

M&A Advisors in Vietnam Emerging Market 2000 – 2022



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ABSTRACT: M&A consulting is providing solutions, services, or applications to help the buyer and seller completing the M&A deal, thereby earning fees. The global M&A consulting market is extremely large with hundreds of years of experience. In Vietnam, due to the characteristics of a young economy in the process of integration, M&A consulting services are scattered among auditing firms, securities companies, law firms and other specialized M&A consulting firm. Although Vietnam's M&A market has a history of development for more than 20 years, M&A consulting services are still mainly provided by foreign companies. This paper is the first study provides an overview of M&A advisory activities, both financial and legal, in Vietnam and describe perspective of the M&A consulting market in Vietnam as well as suggests some solutions to develop this service in domestic companies.

KEYWORDS: M&A advisory firms, Vietnam, financial advisors, legal advisors, Mergers and Acquisitions

I. INTRODUCTION

M&A consulting is seen as an agent that can influence the outcome of a deal. In this line of thinking, prominent work by Huang, Q., Jiang, F., Lie, E., & Yang, K. (2014) examines the influence of key personnel in M&A deals, who had worked in investment banks, influenced the outcome of the deal. The author's show that those who are directors of companies involved in M&A deals with investment banking experience will close the deal with a more positive outcome than the group with no experience. Previously, Walter, T., Yawson, A., and Yeung, C. (2005) pointed out that quality advisors will make the deal close faster, but they do not guarantee the transaction will be successful. Complete or deliver greater synergies than a poorer quality consultant. However, if the deal is done by stock swap, a high-quality consultant will make the parties to the deal more profitable.

In contrast, a larger number of studies have found opposing conclusions to the group supporting the hypothesis that consultant selection can affect the outcome of a deal. Among these, prominent articles by McLaughlin (1992), Rau (2000) and Allen, L., Jagtiani, J., Peristiani, S., and Saunders, A. (2004). The authors performed independently, at different time intervals with different samples, but the common point is that they did not find evidence of a relationship between the quality of consulting services and the value of benefits for the patient. M&A deals (expressed as abnormal return). Nevertheless, Allen, L et al. (2004) still concede that, if an investment banker is experienced and hired by the buyer for a deal involving a stock exchange, the buyer will benefit. Than. In addition, although not admitting a causal link between consulting fees and business results, Rau (2000) finds evidence of a correlation between investment bank market share and profitability. Completing M&A deals, including those in the form of tender offers (tender offers) or mergers (mergers). This conclusion has a factual basis, because consulting firms with a large market share are often the leading names in the industry, focusing on staff with experience in M&A implementation and therefore can advise to complete the deal fast.

The research results of foreign authors mostly confirm the role of M&A consultants in mergers and acquisitions including increasing business efficiency. The above conclusions are important evidence to motivate candidates to search the corporate M&A market in Vietnam.

In addition, the topic of Vietnam M&A advisors has a large research gap in academia. This is demonstrated by the fact that the authors of research on Vietnam's M&A have not yet focused on clarifying the M&A consulting market in our country, as well as the impact M&A consulting may have on buyers - seller in a transaction, as a result of the selection of a consulting partner. The works focus on describing M&A activities in general and M&A in a number of industries with great deal value over the years such as the financial and banking sector (Van, D. T. T. (2010), Vy, P. D. (2013)), real estate, insurance... The research by Vuong Q.H, Tran T.D and Nguyen T.C.H (2009) is a starting point for the business. series of articles on M&A in Vietnam. The authors make statistics of M&A activities in our country in the period 1990 - 2009 according to the number and value of deals as well as the

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implementation subjects. As a result, most of the M&A deals that took place in Vietnam during this period had foreign elements, the deal value was not large and focused heavily on the banking - insurance - securities sectors. Later, the authors conduct further research and analysis on innovation - creativity in mergers and acquisitions (Vuong, Q. H., Napier, N. K., & Samson, D. (2014).

Another direction in the research series on M&A in Vietnam is to consider the aspect of economic concentration. Because M&A can affect competition in the industry, especially horizontal deals (horizontal M&A) between competing companies. Among them, there are significant works of Le Hai Trung (2014), Nguyen the Binh (2015), Hosseini, J. C., Thu, N. K., & Trang, N. T. T. (2017) and Phuong Anh Nguyen & Thi Thanh Thuy Nguyen (2022). By quantitative method to calculate the factors affecting bank profitability, Le Hai Trung has acknowledged that M&A is one of the main factors that improve the competitiveness of domestic banks in Vietnam. The study uses calculated data of HHI and CRk along with the application of Panzar - Rossse method on panel data of 33 Vietnamese commercial banks in the period 2004 - 2013. Economic concentration of Vietnam's banking industry, according to the article, is relatively high in this period but is on a decreasing trend, and M&A is one of the factors. The competitiveness of state-owned commercial banks is, of course, also greater than that of private joint stock commercial banks.

