

The Inaugural West Coast M&A/Private Equity Forum

Impact Tremors: Assessing APAC Deals in the New Risk Environment

September 29, 2022

Introductions

Moderator

- **Steve Brady**, Partner | Market Leader, Transaction Advisory, Withum

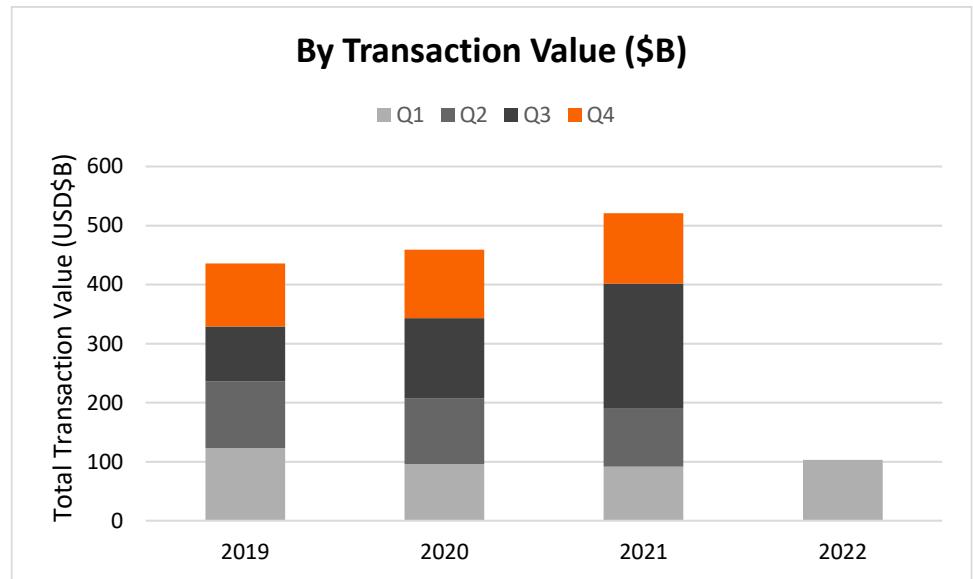
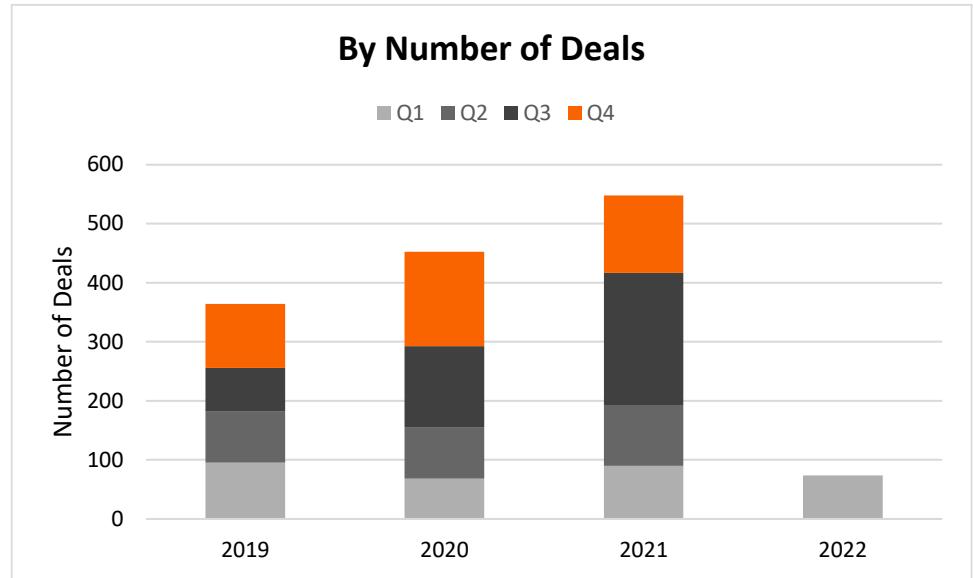
Panelists

- **Pavan Jawanda**, Partner, McCarthy Tetrault
- **Yanhong Lin**, Managing Partner, CTIC Capital
- **Jim Perkins**, Founder and Partner, Quantum Tech Partners

APAC M&A activity

Q1 2022 retreated from 2021's highs

- Mega deals down significantly
- Overall deal values down
- Number of deals down slightly
- Return to 'normal' for most of the market
- ... but where are we going ???



