD 55m fundraising led by Blue Horizon Ventures (Netherlands). • Further round of funding worth USD 31m by Channel 4-backed Meatless Farm.
SUPPLY CHAIN	• The pandemic has highlighted the fragility of complex international supply chains. Businesses are acquiring targets to help secure supply chains and realise efficiencies. • The prospect of Brexit is leading a number of international corporates to consider investment and M&A activity to gain access to UK brands, processing and manufacturing sites.	• Ingredion's USD 240m acquisition of PureCircle (US/UK). • Acquisition of Divine Chocolate by Ludwig Weinrich (Germany/UK).

Sources: Make UK –BDO Manufacturing Outlook Q3 2020; The Grocer; Market IQ; Capital IQ

NATURAL RESOURCES

THE NEED TO HAVE A CLEAR NARRATIVE ON ESG

Environmental, Social and Governance (ESG) is not new, but it's now more important than ever. The material risks of a company are broadening and becoming more complex with the realities of climate change, global health pandemics and rising industrialisation.

Global economies and companies will have to adapt to the new systems which mandate more rigour and transparency around how a company behaves. Equally, the investment process is rapidly changing with ESG factors forming a core component when evaluating deal opportunities. For example, in October, a large gold merger in Australia dedicated a considerable amount of the deal announcement to its ESG commitments and affiliations.

Blackrock has led the charge here, stating that 'climate change has become a defining factor in companies' long-term prospects' and represents an investment risk. CEO Larry Fink, in his open letter, continues with 'in the near future – and sooner than most anticipate – there will be a significant reallocation of capital'.

PUSH–PULL FACTORS AROUND ESG

In September, the New Zealand government announced that it will be mandatory for all financial institutions with USD 1bn in assets under management to report on climate-related risk using the TCFD (Task Force for Climate Related Financial Disclosure) framework, which is increasingly being adopted around the world to enable financial markets to better understand and price climate-related risk.

In the same month the Chinese government announced a 'jaw-dropping' plan to be net-zero by 2060.

While these are two vastly different countries, they are good examples of how governments are now looking to take leadership positions, geopolitical or otherwise, in what could be a race to be green.

Up until now, the transition to low carbon has been predominately a 'pull' movement, led by various global institutions, NGOs and community activists. However, there is now increasingly a 'push' factor evidenced by government policy and financial institutions raising the standards around who and where they invest in. Stock exchanges have also taken note of the shift to sustainable financing: 24 of the main exchanges now require their listed companies to report on ESG issues.

1 Sustainable Stock Exchange Initiative. Data Extracted 22.2.20

The rise in the engagement of investors has meant that companies must be transparent around their conduct of operations and development and delivery of products/services in relation to providence of materials, ethical supply chains, modern slavery and their impact on the environment and community, to name a few. Whether being 'pushed' or 'pulled', most companies will be discussing ESG at the boardroom level, and if not, they should be. The market and money are moving fast and could catch companies out if they are unable to clearly articulate their environmental, social and governance policy.

STOCK EXCHANGES MANDATING ESG REPORTING	
Africa (40	Namibia, Nigeria, South Africa, Zimbabwe
Asia (10)	Hong Kong, India (2 bourses), Indonesia, Malaysia, Philippines, Sing apore, Thailand, Vietnam (2 bourses)
Europe (8)	Austria. Belgium, France, Ireland, Luxembourg, Portugal, Netherlands, United Kingdom
South America (2)	Brazil, Peru

MOVING FASTER THAN PREDICTED

COVID-19, while arguably predictable, has been the Black Swan event of our lifetime and will ensue a number of unintentional consequences. It is predicted that many government stimulus packages are being earmarked for the green economy, which will help accelerate the transition to a low carbon economy. The stimulus will not only create much-needed jobs but will create a step change that will reshape economies, retiring certain sectors and turbo-charging others. In good economic times, it can be difficult to retire unproductive industries, but the global health pandemic has provided an unprecedented, and perhaps timely, opportunity to address another impending global crisis – climate change and the loss of the earth's biodiversity.