Using the same approach, author Binh N.T (2015) assessed two indexes HHI and CRk of the Vietnamese commercial banking system from 2008 to 2014 on three criteria: Total assets, capital mobilization. And lending. The results have three remarkable points: (1) despite the concentration after the M&A process, the level of the market is still moderate, this happens not only in the whole system but also in the group of large banks. best; (2) The author expressed concern that the concentration of M&A activities in the Vietnamese commercial banking system will increase the level of monopoly or oligopoly, thereby negatively affecting the environment. Compete; fortunately this concern has not occurred up to now; and (3) if in case one or several commercial banks in the largest group merge, the concentration of the market will change significantly. Advisors play a very important role in ensuring the success of an M&A deal in terms of financial, legal or operational efficiency. On the contrary, the consulting unit will also gain certain sales from consulting fees - an important source of revenue for businesses based on the deal value and completed work volume. Although the development room is still very wide, considering investment banking services in general and M&A consulting services particularly in Vietnam, only a few names in this field can attract customers – companies involved in the deal. Although, this is a business that can be performed by most securities companies, auditing companies or valuation companies, tax consultants, law offices... Therefore, studying M&A consulting activities business in Vietnam today is to outline the overall picture of this business as one of the important investment banking services of companies providing financial advisory services in Vietnam. May affect the results of business mergers and acquisitions in the market.

On the other hand, in the context that M&A studies in Vietnam have only appeared a lot since 2009, the articles focusing on M&A advice are still very modest. Most of the works focus on describing the M&A market in general or delve into the aspects of each valuable industry and the number of large M&A deals such as banking, real estate, industry. securities companies... Regarding M&A consulting, the author has not found any works by Vietnamese authors, focusing on research on M&A consulting companies.

II. M&A ACTIVITIES IN VIETNAM 1985 – 2023

According to data from the World Institute for Mergers and Acquisitions (IMAA), in the period 1985 - Q1.2023, Vietnam's M&A market witnessed ups and downs in both the number and value of deals, but In general, this is a potential land for companies providing M&A consulting services and solutions. The more vibrant the market, the more growth momentum M&A consulting services have because this is a significant contributing factor to successful deals.

Also according to Figure 1 of IMAA, the activities of M&A deals in this period also depends on the growth of the economy and the performance of Vietnamese and international businesses. Vietnam entered the period of economic transformation from a centrally-controlled economy to a market economy in 1986. Therefore, the period from 1986 up to now has witnessed a drastic change in the economy. However, in the first phase of the transition period until 2005, the activities of enterprises were still relatively limited due to the lack of necessary legal corridors. Therefore, in the period of 1985 - 2006 the deals increased continuously, but then decreased deeply in 2009, tended to move sideways in the period 2010 - 2013 and then continued to grow from 2014 to 2018. The period from 2019 to present, M&A market went sideways due to the difficulties of the domestic and foreign macroeconomics. The biggest macro impact on a global scale is the serious impact of the Covid-19 epidemic as well as the geo-political conflicts between Russia - Ukraine and Western countries. At the domestic level, in addition to the heavy impact of the Covid-19 epidemic, which disrupted the global supply chain, affecting domestic consumption and production, the general difficulty of the economy was also contributed by negative fluctuations on the stock market in late 2021 and early 2022

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and the real estate sector fell into recession and froze. That fact has led to general difficulties for markets, including the market for mergers and acquisitions.

On average, in the period 2000 - 2022, each year about 300 deals take place in Vietnam. This is a small number compared to the size of the global M&A market, with economies around the world performing about 30,000 M&A deals per year on average.

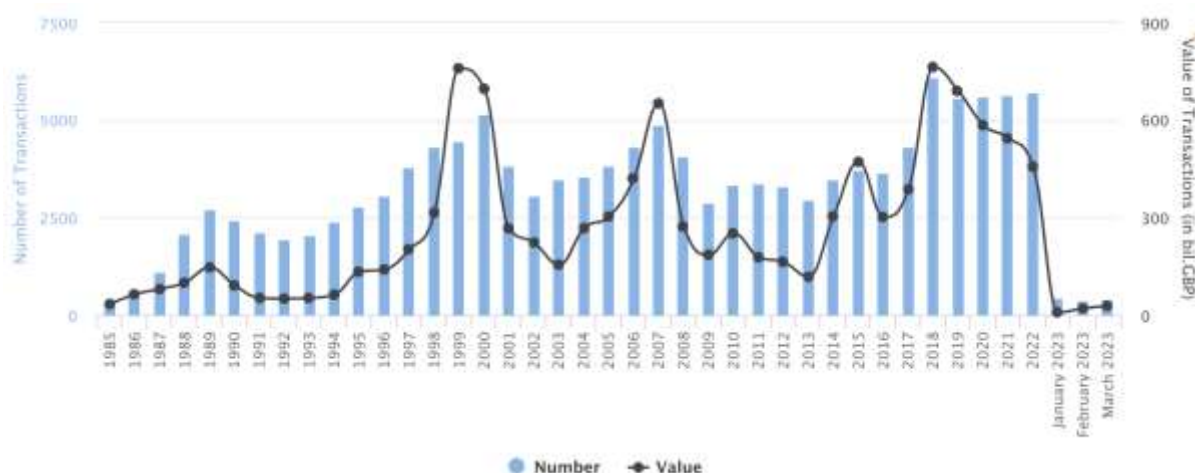


Figure 1: M&A activity in Vietnam from 1985 to Q1.2023 | Source: IMAA

The size of the M&A market increases over time. If in the 2000s, there was only a limited amount of M&A transactions with a total value of several hundred million USD, in recent years the transaction value has reached billions, even tens of billions of USD. This helps to expand the size of the M&A consulting market in Vietnam. The more M&A transactions, the more consulting demand tends to increase.

