

**« Valuation for Merger and Acquisition  
(M&A) in Vietnam»**

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**Forewords**

- According to assessment of economic experts, within the next 5-10 years, 30%- 50% enterprises in Viet Nam are going to merge or be merged to other partners. However, according to statistics as well, 50%-70% M&A transactions were fail because of many factors, in which the most important thing is that Vietnamese enterprises have not actually known adequate about this activity.

## AGENDA

Overview on M&A activities in Vietnam

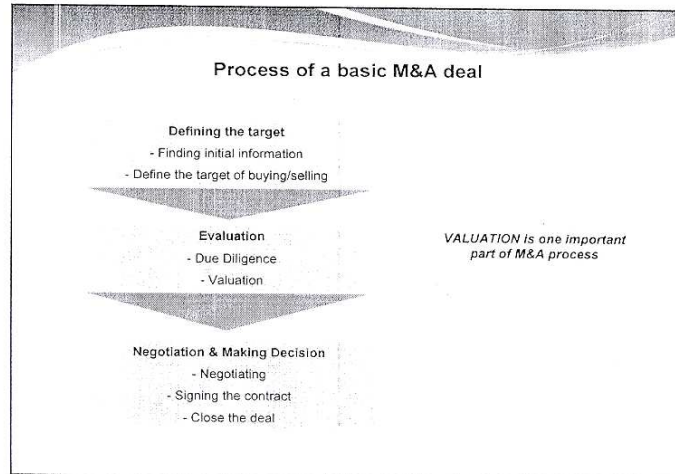
The role of valuer in an M&A deal

SWOT analysis for Vietnam valuation firms

Solutions & Suggestions

### Related partners in one M&A transaction

- **Sell-side, buy-side**
- **Investment bank**
- **Law firms**
- **Auditing companies**
- **Valuation firms**
- **M&A consulting companies**



## Overview of M&A activities in Vietnam

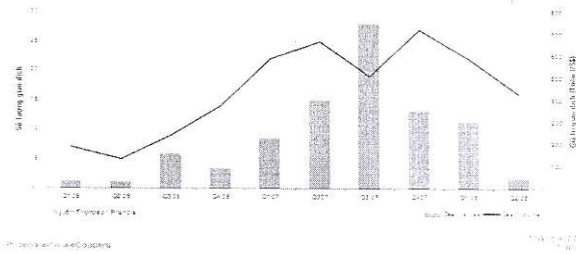
The number and the value of M&A transaction in Vietnam is increasing with highest growth rate in the Asia – Pacific Region

- **2005, 22** transaction with total value USD **61** million
- **2006, 38** transaction – USD **299** million
- **2007, 108** transaction – USD **1,7** billion
- **2008, 146** transaction – USD **1,009** billion

## Overview of M&A activities in Vietnam

GRAP: Số liệu thống kê M&A gần đây nhất

Có sự gia tăng M&A đáng kể trong năm 2006 – 2007 nhưng thống kê năm 2008 cho thấy có sự giảm nhẹ



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TRƯỜNG ĐẠI HỌC  
CÔNG NGHIỆP

## Typical M&A transaction in Vietnam

- ❖ 26/4/2007 Qantas Airways has completed the transaction of buying 30% of Pacific Airlines. PA now changes its

Jet

Pacific Airlines

- ❖ HSBC processes 20% ownership in Techcombank

HSBC

TECHCOMBANK  
Giới thiệu dịch vụ

- ❖ Dai-ichi – Baominh CMG

DAI-ICHI LIFE

Gian hồ đời lâu.

BAO MINH CMG

## Typical M&A transaction in Vietnam

❖ *Holcim & Cotec Cement*



❖ *1/2008 Motul reaches 100% ownership of Vilube*



## SWOT analysis for Vietnam M&A Valuation firm

### Strength

- Vietnam Valuation firms have experience after 5 years of development.
- The adaption of international knowledge
- Local network

### Opportunities

- The development of Vietnam stock market and business environment.
- The trend of M&A in Vietnam.
- Increasing demand of having an independent valuer

### Weakness

- The quality of some Vietnam valuation firm is still under the international standard.
- Lack of experience in M&A valuation

### Threats

- The entry of international valuation firm
- Higher demand on local enterprises and investor

*Solutions and suggestions*

- **Raising the qualification of both valuation firms and valuer to meet the higher demand in M&A activities.**
- **Having corporation with international valuation firms, investment bank, M&A consulting firm.**
- **Build a network among M&A valuation firms**

Some suggestion with MOF

- **Support local valuation firms to have more knowledge and experience in M&A valuation.**
- **Build a standard for M&A valuation**

*Thank you!*

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