Furthermore, the rise in energy nationalism will likely increase the speed in which renewables are deployed, placing added urgency to the oil and gas sector and its associated companies' proposed transformation plans.

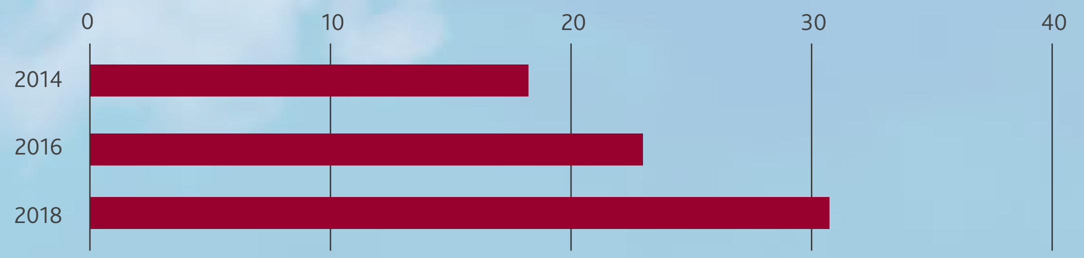
CATHERINE BELL
GLOBAL NATURAL RESOURCES MANAGER

catherine.bell@bdo.global

SHERIF ANDRAWES
HEAD OF GLOBAL NATURAL RESOURCES

sherif.andrawes@bdo.com.au

GLOBAL ESG INVESTMENT HAS NEARLY DOUBLED OVER FOUR YEARS (INVESTMENT IN TRILLIONS OF DOLLARS)



IT'S ALL ABOUT THE MONEY

Global ESG investment has doubled over the past four years and is not looking like slowing down.

Sustainability-linked lending is also taking off. Borrowers are rewarded (or penalised) based on their performance against ESG metrics (e.g. carbon emissions). Investors, both big institutional investors and smaller, who are sustainability-focused, love it. Green lending burnishes investors' ESG credentials. And if the issuer misses the sustainability target the interest rate rises and the investor gets a higher return. In the two years to 2019, such issuances rose from virtually nothing to USD 122bn (according to energy consultancy BloombergNEF). The single biggest issuer in 2019 was Shell, with USD 10bn in capital linked to its carbon footprint.

WHY HAVE AN ESG FRAMEWORK?

Right now, there are only upsides in adopting a globally-recognised ESG framework. What can be measured, can be managed as they say.

While the ESG alphabet soup (multiple classifications, metrics and providers) is still evolving, and common standards needed, certain evidence is suggesting that those that do have ESG frameworks are performing better than those that don't. And it can attribute to higher valuations. Conversely, if a company lacks a clear ESG agenda and is looking for an investor/investment, a buyer may subscribe a discount to reflect the lack of long-term risk management and perceived risks. Increasingly institutional investors are actively avoiding 'sin industries' and assets with poor ESG standards.

Singapore's largest government sovereign wealth fund, GIC states that 'this relationship between sustainability and long-term returns will become stronger over time, as markets price in externalities such as a company's environmental impact into valuations and as regulators, consumers, and businesses become more ESG-conscious'.

ESG is a tool for companies and investors. It is used to communicate on strategy, performance and disclosures around ESG brought on by climate risk and customers who want investments aligned to their values. Greenwashing, a term used when a company spends more money on marketing their 'green' initiatives rather than actually investing and acting on change, will no longer cut it.

In much the same way the digital economy created 'Kodak' moments for companies, the energy transition will do the same for those companies without a clear narrative on their ESG strategy.

SOME OF OUR RECENTLY COMPLETED DEALS

M&A Advisor to COTEC GmbH in the sale process to Mitsui Chemicals subsidiary SDC Technologies Inc.

OCTOBER 2020

BDO in Australia acted as Lead M&A Advisor on the sale of Buderim Group's ginger and tourism divisions.