The participation of consulting firms in M&A transactions also tends to increase over time. In general, this consulting service has been contributing to increasing the efficiency of M&A transactions in Vietnam.

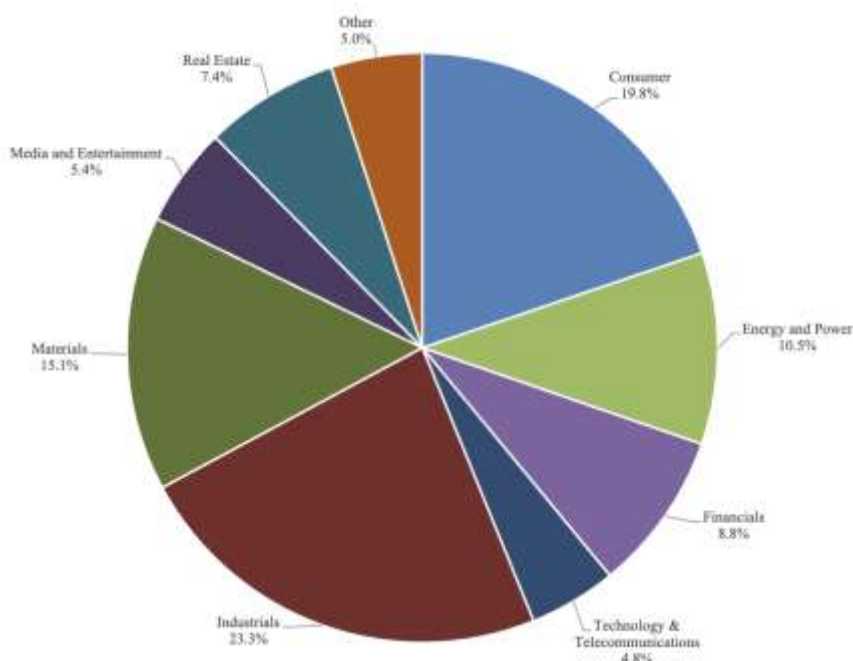


Figure 2: Share of M&A deals by industrial in Vietnam from 2000 – 2022 | Source: Thomson Reuters

In terms of the value of M&A deals in USD, Vietnam is still a small-scale market. This is completely understandable because Vietnam is a developing country in Southeast Asia, with a total annual GDP of only a few hundred billion USD. The number of large-scale enterprises is still modest. Instead, 95% of businesses today are still small and medium sized. In addition, consumer

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goods and consumer goods services accounted for the largest proportion in terms of value of M&A deals in the period 2000 - 2022. Next was the banking and finance sector (19.5%). energy (9.7%) and retail (9.2%).

III. DATA AND METHODOLOGY

To describe the M&A consulting markets in Vietnam, the author uses the statistic of domestic M&A deals in 2000 – 2022 period. The data includes 6548 deals publicly occurred with target is Vietnamese firms, collected by Thomson Reuters. After excluding deals that miss the information of advisory firms, the dataset contains 617 transactions with information of advisors available, about more than 10% of the deals collected. I divide M&A advisors into two main categories: financial advisors and legal advisors. These two types are also the most common types of advisors employed by companies in M&A transactions. The frequency of appeared advisor names indicates the prestige and market share of M&A advisory firms in Vietnam.

IV. M&A ADVISORY MARKET IN VIETNAM: A PLAYGROUND OF FOREIGN ADVISORS

To describe M&A consulting activities in Vietnam, the article uses data collected by Thomson Reuters in the period from 2000 to 2022 of M&A deals with target companies in Vietnam. Since this is an in-depth data, not a normal M&A data, it is not possible to collect primary data but other survey data, but must go through specialized units and have this array data.

Thereby, information was collected on more than 6,300 M&A deals taking place in Vietnam from 2000 to 2022. In which, the number of deals with data on hiring consultants was 624. From this data, with the consulting company significantly participating in the M&A process in Vietnam, the number of hired advisors tends to increase from 2000 to 2022 (Figure 3).