Issues impacting APAC deals

- Inflation
- Interest rate volatility
- Global recession looming
- US | China relations
- US mid-term elections
- Supply chain
- War in Ukraine
- Strong US \$

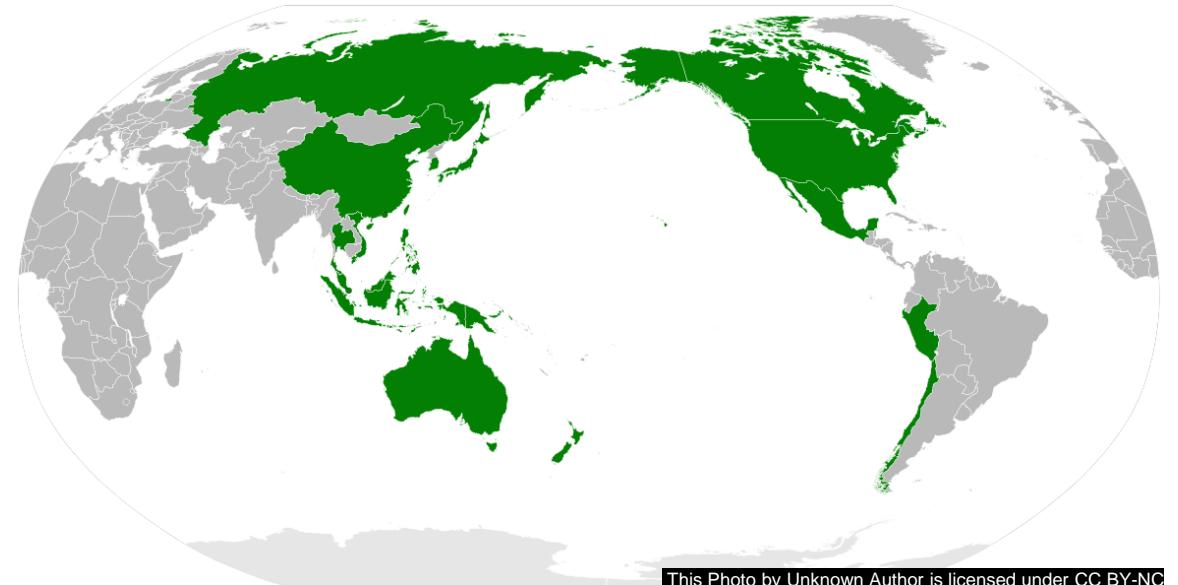
While we will discuss the impact of all these areas throughout our discussion,

Global economy

The economic Big 3

- Inflation
- Interest rate volatility
- Global recession looming

Which do you think is the #1 issue on the minds of those looking at APAC - North American deals?



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Private equity

Are private equity firms focused on Asia Pacific seeing opportunity in the market?



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Chinese investors

What are Chinese investors looking for in this market?



North American political landscape

What has been the impact of the Biden administration's China policies?

What has been the political view and impact been in Canada?

How does this impact the near and long-term?



Sectors

Which sectors are investors placing their money?

- Biotech
- Pharma
- Diagnostics
- Gaming
- Fintech
- Health tech
- Consumer data
- Mining

US Mid-term elections



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Is there concern in the APAC deal community over the upcoming US mid-term elections?

Supply chain

Are you seeing an increase in APAC M&A activity to facilitate the strengthening of supply chains?