SEPTEMBER 2020

BDO advised Nabtesco Automotive Corporation on the sale of its subsidiary Nabtesco ITG GmbH to Callista Private Equity

SEPTEMBER 2020

BDO acted for the vendors of Sahara Presentation Systems Plc on its sale to Boxlight Corporation, a Nasdaq listed company

SEPTEMBER 2020

BDO acted as lead advisor to the owners in the sale of DVS entreprenør to Fasadgruppen

SEPTEMBER 2020

Advisor to the seller in Norvestor backed PHM's acquisition of Rene Trapper and Rene Bygårder

AUGUST 2020

Lead advisor to the shareholder of Aktiengesellschaft Ernst Hablützel + Co. on the sale of the company to KIBAG group

AUGUST 2020

LDC (MANAGERS) LIMITED

The acquisition of three cloud-based managed services businesses – DoubleEdge Professional Services, Foehn and Metaphor IT - by LDC

JULY 2020

Acquisition of Synaxe, a company developping and maintaining software for constructions materials companies, by Roger Mihta's personal holding

JULY 2020

Buy-side Financial, Tax and Legal Due Diligence as well as lead- and legal advisor for Rigips, owned by Saint-Gobain Group, in connection with the acquisition of Akustikmodular AG

JULY 2020

Berneco Transport AB acquired by Tempcon Group. Acted as financial adviser to seller

JULY 2020

Australian Valve Group Pty Limited (AVG), has sold a majority staTechnologieske in its business to Watts Water (Australia) Pty Limited (Watts) in an all cash transaction

JUNE 2020

Lead advisor to the shareholders of Kaufmann Systems AG in connection with the sale to Gonvarri Material Handling AS.

JUNE 2020

Lead advisor to the shareholder of Gebrüder Meyer AG in connection with the sale to consortium of private investors

JUNE 2020

BDO advised the acquiror Bio Life in their M&A process

JUNE 2020

BDO advised Network Research Belgium on the acquisition of People and Technology SA

JUNE 2020

MBO of CMS Acquisition Company, backed by Maven Capital Partners LLP

JUNE 2020

BDO advised Last Mile Infrastructure Limited (formerly Energetics) on the acquisition of Icosa Water

MAY 2020

Strategic investment in Acora Holdings Limited by Palatine Private Equity. BDO acted as lead financial advisor to Acora

MARCH 2020

PayFacto Inc a leading payment solution provider in North America, acquired all of the issued and outstanding common shares of Posera Ltd. a global provider of hospitality industry software

FEBRUARY 2020

BDO advised Asklepios on their voluntary tender offer to shareholders of RHÖN-KLINIKUM AG and on a joint venture with RHÖN-KLINIKUM founder Eugen Münch

FEBRUARY 2020

BDO advised the shareholders of Alamy during their 100% sale to PA Media

FEBRUARY 2020

Sale of ITAC Limited to HD Sharman Limited. BDO acted as lead financial advisor to ITAC

FEBRUARY 2020

OxGreenfield, together with the CEO, purchased a majority stake from the sellers

JANUARY 2020

FOR MORE INFORMATION:

SUSANA BOO

+44 (0)20 7893 2316
susana.boo@bdo.co.uk

Data compiled by Acuris.

We focus on the middle market, defined as deals with a value from $5m to $500m in US Dollars.

BDO International Limited is a UK company limited by guarantee. It is the governing entity of the international BDO network of independent member firms ('the BDO network'). Service provision within the BDO network is coordinated by Brussels Worldwide Services BVBA, a limited liability company incorporated in Belgium with its statutory seat in Brussels.

Each of BDO International Limited, Brussels Worldwide Services BVBA and the member firms of the BDO network is a separate legal entity and has no liability for another such entity's acts or omissions. Nothing in the arrangements or rules of the BDO network shall constitute or imply an agency relationship or a partnership between BDO International Limited, Brussels Worldwide Services BVBA and/or the member firms of the BDO network.

BDO is the brand name for the BDO network and for each of the BDO member firms.

© Brussels Worldwide Services BVBA, 2020.

www.bdo.global
www.bdohorizons.com

42008442