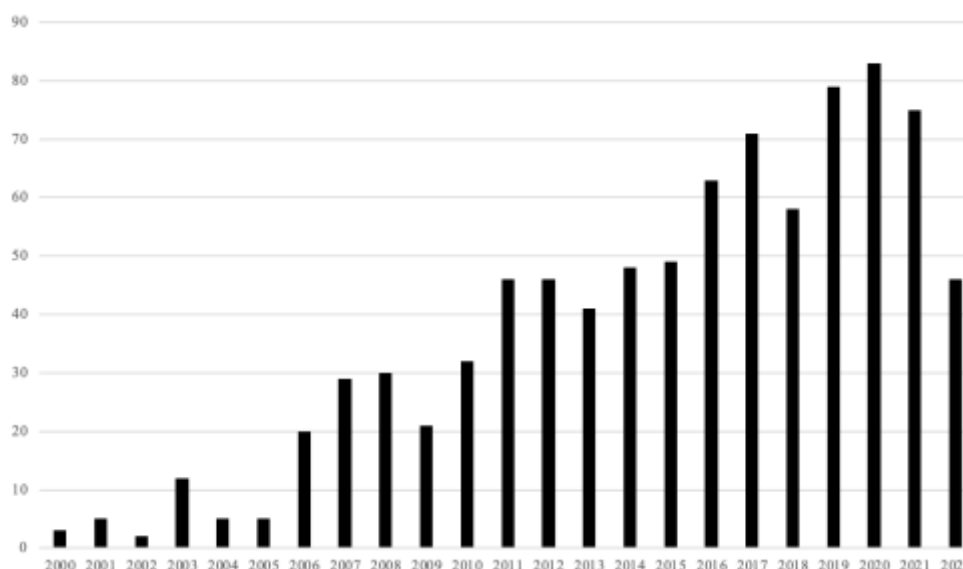


Figure 3: Volume of advisory firms hired in M&A deals publicly in Vietnam 2000 – 2022 | Source: Thomson Reuters

According to data on consulting in M&A deals, there are 617 deals out of a total of more than 6,500 M&A deals in Vietnam that took place from 2000 to 2022. The details of each year are as shown in the chart. The most popular of hired consulting services are legal advisor, following by financial advisor. On average, percentage of deals that use outhouse advisors account for about 10% of M&A deals. That means, about 90% of M&A deals taking place in Vietnam from 2000 to 2022 do not hire outside advisors.

Within deals that hire external consultants, the buyer occupies a larger proportion than the seller. There were 17 deals in which both the buyer and the seller hire external M&A advisors. These are all deals in which the buyer is a company from abroad, such as Singapore, Thailand, China Mainland, Hong Kong, etc. The number of hire-purchase deals includes both legal and financial advisors is 55, of which mainly foreign buyers, Vietnamese buyers only account for 5/55 deals. The number of deals only the buyer hires a financial advisor is 79 deals, with 6 deals from Vietnam. The number of transactions only the buyer hires a financial consultant is 225 deals, with 30 deals from Vietnam, the completion rate is 177/225, the rest is in the waiting or canceling stage.

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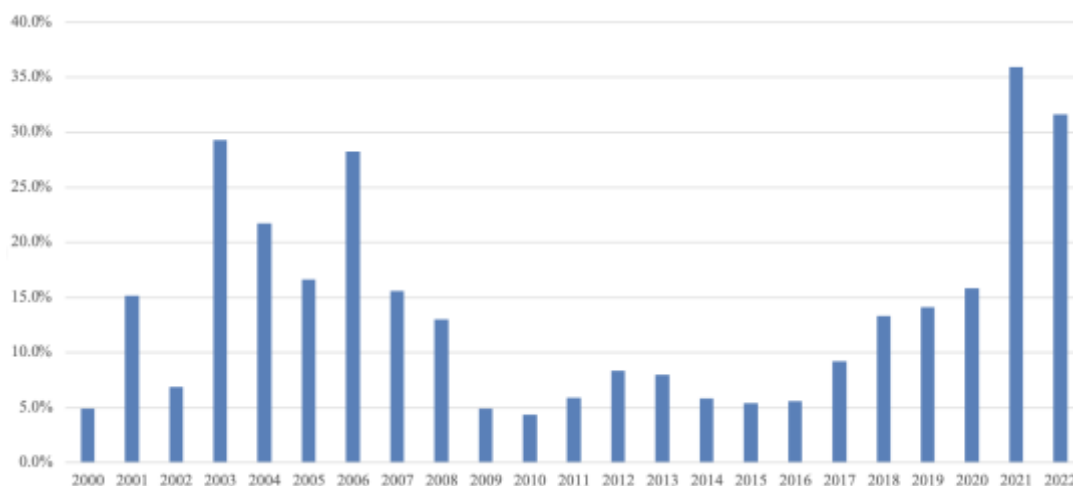


Figure 4: Proportion of outsourcing deals compared to the total number of M&A deals in Vietnam in the period 2000 - 2022
 |Source: Thomson Reuters

In terms of proportion, consulting type accounts for from 5% to more than 35% of M&A deals taking place in Vietnam every year. This rate is highest in 2003, 2006, 2021 and 2022 (Figure 4).

In terms of time, before 2006, the number of M&A deals in Vietnam hiring external consultants only really increased significantly from 2006 onwards, in the period 2000 - 2005, the number of using outsourced consultants was still very low. Modest. This timeline also coincides with Vietnam's strong administrative reform to successfully join the WTO in 2007. A series of laws have been promulgated as a legal framework to guide economic activities. That includes M&A. Notable documents include Law on Enterprise 2005, Law on Competition 2004, Law on Securities Business 2006, Law on Foreign Investment 2005...