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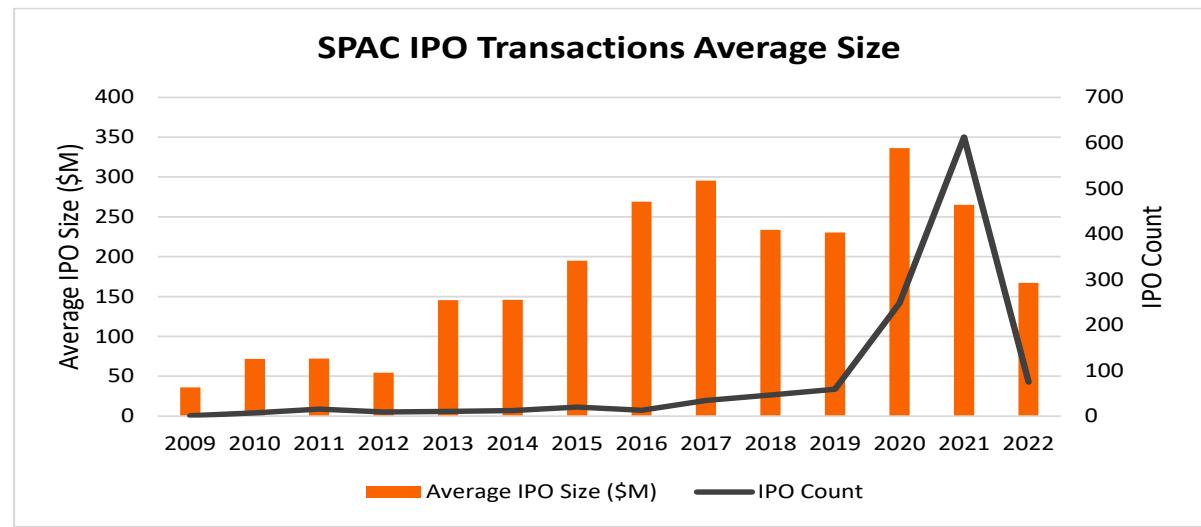
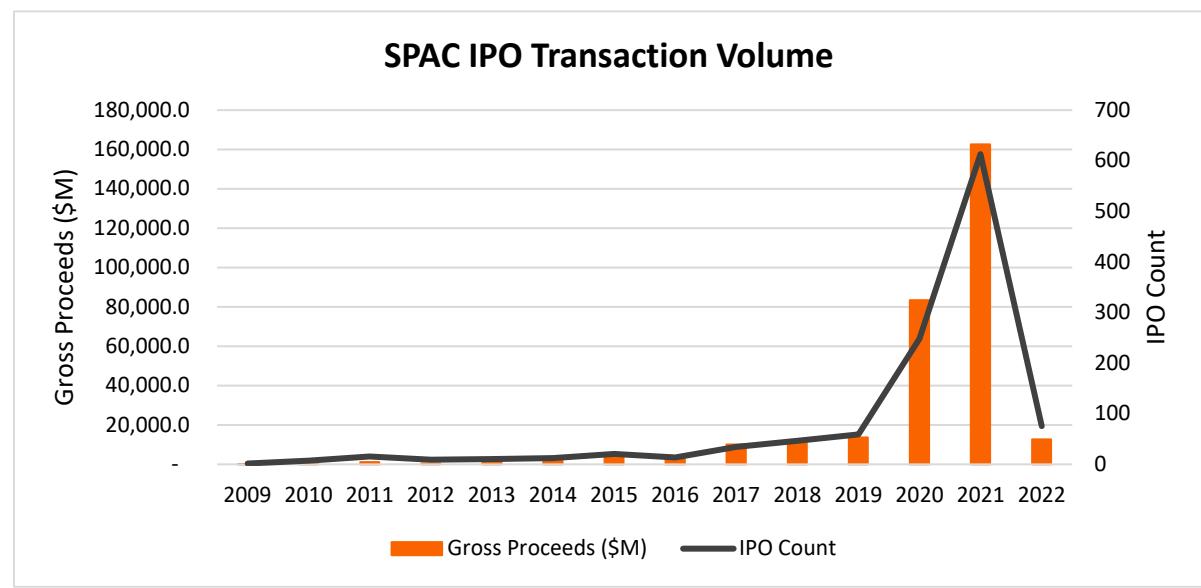
SPACs

Dramatic increase in SPAC activity through 2021

- Funds raised and number of SPAC IPO's
- APAC companies going public in the US through SPAC transactions
- IPO's down significantly in 2022

— Data through Sept 14, 2022

Where do we go from here?



War in Ukraine

What has been the impact of the war in the Ukraine ...

- APAC deals overall with Europe
- APAC deals overall with North America
- Energy sector



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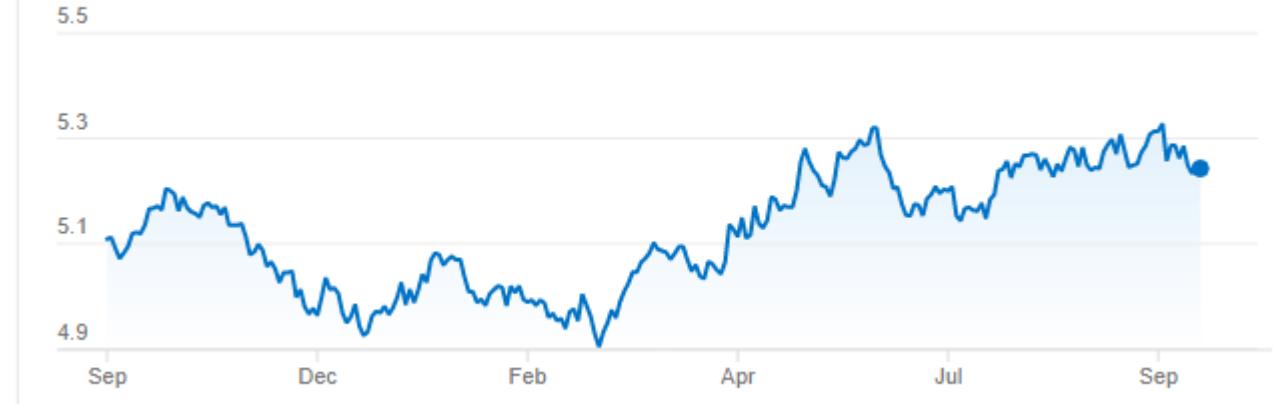
Foreign currency exchange rates

What has been the impact of the dramatic increase in the strength of the US and Canadian dollar?

USD vs CNY



CAD vs CNY



Final thoughts

Bullish or bearish ?

- Jim
- Yanghong
- Pavan



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