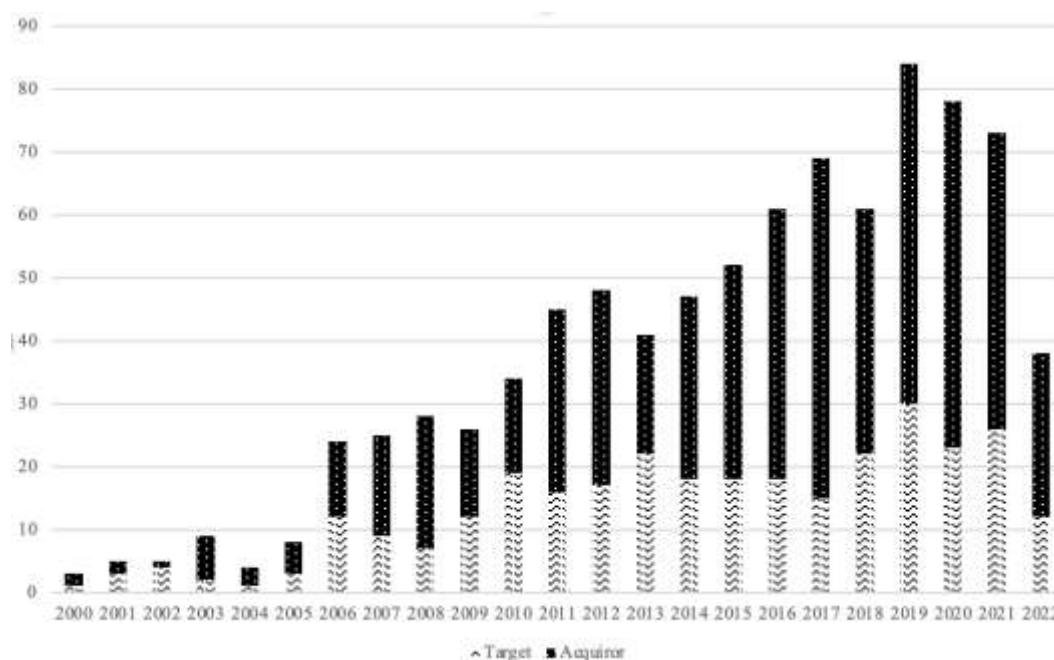


Figure 5: Proportion of deals by types of parties' advisors in Vietnam from 2000 to 2022 | Source: Thomson Reuters

Figure 5 illustrates the number of deals in which the buyer and seller employed at least one legal and/or financial consultant. It is easy to see that the buyer tends to hire advisor more frequent than the target firm.

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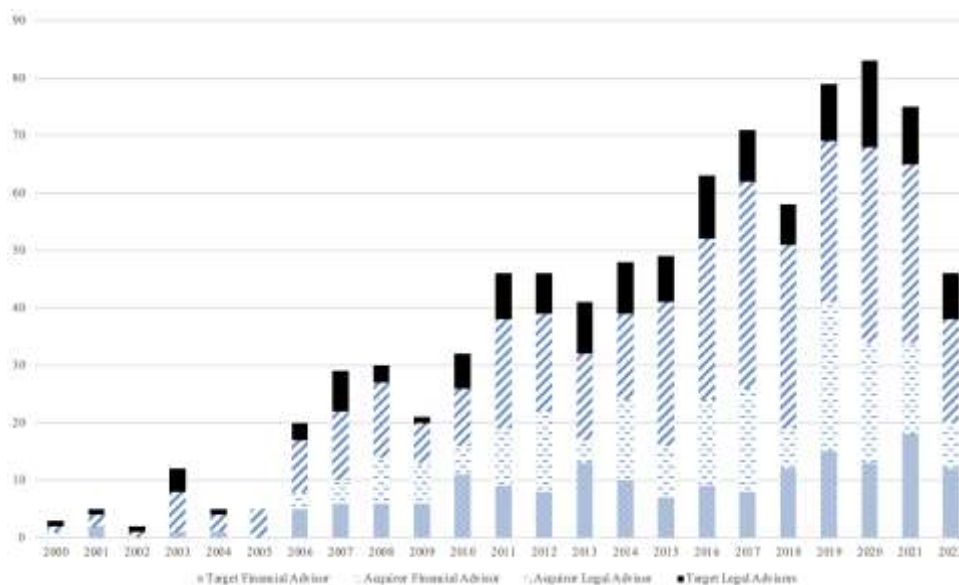


Figure 6: Proportion of deals by types of advisors in Vietnam from 2000 to 2022 | Source: Thomson Reuters

Figure 6 shows that, in terms of the type of consultant hired during this period, it can be seen that legal advice is used more than financial advice. The buyer hires more external legal advisor than the seller due to the nature of the transaction, the risk will be more on the buyer's side. Therefore, to be careful, the buyer must protect himself by the constraints in the contract. Therefore, the legal aspect that needs to be consulted is more than understandable. In addition, Vietnam is an emerging market, the legal regulations are not really consistent and clear, but there are overlaps or many limitations that make it difficult for parties to complete M&A transactions. M&A regulations are scattered in many laws and are frequently amended and supplemented, leading to if the parties do not understand the legal changes that may affect their interests.

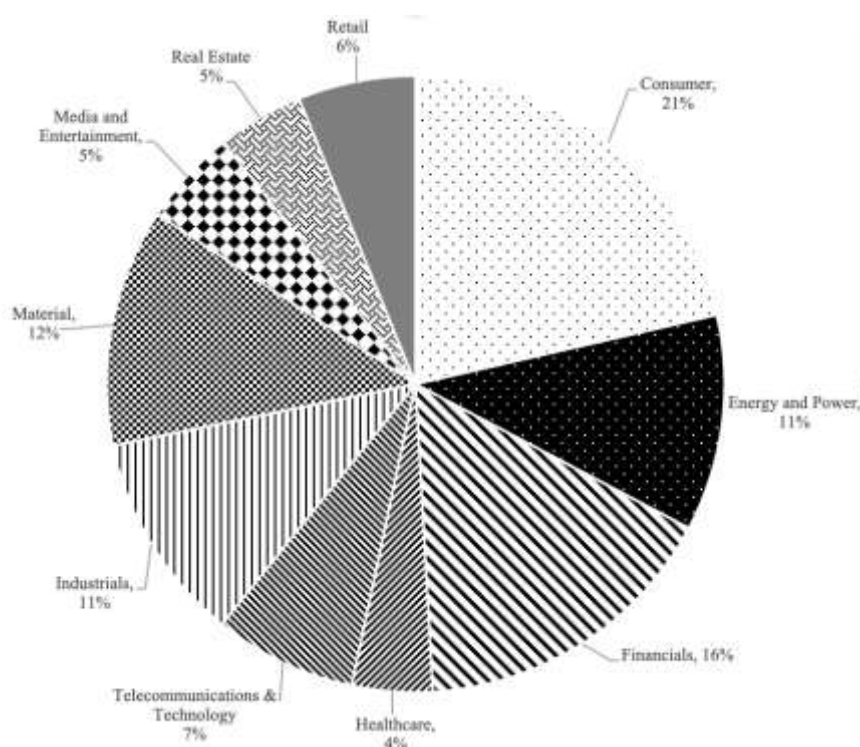


Figure 7: Proportion of target hired advisor by industry in Vietnam 2000 – 2022 | Source: Thomson Reuters

In 2000, the Vietnamese stock market started operating opened potential opportunities for further strong development of local joint stock companies. When shares of companies are easily traded on stock exchanges, information becomes more and more transparent due to requirements on information disclosure, M&A activities have good development conditions, leading to increasing demand of consultant to assist the parties to complete the M&A deal. Vietnamese businesses when performing M&A

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have the need to receive assistance in many stages, mainly focusing on legal advice and financial advice, in which legal advice accounts for a much larger number.

Out of 624 deals using consultancy, there are 378 cases where the buyer hires legal advisor and 139 deals with the seller uses this type of consulting, accounting for 60.57% and 22.27% respectively. Overall, there were 517 hires of outside legal advice from companies specializing in providing M&A consulting services from 2000 to 2022. The top names in the data table include:

Table 1: Ranks of top ten M&A legal advisors in Vietnam 2000 – 2022 by deals number | Source: Thomson Reuters

No.	Legal advisory firms	Buyer's advisor (deal)	Seller's advisor (deal)
1	Baker & McKenzie	51	19
2	Freshfields Bruckhaus Deringer	47	19
3	Allen & Gledhill	35	6
4	Nishimura & Asahi	25	3
5	Lee & Ko	21	6
6	Vietnam International Law Firm	19	2
7	Bae Kim & Lee	15	2
8	Mori Hamada & Matsumoto	14	3
9	Yulchon LLC	12	2
10	Nagashima Ohno & Tsunematsu	10	2

Clearly, Baker & McKenzie, Freshfields Bruckhaus Deringer and Allen & Gledhill outperformed the rest of the table in terms of legal advice in M&A. These are also the first-class legal consulting firms (Tier 1) in the list of The Legal 500 in Vietnam. The list of companies belonging to Tier 2, Tier 3 and Tier 4 is as follows:

- Tier 1: Allen & Overy LLP, Frasers Law Company, Freshfields Bruckhaus Deringer, VILAF and YKVN.
- Tier 2: Allens, Baker McKenzie, DFDL Legal & Tax, Duane Morris Vietnam LLC, Mayer Brown, Rajah & Tann LCT Lawyers, and Tilleke & Gibbins.
- Tier 3: ACSV Legal, Bizlink Lawyers, Hogan Lovells International LLP, Lexcomm Vietnam LLC, LNT & Partners.
- Tier 4: Allen & Gledhill (Vietnam), Dilinh Legal, DIMAC, DL & Partners, DNA Vietnam LLC, KPMG Law in Vietnam, MHM Vietnam City office. Ho Chi Minh City, Nagashima Ohno & Tsunematsu, Nishimura & Asahi and Venture North Law Limited.

Financial advice accounts for a smaller proportion than legal advice, showing the importance of each area in M&A activities in Vietnam, with 174 and 192 deals of hiring financial advisors for sellers and buyers, respectively. The total number of consultants hired by this data is 366, accounting for about 5% of the number of M&A deals in Vietnam during the study period. Compared to the total number of deals that hired advisors, the percentage of deals have at least one financial advisor is only about 30% in the period 2000 - 2022.

Table 2: Ranks of top ten M&A financial advisors in Vietnam 2000 – 2022 by deals number | Source: Thomson Reuters

No.	Financial advisory firm	Buyer's advisor (deal)	Seller's advisor (deal)
1	PricewaterhouseCoopers	18	21
2	Credit Suisse Group	8	21
3	KPMG	11	9
4	Ernst & Young LLP	12	6
5	Morgan Stanley	9	9
6	Deloitte Tohmatsu FA	9	5
7	HSBC Holdings PLC	4	10
8	Viet Capital Securities	4	6
9	Mizuho Securities Co Ltd	7	2
10	Development Bank of Japan Inc	7	1

The top advisors appear in the list of outstanding financial consulting companies for the period 2000 - 2022 including PricewaterhouseCoopers, KPMG, Credit Suisse Group, Ernst & Young LLP...

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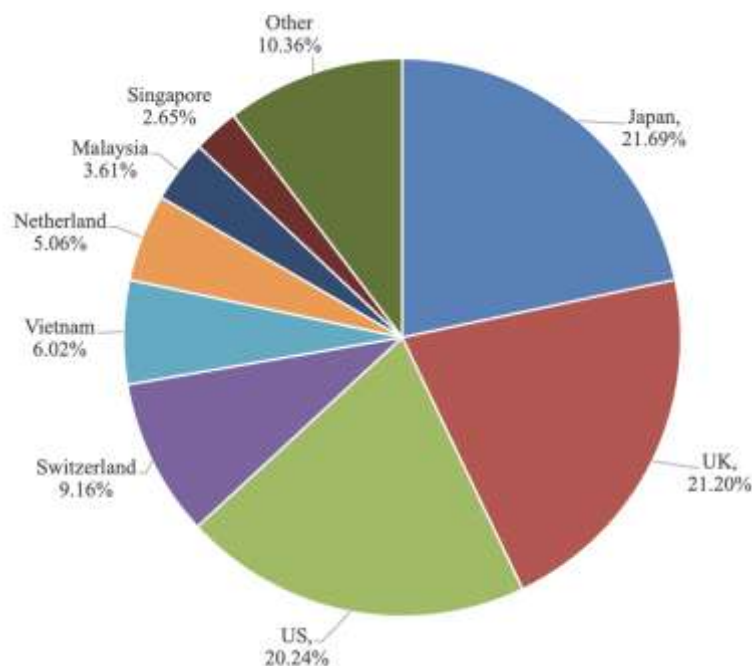


Figure 8: Country share of financial advisory firms in Vietnam M&A transactions from 2000 to 2022 | Source: Thomson Reuters

Graph 8 depicts the origin of financial consulting firms for M&A deals in Vietnam from 2000 to 2022. In which, the most are auditing and financial consulting firms from Japan (21.69%), UK (21.20%), USA (20.24%), Switzerland (9.16%), etc.

It is also important to note that this data does not include transactions that were not disclosed by the consultant at the time of completion of the transaction due to confidentiality commitments in the contract. This is also a feature of M&A to protect the buyer, seller as well as related parties, avoiding the situation of information disclosure that negatively affects the interests of the parties.

Although the number of M&A deals in Vietnam has reached thousands in the past time, the number of deals with M&A consultants still accounts for a small percentage.

M&A deals using consultants in the period 2000 - 2022, foreign advisors account for a very large proportion, 105 foreign financial consulting companies for more than 400 M&A deals in Vietnam. Nearly 93% of the deals are handled by branches of multinational corporations in Vietnam. Foreign advisory companies accumulated more experience, networks and relationships than domestic advisors. It is not difficult to explain why the M&A advisory market in Vietnam has become the main playground for foreign auditing firms and foreign investment banks.

According to Reuters data from 2000 to 2022, there are 5,929 deals without outside consultants, the number of deals in which the buyer or seller hires at least one external consultant (financial or legal) is 624, ie. about 10%. The participation rate of outside consultants in deals is also not high, the highest in 2021 is just over 40% of the number of deals.

It is also important to note that this figure does not include consulting-party transactions that were not disclosed at the time of completion due to contractual confidentiality commitments. This is also a feature of M&A to protect the buyer, seller as well as related parties, avoiding the situation of information disclosure that negatively affects the interests of the parties.

Local advisors are in transition-period

In M&A deals using consultants in the period 2000 - 2022, foreign advisors account for a very large proportion. The list includes more than 130 financial consulting companies, for more than 400 deals in Vietnam, only 25 deals with financial advisors are securities companies or specialized M&A consulting firms from Vietnam. The equivalent accounts for just over 6% of total deals. The rest, nearly 94% of deals are handled by multinational corporations with branches in Vietnam.

The domestic consulting market share still largely belongs to multinational consulting firms, including large auditing firms such as Big4, investment banks or law firms.

Boutique advisory firms have not developed yet.

In addition to companies where M&A advisory services are part of investment banking services, there are now specialized and independent M&A consulting firms in Vietnam. Although the number and scale of assets are limited, these companies are gradually asserting their position on the map of providing M&A consulting services in our country. ASART is a standout unit in this group. The company was just established in 2017 but already has a reputable customer base with a total consulting deal value of more than 4.5 billion USD for 250 companies from more than 15 countries in more than 10 industries and fields.

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Together .The current consulting firm model usually includes main models such as investment banks, multinational consulting companies (Big 4), securities companies and specialized M&A consulting companies (boutique advisory). firms). Each model has unique strengths and weaknesses. However, independent consulting firms are proving to be more attractive to customers than traditional firms, thanks to the outstanding value they bring (Anh Hoa, 2021). However, currently in Vietnam, the model of an independent and specialized consulting company is still quite rare. Most of the companies providing M&A consulting services in Vietnam are companies where M&A services are not core. This means that the revenue of this service only accounts for a significant part of the revenue structure of auditing firms, law firms or securities companies.

Only a small percentage of personnel in the huge apparatus of large consulting groups have specialized functions on M&A. Along with that, the veteran investment banks with undeniable strengths such as long history, name ... always have limitations. The cumbersome apparatus, potential risks of conflict of interests, time and qualifications of non-specialist personnel, lack of flexibility and confidentiality of the deal... are the main minus points of large companies and banks. A versatile investment leader when advising on M&A deals. Meanwhile, independent consultants overcome the above limitations. A refined group of network experts allows them to assure clients of the right talent for the deal, while ensuring a high level of engagement and lead time. Optimal performance, cost-effective, with added benefits from this way of doing things. “The independent M&A consulting model with the advantage of absolute specialization will be an important value puzzle to help Vietnamese businesses confidently welcome the wave of modern investment” (Anh Hoa, 2021).

V. CONCLUSIONS

Information asymmetry can be an appropriate explanation for the development of M&A consulting services in Vietnam over the past time. However, legal limitations, experience as well as inherent limitations from the nascent M&A market also cause M&A consulting firms in Vietnam, especially domestic ones, to specialize in this field. For more than 20 year of development, foreign advisors still play a significant role in Vietnam M&A advisory market, Local advisors are in transition phase, and local boutique advisory firms have not developed yet. These features show that there is a huge potential for M&A advisory activities in Vietnam. This situation may be caused by following causalities:

One is the information asymmetry in the market. There are three types of efficient market theory: (1) weak form efficient market, (2) medium form efficient market, and (3) strong form efficient market (Fama, 1970).). The weak form efficient market hypothesis assumes that stock prices already reflect all past information and therefore react only to newly published or inside information. Medium-form efficient markets assume that even newly published information has no effect on prices, but only inside information changes prices. Meanwhile, the strong form efficient market hypothesis assumes that stock prices already reflect all relevant information, including insider information. The efficient market hypothesis is still a controversial topic, especially in Vietnam. Currently, there is no evidence that the Vietnamese market is an efficient market, even if it is a weak-form efficient market as defined by Fama (1970). Even, Guidi and Gupta (2013) also prove that the Vietnamese stock market is not an efficient market. In Southeast Asia (ASEAN) only Thailand and Singapore satisfy the weak form efficient market test (Guidi & Gupta, 2013). The evidence of market inefficiency parallels the possibility of a substantial arbitrage in the M&A market in Vietnam, although the actual arbitrage in M&A transactions is less well known (Hai H.H. , 2018).

Second, potential legal risks. The legal environment in Vietnam is also a barrier for companies to conduct M&A, including small-scale deals or projects to transfer ownership of real estate projects. Legal risks in M&A are recognized as a painful issue in the investment community, stemming in large part from overlapping legal documents or many inconsistent points. Sellers often tend to overstate business value when conducting sales valuation or hide potential liabilities under the company's responsibility. Meanwhile, the businesses involved in the deal did not really grasp the legal terms in the contract negotiation, causing post-M&A disputes (BVSC, 2022).

Legal disputes between economic entities are usually resolved under the Civil Code and through courts or commercial arbitration. However, the sanctions for handling court decisions are still relatively weak and the winning party often takes a relatively long time to be able to be adequately compensated for the damage that has already occurred. This leads to a huge demand for legal advice in M&A deals.

In the context of the Vietnamese market, the role of legal counsel in M&A deals is most evident in the following stages: i) legal due diligence and corporate value; ii) negotiate and sign M&A contracts and iii) carry out legal procedures at competent State agencies.

Last but not least, the primitive nature of the M&A market in Vietnam. During the period of more than 20 years of development from the late 1990s to the present, the Vietnam M&A market, although it has witnessed many breakthroughs and developed significantly compared to its inception, what has been achieved is still a modest amount in terms of total value as well as number of deals.

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This area is still in a small state, lacking in connection and synchronization. But those weaknesses undeniably have great potential for the development of this type of service in the future.

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